

# 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](http://www.dti.gov.ph)

**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
<b>Subtotal</b>		<b>P65,000.00</b>

### 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
<b>Subtotal</b>		<b>P5,640.00</b>

**ESTIMATED TOTAL INVESTMENT COST P70,640.00**

## II. ESTIMATED MONTHLY INCOME

<b>Revenues</b> (P80.00 daily boundary x 10 units x 26 days)	<b>P20,800.00</b>
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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**

**ESTIMATED MONTHLY INCOME P11,204.45**

\*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 = 8<sup>th</sup> 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

- 12/F, Trafalgar Plaza,  
105 H.V. Dela Costa St., Salcedo Village, Makati City  
Tel. No.: 811-8232 loc. 208
- 2/F, Park N' Ride, Lawton,  
P. Burgos Ave., Dr. Basa St., Ermita, Manila  
Tel. No.: 536.7153
- G/F, Highway 54 Plaza,  
EDSA, Mandaluyong City (across SM Megamall)  
Tel. No.: 706.1767
- 5/F, Araneta Square Mall,  
Monumento Circle, Kalookan City  
Tel. Nos.: 332.0854 / 332.0829

DTI Office in the province where the business is located  
Website: [www.bnrs.dti.gov.ph](http://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

### 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](mailto:contact_us@cctr.bir.gov.ph)  
[www.bir.gov.ph](http://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](http://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](mailto:info@pcfc.ph)  
[www.pcfc.gov.ph](http://www.pcfc.gov.ph)

### • National Livelihood Development Corporation (NLDC)

4/F, Hanston Building, F. Ortigas Jr. Road,  
Ortigas Center, Pasig City  
Tel. No.: (632) 914.7290 to 97 / 631.2955/57  
Email: [nlsf-info@nlsf.gov.ph](mailto:nlsf-info@nlsf.gov.ph)