



(5)  
**PROJECT PROFILE ON  
 TUITION CLASSES**

Category: Servicing

Cost of project: Rs. 1, 74,000  
 BEP: 47 %

**I. INTRODUCTION OF BUSINESS IDEA:**

These days getting a seat in professional courses have become very competitive. Students need to score very high marks in X /XII standard to get admission in a reputed college so that their chances of getting seat in good colleges for the professional courses become easier. Tuition classes' help/ facilities student in scoring good marks in competitive examinations.

**II. SERVICE AND ITS APPLICATIONS:**

The tuition classes have become a necessity especially for all students in the present scenario. Parents are eager to get their children admitted to good tuition centres so that they fare better in their examinations. The tuition classes enable students to get higher percentage which in turn increases the chance of getting seats in good colleges thus leading towards a better career.

**III. MARKET POTENTIAL:**

The demand for tuition classes is very good. In district head quarters there are many tuition classes. As the tuition classes are not there in taluka places, many students come to the district head quarters for tuitions. There is good potential for such centers in taluk places, if quality teachers are engaged for the purpose.

**IV. CAPACITY / REVENUE AND SALES (1<sup>ST</sup> YEAR) :**

Capacity of the proposed center is to take 50 students each from VIII, IX, X standards.

| Sl. No. | Tuition to classes | No. of student | Rate                          | Total Receipts |
|---------|--------------------|----------------|-------------------------------|----------------|
| 1.      | VIII, IX, X        | 150            | 1,500/- per student per year. | 2,25,000       |



## V. LOCATION PREFERABLE:

Central locations in cities or big villages, having an easy access are is preferable. Gokak, Bailhongal Savadatti and Athani are suitable locations as students from these places come to Belgium for tuitions.

## VI. SERVICE METHODOLOGY & QUALITY:

Classroom with good facilities is hired. Experienced teachers are engaged for coaching. Frequent tests are conducted to check whether the students are learning properly. Notes are prepared and distributed to students as and when necessary.

## VII. COST OF PROJECT AND MEANS OF FINANCE, INCLUDING WORKING CAPITAL REQUIREMENTS:

### A. Cost of Project:

|                                       |                 |
|---------------------------------------|-----------------|
| Equipments                            | 1,40,000        |
| Other fixed assets (library)          | 10,000          |
| Preliminary and preoperative expenses | 5,000           |
| Deposits                              | 15,000          |
| Working Capital Requirements          | 4,000           |
| <b>Total</b>                          | <b>1,74,000</b> |

### B. Means of Finance:

|                                                |                 |
|------------------------------------------------|-----------------|
| Loan @ 75% excluding working capital & deposit | 1,16,000        |
| Equity                                         | 58,000          |
| <b>Total</b>                                   | <b>1,74,000</b> |

### C. Working Capital Requirement:

| Sl. No. | Particulars                              | Basis       | Period | Amount (Rs.) |
|---------|------------------------------------------|-------------|--------|--------------|
| 1       | Material (marker pens, chalk pieces etc) | 12,000/12x1 | 1m     | 1,000        |
| 2       | Working expenses                         |             | 1m     | 3,000        |
|         | <b>Total</b>                             |             |        | <b>4,000</b> |



# VIII. MAIN INPUTS REQUIREMENT:

## A. Equipments:

| Sl. No. | Particulars                        | No. | Rate   | Total Cost      |
|---------|------------------------------------|-----|--------|-----------------|
| 1       | Boards (ceramic, wooden and rexin) | 3   | 16,500 | 49,500          |
| 2       | OHP                                | 3   | 7,000  | 21,000          |
| 3       | Tables                             | 4   | 2,000  | 8,000           |
| 4       | Chairs                             | 160 | 300    | 48,000          |
| 5       | Water filter, Glasses etc          | -   | -      | 6,000           |
| 6       | Almirah                            | 3   | 2,500  | 7,500           |
|         | <b>Total</b>                       |     |        | <b>1,40,000</b> |

## B. Raw materials (P. M):

| Sl. No. | Particulars  | Qty.     | Amount (Rs.) | Annual        |
|---------|--------------|----------|--------------|---------------|
| 1.      | Marker pen   | 2 dozen  | 600          |               |
| 2.      | Chalk pieces | 10 boxes | 200          |               |
| 3.      | Duster etc.  | -        | 200          |               |
|         | <b>Total</b> |          | <b>1,000</b> | <b>12,000</b> |

## C. Utilities:

| Sl. No. | Particulars  | Monthly Requirement | Unit Cost | Total Monthly Charges. (Rs.) | Annual        |
|---------|--------------|---------------------|-----------|------------------------------|---------------|
| 1       | Electricity  | 200 units           | 4.00      | 800                          |               |
| 2       | Water        | 2 kl                |           | 300                          |               |
|         | <b>Total</b> |                     |           | <b>1,100</b>                 | <b>13,200</b> |

## D. Man-power requirement:

| Sl. No. | Workers              | No. | Monthly Salary (Rs.) | Annual Salary (Rs.) |
|---------|----------------------|-----|----------------------|---------------------|
| 1       | Teachers (part time) | 3   | 2,000                | 72,000              |
| 2       | Helper               | 1   | 2,000                | 24,000              |
|         | <b>Total</b>         |     |                      | <b>96,000</b>       |

**E. MAIN INFRASTRUCTURE REQUIREMENT:**

|                   |                                                              |
|-------------------|--------------------------------------------------------------|
| Building (Rented) | Built up space of 800 sft is required                        |
| Power             | Commercial power connection is required.                     |
| Water             | Water is required for drinking and cleaning purposes. (2 kl) |
| Rent              | Rs. 18,000 @ Rs. 1500 Peer month.                            |

**IX. PROFITABILITY PROJECTION (Annual):**

|                       | Basis                 | Amount (Rs.)    |
|-----------------------|-----------------------|-----------------|
| Revenue (Projected)   | Ref: IV               | 2,25,000        |
| Materials             | Ref: VIII B           | 12,000          |
| Man power expenses    | Ref: VIII D           | 96,000          |
| Utilities             | Ref: VIII C           | 13,200          |
| Interest              | @ 14%                 | 15,000          |
| Depreciation          | @ 10%                 | 15,000          |
| Overheads             | Rent, maintenance etc | 25,000          |
| <b>Total Expenses</b> |                       | <b>1,76,200</b> |
| <b>Profit</b>         |                       | <b>48,800</b>   |

**X. FINANCIAL INDICATOR (Annual):**

|                                             |                                      |                     |
|---------------------------------------------|--------------------------------------|---------------------|
| <b>Break Even Point</b>                     |                                      |                     |
| $\frac{FC}{SR-VC} \times 100$               | $\frac{55,000}{1,17,000} \times 100$ | 47%                 |
| <b>Payback period</b>                       |                                      |                     |
| $\frac{COP}{\text{Profit} + \text{Deprn.}}$ | $\frac{1,74,000}{63,800}$            | 2 Years<br>8 Months |

**XI. ADDRESSE****SUPPLIERS OF EQUIPMENTS:**

Akalwadi Book Depot,  
Near Central Bus terminus,  
Dharwad

**XII. SPECIAL NOTE:**

The promoter should have good teaching experience or arrange for a good teacher, if he is good administrator.