



BUSINESS PLAN · INDIA

Gym and Fitness Centre

Great equipment, training and community - helping members achieve their goals

WELLNESS

AISEVAK.IN · BY ABL DIGITAL TECHNOLOGIES

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This document is confidential and prepared for planning purposes. All financial figures are illustrative model assumptions for an Indian MSME context and must be validated against live quotes, local rates and professional advice before any investment or borrowing decision.

1. Executive Summary

This plan sets out a **Gym & Fitness Centre** in India — a membership-based fitness facility offering strength & cardio equipment, group fitness classes (HIIT, Zumba, spin, functional), personal training & wellness add-ons, in a well-located, well-equipped space. It earns recurring membership revenue plus personal-training & ancillary income, monetising fitness aspiration, retention & premiumisation — a membership-, retention- & location-driven wellness business.

India's fitness industry is growing rapidly with rising health awareness, aspiration, lifestyle-disease concern, young demographics & premiumisation (boutique & specialised formats). A gym earns predictable recurring membership revenue, with the key levers being membership acquisition & retention, personal-training/ancillary attach, capacity/utilisation, location & brand/experience. Fixed costs (rent, equipment, trainers) make member volume, retention & PT-attach decisive; churn is the central challenge, met with experience, results & community.

This is an MSME wellness business — funded partly by the promoter and partly through bank finance (term loan for fit-out/equipment + CC/OD for working capital, under Mudra/CGTMSE; a franchise gym adds fee/royalty). This plan models a gym requiring **₹55 lakh** (₹19 lakh promoter + ₹36 lakh bank finance), targeting **₹90 lakh** revenue in Year 1 and **₹1.7 crore** by Year 3. (*Gym; recurring membership + PT/ancillary, retention- & location-driven, fixed-cost.*)

2. Business Description, Vision & Legal Structure

Concept: A well-equipped, well-located fitness centre with strength/cardio, group classes, personal training & wellness - results, experience & community.

Vision: To be the go-to fitness destination & community in its catchment.

Mission: Help members achieve fitness goals with great equipment, training & experience.

Legal structure options

- **Proprietorship / Partnership** — simplest for a single gym.
- **LLP / Private Limited** — recommended for multi-outlet, brand & funding.

Regulatory anchor: a gym is a service establishment — Shops & Establishments, GST, trade & health/safety licence, fire NOC, music/PPL licence, equipment/member safety & liability (waivers/insurance), & franchise agreement (if franchised). Membership acquisition & retention, PT/ancillary attach, capacity utilisation, location & experience determine success; fixed-cost with churn the key challenge.

3. Promoter & Ownership

Led by a promoter with fitness, hospitality or business experience & passion. The team includes trainers/PTs, group-class instructors, floor & front-desk staff, and sales/retention & a manager. Experience, training quality, results, retention & community are the differentiators. Ownership & stakes are editable inputs.

4. Market Analysis — India

India's fitness & gym market is growing fast, driven by rising health awareness, lifestyle-disease concern, aspiration, young & urban demographics, social media & premiumisation (boutique, functional, specialised studios). Consumers seek results, experience, convenience & community. The market rewards location, equipment/experience, training

quality, retention & brand; it is churn-, competition- & fixed-cost-sensitive, met with experience, results, retention & PT/ancillary monetisation.

Demand drivers

- **Health awareness & lifestyle disease.**
- **Aspiration & young demographics.**
- **Social media & body image.**
- **Premiumisation & boutique** formats.
- **Convenience & community.**

Market sizing (illustrative framing)

Layer	Definition	Indicative scale
TAM	Fitness/gym market in India	Large & growing
SAM	Catchment members	Substantial
SOM (Yr 1-3)	Members & PT clients	Scaling

Target segments

- Fitness & weight-management members.
- Young professionals & students.
- Personal-training & transformation clients.
- Group-class & community members.

5. Competition & Competitive Advantage

Landscape: other gyms & chains (Cult, Anytime Fitness), boutique studios, home fitness & apps. The gym competes on location, equipment/experience, training quality, results, community & value.

The gym's edge

- **Location & convenience.**
- **Equipment & experience.**
- **Training quality & results.**
- **Community & retention.**
- **PT & ancillary value.**

6. Products & Revenue Model

Stream	Model	Basis
Memberships (monthly/quarterly/annual)	Recurring fee	Core recurring
Personal training (PT)	High-margin fee	Margin driver
Group classes / specialised	Fee / package	Attach/retention
Supplements & merchandise	Retail margin	Ancillary

Add-ons (nutrition, physio, sauna)	Fee	Revenue/guest
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Memberships give recurring revenue; **personal training** is the high-margin driver (PT-attach rate is key); classes, supplements & add-ons lift revenue-per-member & retention. Member volume, retention (churn), PT-attach, capacity utilisation & ARPU drive economics — the decisive gym levers; retention against fixed costs is central.

7. Go-to-Market — Marketing & Sales

- **Local & catchment** marketing (offers, referrals).
- **Social & transformation** content.
- **Trials, memberships & PT** conversion.
- **Retention, community & results.**
- **Corporate & group** tie-ups.

Sales approach

Acquire members (local, social, trials, referrals, offers) → convert to memberships + PT → deliver results & experience → retain via community, engagement & results → grow ARPU with PT, classes & add-ons. Member volume × retention × PT-attach × ARPU, against fixed costs, builds profit; churn management is central.

8. Operations Plan

- **Facility & equipment:** well-located space, strength/cardio equipment, group-class studio, changing/showers, front desk; maintenance & hygiene.
- **Process:** acquire & onboard → assess & plan (PT) → train (floor/PT/classes) → engage & retain → renew & upsell.
- **Staff & quality:** certified trainers, class instructors, front-desk/sales; training quality & safety.
- **Tech:** membership/CRM & billing, access control, class booking, retention analytics.
- **Compliance:** Shops & Establishments, health/safety, fire, music/PPL, insurance/waivers.

Gym workflow

Stage	Activity	Metric
Acquire	Marketing/trials	Leads/conversion
Convert	Membership + PT	PT-attach/ARPU
Train	Floor/PT/classes	Results/engagement
Retain	Community/engagement	Churn/retention
Renew	Renewal/upsell	Renewal rate/LTV

9. Regulatory, Licences & Compliance (India)

- **Registration:** Shops & Establishments; trade licence; Udyam (MSME).
- **Safety:** health/safety & equipment safety; fire NOC; member waivers & liability insurance.
- **Music & tax:** music/PPL licence; GST; PAN/TAN.

- **Labour & franchise:** labour/ESI/PF; franchise agreement (if franchised).

10. Organisation & Manpower Plan

Role	Yr 1	Yr 2	Yr 3
Promoter / gym manager	1	1	2
Trainers & PTs	5	8	13
Class instructors	2	3	5
Front desk, sales & retention	3	4	7
Housekeeping & maintenance	2	3	4
Total	13	19	31

11. Implementation Timeline & Milestones

Phase	Timeline	Milestone
Setup	Month 0-3	Site, fit-out, equipment, licences, hiring, launch
Ramp	Month 3-8	Membership, PT-attach, classes, retention
Traction	Month 8-12	Retention & ARPU; ₹90L revenue
Optimise	Year 2	PT, classes, add-ons, corporate, retention
Scale	Year 3	₹1.7cr revenue; second gym

12. Financial Plan (Illustrative)

All figures are illustrative model assumptions for an Indian context, shown so the promoter can replace them with live rates. They are not projections of guaranteed results. Gym; recurring membership + PT/ancillary, retention- & fixed-cost-sensitive.

12.1 Project cost & means of finance

Capital requirement	₹
Equipment (strength/cardio)	28,00,000
Fit-out, interiors & studio	16,00,000
Licences, deposits & pre-operative	5,00,000
Launch & marketing	3,00,000
Working-capital margin	3,00,000
Total project cost	55,00,000
Promoter contribution	19,00,000
Bank finance (term + CC, Mudra/CGTMSE)	36,00,000

12.2 Projected Profit & Loss (3 years)

Particulars	Year 1	Year 2	Year 3
Memberships	58,00,000	82,00,000	1,02,00,000
Personal training	22,00,000	40,00,000	50,00,000
Classes, supplements & add-ons	10,00,000	18,00,000	18,00,000
Total revenue	90,00,000	1,40,00,000	1,70,00,000
Rent & utilities	24,00,000	27,00,000	30,00,000
Salaries & trainers	33,00,000	48,00,000	62,00,000
Marketing & operations	10,00,000	15,00,000	18,00,000
Equipment maintenance & supplies	6,00,000	8,00,000	10,00,000
Interest & depreciation	11,00,000	12,00,000	12,00,000
Total expenses	84,00,000	1,10,00,000	1,32,00,000
Net profit (before tax)	6,00,000	30,00,000	38,00,000
Net margin	6.7%	21.4%	22.4%

12.3 Unit economics & break-even

- **Recurring & ARPU:** membership recurring revenue + high-margin PT drives ARPU & LTV; PT-attach rate is the key margin lever.
- **Retention & churn:** against fixed costs (rent, equipment, trainers), retention/renewal is decisive — reducing churn transforms profitability & LTV.
- **Break-even:** at an active-member threshold covering fixed costs; reached within Year 1 as membership & PT build; scale & retention lift margins strongly (Year 2+).

12.4 Projected Cash Flow — Year 1 (quarterly, illustrative)

Particulars (₹)	Q1	Q2	Q3	Q4
Opening balance	3,00,000	3,20,000	3,50,000	3,90,000
Collections	18,00,000	21,00,000	24,00,000	27,00,000
Rent, salaries & operating	17,80,000	20,70,000	23,60,000	26,40,000
Closing balance	3,20,000	3,50,000	3,90,000	4,50,000

Annual/quarterly memberships bring upfront cash (favourable); PT is paid in advance; rent, trainers & EMI are fixed monthly. Retention, PT-attach, upfront memberships, CC & the WC margin manage cash; churn & high rent-to-revenue (especially in the ramp) are the main risks — met with retention & PT focus.

12.5 Key Performance Indicators to Monitor

- **Members:** active members; leads/conversion; renewal/retention; churn %.
- **Revenue:** ARPU; PT-attach %; LTV; ancillary revenue.

- **Ops:** capacity utilisation; peak-hour load; trainer productivity.
- **Cost:** rent-to-revenue %; salary %; contribution/member.

13. Funding Requirement & Bankability

Total ask: **₹36 lakh bank finance** against ₹19 lakh promoter contribution — term loan for fit-out/equipment + CC for working capital, under Mudra/CGTMSE (a franchise gym adds fee/royalty; brands often on approved lists). Bankability rests on recurring membership revenue, retention, PT-attach & the promoter's track record; recurring revenue & strong Year-2+ margins support servicing (Year-1 profit ~₹6 lakh scaling to ₹38 lakh). Equipment is financeable/collateral; upfront memberships aid cash.

13.1 Funding utilisation

Use of funds	₹	% of total
Equipment (strength/cardio)	28,00,000	50.9%
Fit-out, interiors & studio	16,00,000	29.1%
Licences, deposits & pre-operative	5,00,000	9.1%
Launch & marketing	3,00,000	5.5%
Working-capital margin	3,00,000	5.5%
Total	55,00,000	100%

14. Risk Analysis & Mitigation

Risk	Mitigation
Churn / low retention	Results, community, engagement, PT; onboarding & renewal programs
High rent-to-revenue & fixed costs	Member volume & ARPU; PT-attach; right rent; peak utilisation
Competition (chains/boutique/apps)	Location, experience, training quality, community & value
Trainer quality & retention	Certification, training, incentives; PT revenue-share
Safety / liability	Equipment safety, waivers, insurance, hygiene

15. SWOT Analysis

Strengths Recurring revenue; high-margin PT; growing health demand; community/retention; upfront cash; strong scale margins.	Weaknesses Churn-prone; fixed-cost (rent/equipment); location-dependent; trainer-reliant; competition.
Opportunities Fitness/premiumisation boom; PT & specialised classes; corporate; add-ons; second gym/brand.	Threats Chains, boutique & app competition; churn; rent inflation; discretionary cycles.

16. Recommended AiSevak Tools for This Business

This gym would use AiSevak's Wellness vertical tools in delivery:

- **Gym ops:** membership/CRM & billing, retention/churn-analytics, PT/class-booking and ARPU/LTV tools.
- **Compliance:** Shops-& Establishments, health/safety & fire, music/PPL and GST/labour tools (with Legal & Finance verticals).
- **Practice:** Business Plan, retention/PT-attach-economics and Break-even tools to model the gym.

17. Key Assumptions & Notes

- Gym/fitness centre; recurring memberships + high-margin personal training + classes/ancillary; ARPU & retention drive LTV.
- Retention (churn) against fixed costs (rent/equipment/trainers) is decisive; PT-attach is the key margin lever; scale lifts margins strongly.
- Term + CC finance (Mudra/CGTMSE; franchise adds fee/royalty); Shops-& Establishments, health/safety/fire, music/PPL, GST, insurance/waivers.
- Member volume, retention, PT-attach & ARPU drive economics; figures illustrative, exclude GST.

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