

# **MADE UPS**

## **1. INTRODUCTION:**

Various articles other than garments, made out of fabric are called made ups. Common examples of made ups are Table mats, Tea coasters, Face napkins, Hand napkins, Kitchen napkins, Aprons, Table covers, Wall hangings etc. These items are used in the homes and offices on daily basis and find usage in bed, bath, kitchen and dining areas.

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

Made ups are generally made out of woven fabric. Cotton fiber is used in most made ups to enhance water absorption capacity. Hand napkins & Face napkins are also used in restaurants, hotels, Beauty / Massage parlours and offices apart from homes. Wall hangings are used for decorative purposes in homes and offices. Table mats & Tea coasters are used commercial establishments apart from homes. Made ups also include bed sheets and pillow / cushion covers but these are not covered in this Project Profile because it is a specialized business catering exclusively to bed linen manufacturers & retailers. The focus here is on products having significantly higher retail consumption.

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

Graduate in any discipline.

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

Increase in earnings and disposable income has led to the demand for home furnishing and made up articles. Impact of western culture and health consciousness has given rise to the demand for table mats, apron, caps and other hygiene related products. As the society progresses, the demand for these products shall witness a continuous growth

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

Growing awareness about cleanliness and hygiene is the main reason behind spurt in demand of hand napkins, face napkins, aprons. While wall hangings have decorative value, table mats & tea coasters have utility value. As these products are used in every household to some extent, the overall market size becomes huge in country like India.

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

The main raw material is cotton fabric made from low & medium count of cotton yarn which is easily available in grey and dyed forms. Printed fabric is also used in some made ups.

## **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. Made ups 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. Some articles are sent for further work like embroidery, special patch-work, piping etc. 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 42 employees as detailed below:

Sr.No.	Designation of Employees	Monthly Salary ₹	Number of employees required	Annual cost ₹. in lacs
1	Machine Operators	12,000	25	36.00
2	Helpers	8,000	13	12.48
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>		42	55.68

## 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	15.35
4	Furniture, Electrical Installations	5.00
5	Other Assets including Preliminary / Pre-operative expenses	1.50
6	Margin for Working Capital	5.35
	<b>Total</b>	<b>27.20</b>

## 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	14.09
2	Bank Finance	13.11
	<b>Total</b>	<b>27.20</b>

## 12. WORKING CAPITAL CALCULATION:

The project requires working capital of Rs.8.72 lacs as detailed below:

Sr. No.	Particulars	Gross Amt	Margin %	Margin Amt	Bank Finance
1	Inventories	15.84	40%	6.34	9.50
2	Receivables	0.88	40%	0.35	0.53
3	Overheads	3.10	100%	3.10	-
4	Creditors	-11.09	40%	-4.43	-6.65

	<b>Total</b>	8.72		5.35	3.38
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### 13. LIST OF MACHINERY REQUIRED:

Sr. No.	Particulars	UOM	Qty	Rate (Rs.)	Value (Rs. in Lacs)
	<b>Plan &amp; Machinery / equipments</b>				
<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.	Border/Piping machine	Nos.	2.00	50,000	1.00
iv.	Overlock Machine	Nos.	4.00	40,000	1.60
v	Cutting Table & machine	Nos.	2.00	1,00,000	2.00
vi.	Embroidery machine	Nos.	2.00	50,000	1.00
	<i>sub-total Plant &amp; Machinery</i>				<b>15.35</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>21.85</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](http://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](http://www.brother.in)

#### 14. PROFITABILITY CALCULATIONS:

Sr. No.	Particulars	UOM	Year-1	Year-2	Year-3	Year-4	Year-5
1	Capacity Utilization	%	60%	70%	80%	90%	100%
2	Sales	₹ in Lacs	174.35	203.41	232.47	261.53	290.59
3	Raw Materials & Other direct inputs	₹ in Lacs	155.10	180.95	206.80	232.65	258.50
4	Gross Margin	₹ in Lacs	19.26	22.46	25.67	28.88	32.09
5	Overheads except interest	₹ in Lacs	18.58	18.58	18.58	18.58	18.58
6	Interest	₹ in Lacs	1.88	1.88	1.88	1.88	1.88
7	Depreciation	₹ in Lacs	1.61	1.61	1.61	1.61	1.61
8	<b>Net Profit before tax</b>	₹ in Lacs	<b>-2.81</b>	<b>0.40</b>	<b>3.61</b>	<b>6.81</b>	<b>10.02</b>

The above calculations are based on assumed unit sales price varying from Rs. 12 to Rs. 160 for various products. The key raw material is assumed at a cost range of Rs 45 to Rs. 55 per meter. Electricity tariff is assumed at Rs. 8 per KWH.

## **15.      BREAK-EVEN ANALYSIS:**

The project shall reach cash break-even at 63.75% of projected capacity as detailed below:

Sr. No.	Particulars	UOM	Value
1	Sales Realization	₹. In Lacs	290.59
2	Variable costs	₹. In Lacs	258.50
3	Fixed costs incl. interest	₹. In Lacs	20.46
4	$BEP = FC/SR-VC \times 100 =$	% of sales	63.75%

## **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 men's readymade garments or 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.