

Starting A Business



PEDICAB / PADYAK OPERATION



**BUREAU OF MICRO, SMALL AND MEDIUM
ENTERPRISE DEVELOPMENT (BMSMED)**
5/F, Trade and Industry Building
361 Sen. Gil J. Puyat Ave. Makati City
Tel. Nos.: (02) 897.1693 / 897.7596 / 890.4968
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www.dti.gov.ph

Starting a Business

Pedicab or Padyak or foot-pedaled tricycle is a man peddled bicycle with a sidecar for passengers. It is one of the most convenient transportation in rural areas, specially from the central town to the villages. It usually covers short distances and feeder trips but longer trips can be arranged. This mode of transportation is a best alternative especially with the high prices of gasoline and when streets are flooded.

I. ESTIMATED INVESTMENT COSTS

A. Basic Equipment

Equipment	Qty.	Amount
Pedicab bikes @ P6,500.00 each	10	P65,000.00
Subtotal		P65,000.00

B. Basic Materials/Supplies

Materials	Qty.	Amount
Bike tools @ P295.00/set	2 sets	P590.00
Cleaning materials (washcloth)	1 set	50.00
Safety and proper lighting/reflector devices @ P500.00/set	10 sets	5,000.00
Subtotal		P5,640.00

ESTIMATED TOTAL INVESTMENT COST	P70,640.00
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II. ESTIMATED MONTHLY INCOME

Revenues (P80.00 daily boundary x 10 units x 26 days)	P20,800.00
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Less Monthly Operating Expenses:

- Repairs and Maintenance (5% of monthly income or revenue)	1,040.00
- Depreciation (monthly for 3 years for 10 bikes)	1,805.55
- Membership Dues (P 3,000.00 for 10 bikes/12 months)	250.00
- Contingency cost (10% of 10 units of bikes)	6,500.00

Total Monthly Operating Expenses	P9,595.55
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ESTIMATED MONTHLY INCOME	P11,204.45
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*Based on 2009 prices

**Sources of prices: Binondo bike shops/stores

III. RETURN ON INVESTMENT (ROI)

$$ROI = P11,204.45 / P70,640.00 = .15$$

Payback Period = 8th month

IV. PROHIBITIONS

- No *padyak*/pedicab shall be allowed to enter, pass, or utilize any highway, national or provincial road, or any main street in the city.
- Pedicab operation shall only be allowed in subdivision roads, callejones, alleys, and small side streets within the city.
- No person below 18 years of age shall be allowed by any owner or operator to drive *padyak*.

V. REGISTRATION REQUIREMENTS

1. Business Name Registration

Department of Trade and Industry (DTI) within NCR

- 2/F, Atrium of Makati Bldg., Makati Ave., corner Paseo de Roxas St., Makati City
Tel. No.: (632) 501.5135
- 2/F, Park N' Ride, Lawton, P. Burgos Ave., Dr. Basa St., Ermita, Manila
Tel. No.: (632) 536.7153
- G/F, Highway 54 Plaza, EDSA, Mandaluyong City (across SM Megamall)
Tel. No.: (632) 706.1767
- 5/F, Araneta Square Mall, Monumento Circle, Kalookan City
Tel. Nos.: (632) 332.0854 / 332.0829

DTI Office in the province where the business is located
Website: www.bnrs.dti.gov.ph for online registration
Validity: 5 years

2. Mayor's Permit

Municipality or city where the business is located
Validity : 1 year

PEDICAB / "PADYAK" OPERATION

3. **Tax Identification Number (TIN)**
Bureau of Internal Revenue (BIR)
BIR National Office Bldg.,
Agham Road, Diliman, Quezon City
Trunkline: (632) 981.7000 / 981.8888
Email: contact_us@cctr.bir.gov.ph
www.bir.gov.ph

BIR Regional or District Office where the business is located

VI. FINANCING

- **Small Business Corporation**
17/F and 18/F, Antel Corporate Center,
139 Valero Street, Salcedo Village, Makati City
Tel. No.: (632) 751.1888
www.sbgfc.org.ph
(Direct lending for individual borrower with an asset size of P 500,000 – P 100M)
- **People's Credit and Finance Corporation**
2/F, Accelerando Building,
395 Sen. Gil Puyat Ave., Makati City
Tel. Nos.: (632) 897.8521752.3745
Fax No.: (632) 325.0448-49
Email: info@pcfc.ph
www.pcfc.gov.ph
- **National Livelihood Development Corporation (NLDC)**
7/F, One Corporate Plaza, 845 A. Arnaiz Ave.,
Makati City
Tel. Nos.: (632) 817.3012 / 817.2657 / 817.0445
Email: nlsf-info@nlsf.gov.ph