



## PROJECT PROFILE ON ESTABLISHING A BABY CRECHE UNIT

Category : Service

Total Cost of Project : Rs. 2,74,000/-

BEP : 49 %

### I. INTRODUCTION OF BUSINESS IDEA:

The society of today has been witnessing a lot of change in working patterns. 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:

To provide solution for problem of the families where both husband and wife are working has given birth to baby crèche or child care centers. The crèches are the places where working women 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. Milk and eatables are mostly sent by parents 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: (1<sup>st</sup> 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. 1500/- per child.

Sl. No.	No. of children	Monthly charges / Child	Total Amount (Rs.)
1.	40	1500	600,000



## 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.

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

### A. Cost of Project:

Equipments	176,000
Deposits	70,000
Preliminary and preoperative expenses	10,000
Working Capital Requirements	18,000
<b>Total</b>	<b>274,000</b>

### B. Means of Finance:

Loan @ 75%	206,000
Equity	68,000
<b>Total</b>	<b>274,000</b>

### C Working Capital requirement

Sl. No.	Particulars	Basis	Period	Amount (Rs.)
1.	Raw material	96,000 ----- x 1 12	1 m	8,000
2.	Working expenses		1 m	10,000
	<b>Total</b>			<b>18,000</b>

## VII. MAIN INPUTS REQUIREMENT:

### A. Equipments:

Sl. No.	Particulars	No.	Rate	Total Cost
1.	Gas cylinder & Burner	1	6000	6000
2.	Acqua guard for pure water	1	10000	10000
3.	Bed	20 sets	3,000	60,000
4.	Utensils	20 sets	250	5,000
5.	Other kitchen utensils	1	10000	10000
6.	Two-in-one music system	1	10000	10000
7.	Colour T.V.	1	15,000	15,000
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	1000	2000
12.	Books for children	100	25	2500
13.	Chairs for children	40	200	8,000
14.	Other facilities			10000
	<b>Total</b>			<b>175,500</b>
			<b>Say</b>	<b>176,000</b>

**B. Raw-materials:**

Sl. No.	Particulars	Qty.	Rate (Average)	Total Cost p.m. (Rs.)	Annual
1	Milk, milk powder, sugar etc.			10000	
2	Chalk, crayons, Medicine, Soaps etc.	-	-	5500	
	<b>Total</b>			<b>15500</b>	<b>96,000</b>

**C. Utilities:**

Sl. No.	Particulars	Monthly Requirement	Unit Cost	Monthly Charges. (Rs.)	Annual
1	Electricity. (1 HP)	100 units	8	800	
2	Water			400	
	<b>Total</b>			<b>1200</b>	<b>14,400</b>
			<b>Say</b>		<b>15,000</b>

**C Man-power requirement:**

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Annual Salary (Rs.)
1	Manager	1		Self
2	Teacher	1	7000	84000
3	Maid servant	1	5000	60000
	<b>Total</b>			<b>144,000</b>

**D. MAIN INFRASTRUCTURE REQUIREMENT:**

Building	Built up space of 800 sq.ft is required
Power	Commercial power connection is required.
Water	Water is required for general purposes.



### VIII. PROFITABILITY PROJECTION (Annual):

Particulars	Basis	Amount (Rs.)
Sales Revenue (Projected)	Ref : IV	600,000
Raw Materials	Ref : VII B	96,000
Man power expenses	Ref : VII D	144,000
Utilities	Ref : VII C	15,000
Interest	@ 12%	25,000
Depreciation @ 15 %	15 % SLM	26,000
Overheads	Rent, Maintenance etc.	120,000
<b>Total Expenses</b>		<b>426,000</b>
<b>Profit</b>		<b>174,000</b>

### IX. FINANCIAL INDICATORS:

<b>Break Even Point</b> $\frac{FC}{SR - VC} \times 100$	$\frac{171,000}{345,000} \times 100$	49 %
<b>Payback period</b> $\frac{COP}{\text{Profit} + \text{Deprn.}}$	$\frac{274,000}{200,000}$	1 year 5 months

### X. ADDRESSES:

#### SUPPLIERS OF EQUIPMENTS:

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

### XI. SPAECIAL NOTE:

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