



COMPUTER TRAINING **INSTITUTE**

Introduction

With growing use of computer and its software for various applications at business, schools, hospitals, colleges, restaurants, hotels etc., the traditional job profiles have been defined in different manner and that includes Computers and Its Software at its core. More and more usage of computers in various industries makes easier and smoother tasks for business. Automobile sector uses CAD/CAM like design software for better accuracy. Hospitals use various computer applications for analyzing diagnosis reports, managing customer's case history, accounting/billing and managing with insurance agency. Traders/manufacturers keep computer software for inventory control, logistics management, accounting, after sales services. At every single department of various sectors, computer has become integral part.

Keeping in mind the technology development all around and the shift from manual to software has made it mandatory to learn the computer softwares and develop an expertise in the same.

Market Potential

Computer training institute will provide various courses for students and employees who want to upgrade their job profiles or learn computer coding, computer languages, diversified softwares etc. There is a huge demand for such Computer centers because of the need to adapt to the change and grow in pace with the changing technology. The Future is "Digital", with the initiative to promote "Digital India," Computer Training Institute is a profitable project to invest on with a good market potential.

Be it any field, engineering, architecture, accounting or any other, the need to use softwares is really material. In addition to the practical approach, such institutions also

provide education in various computer languages like Java, C++ etc. and develops interest in the field of Coding too.

So it follows the hand in hand approach – theoretical knowledge with practical experience.

Courses offered can be-

- CorelDraw
- Oracle DB
- CAD/CAM
- Cloud Specialization
- Adobe Creative Suite
- VMware/ Citrix
- Cisco- Networking C
- Big Data Hadoop
- Animation tools
- MS Office Certification Programme
- Tally
- SAP
- Other Certification Programmes

Cost of Project

Particulars	Amount (Rs.in Lakhs)
Interior for Premises	5.00
Fixed Asset	33.38
Misc. Fixed Assets	0.50
D G Set 50 KV	4.40
Escalation & Contingencies	2.16
Preliminary & Preoperative Expenses	7.55
Sub-total (A)	52.99
Working Capital Margin @40% of Total WC Requirement	0.08
Total Project Cost	53.07
Total Working Capital Required (B)	0.20
MEANS OF FINANCE	
Total funds required (A+B)	53.19
Loan component	
Term loan (60% of A)	31.79
Working capital (60% of B)	0.12
TOTAL	31.91
Equity	21.28
TOTAL	53.19

Detailed Cost Element

Sl. no.	Particulars	Qty.	Rate	Amount (Rs.in Lakhs)
1	Furniture			5.00
2	Air conditioners	10	50,000	5.00
3	Water Filters	1	15,000	0.15
4	Computers	40	30,000	12.00
5	Advanced Software and			5.00
6	Printer cum Scanner	1	35,000	0.35
7	Server	1	60,000	0.60
8	CCTV	10	2,800	0.28
9	Electrical Appliances (Fan, Tube light, Steam iron, Electric Kettle etc.)	-	-	5.00
	Total			33.38

Contingencies and Escalations

It has been assumed at approximately 5% at cost.

Preliminary Expenses

Particulars	Amount (Rs.in Lakhs)
Incorporation Expenses	0.15
Project Report Preparation and Consultation	0.35
Feasibility and Engineer's/Architect's Report and Plans	0.13
Legal Charges - Drafting for agreements, contracts, stamp paper,	0.05
Rent payments up to the start of commercial production	1.20
Other recurring expenses of revenue nature up to start of commercial	5.00
Interest Cost for period before commercial production	0.67
Total	7.55

Salary

Designation	Manpower	Amount per Annum (Rs. In lakhs)
Faculty	4	14.40
Lab Programmer	2	6.00
Office Assistant	1	1.80
Pantry boy	1	1.20
Office boy	1	0.96

Profitability Statement

Amount (Rs. in Lakhs)							
Particulars	Year- 1	Year- 2	Year- 3	Year- 4	Year- 5	Year- 6	Year 7
A. INCOME							
Maximum Capacity-students p.a.	240	240	240	240	240	240	240
Annual Income	84.00	84.00	84.00	84.00	84.00	84.00	84.00
Total Income/ annum	84.00	84.00	84.00	84.00	84.00	84.00	84.00
B. OPERATING							
Salary	24.36	26.80	29.48	32.42	35.67	39.23	43.16
Repair & Maintenance	0.60	0.62	0.64	0.67	0.70	0.73	0.76
Internet Connectivity Charges	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Power & utilities	4.15	4.15	4.15	4.15	4.15	4.15	4.15
Rent	4.80	4.80	4.80	4.80	4.80	4.80	4.80
Depreciation and amortization	9.75	9.75	7.11	4.46	4.46	2.95	2.93
Total Operating Expenses	44.66	47.12	47.17	47.50	50.77	52.86	56.79
Operating Profit (A-B)	39.34	36.88	36.83	36.50	33.23	31.14	27.21
C.FINANCIAL							
Interest on loan	2.83	2.57	2.11	1.64	1.14	0.72	0.25
D. Other Expenses							
Administrative and General Expenses	0.84	0.84	0.84	0.84	0.84	0.84	0.84
Total Expenses	12.59	12.32	9.21	6.11	5.60	3.67	3.18
Profit Before Tax	26.75	24.56	27.62	30.39	27.62	27.47	24.03
Provision for Tax	6.69	6.14	6.90	7.60	6.91	6.87	6.01
Profit After Tax	20.06	18.42	20.71	22.79	20.72	20.60	18.02
Dividend	-	-	-	-	-	-	-
Retained Profit	20.06	18.42	20.71	22.79	20.72	20.60	18.02

Breakeven Point

Break Even Point (BEP)		Amount (Rs. in Lakhs)						
SL	Particulars	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5	Year 6	Year 7
A.	Annual Turnover	84	84	84	84	84	84	84
B.	Variable Cost							
	Power and Utility	4.15	4.15	4.15	4.15	4.15	4.15	4.15
	Administrative and General Expenses	0.84	0.84	0.84	0.84	0.84	0.84	0.84
	Internet Connectivity Charges	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	Total Variable Cost	5.99	5.99	5.99	5.99	5.99	5.99	5.99
C.	Contribution (A-B)	78.01	78.01	78.01	78.01	78.01	78.01	78.01
D.	Fixed Cost							
	Salary	24.36	26.80	29.48	32.42	35.67	39.23	43.16
	Interest	2.83	2.57	2.11	1.64	1.14	0.72	0.25
	Repair & Maintenance	0.60	0.62	0.64	0.67	0.70	0.73	0.76
	Depreciation and Amortization	9.75	9.75	7.11	4.46	4.46	2.95	2.93
	Lease Rent	4.80	4.80	4.80	4.80	4.80	4.80	4.80
	Total Fixed Cost	42	45	44	44	47	48	52
E.	Breakeven Point	54%	57%	57%	56%	60%	62%	67%
G.	Cash BEP	42%	45%	47%	51%	54%	58%	63%

Debt-Service Coverage Ratio

		Amount (Rs. in Lakhs)						
SL	Particulars	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5	Year-6	Year-7
i	Profit	20.06	18.42	20.71	22.79	20.72	20.60	18.02
ii	Depreciation	9.75	9.75	7.11	4.46	4.46	2.95	2.93
iii	Interest	2.83	2.57	2.11	1.64	1.14	0.72	0.25
A	Total (i + ii + iii)	32.65	30.74	29.93	28.90	26.32	24.27	21.20
i	Interest	2.83	2.57	2.11	1.64	1.14	0.72	0.25
ii	Principal repayment	2.72	5.44	5.44	5.44	5.44	5.44	-
B	Total (i + ii)	5.55	8.01	7.55	7.08	6.58	6.16	0.25
	DSCR (A / B)	5.88	3.84	3.97	4.08	4.00	3.94	84.10

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
Gadgets N Computers	13,Chowringhee Ln, Fire Brigade Head Quarter, New Market Area, Dharmatala, Taltala, Kolkata, West Bengal 700016 Ph- 098311 58941
Woodspeak Solution	104/N, Narayan Roy Road, ED 105, Rajdanga Main Road, kasba Kolkata 700107, Kolkata - 700008, Dist. Kolkata, West Bengal Ph. 08048791227
Zebra Home Decor	1/1B Ripon Street, Ripon Street, Kolkata - 700016, Dist. Kolkata, West Bengal Ph. 08048371509

ANNEXURE- I

Principal														
Opening	31.79	32.02	32.25											
Repaid														-
Closing	32.02	32.25	32.47											
Interest	0.23	0.23	0.23											0.68
I														
Principal														
Opening	32.59	32.82	33.06	33.29	33.53	33.76	34.00	33.79	33.58	33.36	33.14	32.93		
Repaid	-	-	-	-	-	-	0.45	0.45	0.45	0.45	0.45	0.45	0.45	2.72
Closing	32.82	33.06	33.29	33.53	33.76	34.00	33.79	33.58	33.36	33.14	32.93	32.71		
Interest	0.23	0.23	0.23	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.23	0.23	2.83
II														
Principal														
Opening	32.71	32.25	31.80	31.35	30.89	30.44	29.99	29.53	29.08	28.63	28.17	27.72		
Repaid	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	5.44
Closing	32.25	31.80	31.35	30.89	30.44	29.99	29.53	29.08	28.63	28.17	27.72	27.27		
Interest	0.23	0.23	0.23	0.22	0.22	0.22	0.21	0.21	0.21	0.21	0.20	0.20	0.20	2.57
III														
Principal														
Opening	27.27	26.81	26.36	25.91	25.45	25.00	24.54	24.09	23.64	23.18	22.73	22.28		
Repaid	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	5.44
Closing	26.81	26.36	25.91	25.45	25.00	24.54	24.09	23.64	23.18	22.73	22.28	21.82		
Interest	0.19	0.19	0.19	0.18	0.18	0.18	0.17	0.17	0.17	0.16	0.16	0.16	0.16	2.11
IV														
Principal														
Opening	21.82	21.37	20.92	20.46	20.01	19.56	19.10	18.65	18.20	17.74	17.29	16.84		
Repaid	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	5.44
Closing	21.37	20.92	20.46	20.01	19.56	19.10	18.65	18.20	17.74	17.29	16.84	16.38		
Interest	0.15	0.15	0.15	0.14	0.14	0.14	0.14	0.13	0.13	0.13	0.13	0.12	0.12	1.64
V														
Principal														
Opening	16.38	15.93	15.48	15.02	14.57	14.12	13.66	13.21	12.76	12.30	11.85	11.40		
Repaid	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	5.44
Closing	15.93	15.48	15.02	14.57	14.12	13.66	13.21	12.76	12.30	11.85	11.40	10.94		
Interest	0.11	0.11	0.11	0.10	0.10	0.10	0.09	0.09	0.09	0.08	0.08	0.08	0.08	1.14
VI														
Principal														
Opening	10.94	10.49	10.04	9.58	9.13	8.68	8.22	7.77	7.32	6.86	6.41	5.96		
Repaid	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	5.44
Closing	10.49	10.04	9.58	9.13	8.68	8.22	7.77	7.32	6.86	6.41	5.96	5.50		
Interest	0.08	0.07	0.07	0.07	0.06	0.06	0.06	0.06	0.05	0.05	0.05	0.04	0.04	0.72
VII														
Principal														
Opening	5.50	5.05	4.60	4.14	3.69	3.24	2.78	2.33	1.88	1.42	0.97	-		
Repaid	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	
Closing	5.05	4.60	4.14	3.69	3.24	2.78	2.33	1.88	1.42	0.97	-	-	-	
Interest	0.04	0.04	0.03	0.03	0.03	0.02	0.02	0.02	0.01	0.01	0.01	-	-	0.25