

BOUTIQUE SHOP

INTRODUCTION

A boutique shop is a specialized retail establishment that offers unique and curated clothing, accessories, and lifestyle products. Unlike large-scale retailers, boutiques focus on individuality, exclusivity, and quality, catering to a niche audience seeking personalized fashion and exceptional craftsmanship. These shops often reflect the personality and creativity of the owner, creating an intimate and welcoming shopping experience.

Boutique shops are known for their attention to detail, offering limited-edition items or custom-made designs. They appeal to customers who value originality and prefer clothing and accessories that stand out from mass-market offerings. Establishing a boutique allows entrepreneurs to showcase their creativity while meeting the growing demand for stylish, high-quality products.



MARKET POTENTIAL

The boutique shop industry has significant market potential due to evolving consumer preferences and the growing demand for personalized fashion. Key factors driving this potential include:

1. Demand for Unique Products:

- Consumers are increasingly looking for exclusive designs that reflect their individuality, making boutiques an attractive option.

2. Rising Middle-Class Spending Power:

- As disposable incomes grow, more people are willing to invest in high-quality and unique products offered by boutique shops.

3. Trend Toward Sustainable Fashion:

- Boutiques often focus on sustainability by offering handcrafted, locally sourced, or limited-edition items, aligning with the values of eco-conscious shoppers.

4. Customized Experiences:

- Personalized shopping experiences, including one-on-one consultations and tailored products, enhance customer loyalty and differentiate boutiques from mainstream retail stores.

5. Special Events and Occasions:

- Increasing demand for unique outfits for weddings, parties, and festive occasions provides opportunities for boutique shops to cater to these needs.

6. Online Expansion:

- The integration of e-commerce allows boutiques to reach a global audience, expanding their market beyond local customers.

The boutique industry thrives in urban and suburban areas where customers seek unique and high-quality fashion alternatives. The growth of social media and online platforms further amplifies the potential, providing an avenue for targeted marketing and wider reach.

SERVICES PROVIDED

A boutique shop offers a variety of services that cater to diverse customer needs and preferences:

1. Customized Clothing:

- Tailored outfits designed to match the customer's style, measurements, and preferences.
- Includes formal wear, casual wear, ethnic wear, and fusion styles.

2. Exclusive Collections:

- Limited-edition collections that feature unique designs and high-quality fabrics.
- Seasonal and themed collections to keep the offerings fresh and appealing.

3. Personal Styling Services:

- Expert consultations to help customers choose outfits that suit their body type, occasion, and personal style.

4. Accessory Coordination:

- A curated range of accessories such as jewelry, handbags, scarves, and footwear to complement the clothing line.

5. Alteration Services:

- In-house alteration services to ensure a perfect fit for off-the-rack purchases.

6. Private Shopping Experiences:

- Personalized shopping sessions for individuals or small groups, offering exclusive access to collections and styling advice.

7. Sustainable Fashion Options:

- Eco-friendly clothing lines made from organic or recycled materials, appealing to environmentally conscious consumers.

8. Online Shopping Platform:

- An integrated e-commerce website or app to provide convenience for customers who prefer online shopping.

CAPITAL ASSETS

Tailoring Equipment:

- **Sewing Machines:** High-performance sewing machines for various fabrics and stitching techniques.



- **Overlock Machines:** Essential for finishing edges and preventing fraying.
- **Buttonhole Machines:** Specialized machines for creating buttonholes with precision.

Tools and Accessories:

- Measuring tapes, scissors, pins, needles, and rulers for accurate pattern-making and stitching.



PROJECT AT A GLANCE - TOP SHEET

1 Name of the Beneficiary **XXXXXXX**

2 Constitution(Legal Status) **Individual**

3 Father/Spouse Name XXXXXXXX

4 Unit Address XXXXXXXX

Taluk/Block: **XXXXXXX**
District : **XXXXXXX**
Pin: **XXXXXXX** State: **XXXXXXX**
E-Mail : **XXXXXXX**
Mobile **XXXXXXX**

5 Cost of Project	:	Rs.	4.11	in Lakhs
(i) Capital Asset			2.50	in Lakhs
(ii) Furniture & Fixtures			0.50	in Lakhs
(iii) Working Capital Required			1.11	in Lakhs

6 Means of Finance	:	Rs.		
(i) Term Loan			2.70	in Lakhs
(ii) Working Capital			1.00	in Lakhs
(iii) Own Capital			0.41	in Lakhs
			4.11	in Lakhs

7 Debt Service Coverage Ratio : **3.97**

8 Break Even Point : 29.25%

9 Plant & Machinery : Display racks, sewing machines, dress forms

10 Employment : 4

11 Power Requirement : 3.00

12 Name of the project / business activity : Boutique Shop

PROJECTED CASH FLOW STATEMENT

PARTICULARS	YEAR-I	YEAR-II	YEAR-III	YEAR-IV
<u>SOURCES OF FUND</u>				
Capital	0.41	-	-	-
Reserve & Surplus	2.07	2.58	3.19	3.83
Depriciation & Exp. W/off	0.43	0.36	0.31	0.27
Increase in Cash Credit	1.00	-	-	-
Increase In Term Loan	2.70	-	-	-
Increase in Creditors	0.14	0.02	0.02	0.03
Increase in Provisions	0.50	0.03	0.03	0.03
TOTAL :	7.24	2.99	3.55	4.15
<u>APPLICATION OF FUND</u>				
Increase in Fixed Assets	3.00	-	-	-
Increase in Debtors	0.69	0.11	0.12	0.13
Repayment of Term Loan	0.54	0.72	0.72	0.72
Drawings	1.50	2.00	2.50	3.00
TOTAL :	5.73	2.83	3.34	3.85
Opening Cash & Bank Balance	-	1.51	1.67	1.88
Add : Surplus	1.51	0.16	0.21	0.30
Closing Cash & Bank Balance	1.51	1.67	1.88	2.19

PROJECTED BALANCE SHEET

PARTICULARS	YEAR-I	YEAR-II	YEAR-III	YEAR-IV
<u>SOURCES OF FUND</u>				
Capital Account	-	0.98	1.56	2.24
Add: Addition	0.41			
Add : Net Profit	2.07	2.58	3.19	3.83
	2.48	3.56	4.74	6.07
Less : Drawings	1.50	2.00	2.50	3.00
NET OWN FUNDS	0.98	1.56	2.24	3.07
Term Loan	2.16	1.44	0.72	-
Cash Credit	1.00	1.00	1.00	1.00
Sundry Creditors	0.14	0.16	0.18	0.21
Provisions & Other Liab	0.50	0.53	0.55	0.58
TOTAL :	4.78	4.68	4.70	4.86
<u>APPLICATION OF FUND</u>				
Fixed Assets	3.00	3.00	3.00	3.00
Less : Depreciation	0.43	0.79	1.10	1.37
Net Fixed Assets	2.58	2.21	1.90	1.63
Current Assets				
Sundry Debtors	0.69	0.80	0.91	1.04
Cash and Bank	1.51	1.67	1.88	2.19
TOTAL :	4.78	4.68	4.70	4.86

PROJECTED PROFITABILITY STATEMENT

PARTICULARS	YEAR-I	YEAR-II	YEAR-III	YEAR-IV
Probability %	50%	55%	60%	65%
<u>SALES</u>				
Gross Receipts/Sale	10.35	11.96	13.70	15.58
Total	10.35	11.96	13.70	15.58
COST OF SALES				
Consumables	4.14	4.79	5.48	6.23
Power & Fuel Expenses	1.04	1.20	1.37	1.56
Salary to Staff	1.55	1.79	2.05	2.34
Selling & Adm Expenses Exp.	0.72	0.90	1.03	1.17
Depreciation	0.43	0.36	0.31	0.27
Interest on Term Loan	0.30	0.24	0.16	0.08
Interest on Working Capital	0.11	0.11	0.11	0.11
TOTAL (D+G)	8.28	9.38	10.51	11.75
NET PROFIT	2.07	2.58	3.19	3.83
	19.96%	21.55%	23.27%	24.57%
CASH ACCRUALS	2.49	2.94	3.50	4.10

REVENUE REALIZATION

Boutique Shop

Expected no of garments per Day	10	Garments
No. of Working Hour	10	
No of Working Days per month	25	
No. of Months	12	
Expected no of garments per annum	3,000	Garments

Year	Probability	Garments
YEAR-I	50%	1,500
YEAR-II	55%	1,650
YEAR-III	60%	1,800
YEAR-IV	65%	1,950

COMPUTATION OF REVENUE

Particulars	YEAR-I	YEAR-II	YEAR-III	YEAR-IV
No of Clients served				
Boutique Shop	1,500	1,650	1,800	1,950
Avg Revenue per garment	690.00	725.00	761.00	799.00
Gross Receipts (in lacs)	10.35	11.96	13.70	15.58

COMPUTATION OF AVERAGE SERVICE CHARGES			
			Amount in ₹ Lacs
Services	No of garments per day	Service Charges	Total
Blouse	1,000	600.00	6,00,000.00
Kurti	800	500.00	4,00,000.00
Suit	600	1,200.00	7,20,000.00
Palazzo/Sharara	500	700.00	3,50,000.00
Lehnga	100	2,000.00	2,00,000.00
Total	3,000	5,000.00	20,70,000.00
Weighted Average Service Charges			690.00
<i>Note- Average price has been calculated due to wide range of services.</i>			

COMPUTATION OF DEPRECIATION

Description	Plant/Machinery Equipments	Furniture	TOTAL
Rate of Depreciation	15.00%	10.00%	
Opening Balance	-	-	-
Addition	2.50	0.50	3.00
	2.50	0.50	3.00
Less : Depreciation	0.38	0.05	0.43
WDV at end of Year-1	2.13	0.45	2.58
Additions During The Year	-	-	-
	2.13	0.45	2.58
Less : Depreciation	0.32	0.05	0.36
WDV at end of Year II	1.81	0.41	2.21
Additions During The Year	-	-	-
	1.81	0.41	2.21
Less : Depreciation	0.27	0.04	0.31
WDV at end of Year III	1.54	0.36	1.90
Additions During The Year	-	-	-
	1.54	0.36	1.90
Less : Depreciation	0.23	0.04	0.27
WDV at end of Year IV	1.31	0.33	1.63

TERM LOAN

Year	Opening Balance	Repayment	Closing Balance	Interest @ 11%
1st	2.70	0.54	2.16	0.30
2nd	2.16	0.72	1.44	0.24
3rd	1.44	0.72	0.72	0.16
4th	0.72	0.72	0.00	0.08

BREAK EVEN POINT & RATIO ANALYSIS				
Particulars	1st Year	2nd Year	3rd Year	4th Year
Fixed Cost	2.49	2.82	3.15	3.53
Variable Cost	5.80	6.57	7.36	8.23
Total Cost	8.28	9.38	10.51	11.75
Sales	10.35	11.96	13.70	15.58
Contribution (Sales-VC)	4.55	5.39	6.34	7.35
Probability	50%	55%	60%	65%
B.E.P in %	27%	29%	30%	31%
Break Even Sales in Rs.	2.83	3.43	4.09	4.85
Net Profit Ratio	19.96%	21.55%	23.27%	24.57%
<u>CALCULATION OF D.S.C.R</u>				
PARTICULARS	YEAR-I	YEAR-II	YEAR-III	YEAR-IV
<u>CASH ACCRUALS</u>	2.49	2.94	3.50	4.10
Interest on Term Loan	0.30	0.24	0.16	0.08
Total	2.79	3.18	3.66	4.17
<u>REPAYMENT</u>				
Instalment of Term Loan	0.54	0.72	0.72	0.72
Interest on Term Loan	0.30	0.24	0.16	0.08
Total	0.84	0.96	0.88	0.80
DEBT SERVICE COVERAGE RATIO	3.33	3.32	4.16	5.22
AVERAGE D.S.C.R.			3.97	