



SENIOR SECONDARY **SCHOOL**

Introduction

Education plays a very important role in the economic development of a country. Improving the literacy rate of the country has been the prime focus of the Indian Government. For this purpose, the Government has launched a number of subsidy and other education welfare schemes to facilitate the growth of education in India. Higher education is very important as it helps in shaping the personality as well as the career of a person. Higher education caters to the needs of the economy by way of developing the social, cultural, and spiritual values of a human being.

Education in the senior secondary sections is divided into three streams, i.e. Science, Commerce and Humanities. The study in Science mainly focusses on Biology, Chemistry, Physics, Mathematics and others; Commerce focusses on business and management, accountancy, economics whereas Humanities is focused on political science, mass media, history, geography, etc.

Market Potential

The Indian school market has witnessed strong growth during 2020-2025. India has around 1.55 million K-12 schools and 218 million student base in the global education sector. The school education in India has traditionally been characterised by overcrowding of classes and ineffective learning for students. However, as a result of infrastructure development, increasing private and public investments and technological advancements, the school infrastructure in the country has seen significant growth with the teaching mode also shifting to digital learning and smart class formats. This has assisted the students in significant improvement of their academic performance thereby making teaching more effective.

With a constantly growing population of around 1.37 billion, India represents the world's second largest populated country after China and this acts as a primary factor driving the Indian school market. Another factor driving the Indian school market is the substantial amount of monetary support received from the Government as well as private institutions. As a result, education infrastructure across both rural and urban regions has significantly upgraded. In addition, reforms such as New Education Policy (NEP), Beti Bachao – Beti Padhao, etc. introduced

by the Government to promote female education and provide equal opportunities for all has also driven the market positively. Moreover, technological advancements in teaching methods such as smart classrooms, digital libraries, augmented reality, etc. has also made learning more interactive for students, exhibiting enormous scope for the Indian school market. Further it is expected that the Indian school market might grow at a CAGR of 13.74% during 2021-2026.

Objectives

- To develop extra-curricular activities, which both in quantity and quality develop personality, achievement and skills
- To help all students to recognize the value of the commitments they make around them, as well as to their own studies, so that they can understand their lasting responsibility to the wider community. By doing this, the school seeks to prepare students socially, morally and spiritually for life in a wider sense.
- To educate and nurture the children to be independent and strong by providing a safe, friendly and supportive environment in which each one feels that they are valued as an individual and learn that their own attitude to others is fundamental to the success of their aim.
- To provide positive guidance to students towards values such as democracy, justice, peace, respect for the environment
- To allow the students to acquire knowledge and self-awareness by understanding various cultural perspectives, lifestyles and beliefs thereby imbibing in them a sense of mutual respect and support. It will also help them to acquire behavior that shows acceptance, respect, solidarity with others in the school and the society.

Cost of Project

Particulars	Amount (Rs. in lakhs)
Owned Land (20000 sq. ft.)	-
Land Development and Playground (5000 sq. ft. @ 1000 per sq. ft.)	50.00
Building and Civil Works (40000 sq. ft.)	600.00
Furniture & Fixtures	79.22
Miscellaneous Fixed Assets	87.90
Interior (for Cafeteria and space for co-curricular activities)	15.00
DG Set	11.00
Escalation & Contingencies (5% on construction costs)	42.16
Preliminary & Preoperative Expenses	37.30
Sub-total (A)	922.58
Working Capital Margin @40% of Total WC Requirement	10.00
Total Project Cost	932.58
Total Working Capital Requirement (Lump sum) (B)	25.00
MEANS OF FINANCE	
Total Funds Required(A+B)	947.58
Loan Component	-
TERM LOAN (60% of A)	553.55
WORKING CAPITAL (60% of B)	15.00
Total	568.55
Equity	379.03
Total	947.58

Detailed Cost Element

FURNITURE AND FIXTURES			
Sl. No.	Particulars	Qty.	Amt. (Rs. in lakhs)
1	Desk and Benches	80	294.00
2	Virtual Class Stand	10	0.50
3	Teachers chair in each class	10	0.40
4	Teachers Table in common room	36	2.52
5	Table set for Computer Lab	40	2.80
6	Fixtures for Principal/VP's Office	2	1.00
7	Furniture for Admin Block	1	8.00
8	Furniture for Library	1	5.00
9	Other miscellaneous furniture	1	5.00
10	Furniture for Lab	1	5.00
11	Furniture for Indoor Sports	1	5.00
12	Auditorium furniture	1	20.00
	Total		349.22

DIGITAL CLASS FACILITIES			
SL	Particulars	Qty.	Amount (Rs. in lakhs)
1	Cost of digital classroom set	11	22.00
	Total		22.00
COMPUTER SET AND IT PERIPHERALS			
SL	Particulars	Qty.	Amount (Rs. in lakhs)
1	Cost of Computer and IT Peripherals	60	36.00
	Total		36.00
OTHERS			
SL	Particulars	Qty.	Amount (Rs. In lakhs)
1	Transformer (300 kva)	1	3.50
2	Fire Extinguisher and Safety Equipment	40	0.40
3	Sports Equipment	1	6.00
4	Lab Equipment	1	5.00
5	Electrical Fittings	1	15.00
	Total		29.90

Contingencies and Escalations

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

Preliminary Expenses

Particulars	Amount (Rs. in lakhs)
Incorporation Expenses	0.30
Project Report Preparation and Consultation	0.50
Feasibility and Engineer's/Architect's Report and Plans	15.00
Legal Charges - Drafting for agreements, contracts, stamp paper, notary and affidavit cost	0.45
License Cost	1.00
Other recurring expenses of revenue nature upto start of commercial production - Security Guard & Others salary	2.75
Interest Cost for period before commercial production	17.30
Total	37.30

Salary

Designation	Manpower	Amount (Rs. in lakhs)
Principal / Head Master	1	9.60
Vice Principal/Assistant Head Master	1	7.80
Subject Teacher	30	57.60
Art Teacher	2	2.40
Music Teacher /Creative Dance	1	2.40
Lab Assistant	2	2.40
Physical/ Health Trainer and Sports	1	2.40
Administrative Officer	1	3.60
Accountant	1	2.40
Accounts Assistant	1	1.80
Computer Assistant	1	1.80
System Administrator	1	2.40
Librarian	1	2.40
Office Peon	2	2.40
Watchman	2	4.80
Sweeping /House keeping	2	2.40

Interest on Term Loan and Principal Repayment

Refer Annexure I for Loan Repayment Schedule.

We have assumed the repayment tenure of term loan for a period of 10 years, rate of interest being @8.5% with the moratorium period being 2 years (24 months).

Address of Vendors

Name of the vendor	Address and Contact Number
Chanakya Furniture	Plot No: 7/23 Kirti Nagar Industrial Area ,Kirti Nagar, New Delhi-110015 Phone No. - +91 9811207923, 9811448736
Shyam Info Solutions	2nd Floor, Ram Kumar Arcade, Chatribari, Guwahati - 781001, Dist. Kamrup, Assam
Rectriks Solutions	Patparganj Rd, Shakarpur Extension, Shakarpur Khas, New Delhi, Delhi 110092 Phone No.- 08048880740

Profitability Statement

Amount (Rs. In Lakhs)										
Particulars	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5	Year - 6	Year - 7	Year - 8	Year - 9	Year - 10
<u>A. INCOME</u>										
Intake (Capacity)	160	240	320	400	480	640	640	720	720	720
Total Students	160	240	320	400	480	640	640	720	720	720
Gross Fee collection	243.20	383.04	536.26	714.02	908.23	1,120.06	1,013.11	1,234.87	1,296.61	1,361.45
Book shop revenue	2.80	4.20	5.60	7.80	10.00	14.60	15.60	17.00	17.00	17.00
Uniform & miscellaneous items	0.54	0.81	1.08	1.36	1.64	2.22	2.26	2.53	2.53	2.53
TOTAL INCOME	246.54	388.05	542.93	723.18	919.86	1,136.89	1,030.97	1,254.40	1,316.15	1,380.98
<u>B. OPERATING EXPENSES</u>										
Salaries for Teaching & Non-Teaching Staff	108.60	108.60	142.80	158.40	183.60	198.00	212.40	212.40	212.40	212.40
Maintenance Expenses (Building compound)	3.00	3.10	3.20	3.30	3.40	3.50	3.60	3.70	3.80	3.90
Power & Fuel	4.93	7.76	10.86	14.46	18.40	22.74	20.62	25.09	26.32	27.62
Depreciation	45.85	46.18	46.52	46.85	46.85	36.24	36.24	36.24	36.24	36.24
TOTAL EXPENSES	162.38	165.64	203.38	223.01	252.25	260.48	272.86	277.43	278.76	280.16
OPERATING PROFIT (A-B)	84.16	222.40	339.56	500.16	667.61	876.41	758.11	976.97	1,037.38	1,100.82
<u>C. FINANCIAL EXPENSES</u>										
Interest on Term Loan	11.90	10.82	9.55	8.28	6.91	5.65	4.38	3.11	1.85	0.58
Interest on Working Capital Loan	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28
<u>D. OTHER EXPENSES</u>										
Administrative & Other Expenses	6.16	9.70	13.57	36.16	68.99	85.27	77.32	94.08	98.71	103.57
Total Expenses	19.34	21.79	24.40	45.72	77.18	92.19	82.98	98.47	101.83	105.43
Profit before Tax	64.82	200.61	315.16	454.44	590.44	784.22	675.14	878.50	935.55	995.39
Provision For Tax @ 25%	16.20	50.15	78.79	113.61	147.61	196.06	168.78	219.63	233.89	248.85
Profit After Tax	48.61	150.46	236.37	340.83	442.83	588.17	506.35	658.88	701.66	746.54

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	Year - 8	Year - 9	Year - 10
A.	Total Income	246.54	388.05	542.93	723.18	919.86	1,136.89	1,030.97	1,254.40	1,316.15	1,380.98
B.	Variable Cost										
	Power and fuel	4.93	7.76	10.86	14.46	18.40	22.74	20.62	25.09	26.32	27.62
	Other Misc. Expense	4.93	7.76	10.86	14.46	18.40	22.74	20.62	25.09	26.32	27.62
	Total Variable Cost	241.61	380.29	532.07	708.71	901.46	1,114.15	1,010.36	1,229.31	1,289.82	1,353.36
C	Contribution (A-B)										
D	Fixed and Semi-Fixed Cost	108.60	108.60	142.80	158.40	183.60	198.00	212.40	212.40	212.40	212.40
	Salary	3.00	3.10	3.20	3.30	3.40	3.50	3.60	3.70	3.80	3.90
	Interest Cost	11.90	10.82	9.55	8.28	6.91	5.65	4.38	3.11	1.85	0.58
	Maintenance	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28
	Depreciation and Amortization	45.85	46.18	46.52	46.85	46.85	36.24	36.24	36.24	36.24	36.24
	Total Fixed Cost	170.62	169.98	203.34	218.11	242.04	244.66	257.90	256.73	255.56	254.40
E.	Breakeven Point	71%	45%	38%	31%	27%	22%	26%	21%	20%	19%
F.	Cash BEP	52%	33%	29%	24%	22%	19%	22%	18%	17%	16%

Debt-Service Coverage Ratio

Amount (Rs. in lakhs)											
SL	Particulars	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5	Year - 6	Year - 7	Year - 8	Year - 9	Year - 10
i	Profit	48.61	150.46	236.37	340.83	442.83	588.17	506.35	658.88	701.66	746.54
ii	Depreciation	45.85	46.18	46.52	46.85	46.85	36.24	36.24	36.24	36.24	36.24
iii	Interest	11.90	10.82	9.55	8.28	6.91	5.65	4.38	3.11	1.85	0.58
A	Total (i + ii + iii)	106.36	207.46	292.44	395.97	496.59	630.05	546.97	698.23	739.75	783.36
i	Interest	11.90	10.82	9.55	8.28	6.91	5.65	4.38	3.11	1.85	0.58
ii	Principal repayment	7.45	14.90	14.90	14.90	14.90	14.90	14.90	14.90	14.90	14.90
B	Total (i + ii)	19.35	25.72	24.45	23.18	21.81	20.55	19.28	18.01	16.75	15.48
	DSCR (A / B)	5.50	8.07	11.96	17.08	22.77	30.67	28.37	38.76	44.17	50.60

ANNEXURE- I

Year	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Annually
I													
Principal													
Opening	141.55	141.55	141.55	141.55	141.55	141.55	141.55	140.30	139.06	137.82	136.58	135.34	
Repaid	-	-	-	-	-	-	1.24	1.24	1.24	1.24	1.24	1.24	7.45
Closing	141.55	141.55	141.55	141.55	141.55	141.55	140.30	139.06	137.82	136.58	135.34	134.10	
Interest	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.99	0.99	0.98	0.97	0.96	11.90
II													
Principal													
Opening	134.10	132.85	131.61	130.37	129.13	127.89	126.65	125.40	124.16	122.92	121.68	120.44	
Repaid	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	14.90
Closing	132.85	131.61	130.37	129.13	127.89	126.65	125.40	124.16	122.92	121.68	120.44	119.20	
Interest	0.95	0.94	0.93	0.92	0.91	0.91	0.90	0.89	0.88	0.87	0.86	0.85	10.82
III													
Principal													
Opening	119.20	117.95	116.71	115.47	114.23	112.99	111.75	110.50	109.26	108.02	106.78	105.54	
Repaid	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	14.90
Closing	117.95	116.71	115.47	114.23	112.99	111.75	110.50	109.26	108.02	106.78	105.54	104.30	
Interest	0.84	0.84	0.83	0.82	0.81	0.80	0.79	0.78	0.77	0.77	0.76	0.75	9.55
IV													
Principal													
Opening	104.30	103.06	101.81	100.57	99.33	98.09	96.85	95.61	94.36	93.12	91.88	90.64	
Repaid	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	14.90
Closing	103.06	101.81	100.57	99.33	98.09	96.85	95.61	94.36	93.12	91.88	90.64	89.40	
Interest	0.74	0.73	0.72	0.71	0.70	0.69	0.69	0.68	0.67	0.66	0.65	0.64	8.28
V													
Principal													
Opening	89.40	88.16	86.91	85.67	84.43	83.19	81.95	80.71	79.46	78.22	76.98	75.74	
Repaid	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	14.90
Closing	88.16	86.91	85.67	84.43	83.19	81.95	80.71	79.46	78.22	76.98	75.74	74.50	
Interest	0.62	0.62	0.61	0.60	0.59	0.58	0.57	0.56	0.55	0.55	0.54	0.53	6.91
VI													
Principal													
Opening	74.50	73.26	72.01	70.77	69.53	68.29	67.05	65.81	64.56	63.32	62.08	60.84	
Repaid	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	14.90
Closing	73.26	72.01	70.77	69.53	68.29	67.05	65.81	64.56	63.32	62.08	60.84	59.60	
Interest	0.52	0.51	0.50	0.49	0.48	0.47	0.47	0.46	0.45	0.44	0.43	0.42	5.65
VII													
Principal													
Opening	59.60	58.36	57.11	55.87	54.63	53.39	52.15	50.91	49.67	48.42	47.18	45.94	
Repaid	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	14.90
Closing	58.36	57.11	55.87	54.63	53.39	52.15	50.91	49.67	48.42	47.18	45.94	44.70	
Interest	0.41	0.40	0.40	0.39	0.38	0.37	0.36	0.35	0.34	0.33	0.33	0.32	4.38
VIII													
Principal													
Opening	44.70	43.46	42.22	40.97	39.73	38.49	37.25	36.01	34.77	33.52	32.28	31.04	
Repaid	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	14.90
Closing	43.46	42.22	40.97	39.73	38.49	37.25	36.01	34.77	33.52	32.28	31.04	29.80	
Interest	0.31	0.30	0.29	0.28	0.27	0.26	0.26	0.25	0.24	0.23	0.22	0.21	3.11
IX													
Principal													
Opening	29.80	28.56	27.32	26.07	24.83	23.59	22.35	21.11	19.87	18.62	17.38	16.14	
Repaid	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	14.90
Closing	28.56	27.32	26.07	24.83	23.59	22.35	21.11	19.87	18.62	17.38	16.14	14.90	
Interest	0.20	0.19	0.18	0.18	0.17	0.16	0.15	0.14	0.13	0.12	0.11	0.11	1.85
X													
Principal													
Opening	14.90	13.66	12.42	11.17	9.93	8.69	7.45	6.21	4.97	3.72	2.48	1.24	
Repaid	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	14.90
Closing	13.66	12.42	11.17	9.93	8.69	7.45	6.21	4.97	3.72	2.48	1.24	0.00	
Interest	0.10	0.09	0.08	0.07	0.06	0.05	0.04	0.04	0.03	0.02	0.01	0.00	0.58