



(17)
**PROJECT PROFILE ON
 ESTABLISHING A BABY CRECHE UNIT**

 Category: Servicing

 Cost of project: Rs. 1, 45,000
 BEP: 46 %

I. INTRODUCTION OF BUSINESS IDEA:

Now-a-days both husband and wife work in most of the families. Hence, day care of small kids is becoming a big problem. Working women cannot take long leave and domestic maids are also not easily available. Therefore, rearing-up of children in a good environment has become a major problem. Hence, baby crèche units have become socially acceptable proposition for growing a child.

II. APPLICATIONS:

The crèches are the places where workingwomen leave their children while going to work and pick them up when they return. These centers have become an essential part of the modern society and work culture. In big cities and even in taluka places there is good scope for such units.

III. MARKET POTENTIAL:

Baby crèche are meant for 3 months old to 4 years old children. The services rendered to children of different age group are different. Cleaning and personal hygiene, bathing, milk feeding etc. are the requirements of children below the age of 3 years, while older children require feeding, teaching and entertaining. Parents mostly send milk and eatables and the staff of a crèche feeds them to children. These services can also be provided by the crèche at extra cost. Timing of the crèche may vary according to the needs of the parents. It may be from 7 a.m. to 6 p.m. or any other suitable timing. Besides many children are left at crèche after their school and stay at crèche till their parents return.

IV. CAPACITY/ REVENUE: (1st Year)

The unit will provide service of looking after and feeding children and providing elementary education and entertainment. It is proposed that about 40 children can be accommodated on monthly charges of Rs. 500/- per child.

Sl. No.	No. of children	Monthly charges / Child	Total Amount (Rs.)
1.	40	500	2,40,000

IV. LOCATION PREFERABLE:

Belgaum, Chikkodi, Gokak are preferable locations.



V. SERVICE METHODOLOGY AND QUALITY:

All the children are treated as per fixed schedule depending on their age. Cleaning feeding, playing, story telling etc are the routine things in a crèche. Hygienic environment is important consideration to be observed in the center.

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

A. Cost of Project:

Equipments	1,20,000
Deposits	10,000
Preliminary and preoperative expenses	5,000
Working Capital Requirements	10,000
Total	1,45,000

B. Means of Finance:

Loan @ 75% excluding deposit	1,01,000
Equity	44,000
Total	1,45,000

C Working Capital requirement

Sl. No.	Particulars	Basis	Period	Amount (Rs.)
1.	Raw material	72,000 ----- x 1 12	1 m	6,000
2.	Working expenses	-----	1 m	4,000
	Total			10,000



VIII. MAIN INPUTS REQUIREMENT:

A. Equipments:

Sl. No.	Particulars	No.	Rate	Total Cost
1.	Gas cylinder & Burner	1	4,000	4,000
2.	Acqua guard for clean water	1	8,000	8,000
3.	Bed	20 sets	3,000	60,000
4.	Utensils	20 sets	200	4,000
5.	Other kitchen utensils	1	1,000	1,000
6.	Two-in-one music system	1	5,000	5,000
7.	Colour T.V.	1	10,000	10,000
8.	Swings	40	200	8,000
9.	Toys	40	125	5,000
10.	Bucket/tub/water storage equipments	20	200	4,000
11.	Blackboard	2	500	1,000
12.	Books for children	100	15	1,500
13.	Chairs for children	40	125	5,000
14.	Other facilities			3,500
	Total			1,20,000

B. Raw-materials:

Sl. No.	Particulars	Qty.	Rate (Average)	Total Cost (Rs.)	Annual
1	Milk, milk powder, sugar etc.	15 ltrs.	15/-	2,250	}
2	Chalk, crayons, Medicine, Soaps etc.	-	-	3,750	
	Total			6,000	72,000

C. Utilities:

Sl. No.	Particulars	Monthly Requirement	Unit Cost	Monthly Charges. (Rs.)	Annual
1	Electricity. (1 HP)	100 units	4.50	450	}
2	Water			100	
	Total			550	6,000



D. Man-power requirement:

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Annual Salary (Rs.)
1	Manager	1		Self
2	Teacher	1	2,000	24,000
3	Maid servant	1	1,500	18,000
	Total			42,000

E. MAIN INFRASTRUCTURE REQUIREMENT:

Building	Built up space of 1500 sq.ft is required with Rs.2000 per month.
Power	Commercial power connection is required.
Water	Water is required for general purposes.

IX. PROFITABILITY PROJECTION (Annual):

	Basis	Amount (Rs.)
Sales Revenue (Projected)	Ref: IV	2,40,000
Raw Materials	Ref: VIII B	72,000
Man power expenses	Ref: VIII D	42,000
Utilities	Ref: VIII C	6,600
Interest	@ 14%	12,000
Depreciation @ 15 %	15 % SLM	18,000
Overheads	Rent, Maintenance etc.	25,000
Total Expenses		1,75,600
Profit		64,400



X. FINANCIAL INDICATORS:

Break Even Point $\frac{FC}{SR - VC} \times 100$	$\frac{55,000}{1,19,400} \times 100$	46 %
Payback period $\frac{COP}{Profit + Deprn.}$	$\frac{1,45,500}{82,400}$	1 year 9 months

XI. ADDRESSES:

SUPPLIERS OF EQUIPMENTS:

Vikas Enterprises
 221 C First gate,
 Gokul Road,
 Hubli.

XII. SPAECIAL NOTE:

Persons with training in this field are preferred to run the crèche. They can attend Short-term courses in nursing colleges.