

COMPUTER TRAINING INSTITUTE

1. INTRODUCTION

The computer software is divided into two groups viz. System software and Application Software. The system software is used for application development. It operates and interfaces with system software. Application software has wide scope for development than system software.

The widely used application software are word processors, spread sheets and databases. Software like spreadsheets has simplified task of budgeting financial analysis, forecasting less time consuming, efficient, accuracy, simple and easy job. The database software has revolutionised the data management of storing, organising and retrieving information from large source of data.

2. MARKET

Information processing has become one of the most significant industries in the world in the recent past. In view of its tremendous potentialities for information processing, data management, design, production, management and other numerous application for overall development of the economy. There is a growing need for trained manpower in this area. As such there may be a large potential for software experts in the coming years.

3. MANUFACTURING PROCESS

The programmes being conducted by the centre are advertised regularly in the local newspapers, etc. The selected candidates are guided by professional counsellor for the course suitable for them depending on their background. They are also provided with the detailed programme indicating content of the course, duration, course fees, etc. The course material will be given to the selected candidates. Students get normally 50% of the course time on computers. The institute will also provide additional computer time for undertaking projects. The centre may also offer placement assistance to the students in various corporate sectors. Besides the training, the centre can also undertake separately data processing work.

The centre can offer 4 to 12 weeks duration short term courses and long term courses like Certificate Course in Computers, Diploma in Computer Applications, Advanced Diploma in Computer Science, Post Graduate Diploma in Computer Science, etc.

4. PRODUCTION CAPACITY PER ANNUM

Capacity

500 students

Selling Price

Rs. 1500 per student (avg.)

5. PROJECT COST/CAPITAL INVESTMENT

S.No	Description	Amount Rs.
1	Preliminary & Preoperative Expns	5000
2	Fixed Capital	437000
3	Working Capital for 2 month(s)	68100
	Total Project Cost	510100

6. MEANS OF FINANCE

S.No	Description	%age	Amount Rs.
1	Promoter Contribution	15%	76515
2	Subsidy/Soft Loan	20%	102020
3	Term Loan	65%	331565
	Total		510100

7. FINANCIAL ASPECTS

A. FIXED CAPITAL

i. Land and Buildings Rented Rs. 3000 per month

ii. Machinery and Equipment

S.No	Description	Qty.	Rate	Amount Rs.
1	Computer system of Intel P-III (500 Mhz) CPU, 128 MB RAM, 20 GB hard disk drive, 1.44 MB floppy disk drive, CD ROM Drive, 64 bit PCI sound cord speaker system, internet card PS/2 Mouse 14" SVGA colour monitor with AGP cord PS/2 mouse, 8 MB VRAM 2 serial and 11 parallel ports, 104 computer key board modem	1	60000	60000
2	Computer system of Intel P-III (500 Mhz) CPU, 64 MB RAM, 8 GB hard disk drive, 1.44 MB floppy disk drive, CD ROM Drive, PS/2 mouse, SVGA colour monitor with AGP cord with AGP	6	35000	210000
3	Uninterrupted power supply - 1 KVA	1	25000	25000
4	Overhead projector	1	5000	5000
5	Laserjet printer	1	12000	12000
6	Installation and electrification	LS		5000
7	Computer software (MS Office, Visual Basic, Studio, OOPS (C++), UNIX, Oracle, etc)	LS		100000
8	Computer furniture	LS		20000
	Total			437000

B. WORKING CAPITAL**i. Salaries & Wages (per month)**

S.No	Description	Nos.	Sal/mon.	Amount Rs.
1	Manager/Entrepreneur	1	4500	4500
2	Software faculty	2	4000	8000
3	Counsellor cum clerk	1	2500	2500
4	Attendant	1	1000	1000
	Total			16000

ii. Raw Material (per month)

S.No	Description	Unit	Qty.	Rate	Amount Rs.
1	Computer stationery	bundles	5	250	1250
2	Floppy diskettes	box	5	100	500
3	Toner refilling	toner	1	500	500
4	Other consumables	LS			500
	Total				2750

iii. Utilities (per month)

S.No	Description	Unit	Amount Rs.
1	Power	LS	1500
2	Water	LS	300
	Total		1800

iv. Other Expenses (per month)

S.No	Description	Amount Rs.
1	Postage & Stationery Expenses	1000
2	Transportation Expenses	500
3	Advertisement Expenses	5000
4	Repairs and maintenance	2000
5	Insurance and taxes	1000
6	Telephone/fax/etc	500
7	Miscellaneous Expenses	500
	Total	10500

v. Total Working Capital (per month)

S.No	Description	Amount Rs.
1	Rent	3000
2	Salaries and Wages	16000
3	Raw Material	2750
4	Utilities	1800
5	Other Expenses	10500
	Total	34050

8. COST OF PRODUCTION (PER ANNUM)

S.No	Description	Amount Rs.
1	Total Working Capital	408600
2	Depreciation @ 15%	65550
3	Interest @ 12%	39788
	Total	513938

9. TURNOVER (PER YEAR)

S.No	Description	Unit	Qty.	Rate Rs.	Amount Rs.
1	Training course fee	students	500	1500	750000
	Total				750000

10. FIXED COST (PER YEAR)

S.No	Description	Amount Rs.
1	Depreciation	65550
2	Interest	39788
3	Rent	36000
4	Salaries & Wages @ 40%	76800
5	Other Expenses incl. Utilities @ 40%	59040
	Total	277178

11. PROFIT ANALYSIS & RATIOS

1	Net Profit	Rs.	236062
2	Percentage of Profit on Sales		31%
3	Percentage of Return on Investment		46%
4	Break Even Point		54%