

BEAUTY SALON AND SPA

1. INTRODUCTION

Uttarakhand, known for its serene landscapes and tranquil surroundings, provides an ideal backdrop for a beauty and wellness haven. Tourists and visitors can escape the hustle and bustle of daily life to indulge in the range of spa treatments and beauty services that cater to their well-being. With the rising standards of living, the requirement for services such as beauty salons is on the rise. Some of the services offered by beauty salons are skin care specialized services, beauty care specialized services, hair care specialized services, and hand & feet specialized services. Apart from these, spa services have also been included in modern beauty salons. In recent times, the status of women in society has improved and their lifestyle is changing. Economic independence makes them resort to these types of services. It is in this perspective that the development of beauty care assumes significant importance. New challenges and new opportunities for investing in this sector have risen.

2. SERVICE & ITS APPLICATION

These services encompass a wide range of treatments and therapies aimed at beautifying physical appearance, offering relaxation, and enhancing the overall well-being of clients. The common services offered are hair services, skincare services, nail services, massage and body treatments, waxing and hair removal, makeup services, spa packages, and other holistic and wellness services. Beauty salons and spas cater to a diverse clientele, including individuals seeking self-care, special occasion readiness, or regular upkeep of physical well-being.

3. DESIRED QUALIFICATION FOR PROMOTER

Anyone who has undergone a training program and is a certified beautician along with experience in the beauty and spa industry is most qualified to start the venture. Running and operating such a service-based business also needs business management and customer service skills. A genuine passion for the beauty and spa industry, along with a dedication to devoting to excellent services, is often the foundation for a successful salon and spa business.

4. INDUSTRY LOOKOUT AND TRENDS

Spas and beauty salons are growing in popularity as individuals seek wellness alternatives to reduce stress from their hectic lifestyles. Spa practitioners and beauticians at Spas and Beauty Salons provide skin and hair guidance and information, which is another element driving market expansion. Furthermore, the high level of living and rising disposable income encourage clients to seek such services to rejuvenate their skin and relieve stress, fueling market expansion.

Furthermore, the increasing desire among youth and the older population to maintain physical well-being, as well as the introduction of new spa technologies, are likely to increase the Spas and Beauty Salons market. The growing trend of wellness tourism, rising demand from millennials, an aging population, hectic urban lifestyles, and increasing expenditure on wellness and beauty products to relieve stress, are all important factors for the growth of the Spas and Beauty Salons industry.

5. MARKET POTENTIAL AND MARKETING ISSUES; IF ANY

Due to tourists, visitors, weddings, and the wellness trend, Uttarakhand offers substantial market potential. Local competition, regulatory compliance, seasonal fluctuations along with other recruiting competent employees and identifying a suitable location, are certain challenges to meet. Besides this, salons require a wide range of energy-intensive equipment. As a result, there are chances of a rise in the energy cost and lesser returns on the sales revenue.

6. RAW MATERIAL REQUIREMENTS

Raw materials required in the salon business vary due to the range of services offered. However, certain common materials include hair care products, skincare products, nail supplies, massage oils, makeup products, and sanitation and hygiene items and retain products for sale.

7. SERVICES OFFERED

Beauty salons and spas commonly offer a range of services that cater to the client's beauty and wellness needs. These services include skin care specialized services, beauty care specialized services, hair care specialized services, hand & feet specialized services, leg/hand massaging, body & figure beautifying & anti-aging treatment/therapies, and other essential bridal-related services in a package. The goal of these services is to enhance the beauty and well-being of the clients.

8. MANPOWER REQUIREMENT

Sr. No	Particulars	No.	No of month in year	Wages/Salary per month (Rs. In Lakhs)	Annual Expense (Rs. In Lakhs)
1	Skilled Beautician	1	12	0.40	4.80
2	Semi-skilled Assistant	2	12	0.25	6.00
3	Unskilled (Helper)	1	12	0.15	1.80

9. 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
	Total time required (some activities shall run concurrently)	3

10. COST OF PROJECT

Sr. No	Particulars	Annual Expenses (Rs. in lakhs)
1	Pre-operative and preliminary Exp.	0.26
3	Machinery Exp.	8.11
4	Equipment and Furniture Exp.	2.70
5	Working Capital	14.17
	Total Project Cost	25.23

11. MEANS OF FINANCE

Bank-term loans are assumed @ 60%

Sr. No.	Particulars	Annual Expenses (Rs. in lakhs)
1	Promoter's contribution	10.09
2	Bank Finance	15.14
	Total	25.23

12. LIST OF MACHINERY REQUIRED**A. Machinery**

Sr. No	Particulars	Unit	Price of each unit (Rs. in lakhs)	Total Amount (Rs. in lakhs)
1	Vapour Beauty Machine (Hot & Cold Steam)	2	0.15	0.30
2	Black head extractor	2	0.01	0.02
3	Magnifying Glass	2	0.01	0.02
4	Vibrator face and body massager	2	0.20	0.40
5	Hair Dryer Automatic	4	0.20	0.80
6	Hair Holding Clip	6	0.01	0.03
7	Hair Scissors	5	-	0.02
8	Hair Dyer/Henna Brush	3	-	0.01
9	Hair Straightener	2	0.05	0.10
10	Pedicure Set	3	0.05	0.15
11	Manicure Set	3	0.05	0.15
12	Nail Polish Sets	3	0.04	0.12
13	Trolley	3	0.05	0.15
14	Tarizers	4	0.01	0.04
16	Facial Tanners	2	0.02	0.04
17	Folding Cosmetology bed	2	0.10	0.20
18	Massage bed	2	0.15	0.30
19	Massage belt	2	0.02	0.04
20	Mini Crystal Skin Refreshing equipment	1	0.05	0.05
21	Photon Slimming System with Negative Air Pressure (body Shaping + Figure beautifying + anti aging)	1	1.50	1.50
22	Three-in-one brush (lipstick, eye shadow, blossom)	5	0.03	0.13
23	Audio Visual System	1	0.04	0.04
24	Air conditioning M/c	4	0.40	1.60
25	Inverter (heavy duty)	2	0.15	0.30
26	Leg massager	2	0.10	0.20
27	Makeup kits	2	0.05	0.10
28	Razor	4	0.01	0.04
29	Multifunctional beauty equipment	2	0.20	0.40
30	Monopolar equipment	1	0.15	0.15
31	Beauty bed	2	0.15	0.30
32	Vibrissa trimmer	2	0.01	0.02
33	Mixing Vessels	20	0.01	0.10

Total Amount	7.81
Tax, Transportation, Insurance etc.	0.20
Electrification Exp.	0.10
Grand Total Amount	8.11

**For rows no. 7 & 8, the price of Hair Scissors & Hair Dyer is Rs. 300-400 per unit. respectively.*

B. Furniture & Equipment

Sr. No	Particulars	Unit	Annual Expenses (Rs. in lakhs)	Annual Expenses (Rs. in lakhs)
1	Vehicle	1	0.80	0.80
2	Computers	1	0.50	0.50
3	Facial chairs and mirrors	4	0.35	1.40
	Total			2.70

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 massage beds 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 consumable products can be availed in bulk on online platforms like Amazon, Flipkart and Myntra.

13. PROFITABILITY CALCULATIONS

The basis of profitability calculation:

Sr. No	Particulars	Annual Expenses (Rs. in lakhs)
A.	Sales realisation	80.00
B.	Cost of production	
i)	Raw materials	51.00
ii)	Utilities	2.66
iii)	Manpower Cost (Salaries/wages)	12.60
iv)	Administrative expenses	0.34
v)	Selling & distribution expenses	0.72
vii)	Rent	2.40
viii)	Interest	0.48

	Total (B)	70.20
	No. of services provided	10400
	Cost of Services Sold	0.01
	Gross profit/loss (A – B)	9.80
	Less: Depreciation	1.27
C.	PBIT	8.54
D	Income-tax	0.85
E	Net profit/loss	7.68
F.	Repayment (Annual)	0.13
G	Retained surplus (E-F)	7.55

The production capacity of the unit is estimated at 80%.

14. BREAKEVEN ANALYSIS

(Rs. in lakhs)

Fixed cost	
Land & Building Rent	2.40
Depreciation	1.27
Interest	0.48
Manpower	3.78
Total Fixed cost	7.92
Variable cost	
Raw materials	51.00
Utilities	2.66
Manpower	8.82
Administrative expenses	0.34
Selling & distribution expenses	0.72
Total Variable cost	63.54
Variable cost per Unit	610.96
Revenue per unit	769.23
Margin per Unit	158.27
Number of Services to reach Break-even point	5007
Annual Capacity	10400

15. 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.

16. 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, Uttara hand
3. Orane 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 suppliers are mentioned in the profile, although many machine suppliers 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.