

**IQRA National University
Department of Business Administration
Spring- Semester 2020 (Online Assignment)**

**Course Title: Marketing Management
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Semester 3rd MBA (2.5)**

Restaurant Business Plan EXECUTIVE SUMMARY

This report is prepared for the course of ENTREPRENEURSHIP. This is an extensive report on the foundation of an eatery. A total examination of condition of this café is given which bolsters the progression of the venture in chosen area for example (Gulshan-e-Iqbal Karachi).

The undertaking is financed by six accomplices each contributing equivalent speculation. Its structure will be leased and it will associate with contenders' zone close Lasania Restaurant. The advertising and advancement will be cultivated by arrangement of bulletins and appropriation of handbills all in all open. The objective market is picked upper center and center working classes. All the hardware will be secured from Pakistan however a portion of the supplies which are not accessible in Pakistan can be imported. A total hierarchical arrangement has been characterized from overseeing chief to the servers. The venture cost evaluated is more than the speculation so an advance of 1400000 has been authorized from bank for a long time recompense period at 16% loan fee.

At long last, multi year projections of salary explanations incomes and accounting report has been performed. The intensive and far reaching projections alongside pay proclamation and monetary record suspicions show that undertaking is a suitable and functional business to be run.

1. PROJECT OUTLOOK:

PURPOSE OF STUDY

This examination is created to give the business visionary potential speculation opportunity in setting up and working a medium measured eatery offering an assortment of food things to the overall population. This prefeasibility gives a knowledge into different parts of arranging, setting up and working an eatery for the upper-center and center white collar class. The investigation is intended to give important subtleties (counting specialized) to encourage the business person in settling on the choice by giving different innovative just as business choices. The report additionally permits adaptability to change different venture parameters to suit the necessities of the entrepreneur.

COMPANY DESCRIPTION

We will operate a restaurant by the name of **Azka Restaurant**. The restaurant will be located at Gulshan-e-Iqbal Rashid Minhas Road just close to a dense population of the target market. This project will be on rent and take 6 months for interior setup and marketing. **Azka Restaurant** can then open and the operations phase of the project can begin.

PROJECT ASSUMPTIONS

- Building will be on rent. (Requirements of rent is 12+1 means 1 year of rent is paid.
- In advance plus first month rent. Estate agent's fee is equal to first month
- Azka Restaurant** can entertain 100 to 150 customers in a day. -The Total Land Area covered by the Project is 400 sq yards.

MISSION STATEMENT

To serverour customers with the best quality food and environment.

OBJECTIVE

Alongside the strategic our restaurant our goal is that of an extensive achievement. Will meet this objective while attempting to consider;

- To guarantee that every visitor gets immediate, expert, agreeable and polite assistance.
- To keep up a spotless, agreeable and very much kept up premises for our visitor and staff.
- To give dietary, solid and steady dinners - utilizing just quality fixings.
- To guarantee that all visitors and staff are treated with the regard and poise they merit.
 - The high caliber of disposition, decency, comprehension, and liberality between the executives, staff, clients.

By keeping up these destinations we will be guaranteed of a reasonable benefit that will permit us to add to the network we serve.

BACKGROUND/INTRODUCTION OF PARTNERS

- **REHAN HANIF**

Rehan Hanif has been working as an accountant in multinational firms.

- **Mushtaq Ahmed Saqib**

Mushtaq Ahmed Saqib is a business man who is engaged in import and export who wants to invest in diversified business.

- **Fahad Hussain**

Fahad Hussain is working as HR-manager in corporation.

Equity Positions

Name of Investor	Share in Investment (Rs)
Rehan Hanif	22, 00,000
Mushtaq /Ahmed Saqib	22, 00,000
Fahad Hussain	22, 00,000
Total	6,600,000

2. MARKETING ASPECTS & ANALYSIS:

COMPETITIVE ANALYSIS

The proposed Azka eatery will target giving great quality food to individuals particularly groups of upper-center and center gathering. There are number of eateries situated in various regions of Karachi. Particularly at Gulshan-e-Iqbal there are numerous rivalries in our manner which are likewise focusing to the upper-center and center white collar class. The principle contenders are Mela and Lasania eateries. As we are opening up at Gulshan-e-Iqbal so we need to confront a great deal of rivalry yet by furnishing best quality food and with the assistance of showcasing procedures alongside serious costs we target making our name and spot in the piece of the pie soon.

TARGET MARKET

Our items will be focused to the upper-center and center white collar class since we will give a suitable domain the item with an extra proposed administration. As this is an eatery we are expecting that families will contribute more in our clients.

3. Product Mix:

PRODUCT

Truly it was the regular marvels that a decent item sell itself, anyway no items are awful the main distinction which we think have the effect among great and terrible is the characteristics that the item forces, in food industry the trait of the item comprise of the quality that the item holds and the manner in which it is presented with fitting servings and furthermore the agreeable condition.

PLACE

Accessible on the correct time in right amount and perfect spot is the fundamental topic of any advertising methodology, we are going to open the eatery in an exceptionally populated zone at Gulshan-e-Iqbal, so the spot will be fitting to sell the items on esteem estimating, yet counter to this office we need to keep the principles unblemished with our items in light of the fact that at that place we need to confront extraordinary rivalry.

PRICE

As we our opening our café at Gulshan-e-Iqbal and focusing on upper-center and center working class so the costs of our restaurant are charged remembering the clients. Also costs are charged with the goal that we can take care of our expense rapidly and choose acquiring benefits.

PROMOTION

Since this is an eatery there will be increasingly limited time action the underlying thing which we will do is we can spread the leaflets all in all open, the significant technique for advancement will be "verbal" other than it is the most hard to keep up as the odds of

disappointment stay a ceaseless matter of concerns.

Our Promotion vehicles will be:

1. E marketing
2. Bill Boards
3. Brochures and Pamphlets
4. Cable TV-Marketing
5. News advertisement.

4. ENGINEERING AND TECHNICAL ASPECTS

LOCATION

The Azka eatery is situated at Gulshan-e-Iqbal Rashid Minhas street, Karachi. This has been picked in the wake of remembering a few contemplations and after cautious assessment of the other options. The populace living in Gulshan-e-Iqbal is for the most part upper white collar class and working class, empowering the Restaurant to cook the objective markets straightforwardly. The total area covered by the Azka Restaurant is 400 sq. yards.

MACHINERY & EQUIPMENTS

Understanding the clients singular needs and the ability to fulfill these totally is a fundamental piece of the restaurant prosperity. This is thusly reliant on the apparatus and gear used to create great quality food. Food machines are effectively accessible in the market the proprietor needs to pick between costly brands and less expensive ones relying upon the amount he can bear to offer quality to his clients.

The machines can be ordered local whole sellers with a minimum delivery period of 3 months while refurbished / reconditioned machines are also available. Since we are new to this industry so we have preferred to go with new machinery and we have estimated their cost in feasibility

Machinery	Quantity	Cost/Unit	Total cost
Broast Machine	2	300,000	600,000
Fryer Machine	2	4000	8000
BBQ and Steak Machine	2	15,000	30,000
Oven	2	15000	30,000

Steam grilling Machine	2	3000	6000
Deep Freezer	4	27300	109200
Fridge	4	30000	120000
Food Factory	3	10,000	30,000
Coffee Machine	2	8Q00	16000
Exhaust fans and Lighting	5	4500	22500
Total			9.71.700

DINING FURNITURE & FIXTURES

An appealing lobby to sit in also contributes in growing the business and the factor of

attraction also comes from well decorated sitting area and as we are targeting the upper- middle and middle-middle class of society we ought to keep up a specific status by giving a proper extravagance to the guests, as indicated by gauges assembled with agreement, we anticipate that base of 100 should 150 individuals to visit the eatery and for this course we have assessed the expense of of attraction also comes from well decorated sitting area and as we are targeting the upper- middle and middle-middle class of society we ought to keep up a specific status by giving a proper extravagance

Lobby Furniture | Quantity Cost/Unit Total cost

Lobby Furniture	Quantity	Cost/Unit	Total cost
Glass Tables	20	1000	20,000
Wooden Chairs	60	3000	180,000
Sofa Set with a Round Wooden Table	4	35,000	140,000
Kitchen Cutlery Set	3	2500	7500
Dinning Cutlery	120	2000	240,000
Salad Bar	2	8000	16000
Lights	40	1000	40000
Wirings and Switching	1	10,000	10,000
Centrally Air conditioners	1	155,000	155,000
Hot Water <i>Geyser</i> Large	2	10,000	20,000
<i>Generator</i> Large	2	100,000	200,000
Wall fans	10	2,000	20,000
TV LCD	2	99,900	199800
Surround sound system	1	50,000	50,000
Counter table Chairs	6	1800	10800
Office Chair & Table Set	6	30,000	180,000
Miscellaneous	1	33,300	33,300

RECEPTION & OWNER'S OFFICE

For the restaurant the eat in is more utilized instead of remove administration and for that

reason it will be well suitable that we ought to deal with the requesting and filling in as conveyance. well as could be expected under the circumstances and we likewise going to give home. The Office Furniture and Equipment will be devalued at the pace of 10% per annum as indicated by the reducing balance technique for the anticipated.

HUMAN RESOURCE MANAGEMENT

A better human resource is the core factor in developing any business and well motivated and adequately paid employees contribute a major part in maintaining the standards, the human resource which we going use are as under.

Human Resource	Quantity	Wages/Unit	Total Wages (Monthly)	Total Wages (yearly)
Chief Chef	2	35,000	70,000	840,000
Office Staff	3	12,000	36,000	432,000
Guards	2	8,000	16,000	192,000
Waiters	8	6,000	48,000	576,000
Dishwasher	3	5000	15,000	180,000
Sweeper	2	5,000	10,000	120,000
Supervisor / Manager	2	20,000	40,000	480,000
Delivery Rider	2	4000	8,000	96,000
Cooks	6	10,000	60,000	720,000
Labor wages			303,000	3,120,000
Total labor wages				3,636,000

ASSUMPTIONS

Labor cost is assumed to increase at 10% annually.

LEGAL ASPECTS

The tax will be paid under the Pakistani law with the rate of straight 35 percent on total income. Every tax year is self contained year hence taxable profit is the profit accrued or arisen in that year. Anticipated of potential profit or losses which may occur in the future

are not considered for arriving at taxable income of a tax year. This rule is however , subject to one exception stock in trade may be valued on the basis of cost or net realizable value, whichever is lower section.

- Genuine benefit and Notional benefit are both to be mulled over.
- Recovery of entireties previously permitted as reasoning is to be remembered for Business salary of the year in which it is recuperated.
- Mode of book passages isn't pertinent.
- Both legitimate and unlawful business is available.
- Commercial standards for figuring business pay are additionally to be thought of.
- Capital receipts and consumption are not to be considered in the calculation of Business salary. Two criteria for admissibility of Business Expenditure are:
- Any expenditure wholly or exclusively for the purpose of Business.
- Any expenditure incidental to business.

Scheme of Business deductions/allowances (Section 22 to 31)

- Section 22 : Depreciation Allowances
- Section 23 : Initial Allowances
- Section 24 : Amortized Expenses
- Section 25 : Pre commencement Expenditures
- Section 26 : Scientific research expenditure
- Section 27 : Expenses on employee training and facility
- Section 28 : Profits on debt, financial cost and lease payments
- Section 29 : Bad debts
- Section 30 : Profits on non performing debts of a banking company
- Section 31 : Transfer to participatory reserve

TOTAL PROJECT COSTING & FINANCING PLAN

Total cost of project	Cost
Rent	26,00,000
Machinery and equipment	9,71,700
Furniture A fixtures	1,656,800
Interior Decoration	300,000
Vehicles (delivery)	70,000
Pre operating cost	2401500
Total Project Cost	8,000,000

Financing plan	Rs.8,000.000
DEBT (17.57%)	fts. 14,00,000
EQUITY (82.5%)	Rs. 66,00,000

FINANCIAL ANALYSIS & KEY ASSUMPTIONS

The financial analysis has been done on the estimates done by projecting the future earnings while taken in consideration the views of current market players and experts. The estimates cover the cost of rented building, inventory and machinery.

REVENUE & COST PROJECTION

We are expecting that in beginning we may need to endure the expense underneath balance, yet as we proceed onward with the proposed methodology of "Quality with Consistency" our business volume will increment. Concerning the estimating, we will revalue our items after each 3-month time frame thinking about the qualities of interest and item advertise.

The deals are relied upon to develop by 20 percent (year-or\ year) while we are expecting that we will recoup our fixed expense in right around 2 years after which the current estimations of incomes will at last set apart under the benefits. Then again the expansion in factor cost numbers is foreseen relative to inflation rate which is 20 percent y-o-y. Further on. after the consensus with different categories of market players we are expecting the following sales breakup,

Revenue Stream	% of Total Sales
Dine In	75%
Home Delivery	25%
Total Revenue	100%

UTILITY REQUIREMENT

Following breakup of utility bills is expected in relation to the machinery used in the restaurant.

Utility	Charges (monthly)	Charges (annually)
Electricity	50,000	600,000
Water	2500	30,000
Gqs	10,000	120,000
Telephone	12,000	144,000
Total utility	74,500	894,000

As portrayed over the a large portion of the cheap food machines require significant gas during the readiness procedure. The preheating system of the hardware before initiation of arrangement likewise devours extensive gas. It is expected that utilities costs will be expanded by 10% consistently.

CONCLUSION & RECOMMENDATIONS:

- 1.The eatery being situated in a territory like Gulshan-e-Iqbal it will confront a consistently expanding wild rivalry in this manner the menu parched some exceptional highlights must be persistently developed.
2. The eatery should work adequately and proficiently to snatch a gigantic piece of the nearby piece of the pie inside one year of its tasks and make its essence felt to its rivals.
3. In request to pick up buyer advance the café ought to especially deal with its client administrations, food quality, cleanliness and tidiness, great inside and lovely and engaging condition.
4. The eatery should utilize an appealing showcasing arrangement and advancement crusades to put the café into an interesting class and increment its mindfulness among the populace.
5. Best quality and newness of all the crude materials to be utilized in the menu must be guaranteed.
6. The restaurant can likewise offer an early on markdown to pull in clients.
7. The restaurant should likewise concoct new, nutritious and diet menus to take into account the wellbeing cognizant clients. Without sugar treats and refreshments ought to be presented simultaneously.
8. The eatery should utilize proficient cost sparing methods to get the best advantage out of its evaluating.
9. The eatery can likewise offer free conveyance administrations of certain menu things in chose regions.
- 10.The eatery ought to arrange uncommon occasions on events, for example, Eid, Independence Day, and Christmas and so forth.
- 11.The proprietors should offer motivating forces to their laborers so they work effectively and give great client care.