# LEATHER FINISHING FOR SOFA & AUTOMOTIVE UPHOLSTERY

**Capacity:**

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<table>
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<tr>
<td>Plant and machinery cost:</td>
<td>91.00 Lakh</td>
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<tr>
<td>Working Capital:</td>
<td>0.00 Lakh</td>
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<tr>
<td>Rate of return(ROR):</td>
<td>43.00 %</td>
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<td>Break Even Point (BEP):</td>
<td>55.00 %</td>
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<td>TCI:</td>
<td>249.00 Lakh</td>
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<tr>
<td>Cost of Project:</td>
<td>249.00 Lakh</td>
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Leather is the fastest growing upholstery material used today due to its strength, supple feel, wear ability, and ability to breathe. With an average lifespan four times that of fabric; leather represents a tremendous value to the consumer. Upholstery Leather for furniture and automotive is manufactured from hides that are a by-product of the beef and dairy industries. Leather is a beautiful product and is durable, hygienic, stylish and easy in maintenance. It provides an interior with warmth and shows the beauty of nature. Leather finishes are merely used to protect and beautify natural belle of leather. Leather is widely popular in market due to its high richness, strength and durability. Leather finishes prevent and seal leather from external environmental pollution and surroundings. Leather Finishing is a process undertaken for enhancing and protecting the natural beauty of the hide. The leather is re-tanned and dyed, ready for finishing to the highest possible standards. Automotive upholstery leather is very different from furniture leather. Auto Leather is more durable than furniture-grade leather because it goes through different tanning and finishing processes. Automotive leather upholstery has a stronger finish than that used for domestic leather furniture. All leather comes from one source; the hides of animals. Different animal skins are used to produce a variety of looks in leather. Automotive leather upholstery used was high quality top grain full grain leather with a pigmented solvent-based Nitrocellulose lacquer coating, which required oil-based products that contained solvents to keep them from becoming brittle and cracking. Only the highest quality top grain (the top 0.05 inches of the hide) was selected for their use, this grade of leather is now only used in less than 10% of automobiles. Over time they acquired a patina and a soft hand that was typical of this kind of leather hide. All of which requires old world skills and products to maintain them. Leather, once the exclusive domain of the wealthy, has become an attainable luxury for an expanding market segment. Increased affluence as well as increased awareness of leather's unique properties has both been credited with the upswing in the popularity and attainability of leather. The opportunity to specialize in an upholstery niche market is often overlooked by upholstery shops, because in trying to welcome all potential customers shops miss out on customers who are looking for an expert in a niche. Upholstery work is profitable because it is hard and not everyone wants to do it. The Automotive industry is the key driver of any growing economy. A sound transportation system plays a pivotal role in a country’s rapid economic and industrial development. The well-developed Indian automotive industry ably fulfils this catalytic role by producing a wide variety of vehicles. India’s automotive industry is now worth $34 billion and expected to grow $145 billion in another ten years. The Indian automotive industry is growing at a very high rate with sales of more than one million passenger vehicles per annum. The overall growth rate is 10-15 per cent annually. India is the world’s second largest manufacturer of two-wheelers, fifth largest manufacturers of commercial vehicles as well as largest manufacturer of tractors. It is the fourth largest passenger car market in Asia and home to the largest motorcycle manufacturer. Automotive is decidedly the fastest growing market for leather upholstery in the world. The growing trends in the automotive sector are directly related to upholstery leather because there will be a lot of demand and supply for automotive upholstery leather for finishing of such products for this sector. In a similar fashion, as in many emerging markets, India is experiencing a rapid phase of urbanization with a change in lifestyles, a growing demand for engineered wood panel products, and a high infrastructure; industry sources expect positive growth for wood furniture’s sector. The upholstery leather furniture is somewhat related to the luxurious life style of rapid urbanization and improved spending power. The Indian Economy is surging ahead by leaps and bounds, keeping pace with rapid urbanization, increased literacy levels, and rising per capita income are some of the key social drivers thus giving a strong signal to the possibility of Indian upholstery leather industry realizing its huge potential in the near future. There is a very good scope in this sector and new entrepreneurs should venture in this segment. Cost Estimation: Capacity:18000 Pcs. Upholstery for Furniture/Annum 18000 Pcs. Upholstery for Automotive/Annum Each Pcs. Avg. 25 Sq.Ft.
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