



NIRALA

The Ice-Cream Paradise

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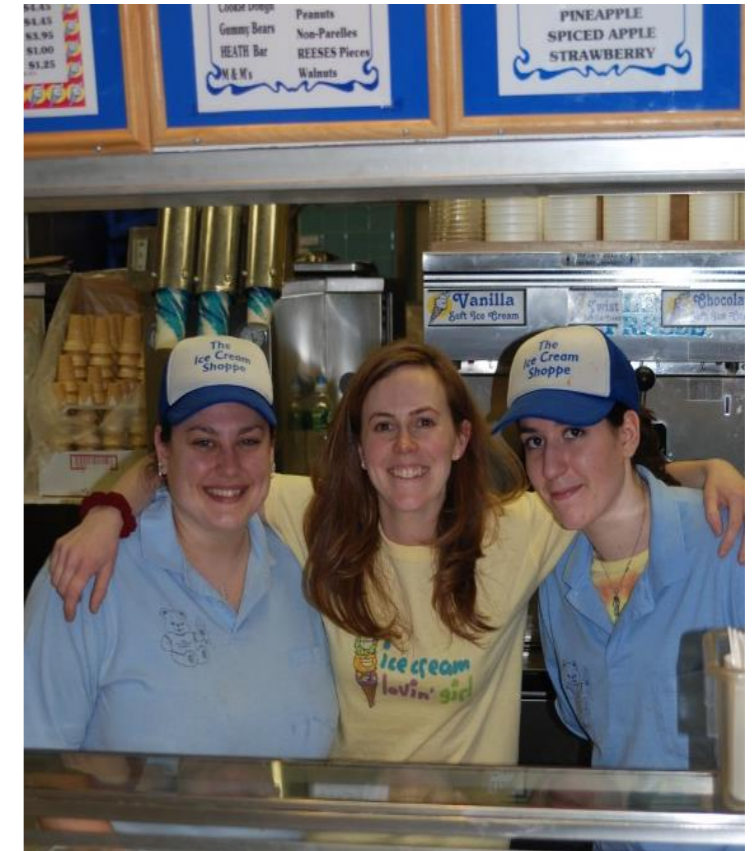
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1. Introduction

- One of the most favorite desserts in the world
- Various product types
- Always in great demand during whole year
- Low investment threshold





1. Introduction

- The ice cream paradise
- Nirala
- Variety



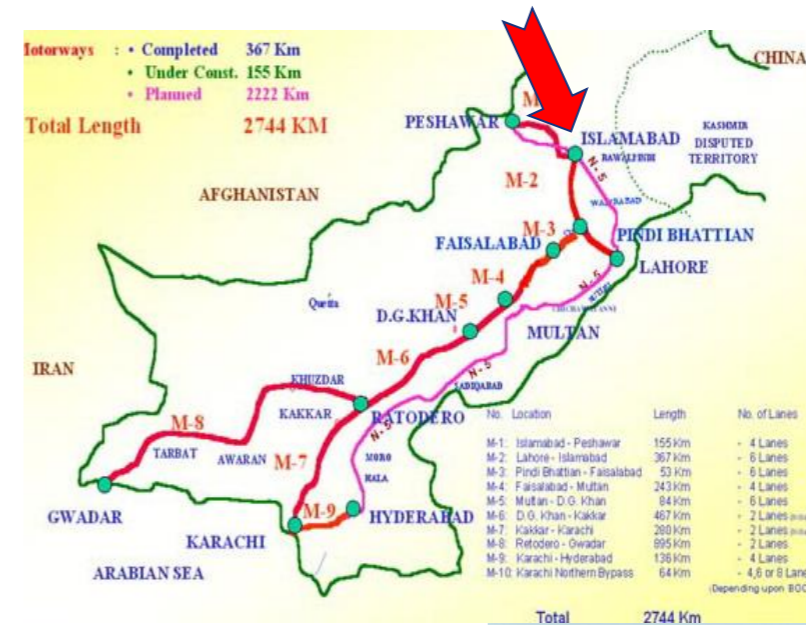
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2. Location

Why in Islamabad?

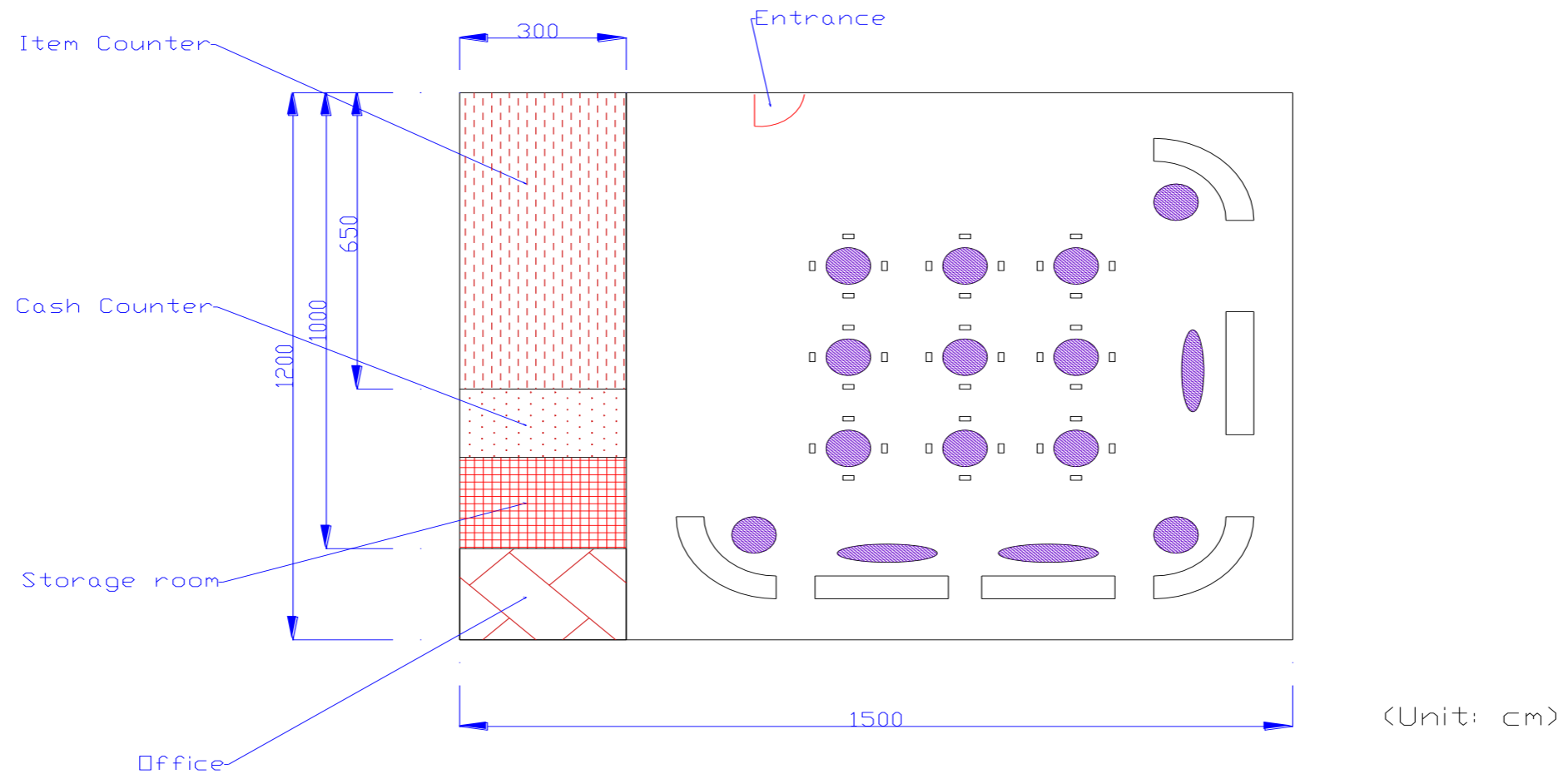
- The Capital
- Tourism Industry
- Government Policy
- Links the Southern part with the Northern Part
- Weather





3. Structure Of Building

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The Ice-Cream Paradise

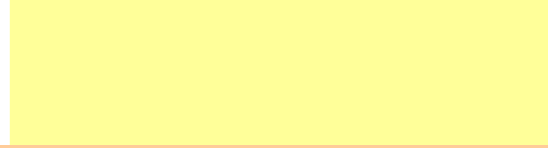




4. Ice-cream Styles



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4. Ice-cream Styles



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5. Investment Cost and Finance Calculation

Building cost

Description	Cost (Rs.)
Area of building (m ²)	180
Average cost / m ²	12,000
Total Building cost	2,160,000

Furniture cost

Sr.#	Item	Quantity	Cost per item (Rs.)	Total item cost (Rs.)
1	Chair	36	100	3,600
2	Table	15	200	3,000
3	Sofa	6	2,500	15,000
4	Ice-cream counter	1	10,000	10,000
5	Cash counter	1	5,000	5,000
6	Others	-	100,000	100,000
SUM OF FURNITURE				136,600





5. Investment Cost and Finance Calculation

Tableware Cost

Sr.#	Item	Quantity	Cost per item (Rs.)	Total item cost (Rs.)
1	Cup	300	30	9,000
2	Spoon	400	15	6,000
3	Knife	100	10	1,000
4	Plates	100	30	3,000
5	Glasses	80	30	2,400
6	Tissue paper per pack	100	10	1,000
7	Others (Candles, ash tray, etc.)	-	-	2,000
SUM OF TABLEWARE				24,400





5. Investment Cost and Finance Calculation

Machinery Cost

Sr.#	Item	Quantity	Cost per item (Rs.)	Total item cost (Rs.)
1	Refrigerator	2	200,000	400,000
2	Ice-cream machine	2	40,000	80,000
3	Cash machine	1	10,000	10,000
4	Air conditioner	1	400,000	400,000
5	Defreezer	1	80,000	80,000
6	Dish washer	1	20,000	20,000
7	Coffee machine	1	3,000	3,000
8	TV and Speakers	1	200,000	200,000
9	Others		10,000	10,000
SUM OF MACHINERY				1,203,000

Labour Cost

Sr.#	Designation	Positions	Salary (Rs.)
1	Manager	1	18,000
2	Casher	1	10,000
3	Servers	3	24,000
4	Waiters	2	14,000
SUM OF LABOUR			66,000



5. Investment Cost and Finance Calculation

Raw Material Cost

Sr.#	Item	Quantity	Cost per unit (Rs.)	Total item cost (Rs.)
1	Butter	5 kg	80	400
2	Milk	200 L	25	5,000
3	Sugar	10 Kg	30	300
4	Almond	5 kg	200	1,000
5	Pistachio	5 kg	300	1,500
6	Fruits	30 kg	50	1,500
7	Ice-cream Flavors	500 kg	40	20,000
8	Cocoa	10 kg	30	300
9	Cold Drinks	300 L	25	7,500
SUM OF RAW MATERIAL		630 kg (1067.8 Gallon)		37,500





5. Investment Cost and Finance Calculation

Total Cost

Sr.#	Description	Cost (Rs.)
1	Building cost	2,160,000
2	Machinery cost	1,203,000
4	Furniture cost	136,600
5	Tableware cost	24,400
6	Management cost	66,000
7	Raw Material cost	37,500
8	Electricity	10,000
9	Water	1,500
10	Licence cost	20,000
11	Insurance per month	8,000
12	Advertisement	5,000
SUM		3,672,000

Total Investment	Rs. 3,672,000/-
50% of Shareholders Funds	Rs. 1,836,000/-
50% outside Financing (Bank)	Rs. 1,836,000/-



5. Investment Cost and Finance Calculation

Calculation of Financing Costs

Year	Balance of Debt (Rs.)	Interest Rate (%)	Interest costs paid per annum (Rs.)	Repayment per annum (Rs.)
1	1,836,000	7	128,520	183,600
2	1,652,400	7	115,668	183,600
3	1,468,800	7	102,816	183,600
4	1,285,200	7	89,964	183,600
5	1,101,600	7	77,112	183,600
6	918,000	7	64,260	183,600
7	734,400	7	51,408	183,600
8	550,800	7	38,556	183,600
9	367,200	7	25,704	183,600
10	183,600	7	12,852	183,600
Total Interest Paid			736,860	
Repayment				1,836,000



5. Investment Cost and Finance Calculation

Calculation of Depreciation Costs

Sr. #	Assets	Amount Invested (Rs.)	Depreciation Rate per year (%)	Depreciation Cost per year (Rs.)
1	Building	2,160,000	5	108,000
2	Machinery	1,203,000	2	24,060
3	Furniture	136,600	1	1,366
Total Cost				133,426



5. Investment Cost and Finance Calculation

Self Costs per gallon of Ice-cream for 10 years

	Year/gallon	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Utilization of capacity (%)	60%	60%	70%	80%	100%	100%	100%	100%	100%	100%	100%
Output in gallon	3438.84	3438.84	4011.98	4585.12	5731.40	5731.40	5731.40	5731.40	5731.40	5731.40	5731.40

Costs (Rs.)	Costs per gallon of ice cream	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Depreciation	38.8	133,426.9	133,426.9	133,426.9	133,426.9	133,426.9	133,426.9	133,426.9	133,426.9	133,426.9	133,426.9
Financing	37.4	128,520	115,668	102,816	89,964	77,112	64,260	51,408	38,556	25,704	12,852
Labour	19.2	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000
Raw Material	10.9	37,500	43,730.5	49,977.8	62,472.26	62,472.26	62,472.26	62,472.26	62,472.26	62,472.26	62,472.26
Sum of Costs		365,446	365,072	345,973	351,863	339,011	326,159	313,307	300,455	287,603	274,751
Costs per gallon	106.3	106.2	90.99	75.45	61.39	59.14	56.90	54.66	52.42	50.18	47.93



5. Investment Cost and Finance Calculation

Calculation of the Revenue / Turnover

Year	Output	Price per gallon (Rs.)	Revenue / Turnover (Rs.)
1	3438.84	106	364,517
2	4011.98	106	425,269
3	4585.12	106	486,022
4	5731.40	106	607,528
5	5731.40	106	607,528
6	5731.40	106	607,528
7	5731.40	106	607,528
8	5731.40	106	607,528
9	5731.40	106	607,528
10	5731.40	106	607,528





5. Investment Cost and Finance Calculation

Computation of Cash-Flow for 10 years

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue / Turnover	364,517	425,269	486,022	607,528	607,528	607,528	607,528	607,528	607,528	607,528
Depreciation	133,426.9	133,426.9	133,426.9	133,426.9	133,426.9	133,426.9	133,426.9	133,426.9	133,426.9	133,426.9
Financing	128,520	115,668	102,816	89,964	77,112	64,260	51,408	38,556	25,704	12,852
Labour	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000
Raw Material	37,500	43,730.5	49,977.8	62,472.26	62,472.26	62,472.26	62,472.26	62,472.26	62,472.26	62,472.26
Loss carried forward		-929								
Profit before Tax	-929	60,197	140,049	255,665	268,517	281,369	294,221	307,073	319,925	332,777
Tax (%)	0	0	7.5	12.5	12.5	12.5	12.5	20	20	20
Tax Deducted	0	0	10,503	31,958	33,565	35,171	36,777	61,414	63,985	66,555
Profit after Tax	-929	60,197	129,546	223,707	234,952	246,198	257,444	245,659	255,940	266,222
Cash Flow	132,497	193,623	262,972	357,133	368,378	379,624	390,870	379,085	389,366	399,648
Repayment Credit	183,600	183,600	183,600	183,600	183,600	183,600	183,600	183,600	183,600	183,600
Dividend	-50,174	10,023	79,372	173,533	184,778	196,024	207,207	195,485	205,766	216,048

Tax Schedule in Pakistan

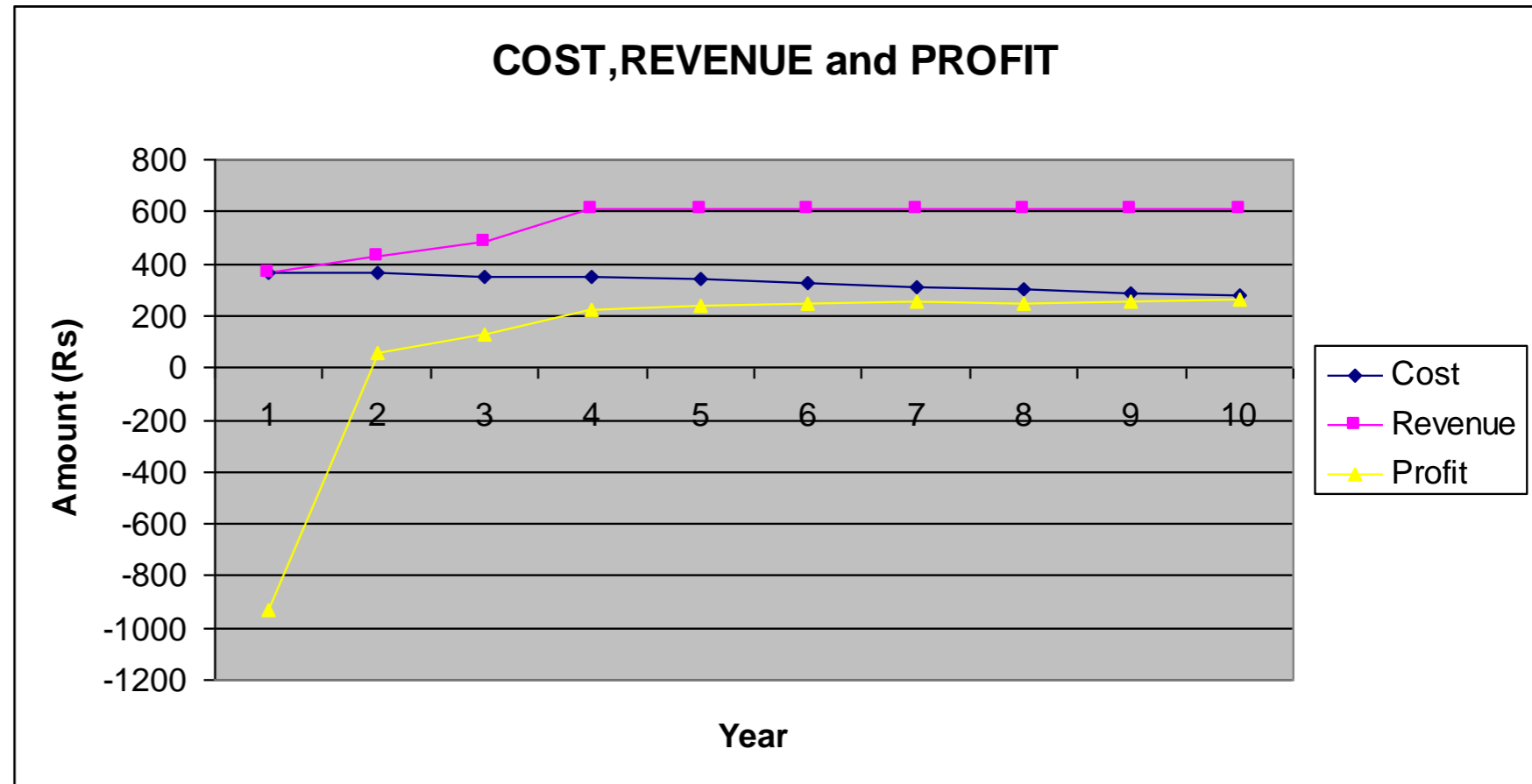
From 0 to 100,000 PKR	0%
From 100,000 to 150,000 PKR	7.5%
From 150,000 to 300,000 PKR	12.5%
From 300,000 to 400,000 PKR	20%
From 400,000 to 700,000 PKR	25%
Beyond 700,000 PKR	35%



5. Investment Cost and Finance Calculation

**TOTAL DIVIDEND CUMULATED
OVER 10 YEARS**

Rs. 1,418,062/-





Thank you!

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