

ONLINE CATERING HOME DELIVERY SERVICES

1. Introduction

In today's world, all family members are working members and office goers. They find less time to buy groceries, vegetables and prepare food on daily basis. Many of them rely on restaurants, Tiffin providers, or office/college canteens. People from villages come to cities for their further studies and they find difficult to cook food on daily basis in hostels. Also, they need various choices on food and restaurant selection and find it difficult to search every other restaurant, compare food prices/menu items and order. Online catering home delivery service can bridge the gap for this. It can be single step solution where customers can have choices from different restaurants and home cooks for their daily meals. They can order and get their meals delivered to their offices & homes.

2. Service and Its Application

This portal will provide customers flexibility in choosing from various restaurants. They can compare prices, menu items, reviews of restaurants and their food. They can pay online and order such that the meals can be delivered to their door-step. For restaurant owners and home cooks, this will give an added advantage where large base of customers can view their offerings. As an added benefit, they can choose this service provider's delivery facility so that delivery person picks meal from restaurant/home cooks and deliver to customers. Customers can also view and review the restaurants and their offering for their decision on selecting restaurants.

3. Desired Qualification for Promoter

No such qualification is desired for promoter for this business

4. Requirements – Material/Equipment and Manpower

Resources

1. Computers, Advanced Software & Technologies and Network Infrastructure
2. Vehicles for delivery services
3. Office Furniture

5. Manpower

1. Delivery support – 4
2. Marketing Support – 2

Project Building

For building of this project, entrepreneur needs to build a portal by associating with technology partner. S/he also needs to do marketing for this portal to attract large number of traffic on portal. This can be useful to attract more restaurant owners to do strategic partnership with service provider and give more advertising. Vehicles need to be bought with box fitted for carrying meals.

6. Implementation Schedule

Portal and App building generally takes around 6-7 weeks. Other than this, there will be nothing which will consume more time. Partnering with restaurants can be done parallel to building portal. Purchasing Vehicles and fitting of box will not take more than 2 weeks. Bank finance can be availed in 5-7 weeks.

7. Fixed Capital Investment

Sr. No.	Description	Qty	Amount	Total
1	Building Portal and mobile app	1	₹ 1,25,000	₹ 1,25,000
2	Computers - with all necessary hardware and installed Windows and MS Office	2	₹ 27,000	₹ 54,000
3	Vehicle	4	₹ 40,000	₹ 1,60,000
4	Network Installation	1	₹ 5,000	₹ 5,000
5	Office Furniture	1	₹ 50,000	₹ 50,000
A	Total			₹ 3,94,000

8. Working Capital

Sr. No.	Description	Total Amount per month
1	Salary	₹ 90,000.00
1a	Entrepreneur	₹ 20,000.00
1b	Delivery Support – 4 @ Rs 10,000 per month	₹ 40,000.00
1c	Marketing Support – 2 @ Rs 15,000 per month	₹ 30,000.00
2	Raw Material	₹ 12,000.00
2a	Internet Connection Charges	₹ 700.00
2b	AMC for Portal by service provider	₹ 7,500.00
2c	AMC by Payment Gateway	₹ 1,300.00
2d	Google Play Store / Apple Store	₹ 2,500.00
3	Utilities	₹ 9,300.00
3a	Power and Fuel	₹ 8,000.00
3b	Water	₹ 300.00
3c	Misc.	₹ 1,000.00
4	Other Expenses	₹ 4,500.00
4a	Transportation	₹ 1,000.00
4b	Advertising/Marketing/Social Media	₹ 2,000.00
4c	Stationery	₹ 500.00
4d	Misc.	₹ 1,000.00
5	Rent	₹ 15,000.00
B	Total	₹ 1,25,800.00

9. Cost of Project

Sr. No.	Particulars	Amount in Rs
1	Land	₹ 0.00
2	Building	₹ 0.00
3	Portal	₹ 1,25,000.00
4	Equipments/ Vehicle/ Other fixed investment	₹ 2,69,000.00
5	Working Capital Margin (3 Months)	₹ 3,77,400.00
6	Total Cost of Project	₹ 7,71,400.00

10.Means of Finance

Sr. No.	Description	%age	Amount (Rs)
1	Promoter's Contribution	25%	₹ 1,92,850.00
2	Term Loan/Bank Finance	75%	₹ 5,78,550.00
	Total		₹ 7,71,400.00

11.Cost of Production

Sr. No.	Particulars	Amount in Rs
	<u>Variable Cost</u>	
1	Raw Material and Other Direct Inputs	₹ 16,500.00
2	Salary (60%)	₹ 54,000.00
3	Power (70%)	₹ 6,510.00
	Variable Cost 1 Month	₹ 77,010.00
	Total Annual Variable Cost	₹ 9,24,120.00
	<u>Fixed Cost</u>	
1	Overheads	₹ 10,000.00
2	Salary (40%)	₹ 36,000.00
3	Power (30%)	₹ 2,790.00
	<i>Sub Total</i>	₹ 48,790.00
	<i>Total for 12 Months</i>	₹ 5,85,480.00
4	Interest	₹ 69,426.00
5	Depreciation	₹ 35,100.00
	Total Fixed Cost	₹ 6,90,006.00
	Total Cost of Production	₹ 16,14,126.00

Turnover

Sr. No.	Particulars	UOM	Sales Per Month	Sales Per Annum	Revenue Per Annum
1	Commission Fee From Restaurant	10%	₹ 15,00,000	₹ 180,00,000	₹ 18,00,000
		per Month	Price Per Unit	Revenue Per Month	
2	Online Advertisement	100	₹ 1,000	₹ 12,000	₹ 1,44,000
3	Offline Advertisement Of Partner Restaurant	5	₹ 350	₹ 4,200	₹ 50,400
4	Strategic Partnership With Restaurant	20	₹ 1,500	₹ 18,000	₹ 2,16,000
5	Delivery Charge Revenue	3500	₹ 10	₹ 35,000	₹ 4,20,000
	Total				₹ 26,30,400

Assumption for Turnover: Sales per Month for Commission Fee is calculated based on 250 deliveries/meals per day considering breakfast, lunch and dinner. On an average price per delivery/meal is assumed at Rs 200. So calculation comes to [250 deliveries/day x 30 days x 200 Rs/delivery x 12 months] Rs 180, 00,000 per annum.

Some of deliveries will be done by this business and rest of deliveries by respective restaurant owners. So there will some more revenue from delivery charge by this business which is mentioned in 5th row of above table.

12.Profitability Calculation

Net Profit	₹ 10,16,274.00
Net profit Margin	38.6357208

Profitability Projection

Sr. No.	Particulars	UOM	Year Wise estimates					At Full Capacity
			Year 1	Year 2	Year 3	Year 4	Year 5	
1	Capacity Utilization	%	30	40	50	60	70	100
2	Sales	Rs Lakhs	₹ 7.89	₹ 10.52	₹ 13.15	₹ 15.78	₹ 18.41	₹ 26.30
3	Raw Materials & Other Direct Inputs	Rs Lakhs	₹ 2.77	₹ 3.70	₹ 4.62	₹ 5.54	₹ 6.47	₹ 9.24
4	Gross Margin	Rs Lakhs	₹ 5.12	₹ 6.83	₹ 8.53	₹ 10.24	₹ 11.94	₹ 17.06
5	Overheads Except Interest	Rs Lakhs	₹ 5.85	₹ 5.85	₹ 5.85	₹ 5.85	₹ 5.85	₹ 5.85
6	Interest	Rs Lakhs	₹ 0.69	₹ 0.69	₹ 0.69	₹ 0.69	₹ 0.69	₹ 0.69
7	Depreciation	Rs Lakhs	₹ 0.35	₹ 0.35	₹ 0.35	₹ 0.35	₹ 0.35	₹ 0.35
8	Net Profit Before Tax	Rs Lakhs	-₹ 1.78	-₹ 0.07	₹ 1.63	₹ 3.34	₹ 5.04	₹ 10.16
9	Profit %		- 22.57%	- 0.71%	12.40%	21.15%	27.39%	38.64%

13. Breakeven Analysis

Sr. No.	Particulars	UOM	Value
1	Sales at Full Capacity	Rs Lakhs	26.30
2	Variable Costs	Rs Lakhs	9.24
3	Fixed Cost incl. Interest	Rs Lakhs	6.90
4	Break Even Capacity BEP = FC/(Sales -Variable Cost) *100	% of Inst Capacity	40.44