

# Pre-Feasibility Study

## CATERING & DECORATING SERVICES



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## 1 PROJECT PROFILE

### 1.1 Purpose of the Document

This document is developed to provide the entrepreneur with potential investment opportunity in setting up and operating a medium sized catering and decorating service offering standard food menus to the general public. The document is designed to provide relevant details (including technical) to facilitate the entrepreneur in making the decision by providing various technological as well as business alternatives. It is aimed at providing the entrepreneur with general advice and pointers to help in setting up a new catering and decoration business. Some information is also presented for existing catering businesses that wish to expand and grow their operations further. The document also allows flexibility to change various project parameters to suit the needs of the entrepreneur.

### 1.2 Project Brief

A caterer serves food with wait staff at dining tables or sets up a self-serve buffet. The food may be prepared on site or shipped in but often some combination is deployed depending on the menu and facilities at the site. The caterer staff is responsible not only for preparing the food but also setting up the dining area and waiting tables and where required setting up the stage and décor depending on the client requirements. For the proposed project food preparation (production) is assumed to be outsourced to the food producers and the business will cater the needs of serving and decoration. This service is typically provided at banquets, conventions, and weddings. Any event where all the attendees are provided with food and drinks or sometimes only hors d'oeuvres is often called a catered event.

A catering company or specialist is expected to know not just food preparation, but how to make it attractive. For example a wedding requires working with the entire theme or color scheme of the wedding including stage setup, background props, entrance, reception, seating arrangement etc.

Much catering is sold on a per-person basis, where adding additional people is a flat price per person. Keeping the cost of the food and supplies below this (flat rate) is required to make a profit on the catering. However caterers have the option to offer fixed menus or flexible ones depending on the variety of food they can offer and the related costs that they can bear.

### 1.3 Opportunity Rationale

The overall food market is a growing industry in Pakistan relying heavily on the trend to outsource food items at big events that can be one-time occasions or subletting internal canteens to external caterers as a part of the management decision. In Pakistan the catering



business has picked up and wedding hall bookings are on the rise after the permission for one wedding meal. Caterers and poultry traders are relieved by the permission, after a long period of waning business. According to the Daily Times<sup>1</sup> survey, wedding halls claimed the permission of one-dish meals as the major reason behind increased bookings and hence rising catering opportunities. It is estimated that the increase in catering demand increases by approximately 15% per annum.

Wedding meals had involved a number of businesses and the ban had troubled not just wedding halls but also caterers, the poultry industry and even cooks and waiters. But now there has been a relief on the industry subsequent to the lifting of the ban by the government.

According to some banquet hall managers the rates have also increased slightly due to the increase in prices allowing for catering on special occasions like Eid, Ramazan and other festivities.

#### 1.4 The Catering & Decoration Industry

The catering industry in Pakistan is characterized by three main market segments that include professional caterers like Hanif Rajput, Larosh, etc. The second segment contains hotels and restaurants that provide catering as ancillary services which is inturn divided into two sub segments led by local restaurants namely Pakistani chains like Lasania, Usmania, Jahangir, Tabaq etc. and the second category being international chain of hotels like Mariott Caterers, Pearl Continental Caterers etc. The third segment which is largely dispersed and is the most populated contains small catering outlets that provide food in bulk catering to the majority of the Pakistani Population. These catering outlets are either small scale hotels or specialized Pakwan houses that are famous for their specialized food. Shahsons in Karachi are specialized caterers focusing on schools, colleges and universities having created a niche for themselves.

Demand for off-site catering has grown significantly among large restaurant chains and specialized catering outfits, particularly from corporate users. Catering companies including Hanif Rajput, La Rosh & Shahsons have seen bottom-line contributions from the catering industry boom. The growth is due primarily to increased demand among business clients for limited-service deliveries

“Corporate delivery” -- in which the caterer transports freshly prepared food to office buildings or other venues -- makes up a significant portion of the catering service. For some, corporate delivery includes dropping off and setting up hot barbecue ribs, chicken,

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<sup>1</sup> Daily Times; Monday, September 04, 2006



sandwiches and side dishes, along with paper and plastic dining ware. All the client has to do is lift the lids reflecting on the level of convenience offered to corporate customers.

#### 1.4.1 Understanding the Catering & Decoration Demand

The demand for catering is largely dependent on the seasons that succeed each other over a year; for example wedding functions tend to proliferate between Edid ul Fitir and Eid ul Azha. Banquets follow the same trend while June-July and November-December mark the occasions of corporate dinners, alumni reunions, student farewells, graduation ceremonies etc. Similarly, some demand is also tied in with seasons like autumn and spring where picnics, hiking, tourism and traveling is expected to increase. For example during these two seasons, visits at Karachi beach are at a maximum wherein colleges, companies and general public tend to hire caterers for days-long stay at the beach. Religious occasions like eid and ashura and social occasions like basant also contribute to the increasing demand for catering.

Apart from the cyclical demand there are continuous demands for catering and decorating services at various community halls, convention centers, public places, parks wherein political rallies, birthday parties and regular community gatherings provide a continuous stream of revenue for the catering industry.

#### 1.4.2 Focusing on Consumer Preferences

In the wake of increasing competition catering outfits have started to provide packaged solutions for their customers which are marked by offering a flexible menu to the arrangement of premises for the client within the specified budget. This relieves the customer from time and effort hassles required in the arrangement of catering, decorating and site bookings. Thus caterers have started to provide a one-window operation for their customers and have shifted towards 'event-management' rather than just catering and decorating.

#### 1.4.3 Increasing Market for Catering – The Population Boom

Pakistan, currently ranked as 6<sup>th</sup> in terms of total population, is characterized by a high population growth rate of 1.9% (Pakistan Economic Survey 2005) and is set to take the top three positions in terms of total population with already 153.4 Million people registered in 2005.<sup>2</sup> With this, the per capita income has increased to US\$ 736 while the productive age group (15 to 64) years is said to take the major chunk of population (67% of total population) by 2020.<sup>3</sup>

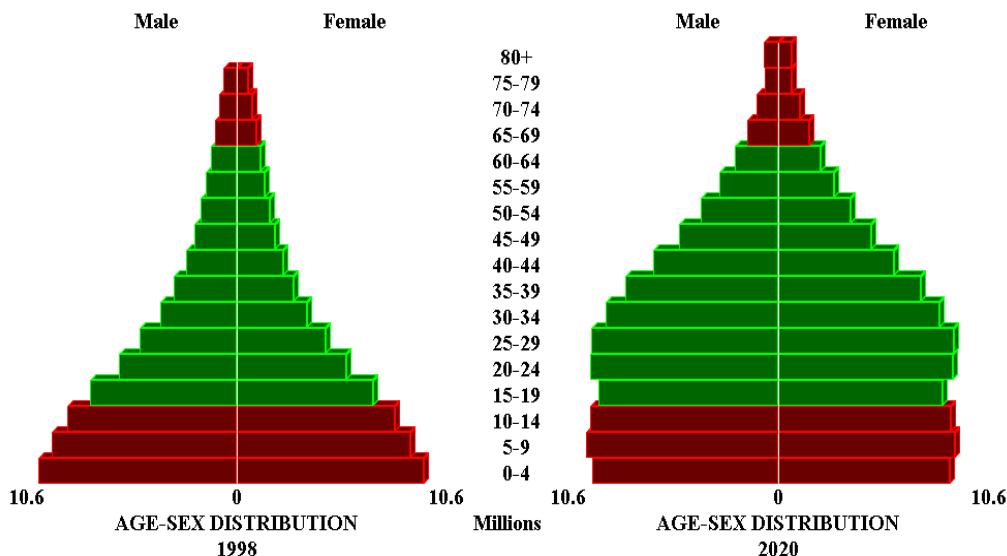
<sup>2</sup> 2005 World Population Data Sheet, Population Reference Bureau, Washington; 2005

<sup>3</sup> Population Projections 1998-2023, Planning Commission; NIPS



The growth rate in food consumption is also augmented by the rapid increase in the employment rate for males / female population aging between 20 to 29 years (fast food consumers) hence the greater income contribution to the overall income generated is expected to be higher.

Population Pyramid 1998 & 2020\*



\*Population Census Organization; Population Projections 1998-2023, Planning Commission; NIPS

With the population pyramid reflecting a significant growth in the 20 – 29 age brackets over the next 15 years, there is an expected increase of wedding ceremonies that form a substantial part of catering business.

#### 1.4.4 *The Future of the Industry*

The Pakistani economy is becoming increasingly service-oriented, and over the past several decades, the foodservice industries that offer the highest levels of quality and convenience have been rewarded with strong sales growth. In the face of rising population, incomes and increasingly hectic work schedules, a nearly insatiable demand for convenience will continue to cater sales. Catering outfits will strive to find ways to make their services even more accessible.

No matter what happens to the income there is a minute chance of consumers returning to prepared meals for big events at their homes or on their premises. The focus is shifting towards outsourcing ancillary services and this is where the catering business fits in.



## 1.5 Key Success Factors / Practical Tips for Success

Everyone can prepare food whether at home or buy it from a specialized vendor. What separates a catering & decorating service provider from others is the ability to offer flexible, attractive and good quality service. Thus the objective for a caterer is not to provide good quality food but also to make the event a 'success' for the customers. Easier said than done, the success concept requires certain principles that can help a catering business to improve its chance of succeeding.

### i) Forward Thinking

Forward thinking catering businesses from fine dining restaurants to delicatessens are incorporating decoration services into their operations in recognition of the expanding market for event management services. Off-premise catering and take-out services offer an excellent avenue for increasing revenue with minimal costs. Thus the caterer should always be on the look out for meeting the customer's demand rather than finding customers who meet the caterer's service criteria. Let the customer decide your service portfolio.

### ii) Work Experience

Prior experience in the catering profession or the food service industry is important. Experience in food preparation and food service helps caterers understand the procedures and problems in both areas and how the two areas interface. Those with a strong kitchen background, for example, would be wise to gain some food service, and food service personnel should learn the kitchen routine. Many successful caterers begin by working as accommodators. Accommodators are private chefs who are hired to prepare food for parties. Many assist the client with planning the menu, purchasing the food, and even arranging for kitchen and service staff. The food is prepared and served in the client's home or facility, eliminating the need for a catering commissary. Accommodators receive a fee for their services. The party staff is paid directly by the client.

### iii) Entrepreneurial Nature

The desire to be an entrepreneur is a trait that is highly desirable for caterers. An entrepreneur must be willing to spend extraordinary amounts of time and energy to make the catering business successful, possess an inherent sense of what is right for the business, have the ability to view all aspects of the business at once rather than focusing only on one or two parts, and demonstrate a strong, incessant desire to be his own boss and become financially independent.



**iv) Basic Business Knowledge**

Accounting and bookkeeping skills are necessary to understand the financial aspects of operating a catering business. The ability to manage cash flows, pre-payments and collect receivables is a must which doesn't come in without experience. It will be beneficial to use a computer for e-mail, have a simple website, and using specialized programs for everything from budgeting to cash management. It is also important to understand the legal aspects of catering. Laws that affect caterers include regulation of licensing, contracts, liability, labor etc. A caterer, like any other businessperson, must have some human resource skills. Knowing how to recruit, train, motivate, and manage personnel is critical.

Listening is the key to good communication with clients and prospective clients. Off-premise caterers must listen carefully and attentively to determine what the client needs are. A client who calls and asks, "Are you able to cater a party next Friday?" should be dealt with differently from one who calls and asks, "How much will it cost for a wedding reception?" The first caller is ready to buy your services, whereas the second caller is shopping. Astute caterers must be able to respond to client requests in such a manner that the client will immediately gain confidence in the caterer. Communicating with staff is a complex issue. In simple terms, it can be reduced to the ability to tell staff what is expected so that they understand, and the ability to receive their feedback regarding problems, both actual and potential. The result of effective communication is an off-premise catering staff that professionally executes a well-planned party that meets or exceeds the client's expectations.

**v) Marketing**

The main point to remember is that the catering business requires the owner to go out and find customers because no one will come to a new business when already established catering services are on the lookout for business. Catering businesses offering a standard menu that is probably the same usually obtain business through customer-referral networks and contacts. Thus it is critical to put a word or two wherever there is potential and regularly follow it up.

**vi) Location**

Similar to the restaurant setup, location also effects the catering business. In case the catering office is located on a main road with a high traffic there might be a better chance to serve walk-in customers but the higher cost of rent and overhead could make competition more intense. Similarly an off-the-road catering outlet with low traffic would mean less business thus the entrepreneur would need to go out for



marketing. The location will largely depend on your target customers meaning that if you plan to service corporate customers you would need to establish an office for example near I.I. Chundrigar Road and in case you plan to go for marriages etc. locating your office near marriage halls in Nazimabad would be a good option. Similarly if you plan to target middle income segments where volume of business is concerned you would probably locate yourself near Gulistan-e-Jauhar where flats account for a hefty population of the city and there is bound to be catering business every day.

#### **vii) Quality Offering**

Since catering businesses offer a standard menu, the edge over competition mainly comes from quality of food and service. In case of any lack of quality in either of the two, it would result in low customer satisfaction and hence lower business generation. But good quality catering without proper decorating would tarnish the company's image. The target should be to make the whole event a success for the customer. In case the event does end on a positive note, there is a higher chance of getting another catering contract from the same customer and maybe new referrals.

There is only one chance to get the event right. Many events, such as wedding receptions, occur only once in a lifetime. Other events are scheduled annually, quarterly, or on a regular basis, and the caterer who fails to execute all details of such an event to the satisfaction of the client will seldom have another chance.

#### **viii) Dependability**

Dependability is a major cornerstone of success in catering. When a caterer fails to deliver what was promised, the negative word of mouth travels fast among clients and potential clients. Even in those situations where circumstances change, making it more difficult to perform as promised, the outstanding caterer will find a way to deliver rather than use the changed circumstances as an excuse not to deliver.

#### **ix) Creativity**

This is the benchmark of all outstanding decorators. Creative decorators are able to turn a client's vision into reality by creating the appropriate look, feel, menu, service, and ambiance. Those who are not very creative can learn to be, or they can employ those who are creative.



**x) Ability to Project a Favorable Image**

Prospective clients hire caterers based on their perceived image of the caterer and what the caterer will provide. In some sense, then, caterers are selling themselves more than their food. Caterers must be able to project a favorable image to the client, one that is in accord with the client's expectations. For example, a caterer whose image is sophisticated and upscale will be hard-pressed to sell expensive food items with a low budget. Successful caterers understand their projected images and target their marketing efforts at those clients who desire that image.

**xi) Market Research**

This is probably the most critical factor for running a successful catering and decorating service. You need to visit potential areas, and find out how your business would fit into the neighborhood you are planning to target. Talk to potential customers to know their preferences, some detailed meetings with hall owners would help you determine whether it is feasible to operate in that area or not. It is generally recommended to avoid places where established caterers already exist as they tend to saturate the market by having permanent customers.

**xii) Matching Investments With Target Market**

Since catering business requires a considerable upfront investment in fixed assets, it is necessary that one should have a clear idea of the number and type of customers that would be served. Generally the catering business should meet the needs of all market segments, from the low-budget customer who looks for the greatest quantity and quality for the least amount of money, to the upscale client with an unlimited budget who wants the highest level of service, the ultimate in food quality, and the finest in appointments—crystal stemware, silver-plated flatware, and luxurious linens. Between these two extremes is the mid-scale market segment, which requires more quality than the low-budget sector, but less than the upscale.

**1.6      Proposed Business Legal Status**

Although the legal status of business tends to play an important role in any setup, the proposed catering and decoration business is assumed to operate on a sole proprietorship basis which may extend to partnership in case of addition of new services that might add significant business to the existing setup.



## 2 OPENING A SUCCESSFUL CATERING & DECORATING SERVICE

Catering operations, as either a stand-alone facility or as part of a larger hospitality-related business, exist in a wide variety of formats, or styles. Most common are those that are readily identifiable as private rooms in restaurant operations, ball rooms, marquee rooms, hotel facilities, and independent catering facilities (like marriage halls, parks and open grounds). The increased demand by the Pakistani public for private function space outside of their own homes and businesses has led the catering segment of the Pakistani food service sector of the hospitality industry to be a leader in the continued growth of both facilities and revenue.

### 2.1 Catering Categories

There are many ways in which catering services have been incorporated into food service operational styles, providing operators with techniques and methods for expanding the profit making potential of their businesses. The categories of food service operations offering catering and decorating services fall mainly in the following categories

- Full Service Restaurants
- Hotel food and beverage facilities
- Catering Halls
- Independent Caterers
- Private Clubs
- Contract feeding

“Services” in the context of a food service operation refer to the opportunities management makes available to the customer to purchase food, beverage, entertainment, and ancillary services. Services include:

- Table food services
- Packaged take-out food services
- Beverage services
- Entertainment services
- Business meeting services
- Conference and convention services
- Contract feeding services
- Off-premise food services
- Home-replacement food services



## 2.2 Managing Catering Operation

Even those who possess the qualities that indicate catering success must know how to put these talents to use effectively. Caterers should be hands-on managers who are constantly customer focused. They must be able to lead staff and clients alike, while conducting business in a professional manner. They must be able to make timely, ethical decisions, while understanding what makes for a successful event. They must also avoid those situations that cause a business to fail.

### 2.2.1 Develop a Strategic Plan

Every caterer needs a detailed strategic plan—a roadmap to help determine the direction in which one would wish to go, and the specific goals that need to be accomplished to get there. A strategic plan starts with a statement of core values, which may include things like client satisfaction; ethical business practices; staff satisfaction, training, and motivation; community service; and operating an environmentally conscious business.

### 2.2.2 Detail Management

The challenge is in the details. In decorating, the details are virtually endless, a stream of tiny elements that might go wrong and result in a catastrophe. One thing forgotten, misheard, or misplaced can ruin an event. So it is important to check and recheck and to be prepared for last-minute emergencies. It is simply not possible to run this kind of business from behind a desk, reading out duty register and delegating all tasks. Catering outfits must be managed from the center of the action, whether that is with the guests or preparing foods in the kitchen. It comes from checking and rechecking every detail to ensure that it meets the highest standards. It comes from inspecting for the best and expecting the best. Some call this management style “management by walking around.” In one sense that is true, but there is more to it than walking around. An astute caterer must:

- Obtain feedback from clients and guests regarding the food and service.
- Oversee the catering staff to ensure they are performing as directed and as expected.
- Help out when a table needs to be cleared or when the dining area suddenly becomes very busy.
- Help in the decorating during critical times such as stage changes during rain,

### 2.2.3 Customer Focused Management

A caterer’s full-time mission must be to satisfy the needs of clients. If the caterer is able to satisfy his customers while charging a fair price and controlling costs, profits will automatically follow



#### 2.2.4 Managerial Decision Making

Catering operators must make decisions that keep their operations running smoothly. They realize that some decisions will be better than others, that there is no perfect solution to every problem, and that the best decision-making goal is to find the best possible solution with the least number of drawbacks.

#### 2.2.5 Professionalism and Common Business Courtesy

Caterers who are not professional in their business practices will never reach the pinnacle of success in the field. Before we address the technical aspects of catering in the succeeding chapters, it is of utmost importance that we define professionalism.

#### 2.2.6 Time Management

The key to effective time management is to set goals for every operations that eventually turn into a standard service. This becomes a challenge when one is exposed to catering multiple events at a time with restricted resources. Thus proper management of time not only saves costs but makes all clients happy at the same time. Thus four things need to be considered before embarking upon a catering contract

- The date of the event
- The location of the event
- The number of guests
- The budget for the event

#### 2.2.7 Planning & Organizing

When projects, tasks, catering kitchens, and offices are organized, things run much more smoothly and efficiently. The time spent looking for things and jumping from job to job is wasted time that could be put to much better use. Initially it is advisable to focus on one project at a time, rather than jumping from one thing to another. This can be easily accomplished by blocking out some time during the day to work on major projects and arranging for no interruptions. It is not advisable to obtain business that one cannot handle; thus one always needs to be careful while considering the resources.

#### 2.2.8 Hiring Good Employees

The employees hired by the caterers not only represent the catering service but also the client to the guests. Thus it is necessary to have the right kind of experienced employees that facilitate the client as well as his guests. The serving staff, food and décor is what makes the event a success. Thus choosing employees who will do a good job is not only important to the success of the business, but will also contribute to the image of the catering establishment, provided they are properly trained.



## 2.3 Gauging the Catering Success

There are a number of signs to look for when evaluating an existing catering business. Good caterers rate highly in all of these areas. Those that are average, or even on the brink of failure, will not rate nearly as well.

- The entrepreneur thoroughly plans, organizes, executes, and controls each catered event.
- Proper controls are in place for costs, accounts receivable and payable, and liquid assets such as cash and inventories. Theft prevention is also a priority.
- Food and service quality is well-controlled and meets or exceeds clients' approval.
- Pricing for food and services is fair and competitive with other caterers in the marketplace.
- The catering business enjoys good working relationships with both clients and suppliers.
- Time and attention are given to food safety in storage, preparation, and display.
- There is sufficient working capital to operate the business. The entrepreneur can make loan payments as they become due. Excessive credit is not extended to clients.
- Budgets are prepared and followed. Business records, insurance coverage, and licenses are kept up to date. The information derived from these records is used to provide data to help manage the business
- Sales growth is controlled. There are sufficient financial and personnel resources to operate as business steadily grows
- Market trends are anticipated
- Owner and staff have a good working knowledge of the off-premise catering field
- There are solid, trusting relationships between the entrepreneur and staff.
- Staff members are well trained and feel truly appreciated

## 2.4 Catering Model

The proposed catering model will only offer offsite catering and decorating services to the clients, however, cooking and production will be outsourced and prepared food will be procured from the cooking companies (Pakwan House). The proposed business will fully focus on marketing and decoration services. Once the planning is complete, it is possible to provide clients with written proposals, which include all the aforementioned plans along with pricing. Normally, proposals are modified somewhat. Once modification is complete and all provisions meet with the approval of both caterer and client, a contract is prepared that contains all the conditions outlined in the proposal. As the event date approaches, certain operational elements are addressed, such as:



- Hiring and scheduling staff
- Ordering and serving arrangements for menu items
- Ordering equipment as needed from event rental companies
- Obtaining licenses and permits, if needed, for use of the site etc.
- Coordinating all accessory services with the client and the vendors

All the preplanning elements culminate on the day or night of “The Event.” That’s when staff, equipment, food, and other services arrive at the event site, and the event is executed. After the event, there are certain outcomes, which include:

- Positive and/or negative feedback about the event
- Revenues, expenses, profits, and cash
- Accounting records

The proposed catering and decoration service will not include food preparation at the caterer’s end. In fact the caterer would need to establish a relationship with a Pakwan House for delivery of food.

## 2.5 Project Investment

This section will provide the total cost of the project.

Item	Cost (Rs.)
Decoration Equipment	1,552,910
Cutlery & Culinary	200,000
Vehicle	675,000
Construction	120,000
Front-end office	50,000
Advance Rent	450,000
Working Capital	418,000
Pre Operating Costs	50,000
<b>Total</b>	<b>3,515,910</b>



## 2.6 Proposed Menu

The proposed project is assumed to provide customers with a variety of fast food items as outlined in the following menu:

Standard Menu (Rs. 90 per person per menu) – Minimum 100 Guests				
Menu	Description	Cost Price (Rs.)	Cost as %age of Price	Sales Price (Rs.)
A	Chicken Biryani / Pulao / Chicken Qorma / Karahi / Aachar Gosht / Fresh Mixed Salad, Taftan, Raita, Sweet	45	50%	90
B	Egg Fried Rice, Chicken Vegetable Chilly, Chicken Sweet 'N' Sour, Egg Roll, Seasonal Fresh Salad, Sweet	36	40%	90
C	Chicken Pulao/Biryani, Mutton Kunna, Fresh Mixed Salad, Nan, Taftan, Sweet	45	50%	90
Sweet*	Fruit Truffles, Shahi Kheer, Gajar Ka Halwa, Luki Ka Halwa, Firni, Shahi Tukra, Fruit Custard, Zarda, Suji Halwa, Mutanjan	27	30%	90

\* The client can choose any one of the sweet as per the menu,

Mehndi & Mayun Menu (Minimum 100 Guests)				
Menu	Description	Cost Price (Rs.)	Cost as %age of Price	Sales Price (Rs.)
A	Qeema Chilles, Aloo Bhujia Puri, Kachori, Chollay Chat/Dhai Pulki, Nan, Salad, Chutney, Kheer or Firni	18	25%	70
B	Seekh Kabab, Aloo Bhujia, Dhai Phulki, Nan Puri, Salad, Chutney, Halwa Suji	26	35%	75
C	Seekh Kabab, Chicken Karahi, Aloo Bhujia, Nan, Paratha, Salad, Chutney, Choice of Sweet	34	40%	85
D	Chicken Tikka, Seekh Kabab, Aloo Bhujia & Puri, Nan, Chutney, Salad, Choice of Sweet	55	55%	100
E	Seekh Kabab, Paratha, Salad, Chutney, Suji Halwa	25	35%	70
F	Vegetable Pulao, Chicken Qorma, Seekh Kabab, Nan/Taftan, Salad, Raita, Sweet	50	50%	100

The above menus are standard offerings based on the current market practices. The customer must be allowed to choose a menu for himself in case he finds other combinations suitable to his/her needs. However the price charged per head for the customized menu would be revised depending on the modifications made by the client in the standard menus.



## Additional Items

The following gives the item cost and sales price (per head) for each item that might be added or removed by the client in order to customize the menu.

Description	Cost Price (Rs.)	Cost as %age of Price	Sales Price (Rs.)
<b>Bar B Q</b>			
Chicken Seekh Kabab	28	50%	55
Chicken Boti Kabab	23	50%	45
Chicken Sashlik	17	30%	55
Chicken behari Boti	23	50%	45
Behari Kabab	14	40%	35
Mutton Chops	18	45%	40
Beef Boti	14	45%	30
Seekh/Gola Kabab	9	30%	30
Fish Tikka	21	60%	35
<b>Chicken</b>			
Chicken Steam Rost	23	50%	45
Chicken Bohra Fried	23	50%	45
Chicken Karahi	14	40%	35
Chicken Qorma	14	40%	35
Chicken Stew	23	50%	45
Chicken Egg Rolls	5	35%	15
Chicken Veg. Chillies	11	35%	30
<b>Rice</b>			
Mutton Biryani	11	30%	35
Mutton Masala Biryani	11	30%	35
Mutton Yakhni Pullao	11	30%	35
Mutton Sindhi Biryani	11	30%	35
Chicken Biryani	17	55%	30
Chicken Pulao	11	35%	30
Chicken Fried Rice	8	30%	28
Beef Masala Biryani	8	30%	25
Prawn Fried Rice	9	30%	30
Prawn Masala Biryani	20	40%	50
Vegetable Biryani	5	20%	25
Kashmiri Pullao	7	25%	28
Peas Pullao	3	15%	20
Zeera Pullao	3	15%	20
Steamed Rice	1	8%	15
Egg Fried Rice	2	12%	20
<b>Salad Bar &amp; Chutnies</b>			
Russian Salad	4	20%	20
Sweet Coleslaw	5	25%	20
Beetroots Or Tomato	3	15%	20



Description	Cost Price (Rs.)	Cost as %age of Price	Sales Price (Rs.)
Cucumber and Pakistani	2	10%	20
Aloo Bukhara Chutnies	3	15%	20
Mirch Ka Salan	4	20%	20
Bagharay Bagan & Mix Achar	3	15%	20
Kachori OR Puri + Aloo Bhaji	2	15%	15
Tandoor Live	1900	95%	2000
<b>Sweets</b>			
Qulfi Falooda	10	50%	20
Ice Cream	10	50%	20
Cream Caramel	8	40%	20
Qulfi (Inclay Pot)	8	40%	20
Jalabi / Imarti	6	30%	20
Gulab Jaman	6	30%	20
Rubri	8	25%	30
Lab-e-Sheereen	13	50%	25
<b>Beverages</b>			
Tea / Green Tea	2	20%	10
Coffee / Espresso	6	40%	15
Kasmiri Tea	5	35%	15
Cold Drink (Crate)	As Per Market Rate		
Mineral Water	As Per Market Rate		
Kastori Milk	7	45%	15
Chicken Corn Soup	3	20%	15
Hot-N-Sour Soup	3	20%	15

### Decorating Charges (per head)

Description	Charge Out Rate (Rs.)
Buffet Arrangement	50
Banquet Arrangement	60
V.I.P	80
Shamiana + Kanats	10
Marki Setup Silver	70
Marki Setup Gold	110
Marki Setup Diamond	150
Stage with Fresh Flower as per choice	-
Ladies/gents Waiters	300

All the above prices are subject to change and need continuous updating to keep abreast with prevalent market rates.

### General Terms & Conditions

- Order to be booked at least one week before the event.



- 50% advance with order and balance to be paid before the event.
- Shamiana, Qanat, Dari, etc. will be charged on actual basis.
- Breakages and loss will be charged per actual.

## 2.7 Recommended Project Parameters

Capacity	Human Resource	Equipment	Location	
100 Events per year	9	Local	Middle Income Level Area	
<b>Financial Summary</b>				
Project Cost	IRR	NPV	Payback Period	Cost of Capital (WACC)
Rs. 3.5 million	121%	Rs. 28,833,227	One year two months	17.5%

## 2.8 Proposed Location

The recommended area for the proposed catering and decorating service will be in a medium income locality (e.g. Gulistan-e-Jauhar). The main reason for such a location is the presence of target market and customer traffic which are the prerequisites for the success of the restaurant; plus the presence of marriage halls also makes up for the increased customer traffic.

## 3 DECORATION EQUIPMENT

The catering setup will require investment in the following decoration equipment for serving 650 persons.

Item	Quantity	Unit Price	Total Price
Dera (round shaped tent) 90 ft x 120 ft	1	150,000	150,000
Chairs 14" Foam	650	600	390,000
Chairs 14" Iron Rod	650	600	390,000
Round Tables 4 ft	70	2,000	140,000
Buffet Set (8 x 2 1/2)	14	2,500	35,000
Table Cover (8 x 6)	70	110	7,700
Border 13 ft	24	240	5,760
Safen Dish (serving Set)	42	3,000	126,000
Entry Gate	4	12,000	48,000
Stage Iron (6 ft x 3 ft)	2	10,000	20,000
Takket (6ft x 3ft Stage iron)	2	2,200	4,400
Chatai 12 x 8	65	100	6,500
Ladder (stage)	2	1,200	2,400
Carpet 9ft x 6ft	2	1,200	2,400
Chair Cover	650	60	39,000
Ribbon	70	15	1,050



Item	Quantity	Unit Price	Total Price
Shamiani 15 x 30	1	4,700	4,700
Kanat 15 x 7	25	1,200	30,000
Daree 5 kg	200	550	110,000
Chandni Standard Size	200	170	34,000
Wash Basin Standard Size	4	500	2,000
Water Tank	4	1,000	4,000
<b>Total (Rs.)</b>	<b>2752</b>	<b>193,945</b>	<b>1,552,910</b>

The cutlery for the above setup will be as follows

Item	Quantity	Unit Price	Total Price
Kitchen Cutlery Set	12	250	3,000
Large Plates	700	80	56,000
Small Plates	700	50	35,000
Spoon, Fork and Knife per plate	700	60	42,000
Glassses	700	40	28,000
Teacups & Saucer	700	30	21,000
Bowls	50	150	7,500
Trays	50	150	7,500
<b>Total (Rs.)</b>	<b>3610</b>	<b>810</b>	<b>200,000</b>

The depreciation on the above will be at 10% based on the double declining method.

### 3.1 Tips for Purchasing Equipment

All the equipment required for decorating and serving food is locally manufactured and easily available in the market.

### 3.2 Vehicles

The setup also requires a transportation vehicle which amounts to Rs. 675,000. The depreciation on vehicle will be 10% on double declining basis.

## 4 LAND & BUILDING REQUIREMENT

### 4.1 Land Requirement

The land requirement is around 750 sq feet in a densely populated area where all utilities and facilities are properly available. It is recommended that the catering office be opened on the ground floor of flats or shopping mall wherein it is easily accessible and approachable from main roads.

### 4.2 Dedicated Area Requirement

The floor space needs to be carefully allocated to allow for maximum storage space for decorating and catering equipment also allowing for easy handling. The allocation of space between the two sections would be as follows:



Details	% (Sq. Feet)	Size (Sq. Feet)	Civil Works & Décor* (Cost in Rs / square feet)	Total Construction Cost (Rs)
Office*	20%	150	600	90,000
Storage	80%	600	50	30,000
<b>Total</b>	<b>100 %</b>	<b>7,50</b>	<b>650</b>	<b>120,000</b>

\* Includes interior decoration as well as windows, door, partitions, fan etc.

#### 4.3 Recommended Mode

The proposed premises will be acquired on a rental basis with 6 month deposit and 6 months advance rent after which rent will be payable on a monthly basis.

#### 4.4 Reception & Owner Office

To allow for maximum space for storage, it is recommended that the owner should manage the reception counter as well as all cash handling emanating from clients. Therefore, a total of Rs. 50,000 would be required to buy office furniture that would include a table, five chairs, a sofa set and three pedestal fans etc. The Office Furniture & Equipment will be depreciated at the rate of 10% per annum according to the diminishing balance method for the projected period.

### 5 HUMAN RESOURCE REQUIREMENT

The human resource requirement for the general and management staff are as follows:

DESIGNATION / TYPE	NUMBER	MONTHLY SALARY (RS.)
Owner	-	-
Accountant	1	10,000
Karigar – Trained Worker	2	12,000
Helper	6	24,000
Driver	1	5,000
<b>Total</b>	<b>9</b>	<b>51,000</b>



Considering the size of the proposed establishment it is assumed that the owner would be managing the overall affairs of the catering and decorating setup. He will be required to process and check bills, invoices, receivables management, maintain accounts with the help of accountant, etc. for record. The owner will also ensure safe custody of store keys.

The waiters are easily available on per party basis with a rate of Rs. 200 per party. Charges for night shift also amount to Rs. 200 per party while per hour charges are Rs. 25 per hour. The waiters are hired on need basis depending on the customer's requirement and demand.

## 6 FINANCIAL ANALYSIS & KEY ASSUMPTIONS

The project cost estimates for the proposed catering setup have been formulated on the basis of discussions with relevant stakeholders and experts. The cost projections cover the cost of land, building, inventory, equipment including office furniture etc. The specific assumptions relating to individual cost components are given as under:

### 6.1 Revenue & Cost Projections

The Sales are expected to increase by 15% every year while the cost of raw materials is assumed to increase by 5%. The 15% annual increase in revenue is expected to result from a part increase in population increase and part increase in product price. The general revenue streams identified are as below

Event	Avg. No. of persons served	%age of revenue
Marriages and related parties	60	60%
Others	40	40%

The prices used to calculate the gross revenue earned are based on the billing rate at which the entrepreneur will charge the customer. The prices are also exclusive of the General Sales Tax.

### 6.2 Rent Cost

The rent for the assumed premises will be Rs. 37,500/- (Rs. 50/sq. ft.) per month. It is assumed that Rs. 450,000 will be given in advance before possession of premises. This will include 6 months deposit and 6 month advance rent. The rent would be payable on a monthly basis and is expected to increase at the rate of 10% per annum for the projected period.



### 6.3 Utilities Requirement

The following table presents the assumed breakup of utilities on a monthly basis:

Utility	Monthly Charges (Rs.)
Electricity	3,000
Water	2,000
Gas	2,000
Entertainment	1,000
Telephone	3,000
Washing	15000
<b>Total</b>	<b>26,000</b>

As depicted above the most of the equipment would require washing hence considerable water will be consumed. It is assumed that utilities expenses will increase by 10% every year.

### 6.4 Depreciation on Building & Equipment

Depreciation on Shop, Equipment, Vehicle and Fixtures is assumed to be at the rate of 10% per annum based on the diminishing balance method for the projected period.

### 6.5 Breakages & Replacement Cost

Since the catering business involves volume handling of culinary and fragile items therefore breakages are likely to occur. A provision of 2% of gross sales per year has been assumed to cover for all breakage losses.

Besides that, discussions with the caterers and decorators suggest that change in designs, color schemes and style of the table cover and other decoration props takes place at least once in two years. The outdated decoration and catering props are replaced by new fashion marquee setups and this change in the color scheme perpetuated to all things used while designing a setup i.e. table covers, chair cushions, buffet setup etc.

Replacement of the decoration props would draw a considerable cost annually. It has been assumed that all the decoration props and cutlery will be replaced every third year.



## 6.6 Working Capital & Pre Operating Costs

It is estimated that an additional amount of approximately Rs. 418,000 will be required as cash in hand to meet the working capital requirements / contingency cash for the initial stages. The requirement is based on the rent, utilities and salaries expenses for at least four months. The following table gives the break up.

Item	4 Months Cost (Rs.)
Utilities	104,000
Salaries	164,000
Rent	150,000
<b>Total</b>	<b>418,000</b>

The provision for pre operating costs is assumed to be Rs. 50,000 which will be amortized equally over a 5 year period.

## 6.7 Account Receivables

Sales will be made strictly on cash basis for individual customers however for institutional customers a 45 day period will be allowed. A provision of 1.25% has been kept for doubtful accounts.

## 6.8 Miscellaneous Shop Expenses

A monthly figure of Rs. 5,000 is assumed to be incurred for miscellaneous expenses which are expected to increase at the rate of 10% per annum for the projected period.

## 6.9 Financial Charges

It is assumed that long-term financing for 5 years will be obtained in order to finance the fast food setup which would mainly include construction of Building, Purchase of equipment etc. This facility would be required at a rate of 15% (including 1% insurance premium) per annum with 60 monthly installments over a period of five years. The installments are assumed to be paid at the end of every month.



## 6.10 Taxation

The tax rate applicable to SMEs which is 20% has been used for calculating income tax in this pre-feasibility.

## 6.11 Cost of Capital

The cost of capital is explained in the following table:

Particulars	Rate
Required return on equity	20.0 %
Cost of finance	15.0 %
Weighted average cost of capital	17.5 %

**The weighted average cost of capital is based on the debt/equity ratio of 50 : 50**

## 6.12 Owner's Withdrawal

It is assumed that the owner will withdraw from the business once the desired profitability is reached from the start of operations. The amount would depend on business sustainability and availability of funds for future growth.



## 6.13 Key Assumptions

Item	Assumption(s)	
Sales Increase	15 % per year	0.15
Increase in Staff Salaries	10 % per year	0.1
Increase in Utilities (Electricity / Water / Gas)	10 % per year	0.1
Increase in Rent	10 % per year	0.1
Increase in Office Expenses	10 % per year	0.1
Debt / Equity Ratio	50:50:00	0.5
Depreciation		
o Office and Stores	10 % per annum (Diminishing Balance)	0.1
o Equipment	10 % per annum (Diminishing Balance)	0.1
o Cutlery & Culinary	10 % per annum (Diminishing Balance)	0.1
o Vehicles	10 % per annum (Diminishing Balance)	0.1
Breakage Losses	2 % of Annual Gross Sales	0.02
Receivables	45 Days	45 days
Bad Debts	1.25% of Gross Sales	1.25%
Lease Period	5 Years	5 years
Lease Installments	Monthly	
Financial Charges (Lease Rate)	15 % per annum	0.15
Tax Rate	Applicable on SMEs	20%
Monthly rent		37,500
Advance rent		6 month
Deposit		6 month per
Misc. expenses		5,000 month
Preliminary expenses		50,000
Material price growth rate		0.05
Price Increase - Decoration Equipment and cutlery		20%

## ANNEXURES:

- A Revenue and Cost Sheet**
- B Income Statement**
- C Balance Sheet**
- D Cash Flow Statement**



## ANNEXURE A

## CATERING &amp; DECORATING SERVICES

## REVENUE &amp; COST SHEET

(all figures are based on serving 400 people for a single event)

Number of Events Catered (year)	REVENUE
Marriages	30
Mehndi & Mayun	30
Anniversaries	10
Corporate	7
Others	23
<b>Total</b>	<b>100</b>

## Average Cost &amp; Revenue per event

	Unit Charge	Number	Total
Banquet Arrangement (per head)	60	400	24,000
Shamiana & Kanats (per head)	10	400	4,000
Marki Setup Gold (per head)	110	400	44,000
Stage	10,000	1	10,000
Water (per 25 head)	300	16	4,800
Food Cost (Standard Menu)	100	400	40,000
		<b>Total</b>	<b>126,800</b>

<b>Total Revenue per year</b>	<b>12,680,000</b>
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Number of Events Catered (year)	COST
Marriages	30
Mehndi & Mayun	30
Anniversaries	10
Corporate	7
Others	23
<b>Total</b>	<b>100</b>

## Average Cost &amp; Revenue per event

	Unit Cost	Number	Total
Banquet Arrangement (per head)	Fixed		
Shamiana & Kanats (per head)	Fixed		
Marki Setup Gold (per head)	Fixed		
Stage	Fixed		
Water (per 25 head)	200	16	3,200
Food Cost (Standard Menu)	90	400	36,000
		<b>Total</b>	<b>39,200</b>

<b>Total Variable Cost per year</b>	<b>3,920,000</b>
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Annexure B										
CATERING & DECORATING SERVICES										
Projected Income Statement (Rs.)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Revenue</b>	<b>12,680,000</b>	<b>14,582,000</b>	<b>16,769,300</b>	<b>19,284,695</b>	<b>22,177,399</b>	<b>25,504,009</b>	<b>29,329,611</b>	<b>33,729,052</b>	<b>38,788,410</b>	<b>44,606,671</b>
Breakage & Losses	253,600	291,640	335,386	385,694	443,548	510,080	586,592	674,581	775,768	892,133
Receivables	1,585,000	1,822,750	2,096,163	2,410,587	2,772,175	3,188,001	3,666,201	4,216,132	4,848,551	5,575,834
Bad Debts	158,500	182,275	209,616	241,059	277,217	318,800	366,620	421,613	484,855	557,583
<b>Net Sales</b>	<b>10,682,900</b>	<b>12,285,335</b>	<b>14,128,135</b>	<b>16,247,356</b>	<b>18,684,459</b>	<b>21,487,128</b>	<b>24,710,197</b>	<b>28,416,726</b>	<b>32,679,235</b>	<b>37,581,121</b>
Variable Cost (Food + Additional Labor)	3,920,000	4,116,000	4,321,800	4,537,890	4,764,785	5,003,024	5,253,175	5,515,834	5,791,625	6,081,207
Staff Salaries	492,000	541,200	595,320	654,852	720,337	792,371	871,808	958,769	1,054,646	1,160,110
Utilities	312,000	343,200	377,520	415,272	456,799	502,479	552,727	608,000	668,800	735,680
<b>Cost of Sales</b>	<b>4,724,000</b>	<b>5,000,400</b>	<b>5,294,640</b>	<b>5,608,014</b>	<b>5,941,921</b>	<b>6,297,874</b>	<b>6,677,510</b>	<b>7,082,602</b>	<b>7,515,071</b>	<b>7,976,997</b>
<b>Gross Profit</b>	<b>5,958,900</b>	<b>7,284,935</b>	<b>8,833,495</b>	<b>10,639,342</b>	<b>12,742,538</b>	<b>15,189,254</b>	<b>18,032,687</b>	<b>21,334,124</b>	<b>25,164,165</b>	<b>29,604,124</b>
<b>General Administrative &amp; Selling Expenses</b>										
Salaries	120,000	132,000	145,200	159,720	175,692	193,261	212,587	233,846	257,231	282,954
Rent Expense	450,000	495,000	544,500	598,950	658,845	724,730	797,202	876,923	964,615	1,061,076
Office & Miscellaneous Expenses	60,000	66,000	72,600	79,860	87,846	96,631	106,294	116,923	128,615	141,477
Amortization Expenses	10,000	10,000	10,000	10,000	10,000	0	0	0	0	0
Decoration Equipment Expense	1,752,910	0	2,103,492	0	2,524,190	0	3,029,028	0	3,634,834	0
Depreciation Expense	84,500	76,050	68,445	61,601	55,440	49,896	44,907	40,416	36,374	32,737
<i><b>Subtotal</b></i>	<i><b>2,477,410</b></i>	<i><b>779,050</b></i>	<i><b>2,944,237</b></i>	<i><b>910,131</b></i>	<i><b>3,512,014</b></i>	<i><b>1,064,518</b></i>	<i><b>4,190,019</b></i>	<i><b>1,268,108</b></i>	<i><b>5,021,670</b></i>	<i><b>1,518,244</b></i>
<b>Operating Income</b>	<b>3,481,490</b>	<b>6,505,885</b>	<b>5,889,258</b>	<b>9,729,211</b>	<b>9,230,524</b>	<b>14,124,736</b>	<b>13,842,668</b>	<b>20,066,016</b>	<b>20,142,495</b>	<b>28,085,880</b>
Financial Charges (15% Per Annum)	249,423	207,925	159,756	103,843	38,943	0	0	0	0	0
<b>Earnings Before Taxes</b>	<b>3,232,067</b>	<b>6,297,960</b>	<b>5,729,502</b>	<b>9,625,368</b>	<b>9,191,581</b>	<b>14,124,736</b>	<b>13,842,668</b>	<b>20,066,016</b>	<b>20,142,495</b>	<b>28,085,880</b>
Tax	646,413	1,259,592	1,145,900	1,925,074	1,838,316	2,824,947	2,768,534	4,013,203	4,028,499	5,617,176
<b>Net Profit</b>	<b>2,585,653</b>	<b>5,038,368</b>	<b>4,583,602</b>	<b>7,700,294</b>	<b>7,353,265</b>	<b>11,299,789</b>	<b>11,074,135</b>	<b>16,052,813</b>	<b>16,113,996</b>	<b>22,468,704</b>
<b>Monthly Profit After Tax</b>	<b>215,471</b>	<b>419,864</b>	<b>381,967</b>	<b>641,691</b>	<b>612,772</b>	<b>941,649</b>	<b>922,845</b>	<b>1,337,734</b>	<b>1,342,833</b>	<b>1,872,392</b>



ANNEXURE C											
CATERING & DECORATING SERVICES											
Projected Balance Sheet (Rs.)	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Assets</b>											
<i>Current Assets</i>											
Cash & Bank Balance	2,210,910	3,047,918	7,634,941	11,675,763	18,729,507	25,317,998	36,251,858	46,892,699	62,435,998	77,953,948	99,728,107
Account Receivable	0	1,585,000	1,822,750	2,096,163	2,410,587	2,772,175	3,188,001	3,666,201	4,216,132	4,848,551	5,575,834
Prepaid Rent	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
<b>Total Current Assets</b>	<b>2,660,910</b>	<b>5,082,918</b>	<b>9,907,691</b>	<b>14,221,925</b>	<b>21,590,094</b>	<b>28,540,173</b>	<b>39,889,859</b>	<b>51,008,900</b>	<b>67,102,129</b>	<b>83,252,500</b>	<b>105,753,941</b>
<i>Fixed Assets</i>											
Catering & Decorating Equipment											
Office Furniture	120,000	108,000	97,200	87,480	78,732	70,859	63,773	57,396	51,656	46,490	41,841
Shehzore Vehicle	675,000	607,500	546,750	492,075	442,868	398,581	358,723	322,850	290,565	261,509	235,358
Office Fixtures	50,000	45,000	40,500	36,450	32,805	29,525	26,572	23,915	21,523	19,371	17,434
<b>Total Fixed Assets</b>	<b>845,000</b>	<b>760,500</b>	<b>684,450</b>	<b>616,005</b>	<b>554,405</b>	<b>498,964</b>	<b>449,068</b>	<b>404,161</b>	<b>363,745</b>	<b>327,370</b>	<b>294,633</b>
<b>Preliminary Expenses</b>	<b>50,000</b>	<b>40,000</b>	<b>30,000</b>	<b>20,000</b>	<b>10,000</b>	-	-	-	-	-	-
<b>Total Assets</b>	<b>3,555,910</b>	<b>5,883,418</b>	<b>10,622,141</b>	<b>14,857,930</b>	<b>22,154,499</b>	<b>29,039,137</b>	<b>40,338,926</b>	<b>51,413,061</b>	<b>67,465,874</b>	<b>83,579,870</b>	<b>106,048,574</b>
<b>Owner's Equity</b>	<b>1,777,955</b>	<b>4,363,608</b>	<b>9,401,976</b>	<b>13,985,578</b>	<b>21,685,872</b>	<b>29,039,137</b>	<b>40,338,926</b>	<b>51,413,061</b>	<b>67,465,874</b>	<b>83,579,870</b>	<b>106,048,574</b>
<b>Long Term Liability</b>	<b>1,777,955</b>	<b>1,519,809</b>	<b>1,220,165</b>	<b>872,352</b>	<b>468,626</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Equity &amp; Liabilities</b>	<b>3,555,910</b>	<b>5,883,418</b>	<b>10,622,141</b>	<b>14,857,930</b>	<b>22,154,499</b>	<b>29,039,137</b>	<b>40,338,926</b>	<b>51,413,061</b>	<b>67,465,874</b>	<b>83,579,870</b>	<b>106,048,574</b>



ANNEXURE D											
CATERING & DECORATING SERVICES											
Projected Statement of Cash Flows (Rs.)	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Cash Flow From Operating Activities</b>											
Net Profit	0	2,585,853	5,038,368	4,583,802	7,700,294	7,353,265	11,299,789	11,074,135	16,052,813	16,113,996	22,468,704
Add: Depreciation Expense	0	84,500	76,050	68,445	61,601	55,440	49,896	44,907	40,416	36,374	32,737
Amortization Expense	0	10,000	10,000	10,000	10,000	10,000	0	0	0	0	0
(Increase) / Decrease in Receivables	0	(1,585,000)	(237,750)	(273,413)	(314,424)	(361,588)	(415,826)	(478,200)	(549,930)	(632,420)	(727,283)
<b>Net Cash Flow From Operations</b>	<b>0</b>	<b>1,095,153</b>	<b>4,886,668</b>	<b>4,388,634</b>	<b>7,457,470</b>	<b>7,057,118</b>	<b>10,933,859</b>	<b>10,640,841</b>	<b>15,543,299</b>	<b>15,517,951</b>	<b>21,774,158</b>
<b>Cash Flow From Financing Activities</b>											
Receipt of Long Term Debt	1,777,955										
Repayment of Long Term Debt	(258,146)	(299,644)	(347,813)	(403,726)	(468,626)	0	0	0	0	0	0
Owner's Equity	1,777,955										
<b>Net Cash Flow From Financing Activities</b>	<b>3,555,910</b>	<b>(258,146)</b>	<b>(299,644)</b>	<b>(347,813)</b>	<b>(403,726)</b>	<b>(468,626)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cash Flow From Investing Activities</b>											
Construction Cost	(120,000)										
Office Furniture and Fixtures	(50,000)										
Advance Rent	(450,000)										
Preliminary Expenses	(50,000)										
Office Vehicles	(675,000)										
Culinary & Cutlery											
<b>Net Cash Flow From Investing Activities</b>	<b>(1,345,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET CASH FLOW</b>	<b>2,210,910</b>	<b>837,008</b>	<b>4,587,024</b>	<b>4,040,821</b>	<b>7,053,745</b>	<b>6,588,491</b>	<b>10,933,859</b>	<b>10,640,841</b>	<b>15,543,299</b>	<b>15,517,951</b>	<b>21,774,158</b>
<b>Cash at the Beginning of the Period</b>	<b>0</b>	<b>2,210,910</b>	<b>3,047,918</b>	<b>7,634,941</b>	<b>11,675,763</b>	<b>18,729,507</b>	<b>25,317,998</b>	<b>36,251,858</b>	<b>46,892,699</b>	<b>62,435,998</b>	<b>77,953,948</b>
<b>Cash at the End of the Period</b>	<b>2,210,910</b>	<b>3,047,918</b>	<b>7,634,941</b>	<b>11,675,763</b>	<b>18,729,507</b>	<b>25,317,998</b>	<b>36,251,858</b>	<b>46,892,699</b>	<b>62,435,998</b>	<b>77,953,948</b>	<b>99,728,107</b>

