

KVIC- REGP-Gramodyog Rojgar Yojana

CYBER CAFÉ & BACK OFFICE SERVICES

Introduction

A Cyber Café is basically an Internet Access Centre. It is a place to chat, check or send email, surf/browse the internet etc. Cyber Cafés are especially useful for those who don't have access to Internet and are very handy when you are out of town and need to stay in touch with your office or family. As we are aware that recent growth in the field of computer, Internet & e-mail have created a revolution in the Information Technology field. To meet our day-to-day requirements these Cyber Cafés are coming very fast. Besides Cyber Cafés an entrepreneur can also start "Back Office Services" to those institutions, organizations or individuals who don't want to invest much on the establishment of these facilities. An entrepreneur can concentrate also on back office jobs like insurance-claims processing, payroll preparation, taxation & other services. **Process** A Cyber Café cum Back Office point could be started with 5 PCs & increased later depending on requirements that the amount an entrepreneur wants to invest and the numbers of prospective customers. As you increase the number of PCs, you will have to provide more bandwidth, you could do so by adding more telephone lines. For this you require a multi-tech proxy server, that is capable of handling multiple lines. These devices are also commonly known as Internet-Gateways. Connect the gateway to your network and hook-up the modems to it. Configuration can be done through a web browser. You can also define load levels.

1 Name of the Product : **CYBER CAFÉ & BACK OFFICE SERVICES**

2 Project Cost :

a Capital Expenditure

Land : **Own**

Workshed in sq.ft 480 Rs. 96,000.00

Equipment : 498,200.00

Computer-5 Rs.2.25 lac, Proxy Server-1Rs.0.75, 10/100 Mbps Hub, 1, Rs. 5000, UPS (C-DOT) 1Rs. 17500, Modem (ISDN) 1 17000, Telephone Set-3 Rs. 2400 (UTP-CATS)-60 Mtrs Rs.1800, Printer Printer (HP) Inkjet -1 Rs.8000

Total Capital Expenditure Rs. 594,200.00

b Working Capital Rs. 72,300.00

TOTAL PROJECT COST : Rs. 666,500.00

3 Estimated Annual Production Capacity:

(Rs. in Lakhs)

Sr.No.	Particulars	Service Charge	Rate	Total Value
1	Service To Syber café, Office Job, Back office earning.	110000.00	12.00	483.19
TOTAL		110000.00	12.00	483.19

4 Raw Material Rs. 72,300.00

5 Labels and Packing Material : Rs. 72,000.00

6 Wages (Skilled & Unskilled) : Rs. 96,000.00

7 Salaries : Rs. 96,000.00

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8	Administrative Expenses	:	Rs.	90,000.00
9	Overheads	:	Rs.	
10	Miscellaneous Expenses	:	Rs.	60,000.00
11	Depreciation	:	Rs.	54,620.00
12	Insurance	:	Rs.	5,942.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	77,246.00
	b. W.C.Loan	:	Rs.	9,399.00
	Total Interest		Rs.	86,645.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	329,188.00
	Variable Cost		Rs.	153,699.00
	Requirement of WC per Cycle		Rs.	80,481.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	329.19	197.51	230.43	263.35
2	Variable Cost	154.00	92.40	107.80	123.20
3	Cost of Production	483.19	289.91	338.23	371.15
4	Projected Sales	1100.00	660.00	770.00	880.00
5	Gross Surplus	616.81	370.09	431.77	493.45
6	Expected Net Surplus	562.00	315.00	377.00	439.00

- Note :
1. All figures mentioned above are only indicative.
 2. If the investment on Building is replaced by Rental then
 - a. Total Cost of Project will be reduced.
 - b. Profitability will be increased.
 - c. Interest on C.E.will be reduced.