



REHABILITATION **CENTRE FOR DRUG** **ADDICTION**

Introduction

Rehabilitation can be classified into four types: medical, vocational, educational, and social rehabilitation. The goal of medical rehabilitation is to maintain and improve a patient's physical and mental capabilities. A rehabilitation center is precisely a regulated facility where individuals with addictive inclinations get the desired treatment. However, in certain cases, rehabilitation centers are also effective as trauma-treatment centers, helping individuals recuperate after a sudden yet unfortunate incident. However, in most cases, individuals abusing certain substances, including drugs or alcohol, come to the rehabilitation centers, in order to get their lives on track.

Addiction to illicit drugs frequently results in significant harm to the drug users, to their families and communities, and to society as a whole. Treatment is difficult because of the nature of addiction and because of the many adverse ways in which habitual drug use may affect an individual's life. The main illicit drugs used is categorized into two main groups- opiates, such as heroin and non-prescribed methadone; and non-opiates, including cannabis, cocaine and ecstasy. The effects of the different drugs on the user may be quite different. There may also be significant variations in the type of user. Depending on the type of drugs used and the stage of the addiction, persons seeking help may need to access a wide range of treatment services (e.g. needle exchange, methadone maintenance, detoxification, primary care, counselling etc.) and other supports (e.g. income and housing support, childcare, training and education). Aligning services and supports to specific need is key to the achievement of successful outcomes.

Phases of Addiction Treatment

Rehab involves extensive therapy, which aims to rectify drug-seeking behaviors, instill better coping mechanisms, and teach important relapse prevention skills. As part of ongoing recovery, various outlets of aftercare provide individuals with long-term support and continued relapse prevention opportunities.

Phase 1: Intake—Creating a Customized Care Plan-

While there is no one process used by every rehabilitation facility, it is likely that the intake process will involve meeting with a professional to discuss treatment options and figure out what approach will work best for you. The goal is to develop a personalized treatment plan based on assessment of your medical, emotional, and social functioning.

Phase 2: Detox—Safely Removing Addictive Substances from Your Body-

The method of treatment—including specific treatment medications—received during detox will depend on the specific substance(s) being abused.

Phase 3: Rehabilitation -Building the Foundation of Long-Term Treatment Efforts-

With the successful completion of detox, the next phase of recovery is rehabilitation. It includes Inpatient, Outpatient & Partial Hospitalization, Rehab Therapy, Individual Therapy, Group Therapy, etc.

Phase 4: Recovery and Aftercare—Continuing Healing for Long-Term Recovery-

Regular therapy sessions post-rehab, both individual and group therapy, can help patients stay accountable to their sobriety on their path toward recovery. Many addiction rehab facilities host their own follow-up programs to assist patients as they return to their daily lives. Such aftercare programs might consist of additional counselling, meetings, and classes for alumni of the treatment program as well as other people in the community.

Market Potential

There is a huge gap between demand for drug addiction treatment and facilities available for it, as per the doctors at leading hospitals. India has to invest more in de-addiction and treatment facilities to control drug abuse.

Most drug-control programmes focus on restricting the supply of illicit drugs. This is not enough. The focus has to shift to demand reduction by preventing addiction and providing more treatment facilities for addicts.

India is home to six crore alcohol addicts, more than the population of 172 world nations including Italy. More than 3.1 crore Indians (2.8%) have reported using cannabis products, Bhang, Ganja, Charas, Heroin and Opium, in last one year. 72 lakh of these drug users are addicted to them and unfortunately only one in 20 drug addicts gets treatment at a hospital. According to the survey Country liquor (Desi Sharab) accounts for 30% of the total liquor consumption, and Indian made foreign liquor (spirits) also account for the same amount. Combined share of these two varieties account for 60% of the total liquor consumption in the country. There are only 4,000–4,500 psychiatrists in India and not all are involved in de-addiction treatment. Also, there are no government-run long-stay homes for drug users and hospitals are forced to discharge patients within a couple of days of their withdrawal symptoms disappearing and the risk of relapse is very high once they go back to the same environment.

Cost of Project

Particulars	Amount (Rs. In Lakhs)
Leasehold Land	2.80
Civil works and Buildings (@1000/sqft)	85.00
Fixed Asset	43.99
Misc. Fixed Assets	10.00
D G Set 50 KV and Stabilizer	4.45
Escalation & Contingencies	7.31
Preliminary & Preoperative Expenses	6.81
Sub-total (A)	160.36
Working Capital Margin @40% of Total WC Requirement	36.30
Total Project Cost	196.66
Total Working Capital Req. (25% of 1st Year Proj. Turnover) (B)	90.75
MEANS OF FINANCE	
Total funds required (A+B)	251.11
Loan component	
Term loan (60% of A)	96.22
Working capital (60% of B)	54.45
TOTAL	150.67
Equity	100.44
TOTAL	251.11

Detailed Cost Element

Sl. no.	Particulars	Qty.	Rate	Amount (Rs. In lakhs)
1	Stretcher	2	12000	0.24
2	Chairs	30	3,000	0.90
3	Beds	50	12,000	6.00
4	Cupboard	30	15,000	4.50
5	Air conditioners	15	30,000	4.50
6	Water Filter	5	15,000	0.75
7	Computer	2	80,000	1.60
8	Television	25	10,000	2.50
9	Kitchen Equipment	-	-	5.00
10	Washroom Fittings	-	-	4.00
11	Car	1	8,00,000	8.00
12	Electrical Appliances (Fan, Tubelight, Geysers etc.)	-	-	6.00
13	Miscellaneous Assets	-	-	10.00
	Total			53.99

Contingencies and Escalations

It has been assumed at approximately 5% at cost.

Preliminary Expenses

Particulars	Amount (Rs. In Lakhs)
Incorporation Expenses	0.15
Project Report Preparation and Consultation	0.35
Feasibility and Engineer's/Architect's Report and Plans	2.13
Legal Charges - Drafting for agreements, contracts, stamp paper, notary and affidavit cost	0.05
Rent payments up to the start of commercial production	1.58
Other recurring expenses of revenue nature up to start of commercial operations -salary, etc.	0.50
Interest Cost for period before commercial operations	2.06
Total	6.81

Service Targets

Particulars	Year 1	Year 2	Year3	Year4	Year-5
Maximum Capacity	60	60	60	60	60
Capacity utilisation	60%	65%	70%	75%	80%
Hours served during the year	8640	8640	8640	8640	8640

Salary

Designation	Manpower	Amount per month (Rs. In Lakhs)
Doctors/Trainers	4	4.00
Psychiatrist/Counselors	4	3.60
Yoga Trainer	3	1.50
Cook	6	1.50
Security Guard	6	0.90
Care takers	15	2.25
Sweeper	4	0.40
Refrigerator	2	0.40
TOTAL		14.55

Profitability Statement

Amount (Rs. In Lakhs)					
Particulars	Year- 1	Year- 2	Year- 3	Year- 4	Year- 5
A. INCOME					
Maximum Capacity – persons	50	50	50	50	50
Capacity utilization	55%	65%	70%	75%	80%
Capacity Utilized	28	33	35	38	40
Annual Turnover	363.00	429.00	462.00	495.00	528.00
Total Income/ annum	363.00	429.00	462.00	495.00	528.00
B. OPERATING EXPENSES					
Consumables	99.00	117.00	126.00	135.00	144.00
Salary	169.80	186.78	205.46	226.01	248.61
Expenses on Various Programmes	12.00	13.20	14.52	15.97	17.57
Repair & Maintenance	1.17	1.22	1.27	1.32	1.37
Power & utilities	8.46	8.46	8.46	8.46	8.46
Depreciation and amortization	21.14	21.14	20.80	18.79	17.95
Lease Rent	2.10	2.10	2.10	2.10	2.10
Total Operating Expenses	313.67	349.90	378.61	407.65	440.05
Operating Profit (A-B)	49.33	79.10	83.39	87.35	87.95
C.FINANCIAL EXPENSES					
Interest on loan	13.25	11.75	9.59	7.42	5.07
D. Other Expenses					
General Administrative Expenses	7.26	8.58	9.24	9.90	10.56
Total Expenses	20.51	20.33	18.83	17.32	15.63
Profit before Tax	28.83	58.77	64.56	70.03	72.31
Provision for Tax	7.21	14.69	16.14	17.51	18.08
Profit after Tax	21.62	44.08	48.42	52.53	54.24
Dividend	-	-	-	-	-
Retained Profit	21.62	44.08	48.42	52.53	54.24

Breakeven Point

Break Even Point (BEP)			Amount (Rs. In Lakhs)			
SL	Particulars	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
A.	Net Sales	363.00	429.00	462.00	495.00	528.00
B.	Variable Cost					
	Consumables	99.00	117.00	126.00	135.00	144.00
	Power and Utility	8.46	8.46	8.46	8.46	8.46
	Total Variable Cost	107.46	125.46	134.46	143.46	152.46
C.	Contribution (A-B)	255.54	303.54	327.54	351.54	375.54
D.	Fixed					
	Salary	169.80	186.78	205.46	226.01	248.61
	Interest	13.25	11.75	9.59	7.42	5.07
	Repair & Maintenance	1.17	1.22	1.27	1.32	1.37
	Depreciation	21.14	21.14	20.80	18.79	17.95
	Other Misc. Expenses	7.26	8.58	9.24	9.90	10.56
	Lease Rent	2.10	2.10	2.10	2.10	2.10
	Total Fixed Cost	214.71	231.57	248.46	265.53	285.66
E.	Breakeven Point	84%	76%	76%	76%	76%
G.	Cash BEP	76%	69%	70%	70%	71%

Debt-Service Coverage Ratio

			Amount (Rs. In Lakhs)			
SL	Particulars	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
i	Profit	21.62	44.08	48.42	52.53	54.24
ii	Depreciation	21.14	21.14	20.80	18.79	17.95
iii	Interest	13.25	11.75	9.59	7.42	5.07
A	Total (i + ii + iii)	56.00	76.97	78.81	78.73	77.25
i	Interest	13.25	11.75	9.59	7.42	5.07
ii	Principal repayment	12.75	25.49	25.49	25.49	25.49
B	Total (i + ii)	25.99	37.25	35.08	32.91	30.56
	DSCR (A / B)	2.15	2.07	2.25	2.39	2.53

Interest on Term Loan and Principal Repayment

Refer Annexure I.

We have assumed the repayment tenure of term loan for a period of 7 years, Rate of interest being 8.5% p.a. with the moratorium period of 9 months.

Address of Vendors

Name of the vendor	Address and Contact Number
Maa Kamakhya Furniture House	Krishna Bhawan, RG Baruah Rd, Commerce Point, Chandmari, Guwahati, Assam 781003 Phone No. - 09435541538
Kalita Constructions	58, Nayanpur Rd, GMC Ward Number 44, Ganeshguri, Guwahati, Assam 781006 Phone No. - 09085847730
Maitri Traders - Electronics	Dr Bhabendra Nath Saikia Road,Basistha Chariali, Guwahati, Assam 781029 Phone No. - 09864823348
Mind care Neuro Psychiatry Research Centre	PWD Road, Mandia, Assam 781308 Phone No. - 08811900270

ANNEXURE- I

Principal													
Opening	96.22	96.90	97.59										
Repaid													-
Closing	96.90	97.59	98.28										
Interest	0.68	0.69	0.69										2.06
I													
Principal													
Opening	152.73	153.81	154.90	155.99	157.10	158.21	159.33	158.34	157.33	156.32	154.20	152.08	
Repaid	-	-	-	-	-	-	2.12	2.12	2.12	2.12	2.12	2.12	12.75
Closing	153.81	154.90	155.99	157.10	158.21	159.33	158.34	157.33	156.32	154.20	152.08	149.95	
Interest	1.08	1.09	1.10	1.10	1.11	1.12	1.13	1.12	1.11	1.11	1.09	1.08	13.25
II													
Principal													
Opening	149.95	147.83	145.70	143.58	141.45	139.33	137.20	135.08	132.96	130.83	128.71	126.58	
Repaid	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	25.49
Closing	147.83	145.70	143.58	141.45	139.33	137.20	135.08	132.96	130.83	128.71	126.58	124.46	
Interest	1.06	1.05	1.03	1.02	1.00	0.99	0.97	0.96	0.94	0.93	0.91	0.90	11.75
III													
Principal													
Opening	124.46	122.33	120.21	118.08	115.96	113.84	111.71	109.59	107.46	105.34	103.21	101.09	
Repaid	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	25.49
Closing	122.33	120.21	118.08	115.96	113.84	111.71	109.59	107.46	105.34	103.21	101.09	98.96	
Interest	0.88	0.87	0.85	0.84	0.82	0.81	0.79	0.78	0.76	0.75	0.73	0.72	9.59
IV													
Principal													
Opening	98.96	96.84	94.72	92.59	90.47	88.34	86.22	84.09	81.97	79.84	77.72	75.60	
Repaid	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	25.49
Closing	96.84	94.72	92.59	90.47	88.34	86.22	84.09	81.97	79.84	77.72	75.60	73.47	
Interest	0.70	0.69	0.67	0.66	0.64	0.63	0.61	0.60	0.58	0.57	0.55	0.54	7.42
V													
Principal													
Opening	73.47	71.35	69.22	67.10	64.97	62.85	60.72	58.60	56.48	54.35	52.23	50.10	
Repaid	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	25.49
Closing	71.35	69.22	67.10	64.97	62.85	60.72	58.60	56.48	54.35	52.23	50.10	47.98	
Interest	0.51	0.49	0.48	0.46	0.45	0.43	0.42	0.40	0.38	0.37	0.35	0.34	5.07
VI													
Principal													
Opening	47.98	45.85	43.73	41.60	39.48	37.36	35.23	33.11	30.98	28.86	26.73	24.61	
Repaid	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	25.49
Closing	45.85	43.73	41.60	39.48	37.36	35.23	33.11	30.98	28.86	26.73	24.61	22.48	
Interest	0.34	0.32	0.31	0.29	0.28	0.26	0.25	0.23	0.22	0.20	0.19	0.17	3.08
VII													
Principal													
Opening	22.48	20.36	18.24	16.11	13.99	11.86	9.74	7.61	5.49	3.36	1.24	-	
Repaid	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	
Closing	20.36	18.24	16.11	13.99	11.86	9.74	7.61	5.49	3.36	1.24	-	-	
Interest	0.16	0.14	0.13	0.11	0.10	0.08	0.07	0.05	0.04	0.02	0.01	-	0.92