



B.ED AND LAW COLLEGE

Introduction

Bachelor of education, popularly known as B.Ed., is a two-year full-time degree that is required for candidates interested in pursuing a career in teaching and other related fields. Beginning from the phase when interest in the field is developed in the student and continuing to the phase when the student masters the field and is ready to shape others' future as well. It provides professional training in arts and sciences from a teaching perspective. B.Ed. is compulsory for all those who want to teach in primary and secondary schools.

A law school (also known as a law center or law college) is an institution that specializes in law education, usually as part of a process of becoming a lawyer within a specific jurisdiction. Law degrees have forever been one amongst the foremost wanted and largely respected courses at the university. For many, a law degree is the start on the trail to a career in law, typically followed by more study and training as a practicing lawyer or lawyer.

Market Potential

Higher education, like any other commodity or service, has been viewed in a variety of economic frameworks. Large number of applications are up in professional programs such as B.Ed. and law every year. While the urge of being self-dependent is one factor, the devastating knowledge which both these courses offer is another. The educational sector is experiencing an upward trend and is expected to grow more. The highly qualified professionals are spreading more and more awareness and focusing on "how beneficial these courses are", not just in terms of a degree, but also in terms of the spectacular knowledge it offers. The future of law around the world is changing, the landscape of the legal profession is expanding exponentially and the need for lawyers in all spheres of society is increasing. Also, the job of a teacher is considered as the highly respected job, because it focuses on the holistic growth of hundreds of souls. Thus, the market potential of institutions delivering such knowledge is very high.

Cost of Project

Particulars	Amt (In Rs. Lakhs)
Land development cost	10.00
Civil works and Buildings (@1500/sqft)	1500.00
Books	5.00
Computer	20.00
Furniture	177.00
Misc Fixed Assets	25.80
D G Set 50 KV	4.40
Escalation & Contingencies	87.11
Preliminary & Preoperative Expenses	63.05
Sub-total (A)	1892.36
Working Capital Margin @40% of Total WC Requirement	60.60
Total Project Cost	1952.96
Total Working Capital Required (B) 25% of 1st Year Proj.Turn Over	242.40
MEANS OF FINANCE	
Total funds required (A+B)	2134.76
Loan component	
Term loan (60% of A)	1135.42
Working capital (60% of B)	145.44
TOTAL	1280.86
Equity	853.90
TOTAL	2134.76

Detailed Cost Element

SL No	Particulars	Qty.	Amt (In Rs. Lakhs)
1	Tables	80	3.60
2	Big Tables	80	6.40
3	Chairs	1,000	25.00
4	Benches	3,000	108.00
5	Cupboards	200	24.00
6	Air Conditioner	60	18.00
7	Water Filters	10	1.50
8	Computers	80	20.00
9	CCTV	100	2.80
10	Electric Appliances(Fan, Tubelight etc)		4.00
11	Furniture for classroom, staffroom,teacher's room,office)		5.00

12	Washroom Fittings		5.00
13	Printer and Scanner	2	0.30
14	Books for library		5.00
15	Other Fixed Asset		2.00
	Total		228.60

Contingencies and Escalations

It has been assumed at approximately 5% at cost of project.

Preliminary Expenses

Particulars	Amt (In Rs. Lakhs)
Incorporation Expenses	0.15
Project Report Preparation and Consultation	0.35
Feasibility and Engineer's/Architect's Report and Plans	20.00
Legal Charges - Drafting for agreements, contracts, stamp paper, notary	0.05
Rent payments upto the start of commercial production	0.00
Other recurring expenses of revenue nature upto start of commercial	1.00
Interest Cost for period before commercial operations	24.00
Installation /erection charges	0.00
Total	45.55

Salary

Designation	Manpower	Amt (in Rs. Lakhs)
Professors	70	420.00
Manager/Dean	2	12.00
Office Staff/ Administrator etc	20	72.00
Sweeper	20	28.80
Security Guard	6	8.64

Profitability Statement

Particulars	Amount in Rs. Lakhs				
	Year- 1	Year- 2	Year- 3	Year- 4	Year- 5
A. INCOME					
Maximum Capacity - students	4,800	4,800	4,800	4,800	4,800
Capacity utilization	50%	60%	65%	70%	75%
Capacity utilized- students	2,400	2,880	3,120	3,360	3,600
Revenue from students					
Fees (yearly)	960.00	1152.00	1248.00	1344.00	1440.00
Other revenue (canteen, sale of	9.60	10.08	10.58	11.11	11.67
Total income during the year	969.60	1162.08	1258.58	1355.11	1451.67
B. OPERATING EXPENSES					
Salary	541.44	595.58	655.14	720.66	792.72
Expenses on various programmers, seminars, placements etc	2.00	2.10	2.21	2.32	2.43
Repair & Maintenance	4.57	4.75	4.95	5.14	5.35
Lease Rent	0.00	0.00	0.00	0.00	0.00
Power & utilities	11.03	13.24	14.34	15.45	16.55
Depreciation and Amortizations	192.14	192.14	192.14	192.14	192.14
Total Operating Expenses	751.18	807.82	868.78	935.70	1009.19
Operating Profit (A-B)	218.42	354.26	389.81	419.41	442.48
C.FINANCIAL EXPENSES					
Interest on loan	113.22	100.43	81.92	63.40	43.34
D. Other Expenses					
Administrative and General	19.39	23.24	25.17	27.10	29.03
Total Expenses	132.61	123.68	107.09	90.50	72.37
Profit Before Tax	85.81	230.58	282.72	328.91	370.11
Provision for Tax	21.45	57.65	70.68	82.23	92.53
Profit After Tax	64.36	172.94	212.04	246.68	277.58
Dividend	0.00	0.00	0.00	0.00	0.00
Retained Profit	64.36	172.94	212.04	246.68	277.58

Breakeven Point

		Break Even Point (BEP)			Amount in Rs. Lakhs	
SL	Particulars	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
A.	Net Sales	969.60	1,162.08	1,258.58	1,355.11	1,451.67
B.	Variable Cost					
	Power and Utility	11.03	13.24	14.34	15.45	16.55
	Other Misc Expenses	19.39	23.24	25.17	27.10	29.03
	Total Variable Cost	30.43	36.48	39.52	42.55	45.58
C.	Contribution (A-B)	939.17	1,125.60	1,219.07	1,312.56	1,406.08
D.	Fixed					
	Salary	541.44	595.58	655.14	720.66	792.72
	Interest	113.22	100.43	81.92	63.40	43.34
	Repair & Maintainence	4.57	4.75	4.95	5.14	5.35
	Lease Rental	-	-	-	-	-
	Depreciation	192.14	192.14	192.14	192.14	192.14
	Total Fixed Cost	851.37	892.91	934.14	981.34	1,033.55
E.	Breakeven Point	91%	79%	77%	75%	74%
G.	Cash BEP	70%	62%	61%	60%	60%

Debt-Service Coverage Ratio

		Amount in Rs. Lakhs				
SL	Particulars	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
i	Profit	64.36	172.94	212.04	246.68	277.58
ii	Depreciation	192.14	192.14	192.14	192.14	192.14
iii	Interest	113.22	100.43	81.92	63.40	43.34
A	Total (i + ii + iii)	369.71	465.51	486.10	502.22	513.06
i	Interest	113.22	100.43	81.92	63.40	43.34
ii	Principal repayment	108.93	217.86	217.86	217.86	217.86
B	Total (i + ii)	222.15	318.29	299.78	281.26	261.20
	DSCR (A / B)	1.66	1.46	1.62	1.79	1.96

Interest on Term Loan and Principal Repayment

Refer Annexure I.

We have assumed the repayment tenure of term loan for a period of 7 years, Rate of interest being 8.5% p.a. with the moratorium period of 9 months

Address of Vendors

Name of Vendor	Address and Contact Number
Godrej Interio	31 Jawahar Lal Nehru Road, Park Street Kolkata 700016 Ph 07947408600
Furniture Point	Ground Floor, 2/5, Sarat Bose Road,Sukh Sagar Building, Minto park, Kolkata, West Bengal 700020 Ph 033 2476 1479
Shaw Enterprise	30, Beniatola Lane, College Street, College Street, Kolkata - 700009, Dist. Kolkata, West Bengal Ph 08048971334

ANNEXURE- I

Principal														
Opening	1,135	1,143	1,152											
Repaid														-
Closing	1,143	1,152	1,160											
Interest	8	8	8											24
I														
Principal														
Opening	1,305	1,314	1,324	1,333	1,343	1,352	1,362	1,353	1,345	1,336	1,318	1,300		
Repaid	-	-	-	-	-	-	18	18	18	18	18	18	18	109
Closing	1,314	1,324	1,333	1,343	1,352	1,362	1,353	1,345	1,336	1,318	1,300	1,281		
Interest	9	9	9	9	10	10	10	10	10	9	9	9	9	113
II														
Principal														
Opening	1,281	1,263	1,245	1,227	1,209	1,191	1,173	1,154	1,136	1,118	1,100	1,082		
Repaid	18	18	18	18	18	18	18	18	18	18	18	18	18	218
Closing	1,263	1,245	1,227	1,209	1,191	1,173	1,154	1,136	1,118	1,100	1,082	1,064		
Interest	9	9	9	9	9	8	8	8	8	8	8	8	8	100
III														
Principal														
Opening	1,064	1,045	1,027	1,009	991	973	955	936	918	900	882	864		
Repaid	18	18	18	18	18	18	18	18	18	18	18	18	18	218
Closing	1,045	1,027	1,009	991	973	955	936	918	900	882	864	846		
Interest	8	7	7	7	7	7	7	7	7	6	6	6	6	82
IV														
Principal														
Opening	846	828	809	791	773	755	737	719	700	682	664	646		
Repaid	18	18	18	18	18	18	18	18	18	18	18	18	18	218
Closing	828	809	791	773	755	737	719	700	682	664	646	628		
Interest	6	6	6	6	5	5	5	5	5	5	5	5	5	63
V														
Principal														
Opening	628	610	592	573	555	537	519	501	483	464	446	428		
Repaid	18	18	18	18	18	18	18	18	18	18	18	18	18	218
Closing	610	592	573	555	537	519	501	483	464	446	428	410		
Interest	4	4	4	4	4	4	4	3	3	3	3	3	3	43
VI														
Principal														
Opening	410	392	374	356	337	319	301	283	265	247	228	210		
Repaid	18	18	18	18	18	18	18	18	18	18	18	18	18	218
Closing	392	374	356	337	319	301	283	265	247	228	210	192		
Interest	3	3	3	3	2	2	2	2	2	2	2	1	1	26
VII														
Principal														
Opening	192	174	156	138	120	101	83	65	47	29	11	-		
Repaid	18	18	18	18	18	18	18	18	18	18	11			
Closing	174	156	138	120	101	83	65	47	29	11	-	-	-	
Interest	1	1	1	1	1	1	1	0	0	0	0	-	-	8