

SOFA REPAIR AND UPHOLSTERY

1. INTRODUCTION

In a region where homestays are highly prevalent, businesses that provide excellent lodging—including clean, comfy couches—may stand out from the competition. In Uttarakhand, homestay operators put their guests' comfort and happiness first. Well-kept and aesthetically pleasing furnishings provide an overall good experience for visitors. In addition, a substantial section of Uttarakhand's population is homeowners, which means that upholstery and sofa repair services are always in demand. Furniture in older homes needs upholstery and maintenance more frequently. When it comes to furniture-related services, urban areas typically have more demand than rural ones.

2. SERVICE & ITS APPLICATION

A comprehensive sofa repair and upholstery business includes sofa repair addressing structural issues and mechanisms, upholstery services with options for custom designs and fabric choices, cushion replacement for improved comfort, refinishing and polishing for aesthetic enhancements, and specialized antique furniture restoration. Additional services include pick-up and delivery for customer convenience, on-site repairs for minor issues, weatherproofing for outdoor furniture, and awareness workshops on sofa care.

3. DESIRED QUALIFICATION FOR PROMOTER

While formal education is not mandatory, proficiency in furniture repair and upholstery techniques is a requisite. The promoter or the human resource should possess hands-on experience in working with various types of sofas and furniture and also hold knowledge of different fabrics, materials, and finishes used in upholstery.

4. BUSINESS OUTLOOK AND TRENDS

The Indian furniture market valued at USD 23.3 billion in 2021 presents a promising landscape with an expected compound annual growth rate (CAGR) of 6.40%, reaching USD 35.9 billion by 2028. This growth is attributed to factors like increasing disposable income and heightened spending on home decor. Uttarakhand, characterized by its emphasis on hospitality and tourism, stands to benefit significantly from this trend. The state's unique features create substantial opportunities for a furniture repair and upholstery business. With rising incomes, the importance of the tourism and hospitality industry is rising and so is the demand for well-maintained and aesthetically pleasing furniture. Fostering collaborations with the local hospitality sector could further enhance the potential success of such a business in Uttarakhand.

5. KEY BUSINESS ELEMENTS

- High-quality craftsmanship: Skilled craftspeople and meticulous attention to detail can distinguish service offerings and boost client satisfaction. Maintaining excellent standards for upholstery and repair work is essential to earning a good reputation.
- Cultural Sensitivity: To cater to the tastes of the Uttarakhand community, promoters must consider using traditional motifs, styles, and materials in the upholstery work.
- Customer Engagement: Building strong customer relations is the key to success. To guarantee recurring business, the promoter must cultivate a strong rapport with customers through efficient communication and customer care.
- Partnerships with the Hospitality Sector: Providing specialized services to the hospitality sector can result in a continuous stream of clients and recurring business possibilities.

6. MARKET POTENTIAL AND MARKETING ISSUES; IF ANY

The thriving tourist and hospitality industry in Uttarakhand, which specializes in homestays and resorts, offers a profitable market. However, the demand for couch repair and upholstery services can fluctuate due to festivals and seasonal changes. Creating marketing plans to take advantage of and manage these fluctuations is essential to sustaining a consistent flow of business all year round. The terrain of Uttarakhand comprises isolated and steep regions, which makes service delivery and transportation logistically difficult. Overcoming these obstacles requires the development of effective logistics solutions, which include dependable transportation networks and prompt service delivery.

7. SUPPLY OF RAW MATERIAL

The promoter must identify local suppliers or distributors for upholstery fabrics, leather, and other materials and establish relationships with wholesalers to ensure a consistent and cost-effective supply of materials for different design preferences. Secondly, they must collaborate with local carpenters or woodworking businesses for the supply of wooden frames or components. Quality adhesives are crucial for structural integrity and long-term durability. The promoter must also identify suppliers for adhesives, varnishes, and finishing materials necessary for repairing and refinishing sofa sets.

8. BUSINESS MODEL

A sofa repair and upholstery shop in Uttarakhand should strategically plan its business layout for optimal efficiency and customer satisfaction. Located in a central and residential area, the workshop should be well-organized with dedicated spaces for sofa repair, upholstery, material storage, and quality control. A welcoming customer reception and consultation area, along with a workstation for customization will facilitate effective communication with clients.

9. BUSINESS PROCESS

- Consultation with the customer: The promoter must learn about the needs and preferences of the customer for upholstery or sofa repair.
- Evaluation and Quote: The focus should be to examine the furniture for a thorough evaluation and accordingly a quote should be presented.
- Material Selection: The promoter must facilitate clients with a selection of appropriate materials, fills, and fabrics for their furniture.
- Repair/Upholstery Work & Quality Control: They must carry out expert repair or upholstery work according to the predetermined guidelines. The final items live up to the high standards by conducting comprehensive quality tests.
- Delivery/Pickup: The promoter must lastly plan for the repaired or upholstered goods to be delivered or picked up at a convenient time.

10. MANPOWER REQUIREMENT

Sr. No	Particulars	No.	No. of month in year	Wages/Salaries per month (Rs. In Lakhs)	Annual Expense (Rs. In Lakhs)
1	Self-employed	1	-	-	-
2	Skilled Artisan	2	12	0.25	3.60
3	Carpenter	2	12	0.08	1.92
	Total				5.52

11. IMPLEMENTATION SCHEDULE

Sr. No.	Activity	Time Required (in months)
1	Acquisition of premises	1
2	Construction (if applicable)	1.5
3	Procurement & installation of Plant & Machinery	2.5
4	Arrangement of Finance	1
5	Recruitment of required manpower	1
6	Total time required (some activities shall run concurrently)	3

12. COST OF PROJECT

Sr. No.	Particulars	Annual Expenses (Rs. in lakhs)
1	Pre-operative and preliminary Exp.	0.09
2	Equipment and Furniture Exp.	2.58
3	Working Capital	6.87
	Total Project Cost	9.54

13. MEANS OF FINANCE

Bank-term loans are assumed @ 60%

Sr. No.	Particulars	Annual Expenses (Rs. in lakhs)
1	Promoter's contribution	3.82
2	Bank Finance	5.72
	Total	9.54

14. EQUIPMENT & FURNITURE

Sr. No.	Particulars	Unit	Price per Unit (Rs. in lakhs)	Total Amount (Rs. in lakhs)
1	Tools and equipment (Staple Guns, Sewing Machines, Scissors and Cutting Tools, Hammers and Mallets, Needle-Nose Pliers, Upholstery Needles, Measuring Tape, Screwdrivers and Wrenches, Hot Glue Gun, Wood Glue, Spray Adhesive, etc.)	-	1.00	1.00
2	Storage & Cabinets	4	0.05	0.20
3	Shelves	4	0.05	0.20
4	Computer & Software	1	0.75	0.75
5	Lighting	1	0.20	0.20
6	Safety gear	1	0.08	0.08
7	Office Chairs	3	0.05	0.15
	Total Rs.			2.58

Local suppliers in India offer a wide range of furniture and fixtures. The entrepreneur can avail office furniture after thorough research and analysis. Below are the tentative suppliers in India. Besides these, online platforms such as India Mart, Trade Mart, etc. can also be explored for ordering online.

1. Yash Enterprise
Village Bichai, Pilibhit Road,
District Champawat, Tanakpur,
Uttarakhand-262309,
India
2. Dewash Plywood & Hardware
Nakronda Road, Near Kukri Factory,
Harawala, Dehradun-248008,
Uttarakhand, India
3. Sudershan Measuring And Engineering Pvt. Ltd
No. 4781, Hauz Qazi,
Chawri Bazar, Delhi- 110006,
New Delhi, India

15. SALES REALISATION

Sr. No	Product	Sales in Percentage
1	Sofa Repair & Upholstery Services	75.0%
2	Refinishing & Polishing	10.0%
3	Customizations and On-Site Repair Work	10.0%
4	Cushion Replacement	5.0%
	Total	100.00%

16. PROFITABILITY CALCULATIONS

The basis of profit calculations;

Sr. No	Particulars	Annual Expenses (Rs. in lakhs)
A.	Sales realisation	35.10
B.	Cost of production	
i)	Raw materials	22.82
ii)	Utilities	0.20
iii)	Manpower Cost (Salaries/wages)	5.52
iv)	Administrative expenses	0.08
v)	Packaging Cost	0.11
vi)	Material Lost Cost	0.11
vii)	Selling & distribution expenses	2.04
ix)	Rent	0.45
x)	Interest	0.65
	Total (B)	31.98
	Gross profit/loss (A – B)	3.12
	Less: Depreciation	0.28
C.	PBIT	2.84
D	Income-tax	0.57
E	Net profit/loss	2.27
F.	Repayment (Annual)	0.55
G.	Retained surplus (E-F)	1.72

17. BREAKEVEN ANALYSIS*(Rs. in lakhs)*

Fixed cost	
Land & Building Rent	0.45
Depreciation	0.28
Interest	0.65
Manpower	1.66
Total Fixed cost	3.04
Variable cost	
Raw materials	22.82
Utilities	0.20
Manpower	3.86
Administrative expenses	0.08
Selling & distribution expenses	2.04
Total Variable cost	29.00
Contribution margin	20%
Break-Even Point in Value	15.18

18. STATUTORY/GOVERNMENT APPROVALS

It is important to comply with regulations before starting a sofa repair and upholstery business.

1. Shop and establishment license is necessary for operating sofa service & repairing wherein working hours, employment conditions, and other regulatory requirements are stipulated.
2. Trade License: The business has to obtain a trade license from the local municipal corporation. This license permits to carry out commercial activities within a specific jurisdiction.
3. Fire safety certification is an important certificate to obtain from the local fire department. Any kind of furniture store has to meet the necessary fire safety standards to ensure the safety of the working premises.

19. TRAINING CENTERS AND COURSES

Training centers that offer professional training and certification in entrepreneurship and business management are as follows:

1. National Institute for Entrepreneurship and Small Business Development (NIESBUD)
Regional Centre, Dehradun
NSTI Campus, Green Park, Dehradun-248001,
Uttarakhand, India
2. Indian Institute of Entrepreneurship(IIE)
NH-37 Bypass, Near Game Village,
Lalmati Guwahati- 781029,
Assam, India
3. Institute of Entrepreneurship Development(IEDUP)
A- 1 & 2, Industrial Area, Sarojini Nagar,
Kanpur Road, Lucknow-226008,
Uttar Pradesh, 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.