



PROJECT PROFILE ON MANUFACTURE OF TAILOR LABELS

Category : Manufacturing

Total Cost of Project : Rs. 2,56,000/-

BEP : 39 %

I. INTRODUCTION OF BUSINESS IDEA :

The tailors need labels to stitch on the garments like shirts and pants stitched by them as their identity or brand. This creates publicity for the tailor. Not all the tailors have been using the labels. However, now there is a need felt in this regard by all tailors.

II. PRODUCT AND ITS APPLICATIONS :

The labels are used by readymade garment dealers and tailors to stitch them on the garments. Unlike in earlier days, all the tailors also have started using the labels.

III. MARKET POTENTIAL :

The labels are presently supplied from outside the district. The requirement in the district is huge. All the tailors in the district are in need of the labels.

IV. CAPACITY-REVENUE & SALES (1st year) :

Sl. No.	Product	Qty.	Rate per 100 nos	Total amount (Rs)
01.	Tailor labels	10,00,000	100	8,00,000
Total				8,00,000

V. MANUFACTURING PROCESS & QUALITY :

The Jacquard Loom is used. The design with text of the label is made using dobby. The loom then gives the labels in strips. The strips of labels are then packed in 100s or 1,000s

VI. COST OF PROJECT AND MEANS OF FINANCE, INCLUDING WORKING CAPITAL REQUIREMENTS:

A. Cost of Project :

Sl. No	Particulars	Amount (Rs).
	Equipments	1,30,000
	Other fixed assets	15,000
	Preliminary and preoperative expenses	10,000
	Deposits	10,000
	Working Capital Requirements	91,000
Total		2,56,000



B. Means of Finance:

Sl. No	Particulars	Amount (Rs).
1	Loan @ 75%	1,92,000
2	Equity	64,000
	Total	2,56,000

C. Working capital requirement

Sl. No.	Particulars	Basis	Period	Amount
1	Raw-materials	2,40,000/12 x 2	2 m	40,000
2	Bills receivable	8,00,000/12x 1/2	1 w	33,000
3	Working expenses		1m	18,000
	Total			91,000

VII. MAIN INPUTS REQUIREMENT :

A. Machinery :

Sl. No.	Particulars	Qty.	Rate	Total Cost
1.	Multi shuttle Jacquard loom with all accessories	1	1,10,000	1,10,000
2	L C R type Barren	1	10,000	10,000
3	Electrification and installation			10,000
	Total			1,30,000

B. Raw-materials (per annum):

Sl. No.	Particulars	Qty	Rate (Rs.)	Annual Charges (Rs)
1	Pre woven labels	1,000 kg	200 per kg	2,00,000
2	Colored threads	60 kg	500 per kg	30,000
3	Packing materials			10,000
	Total			2,40,000

VII. MAIN INPUTS REQUIREMENT :

A. Utilities :

Sl. No.	Particulars	Monthly Charges (Rs.)	Annual Charges (Rs)
1	Electricity	2,000	24,000



B. Man-power requirement :

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Annual Salary (Rs.)
01	Skilled workers	1	7,000	84,000
02	Helper	2	4,000	96,000
Total			3	1,80,000

C. MAIN INFRASTRUCTURE REQUIREMENT :

Building	400 sft built up area Rented @ Rs. 18000 per annum
Power	2 HP power connections are required.
Water	1 kl Water per day is required

VIII. PROFITABILITY PROJECTION (Annual) :

Particulars	Basis	Amount (Rs.)
Sales Revenue (Projected)	Ref : IV	8,00,000
Raw Materials	Ref : VII B	2,40,000
Man power expenses	Ref : VII D	1,80,000
Utilities	Ref : VII C	24,000
Interest	@ 12%	23,000
Depreciation	@ 20% SLM	26,000
Overheads	Rent, maintenance etc	90,000
Total Expenses		5,83,000
Profit		2,17,000

IX. FINANCIAL INDICATOR :

Break Even Point FC ----- x 100 SR-VC	1,39,000 ----- x 100 3,56,000	39 %
Payback period COP ----- Profit + Depn.	2,56,000 ----- 2,43,000	1 year 1 month



ADDRESSES :

X. SUPPLIERS OF EQUIPMENTS :

Bavadekar Engineering works
Shahpur pet
Belgaum

SUPPLIER OF RAWMATERIAL

Local yarn dealers in Shahapur, Belgaum