

UNIFORMS

1. INTRODUCTION:

Uniforms bring identity, discipline and culture of equality in a place where large number of people gather like Schools, Colleges, large corporate offices, industrial locations etc. Differentiated uniforms also help identify people belonging to different category or job specification within an organization.

2. PRODUCT & ITS APPLICATION:

There would hardly be a secondary or high school which doesn't prescribe a uniform dress code for its students. Uniforms are used in almost all schools as well as in many industries and large stores. Some schools and organizations have different uniforms for different seasons while most prescribe different uniforms for male and females. In recent times, uniform is being used to make a corporate statement, promote brands and communicate organization philosophy.

3. DESIRED QUALIFICATIONS FOR PROMOTER:

Graduate in any discipline.

4. INDUSTRY OUTLOOK AND TRENDS:

School uniforms and to some extent industrial uniforms have been in vogue for many decades. However it is uniform of employees in small and medium industries including Malls, Stores, Showrooms and offices that is driving the demand for uniform sector. More and more enterprises now believe that uniform brings a sense of discipline among the employees and

they are willing to spend on such clothing. The trend is catching up quite well and the demand in this segment is likely to grow.

5. MARKET POTENTIAL AND MARKETING ISSUES, IF ANY:

While schools prescribed uniform several decades ago, many industries followed the suit in last 30-40 years. These days every small and large organization aspires to prescribe dress code for its employees and many have implemented this policy already. The trend is catching up and therefore market for uniforms is also growing.

6. RAW MATERIAL REQUIREMENTS:

The main raw material is light weight fabric made from cotton yarn. Blended fabric offers some cost effective solution to those who find cotton fabric slightly expensive. Both types of fabric, in all colors, designs and prints are available throughout India from Mills, Traders and Agents.

7. MANUFACTURING PROCESS:

The fabric purchased in roll form is spread in layers on the cutting table. Patterns of various parts of the garment made out of card board or plywood or metal are laid on the fabric in such a way that wastage of fabric is minimized. Several layers of fabric are then cut through vertical motorized blade. Garments are stitched in assembly line manner wherein each machine operator completes only a part of the product. The stitching starts on the 1st machine and gets completed at the last stage where the product is inspected for quality defects if any. Labels of the schools or organization are stitched in the end. Some schools or organizations want their logo to be embroidered on the garment. The products are finally cleaned of loose yarn or dirt and packed in plastic bags as per customer requirements.

8. MANPOWER REQUIREMENT:

The enterprise shall need 33 employees as detailed below:

Sr.No.	Designation of Employees	Monthly Salary (Rs.)	Number of employees required	Annual cost Rs. in lacs
1	Machine Operators	12,000	19	27.36
2	Helpers	8,000	10	9.60
1	Production supervisor	25,000	1	3.00
2	Accounts Executive	15,000	1	1.80
3	Stores Assistant	12,000	1	1.44
4	Office Boy	8,000	1	0.96
	Total		33	44.16

9. IMPLEMENTATION SCHEDULE:

The project can be implemented in 3 months as shown below:

Sr. No.	Activity	Time Required (in months)
1	Acquisition of premises	1
2	Construction (if applicable)	-
3	Procurement & installation of Plant & Machinery	2
4	Arrangement of Finance	2
5	Recruitment of required manpower	2
	Total time required (some activities shall run concurrently)	3

10. COST OF PROJECT:

Detailed cost of project is shown below:

Sr. No.	Particulars	Rs. in Lacs
1	Land	-
2	Building	-
3	Plant & Machinery	12.55
4	Furniture, Electrical Installations	5.00
5	Other Assets including Preliminary / Pre-operative expenses	1.50
6	Margin for Working Capital	9.26
	Total	28.31

11. MEANS OF FINANCE:

Bank term loans are assumed @ 60% of fixed assets. The proposed funding pattern is as under:

Sr. No.	Particulars	Rs. in Lacs
1	Promoter's contribution	16.87
2	Bank Finance	11.43
	Total	28.31

12. WORKING CAPITAL CALCULATION:

The project requires working capital of Rs.18.50 lacs as detailed below:

Sr. No.	Particulars	Gross Amt	Margin %	Margin Amt	Bank Finance
1	Inventories	25.81	40%	10.33	15.49
2	Receivables	7.66	40%	3.06	4.59
3	Overheads	3.10	100%	3.10	-
4	Creditors	-18.07	40%	-7.23	-10.84

	Total	18.50		9.26	9.24
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13. LIST OF MACHINERY REQUIRED:

Sr. No.	Particulars	UOM	Qty	Rate (Rs.)	Value (Rs. in Lacs)
a)	Main Machinery				
i.	Single Needle Machine	Nos	10.00	60,000	6.00
ii.	Double Needle Machine	Nos	5.00	75,000	3.75
iii.	Overlock Machine	Nos	2.00	40,000	0.80
iv.	Cutting Table & machine	Nos	2.00	1,00,000	2.00
	<i>sub-total Plant & Machinery</i>				12.55
	Furniture / Electrical installations				
a)	Inspection tables	Nos	2.00	25,000	0.50
b)	Office & Store furniture	LS	1.00	1,50,000	1.50
c)	Desktop computer & printer	Nos	2.00	50,000	1.00
d)	Storage system	LS	1.00	2,00,000	2.00
	<i>sub total</i>				5.00
	Other Assets				
a)	Rent Deposits		2.00	75,000	1.50
	<i>sub-total Other Assets</i>				1.50
	Total				19.05

Single Needle and Double Needle stitching machines are available from following suppliers. They have offices across several cities in India. There may also be other local machinery manufacturers offering alternate machines of various makes and models.

- IIGM Private Limited
Springdale No. 51,
Residency Road, 3rd cross,
Bangalore 560025
www.iigm.in

- Juki India Private Ltd
1090/I, Ground Floor,
18th Cross, Sector III,
HSR Layout,
Bangalore 560102
www.jukiindia.com
- Brother International (India) Pvt Ltd
Unit No.408, 215, Atrium B-Wing,
4th floor, Opp. Sangam Cinema,
Andheri Kurla Road, Andheri (East),
Mumbai 400093
www.brother.in

14. PROFITABILITY CALCULATIONS:

(Rs. Lakh)

Sr. No.	Particulars	UOM	Year-1	Year-2	Year-3	Year-4	Year-5
1	Capacity	%	60%	70%	80%	90%	100%
2	Sales	₹ in Lacs	248.85	290.33	331.80	373.28	414.75
3	Raw Materials & Other direct inputs	₹ in Lacs	225.56	263.15	300.75	338.34	375.93
4	Gross Margin	₹ in Lacs	23.29	27.17	31.05	34.93	38.82
5	Overheads except interest	₹ in Lacs	18.58	18.58	18.58	18.58	18.58
6	Interest	₹ in Lacs	2.46	2.46	2.46	2.46	2.46
7	Depreciation	₹ in Lacs	1.40	1.40	1.40	1.40	1.40
8	Net Profit before tax	₹ in Lacs	0.85	4.74	8.62	12.50	16.38

The above calculations are based on assumed unit sales price varying from Rs. 175 to Rs. 200 for various products. The key raw material is assumed at a cost range of Rs. 100 to Rs. 125 per meter. Electricity tariff is assumed at Rs. 8 per KWH.

15. **BREAKEVEN ANALYSIS:**

The project shall reach cash break-even at 54.20% of projected capacity as detailed below:

Sr. No.	Particulars	UOM	Value
1	Sales Realization	₹. In Lacs	414.75
2	Variable costs	₹. In Lacs	375.93
3	Fixed costs incl. interest	₹. In Lacs	21.04
4	$BEP = FC/SR-VC \times 100 =$	% of sales	54.20%

16. **STATUTORY APPROVALS:**

The project does not require any specific government approval. Registration with MSME is optional. An Entrepreneur may be required to obtain Shops & Establishment Registration and Professional Tax registration by local Municipal authorities. Registration under Factories Act, Provident Fund Act and ESI provisions would be required depending upon the number of employees, the location, the level of mechanization and the age of the enterprise. Entrepreneur may contact State Pollution Control Board where ever it is applicable.

17. **BACKWARD OR FORWARD INTEGRATION:**

As the machines used in the project are versatile, the Entrepreneur can also consider manufacture of home furnishing articles like bed sheets, pillow covers, wall hangings etc depending on opportunities in the market he / she is familiar with.

18. TRAINING CENTERS/COURSES

Udyamimitraportal (link : www.udyamimitra.in) can also be accessed for handholding services viz. application filling / project report preparation, EDP, financial Training, Skill Development, mentoring etc.

Entrepreneurship program helps to run business successfully is also available from Institutes like Entrepreneurship Development Institute of India (EDII) and its affiliates all over India.

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.