

TAILORING AND CLOTH BUSINESS

1. INTRODUCTION

Uttarakhand boasts distinctive traditional clothing styles that hold sway during cultural events, festivals, and everyday wear. It is at the hands of the local tailors who usually align with the preferences of customers and provide personalized options for traditional attire to meet a consistent demand. The heart of the trade has always remained with the local neighborhoods, streets, and small towns that offer a plethora of opportunities for craftspeople to emerge in techniques and designs. Additionally, the availability of ready-made clothing is limited in remote areas. Tailoring businesses bridge this gap by offering locally accessible and customized clothing choices.

2. SERVICE & ITS APPLICATION

Tailoring businesses include custom tailoring for individual measurements and preferences, alterations for ready-made clothing, specialization in traditional and bridal attire, and the design of seasonal collections tailored to the region's climate. The business also offers quick alteration and repair services.

3. DESIRED QUALIFICATION FOR PROMOTER

In a tailoring business, desired qualifications encompass a blend of technical expertise and interpersonal skills. Key qualifications include proficiency in tailoring techniques, experience in creating diverse garments, meticulous attention to detail, strong customer service abilities, knowledge of current fashion trends, adaptability to varying styles, creativity in design, and a connection with the local community to understand and meet regional preferences.

4. BUSINESS OUTLOOK AND TRENDS

Leveraging the growth trends in the Indian tailoring market, the tailoring business in Uttarakhand holds significant potential for expansion and success. With the Indian tailoring market estimated at ₹27,000 crore and experiencing a robust year-on-year growth rate of 12%, this presents a lucrative opportunity for tailors to tap into a thriving industry. The state's hilly regions, known for their traditional clothing styles favored during cultural events and festivals, provide tailors in Uttarakhand with a unique selling proposition. Additionally, considering the limited access to ready-made clothing in some remote hilly areas of Uttarakhand, tailoring businesses can position themselves as crucial providers of locally accessible and tailored clothing options.

5. KEY BUSINESS ELEMENTS

- **Quality Craftsmanship:** It is to emphasize the quality of craftsmanship. Delivering well-finished, precise, and high-quality garments will contribute to customer satisfaction and positive word-of-mouth.
- **On-time delivery:** This involves streamlining operations for efficiency and ensuring the delivery of tailored garments.
- **Target Audience:** This includes identifying the target audience, considering factors such as age, cultural background, and lifestyle, and tailoring services to meet specific needs.
- **Specialization:** This involves considering specialization in specific areas, such as traditional attire, bridal wear, or seasonal collections, to differentiate business and meet unique regional demands.

6. MARKET POTENTIAL AND MARKETING ISSUES; IF ANY

The market potential for a tailoring business in Uttarakhand is significant, driven by a

combination of cultural richness, diverse traditional attire, and a growing demand for personalized garments. The increasing trend towards tailored and bespoke garments presents ample opportunities for tailors to cater to the specific needs of the local population. While the market potential is promising, there are several marketing issues that a tailoring business in Uttarakhand will require to navigate. Tailoring businesses are likely to face challenges in adopting and leveraging digital platforms for marketing, especially in more remote areas with limited internet connectivity. They might also face logistical challenges in reaching and providing services to customers in remote hilly areas. Besides, the presence of local tailors and potential competition from larger retail outlets or online platforms can pose challenges. Navigating these marketing issues will require a strategic approach that taps into the vast market potential and establish itself as a valuable contributor to the local fashion landscape.

7. SUPPLY OF RAW MATERIAL

The supply of raw materials involves sourcing high-quality fabrics and materials from reliable suppliers, emphasizing local sourcing for traditional textiles, and maintaining a diverse inventory to meet customer preferences.

8. BUSINESS MODEL

Designing an effective business layout for a tailor involves optimizing the use of space, ensuring efficiency in operations, and creating a welcoming environment for customers. Key elements include an area for customer interactions, individual workstations with good lighting, fitting rooms for adjustments, storage for materials, and a designated area for sewing machines.

9. BUSINESS PROCESS

- Customer consultation: The first step is ascertaining requirements, taking measurements, and talking about possibilities for style, fabric, and design.
- Design Approval: The second step involves showcasing ideas, talking through changes, and getting the customer's approval of the finished product.
- Fabric Sourcing and Inventory Check: The next step is locating textiles, checking for quality, and getting customer confirmation on selections.
- Cutting and Pattern Making: This stage involves drawing or choosing patterns, transferring dimensions, and cutting fabric pieces correctly.
- Sewing and Construction: Followed by that, it involves using a sewing machine, accurately fitting and stitching fabric pieces together, and paying attention to design details.
- Fittings and Adjustments: Performing fittings, making the required modifications, and verifying the last details are all done at this step
- Final Finishing: Pressing, finishing any last details or stitches, and making sure everything is in working order is performed towards the end.
- The last step is packaging and handing it to the clients.

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 (Tailors)	2	12	0.12	2.88
3	Helper	1	12	0.1	1.2
	Total				4.08

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.	0.16
2	Equipment and Furniture Exp.	10.65
3	Working Capital	5.99
	Total Project Cost	16.80

13. MEANS OF FINANCE

Bank-term loans are assumed @ 60%

Sr. No.	Particulars	Annual Expenses (Rs. in lakhs)
1	Promoter's contribution	6.72
2	Bank Finance	10.08
	Total	16.80

14. EQUIPMENT & FURNITURE

Sr. No	Particulars	Unit	Price per Unit (Rs. in lakhs)	Total Amount (Rs. in lakhs)
1	Tools(Sewing Machines, Over-lock Machine, Irons and Ironing Boards, Cutting Tools (Scissors, Rotary Cutter), Measuring Tools (Tape Measure, Rulers), Tailor's Chalk, Pins and Needles, Thread Spools (Various Colors)	-	1.00	1.00
2	Equipment (Dress Forms (Mannequins), Fabric Cutting Tables, Pattern Drafting Tables, Pressing Machines, Embroidery Machines, Scissors and Shears, Thread Racks or Cabinets, Sewing Machine Accessories (Feet, Bobbins)	-	2.50	2.50
3	Customer Seating Area	1	0.15	0.15
4	Fitting Rooms with Mirrors	1	0.25	0.25
5	Shelving or Cabinets for Fabric Storage	5	0.50	2.50
6	Display Shelves for Finished Garments	5	0.50	2.50

7	Workstations for Tailors (Tables, Chairs)	2	0.50	1.00
8	Computer	1	0.60	0.60
9	Mirrors for Fitting Rooms	1	0.15	0.15
	Total Rs.			10.65

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. Khalsa Display Mannequin
149/1, Main Road, Gandhi Nagar-110031,
Delhi, India
2. Leja Racks and Interior
Near Maharshi School, Dewalchour Kham,
Haldwani, Haldwani-263139,
Uttarakhand, India
3. A-one Creations
B-21, Amar colony,
Lajpat Nagar-IV- 110024,
New Delhi, India

15. SALES REALISATION

Sr. No.	Product	Sales in Percentage
1	Custom tailoring	75.0%
2	Alterations for ready-made clothing	10.0%
3	Design of seasonal collections	10.0%
4	Embellished & Embroidered Souvenirs/Accessories	5.0%
	Total	100.00%

16. PROFITABILITY CALCULATIONS

The basis of profit calculation is;

Sr. No	Particulars	Annual Expenses (Rs. in lakhs)
A.	Sales realization	30.60
B.	Cost of production	
i)	Raw materials	19.89
ii)	Utilities	1.00
iii)	Manpower Cost (Salaries/wages)	4.08
iv)	Administrative expenses	0.38
v)	Packaging Cost	0.10
vi)	Material Lost Cost	0.10

vii)	Selling & distribution expenses	0.90
viii)	Repairs & maintenance	0.00
ix)	Rent	0.45
	Total (B)	28.05
	Gross profit/loss (A – B)	2.55
	Less: Depreciation	1.09
C.	PBIT	1.47
D.	Income-tax	0.29
E.	Net profit/loss	1.17
F.	Repayment (Annual)	0.97
G.	Retained surplus (E-F)	0.20

17. BREAKEVEN ANALYSIS

(Rs. in lakhs)

Fixed cost	
Land & Building Rent	0.45
Depreciation	1.09
Interest	1.15
Manpower	1.22
Total Fixed cost	3.91
Variable cost	
Raw materials	19.89
Utilities	1.00
Manpower	2.86
Administrative expenses	0.38
Selling & distribution expenses	0.90
Total Variable cost	25.03
Contribution margin	20%
Break-Even Point in Value	19.54

18. STATUTORY/GOVERNMENT APPROVALS

It is important to comply with certain business regulations before starting a beauty salon and spa business.

1. Shop and establishment license is necessary for operating a salon wherein working hours, employment conditions, and other regulatory requirements are stipulated.
2. Registration of salon for Goods and Service Tax (GST) with the Goods and Service Tax Network (GSTIN) as it applies to the services covered under the salon.
3. A trade license has to be obtained from the local municipal authority to operate a commercial establishment legally.

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.