

PROJECT REPORT

Of

SURGICAL DRESSES

PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding **Surgical Dresses**.

The objective of the pre-feasibility report is primarily to facilitate potential entrepreneurs in project identification for investment and in order to serve his objective; the document covers various aspects of the project concept development, start-up, marketing, finance and management.

[We can modify the project capacity and project cost as per your requirement. We can also prepare project report on any subject as per your requirement.]



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PROJECT REPORT ON SURGICAL DRESSES (DOCTOR'S DRESS)



INTRODUCTION

Wearing of suitable dresses in hospitals and health clubs by the Doctor and supporting staffs has been accorded a very high priority by the hospital administration in order to identify the different personnel's and also to keep some decorum. The great difficulty in washing and wearing the dresses one after another surgical operations by the Hospital Administrations, coupled with chances of transferring the germs from one to another has lead to usage of disposable garments.

Surgical dresses can be made from white bleached, deep dyed cotton twill fabric and non-woven fabric of suitable quality. These are worn over the normal dresses during performing work. There is exclusive dress meant for surgical operation which can be worn and thrown after each operation. These dresses are made from non-woven textile fabrics of suitable quality. Advantages of using non-woven fabrics for the manufacture of surgical dresses are light in weight, cheaper and available in many colors etc.

MARKET POTENTIAL

Healthcare textiles have well established market in the developed countries where the people are conscious of the risks posed to the healthcare workers, especially from blood borne diseases. Massive growth in population in developing countries and rising standard of living has helped in creating a vast potential for healthcare textiles units. Among various hospital garments, Non woven disposable garments have distinct demand in domestic and international market due to its various advantages.

TECHNICAL ASPECTS

Process of Manufacture

Raw materials like non woven fabric, rib cloth, velcro are checked for their quality. After checking, fabric is kept in layers on cutting table and cutting patterns are marked by chalk. Cutting of different panels is carried out by cutting machine. Cuffs made of rib cloth are attached at sleeves in order to provide elasticity at cuff portion of operation and nurse's gown. Whole garment is made by skilled tailors. Finally, velcros are attached at requisite places. Individual pieces of garments and made ups are checked for its exact measurement, trimmed, ironed and packed as single pieces of gowns. For surgeon hood, face masks caps, a set of 12 pieces are packed in printed polythene bags for proper identification

For manufacture of caps and face masks, fabric pieces are cut in desired shape as per the sizes and made into surgeon hood, caps and masks by stitching. Two side portions of face masks are stitched with plastic stifner card of required size. Four and two pieces of cord made out of unutilized pieces of non woven (cutting refuse) fabric is also attached at the respective side portions of the surgeon hood and face masks for the purpose of tying on the face.

QUALITY CONTROL AND STANDARDS

No specification for this product is available. However, entrepreneurs are required to ensure

good quality of raw material to be purchased, maintenance of machines etc.

Pollution Control

This industry does not involve in generation of pollution.

Energy Conservation

Power requirement is very low, even then energy can be saved by proper house keeping

PRODUCTION CAPACITY (PER ANNUM)

Particular of Dresses	Qty.
Operation Gown	75000
Nurses Gown	75000
Surgeon Hood	150000
Nurses cap	100000
Face Mask (3 layered)	100000
Face Mask (4 layered)	100000
Total	600000

PROJECT AT A GLANCE

- 1 Name of the Entrepreneur : XXXXXXXX
- 2 Constitution (legal Status) : XXXXXXXX
- 3 Father's/Spouce's Name : XXXXXXXX
- 4 Unit Address : XXXXXXXX
- Taluk/Block: _____
- District : XXXXX
- Pin: XXXXX State: XXXXX
- E-Mail : XXXXX
- Mobile XXXXX
- 5 Product and By Product : **SURGICAL DRESSES (DOCTOR'S DRESS)**
- 6 Name of the project / business activity proposed **SURGICAL DRESSES (DOCTOR'S DRESS)**
- 7 Cost of Project : Rs21.00 lac
- 8 Means of Finance
- | | |
|-------------------|------------------------------|
| Term Loan | Rs.11.66 Lacs |
| KVIC Margin Money | - As per Project Eligibility |
| Own Capital | Rs.2.1 Lacs |
| Working Capital | Rs.7.24 Lacs |
- 9 Debt Service Coverage Ratio : 7.96
- 10 Pay Back Period : 5 Years
- 11 Project Implementation Period : 6 Months
- 12 Break Even Point : 28%
- 13 Employment : 15 Persons
- 14 Power Requirement : 5.00 HP
- 15 Major Raw materials : Non Woven Fabric, velcro
- 16 Estimated Annual Sales Turnover : 107.09 Lacs
- 16 Detailed Cost of Project & Means of Finance

COST OF PROJECT

(Rs. In Lacs)

Particulars	Amount
Land	Rented/Owned
Building & Civil Work (2000 Sq ft)	4.00
Plant & Machinery	6.65
Furniture & Fixtures	1.50
Pre-operative Expenses	0.80
Working Capital Requirement	8.05
Total	21.00

MEANS OF FINANCE

Particulars	Amount
Own Contribution @10%	2.10
Term Loan	11.66
Workign Capital Finance	7.24
Total	21.00

General

Special

Beneficiary's Margin Monery 10%
(% of Project Cost)

5%

PLANT & MACHINERY

Singer model SNLS machine	8	60,000.00	480,000.00
Electric Irons	4	2,500.00	10,000.00
Fabric cutting machine and Table	1	100,000.00	100,000.00
Misc	LS	75,000.00	75,000.00
TotalMachinery			665,000.00

PROJECTED BALANCE SHEET

PARTICULARS	IST YEAR	IIND YEAR	IIRD YEAR	IVTH YEAR	VTH YEAR
<u>SOURCES OF FUND</u>					
Capital Account	2.10	2.10	2.10	2.10	2.10
Retained Profit	13.50	28.22	44.44	63.65	85.71
Term Loan	11.66	8.74	5.83	2.91	1.46
Cash Credit	7.22	7.22	7.22	7.22	7.22
Sundry Creditors	5.23	6.10	6.97	7.84	8.71
Provisions & Other Liab	0.36	0.40	0.44	0.48	0.53
TOTAL :	40.07	52.78	66.99	84.21	105.73
<u>APPLICATION OF FUND</u>					
Fixed Assets (Gross)	12.15	12.15	12.15	12.15	12.15
Gross Dep.	1.47	2.82	4.00	5.02	5.90
Net Fixed Assets	10.68	9.33	8.15	7.13	6.25
Current Assets					
Sundry Debtors	7.50	8.92	10.20	11.48	12.76
Stock in Hand	5.78	6.74	7.71	8.67	9.63
Cash and Bank	13.62	25.03	37.90	53.59	73.43
Deposits & Advances	2.50	2.75	3.03	3.33	3.66
TOTAL :	40.07	52.78	66.99	84.21	105.73
	-	-	-	-	-

PROJECTED PROFITABILITY STATEMENT

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
<u>A) SALES</u>					
Gross Sale	107.09	127.50	145.77	164.05	182.32
Total (A)	107.09	127.50	145.77	164.05	182.32
<u>B) COST OF SALES</u>					
Raw Mateiral Consumed	74.67	87.12	99.56	112.01	124.46
Elecricity Expenses	0.43	0.50	0.57	0.64	0.72
Repair & Maintenance	-	1.27	1.46	1.64	1.82
Labour & Wages	9.77	10.74	11.82	13.00	14.30
Depriciation	1.47	1.35	1.17	1.02	0.89
Consumables and Other Expense	2.14	2.55	2.92	3.28	3.65
Cost of Production	88.49	103.54	117.50	131.60	145.83
Add: Opening Stock /WIP	-	2.05	2.39	2.73	3.07
Less: Closing Stock /WIP	2.05	2.39	2.73	3.07	3.41
Cost of Sales (B)	86.44	103.20	117.16	131.26	145.49
C) GROSS PROFIT (A-B)	20.65	24.30	28.61	32.79	36.84
	19%	19%	20%	20%	20%
D) Bank Interest (Term Loan)	0.98	1.05	0.71	0.38	0.06
Bank Interest (C.C. Limit)	0.72	0.72	0.72	0.72	0.72
E) Salary to Staff	3.30	3.63	3.99	4.39	4.83
F) Selling & Adm Expenses Exp.	2.14	2.55	2.92	3.28	3.65
TOTAL (D+E)	7.15	7.95	8.34	8.77	9.26
H) NET PROFIT	13.50	16.35	20.27	24.02	27.57
I) Taxation	-	1.64	4.05	4.80	5.51
J) PROFIT (After Tax)	13.50	14.72	16.22	19.22	22.06

PROJECTED CASH FLOW STATEMENT

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
<u>SOURCES OF FUND</u>					
Share Capital	2.10	-			
Reserve & Surplus	13.50	16.35	20.27	24.02	27.57
Depriciation & Exp. W/off	1.47	1.35	1.17	1.02	0.89
Increase in Cash Credit	7.22	-	-	-	-
Increase In Term Loan	11.66	-	-	-	-
Increase in Creditors	5.23	0.87	0.87	0.87	0.87
Increase in Provisions	0.36	0.04	0.04	0.04	0.05
TOTAL :	41.54	18.61	22.35	25.96	29.38
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	12.15	-	-	-	-
Increase in Stock	5.78	0.96	0.96	0.96	0.96
Increase in Debtors	7.50	1.43	1.28	1.28	1.28
Increase in Deposits & Adv	2.50	0.25	0.28	0.30	0.33
Repayment of Term Loan	-	2.91	2.91	2.91	1.46
Taxation	-	1.64	4.05	4.80	5.51
TOTAL :	27.93	7.19	9.49	10.26	9.55
Opening Cash & Bank Balance	-	13.62	25.03	37.90	53.59
Add : Surplus	13.62	11.42	12.87	15.69	19.83
Closing Cash & Bank Balance	13.62	25.03	37.90	53.59	73.43

COMPUTATION OF MANUFACTURING OF SURGICAL DRESSES (DOCTOR'S DRESS)

Items to be Manufactured	Operation Gown		Nurse Cap
	Nurse Gown	Surgeon Hood	Face Mask (3Layered) Face Mask (4Layered)
Manufacturing Capacity per day	-	2,000	
No. of Working Hour		8	
No of Shift per day		1	
No of Working Days per month		25	
No. of Working Day per annum		300	
Total Production per Annum		600,000.00	
Year		Capacity	
		Utilisation	
IST YEAR		60%	360,000
IIND YEAR		70%	420,000
IIIRD YEAR		80%	480,000
IVTH YEAR		90%	540,000
VTH YEAR		100%	600,000

COMPUTATION OF RAW MATERIAL

Item Name		Quantity of Raw Material	Recovery	Unit Rate of of RM	Total Cost Per Annum (100%)
	100%	-		-	-
Non Woven Fabric (30GSM)	Mts	100,000.00		40.00	4,000,000.00
Non Woven Fabric (60GSM)	Mts	120,000.00		70.00	8400000.00
Rib Knitted Cloth	Kg	25.00		220.00	5,500.00
Velcro	LS				10,000.00
Plastic Film	LS				10,000.00
Polyster sewing dress	LS				20,000.00
Total (Rounded off in lacs)					12,445,500.00
Annual Consumption cost	(In Lacs)				124.46

Raw Material Consumed	Capacity Utilisation	Amount (Rs.)
IST YEAR	60%	74.67
IIND YEAR	70%	87.12
IIIRD YEAR	80%	99.56
IVTH YEAR	90%	112.01
VTH YEAR	100%	124.46

COMPUTATION OF CLOSING STOCK & WORKING CAPITAL

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
<u>Finished Goods</u>					
(15 Days requirement)	2.05	2.39	2.73	3.07	3.41
<u>Raw Material</u>					
(15 Days requirement)	3.73	4.36	4.98	5.60	6.22
Closing Stock	5.78	6.74	7.71	8.67	9.63

COMPUTATION OF WORKING CAPITAL REQUIREMENT

Particulars			Total Amount
Stock in Hand			5.78
Sundry Debtors			7.50
		Total	13.28
Sundry Creditors			5.23
Working Capital Requirement			8.05
Margin			0.82
Working Capital Finance			7.22

BREAK UP OF LABOUR

Particulars		Wages Per Month	No of Employees	Total Salary
				-
Master Cutter		10,000.00	1	10,000.00
Skilled		5,000.00	8	40,000.00
Semi killed Worker		4,000.00	6	24,000.00
				74,000.00
Add: 10% Fringe Benefit				7,400.00
Total Labour Cost Per Month				81,400.00
Total Labour Cost for the year (In Rs. Lakhs)				9.77

BREAK UP OF SALARY

Particulars		Salary Per Month	No of Employees	Total Salary
Supervisor		10,000.00	1	10,000.00
Sales Man		7,000.00	1	7,000.00
Accountant		8,000.00	1	8,000.00
Total Salary Per Month				25,000.00
Add: 10% Fringe Benefit				2,500.00
Total Salary for the month				27,500.00
Total Salary for the year (In Rs. Lakhs)				3.30

COMPUTATION OF DEPRECIATION

Description	Land	Building/shed	Plant & Machinery	Furniture	TOTAL
Rate of Depreciation		10.00%	15.00%	10.00%	
Opening Balance	Leased	-	-	-	-
Addition	-	4.00	6.65	1.50	12.15
	-	4.00	6.65	1.50	12.15
Less : Depreciation	-	0.40	1.00	0.08	1.47
WDV at end of Ist year	-	3.60	5.65	1.43	10.68
Additions During The Year	-	-	-	-	-
	-	3.60	5.65	1.43	10.68
Less : Depreciation	-	0.36	0.85	0.14	1.35
WDV at end of IIInd Year	-	3.24	4.80	1.28	9.33
Additions During The Year	-	-	-	-	-
	-	3.24	4.80	1.28	9.33
Less : Depreciation	-	0.32	0.72	0.13	1.17
WDV at end of IIIrd year	-	2.92	4.08	1.15	8.15
Additions During The Year	-	-	-	-	-
	-	2.92	4.08	1.15	8.15
Less : Depreciation	-	0.29	0.61	0.12	1.02
WDV at end of IV year	-	2.62	3.47	1.04	7.13
Additions During The Year	-	-	-	-	-
	-	2.62	3.47	1.04	7.13
Less : Depreciation	-	0.26	0.52	0.10	0.89
WDV at end of Vth year	-	2.36	2.95	0.93	6.25

REPAYMENT SCHEDULE OF TERM LOAN

11.5%

Year	Particulars	Amount	Addition	Total	Interest	Repayment	CI Balance
IIST YEAR	Opening Balance						
	Ist Quarter	-	11.66	11.66	-	-	11.66
	Iind Quarter	11.66	-	11.66	0.34	-	11.66
	IIIrd Quarter	11.66	-	11.66	0.34	0.73	10.93
	Ivth Quarter	10.93	-	10.93	0.31	0.73	10.20
					0.98	1.46	
IIIND YEAR	Opening Balance						
	Ist Quarter	10.20	-	10.20	0.29	0.73	9.47
	Iind Quarter	9.47	-	9.47	0.27	0.73	8.74
	IIIrd Quarter	8.74	-	8.74	0.25	0.73	8.01
	Ivth Quarter	8.01	-	8.01	0.23	0.73	7.28
					1.05	2.91	
IIIRD YEAR	Opening Balance						
	Ist Quarter	7.28	-	7.28	0.21	0.73	6.56
	Iind Quarter	6.56	-	6.56	0.19	0.73	5.83
	IIIrd Quarter	5.83	-	5.83	0.17	0.73	5.10
	Ivth Quarter	5.10	-	5.10	0.15	0.73	4.37
					0.71	2.91	
IIVTH YEAR	Opening Balance						
	Ist Quarter	4.37	-	4.37	0.13	0.73	3.64
	Iind Quarter	3.64	-	3.64	0.10	0.73	2.91
	IIIrd Quarter	2.91	-	2.91	0.08	0.73	2.19
	Ivth Quarter	2.19	-	2.19	0.06	0.73	1.46
					0.38	2.91	
VVTH YEAR	Opening Balance						
	Ist Quarter	1.46	-	1.46	0.04	0.73	0.73
	Iind Quarter	0.73	-	0.73	0.02	0.73	-
	IIIrd Quarter	-	-	-	-	-	-
	Ivth Quarter	-	-	-	-	-	-
					0.06	1.46	

BREAK EVEN POINT ANALYSIS

Year	I	II	III	IV	V
Net Sales & Other Income	107.09	127.50	145.77	164.05	182.32
Less : Op. WIP Goods	-	2.05	2.39	2.73	3.07
Add : Cl. WIP Goods	2.05	2.39	2.73	3.07	3.41
Total Sales	109.14	127.84	146.11	164.39	182.66
Variable & Semi Variable Exp.					
Raw Material & Tax	74.67	87.12	99.56	112.01	124.46
Electricity Exp/Coal Consumption at 85%	0.37	0.43	0.49	0.55	0.61
Manufacturing Expenses 80%	1.71	3.06	3.50	3.94	4.38
Wages & Salary at 60%	7.84	8.62	9.49	10.44	11.48
Selling & administrative Expenses 80%	1.71	2.04	2.33	2.62	2.92
Intt. On Working Capital Loan	0.72	0.72	0.72	0.72	0.72
Total Variable & Semi Variable Exp	87.03	101.99	116.09	130.28	144.56
Contribution	22.11	25.85	30.02	34.11	38.11
Fixed & Semi Fixed Expenses					
Manufacturing Expenses 20%	0.43	0.76	0.87	0.98	1.09
Electricity Exp/Coal Consumption at 15%	0.06	0.08	0.09	0.10	0.11
Wages & Salary at 40%	5.23	5.75	6.32	6.96	7.65
Interest on Term Loan	0.98	1.05	0.71	0.38	0.06
Depreciation	1.47	1.35	1.17	1.02	0.89
Selling & administrative Expenses 20%	0.43	0.51	0.58	0.66	0.73
Total Fixed Expenses	8.61	9.50	9.75	10.09	10.53
Capacity Utilization	75%	80%	85%	90%	95%
OPERATING PROFIT	13.50	16.35	20.27	24.02	27.57
BREAK EVEN POINT	29%	29%	28%	27%	26%
BREAK EVEN SALES	42.48	46.97	47.47	48.63	50.49

CALCULATION OF D.S.C.R

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
<u>CASH ACCRUALS</u>	14.98	16.07	17.39	20.24	22.94
Interest on Term Loan	0.98	1.05	0.71	0.38	0.06
Total	15.96	17.11	18.10	20.61	23.01
<u>REPAYMENT</u>					
Instalment of Term Loan	2.91	2.91	2.91	1.46	1.46
Interest on Term Loan	0.98	1.05	0.71	0.38	0.06
Total	3.90	3.96	3.63	1.83	1.52
DEBT SERVICE COVERAGE R	4.09	4.32	4.99	11.24	15.14
AVERAGE D.S.C.R.			7.96		

COMPUTATION OF SALE

Particulars	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
Op Stock	-	8,400	9,800	11,200	12,600
Production	360,000	420,000	480,000	540,000	600,000
Less : Closing Stock	8,400	9,800	11,200	12,600	14,000
Net Sale	351,600	418,600	478,600	538,600	598,600
Sale Price per dress	30.46	30.46	30.46	30.46	30.46
Sale (in Lacs)	107.09	127.50	145.77	164.05	182.32

Turnover (per year)	Qty. (pcs.)	Rate/pcs.	Amount (Rs.)
Doctor's Gown	75000	90	6750000
Nurse's Gown	75000	65	4875000
Surgeon Hood	150000	15	2250000
Nurses cap	100000	35	3500000
Face Mask (4 layered)	100000	5	500000
Face Mask (3 layered)	100000	4	400000
	600000	214	18275000
Average Unit Price			30.46

-

109.65

COMPUTATION OF ELECTRICITY

(A) POWER CONNECTION			
Total Working Hour per day		Hours	8
Electric Load Required			5
Load Factor			0.7460
Electricity Charges		per unit	8.00
Total Working Days			300
Electricity Charges (8 Hrs Per day)			71,616.00
Add : Minimim Charges (@ 10%)			
(B) D.G. SET			
No. of Working Days		300	days
No of Working Hours		-	Hour per day
Total no of Hour		-	
Diesel Consumption per Hour		8	
Total Consumption of Diesel		-	
Cost of Diesel		65.00	Rs. /Ltr
Total cost of Diesel		-	
Add : Lube Cost @15%		-	
Total		-	
Total cost of Power & Fuel at 100%			0.72
Year		Capacity	Amount (in Lacs)
IST YEAR		60%	0.43
IIND YEAR		70%	0.50
IIIRD YEAR		80%	0.57
IVTH YEAR		90%	0.64
VTH YEAR		100%	0.72

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