



Health & Fitness Center

Business Plan

Draft Version

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1. Executive Summary

1.1. Overview

Gold Lip Health & Fitness Center will be the first of its kind in Chennai brought to you by Scimores Corporation – a Venture Capital and Private Equity Organization with the ultimate objective of bringing the world class fitness products and facilities to Chennai.

Amid the hectic pace of the city, Gold Lip Health & Fitness Center will be an escape to a calm, peaceful environment dedicated to fitness and relaxation. Inside you will find a professional and dedicated staff who will provide you with caring and efficient service, creating a stress free atmosphere. Whether relaxing with a massage or participating in a fast paced body sculpting, we will deliver an unsurpassed standard of excellence that cannot be duplicated.

2. Company and Product Overview

2.1. Company

Gold Lip Health & Fitness Center will be promoted by Scimores Industry of Fashion – a division of Scimores Corporation that will be focussing on fashion and health related products and services. This include franchising and/or promoting world class clothing, accessories, face.skin.body.spa brands within India and abroad.

Similarly, we would be focussing on premium projects in the area of Real Estate, Recreation & Hotels that are of world class standards, and most importantly not market driven and have a minimum profit of Rs. 5 cr annually over and above the invested capital, with absolutely zero risk ensuring max ROI for shareholders.

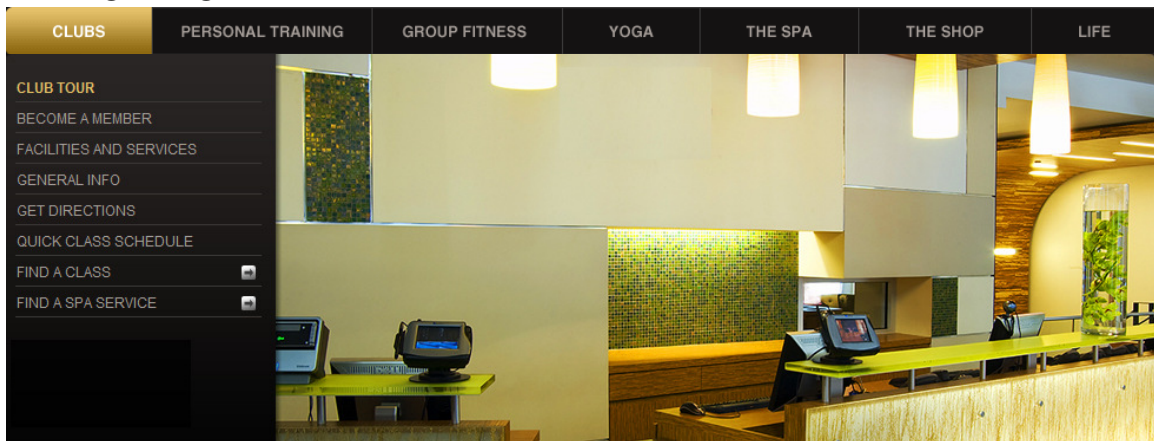
We will be executing them under the following line of business for effective managing and reporting.

1	SCIMORES Information Technologies
2	SCIMORES Architectures
3	SCIMORES Recreation and Hotels
4	SCIMORES Industry of Fashion
5	SCIMORES Educational Sector

2.2. Product (Gold Lip Health & Fitness Center)

The following pictures are not that of Gold Lip HFC, but are presented here for a brief understanding of the standards that the new facility will not only match up, but will also exceed providing a wonderful, pleasant and soothing experience.

RECEPTION



LOUNGE



CAFE



CLUB

CLUB TOUR

[BECOME A MEMBER](#)

[FACILITIES AND SERVICES](#)

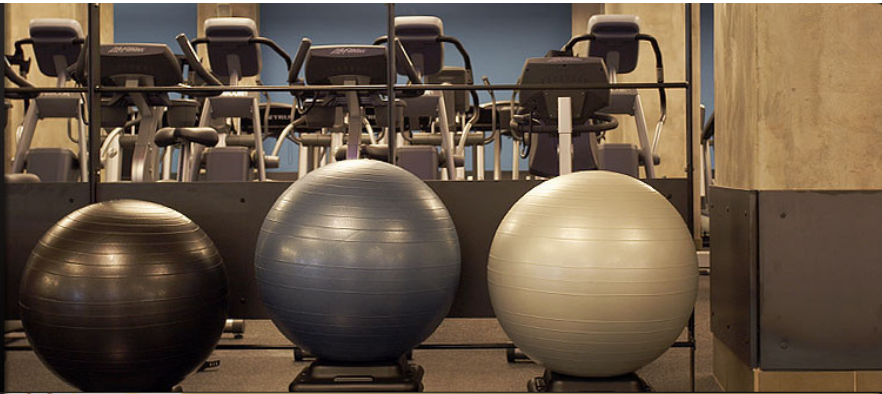
[GENERAL INFO](#)

[GET DIRECTIONS](#)

[QUICK CLASS SCHEDULE](#)

[FIND A CLASS](#)

[FIND A SPA SERVICE](#)



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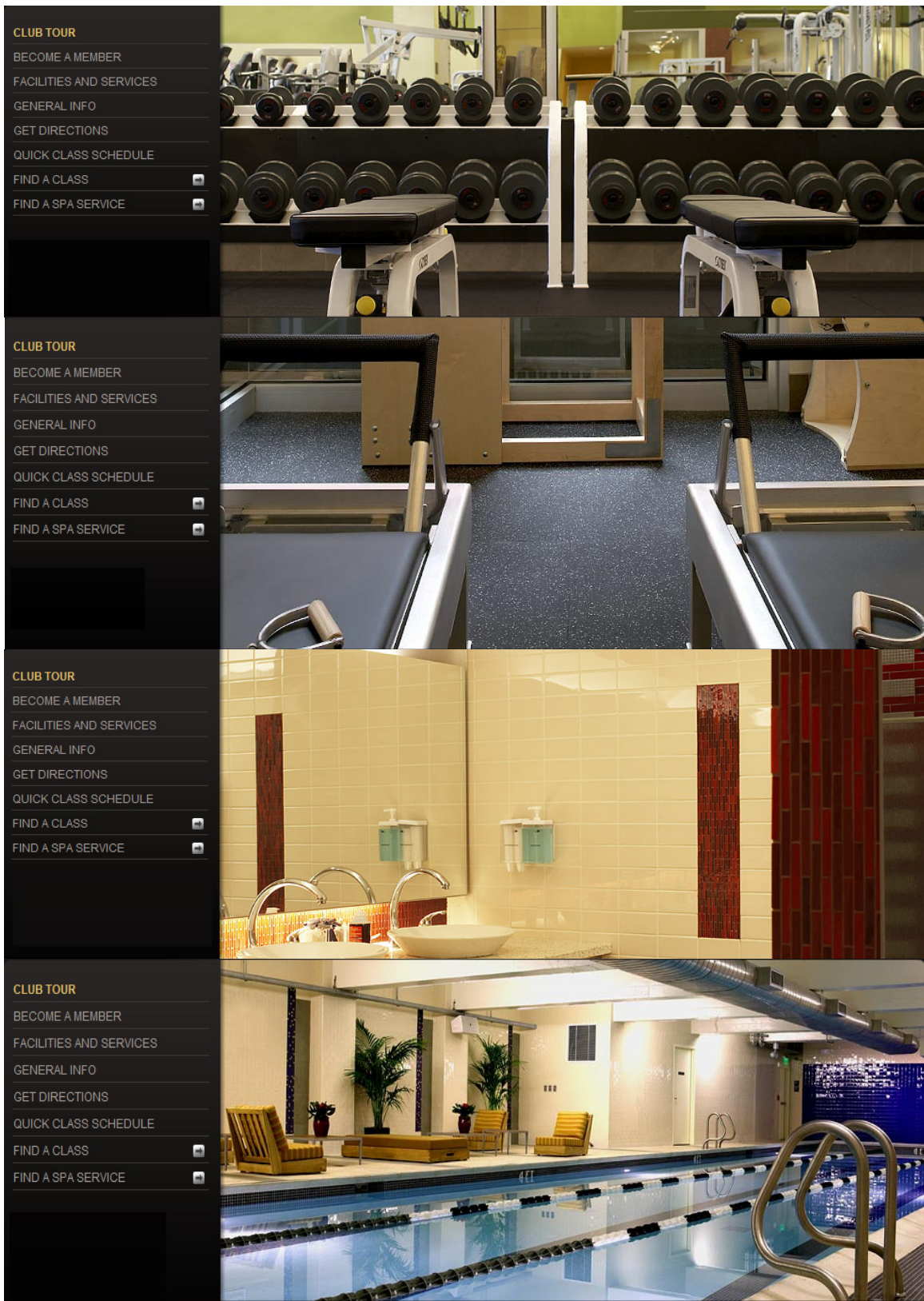
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PROGRAMS

CLUBS

PERSONAL TRAINING

GROUP FITNESS

YOGA

THE SPA

THE SHOP

LIFE

INTRODUCTION

Benefits

EFTI

3 Cycle System

Active Metabolic Training

What's Right For Me?


Equifit

REQUEST PERSONAL TRAINER

BUY PERSONAL TRAINING

RESULTS FROM EVERY ANGLE

Exceed your personal fitness and wellness goals with the guidance of our Personal Trainers. Each has mastered the industry's most comprehensive fitness education program. Results are guaranteed.



CLUBS

PERSONAL TRAINING

GROUP FITNESS

YOGA

THE SPA

THE SHOP

LIFE

GROUP FITNESS

PILATES

STUDIO CYCLING

CARDIO

CONDITIONING

MARTIAL ARTS/BOXING

CONSCIOUS MOVEMENT

POOL PROGRAMS

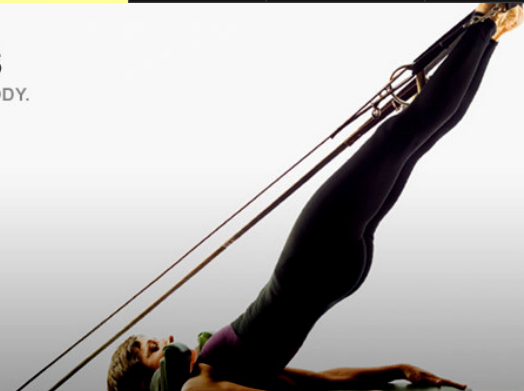
QUICK CLASS SCHEDULE

FIND A CLASS

BOOK A BIKE

PILATES

KNOW THY BODY.



GROUP FITNESS

PILATES

STUDIO CYCLING

CARDIO

CONDITIONING

MARTIAL ARTS/BOXING

CONSCIOUS MOVEMENT

POOL PROGRAMS


QUICK CLASS SCHEDULE

FIND A CLASS

BOOK A BIKE

STUDIO CYCLING

NO DRAFTING. NO TAILWIND. NO EXCUSES.



GROUP FITNESS

PILATES

STUDIO CYCLING

CARDIO

CONDITIONING

MARTIAL ARTS/BOXING

CONSCIOUS MOVEMENT

POOL PROGRAMS


QUICK CLASS SCHEDULE

FIND A CLASS

BOOK A BIKE

CARDIO

BREATHE LIFE INTO YOURS.



GROUP FITNESS

PILATES

STUDIO CYCLING

CARDIO

CONDITIONING

MARTIAL ARTS/BOXING

CONSCIOUS MOVEMENT

POOL PROGRAMS

QUICK CLASS SCHEDULE

FIND A CLASS

BOOK A BIKE

CONDITIONING

REDEFINE DEFINITION.

GROUP FITNESS

PILATES

STUDIO CYCLING

CARDIO

CONDITIONING

MARTIAL ARTS/BOXING

CONSCIOUS MOVEMENT

POOL PROGRAMS

QUICK CLASS SCHEDULE

FIND A CLASS

BOOK A BIKE

MARTIAL ARTS

BLOCK, KICK AND JAB TO THE TOP.

GROUP FITNESS

PILATES

STUDIO CYCLING

CARDIO

CONDITIONING

MARTIAL ARTS/BOXING

CONSCIOUS MOVEMENT

POOL PROGRAMS

QUICK CLASS SCHEDULE

FIND A CLASS

BOOK A BIKE

CONSCIOUS MOVEMENT

STOP. BREATHE & GROW.

GROUP FITNESS

PILATES

STUDIO CYCLING

CARDIO

CONDITIONING

MARTIAL ARTS/BOXING

CONSCIOUS MOVEMENT

POOL PROGRAMS

QUICK CLASS SCHEDULE

FIND A CLASS

BOOK A BIKE

POOL PROGRAMS

BOND WITH YOUR LUNGS.

CLUBS	PERSONAL TRAINING	GROUP FITNESS	YOGA	THE SPA	THE SHOP	LIFE
-------	-------------------	---------------	-------------	---------	----------	------

YOGA

TAP INTO YOUR PRANA.

[QUICK YOGA SCHEDULE](#)

[FIND A YOGA CLASS](#)

CLUBS	PERSONAL TRAINING	GROUP FITNESS	YOGA	THE SPA	THE SHOP	LIFE
-------	-------------------	---------------	------	----------------	----------	------

SPA SERVICES

[BOOK ONLINE](#)

PEOPLE

[POLICIES & ETIQUETTE](#)
[FIND A SPA SERVICE](#)
[DESTINATION SPAS](#)

THE SPA

NON-MEMBERS WELCOME

Transform yourself with distinctive spa experiences and treatments at the gifted hands of our massage therapists and aestheticians. Our collection of spas promises members and non-members the relaxation, results and rejuvenation their minds and bodies deserve.

[BOOK ONLINE](#)

MASSAGE

Relax and reset. Our fully integrated massage treatments relieve stress and improve your body's muscle recovery at the same time.

[MASSAGE SERVICES](#)

MUM'S THE WORD

Mother's Day is May 10th
Specially priced Spa Gift Card packages available for a limited time only.

[PURCHASE NOW](#)

DESTINATION SPAS

Step into our most progressive spas, where personalized spa experiences combine signature face, body and massage services.

BODY

Relax your mind. Renew your skin. Improve elasticity, tone and contour from the outside in with our collection of body treatments.

[BODY SERVICES](#)

OTHER SERVICES

Choose from a curated menu of additional services, including waxing and BuffSpa™ manicure and pedicure.

[OTHER SERVICES](#)

SPORTS MASSAGE

Get the most out of your game. A must for pre- or post-workout flexibility and active recovery.

[SPA SEARCH](#)

CLUBS	PERSONAL TRAINING	GROUP FITNESS	YOGA	THE SPA	THE SHOP	LIFE
-------	-------------------	---------------	------	---------	-----------------	------

CLUB TOUR

[BECOME A MEMBER](#)
[FACILITIES AND SERVICES](#)
[GENERAL INFO](#)
[GET DIRECTIONS](#)
[QUICK CLASS SCHEDULE](#)
[FIND A CLASS](#)
[FIND A SPA SERVICE](#)

3. Market Analysis

3.1. Market Opportunity

There isn't a single complete facility at this point in Chennai that we could actually compare with the numerous that are available in advanced cities like Manhattan, London or Singapore.

Clients served would include highly established people in business and entertainment such as Movie, Media, Modelling, Sports, Airlines, Business Men/Women, Corporate Executives, Various Embassy Communities, & their next generation youngsters. There's an unprecedented awareness and desire among these professionals and youngsters for a great body, and good skin in order to carry themselves with style and confidence. It's an industry that's still untouched, specially in Chennai.

The facility is planned for 1000 membership capacity in one of the posh locations possible so it is easily commutable from residences within, & nearby

We are the first of its kind. We have our premium clients around. We should be able to achieve our numbers within a short period.

Best of all, the buzz that the above facility around NGM, Alwarpet or Chetpet would bring in terms of it's sheer stature, clientele, and media would be overwhelming.

3.2. Competition

None in the premium category except for FitnessOne who are decent but very small and very limited to two 800 SF gym space and one 500 SF Studio @ Rs. 2000/month with other fitness programs such as aerobics and yoga charged separately @ Rs.1000/month.

3.3. Marketing Strategy

We have an effective branding and marketing process planned that will create a bold unique identity through engaging the best Marketing Strategy Partner specializing in Health & Fitness Products and Services, followed by intensive 3 months advertising on local TV Channels and in popular News Papers and Magazines.

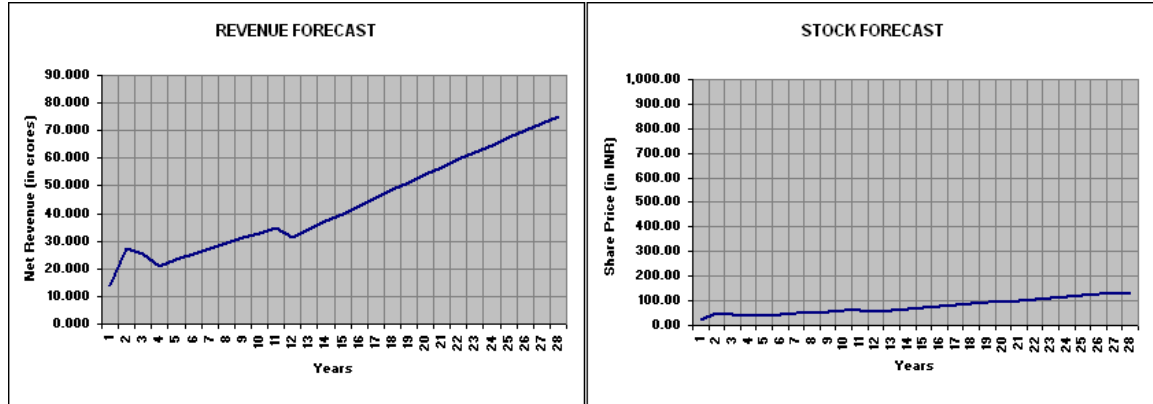
3.4. Market Research

In terms of market statistics, this booming industry is conservatively estimated at Rs.3,000 crores, and growing at a staggering rate of 100% year-on-year. And that's a fraction of the gigantic unorganized sector. As consumers get better informed and are increasingly willing to pay a premium value for a premium offering, the opportunity is only going to get bigger and better! - bolstering our instincts and belief.

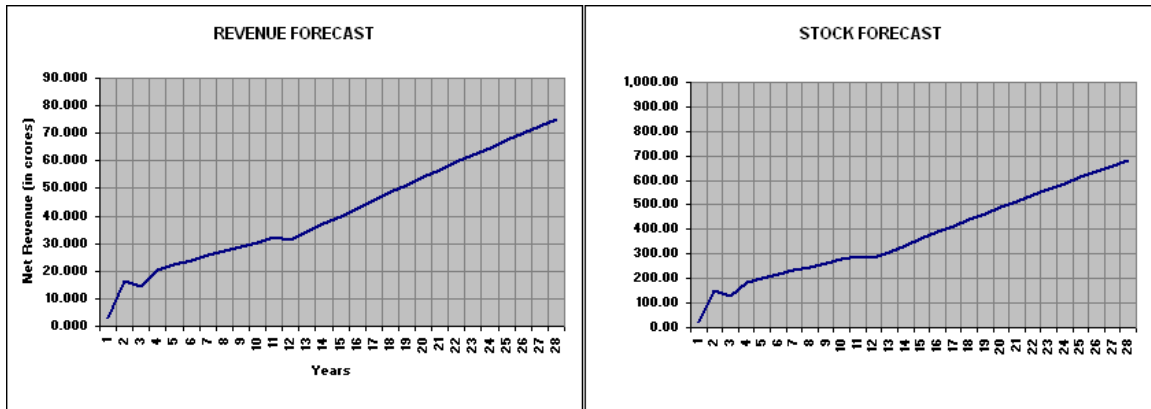
3.5. Financial Forecasts

Margin-Collateral	30-30	30-20	30-10	30-0	20-30	20-20	20-10	20-0	10-30	10-20	10-10	10-0
Total Investment	27.055	27.055	27.055	27.055	27.055	27.055	27.055	27.055	27.055	27.055	27.055	27.055
Loan	18.939	18.939	18.939	18.939	21.644	21.644	21.644	21.644	24.350	24.350	24.350	24.350
Margin	8.117	8.117	8.117	8.117	5.411	5.411	5.411	5.411	2.706	2.706	2.706	2.706
Collateral	5.682	3.788	1.894	0.000	6.493	4.329	2.164	0.000	7.305	4.870	2.435	0.000
	13.798	11.904	10.010	8.117	11.904	9.740	7.575	5.411	10.010	7.575	5.140	2.706
EMI	0.227	0.227	0.227	0.227	0.260	0.260	0.260	0.260	0.292	0.292	0.292	0.292

1. **30% Margin + 30% Collateral:** Estimated ROI = 6 times



2. **30% Margin + 20% Collateral:** Estimated ROI = 7 times
3. **30% Margin + 10% Collateral:** Estimated ROI = 8 times
4. **30% Margin + 00% Collateral:** Estimated ROI = 10 times
5. **20% Margin + 30% Collateral:** Estimated ROI = 7 times
6. **20% Margin + 20% Collateral:** Estimated ROI = 8 times
7. **20% Margin + 10% Collateral:** Estimated ROI = 11 times
8. **20% Margin + 00% Collateral:** Estimated ROI = 15 times
9. **10% Margin + 30% Collateral:** Estimated ROI = 8 times
10. **10% Margin + 20% Collateral:** Estimated ROI = 11 times
11. **10% Margin + 10% Collateral:** Estimated ROI = 16 times
12. **10% Margin + 00% Collateral:** Estimated ROI = 30 times



4. Marketing and Sales Plan

4.1. Pricing

Membership PACKAGE	Gold Lip	Fitness ONE <small>BE ACTIVE</small>
Membership Fee	Rs. 5000 per month	Rs. 2000 per month
Membership Access:		
GYM		
Common Area	5000 SF on 1ST FL	800 SF on Ground FL 800 SF on Basement
Women Alone	1000 SF	X
Swimming Pool	80 x 15 THREE LANE	X
Whirlpools	TWO (1 Men & 1 Women)	X
Steam Sauna	TWO (1 Men & 1 Women)	X
Lockers	100 Men & 100 Women	20 Men & 20 Women
Showers	20 Men & 20 Women	1 Men & 1 Women
Group Fitness Programs		
Pilates	Free	X
Aerobics	Free	X
Power Yoga	Free	X
Studio Cycling	Free	X
Cardio	Free	X
Conditioning	Free	X
Conscious Movement	Free	X
Pool Programs	Free	X
Face.Skin.Body.Spa	10% discount	X

4.2. Distribution

Through intense advertising on TV Channels and in popular News Papers and Magazines.

4.3. Promotions

Through intense advertising on TV Channels and in popular News Papers and Magazines.

5. Operations Plan

5.1. Product Development

We would be partnering with the best in the industry for development, and for operational support. The development partners will be finalized & published in the final plan due June end.

Phase	Task	Development Partners	2009					2010					2011							
			J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	M	J	J
PHASE 1 :	Company Incorporation																			
	Initial Shareholder Issue																			
	Land Procurement																			
	Loan Procurement																			
	Legal Team																			
PHASE 2 :	Building Design																			
PHASE 3 :	Building Construction																			
PHASE 4 :	The Team																			
	Café																			
	The Shop																			
	Yoga																			
	Aerobics																			
	Pilates																			
	Group Fitness Programs																			
	Pool Maintenance																			
	Face.Skin.Body.Spa																			
	Branding																			
Marketing																				

5.2. Manufacturing

Phase	Task	Development Partners	2009							2010							2011						
			J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	M	J	J			
PHASE 5 :	Installation																						
	Fitness Equipments																						
	Entertainment Sets																						
	Café																						
	The Shop																						
	Face.Skin.Body.Spa																						
	Brand Promotions																						

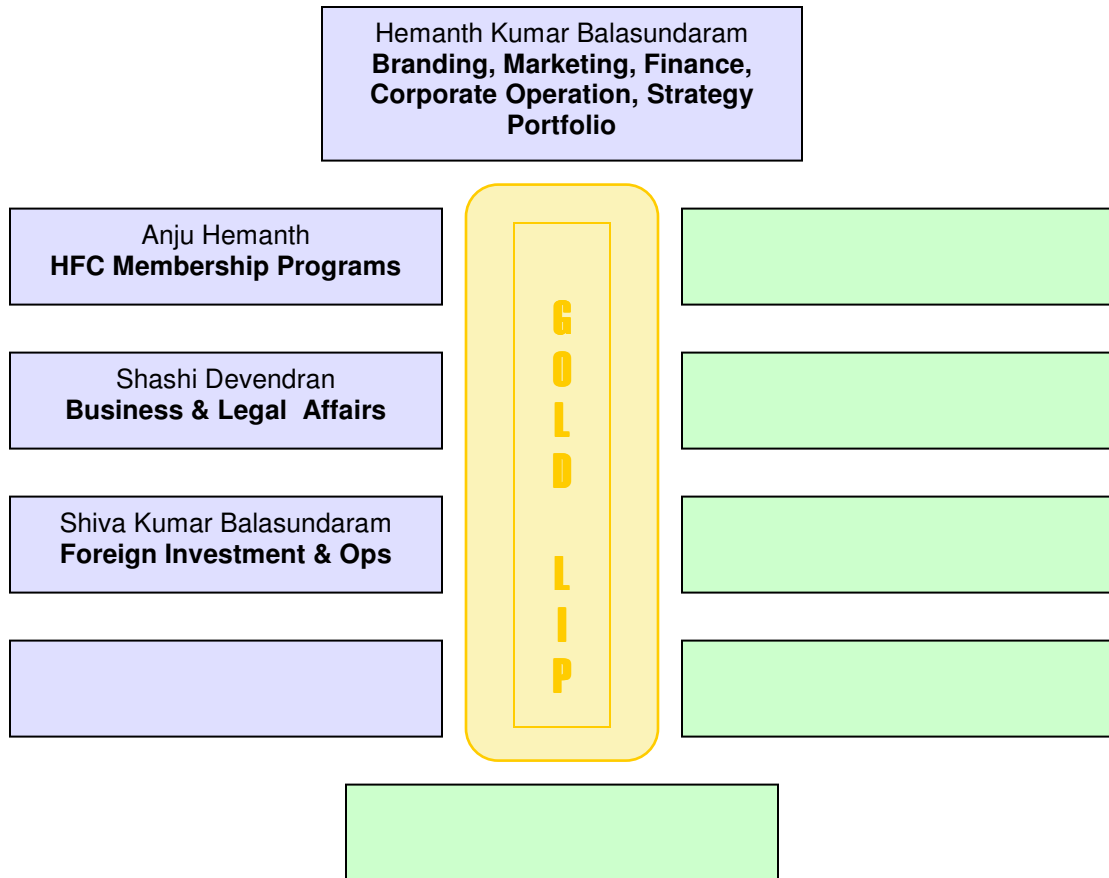
5.3. Maintenance and Support

Resources will be employed full-time to carry out the daily maintenance and support requirements of the facility.

The technical support will be provided by the respective development partners listed above as per the warranty and contractual agreements.

6. Management Team

6.1. Organizational Chart



6.2. Policy and Strategy

- Projects undertaken should produce a net profit of a minimum of Rs. 5 Cr annually over and above the capital gains.
- Each project will be reviewed and approved by the Board of Directors upon careful evaluation of the complete Business Plan.
- 40% of the net profit will be reserved for corporate operations, and the remaining 60% will be paid as dividends to investors.
- Quarterly Reports and Meetings to keep the shareholders fully informed of the projects, finances, and other key initiatives.

7. Financials

7.1. Projected Income and Expenses

Income:

Min/Max	Peak Hours		Off-Peak Hours	Total Unit	Membership Fee	Total Revenue
	5:00 - 9:00 AM	9:30 - 5:00 PM	5:30 - 9:30 PM			
Min	200	200	100	500	5,000	3.00
Max [with Alternate Day Schedule]	300	300	400	1,000	5,000	6.00

Min Revenue					3.00	C
Personal Trainer	Review/Change Program every 3 months - 6 sessions @ Rs. 250 of which 2/3 will be paid to the trainers as bonus leaving 1/3 as revenue to the company	500	500	0.30		
Min Total Revenue					3.30	C

Max Revenue					6.00	C
Personal Trainer	Review/Change Program every 3 months - 6 sessions @ Rs. 250 of which 2/3 will be paid to the trainers as bonus leaving 1/3 as revenue to the company	1,000	500	0.60		
Max Total Revenue					6.60	C

Expenses:

Resource Type	Ground Floor	1st Floor	2nd Floor STUDIO 1	2nd Floor STUDIO 2	2nd Floor STUDIO 3	2nd Floor STUDIO 4	Total Nbr	Rate/Month	Per Annum
	Change Room	Gym	Pilates	Aerobics	Power Yoga	X			
Manager							2	50,000	12.00
Receptionist							4	15,000	7.20
Trainers		14	2	2	2		20	20,000	48.00
House Keeping	8	4	2	2	2	2	20	5,000	12.00
Valet Parking							10	5,000	6.00
Dietician							2	40,000	9.60
Physiotherapist							2	40,000	9.60
Electricity								50,000	12.00
Water								30,000	12.00
Drinking Water							1000	20	2.40
Miscellaneous									12.00
Total Expenses =									1.428

7.2. Cash Flow

Cost	Total	Development Phase												OPERATIONAL												2012	2013	2014
		2009						2010						2011						2012						2012	2013	2014
		J	A	S	O	N	D	J	F	M	A	M	J	J	A	M	F	M	A	J	M	J	J	A	M	F	M	A
Incorporating	0.050																											
Total Investment	27.055	14.234																										
Loan	18.939																											
Margin	8.117																											
Collateral	5.682																											
EMI																												
Fixed Asset Purchases	24.834	0.000	13.344	0.030	0.030	0.134	0.134	0.134	0.134	0.500	0.000	0.000	1.000	0.000	0.000	0.000	6.000	1.500	0.000	0.000	0.000	0.227	0.000	0.000	0.000	0.000	0.000	0.000
Land	13.344																											
Land	12.000		12.000																									
Registration	1.080		1.080																									
Brokerage	0.264		0.264																									
Design (in PD)	0.490																											
Architect	0.178																											
Interiors	0.089																											
Table Model	0.074																											
Computer Graphics	0.074																											
Estimation	0.074																											
Construction	5.000																											
Equipments	4.000																											
Fitness (3 Cr 6 Yr Lease)	3.000																											
Entertainment (1 Cr 2 Yr)	1.000																											
Furnishing (2 Cr 2 Yr)	2.000																											
Working Capital	2.221	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.100	0.050	0.050	0.050	0.050	0.100	0.050	0.200	0.050	0.050	0.050	0.050	0.219	0.050	0.050	0.050	0.050	0.050	1.428
Operational Cost	1.300	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.100	0.050	0.050	0.050	0.050	0.100	0.050	0.200	0.050	0.050	0.050	0.050	0.219	0.050	0.050	0.050	0.050	0.050	1.428
Manager (2)	0.030																											
Receptionist (4)	0.017																											
Trainers (20)	0.085																											
House Keeping (20)	0.030																											
Valet Parking (10)	0.015																											
Dietician (2)	0.024																											
Physiotherapist (2)	0.024																											
Electricity	0.030																											
Water	0.030																											
Drinking Water	0.006																											
Branding	0.250																											
Marketing	0.400																											
Miscellaneous	0.030																											
Total Expenses	27.055	0.000	13.394	0.080	0.080	0.084	0.084	0.084	0.084	0.184	0.600	0.050	1.050	0.100	0.050	1.300	0.050	1.050	0.050	0.050	0.050	0.219	0.050	0.050	0.050	0.050	0.050	4.155
Funds Required	13.848																											

7.3. Balance Sheet Projection

Mortgage = Loan Installments

Other LTL = Equipments Lease + Furnishing & Fixture Installments
+ Land Lease Payment in case of Option-1

Accounts Payable = 40% Corporate Share

Accounts Receivable = Gross Income which would be Rs. 7.56 Cr
2013 onwards. **LT Investment** = Stock Capital ie. Funds Required

■ Development Completion Yr

■ Investors Break Even Point

■ Corporate Break Even Point

Balance Sheet									
2					3				
2011					2012				
ASSETS					LIABILITIES				
Current Assets					Current Liabilities				
Cash					Accounts payable				0.000
Accounts receivable				3.650	Short-term notes				
(less doubtful accounts)					Current portion of long-term notes				
Inventory					Interest payable				
Temporary investment					Taxes payable				0.000
Prepaid expenses					Accrued payroll				1.352
Total Current Assets				3.650	Total Current Liabilities				1.352
Fixed Assets					Long-term Liabilities				
Long-term investments				-13.848	Mortgage				1.818
Land					Other long-term liabilities				
Buildings					Total Long-Term Liabilities				1.818
(less accumulated depreciation)					Shareholders' Equity				
Plant and equipment					Capital stock				
(less accumulated depreciation)					Retained earnings				0.480
Furniture and fixtures					Total Shareholders' Equity				0.480
(less accumulated depreciation)									
Total Net Fixed Assets				-13.848					
TOTAL ASSETS					TOTAL LIABILITIES & EQUITY				

7.4. Break-Even Analysis

The break-even analysis is shown in [section 7.3](#), where the break-even years for the investors and the corporate are highlighted in BLUE and GREEN as per the below Legends.

- Development Completion Yr
- Investors Break Even Point
- Corporate Break Even Point

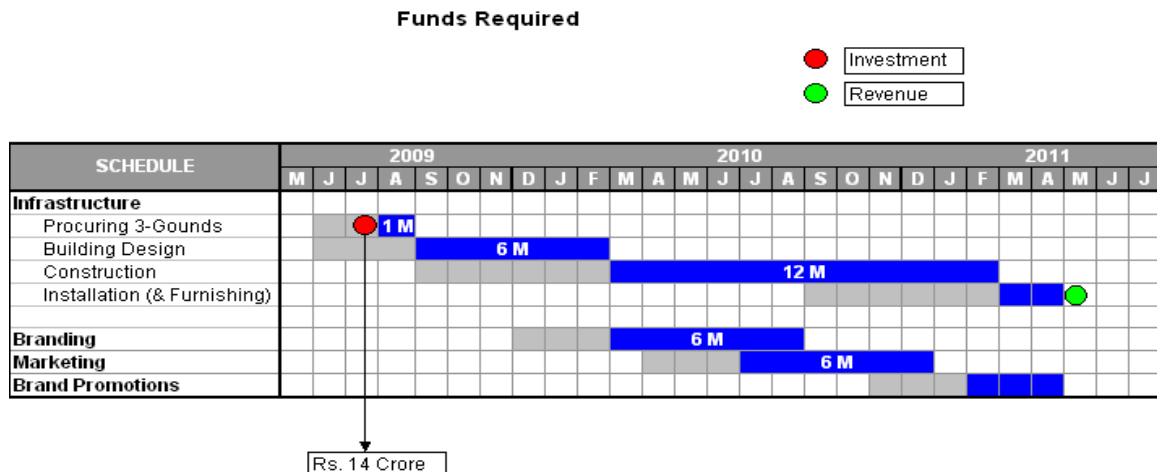
8. Funds Required and Uses

The capital structure required for the project is planned around equity:debt ratio of 20:80, although the required equity fund presented below is based on 30% Margin and 30% collateral per the present bank norms @ 12% interest rate. But following few initial discussions with the bank, the above numbers are workable depending on the location, land, and the building structure. We are targeting for 20% margin and 0% collateral in order to reduce the capital required to around 7 crores.

Advantages:

1. The funds we would need to generate is low, and can be managed easily through the Initial Shares Issue .
2. Would keep the number of shareholder's low, thereby maximizing the total shareholder's equity.

The below chart, and the following sub-sections describe how much money is required to finance the business, where these funds will be spent, when they'll be needed, and their potential uses.



8.1. Company Incorporation

Cost	Total	J
Incorporating		0.050

8.2. Fixed Asset Purchases

Fixed Asset Purchases	23.500
Land	12.000
Building Design	0.500
Architect	0.200
Interiors	0.100
Table Model	0.050
Computer Graphics	0.100
Estimation	0.050
Building Construction	5.000
Equipments	4.000
Fitness(Lease)	3.000
Entertainment	1.000
Furnishing	2.000

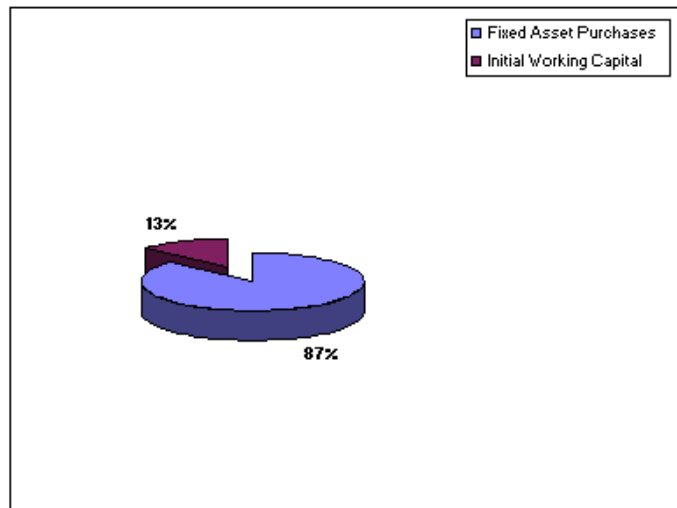
8.3. Working Capital

The following table shows the working capital we will use to pay short-term debts like salaries, branding, marketing, and other operational costs we will need to keep the business operating day-to-day before it starts turning a profit. The required capital will again come as a part of the Corporate Bank Loan.

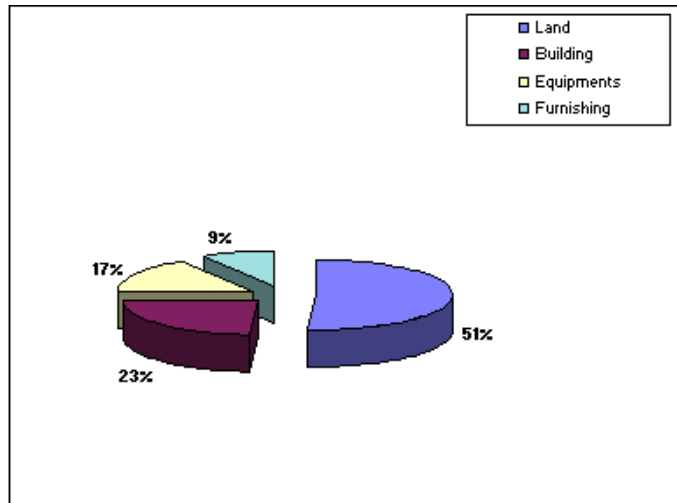
Working Capital	3.615
Operation Cost	1.300
Land Registration	1.080
Land Brokerage	0.264
Manager (2)	0.030
Receptionist (4)	0.017
Trainers (20)	0.085
House Keeping (20)	0.030
Valet Parking (10)	0.015
Dietician (2)	0.024
Pysiotherapist (2)	0.024
Electricity	0.030
Water	0.030
Drinking Water	0.006
Branding	0.250
Marketing	0.400
Miscellaneous	0.030

8.4. Fund Usage

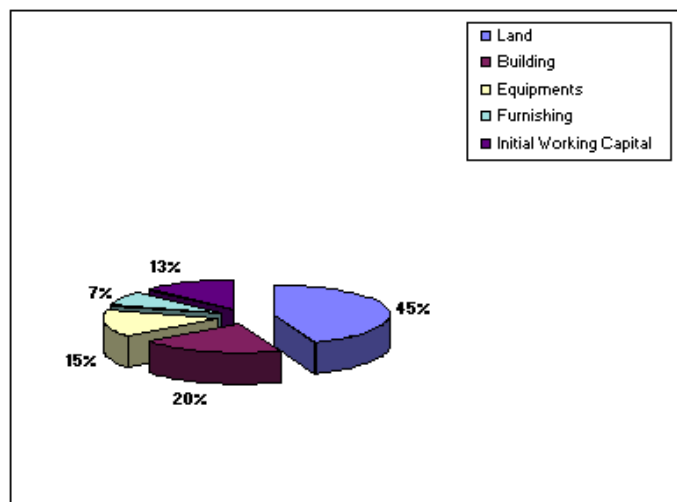
Fixed Asset Purchases	23.500
Initial Working Capital	3.615



Land	12.000
Building	5.500
Equipments	4.000
Furnishing	2.000



Land	12.000
Building	5.500
Equipments	4.000
Furnishing	2.000
Initial Working Capital	3.615



Thank you