

# Manufacturing of Hosiery Products



## Introduction

Hosiery industry has occupied a unique place in the industrial scenario of our country by generating substantial export earnings and creating lot of employment. Its contribution to industrial production, employment and export earnings is very significant. This industry provides one of the basic necessities of life. The employment provided by it is a source of livelihood for millions of people. It also provides maximum employment with minimum capital investment. Since this industry is highly labor-intensive, it is ideally suited to Indian condition. Manufacturing of gents and Ladies Sweaters and Long under Garment (Daraz) along with skull caps, socks and mufflers find wide acceptance in local and international markets.

## Market Snapshot

Since Kashmir's climate is pretty cold, the demand for the hosiery products particularly sweaters is ever growing. The demand is mainly met through imports from the neighboring states. The huge charges made by tailors and delay in delivery have made people to switch over to readymade garments. Being a tourist destination, the people associated with this trade find good market to sell their manufactured products.

There is a huge demand for winter clothing in Kashmir but small manufacturers who operate in an unorganized manner from their houses fail to connect with the buyers. The lack of exposure to latest technological innovations and designs affects their products in the competitive market. Therefore there is huge potential for entrepreneurs to generate employment for themselves as well as for others in manufacturing of hosiery products.

## Raw Materials

Raw material for hosiery products is readily available anywhere in India especially Delhi, Panipat, Ghaziabad, Ludhiana etc.

- Elastic Yarn
- Cotton yarn
- Woolen Yarn
- Daffodil Yarn

## Process of Manufacture:

Dyed woollen/mixed yarn in different shades is wound on the wooden bobbins by a process known as winding. These bobbins are placed on Knitting Machines and Yarn is converted into knitted cloth. This knitted cloth is cut into pieces as per the required length. Both the ends of these cut pieces are stitched or overlocked and fringes are attached. The items are then pressed, packed and marketed.

## Financials

<b>Total Capital Cost</b>	<b>9.0 Lakh</b>
a) Land	Leased/Owned
b) Building	2.0 lakh
c) Machinery/Equipments	7.0 lakh
<b>Operational Cost for first 3 months</b>	<b>5.0 Lakh</b>
<b>Grand Total</b>	<b>14.0 Lakh</b>

## Sales/Earning

<b>Total Returns/Earnings for 3 months</b>	<b>16.0 Lakh</b>
Sale of hosiery products	16.0 Lakh

## Challenges

- Shortage of local skilled labor.
- Outdated skills of workers.
- To keep up with the fast changing technology and machinery.
- Infrastructure bottleneck.
- Raw Materials & Electricity.

## Opportunities

- Huge demand for winter wear because of harsh winters in Kashmir.
- Evergrowing winter tourism.
- Increasing imports from the neighboring states adds a lot to the scope for establishment of hosiery units in Kashmir.
- The local hosiery dealers prefer to buy the finished goods from the local manufacturers because of various toll clearances in importing finished stocks.
- With the help of latest technology, the growing demand for designer hosiery products can be catered locally.

## Relevant Govt. departments

- Industry and commerce department.
- Pollution control Board(PCB)
- Power Development Department (PDD)
- Public Health Engineering (PHE).
- State Industrial Development Corporation (SIDCO)

## Checklist:

### 1. Land

- Area: 01 kanal
- Lease deed, No Objection Certificate from Pollution Control Board.

### 2. Building

#### Size of different sheds

- Shed for Machinery : 20 X 25 sq ft
- Raw material : 10 X 10 sq ft
- Finished Goods : 20 X 20 sq ft

### 3. Machinery/Equipment

- Flat knitting Machine 2 No
- Circular knitting Machine 1 No.
- Overlock Sewing Machine 1 No.
- Winding machine 1 No.
- Steam Iron 1 No
- Sewing Machine 1 No
- Hydro extractor 1 No
- Dryer 1 No
- DG set(28Kw) 1 No

### 4. Money

- Check various schemes at JKEDI

### 5. Buyers

- Households.
- Whole sellers and dealers
- Retailers
- Export Market

### 6. Suppliers

- Registered Dealers of
  - Machinery/Equipments
  - Yarn
  - Dyes
  - Lubricant