

# **MEN'S UNDER-GARMENTS**

## **1. INTRODUCTION:**

Men's undergarments include underwear and vest. These are worn for hygiene purpose and also to give better shape and fitting to the outer garments.

## **2. PRODUCT & ITS APPLICATION:**

Product variety in underwear includes Briefs, Boxers and Trunks. There are some sub-varieties in each of these. Vests are made with or without sleeves. All of men's undergarments are made out of cotton fabric to provide good comfort in India's hot and humid weather, although some manufacturers use blended fabric for marketing in colder regions.

## **3. DESIRED QUALIFICATIONS FOR PROMOTER:**

Graduate in any discipline.

## **4. INDUSTRY OUTLOOK & TRENDS:**

Men are more hygiene conscious than before. Social and economic progress has also led to growing awareness about looks, health and fashion trends. Aggressive marketing campaigns by leading brands have also contributed to the growth of demand for under garments. The trends shall continue in the foreseeable future.

## **5. MARKET POTENTIAL AND MARKETING ISSUES, IF ANY:**

There is growing awareness in males to use underwear at an early age. Educated parents teach their male children to use underwear right from the childhood. However, use of vests differs from an individual to individual. Although a majority of males use vests, there is also a large percentage of male population who doesn't wear any vest under the shirt as a matter of choice. Traditionally, men's under garments were home stitched from woven fabric. However, these did not offer good fitting and often caused bulk under the outer garments. Therefore the trend changed in favour of readymade undergarments made out of knit fabric which offers better fitting and good functionality.

## **6. RAW MATERIAL REQUIREMENTS:**

The main raw material is light weight fabric made from fine count of cotton yarn. Sometime synthetic fiber is also used in undergarments but it less preferred in hot and humid weather in most parts of India. Cotton fabric with little Lycra is the most ideal fabric to provide good fit and comfort in undergarments. Generally knit fabric made on circular knitting machine is used for vests as it offers ready tubes of different diameter. Recently some manufacturers have experimented with flat knit fabric in vests by creating a vertical joint in the garment. Such a practice has its own advantages and disadvantages. Elastic for waist in the underwear is available with textile accessories dealers.

## **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. Garments are then 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 (in 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
3	Production supervisor	25,000	1	3.00
4	Accounts Executive	15,000	1	1.80
5	Stores Assistant	12,000	1	1.44
6	Office Boy	8,000	1	0.96
	<b>Total</b>		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 <i>(some activities shall run concurrently)</i>	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	5.74
	<b>Total</b>	<b>24.79</b>

## 11. MEANS OF FINANCE:

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

Sr. No.	Particulars	₹ in Lacs
1	Promoter's contribution	13.36
2	Bank Finance	11.43
	<b>Total</b>	<b>24.79</b>

## 12. WORKING CAPITAL CALCULATION:

The project requires working capital of Rs.9.70 lacs as detailed below:

Sr. No.	Particulars	Gross Amt	Margin %	Margin Amt	Bank Finance
1	Inventories	6.69	40%	2.68	4.02
2	Receivables	4.59	40%	1.84	2.76
3	Overheads	3.10	100%	3.10	-
4	Creditors	-4.69	40%	-1.87	-2.81

	<b>Total</b>	9.70		5.74	3.96
--	--------------	------	--	------	------

### 13. LIST OF MACHINERY REQUIRED:

Sr. No.	Particulars	UOM	Qty	Rate (Rs.)	Value (Rs. in Lacs)
<b>a)</b>	<b>Main Machinery</b>				
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 &amp; Machinery</i>				<b>12.55</b>
	<b>Furniture / Electrical installations</b>				
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>				<b>5.00</b>
	<b>Other Assets</b>				
a)	Rent Deposits		2.00	75,000	1.50
	<i>sub-total Other Assets</i>				<b>1.50</b>
	<b>Total</b>				<b>19.05</b>

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](http://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:

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	106.00	123.66	141.33	159.00	176.66
3	Raw Materials & Other direct inputs	₹ in Lacs	86.22	100.59	114.97	129.34	143.71
4	Gross Margin	₹ in Lacs	19.77	23.07	26.36	29.66	32.96
5	Overheads except interest	₹ in Lacs	18.58	18.58	18.58	18.58	18.58
6	Interest	₹ in Lacs	1.77	1.77	1.77	1.77	1.77
7	Depreciation	₹ in Lacs	1.40	1.40	1.40	1.40	1.40
8	<b>Net Profit before tax</b>	₹ in Lacs	<b>-1.98</b>	<b>1.32</b>	<b>4.61</b>	<b>7.91</b>	<b>11.21</b>

The above calculations are based on assumed unit sales price varying from Rs. 70 to Rs. 80 for various products. The key raw material is assumed at Rs. 60 per meter. Electricity tariff is assumed at Rs. 8 per KWH.

## **15.      BREAK-EVEN ANALYSIS:**

The project shall reach cash break-even at 61.75% of projected capacity as detailed below:

<b>Sr. No.</b>	<b>Particulars</b>	<b>UOM</b>	<b>Value</b>
1	Sales Realization	₹. In Lacs	176.66
2	Variable costs	₹. In Lacs	143.71
3	Fixed costs incl. interest	₹. In Lacs	20.35
4	$BEP = FC/SR-VC \times 100 =$	% of sales	61.75%

## **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](http://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.

These indicative project profiles, sourced from various government agencies, banks and financial institutions, provide information for general guidance of an aspirant entrepreneur on probable project(s). These should not be construed as bankable project reports but are expected to only assist readers gain knowledge on project ideas. The assumptions and calculations given in the project profiles may vary depending on geography, scale of operation and size of the enterprise. Portal disclaimer applies.