

# TIFFIN SERVICE

## Introduction



A tiffin service is a catering service that delivers freshly prepared meals to customers on a regular basis, typically for lunch or dinner. It's a popular option for busy individuals, students, and working professionals who want to enjoy homemade food without the hassle of cooking.



Tiffin services often offer a variety of cuisines and meal plans to cater to different tastes and dietary needs. They typically operate on a subscription model, allowing customers to choose their preferred meals and delivery schedule.

Tiffin services have gained popularity due to their convenience, affordability, and focus on providing healthy and nutritious meals. They are particularly common in urban areas where people lead fast-paced lives and may not have the time or resources to cook at home every day.

# **Market Potential**

The compound annual growth rate (CAGR) of the online food delivery market in India is expected to be 12% from 2023 to 2028. The food services market in India is expected to grow at a CAGR of 10-12% annually over the next seven years.

The market scope for starting a tiffin service is quite promising, especially in urban areas. Here's a breakdown of the key factors contributing to its potential:

## **1. Growing Demand for Convenience:**

- **Busy Lifestyles:** In today's fast-paced world, many individuals, especially working professionals and students, have limited time for cooking. Tiffin services offer a convenient solution by delivering ready-to-eat meals.
- **Nuclear Families:** With the rise of nuclear families, the traditional concept of home-cooked meals is diminishing. Tiffin services fill this gap by providing a taste of home-cooked food.

## **2. Health and Wellness:**

- **Focus on Healthy Eating:** There's a growing awareness of the importance of healthy eating. Many tiffin services cater to this demand by offering nutritious and balanced meals with options for various dietary restrictions.
- **Home-cooked Advantage:** People often perceive home-cooked food as healthier and more hygienic than restaurant meals, making tiffin services an attractive option.

## **3. Changing Demographics:**

- **Migration to Cities:** With increasing urbanization, there's a significant population of people living away from their families. Tiffin services provide a sense of comfort and familiarity through home-style cooking.
- **Young Professionals:** Young professionals, especially those new to a city, often rely on tiffin services for convenient and affordable meal options.

## **4. Technological Advancements:**

- **Online Platforms:** Online platforms and mobile apps have made it easier to order and manage tiffin services, increasing their reach and accessibility.
- **Efficient Delivery:** Technology-enabled delivery services ensure timely and efficient delivery of meals.

### **Key Considerations for Success:**

- **Unique Selling Proposition:** Differentiate your service by offering specialized cuisines, dietary options, or unique packaging.
- **Quality and Hygiene:** Maintain high standards of food quality, hygiene, and safety to build trust with customers.
- **Customer Service:** Provide excellent customer service, including timely delivery, responsive communication, and personalized attention.
- **Marketing and Branding:** Effectively market your services through online platforms, local partnerships, and word-of-mouth referrals.

By understanding the market scope and addressing the key considerations, you can increase your chances of success in the competitive tiffin service industry.

## **Capital Asset**

The capital assets required to start a tiffin service business can vary depending on the scale and scope of your operations. However, here are some essential items you'll need:

### **1. Kitchen Equipment:**

- **Stoves and Cooktops:** Multiple burners for efficient cooking.
- **Refrigerator:** For storing ingredients and perishable items.
- **Utensils and Cutlery:** Pots, pans, knives, spoons, ladles, etc.
- **Mixing Bowls and Containers:** For preparing and storing ingredients.
- **Chopping Boards:** For safe food preparation.

## **2. Tiffin Boxes and Packaging:**

- **Tiffin Boxes:** High-quality, insulated containers to keep food warm and fresh.
- **Packaging Materials:** Bags, boxes, or other materials for safe and hygienic packaging.

## **3. Delivery and Transportation:**

- **Delivery Vehicles or Renting Services:** If you plan to handle deliveries in-house.
- **Fuel Costs:** For operating delivery vehicles.

## **4. Technology and Communication:**

- **Mobile Phones:** For communication with customers and delivery staff.
- **Computers or Laptops:** For order management, inventory tracking, and online presence.
- **Internet Connection:** For online ordering, marketing, and communication.

## **5. Legal and Licensing:**

- **Licenses and Permits:** Depending on your local regulations, you may need food handling licenses, business licenses, and other permits.

## **6. Marketing and Branding:**

- **Marketing Materials:** Flyers, brochures, business cards, etc.
- **Online Presence:** Website or social media pages to promote your services.

## **7. Safety and Hygiene:**

- **First-Aid Kit:** For minor injuries.
- **Fire Extinguisher:** For safety in the kitchen.
- **Cleaning Supplies:** For maintaining a hygienic kitchen and workspace.

### **Additional Considerations:**

- **Initial Inventory of Ingredients:** Stock up on essential ingredients to start your operations.
- **Staffing:** If you plan to hire cooks or delivery staff, factor in their salaries and benefits.
- **Insurance:** Consider business insurance to protect your assets and operations.

By carefully planning and budgeting for these capital assets, you can lay a strong foundation for your tiffin service business. Remember to prioritize quality and safety to build a loyal customer base.

## **Services Offered**

**Tiffin services** offer a range of services to cater to the diverse needs of their customers. Here are some common services offered by tiffin services:



### **1. Meal Delivery:**

- **Daily Meals:** Most tiffin services provide daily meals, typically for lunch or dinner.
- **Customized Meal Plans:** Some services offer customized meal plans based on dietary restrictions, preferences, or health goals.
- **Special Occasion Meals:** Many services cater to special occasions like birthdays, anniversaries, or festivals by offering festive meals or customized menus.

## 2. Dietary Accommodations:

- **Vegetarian and Vegan Options:** Most tiffin services offer vegetarian options, and many also cater to vegan diets.
- **Jain Food:** Some services specialize in Jain food, which excludes root vegetables and onion-garlic.
- **Other Dietary Restrictions:** Services may also accommodate other dietary restrictions like gluten-free, dairy-free, or low-calorie options.

## 3. Cuisines:

- **Regional Cuisines:** Many tiffin services specialize in specific regional cuisines, allowing customers to enjoy authentic flavors from different parts of the country.
- **International Cuisines:** Some services offer international cuisines like Chinese, Italian, or Mexican.
- **Fusion Cuisines:** A growing trend is fusion cuisines, which combine elements of different culinary traditions.

## 4. Additional Services:

- **Snack Packs:** Some services offer healthy snack packs for in-between meals.
- **Corporate Catering:** Many services cater to corporate events and offices, providing lunch or dinner for employees.
- **Event Catering:** Some services cater to weddings, parties, and other events.

## 5. Online Ordering and Payment:

- **Online Platforms:** Many tiffin services have online platforms or mobile apps for easy ordering and payment.
- **Subscription Plans:** Some services offer subscription plans for regular meal deliveries.

*The specific services offered by a tiffin service may vary depending on its size, target audience, and location. However, most services focus on providing convenient, healthy, and delicious meals to their customers.*

## PROJECT AT A GLANCE - TOP SHEET

<b>1</b>	Name of the Beneficiary	<b>XXXXXX</b>		
<b>2</b>	Constitution(Legal Status)	<b>Individual</b>		
<b>3</b>	Father/Spouse Name	XXXXXXXX		
<b>4</b>	Unit Address	XXXXXXXX		
		Taluk/Block:	<b>XXXXXX</b>	
		District :	<b>XXXXXX</b>	
		Pin:	<b>XXXXXX</b>	
		E-Mail	:	<b>XXXXXX</b>
		Mobile	:	<b>XXXXXX</b>
<b>5</b>	Cost of Project	:	<b>Rs.</b>	<b>4.56 in Lakhs</b>
<b>(i)</b>	Capital Asset & Equipment			<b>3.50 in Lakhs</b>
<b>(ii)</b>	Furniture & Fixtures			<b>0.50 in Lakhs</b>
<b>(iii)</b>	Working Capital Required			<b>0.56 in Lakhs</b>
<b>6</b>	Means of Finance	:	<b>Rs.</b>	
<b>(i)</b>	Term Loan			<b>3.60 in Lakhs</b>
<b>(ii)</b>	Working Capital			<b>0.50 in Lakhs</b>
<b>(iii)</b>	Own Capital			<b>0.46 in Lakhs</b>
				<b>4.56 in Lakhs</b>
<b>7</b>	Debt Service Coverage Ratio	:		<b>3.89</b>
<b>8</b>	Break Even Point	:		34.94%
<b>9</b>	Capital Asset & Equipments	:	Kitchen equipment, Tiffin Boxes & Packaging material, delivery vehicles	
<b>10</b>	Employment	:		5
<b>11</b>	Power Requirement	:		2.00
<b>12</b>	Name of the project / business activity	:	Tiffin Service	

## PROJECTED CASH FLOW STATEMENT

PARTICULARS	YEAR-I	YEAR-II	YEAR-III	YEAR-IV
<b><u>SOURCES OF FUND</u></b>				
Capital	0.46	-	-	-
Reserve & Surplus	1.97	3.10	4.35	5.72
Depriciation & Exp. W/off	0.58	0.49	0.42	0.36
Increase in Cash Credit	0.50	-	-	-
Increase In Term Loan	3.60	-	-	-
Increase in Creditors	0.18	0.06	0.06	0.07
Increase in Provisions	0.50	0.03	0.03	0.03
<b>TOTAL :</b>	<b>7.78</b>	<b>3.67</b>	<b>4.86</b>	<b>6.18</b>
<b><u>APPLICATION OF FUND</u></b>				
Increase in Fixed Assets	4.00	-	-	-
Increase in Debtors	0.75	0.24	0.27	0.30
Repayment of Term Loan	0.72	0.96	0.96	0.96
Drawings	1.50	2.00	2.50	4.00
<b>TOTAL :</b>	<b>6.97</b>	<b>3.20</b>	<b>3.73</b>	<b>5.26</b>
Opening Cash & Bank Balance	-	0.81	1.28	2.41
Add : Surplus	0.81	0.47	1.13	0.92
Closing Cash & Bank Balance	<b>0.81</b>	<b>1.28</b>	<b>2.41</b>	<b>3.33</b>



## PROJECTED BALANCE SHEET

PARTICULARS	YEAR-I	YEAR-II	YEAR-III	YEAR-IV
<b><u>SOURCES OF FUND</u></b>				
Capital Account	-	0.93	2.03	3.88
Add: Addition	0.46	-	-	-
Add : Net Profit	1.97	3.10	4.35	5.72
	2.43	4.03	6.38	9.60
Less : Drawings	1.50	2.00	2.50	4.00
<b>NET OWN FUNDS</b>	<b>0.93</b>	<b>2.03</b>	<b>3.88</b>	<b>5.60</b>
Term Loan	2.88	1.92	0.96	-
Cash Credit	0.50	0.50	0.50	0.50
Sundry Creditors	0.18	0.23	0.29	0.36
Provisions & Other Liab	0.50	0.53	0.55	0.58
<b>TOTAL :</b>	<b>4.98</b>	<b>5.20</b>	<b>6.19</b>	<b>7.04</b>
<b><u>APPLICATION OF FUND</u></b>				
<b>Fixed Assets</b>	4.00	4.00	4.00	4.00
Less : Depreciation	0.58	1.07	1.49	1.84
Net Fixed Assets	3.43	2.93	2.51	2.16
<b>Current Assets</b>				
Sundry Debtors	0.75	0.99	1.26	1.56
Cash and Bank	0.81	1.28	2.41	3.33
<b>TOTAL :</b>	<b>4.98</b>	<b>5.20</b>	<b>6.19</b>	<b>7.04</b>

## PROJECTED PROFITABILITY STATEMENT

PARTICULARS	YEAR-I	YEAR-II	YEAR-III	YEAR-IV
Probability %	50%	55%	60%	65%
<b><u>SALES</u></b>				
Gross Receipts/Sale	15.00	19.80	25.20	31.20
<b>Total</b>	<b>15.00</b>	<b>19.80</b>	<b>25.20</b>	<b>31.20</b>
<b><u>COST OF SALES</u></b>				
Consumables	5.25	6.93	8.82	10.92
Power Expenses	1.50	1.98	2.52	3.12
Salary to Staff	3.00	3.96	5.04	6.24
Selling & Adm Expenses Exp.	2.25	2.97	3.78	4.68
Depriciation	0.58	0.49	0.42	0.36
Interest on Term Loan	0.40	0.32	0.21	0.11
Interest on Working Capital	0.06	0.06	0.06	0.06
<b>TOTAL (D+G)</b>	<b>13.03</b>	<b>16.70</b>	<b>20.85</b>	<b>25.48</b>
<b>NET PROFIT</b>	<b>1.97</b>	<b>3.10</b>	<b>4.35</b>	<b>5.72</b>
	<b>13.16%</b>	<b>15.64%</b>	<b>17.28%</b>	<b>18.34%</b>
<b>CASH ACCRUALS</b>	<b>2.55</b>	<b>3.59</b>	<b>4.77</b>	<b>6.08</b>

## COMPUTATION OF REVENUE

No. of Meals per day	100 Meals
No of Working Days per month	25 Days
No of Working Days per annum	300 Months
No. of Meals per annum	30,000 Meals

Year	Probability	Tiffin Service
YEAR-I	50%	15,000
YEAR-II	55%	16,500
YEAR-III	60%	18,000
YEAR-IV	65%	19,500

## COMPUTATION OF SALE

Particulars	YEAR-I	YEAR-II	YEAR-III	YEAR-IV
No. of Meals per annum				
Tiffin Service	15,000	16,500	18,000	19,500
Average Revenue per Meal	100.00	120.00	140.00	160.00
<b>Total Revenue</b>	<b>15,00,000</b>	<b>19,80,000</b>	<b>25,20,000</b>	<b>31,20,000</b>
<b>Gross Receipts (in lacs)</b>	<b>15.00</b>	<b>19.80</b>	<b>25.20</b>	<b>31.20</b>

## COMPUTATION OF DEPRECIATION

Description	Plant/Machinery Equipments	Furniture	TOTAL
Rate of Depreciation	<b>15.00%</b>	<b>10.00%</b>	
<b>Opening Balance</b>	-	-	-
Addition	3.50	0.50	4.00
	3.50	0.50	4.00
Less : Depreciation	0.53	0.05	0.58
WDV at end of Year-1	2.98	0.45	3.43
Additions During The Year	-	-	-
	2.98	0.45	3.43
Less : Depreciation	0.45	0.05	0.49
WDV at end of Year II	2.53	0.41	2.93
Additions During The Year	-	-	-
	2.53	0.41	2.93
Less : Depreciation	0.38	0.04	0.42
WDV at end of Year III	2.15	0.36	2.51
Additions During The Year	-	-	-
	2.15	0.36	2.51
Less : Depreciation	0.32	0.04	0.36
WDV at end of Year IV	1.83	0.33	2.16

## TERM LOAN

Year	Opening Balance	Repayment	Closing Balance	Interest @ 11%
1st	3.60	0.72	2.88	0.40
2nd	2.88	0.96	1.92	0.32
3rd	1.92	0.96	0.96	0.21
4th	0.96	0.96	0.00	0.11

<b><u>BREAK EVEN POINT &amp; RATIO ANALYSIS</u></b>				
<b>Particulars</b>	<b>1st Year</b>	<b>2nd Year</b>	<b>3rd Year</b>	<b>4th Year</b>
Fixed Cost	3.91	5.01	6.25	7.64
Variable Cost	9.12	11.69	14.59	17.84
Total Cost	13.03	16.70	20.85	25.48
Sales	15.00	19.80	25.20	31.20
Contribution (Sales-VC)	5.88	8.11	10.61	13.36
Capacity Utilisation	50.00%	55.00%	60.00%	65.00%
B.E.P in %	33%	34%	35%	37%
Break Even Sales in Rs.	4.98	6.73	8.91	11.60
Net Profit Ratio	13.16%	15.64%	17.28%	18.34%

<b><u>CALCULATION OF D.S.C.R</u></b>				
<b>PARTICULARS</b>	<b>YEAR-I</b>	<b>YEAR-II</b>	<b>YEAR-III</b>	<b>YEAR-IV</b>
<b><u>CASH ACCRUALS</u></b>	2.55	3.59	4.77	6.08
Interest on Term Loan	0.40	0.32	0.21	0.11
Total	2.95	3.91	4.99	6.19
<b><u>REPAYMENT</u></b>				
Instalment of Term Loan	0.72	0.96	0.96	0.96
Interest on Term Loan	0.40	0.32	0.21	0.11
Total	1.12	1.28	1.17	1.07
<b>DEBT SERVICE COVERAGE RATIO</b>	<b>2.64</b>	<b>3.06</b>	<b>4.26</b>	<b>5.80</b>
<b>AVERAGE D.S.C.R.</b>			<b>3.89</b>	