

MEDICAL SHOP

1. INTRODUCTION

Uttarakhand's pharmaceutical industry has grown significantly as a result of supportive government policies, a strong industrial infrastructure, proximity to major markets, and easier access to skilled labor. Pharmaceutical businesses find the government's system attractive because it provides several tax incentives and subsidies. Due to its proximity to Delhi, Uttarakhand has easy access to major marketplaces and transit systems. Furthermore, the state's proximity to the Himalayas permits the use of natural resources in pharmaceutical production and research. Overall, the pharmaceutical industry in Uttarakhand is thriving and continues to draw businesses for production, sales, and research projects.

2. PRODUCT & ITS APPLICATION

Essential healthcare needs are met by a wide variety of products in a retail medical store. Prescription and over-the-counter drugs, medical equipment, personal care products, health and wellness products, dietary and nutritional supplements, baby and child care products, sanitary and personal hygiene products, pain and wound care products, masks, and personal protective equipment (PPE) are some of these products. Meeting people's healthcare needs requires not just offering exceptional customer service and medical guidance, but also ensuring the items are dispensed ethically, safely, and with high quality.

3. DESIRED QUALIFICATION FOR PROMOTER

The ideal background and skill set for a promoter of a retail medical shop would include a pharmacist license, knowledge of pharmacy management, familiarity with healthcare regulations, and experience in pharmacy or healthcare administration. Other necessary traits include having excellent communication and customer service abilities. All of these qualities are required to run the store smoothly.

4. INDUSTRY LOOKOUT AND TRENDS

Worldwide, the Indian pharmaceutical industry is renowned for producing affordable vaccinations and generic medications. Currently, the pharmaceutical industry makes up 1.72 percent of the GDP of the nation. A recent EY FICCI analysis stated that the Indian pharmaceutical market is expected to reach a valuation of US\$ 130 billion by the end of 2030 due to the rising consensus around the provision of novel and inventive remedies to patients. In the meantime, it is predicted that the pharmaceutical industry will reach a valuation of over \$1 trillion by 2023. Since Uttarakhand has a robust infrastructure and an extensive transportation network, it has become a major player in India's pharmaceutical industry. Generic medications, over-the-counter medications, bulk medications, vaccines, contract research, and manufacturing are some of the main sectors of the Indian pharmaceutical industry. India has the chance to take the lead in the global pharmaceutical industry, with a particular focus on the well-being of the general public, owing to the government's support and the pharmaceutical industry's dedication to ensuring the widespread availability of high-quality drugs at competitive rates.

5. KEY BUSINESS ELEMENTS

- Location: Selecting a prime area with plenty of foot traffic and convenient client access, especially near hospitals, clinics, and residential areas will increase the visibility of the business and provide easy access to customers to reach the medical store.

- Licenses and rules: The promoter also requires licenses to operate a medical store, as well as adhere to all local and state rules.
- Inventory management: It is the process of effectively keeping track of and obtaining a large variety of over-the-counter drugs, pharmaceuticals, and medical supplies.
- Staffing: Hiring certified and experienced pharmacists and other support personnel is a crucial success element as certified staff can counsel well and provide first-rate client care.
- Pricing and Profitability: Considering pricing laws and competitive pricing, the medicine pricing must be set while maintaining profitability.

6. MARKET POTENTIAL AND MARKETING ISSUES; IF ANY

Because of Uttarakhand's abundant production resources and the state's large supply of pharmaceuticals both domestically and internationally, a retail medical shop there has significant market potential. However, it has several marketing challenges. Creating a unique selling proposition is necessary to compete with already-existing stores. Maintaining rigorous regulatory compliance and price rules additionally calls for attention. Besides that, other concerns include overcoming supply chain obstacles, guaranteeing product legitimacy, using digital marketing, and incorporating telemedicine services.

7. SUPPLY OF RAW MATERIAL

Uttarakhand's pharmaceutical sector has more than 300 pharmaceutical units engaged in manufacturing, primarily concentrated in areas like Selaqui, Haridwar, and Udham Singh Nagar. This robust industry plays a vital role in employment, providing jobs to over 100,000 individuals in the state. Given the concentration of pharmaceutical units, the supply chain for medicines can be efficiently established, benefiting both the local population and the broader region. The presence of a well-established pharmaceutical sector in Uttarakhand offers opportunities for medical stores to ensure a consistent supply of pharmaceutical products and contribute to the healthcare needs of the local population.

8. BUSINESS MODEL

A well-planned business layout for a retail medical store should include an entrance, well-organized product displays, a dedicated pharmacy counter, and sections for healthcare products, first aid, and over-the-counter medications. Additionally, there should be a payment corner. The layout should ensure efficient inventory management while maintaining a focus on customer convenience.

9. BUSINESS PROCESS

- Purchasing: Getting medical supplies and prescription drugs from reliable vendors.
- Inventory management: Effectively managing the business, monitoring and keeping up the stock levels.
- Prescription Handling: Handling prescription drug orders while consulting customers if needed.
- Customer service: Providing knowledgeable counsel, help, and attention to customers.
- Sales and Checkout: Managing multiple payment options and efficiently processing sales.
- Regulatory Compliance: Verifying safety guidelines and pharmaceutical laws that are followed.
- Marketing & Promotion: Using marketing techniques to draw in and keep clients.

10. MANPOWER REQUIREMENT

Sr. No	Particulars	No.	No of month in year	Wages/Salaries per month (Rs. In Lakhs)	Annual Expense (Rs. In Lakhs)
1	Self-employed	1	-	-	-
2	Pharmacist	2	12	0.25	6.00
3	Pharmacy Assistants	3	12	0.15	5.40
4	Cashier	1	12	0.20	2.40
5	Accountant	1	12	0.07	0.84
	Total				14.64

11. IMPLEMENTATION SCHEDULE

Sr. No.	Activity	Time Required (in months)
1	Acquisition of premises	1
2	Construction (if applicable)	1.5
3	Procurement & installation of Plant & Machinery	2.5
4	Arrangement of Finance	1
5	Recruitment of required manpower	1
6	Total time required (some activities shall run concurrently)	3

12. COST OF PROJECT

Sr. No.	Particulars	Annual Expenses (Rs. in lakhs)
1	Pre-operative and preliminary Exp.	0.34
2	Equipment and Furniture Exp.	10.49
3	Working Capital	23.95
	Total Project Cost	34.78

13. MEANS OF FINANCE

Bank-term loans are assumed @ 60%

Sr. No.	Particulars	Annual Expenses (Rs. in lakhs)
1	Promoter's contribution	13.91
2	Bank Finance	20.87
	Total	34.78

14. EQUIPMENT AND FURNITURE

Sr. No.	Particulars	Unit	Price per Unit (Rs. in lakhs)	Total Amount (Rs. in lakhs)
1	Pharmacy Shelving Display	5	0.35	1.75
3	Cashier Counter	1	0.25	0.25
4	Display Cabinets	10	0.25	2.50
5	Refrigeration Unit	1	0.45	0.45
6	Storage Cabinets	20	0.15	3.00
7	Air Conditioning	2	0.45	0.90
8	Trash Bins	3	0.08	0.24
	Total			9.09

Local suppliers in India offer a wide range of furniture and fixtures. The entrepreneur can avail office furniture after thorough research and analysis. Below are the tentative suppliers in India. Besides these, online platforms such as India Mart, Trade Mart, etc. can also be explored for ordering online.

1. S. K. Enterprises
Khasra No.160, Sewadham Road,
Opposite Bank of Baroda, Mandoli- 110093,
New Delhi, India
2. Oakly Chairs
No. A-2/1, Ground Floor,
Kunwar Singh Nagar, Nangloi, -110041,
Delhi, India
3. Hybonn Storage Systems
WZ - 2/10, 2nd Floor,
Surya Complex, Budella, Vikaspuri-110018,
Delhi, India

15. SALES REALISATION

Sr. No.	Product	Sales in Percentage
1	Pharmaceuticals (Prescription Medications, Over-the-counter Medications, Vitamins, Supplements, etc.)	80.0%
2	Medical Devices(Diagnostic Equipment like thermometers, glucose meters, weighing scales, Blood pressure monitors, First Aid Kits, etc.)	4.0%
3	Personal Care & Hygiene Products (Skin care, oral care, hair care, etc.)	5.0%
4	Dietary and nutritional Products (Energy drinks, protein bars, energy bars, ready-to-eat oatmeal, etc.)	5.0%
5	Sanitary & Personal Hygiene (Adult diapers, Sanitary Pads, etc.)	5.0%
6	Masks and Personal Protective Equipment(masks, sanitizers, gloves, and other PPE)	1.0%
	Total	100.00%

16. PROFITABILITY CALCULATIONS

The basis of profitability is;

Sr. No	Particulars	Annual Expenses (Rs. in lakhs)
A.	Sales realization	122.31
B.	Cost of production	
i)	Raw materials	79.50
ii)	Utilities	1.10
iii)	Manpower Cost (Salaries/wages)	14.64
iv)	Administrative expenses	0.75

v)	Packaging Cost	0.40
vi)	Material Lost Cost	0.40
vii)	Selling & distribution expenses	6.60
viii)	Repairs & maintenance	0.00
ix)	Rent	0.45
x)	Interest	0.72
xi)	Misc. expenses	0.00
	Total (B)	104.56
	No of Units production	87480
	Cost of Goods Sold <i>per unit</i>	Rs. 120 (Rupees One Hundred &Twenty)
	Gross profit/loss (A – B)	17.75
	Less: Depreciation	1.60
C.	PBIT	16.16
D.	Income-tax	3.23
E.	Net profit/loss	12.92
F.	Repayment (Annual)	0.61
G.	Retained surplus (E-F)	12.31

17. BREAKEVEN ANALYSIS

(Rs. in lakhs)

Fixed cost	
Land & Building Rent	0.45
Depreciation	1.60
Interest	0.72
Manpower	4.39
Total Fixed cost	7.16
Variable cost	
Raw materials	79.50
Utilities	1.10
Manpower	10.25
Administrative expenses	0.75
Selling & distribution expenses	6.60
Total Variable cost	98.20
Variable cost per Unit	Rs. 112
Revenue per unit	Rs. 140
Margin per Unit	Rs. 28
Number of Units for Break-Even Point	25980
Actual Capacity	87480

18. STATUTORY/GOVERNMENT APPROVALS

A retail medical store must obtain multiple statutory and administrative permits before it can open and operate in India to comply with healthcare and pharmaceutical rules. The following are some essential licenses and permits a promoter requires:

1. The main license needed to market pharmaceuticals is the drug license. It is given by Uttarakhand's State Drugs Control Department.
2. GST Registration: To adhere to tax laws, register for the Goods and Services Tax (GST).
3. FSSAI License: The Food Safety and Standards Authority of India (FSSAI) requires a license as the promoter has included sales and storage of health foods, dietary supplements, or specific medical products.
4. Pharmacy Act Registration: To practice and run a pharmacy, the promoter has to register under the Pharmacy Act if the manpower hired is a pharmacist or the promoter is a pharmacist.
5. NOC from Local Authority: To open a medical shop, the promoter must get a No Objection Certificate (NOC) from the district health department or local municipal authority.

19. TRAINING CENTERS AND COURSES

Training centers that offer professional training and certification in entrepreneurship and business management are as follows:

1. National Institute for Entrepreneurship and Small Business Development (NIESBUD)
Regional Centre, NSTI Campus,
Green Park, Dehradun- 248001,
Uttarakhand, India
2. Indian Institute of Entrepreneurship(IIE)
NH-37 Bypass, Near Game Village,
Lalmati, Guwahati- 781029,
Assam, India

Disclaimer

Only few machine manufacturers are mentioned in the profile, although many machine manufacturers are available in the market. The addresses given for machinery manufacturers have been taken from reliable sources, to the best of knowledge and contacts. However, no responsibility is admitted, in case any inadvertent error or incorrectness is noticed therein. Further the same have been given by way of information only and do not carry any recommendation.