

# PROJECT REPORT

Of

# UNIFORM

## PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding **Uniform making unit.**

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.]

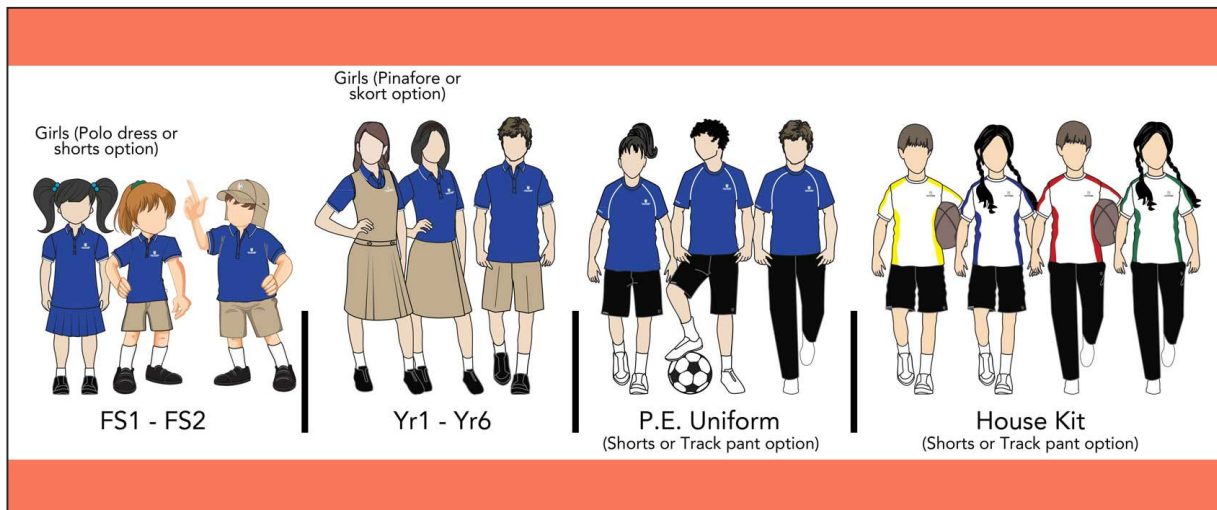


**Lucknow Office:** Sidhivinayak Building ,  
27/1/B, Gokhley Marg, Lucknow-226001

**Delhi Office :** Multi Disciplinary Training  
Centre, Gandhi Darshan Rajghat,  
New Delhi 110002

**Email :** [info@udyami.org.in](mailto:info@udyami.org.in)  
**Contact :** +91 7526000333, 444, 555

# PROJECT REPORT ON SCHOOL UNIFORMS



## INTRODUCTION:

Uniforms bring identity, discipline and culture of equality in a place where large number of people gather like Schools, Colleges, large corporate offices, industrial locations etc. Differentiated uniforms also help identify people belonging to different category or job specification within an organization.

## PRODUCT & ITS APPLICATION:

There would hardly be a secondary or high school which doesn't prescribe a uniform dress code for its students. Uniforms are used in almost all schools as well as in many industries and large stores. Some schools and organizations have different

uniforms for different seasons while most prescribe different uniforms for male and females. In recent times, uniform is being used to make a corporate statement, promote brands and communicate organization philosophy.

#### **INDUSTRY OUTLOOK AND TRENDS:**

School uniforms and to some extent industrial uniforms have been in vogue for many decades. However it is uniform of employees in small and medium industries including Malls, Stores, Showrooms and offices that is driving the demand for uniform sector. More and more enterprises now believe that uniform brings a sense of discipline among the employees and they are willing to spend on such clothing. The trend is catching up quite well and the demand in this segment is likely to grow.

#### **MARKET POTENTIAL AND MARKETING ISSUES, IF ANY:**

While schools prescribed uniform several decades ago, many industries followed the suit in last 30-40 years. These days every small and large organization aspires to prescribe dress code for its employees and many have implemented this policy already. The trend is catching up and therefore market for uniforms is also growing.

#### **RAW MATERIAL REQUIREMENTS:**

The main raw material is light weight fabric made from cotton yarn. Blended fabric offers some cost effective solution to those who find cotton fabric slightly expensive. Both types of fabric, in all colors, designs and prints are available throughout India from Mills, Traders and Agents.

#### **MANUFACTURING PROCESS:**

The fabric purchased in roll form is spread in layers on the cutting table. Patterns of various parts of the garment 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. Garments 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. Labels of the schools or organization are stitched in the end. Some schools or organizations want their logo to be embroidered on the garment. The products are finally cleaned of loose yarn or dirt and packed in plastic bags as per customer requirements.

#### **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.

#### **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.

#### **FINANCIAL PLAN:.**

### 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: XXXXX  
District : XXXXX  
Pin: XXXXX State:  
E-Mail : XXXXX  
Mobile : XXXXX
- 5 Product and By Product : **Uniforms**
- 6 Name of the project / business activity proposed **Uniforms**
- 7 Cost of Project : Rs25.00 lac
- 8 Means of Finance  
Term Loan : Rs.12.57 Lacs  
KVIC Margin Money - As per Project Eligibility  
Own Capital : Rs.2.5 Lacs  
Working Capital : Rs.9.92 Lacs
- 9 Debt Service Coverage Ratio : 6.10
- 10 Pay Back Period : 5 Years
- 11 Project Implementation Period : 6 Months
- 12 Break Even Point : 37%
- 13 Employment : 15 Persons
- 14 Power Requirement : 8.00 HP
- 15 Major Raw materials : Cloth material and accessories
- 16 Estimated Annual Sales Turnover : 119.70 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)	-
Plant & Machinery	13.05
Furniture & Fixtures	0.50
Pre-operative Expenses	0.42
Working Capital Requirement	11.03
<b>Total</b>	<b>25.00</b>

MEANS OF FINANCE

Particulars	Amount
Own Contribution @10%	2.50
Term Loan	12.57
Workign Capital Finance	9.92
<b>Total</b>	<b>25.00</b>

Beneficiary's Margin Monery ( % of Project Cost) General 10% Special 5%

PLANT & MACHINERY

Single Needle Machine	10	60,000.00	600,000.00
Double Needle Machine	5	75,000.00	375,000.00
Overlock Machine	4	40,000.00	<b>160,000.00</b>
Cutting Table & machine	1	100,000.00	100,000.00
Inspection tables	2	35,000.00	70,000.00
<b>Total</b>			<b>1,305,000.00</b>

**PROJECTED CASH FLOW STATEMENT**

<b>PARTICULARS</b>	<b>IST YEAR</b>	<b>IIND YEAR</b>	<b>IIIRD YEAR</b>	<b>IVTH YEAR</b>	<b>VTH YEAR</b>
<b><u>SOURCES OF FUND</u></b>					
Share Capital	2.50	-			
Reserve & Surplus	9.26	12.29	15.98	19.46	22.70
Depriciation & Exp. W/off	1.98	1.71	1.46	1.24	1.06
Increase in Cash Credit	9.90	-	-	-	-
Increase In Term Loan	12.57	-	-	-	-
Increase in Creditors	4.50	0.75	0.75	0.75	0.75
Increase in Provisions	0.36	0.04	0.04	0.04	0.05
<b>TOTAL :</b>	<b>41.08</b>	<b>14.79</b>	<b>18.23</b>	<b>21.50</b>	<b>24.55</b>
<b><u>APPLICATION OF FUND</u></b>					
Increase in Fixed Assets	13.55	-	-	-	-
Increase in Stock	9.54	1.59	1.59	1.59	1.59
Increase in Debtors	5.99	1.31	1.05	1.05	1.05
Increase in Deposits & Adv	2.50	0.25	0.28	0.30	0.33
Repayment of Term Loan	-	3.14	3.14	3.14	1.57
Taxation	-	1.23	3.20	3.89	4.54
<b>TOTAL :</b>	<b>31.58</b>	<b>7.52</b>	<b>9.26</b>	<b>9.98</b>	<b>9.08</b>
Opening Cash & Bank Balance	-	9.50	16.76	25.74	37.26
Add : Surplus	9.50	7.26	8.98	11.52	15.47
Closing Cash & Bank Balance	<b>9.50</b>	<b>16.76</b>	<b>25.74</b>	<b>37.26</b>	<b>52.73</b>

**PROJECTED BALANCE SHEET**

<b>PARTICULARS</b>	<b>IST YEAR</b>	<b>IIND YEAR</b>	<b>IIIRD YEAR</b>	<b>IVTH YEAR</b>	<b>VTH YEAR</b>
<b><u>SOURCES OF FUND</u></b>					
Capital Account	2.50	2.50	2.50	2.50	2.50
Retained Profit	9.26	20.32	33.11	48.68	66.84
Term Loan	12.57	9.43	6.29	3.14	1.57
Cash Credit	9.90	9.90	9.90	9.90	9.90
Sundry Creditors	4.50	5.25	6.00	6.75	7.50
Provisions & Other Liab	0.36	0.40	0.44	0.48	0.53
<b>TOTAL :</b>	<b>39.09</b>	<b>47.80</b>	<b>58.23</b>	<b>71.45</b>	<b>88.84</b>
<b><u>APPLICATION OF FUND</u></b>					
<b>Fixed Assets ( Gross)</b>	13.55	13.55	13.55	13.55	13.55
Gross Dep.	1.98	3.69	5.15	6.39	7.45
Net Fixed Assets	11.57	9.86	8.40	7.16	6.10
<b>Current Assets</b>					
Sundry Debtors	5.99	7.30	8.35	9.40	10.45
Stock in Hand	9.54	11.13	12.72	14.31	15.90
Cash and Bank	9.50	16.76	25.74	37.26	52.73
Deposits & Advances	2.50	2.75	3.03	3.33	3.66
<b>TOTAL :</b>	<b>39.09</b>	<b>47.80</b>	<b>58.23</b>	<b>71.45</b>	<b>88.84</b>
	-	-	-	-	-



**PROJECTED PROFITABILITY STATEMENT**

<b>PARTICULARS</b>	<b>IST YEAR</b>	<b>IIND YEAR</b>	<b>IIIRD YEAR</b>	<b>IVTH YEAR</b>	<b>VTH YEAR</b>
<b><u>A) SALES</u></b>					
Gross Sale	119.70	145.95	166.95	187.95	208.95
<b>Total (A)</b>	<b>119.70</b>	<b>145.95</b>	<b>166.95</b>	<b>187.95</b>	<b>208.95</b>
<b><u>B) COST OF SALES</u></b>					
Raw Mateiral Consumed	90.00	105.00	120.00	135.00	150.00
Elecricity Expenses	0.69	0.80	0.92	1.03	1.15
Repair & Maintenance	-	1.46	1.67	1.88	2.09
Labour & Wages	12.67	13.94	15.33	16.87	18.55
Depriciation	1.98	1.71	1.46	1.24	1.06
Consumables and Other Expense	2.39	2.92	3.34	3.76	4.18
<b>Cost of Production</b>	<b>107.74</b>	<b>125.83</b>	<b>142.72</b>	<b>159.78</b>	<b>177.02</b>
<b>Add: Opening Stock/WIP</b>	-	5.04	5.88	6.72	7.56
<b>Less: Closing Stock/WIP</b>	5.04	5.88	6.72	7.56	8.40
Cost of Sales (B)	102.70	124.99	141.88	158.94	176.18
<b>C) GROSS PROFIT (A-B)</b>	17.00	20.96	25.07	29.01	32.77
	<b>14%</b>	<b>14%</b>	<b>15%</b>	<b>15%</b>	<b>16%</b>
D) Bank Interest (Term Loan )	1.06	1.13	0.77	0.41	0.07
Bank Interest ( C.C. Limit )	0.99	0.99	0.99	0.99	0.99
E) Salary to Staff	3.30	3.63	3.99	4.39	4.83
F) Selling & Adm Expenses Exp.	2.39	2.92	3.34	3.76	4.18
<b>TOTAL (D+E)</b>	<b>7.75</b>	<b>8.67</b>	<b>9.09</b>	<b>9.55</b>	<b>10.07</b>
H) NET PROFIT	9.26	12.29	15.98	19.46	22.70
I) Taxation	-	1.23	3.20	3.89	4.54
J) PROFIT (After Tax)	9.26	11.06	12.79	15.57	18.16

**COMPUTATION OF MANUFACTURING OF UNIFORMS**

Items to be Manufactured

Uniforms

Manufacturing Capacity per day	-	200	
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		60,000.00	
Year		Capacity	
		Utilisation	
IST YEAR		60%	36,000
IIND YEAR		70%	42,000
IIIRD YEAR		80%	48,000
IVTH YEAR		90%	54,000
VTH YEAR		100%	60,000

**COMPUTATION OF RAW MATERIAL**

Item Name		Quantity of Raw Material	Recovery	Unit Rate of of RM	Total Cost Per Annum (100%
Cloth material other accessories and packaging	100%	150,000.00	100%	100.00	150.00
Total (Rounded off in lacs)					150.00
Annual Consumption cost	( In Lacs)				150.00

Raw Material Consumed	Capacity Utilisation	Amount (Rs.)
IST YEAR	60%	90.00
IIND YEAR	70%	105.00
IIIRD YEAR	80%	120.00
IVTH YEAR	90%	135.00
VTH YEAR	100%	150.00

**COMPUTATION OF CLOSING STOCK & WORKING CAPITAL**

<b>PARTICULARS</b>	<b>IST YEAR</b>	<b>IIND YEAR</b>	<b>IIIRD YEAR</b>	<b>IVTH YEAR</b>	<b>VTH YEAR</b>
<b><u>Finished Goods</u></b>					
(15 Days requirement)	5.04	5.88	6.72	7.56	8.40
<b><u>Raw Material</u></b>					
(15 Days requirement)	4.50	5.25	6.00	6.75	7.50
<b>Closing Stock</b>	<b>9.54</b>	<b>11.13</b>	<b>12.72</b>	<b>14.31</b>	<b>15.90</b>

**COMPUTATION OF WORKING CAPITAL REQUIREMENT**

<b>Particulars</b>			<b>Total Amount</b>
Stock in Hand			9.54
Sundry Debtors			5.99
		Total	15.53
Sundry Creditors			4.50
Working Capital Requirement			<b>11.03</b>
Margin			1.12
Working Capital Finance			<b>9.90</b>

**BREAK UP OF LABOUR**

Particulars	Wages Per Month	No of Employees	Total Salary
Stitching machine operator	8,000.00	10	80,000.00
Unskilled Worker	4,000.00	4	16,000.00
			96,000.00
Add: 10% Fringe Benefit			9,600.00
Total Labour Cost Per Month			105,600.00
Total Labour Cost for the year ( In Rs. Lakhs)			12.67

**BREAK UP OF SALARY**

Particulars	Salary Per Month	No of Employees	Total Salary
Designer	10,000.00	1	10,000.00
Sales Man	7,000.00	1	7,000.00
Accountant cum store keeper	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%	
<b>Opening Balance</b>	Leased	-	-	-	-
Addition	-	-	13.05	0.50	13.55
	-	-	13.05	0.50	13.55
Less : Depreciation	-	-	1.96	0.03	1.98
WDV at end of Ist year	-	-	11.09	0.48	11.57
Additions During The Year	-	-	-	-	-
	-	-	11.09	0.48	11.57
Less : Depreciation	-	-	1.66	0.05	1.71
WDV at end of IIInd Year	-	-	9.43	0.43	9.86
Additions During The Year	-	-	-	-	-
	-	-	9.43	0.43	9.86
Less : Depreciation	-	-	1.41	0.04	1.46
WDV at end of IIIrd year	-	-	8.01	0.38	8.40
Additions During The Year	-	-	-	-	-
	-	-	8.01	0.38	8.40
Less : Depreciation	-	-	1.20	0.04	1.24
WDV at end of IV year	-	-	6.81	0.35	7.16
Additions During The Year	-	-	-	-	-
	-	-	6.81	0.35	7.16
Less : Depreciation	-	-	1.02	0.03	1.06
WDV at end of Vth year	-	-	5.79	0.31	6.10

**REPAYMENT SCHEDULE OF TERM LOAN**

11.5%

Year	Particulars	Amount	Addition	Total	Interest	Repayment	CI Balance
IST YEAR	Opening Balance						
	Ist Quarter	-	12.57	12.57	-	-	12.57
	IInd Quarter	12.57	-	12.57	0.36	-	12.57
	IIIrd Quarter	12.57	-	12.57	0.36	0.79	11.79
	Ivth Quarter	11.79	-	11.79	0.34	0.79	11.00
					1.06	1.57	
IIND YEAR	Opening Balance						
	Ist Quarter	11.00	-	11.00	0.32	0.79	10.22
	IInd Quarter	10.22	-	10.22	0.29	0.79	9.43
	IIIrd Quarter	9.43	-	9.43	0.27	0.79	8.64
	Ivth Quarter	8.64	-	8.64	0.25	0.79	7.86
					1.13	3.14	
IIIRD YEAR	Opening Balance						
	Ist Quarter	7.86	-	7.86	0.23	0.79	7.07
	IInd Quarter	7.07	-	7.07	0.20	0.79	6.29
	IIIrd Quarter	6.29	-	6.29	0.18	0.79	5.50
	Ivth Quarter	5.50	-	5.50	0.16	0.79	4.71
					0.77	3.14	
IVTH YEAR	Opening Balance						
	Ist Quarter	4.71	-	4.71	0.14	0.79	3.93
	IInd Quarter	3.93	-	3.93	0.11	0.79	3.14
	IIIrd Quarter	3.14	-	3.14	0.09	0.79	2.36
	Ivth Quarter	2.36	-	2.36	0.07	0.79	1.57
					0.41	3.14	
VTH YEAR	Opening Balance						
	Ist Quarter	1.57	-	1.57	0.05	0.79	0.79
	IInd Quarter	0.79	-	0.79	0.02	0.79	-
	IIIrd Quarter	-	0.00	-	0.00	-	-
	Ivth Quarter	-	0.00	-	0.00	-	-
					0.07	1.57	

**CALCULATION OF D.S.C.R**

<b>PARTICULARS</b>	<b>IST YEAR</b>	<b>IIND YEAR</b>	<b>IIIRD YEAR</b>	<b>IVTH YEAR</b>	<b>VTH YEAR</b>
<b><u>CASH ACCRUALS</u></b>	11.24	12.77	14.24	16.81	19.21
Interest on Term Loan	1.06	1.13	0.77	0.41	0.07
Total	12.30	13.90	15.01	17.22	19.28
<b><u>REPAYMENT</u></b>					
Instalment of Term Loan	3.14	3.14	3.14	1.57	1.57
Interest on Term Loan	1.06	1.13	0.77	0.41	0.07
Total	4.21	4.27	3.91	1.98	1.64
<b>DEBT SERVICE COVERAGE R</b>	<b>2.93</b>	<b>3.25</b>	<b>3.84</b>	<b>8.70</b>	<b>11.76</b>
<b>AVERAGE D.S.C.R.</b>			<b>6.10</b>		

<b>COMPUTATION OF SALE</b>					
Particulars	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
Op Stock	-	1,800	2,100	2,400	2,700
Production	36,000	42,000	48,000	54,000	60,000
	36,000	43,800	50,100	56,400	62,700
Less : Closing Stock	1,800	2,100	2,400	2,700	3,000
Net Sale	34,200	41,700	47,700	53,700	59,700
Sale Price per made ups	350.00	350.00	350.00	350.00	350.00
<b>Sale (in Lacs)</b>	<b>119.70</b>	<b>145.95</b>	<b>166.95</b>	<b>187.95</b>	<b>208.95</b>

The above calculations are based on assumed unit sales price varying from Rs. 250 to Rs. 350 for various products. The key raw material is assumed at a cost range of Rs 45 to Rs. 55 per meter.



**COMPUTATION OF ELECTRICITY**

<b>(A) POWER CONNECTION</b>			
Total Working Hour per day	Hours	8	
Electric Load Required	HP	8	
Load Factor		0.7460	
Electricity Charges	per unit	8.00	
Total Working Days		300	
<b>Electricity Charges ( 8 Hrs Per day )</b>			114,585.60
Add : Minimim Charges (@ 10%)			
<b>(B) D.G. SET</b>			
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%			1.15
Year	Capacity		Amount (in Lacs)
IST YEAR	60%		0.69
IIND YEAR	70%		0.80
IIIRD YEAR	80%		0.92
IVTH YEAR	90%		1.03
VTH YEAR	100%		1.15

### BREAK EVEN POINT ANALYSIS

Year	I	II	III	IV	V
<b>Net Sales &amp; Other Income</b>	119.70	145.95	166.95	187.95	208.95
Less : Op. WIP Goods	-	5.04	5.88	6.72	7.56
Add : Cl. WIP Goods	5.04	5.88	6.72	7.56	8.40
<b>Total Sales</b>	<b>124.74</b>	<b>146.79</b>	<b>167.79</b>	<b>188.79</b>	<b>209.79</b>
<b>Variable &amp; Semi Variable Exp.</b>					
Raw Material & Tax	90.00	105.00	120.00	135.00	150.00
Electricity Exp/Coal Consumption at 85%	0.58	0.68	0.78	0.88	0.97
Manufacturing Expenses 80%	1.92	3.50	4.01	4.51	5.01
Wages & Salary at 60%	9.58	10.54	11.60	12.76	14.03
Selling & administrative Expenses 80%	1.92	2.34	2.67	3.01	3.34
Intt. On Working Capital Loan	0.99	0.99	0.99	0.99	0.99
<b>Total Variable &amp; Semi Variable Exp</b>	<b>104.99</b>	<b>123.05</b>	<b>140.04</b>	<b>157.14</b>	<b>174.35</b>
<b>Contribution</b>	<b>19.75</b>	<b>23.74</b>	<b>27.75</b>	<b>31.65</b>	<b>35.44</b>
<b>Fixed &amp; Semi Fixed Expenses</b>					
Manufacturing Expenses 20%	0.48	0.88	1.00	1.13	1.25
Electricity Exp/Coal Consumption at 15%	0.10	0.12	0.14	0.15	0.17
Wages & Salary at 40%	6.39	7.03	7.73	8.50	9.35
Interest on Term Loan	1.06	1.13	0.77	0.41	0.07
Depreciation	1.98	1.71	1.46	1.24	1.06
Selling & administrative Expenses 20%	0.48	0.58	0.67	0.75	0.84
<b>Total Fixed Expenses</b>	<b>10.49</b>	<b>11.45</b>	<b>11.76</b>	<b>12.18</b>	<b>12.74</b>
<b>Capacity Utilization</b>	<b>75%</b>	<b>80%</b>	<b>85%</b>	<b>90%</b>	<b>95%</b>
<b>OPERATING PROFIT</b>	<b>9.26</b>	<b>12.29</b>	<b>15.98</b>	<b>19.46</b>	<b>22.70</b>
<b>BREAK EVEN POINT</b>	<b>40%</b>	<b>39%</b>	<b>36%</b>	<b>35%</b>	<b>34%</b>
<b>BREAK EVEN SALES</b>	<b>66.27</b>	<b>70.79</b>	<b>71.13</b>	<b>72.68</b>	<b>75.42</b>

## **DISCLAIMER**

The views expressed in this Project Report are advisory in nature. SAMADHAN assume no financial liability to anyone using the content for any purpose. All the materials and content contained in Project report is for educational purpose and reflect the views of the industry which are drawn from various research material sources from internet, experts, suppliers and various other sources. The actual cost of the project or industry will have to be taken on case to case basis considering specific requirement of the project, capacity and type of plant and other specific factors/cost directly related to the implementation of project. It is intended for general guidance only and must not be considered a substitute for a competent legal advice provided by a licensed industry professional. SAMADHAN hereby disclaims any and all liability to any party for any direct, indirect, implied, punitive, special, incidental or other consequential damages arising directly or indirectly from any use of the Project Report Content, which is provided as is, and without warranties.