

PROJECT REPORT FOR MEDICAL STORE



PREPARED FOR

PROMOTOR

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

PROJECT LOCATION

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

PREPARED BY:

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C O N T E N T

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I. PROJECT AT A GLANCE

1. Name of Promoter : xxxxxxxxxxxxxxxxxxxxxxxxxxxx
Address:xxxxxxxxxxxxxxxxxxxxx

2. Project Cost : Rs. 15.00 Lakhs

3. Mean of Finance
 - A) T. L. facility from Bank : Rs. 5.50 Lakhs
 - B) Cash Credit Loan from Bank : Rs. 8.00 Lakhs
 - C) Own contribution : Rs. 1.50 Lakhs
4. Rate of Interest : 12.00% Per Annum
5. Repayment : 60 monthly instalments @ Rs. 0.12
Lakhs EMI
6. Nature of Project : Medical Store
7. Employment Potential : 2 Nos.
8. Nature of the Firm : Proprietary Firm
9. Average Debt Coverage ratios : **2.60**

Introduction

Two decades back, the average consumer spending on healthcare was eight per cent; today it is 20 per cent. The customer has also become aware of various offerings in the pharma market, and is demanding better services. The mercury has reached a new high where the Indian consumer's priority for healthcare is concerned today. His spending on healthcare is comparatively higher than what he spends on apparels or entertainment. Pharmacy retailing is expected to become more organised and corporatised in the coming years. Indian Retail Pharmacy industry is widely fragmented throughout the country. The total Indian retail pharmacy market has been growing at an average of 18% per annum over the last few years, and is anticipated to grow by even higher numbers in the future.

Market potential & Strategy

The increasingly health-conscious Indian today has numerous retail pharmacies jostling for his attention (and money). These pharmacies offer a great choice to the consumer. With pharmacy retailing becoming more and more organised, and a large number of retail formats coming up, the consumer has a greater choice with respect to quality, price and variety.

Project For :
MEDICAL STORE

II. ECONOMICS OF THE PROJECT

A. COST OF PROJECT

(Rs. Lacs)

S.No.	Particulars	Total	Spent	Bal. To be spent
1	Shop (Already Existing)	-	-	-
2	Equipment	1.00	-	1.00
3	Furniture & Interior	5.11	-	5.11
4	Working Capital	8.89	-	8.89
		<hr/>		
		15.00	-	15.00
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Means of Finance :

a) Own Contribution (10%)	1.50
b) T L facility from Bank (90%)	5.50
c) Cash Credit facility from Bank (90%)	8.00
	<hr/>
	15.00

Project For :
MEDICAL STORE

B. PROFITABILITY STATEMENT

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Sales	40.00	42.00	44.00	48.40	53.24	58.56
	Add : Increase in Cl.Stock	7.69	0.38	0.38	0.85	0.93	1.02
	Total Turnover	47.69	42.38	44.38	49.25	54.17	59.59
2	Material Purchase	30.77	32.31	33.85	37.23	40.95	45.05
3	Overheads						
	a) Direct	2.18	2.40	2.54	2.66	2.90	3.04
	b) Indirect	1.60	1.76	1.94	2.03	2.13	2.24
4	Balance	13.14	5.92	6.06	7.32	8.19	9.26
5	Interest on TL & CC	1.57	1.47	1.34	1.21	1.05	0.96
6	Depreciation	0.92	0.78	0.66	0.56	0.48	0.41
7	Preliminary expenses W/off	-	-	-	-	-	-
8	Profit after Interest & Dep.	10.65	3.67	4.06	5.55	6.66	7.89
9	Income Tax	1.40	0.37	0.41	0.31	0.53	0.78
10	Profit after Tax	9.26	3.31	3.65	5.24	6.13	7.11
11	Add: Depreciation & Pre Exp.	0.92	0.78	0.66	0.56	0.48	0.41
12	Add : Interest on TL & CC	1.57	1.47	1.34	1.21	1.05	0.96
13	Cash Accruals	11.75	5.55	5.66	7.01	7.66	8.48
14	Instalments of TL & Interest	2.43	2.43	2.43	2.43	2.43	-
15	DSCR	4.34	1.79	1.83	2.39	2.65	-
16	Average DSCR	2.60					
17	N.P. to Total receipts	23.14	7.87	8.30	10.83	11.51	12.14

Project For :
MEDICAL STORE

C. CASH FLOW STATEMENT

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
A	CASH INFLOW :						
1	Collection from Debtors	38.33	40.25	42.17	46.38	51.02	56.12
2	T.L. from Bank	5.50					
3	CC from bank	8.00					
4	Capital	1.50					
	TOTAL (A)	53.33	40.25	42.17	46.38	51.02	56.12
B	CASH OUTFLOW :						
1	Fixed Assets	6.11	-	-	-	-	-
2	Payment to creditors	25.71	32.05	33.59	36.67	40.34	44.38
3	Direct overheads	2.18	2.40	2.54	2.66	2.90	3.04
4	Indirect Overheads	1.60	1.76	1.94	2.03	2.13	2.24
5	Interest on Bank Loan	1.57	1.47	1.34	1.21	1.05	0.96
6	Income Tax	1.40	0.37	0.41	0.31	0.53	0.78
7	Term Loan Repayment	0.85	0.96	1.08	1.22	1.38	-
8	Drawings	0.25	0.28	0.30	0.33	0.37	0.40
	TOTAL (B)	39.68	39.28	41.20	44.44	48.70	51.80
	SUMMERY:						
	Op. Cash & Bank Balance.	-	13.66	14.63	15.59	17.53	19.86
	Add : Surplus / (Deficit)	13.66	0.97	0.96	1.94	2.32	4.33
	Cl. Cash & Bank Balance.	13.66	14.63	15.59	17.53	19.86	24.18

Project For :
MEDICAL STORE

D. BALANCE SHEET

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
A	ASSETS :						
1	Fixed Assets	5.19	4.41	3.75	3.19	2.71	2.30
2	Investments	-	-	-	-	-	-
3	Current Assets	23.02	26.12	29.30	34.11	39.58	47.37
4	Loans & Advances	-	-	-	-	-	-
	TOTAL (A)	28.21	30.53	33.05	37.30	42.29	49.67
B	LIABILITIES:						
1	Capital	10.51	13.54	16.89	21.80	27.56	34.27
2	Secured loans Term Loan	4.65	3.68	2.60	1.38	0.00	-
3	Sundry Creditors	5.06	5.31	5.56	6.12	6.73	7.41
4	Current Liabilities Cash Credit	8.00	8.00	8.00	8.00	8.00	8.00
	TOTAL (B)	28.21	30.53	33.05	37.30	42.29	49.67

Project For :
MEDICAL STORE

(Rs. Lacs)

E. CAPITAL ACCOUNT

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Op. Balance	-	10.51	13.54	16.89	21.80	27.56
2	Additions	1.50					
3	Net Profit for the year.	9.26	3.31	3.65	5.24	6.13	7.11
	Sub Total	10.76	13.81	17.19	22.13	27.92	34.67
4	Less : Drawings	0.25	0.28	0.30	0.33	0.37	0.40
5	Cl. Balance	10.51	13.54	16.89	21.80	27.56	34.27

Project For :
MEDICAL STORE

(Rs. Lacs)

F. SALES

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Sales per annum	40.00	42.00	44.00	48.40	53.24	58.56
2	Total Sale	<u>40.00</u>	<u>42.00</u>	<u>44.00</u>	<u>48.40</u>	<u>53.24</u>	<u>58.56</u>
3	Sundry Debtors (Credit period allowed 15 days)	1.67	1.75	1.83	2.02	2.22	2.44
4	Collection from Debtors	38.33	40.25	42.17	46.38	51.02	56.12

Project For :
MEDICAL STORE

(Rs. Lacs)

G. MATERIAL CONSUMPTION AND INVENTORY

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Sale of material	40.00	42.00	44.00	48.40	53.24	58.56
2	Purchases of Material	30.77	32.31	33.85	37.23	40.95	45.05
3	Sundry Creditors (Assume 60 day Cedit Period allowed)	5.06	5.31	5.56	6.12	6.73	7.41
4	Payment to creditors	25.71	32.05	33.59	36.67	40.34	44.38
5	Stock of Material	7.69	8.08	8.46	9.31	10.24	11.26

Project For :
MEDICAL STORE

(Rs. Lacs)

H. DIRECT OVERHEADS

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Staff Salary (Monthly salary- Rs. 7,000/- per staff) (No. of staff- 2)	1.68	1.85	1.93	2.03	2.23	2.34
2	Other Overheads	0.50	0.55	0.61	0.64	0.67	0.70
	Total	2.18	2.40	2.54	2.66	2.90	3.04

Project For :
MEDICAL STORE

(Rs. Lacs)

I. INDIRECT OVERHEADS

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Travelling & Conveyance	0.50	0.55	0.61	0.64	0.67	0.70
2	Repairs & Maint.	0.25	0.28	0.30	0.32	0.33	0.35
3	Electricity Expenses (Off.)	0.36	0.40	0.44	0.46	0.48	0.50
4	Telephone Expenses	0.24	0.26	0.29	0.30	0.32	0.34
5	Misc. Expenses	0.25	0.28	0.30	0.32	0.33	0.35
		<u>1.60</u>	<u>1.76</u>	<u>1.94</u>	<u>2.03</u>	<u>2.13</u>	<u>2.24</u>

Project For :
MEDICAL STORE

J. TERM LOAN REPAYMENT AND INTEREST THEREON

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	TL / Op. Bal.	5.50	4.65	3.68	2.60	1.38	-
2	Repayment during the year	0.85	0.96	1.08	1.22	1.38	-
3	Cl. Balance	4.65	3.68	2.60	1.38	0.00	-
4	Interest at 12 per cent p.a.	0.61	0.51	0.38	0.25	0.09	-
5	Total repayment with Interest	2.43	2.43	2.43	2.43	2.43	-
6	Interest on CC (at 12 per cent p.a.)	0.96	0.96	0.96	0.96	0.96	0.96
	Total Interest	1.57	1.47	1.34	1.21	1.05	0.96

Term Loan Repayment Schedule

MONTHS	EMI	INTEREST	PRINCIPAL REPAYMENT	OST PRINCIPAL
0				5.50
1	0.12	0.05	0.07	5.43
2	0.12	0.05	0.07	5.36
3	0.12	0.05	0.07	5.29
4	0.12	0.05	0.07	5.23
5	0.12	0.05	0.07	5.16
6	0.12	0.05	0.07	5.08
7	0.12	0.05	0.07	5.01
8	0.12	0.05	0.07	4.94
9	0.12	0.05	0.07	4.87
10	0.12	0.05	0.07	4.79
11	0.12	0.05	0.07	4.72
12	0.12	0.05	0.08	4.65
First Year	1.47	0.61	0.85	
13	0.12	0.05	0.08	4.57
14	0.12	0.05	0.08	4.49
15	0.12	0.04	0.08	4.42
16	0.12	0.04	0.08	4.34
17	0.12	0.04	0.08	4.26

18	0.12	0.04	0.08	4.18
19	0.12	0.04	0.08	4.10
20	0.12	0.04	0.08	4.02
21	0.12	0.04	0.08	3.93
22	0.12	0.04	0.08	3.85
23	0.12	0.04	0.08	3.77
24	0.12	0.04	0.08	3.68
Second Year	1.47	0.51	0.96	
25	0.12	0.04	0.09	3.60
26	0.12	0.04	0.09	3.51
27	0.12	0.04	0.09	3.42
28	0.12	0.03	0.09	3.34
29	0.12	0.03	0.09	3.25
30	0.12	0.03	0.09	3.16
31	0.12	0.03	0.09	3.07
32	0.12	0.03	0.09	2.97
33	0.12	0.03	0.09	2.88
34	0.12	0.03	0.09	2.79
35	0.12	0.03	0.09	2.69
36	0.12	0.03	0.10	2.60
Third Year	1.47	0.38	1.08	
37	0.12	0.03	0.10	2.50
38	0.12	0.03	0.10	2.40
39	0.12	0.02	0.10	2.31
40	0.12	0.02	0.10	2.21
41	0.12	0.02	0.10	2.11
42	0.12	0.02	0.10	2.01
43	0.12	0.02	0.10	1.90
44	0.12	0.02	0.10	1.80
45	0.12	0.02	0.10	1.70
46	0.12	0.02	0.11	1.59
47	0.12	0.02	0.11	1.48
48	0.12	0.01	0.11	1.38
Fourth Year	1.47	0.25	1.22	
49	0.12	0.01	0.11	1.27
50	0.12	0.01	0.11	1.16
51	0.12	0.01	0.11	1.05
52	0.12	0.01	0.11	0.94
53	0.12	0.01	0.11	0.82
54	0.12	0.01	0.11	0.71
55	0.12	0.01	0.12	0.59
56	0.12	0.01	0.12	0.48
57	0.12	0.00	0.12	0.36
58	0.12	0.00	0.12	0.24
59	0.12	0.00	0.12	0.12
60	0.12	0.00	0.12	(0.00)
Fifth Year	1.47	0.09	1.38	

Project For :
MEDICAL STORE

K. CURRENT ASSETS

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Cl. Stock of Materials	7.69	8.08	8.46	9.31	10.24	11.26
	Total Inventory	7.69	8.08	8.46	9.31	10.24	11.26
2	Cash and bank Balance	13.66	14.63	15.59	17.53	19.86	24.18
3	Sundry Debtors	1.67	3.42	5.25	7.27	9.49	11.93
	Total	23.02	26.12	29.30	34.11	39.58	47.37

Project For :
MEDICAL STORE

L. FIXED ASSETS AND DEPRECIATION

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Furniture & Interior						
	Op. Balance	-	4.34	3.69	3.14	2.67	2.27
	Additions	5.11	-		-		
	Total	5.11	4.34	3.69	3.14	2.67	2.27
	Less : Depreciation	0.77	0.65	0.55	0.47	0.40	0.34
	Cl. WDV	4.34	3.69	3.14	2.67	2.27	1.93
2	Equipment						
	Op. Balance	-	0.85	0.72	0.61	0.52	0.44
	Additions	1.00	-		-		
	Total	1.00	0.85	0.72	0.61	0.52	0.44
	Less : Depreciation	0.15	0.13	0.11	0.09	0.08	0.07
	Cl. WDV	0.85	0.72	0.61	0.52	0.44	0.38
	Total Depreciation	0.92	0.78	0.66	0.56	0.48	0.41
	Cl. WDV	5.19	4.41	3.75	3.19	2.71	2.30

Project For :
MEDICAL STORE

M. WORKING CAPITAL

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Total Current Assets	23.02	26.12	29.30	34.11	39.58	47.37
2	Total Current Liabilities	5.06	5.31	5.56	6.12	6.73	7.41
3	Working Capital	17.96	20.81	23.74	27.99	32.85	39.96