

SHAWLS, STOLES, SCARVES & WRAPS

1. INTRODUCTION:

Traditionally shawls were made of wool and used in winter. Over years, it has become a fashion accessory and is used throughout the year either to enhance the look of upper garments or cover shoulders or protect against cool weather. Shawls are more light weight and made of variety of fabric these days. Stoles look the same but are slightly narrower and shorter than shawl. Stoles also have simpler designs and weave compared to shawl. Scarves are light weight and thin fabric to cover mostly neck and sometimes part of upper body. Although scarves are generally small, there is no size limitation and these can be as big as shawls. But bigger scarves are made of lighter material. Wraps are rectangular fabric used to wrap around upper half of the body in any manner. Shawls, Stoles, Scarves and Wraps are thus more of an accessory than a garment and serve decorative, utility or glamour purpose.

2. PRODUCT & ITS APPLICATION:

These products are generally used by women. Sometimes Shawls and Scarves are also used by elderly men to protect against cold weather.

3. DESIRED QUALIFICATIONS FOR PROMOTER:

Graduate in any discipline.

4. INDUSTRY OUTLOOK & TRENDS:

While shawls, stoles and scarves are often used to protect against cold weather, the wraps are used in normal weather as well. Most of these products are used in addition to normal garments worn by women and therefore reflect one's life style and spending capacity. The increasing income levels and growing number of

working women has led to high demand for these products particularly in colder regions like North India.

5. MARKET POTENTIAL AND MARKETING ISSUES, IF ANY:

Shawls and Scarves were utility articles of cold weather at one point of time. As wool became expensive and women liked attractive designs, colors and flexibility of Shawls, they started using this article throughout the year and all over the world irrespective of weather conditions. Wool gave way to all other fibers and fabrics, embroidery, glass work, beads, pipings, patches etc. and shawl became a symbol of fashion and style. Stole is a shorter and narrower version of shawl that reduces the overall weight of accessory to be worn in order to look pretty. Scarves protect neck in cold weather and also add to beauty of the females through attractive colors, softer feel and elegant styles. Wraps provide great flexibility in style and use of the product. It can be wrapped whatever way the wearer likes. As all these are utility cum fashion products, their demand is growing steadily. Cold regions have higher usage of these products compared to warm areas.

6. RAW MATERIAL REQUIREMENTS:

Fabric of all types is used in these products. Additional work on fabric includes embroidery or hand-work of different fibers, glass work, pipings, patches, cords, dangles, buttons, rings etc. of various colors, shapes and sizes. Accessories are available with tailoring material stores throughout India. Fabrics of various blends are also available easily with fabric traders and mills.

7. MANUFACTURING PROCESS:

The fabric purchased in roll form is spread in layers on the cutting table. Patterns of various parts of the products 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. Products 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, glass work 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 39 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	23	33.12
2	Helpers	8,000	12	11.52
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
	Total		39	51.84

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	14.55
4	Furniture, Electrical Installations	5.50
5	Other Assets including Preliminary / Pre-operative expenses	1.50
6	Margin for Working Capital	6.98
	Total	28.53

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	15.61
2	Bank Finance	12.93
	Total	28.53

12. WORKING CAPITAL CALCULATION:

The project requires working capital of Rs. 12.81 lacs as detailed below:

Sr. No.	Particulars	Gross Amt	Margin %	Margin Amt	Bank Finance
1	Inventories	17.81	40%	7.12	10.68
2	Receivables	4.38	40%	1.75	2.63
3	Overheads	3.10	100%	3.10	-
4	Creditors	-12.46	40%	-4.99	-7.48
	Total	12.81		6.98	5.83

13. LIST OF MACHINERY REQUIRED:

Sr. No.	Particulars	UOM	Qty	Rate (₹)	Value (₹ in Lacs)
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	Plan & Machinery / equipments				
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.	Over-lock Machine	Nos.	2.00	40,000	0.80
iv.	Cutting Table & machine	Nos.	2.00	1,00,000	2.00
v.	Embroidery machine	Nos.	4.00	50,000	2.00
	<i>sub-total Plant & Machinery</i>				14.55
	Furniture / Electrical installations				
a)	Inspection tables	Nos.	2.00	50,000	1.00
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>				5.50
	Other Assets				
a)	Rent Deposits		2.00	75,000	1.50
	<i>sub-total Other Assets</i>				1.50
	Total				21.55

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 Utilization	%	60%	70%	80%	90%	100%
2	Sales	₹ in Lacs	189.79	221.42	253.05	284.68	316.31
3	Raw Materials & Other direct inputs	₹ in Lacs	166.60	194.36	222.13	249.89	277.66
4	Gross Margin	₹ in Lacs	23.19	27.06	30.92	34.79	38.65
5	Overheads except interest	₹ in Lacs	18.58	18.58	18.58	18.58	18.58
6	Interest	₹ in Lacs	2.18	2.18	2.18	2.18	2.18
7	Depreciation	₹ in Lacs	1.59	1.59	1.59	1.59	1.59
8	Net Profit before tax	₹ in Lacs	0.85	4.71	8.58	12.44	16.31

The above calculations are based on assumed unit sales price varying from Rs. 75 to Rs. 400 for various products. The key raw material is assumed in a range of Rs. 90 to Rs. 140 per meter. Electricity tariff is assumed at Rs. 8 per KWH.

15. BREAKEVEN ANALYSIS:

The project shall reach cash break-even at 53.70% of projected capacity as detailed below:

Sr. No.	Particulars	UOM	Value
1	Sales Realization	₹. In Lacs	316.31
2	Variable costs	₹. In Lacs	277.66
3	Fixed costs incl. interest	₹. In Lacs	20.76
4	BEP = FC/SR-VC x 100 =	% of sales	53.70%

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

Udyamimitra portal (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.

Source:- Udyami Mitra/Sidbi