



TABLE OF CONTENTS

TITLE PAGE	i
STATEMENT OF APPROVAL.....	ii
STATEMENT OF ORIGINALITY	iv
FOREWORD.....	v
LIST OF TABLES	ix
LIST OF PICTURES.....	xii
ABSTRACT	xiii
CHAPTER I INTRODUCTION.....	1
1.1 Background	1
1.2 Research Problems.....	6
1.3 Research Questions	7
1.4 Research Purpose	7
1.5 Research Benefits.....	7
1.6 Research Scope	7
1.7 Research System	8
CHAPTER II THEORETICAL BASIS.....	11
2.1 Payment Terms.....	11
2.1.1 Payment Period	11
2.1.2 Method of Payment	12
2.1.3 Payment Schedule	12
2.1.4 Controlling	13
2.2 Return on Investment	14
2.3 Net Present Value (NPV)	15
2.3.1 Definition	15
2.3.2 History of NPV	16
2.3.3 Development of NPV Formula	17



2.3.4	Practical Applications of NPV	20
2.3.5	NPV in Contemporary Practices	21
2.4	Profitability Index	22
2.5	Internal Rate of Return.....	24
2.6	Payback Period.....	25
2.6.1	Discounted Payback Period.....	26
2.7	Previous Research Studies	26
2.8	Research Framework.....	28
CHAPTER III RESEARCH METHOD	29	
3.1	Research Design.....	29
3.2	Data Collection Method	30
3.3	Research Instrument.....	31
3.4	Data Analysis Method.....	32
3.5	Case Profile	34
3.5.1	Company Profile	34
3.5.2	Sinarmas Profile	36
3.5.3	Private Venture.....	38
3.5.4	Organizational Structure	39
3.5.5	Main Issue in the Case	40
CHAPTER IV DATA ANALYSIS AND DISCUSSION	43	
4.1	Data Description.....	43
4.1.1	Observation Data.....	45
4.2	Analysis.....	46
4.2.1	Initial Spendings/Investment.....	47
4.2.2	Monthly Expenses	48
4.2.3	Projected Revenue.....	48
4.2.4	Fuel Consumption	53
4.2.5	Projected Earnings	58
4.2.5.1	Non-financing	58
4.2.5.2	Financing	62
4.2.5.3	Financing Year 1 Only	66



4.2.5.4	Private Venture	71
4.2.6	Return on Investment (ROI)	74
4.2.6.1	Non-financing	75
4.2.6.2	Financing	77
4.2.6.3	Financing Year 1	80
4.2.6.4	Private Venture	83
4.2.7	Profitability Index (PI)	86
4.2.7.1	Non-financing	91
4.2.7.2	Financing	93
4.2.7.3	Financing Year 1	96
4.2.7.4	Private Venture	98
4.2.8	Net Present Value (NPV)	100
4.2.8.1	Non-financing	101
4.2.8.2	Financing	103
4.2.8.3	Financing Year 1	106
4.2.8.4	Private Venture	109
4.2.9	Internal Rate of Return and Payback Period	111
4.2.9.1	Non-financing	112
4.2.9.2	Financing	118
4.2.9.3	Financing Year 1	124
4.2.9.4	Private Venture	130
4.3	Discussion	137
CHAPTER V CONCLUSION AND ADVICE	141
5.1	Conclusion	141
5.2	Implication	141
5.3	Limitations	142
5.4	Advice	142
BIBLIOGRAPHY	144
APPENDIX	147