TRAX CRUISER

1. Introduction

This project is for a taxi using Jeep Cruiser TD-2650 F (11 EG) Model.

2. Market potential

The plying of Jeep Taxi is a big business in Rural and urban areas and metros. There are times when taxis are not available in these big centres. The position is still worse in smaller towns and villages. In the rural areas, it is a rare scene to find a taxi plying from one village to another. If at all seen, the capacity is extremely over-loaded. There is an immense opportunity for plying of taxis from one point to another be it a city or a village.

3. Technical details

Jeep Taxi are available in different type. The prices vary from State to State.

(a) Specifications

Engine Type	:	4 Cylinder 4 Stroke
Fuel	:	Diesel
Capacity	:	2596 cc
No. of Gears	:	5 forward, 1 reverse
Drive	:	Rear
Suspension	:	Solid Tarsion bars with Hydraulic telescopic Double acting shock absorbers
Doors	:	5
Seating Capacity	:	13 + Driver
Fuel Capacity	:	63 Litres

(b) Details of vehicle

S. No.	Item	Qty.	Rate (Rs.)	Value (Rs.)
1.	Trax Cruiser (Including ST, Regtn. Charges, No. plate etc.)	1	5,06,400	5,06,400.00
			TOTAL	**5,06,400.00**

5. Cost of project

S. No.	Particulars	Total cost (in Rs.)
1.	Vehicle Cost	5,06,000.00
2.	Preliminary & Preoperative Expenses	1,000.00
3.	Contingencies including cost escalation	1,000.00
4.	Margin on Working Capital	3,000.00
	TOTAL	**5,11,000.00**

6. Means of finance

S. No.	Particulars	Total cost (in Rs.)	%age
1.	Promoter's Contribution	25,000.00	4.89
2.	NSTFDC – Term Loan	4,35,000.00	85.13

3.	M.M.L. - SCA	51,000.00	9.98
	TOTAL	**5,11,000.00**	**100.00**

Note: The State Channelising Agencies shall arrange to provide subsidy to beneficiary(ies) as per norms of their Corporation. Further, SCAs may also make efforts to avail incentive/subsidy from other centrally sponsored schemes.

7. Salary & wages

S. No.	Category	No.	Salary/Person Month	Total cost (in Rs.)
1.	Driver/Self	1	4,000.00	4,000.00
2.	Helper	1	2,000.00	2,000.00
	TOTAL			**6,000.00**

8. Fuel (Per annum)

S. No.	Particulars	Total cost (in Rs.)
1.	17 Ltr per day (300 day x 36)	1,83,600.00
	TOTAL	**1,83,600.00**

9. Working capital requirement

S. No.	Items	Period	Amount (in Rs.)
1.	Spares Parts	1 month	1,000.00
2.	Receivables/Debtors	5 days	8,000.00
3.	Other Current Assets	-	1,000.00
	TOTAL		**10,000.00**

10. Project economics (Annual)

S. No.	Items	Amount (in Rs.)
A.	**Income Generation :** 200 km/day x Rs.9/-/km/300 days	5,40,000.00
B.	**Cost of Production**	
(i)	Fuel	1,83,600.00
(ii)	Salaries & Wages	72,000.00
(iii)	Insurance	15,000.00
(iv)	Repair & Maintenance others	15,000.00
(v)	Interest	29,200.00
	TOTAL	**3,14,800.00**
C.	**Cash Profit (A-C)**	**2,25,200.00**
D.	**Depreciation @ 15% of Fixed Assets Cost**	**76,000.00**
E.	**Profit Before Tax (D-E)**	**1,49,200.00**
F.	**Taxes**	**10,000.00**
G.	**Profit after Tax**	**1,39,200.00**

12. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	97,200.00

2.	Return on Investment	27.24%
3.	Debt Service Coverage Ratio	1.93%

Notes :

- Wherever available, tax benefits on use of Jeep as taxi granted by State Governments should be availed.

- Profitability over the years should improve with lower interest charges (after repayment) and higher per kilometer rates.

- Vehicle has to be run by Owner and the Owner should be familiar with elementary repairs.

13. Interest, moratorium & repayment period for beneficiaries

(a) Interest : 6% p.a. on NSTFDC term loan

(b) Moratorium period : 3 months from date of release of funds by SCA.

(c) Repayment period : 5 years for beneficiaries excluding moratorium period.

13. General remarks

- The cost of Jeep has been taken on the basis of items manufactured by Standard/reputed suppliers having sound service network. The suppliers should be preferably based in local areas.

- Optimum working capital cycle has been taken for calculating the requirements.

- The cost of project will vary in different States & Regions.

- It is assumed that the services have good demand, and the promoters have sound experience in the relevant fields.