

PROJECT REPORT FOR
BAR & RESTAURANT



PREPARED FOR

PROPRIETOR

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

PROJECT LOCATION:

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

PREPARED BY:

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C O N T E N T

CHAPTER NO.

PARTICULAR

- I. PROJECT AT A GLANCE

- II. ECONOMICS OF THE PROJECT
 - A. TOTAL COST OF THE PROJECT & MEANS OF FINANCE
 - B. PROFITABILITY STATEMENT
 - C. CASH FLOW STATEMENT
 - D. BALANCE SHEET
 - E. CAPITAL ACCOUNT
 - F. INCOME
 - G. EXPENSES
 - H. FIXED ASSETS AND DEPRECIATION
 - I. TERM LOAN REPAYMENT AND INTEREST THEREON

Introduction

The food industry in India has been booming in the recent times, owing to the rising disposable income of the middle class. The Indian restaurant market was valued at Rs 20,400 crore in 2016 and is expected to grow to Rs 51,000 crore by 2021, according to industry body National Restaurant Association of India (NRAI). Quick service restaurants (QSR) like Pizza Hut, Burger King, Goli Wada Pav, Burger Singh, etc have been growing exponentially in the recent times. More Indians are slowly warming up to the idea of eating in restaurants, and not just for special occasions. Thanks to growing wages, urbanization and technology's influence on consumption habits, foodservice sales in this country of USD 1.3 billion are growing at about 10% annually (making it one of the fastest-growing in the world). This growth is double the rate expected for the much more mature U.S. restaurant industry, and with a population quadruples the size. All told, between 2013 and 2021, the Indian restaurant market is projected to double. Many separate forces are at work in creating huge potential for restaurants in India. Its economy is among the fastest growing in the developing world; the International Monetary Fund projects the country's annual GDP will increase by 7.4% through 2017 and 2018 — more than double the world average.

Product / Services & process

We offer all type of North Indian, South Indian cuisines, Veg - No veg items ,Tea, snacks , coffee, juices and ice creams.

Market potential & Strategy

India is also one of the largest consumer markets globally, and one of the youngest with more than 45% of the population under 25 years old. For teens and young adults, eating out is a popular form of socializing, contributing to the growth of multiple segments within the expanding market. Disposable income is on the rise; the educated middle class is growing; and as the country grows more industrialized and cements its reputation as an IT hub, per capita income stands to grow as well. According to data from the Economist Intelligence Unit, personal disposable income should grow about 10.5% annually through 2020. India's traditional close-knit extended families are less common; as younger family members move away for education and jobs, they are

Projections for:
Bar & Restaurant

setting up smaller households, making dining out more attractive. More women are joining the workforce as well, especially in urban areas, leaving less time for home cooking and creating more demand for dining out/takeout options. We've seen similar spending trends in the U.S. though it's worth noting that this will occur on an accelerated time frame in India (as Western systems have already been developed, they now only need to be implemented in other parts of the world, like India).

II. ECONOMICS OF THE PROJECT

A. TOTAL COST OF THE PROJECT

(Rs. Lacs)

S.No.	Particulars	Total	Spent	Bal. To be spent
1	Kitchen Equipments	8.00	-	8.00
2	Furniture & Interiors (Including chairs & tables)	5.00	-	5.00
3	Misc. Fixed Assets	1.75	-	1.75
4	Working Capital	5.25		5.25
	TOTAL	20.00		20.00
	a) Own Contribution (25%)			5.00
	b) OD facility from Bank (75%)			15.00
				20.00

Projections for:
BAR & RESTAURANT

B. PROFITABILITY STATEMENT

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Income	26.25	28.88	31.76	34.94	38.43	42.28
2	Expenses	19.06	20.67	22.32	24.04	26.01	28.11
3	Int. on TL & CC	1.53	1.26	0.95	0.61	0.22	-
4	Depreciation	2.13	1.48	1.30	1.14	1.00	0.88
5	Profit after int. & dep.	3.53	5.48	7.20	9.16	11.20	13.28
6	Income Tax	0.35	0.30	0.64	1.03	1.56	2.18
7	Profit after Tax	3.18	5.18	6.56	8.13	9.64	11.10
8	Add : Depreciation	2.13	1.48	1.30	1.14	1.00	0.88
9	Add : Interest on TL & CC	1.53	1.26	0.95	0.61	0.22	-
10	Cash Accruals	6.84	7.91	8.80	9.87	10.87	11.98
11	Repayment of TL with Interest	3.91	3.91	3.91	3.91	3.91	-
12	DSCR	1.75	2.02	2.25	2.52	2.78	-
13	Average DSCR	2.26					
14	N.P. to Total receipts	12.11	17.95	20.65	23.26	25.08	26.25

Projections for: BAR & RESTAURANT

C. CASH FLOW STATEMENT

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
A Inflow :							
1	T.L. from Bank	15.00					
2	CC from bank	-					
3	Own contribution	5.00					
4	Cash flow from Opration	6.84	7.91	8.80	9.87	10.87	11.98
	Total (A)	<u>26.84</u>	<u>7.91</u>	<u>8.80</u>	<u>9.87</u>	<u>10.87</u>	<u>11.98</u>
B Outflow:							
1	Fixed Assets	14.75	-	-	-	-	-
2	Repay of TL	3.91	3.91	3.91	3.91	3.91	-
3	Drawings	1.00	1.10	1.21	1.33	1.46	1.61
	Total (B)	<u>19.66</u>	<u>5.01</u>	<u>5.12</u>	<u>5.24</u>	<u>5.38</u>	<u>1.61</u>
Summery:							
	Op. Cash & Bank Bal.	-	7.17	10.07	13.75	18.38	23.87
	Surplus / (Deficit)	7.17	2.90	3.68	4.63	5.49	10.37
	Cl. Cash & Bank Bal.	7.17	10.07	13.75	18.38	23.87	34.24

D. BALANCE SHEET

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
A ASSETS :							
1	Fixed Assets :	12.63	11.15	9.85	8.72	7.71	6.83
2	Investments	-	-	-	-	-	-
3	Current Assets	7.17	10.07	13.75	18.38	23.87	34.24
4	Loans & Advances	-	-	-	-	-	-
	Total (A)	19.80	21.22	23.61	27.10	31.58	41.07
B LIABILITIES:							
1	Capital	7.18	11.26	16.61	23.41	31.58	41.07
2	Secured loans	12.62	9.96	7.00	3.69	(0.00)	-
3	Current Liabilities						
	Cash Credit	-	-	-	-	-	-
	Total (B)	19.80	21.22	23.61	27.10	31.58	41.07

Projections for:
BAR & RESTAURANT

E. CAPITAL ACCOUNT

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Op. Balance	-	7.18	11.26	17	23.41	31.58
2	Additions	5.00	-	-	-	-	-
3	Net Profit	3.18	5.18	6.56	8.13	9.64	11.10
	Sub Total	8.18	12.36	17.82	25	33.05	42.68
4	Drawings	1.00	1.10	1.21	1.33	1.46	1.61
5	Closing Balance	7.18	11.26	16.61	23	31.58	41.07

Projections for:
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F. INCOME

(Rs. Lacs)

S. No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Gross Receipts						
a.	Total Working Days	350	350	350	350	350	350
b.	Receipts (@ Rs. 7500 per day)	26.25	28.88	31.76	34.94	38.43	42.28
Total		26.25	28.88	31.76	34.94	38.43	42.28

<i>Projections for:</i> BAR & RESTAURANT
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G. EXPENSES

(Rs. Lacs)

S.No	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Salary to Staff						
	i) Manager (Self)	-	-	-	-	-	-
	ii) Chef (1 no.* Rs. 12000 per month)	1.44	1.51	1.59	1.67	1.75	1.84
	iii) Waiter (4 no.* Rs. 7000 per month)	3.36	3.53	3.70	3.89	4.08	4.29
	iv) Helper (2 no.* Rs. 5000 per month)	1.20	1.26	1.32	1.39	1.46	1.53
2	Cost of Raw Material (@ 40% of total revenue)	10.50	11.55	12.71	13.98	15.37	16.91
3	Electricity (@ 4000 per month)	0.48	0.53	0.58	0.64	0.70	0.77
4	Gas Fuel Expenses (@Rs.6000 per month)	0.72	0.79	0.77	0.75	0.82	0.86
5	Other Overheads	0.50	0.55	0.61	0.64	0.67	0.70
6	Telephone Expenses	0.36	0.40	0.44	0.46	0.48	0.50
7	Misc. Expenses	0.50	0.55	0.61	0.64	0.67	0.70
	Total	19.06	20.67	22.32	24.04	26.01	28.11

<i>Projections for:</i> BAR & RESTAURANT
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H. FIXED ASSETS AND DEPRECIATION

S. No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Kitchen Equipments						
	Op. Balance		6.80	6.12	5.51	4.96	4.46
	Additions	8.00	-	-	-	-	-
	Sub Total	8.00	6.80	6.12	5.51	4.96	4.46
	Less : Depreciation	1.20	0.68	0.61	0.55	0.50	0.45
	Cl. WDV	6.80	6.12	5.51	4.96	4.46	4.02
2	Furniture & Interiors						
	Op. Balance		4.25	3.61	3.07	2.61	2.22
	Additions	5.00	-	-	-	-	-
	Sub Total	5.00	4.25	3.61	3.07	2.61	2.22
	Less : Depreciation	0.75	0.64	0.54	0.46	0.39	0.33
	Cl. WDV	4.25	3.61	3.07	2.61	2.22	1.89
3	Misc. Fixed Assets						
	Op. Balance		1.58	1.42	1.28	1.15	1.03
	Additions	1.75	-	-	-	-	-
	Sub Total	1.75	1.58	1.42	1.28	1.15	1.03
	Less : Depreciation	0.18	0.16	0.14	0.13	0.11	0.10
	Cl. WDV	1.58	1.42	1.28	1.15	1.03	0.93
	Total Depreciation	2.13	1.48	1.30	1.14	1.00	0.88
	Total WDV	12.63	11.15	9.85	8.72	7.71	6.83

Projections for:
BAR & RESTAURANT

I. TERM LOAN REPAYMENT AND INTEREST THEREON

(Rs. Lacs)

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	OD / Op. Bal.	15.00	12.62	9.96	7.00	3.69	-
2	Repayment during the year	2.38	2.66	2.96	3.31	3.69	-
3	Cl. Balance	12.62	9.96	7.00	3.69	(0.00)	-
4	Interest at 11.00 per cent p.a.	1.53	1.26	0.95	0.61	0.22	-
5	Total repayment with Interest	3.91	3.91	3.91	3.91	3.91	-
6	Total Interest	1.53	1.26	0.95	0.61	0.22	-

Term Loan Repayment Schedule

MONTHS	EMI	INTEREST	PRINCIPAL REPAYMENT	OST PRINCIPAL
0				15
1	0.33	0.14	0.19	14.81
2	0.33	0.14	0.19	14.62
3	0.33	0.13	0.19	14.43
4	0.33	0.13	0.19	14.24
5	0.33	0.13	0.20	14.04
6	0.33	0.13	0.20	13.84
7	0.33	0.13	0.20	13.64
8	0.33	0.13	0.20	13.44
9	0.33	0.12	0.20	13.24
10	0.33	0.12	0.20	13.03
11	0.33	0.12	0.21	12.83
12	0.33	0.12	0.21	12.62
First Year	3.91	1.53	2.38	
13	0.33	0.12	0.21	12.41
14	0.33	0.11	0.21	12.20
15	0.33	0.11	0.21	11.98
16	0.33	0.11	0.22	11.77
17	0.33	0.11	0.22	11.55
18	0.33	0.11	0.22	11.33

19	0.33	0.10	0.22	11.10
20	0.33	0.10	0.22	10.88
21	0.33	0.10	0.23	10.65
22	0.33	0.10	0.23	10.43
23	0.33	0.10	0.23	10.19
24	0.33	0.09	0.23	9.96
Second Year	3.91	1.26	2.66	
25	0.33	0.09	0.23	9.73
26	0.33	0.09	0.24	9.49
27	0.33	0.09	0.24	9.25
28	0.33	0.08	0.24	9.01
29	0.33	0.08	0.24	8.77
30	0.33	0.08	0.25	8.52
31	0.33	0.08	0.25	8.27
32	0.33	0.08	0.25	8.02
33	0.33	0.07	0.25	7.77
34	0.33	0.07	0.25	7.51
35	0.33	0.07	0.26	7.26
36	0.33	0.07	0.26	7.00
Third Year	3.91	0.95	2.96	
37	0.33	0.06	0.26	6.74
38	0.33	0.06	0.26	6.47
39	0.33	0.06	0.27	6.20
40	0.33	0.06	0.27	5.93
41	0.33	0.05	0.27	5.66
42	0.33	0.05	0.27	5.39
43	0.33	0.05	0.28	5.11
44	0.33	0.05	0.28	4.83
45	0.33	0.04	0.28	4.55
46	0.33	0.04	0.28	4.27
47	0.33	0.04	0.29	3.98
48	0.33	0.04	0.29	3.69
Fourth Year	3.91	0.61	3.31	
49	0.33	0.03	0.29	3.40
50	0.33	0.03	0.29	3.10
51	0.33	0.03	0.30	2.81
52	0.33	0.03	0.30	2.50
53	0.33	0.02	0.30	2.20
54	0.33	0.02	0.31	1.90
55	0.33	0.02	0.31	1.59
56	0.33	0.01	0.31	1.28
57	0.33	0.01	0.31	0.96
58	0.33	0.01	0.32	0.64
59	0.33	0.01	0.32	0.32
60	0.33	0.00	0.32	(0.00)
Fifth Year	3.91	0.22	3.69	

Projections for:
BAR & RESTAURANT

(Rs. Lacs)

J. WORKING CAPITAL

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Gross receipts	26.25	28.88	31.76	34.94	38.43	42.28
2	Working Capital (' @ 20%)	5.25	5.78	6.35	6.99	7.69	8.46
4	Own Contribution(5%)	0.26	0.26	0.26	0.26	0.26	0.26