



HEALTH RESORT

Introduction

Health Resorts & Retreats provide custom pampering services for those who wish to regain their healthy habits. It is a place or establishment that specializes in offering health and beauty treatments. Clients of Health Resorts can partake in all-inclusive programs over the course of several days or even weeks, focusing on improving their overall welfare through health-promoting endeavours like yoga, Ayurvedic treatments, Meditation, therapeutic massage, beauty treatments, fitness classes, and more. It includes hospitals or spas possessed of certain natural therapeutic facilities for the treatment of chronic diseases, other institutions offering suitable, attractive and healthful accommodations in an environment calculated to attract those needing rest and rehabilitation as well as those seeking sports or social advantages.

The ensuing goal of these retreats is to create an oasis where stress is reduced, positive thinking is encouraged, and internal and external healing occurs. Health Resorts are excellent opportunities for provoking weight loss or learning how to make a healthy lifestyle. They give a chance to get out of the usual environment, reset the body and mind, and learn how to craft a lifestyle that will support healthy behaviour for years to come. There are all kinds of health resorts ranging from mid-city retreats to expansive properties with tranquil scenery.

Market Potential

Never before were yoga and wellness retreats so much in demand. With a renewed stress on holistic well-being, nutrition and rejuvenation, as an aftermath of the pandemic, more and more people are structuring short breaks and holidays around these options that offer to build their immunity. Industry experts say this might make India a focus point of international tourism, it being a hub of holistic streams of medicine such as Ayurveda, homeopathy, naturopathy, and Tibetan medicine.

According to a report by the Global Wellness Institute, wellness tourism is slated to grow at an average annual rate of 7.5 per cent by 2022. This is higher than the projected 6.4 per cent rate for the annual growth of overall global tourism.

Cost of Project

Particulars	Amount (Rs.in Lakhs)
Land (own)	-
Land development cost	100.00
Civil works and Buildings (@1500/sqft)	496.50
Fixed Asset	71.20
Misc Fixed Assets	108.00
D G Set 50 KV	4.40
Escalation & Contingencies	39.01
Preliminery & Preoperative Expenses	25.29
SUB TOTAL (A)	844.40
Working Capital Margin	83.70
Total Project Cost	928.10
Total Working Capital Required (B)	209.25
MEANS OF FINANCE	
Total funds required (A+B)	1,053.65
Loan component	
Term loan (60% of A)	506.64
Working capital (60% of B)	125.55
TOTAL	632.19
Equity	421.46
TOTAL	1,053.65

Detailed Cost Element

Sl. no.	Particulars	Qty.	Rate	Amount (Rs.in Lakhs)
1	Furniture for restaurant,			10.00
2	Chairs and Tables	60	7000	4.20
3	Bed	90	30000	27.00
4	Cupboard	60	25000	15.00
5	Air Conditioner	85	30000	25.50
6	Water Filter	8	15000	1.20
7	Computer	4	35000	1.40
8	CCTV	30	2800	0.84
9	Television	60	25000	15.00
10	Refrigerator	3	45000	1.35
11	Mini Refrigerator	60	7000	4.20
12	Geyser	60	8000	4.80

13	Electrical Appliances(like fan, light, steam iron , electric kettle etc)	-	-	6.00
14	Treadmill	2	25000	0.50
15	Gym Bike	4	14000	0.56
16	Dumbbell set, Barbel stand , others	-	-	0.50
17	Rowing Machine	5	15000	0.75
18	Training Bench	5	12000	0.60
19	Lat Pulling Down	2	40000	0.80
20	Car	3	800000	32.00
21	Healthcare equipments for Treatment Room	-	-	2.00
22	Furniture for restaurant, recreation room, halls etc	-	-	10.00
23	Kitchen Equipments	-	-	5.00
24	Washroom Fittings	-	-	10.00
25	Miscellaneous Assets	-	-	10.00
	Total			179.20

Contingencies and Escalations

It has been assumed at approximately 5% at cost of project.

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	12.41
Legal Charges - Drafting for agreements, contracts, stamp paper,	0.05
Rent payments up to the start of commercial production	0.00
Other recurring expenses of revenue nature up to start of commercial	1.50
Interest Cost for period before commercial production	10.83
Total	25.29

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)
Manager	1	9.60
Receptionist	2	4.80
Doctors	2	12.00
Psychiatrist/Counselors	4	24.00
Yoga trainer	3	14.40
Cook	5	15.00
Security Guard	5	9.00
Care takers	6	10.80
Sweeper	6	7.20
Others	5	9.00

Profitability Statement

Amount in Rs. Lakhs					
Particulars	Year- 1	Year- 2	Year- 3	Year- 4	Year- 5
A. INCOME					
Maximum Capacity- Rooms	60	60	60	60	60
Capacity utilisation	60%	65%	70%	75%	80%
Capacity Utilised	36.00	39.00	42.00	45.00	48.00
Annual Turnover	837.00	909.00	981.00	1,053.00	1,125.00
Total Income/ annum	837.00	909.00	981.00	1,053.00	1,125.00
B. OPERATING EXPENSES					
Consumables	171.00	186.00	201.00	216.00	231.00
Salary	115.80	127.38	140.12	154.13	169.54
Expenses on Various Programmes	12.00	13.20	14.52	15.97	17.57
Repair & Maintenance	9.93	10.33	10.74	11.17	11.62
Power & utilities	40.83	42.87	45.02	47.27	49.63
Lease Rent	-	-	-	-	-

Depreciation and amortisation	110.72	110.72	110.72	110.72	110.72
Total Operating Expenses	460.28	490.50	522.12	555.26	590.09
Operating Profit (A-B)	376.72	418.50	458.88	497.74	534.91
C.FINANCIAL EXPENSES					
Interest on loan	55.88	50.66	41.54	32.42	22.53
D. Other Expenses					
Administrative and General Expenses	16.74	18.18	19.62	21.06	22.50
Total Expenses	166.60	161.38	152.26	143.14	133.25
Profit Before Tax	210.12	257.11	306.62	354.60	401.66
Provision for Tax	52.53	64.28	76.66	88.65	100.42
Profit After Tax	157.59	192.83	229.97	265.95	301.25
Dividend	-	-	-	-	-
Retained Profit	157.59	192.83	229.97	265.95	301.25

Breakeven Point

		Break Even Point (BEP)			Amount in Rs. Lakhs	
SL	Particulars	Year - 1	Year - 2	Year - 3	Year - 4	Year – 5
A.	Net Sales	837	909	981	1,053	1,125
B.	Variable Cost					
	Consumables	171	186	201	216	231
	Power and Utility	41	43	45	47	50
	Expenses on various programmes	12	13	15	16	18
	Administrative and General Expenses	17	18	20	21	23
	Total Variable Cost	241	260	280	300	321
C.	Contribution (A-B)	596	649	701	753	804
D.	Fixed					
	Salary	116	127	140	154	170
	Interest	56	51	42	32	23
	Repair & Maintainence	10	10	11	11	12
	Depreciation and	111	111	111	111	111
	Lease Rent	-	-	-	-	-
	Total Fixed Cost	292	299	303	308	314
E.	Breakeven Point	49%	46%	43%	41%	39%
G.	Cash BEP	30%	29%	27%	26%	25%

Debt-Service Coverage Ratio

		Amount in Rs. Lakhs				
SL	Particulars	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
i	Profit	157.59	192.83	229.97	265.95	301.25
ii	Depreciation	110.72	110.72	110.72	110.72	110.72
iii	Interest	55.88	50.66	41.54	32.42	22.53
A	Total (i + ii + iii)	324.19	354.22	382.23	409.09	434.50
i	Interest	55.88	50.66	41.54	32.42	22.53
ii	Principal repayment	53.67	107.34	107.34	107.34	107.34
B	Total (i + ii)	109.55	158.00	148.88	139.75	129.87
	DSCR (A / B)	2.96	2.24	2.57	2.93	3.35

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 Vendor	Address and Contact Number
Bodyline Sports	Ballygunge Circular Road, Near AAEI Petrol Pump, Ballygunge, Kolkata - 700019, Dist. Kolkata, West Bengal Ph. 08048838614
Woodspeak Solution	104/N, Narayan Roy Road, ED 105, Rajdanga Main Road, kasba Kolkata 700107, Kolkata - 700008, Dist. Kolkata, West Bengal Ph. 08048791227
Zebra Home Decor	1/1B Ripon Street, Ripon Street, Kolkata - 700016, Dist. Kolkata, West Bengal Ph. 08048371509

ANNEXURE- I

Opening	506.64	510.23	513.84										
Repaid													-
Closing	510.23	513.84	517.48										
Interest	3.59	3.61	3.64										10.84
I													
Principal													
Opening	643.03	647.59	652.17	656.79	661.44	666.13	670.85	666.66	662.43	658.18	653.90	649.59	
Repaid	-	-	-	-	-	-	8.94	8.94	8.94	8.94	8.94	8.94	53.67
Closing	647.59	652.17	656.79	661.44	666.13	670.85	666.66	662.43	658.18	653.90	649.59	645.24	
Interest	4.55	4.59	4.62	4.65	4.69	4.72	4.75	4.72	4.69	4.66	4.63	4.60	55.88
II													
Principal													
Opening	645.24	636.30	627.35	618.41	609.46	600.52	591.57	582.63	573.68	564.74	555.80	546.85	
Repaid	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	107.34
Closing	636.30	627.35	618.41	609.46	600.52	591.57	582.63	573.68	564.74	555.80	546.85	537.91	
Interest	4.57	4.51	4.44	4.38	4.32	4.25	4.19	4.13	4.06	4.00	3.94	3.87	50.66
III													
Principal													
Opening	537.91	528.96	520.02	511.07	502.13	493.18	484.24	475.29	466.35	457.40	448.46	439.52	
Repaid	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	107.34
Closing	528.96	520.02	511.07	502.13	493.18	484.24	475.29	466.35	457.40	448.46	439.52	430.57	
Interest	3.81	3.75	3.68	3.62	3.56	3.49	3.43	3.37	3.30	3.24	3.18	3.11	41.54
IV													
Principal													
Opening	430.57	421.63	412.68	403.74	394.79	385.85	376.90	367.96	359.01	350.07	341.12	332.18	
Repaid	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	107.34
Closing	421.63	412.68	403.74	394.79	385.85	376.90	367.96	359.01	350.07	341.12	332.18	323.23	
Interest	3.05	2.99	2.92	2.86	2.80	2.73	2.67	2.61	2.54	2.48	2.42	2.35	32.42
V													
Principal													
Opening	323.23	314.29	305.35	296.40	287.46	278.51	269.57	260.62	251.68	242.73	233.79	224.84	
Repaid	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	107.34
Closing	314.29	305.35	296.40	287.46	278.51	269.57	260.62	251.68	242.73	233.79	224.84	215.90	
Interest	2.23	2.16	2.10	2.04	1.97	1.91	1.85	1.78	1.72	1.66	1.59	1.53	22.53
VI													
Principal													
Opening	215.90	206.95	198.01	189.06	180.12	171.18	162.23	153.29	144.34	135.40	126.45	117.51	
Repaid	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	107.34
Closing	206.95	198.01	189.06	180.12	171.18	162.23	153.29	144.34	135.40	126.45	117.51	108.56	
Interest	1.53	1.47	1.40	1.34	1.28	1.21	1.15	1.09	1.02	0.96	0.90	0.83	14.17
VII													
Principal													
Opening	108.56	99.62	90.67	81.73	72.78	63.84	54.90	45.95	37.01	28.06	19.12	-	
Repaid	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	8.94	19.12	-	
Closing	99.62	90.67	81.73	72.78	63.84	54.90	45.95	37.01	28.06	19.12	-	-	
Interest	0.77	0.71	0.64	0.58	0.52	0.45	0.39	0.33	0.26	0.20	0.14	-	4.97