

# BEAUTY PARLOUR

## 1. INTRODUCTION

In the fiscal year 2023, the per capita income in Uttarakhand is estimated to be approximately 233 thousand Indian rupees. This signifies a consistent growth in individual income since the fiscal year 2012. Uttarakhand has consistently achieved high rankings in the ease of doing business assessments conducted by the Department for Promotion of Industry and Internal Trade (DPIIT) in India. The state's Investment Promotion Agency (IPA) has been acknowledged as a "Top Performer" by Invest India and DPIIT, reinforcing Uttarakhand's reputation as an attractive destination for investments. Moreover, Uttarakhand holds promising opportunities in the Wellness and Tourism sector. The state's rich cultural emphasis on wellness positions it as a potential global hub for well-being. This makes it a favorable environment for establishing a beauty parlor business.

## 2. SERVICE & ITS APPLICATION

Beauty parlors provide a diverse array of services catering to the grooming and wellness needs of clients. These services encompass hair care, including cutting, styling, coloring, and various treatments. Skincare services range from facials to specialized treatments addressing acne and aging concerns. Nail services encompass manicures, pedicures, and nail art. Makeup services include applications for special occasions, bridal makeup, and consultations. Body treatments, such as massages, wraps, and waxing, contribute to a holistic beauty experience.

## 3. DESIRED QUALIFICATION FOR PROMOTER

The ideal promoter for a beauty parlor business should possess qualifications and expertise in the beauty and wellness industry. Certification in relevant beauty courses and a deep understanding of local preferences and cultural nuances would enhance the promoter's suitability for the business.

## 4. BUSINESS OUTLOOK AND TRENDS

The business outlook for beauty parlors in Uttarakhand is highly optimistic, marked by a confluence of factors that contribute to a favorable growth environment. Firstly, the positive economic outlook in the region, characterized by an increasing per capita income, sets a promising foundation for consumer spending on beauty and wellness services. As residents in Uttarakhand experience higher disposable incomes, there is an augmented potential for individuals to allocate a portion of their budget towards grooming and beauty treatments. Furthermore, Uttarakhand boasts a distinctive cultural inclination towards wellness, deeply embedded in its heritage. This cultural emphasis positions beauty parlors not just as spaces for cosmetic enhancements but as integral contributors to overall well-being. The convergence of economic prosperity and cultural values creates a conducive atmosphere for the beauty parlor industry to thrive.

## 5. KEY BUSINESS ELEMENTS

- **Location:** Selecting a strategic location with substantial foot traffic, preferably near commercial centers, malls, or tourist attractions will attract more customers.
- **Customer service:** It entails providing consumers with personalized help and product recommendations.
- **Diversified Service Portfolio:** It includes offering a comprehensive range of beauty services,

including hair care, skin care; nail services, makeup, and wellness treatments.

- Well-Trained Staff: Another key element to success is the hiring of skilled professionals with expertise in various beauty treatments.

## **6. MARKET POTENTIAL AND MARKETING ISSUES; IF ANY**

The most recent census data reveals that Uttarakhand has a total population of 10,086,292, with 5,137,773 males and 4,948,519 females. According to the latest Periodic Labor Force Survey (PLFS) conducted by the NSSO in 2019-20, the Labor Force Participation Rate (LFPR) in the state stands at 31.8 percent. This information provides insights into the demographic composition and the level of labor force engagement in Uttarakhand. This burgeoning market presents an enticing opportunity for beauty parlours to tap into a consumer base that values self-care and beauty treatments. To harness the market potential effectively, beauty parlour in Uttarakhand should deploy targeted marketing strategies. A key focus area is establishing a unique connection to the state's wellness culture. Intensifying competition within the region could necessitate strategic differentiation through unique services and experiences. Parlour must remain agile, staying attuned to changing preferences and adjusting marketing strategies accordingly.

## **7. SUPPLY OF RAW MATERIAL**

Ensuring a consistent and high-quality supply of beauty products and equipment is a pivotal aspect of running a successful beauty parlor in Uttarakhand. Raw materials include facial kits, body lotions, creams, gels etc. The availability of reliable suppliers is crucial to maintaining the parlor's operational efficiency and delivering excellent services to clients. The promoter must build strong relationships with suppliers, both local and external, to guarantee a seamless flow of raw materials.

## **8. BUSINESS MODEL**

A well-designed beauty parlour layout is crucial for creating a seamless and welcoming space that optimizes functionality and enhances the overall client experience. Individual service stations, dedicated to hairstyling, makeup, skincare, and nail services, should be strategically placed to ensure easy movement and efficient service delivery. The washing and treatment area should be equipped with comfortable chairs and beds to provide a serene space for specialized services. Balancing functionality, aesthetics, and comfort in these designated spaces will contribute to an optimal beauty parlor layout.

## **9. BUSINESS PROCESS**

The business process of a beauty parlor must prioritize the delivery of high-quality beauty and wellness services. This encompasses several key aspects as follows;

- Continuous training of staff in the latest techniques and trends within the beauty industry.
- Maintaining stringent hygiene standards to ensure the safety and well-being of clients.
- Adoption of technology solutions, such as efficient appointment scheduling systems and customer management platforms to enhance the overall operational efficiency of the parlor.
- Prioritizing customer engagement and satisfaction through personalized services and paying attention to client needs.

By focusing on these aspects, the beauty parlor can create a positive and lasting impact on its clientele, contributing to customer loyalty and positive word-of-mouth in Uttarakhand's dynamic market.

## 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	Beautician/Professional Expert	2	12	0.15	3.6
3	Helper	2	12	0.1	2.4
	<b>Total</b>				<b>6.00</b>

## 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.	0.20
2	Equipment and Furniture Exp.	2.26
3	Working Capital	3.83
	<b>Total Project Cost</b>	<b>6.29</b>

## 13. MEANS OF FINANCE

Bank-term loans are assumed @ 60%

Sr. No.	Particulars	Annual Expenses (Rs. in lakhs)
1	Promoter's contribution	2.51
2	Bank Finance	3.77
	<b>Total</b>	<b>6.29</b>

## 14. TOOLS, EQUIPMENT, FURNITURE AND FIXTURES

Sr. No	Particulars	Unit	Price per Unit (Rs. in lakhs)	Total Amount (Rs. in lakhs)
1	Vapour Beauty Machine (Hot & Cold Steam)	2	0.10	0.20
2	Blackhead extractor	2	0.05	0.10
3	Vibrissa trimmer	5	0.02	0.10
4	Vibrator face and body massager	1	0.05	0.05

5	Hair Dryer	2	0.03	0.05
6	Hair Holding Clip	15	0.01	0.08
7	Hair Scissors	6	0.00	0.01
8	Hair Dyer/Henna Brush	10	0.00	0.02
9	Hair Straightener	3	0.02	0.06
10	Pedicure Set	3	0.01	0.03
11	Manicure Set	3	0.01	0.03
12	Nail Polish Sets	4	0.01	0.04
13	Trolley	3	0.04	0.12
14	Tarizers	2	0.00	0.00
15	Facial Tanners	5	0.02	0.10
16	Razor	4	0.00	0.01
17	Massage bed	1	0.05	0.05
18	Massage belt	1	0.02	0.02
19	Leg massager	1	0.10	0.10
20	Mixing Vessels	10	0.01	0.05
21	Makeup kits	15	0.02	0.30
22	Inverter (heavy duty)	1	0.40	0.40
23	Air conditioning M/c	1	0.35	0.35
	<b>Total</b>			<b>2.26</b>

Local manufacturers in India offer a wide range of machines and equipment. The entrepreneur can avail machines and required tools after thorough research and analysis. Below are the tentative suppliers of parlor equipment and salon chairs in India. Besides these, online platforms such as India Mart can also be explored for ordering machinery online.

1. Spansure Medical Instruments Private Ltd.  
C-87, Upper Ground Floor, Opposite Metro Pillar No. 355,  
Ramesh Nagar- 110015,  
Delhi, India
2. Shree Shyam Furniture  
Plot No 24 Village - Hiran Kudna,  
Near Mohalla Clinic- 110041,  
Delhi, India
3. Livemax Healthcare  
Third Floor B- 303, Tower B, Icon Community Center,  
Sector 38, Greater Noida-201310,  
Uttar Pradesh, India

All other cosmetics products can be availed in bulk on online platforms like Amazon, Flipkart and Myntra.

**15. SALES REALISATION**

Sr. No.	Product	Sales in Percentage
1	Hair Care Services	25.0%
2	Skin Care Services	25.0%
3	Nail Services	15.0%
4	Make-up Services	10.0%
5	Body Treatments	5.0%
6	Wellness Services	5.0%
7	Eyebrow, Eyelash & Upper Lip Services	15.0%
	<b>Total</b>	<b>100.00%</b>

**16. PROFITABILITY CALCULATIONS**

The basis of profit calculation is;

Sr. No	Particulars	Annual Expenses (Rs. in lakhs)
A.	Sales realisation	20.88
B.	Cost of production	
i)	Raw materials	10.44
ii)	Utilities	1.00
iii)	Manpower Cost (Salaries/wages)	6.00
iv)	Administrative expenses	0.28
v)	Selling & distribution expenses	0.66
vi)	Rent	0.45
vii)	Interest	0.42
	Total (B)	19.25
	Gross profit/loss (A – B)	1.63
	Less: Depreciation	0.25
C.	PBIT	1.38
D.	Income-tax	0.28
E.	Net profit/loss	1.11
F.	Repayment (Annual)	0.35
G.	Retained surplus (E-F)	0.75

**17. BREAKEVEN ANALYSIS***(Rs. in lakhs)*

<b>Fixed cost</b>	
Land & Building Rent	0.45
Depreciation	0.25
Interest	0.42
Manpower	1.80
<b>Total Fixed cost</b>	<b>2.92</b>
<b>Variable cost</b>	
Raw materials	10.44
Utilities	1.00
Manpower	4.20
Administrative expenses	0.28
Selling & distribution expenses	0.66
<b>Total Variable cost</b>	<b>16.58</b>
<b>Contribution margin</b>	<b>20%</b>
Break-Even Point in Value	14.59

**18. STATUTORY/GOVERNMENT APPROVALS**

It is important to comply with certain business regulations before starting a beauty salon and spa business.

1. Shop and establishment license is necessary for operating a salon wherein working hours, employment conditions, and other regulatory requirements are stipulated.
2. Beauticians and estheticians require professional licenses or certifications from recognized training institutes or authorities. Only certified professionals must be hired as a workforce in the business. Employing certified professionals ensures service quality and compliance with regulatory standards.
3. Fire safety certification is an important certificate to obtain from the local fire department. The salon has to meet the necessary fire safety standards to ensure the safety of the working premises.
4. Registration of salon for Goods and Service Tax (GST) with the Goods and Service Tax Network (GSTIN) as it applies to the services covered under the salon.

**19. TRAINING CENTERS AND COURSES**

Training centers that offer professional training and certification in the salon and spa sector are as follows:

1. VLCC School Of Beauty (Uttarakhand - Dehradun)  
20, New Rd, near Dwarka Store,  
Race Course-248001,  
Dehradun, Uttara hand
2. Lakmé Academy Powered By Aptech  
Plot No -1 And 2, Main Chakrata Rd,  
Vijay Park-248001,  
Dehradun, Uttarakhand

3. Orange International School of Beauty and Wellness  
A22, first & second floor,  
Lajpat Nagar I- 110024,  
New Delhi, India

4. New Oriflame Beauty Parlour, Boutique, and Training Centre  
Hamza Plaza, Tondan Marg,  
Dubagga- 226003,  
Lucknow, Uttar Pradesh

Swayam portal (link: <https://swayam.gov.in/>) can also be accessed for enhanced learning on business commerce, accounting, production, marketing, and areas of entrepreneurship.

#### **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.