





# Retail Outlet Dealerships of KISSAN ENERGY INDIA PVT LTD

**Kissan Oil Company** was established in 1973 as proprietary company with objectives of conducting business in marketing and distribution of refined petroleum products.

Since inception in 1973, Fuel Trading has proved to be one of the most capable fuel distributors in the area, serving all fields of trade including Transport business. We are authorised distributor for Indian nation Oil companies and Private Company.

We produce non-polluting biodiesel through an eco-friendly process and make a direct contribution to help make India greener and cleaner. Indian Government is actively promoting biodiesel programme to meet the increasing energy needs of the country and to provide Energy Security...

To support this initiative Kissan Energy working tirelessly to reach everywhere in India to start biodiesel Fuel Stations. Towards the end, KEIPL is inviting interested parties, who are financially sound and have demonstrated success in setting up and running business ventures, preferably in related sector.

#### WE ARE ONE POINT SOLUTION

At Kissan group we meet day todays fuel needs, manufacturing, transportation, service support and to Retail outlets with brands that help people to get quick solution at one place.

# UNIQUE FEATURES OF KEIPL RETAIL OUTLET

KEIPL Retail outlets are designed for low cost model with terms of harnessing seamless technology to be offer quality & quantity, superior customer experience and ambience.

#### **FACILITIES**

KEIPL outlets will have all the facilities necessary to offer fuels like Biodiesel, Ecodiesel, Ecopremium and CNG/LPG (if available and depending on viability), and services including convenience stores/cafes, clean and hyegenic toilets, restrooms/dhabas and parking space for trucks on highways. Customers will be offered automated loyalty programs, digital payment options through mobile app-based prepayment facilities and on-premises digital payment options. KEIPL outlets will have fully automated features, where sales and stock details can be monitored remotely.

# A. Dealership Criteria

## Dealership model

KEIPL views its dealerships as business partnerships, where we can work together for better future. KEIPL will adopt the Dealer Owned, Dealer Operated (DODO) model wherein the dealer arranges and develops the land, outlet infrastructure and equipment with KEIPL as per details listed under Investments.

#### Locations

For logistical reasons, KEIPL will adopt a geographic cluster approach. To begin with, KEIPL is considering setting up Retail Outlet in northern part of India

- a) Highways, both NH and SH
- b) Tier 2 and Tier 3 towns and
- c) certain metro cites/state

Proposed sites must have the desired sales potential and suitability as established by KEIPL through site inspection. For highways, a plot of land measuring a minimum of  $45 \times 45$  mtr will be considered, while in cities and towns a minimum of  $25 \times 25$  mtr will be acceptable.

## Eligibility

Applications are acceptable from individual entrepreneurs and partnership firms. For applications made in individual capacity or as partnerships, the age of the proprietor or majority share holders in the case of partnerships, must not be less than 18 years or older than 60 years. Further, education qualification of such applicants must not be less that matriculate.

In determining eligibility, KEIPL uses an evaluation scorecard which also takes into consideration, various other aspects like financial capability, experience in similar lines of businesses, tech savvyness etc. These are established based on personal interviews and submitted documents.

## **B. Financial Considerations**

#### Investment

In setting up and operationalizing the outlets, indicative details of investment on the part of the dealer are summarized as under:

| SI. | Item of Investment   | Estimated Amount (Lac Rs)          |  |                                     |
|-----|--|------------------------------------|--|-------------------------------------|
|     |  | Highway<br>Outlets<br>(45 x 45mtr) | Tier 2/3 town<br>Outlets<br>(35 x 35mtr) | Metro City<br>outlets<br>(25x25mtr) |
| а   | Dealership Fees  | 2.5                                | 2.5                                      | 2.5                                 |
| b   | Infrastructure and Equipment: Boundary Wall, Land development and WBM, Sales Building, canopy, generator, air compressor, office equipment, water cooler, etc. | 54.00                              | 44.00                                    | 49.00                               |
| С   | Investment for Equipment (2 dispenser, 2 tank, 1 totem and automation)*  | 20.50                              | 20.50                                    | 20.50                               |
|     | TOTAL  | 77.00                              | 67.00                                    | 72.00                               |

#### \*Note:

- 1. Investment for equipment should be paid to KEIPL, as all related equipment will be provided by KEIPL only.
- 2. Apart from the above investments, there are costs in involved in Conversion of Land use (CLU), which varies from State to State, NHAI approval fees (for location on NH), working capital and other incidental expenses.

## C. Financial Justification

## Commission

KEIPL will pay dealers commission on product sales in line with what is paid by other biodiesel marketing companies. Selling prices to customers is also expected to be competitive with that of the other biodiesel marketing companies.

# D. Implementation Steps

## Step 1

Dealership applicant fills up Dealership Application Form giving applicant as well as location/site details.

## Step 2

In case information as per Application Form meets basic eligibility criteria, KEIPL Committee interviews candidate at KEIPL office. If interview outcome is positive, KEIPL Committee visits site.

## Step 3

In case interview outcome, as well as site visit is positive, KEIPL issues Letter of Intent (LOI) in favor of applicant. The LOI lays down the conditions, i.e. carrying out land conversion, following up for NOC from the District Authorities, NHAI permission (if on NH) and arranging the necessary finances, that the applicant must comply with within a given timeframe.

#### Step 4

Applicant issues non refundable Dealership Fees of Rs. 2.5 lacs + applicable taxes and accepts LOI and its condition.

#### Step 5

KEIPL prepares layout drawings of the outlet and applies for and obtains construction approval from the Petroleum and Explosives Safety Organization (PESO). Upon receipt of land conversion certificate, KEIPL applies to District Authorities for NOC.

# Step 6

LOI holder and KEIPL follow up for the NOC from District Authorities.

# Step 7

On receipt of the NOC, KEIPL concludes lease/sublease agreement with the LOI holder/landowner.

#### Step 8

LOI holder pays the investment on equipment amount (INR 20.5 Lacs) to KEIPL and commences land development and construction activities as per approved layout drawing and according to KEIPL specifications. KEIPL commences its part of the equipment installation work.

### Step 9

KEIPL issues Letter of Appointment (LOA) to LOI holder after ascertaining that all LOI conditions, including arrangement of required funds, have been complied with and signs Dealership Agreement.

#### Steps 10

Dealer obtains trade license, BIODIDESEL selling license and any other mandatory licenses and permits.

#### Step 11

Dealer submits advance payment to KEIPL, arranges and places tanker at the KEIPL supply point and obtain its first supply of biodiesel/Ecodiesel/Ecopremium.

## Step 12

Dealer commences sales.

#### KISSAN ENERGY INDIA PVT LTD

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#### BANK DETAILS

Bank A/C No: 50200047207328 Bank: HDFC Bank Ltd IFSC Code: HDFC0004050

Branch: Ocus Ouantam, Sector -51, Gurgaon