



BUSINESS PLAN · INDIA

Ethnic-Wear / Fashion Brand

Beautiful, quality, well-designed ethnic wear across occasions

TEXTILE

AISEVAK.IN · BY ABL DIGITAL TECHNOLOGIES

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This document is confidential and prepared for planning purposes. All financial figures are illustrative model assumptions for an Indian MSME context and must be validated against live quotes, local rates and professional advice before any investment or borrowing decision.

1. Executive Summary

This plan sets out an **Ethnic-Wear / Fashion Brand** in India — a designer apparel brand creating & selling ethnic & fusion wear (sarees, lehengas, kurtas, sherwanis, indo-western, occasion & festive wear) under its own label, designed in-house & produced via own/contract manufacturing, sold through D2C/online, own/multi-brand retail, marketplaces & exhibitions. It earns fashion-brand margins on differentiated, designed, occasion-led apparel, monetising India's vast ethnic-wear market, weddings/festivals & brand/design — a design-, brand-, inventory- & marketing-driven fashion business with seasonality & fashion risk.

India's ethnic-wear market is huge & growing, anchored by weddings, festivals, occasions & a revival of ethnic/fusion fashion, alongside the D2C/online apparel boom & premiumisation. A fashion brand earns attractive margins (design + brand) on differentiated apparel, with the key levers being design/product, brand & marketing (CAC), inventory & markdown management (fashion/season risk), channel mix (D2C/retail/marketplace) & repeat. It is design-, brand-, inventory- & CAC-sensitive; success rests on design/product, brand, inventory discipline & channel/marketing.

This is a brand/fashion business with a blended funding profile — promoter + self-funded/angel equity for design, inventory & growth (DPIIT if scaling). This plan models an ethnic-wear brand requiring **₹45 lakh** (₹16 lakh promoter + ₹29 lakh self-funded/angel + WC), targeting **₹90 lakh** revenue in Year 1 and **₹2.5 crore** by Year 3. *(Ethnic-wear/fashion brand; design/brand-margin, inventory-/CAC-sensitive, D2C+retail+marketplace, occasion/season-driven.)*

2. Business Description, Vision & Legal Structure

Concept: A designer ethnic-wear/fusion fashion brand - own label, in-house design, own/contract manufacturing - sold via D2C/online, retail, marketplaces & exhibitions; occasion/festive/wedding-led.

Vision: To build a loved ethnic-wear/fashion brand.

Mission: Delight customers with beautiful, quality, well-designed ethnic wear across occasions.

Legal structure options

- **Private Limited / LLP** — recommended (for brand, funding, IP & scale).
- **Proprietorship / Partnership** — possible for a small designer start.

Regulatory anchor: a fashion brand is an apparel/consumer business — company/GST, Shops & Establishments (retail), textile/apparel labelling & weights-and-measures, trademark/brand IP & design protection, e-commerce/consumer-protection (returns) & DPDP (D2C data), & manufacturing compliance (if own unit; else contract). Design/product, brand & marketing, inventory/markdown management, channel mix & repeat determine success; design-, brand-, inventory- & CAC-sensitive with fashion/season risk.

3. Promoter & Ownership

Led by a promoter/designer with fashion/design, apparel or brand experience & aesthetic sensibility. The team includes design, sourcing/production (own/contract), merchandising/inventory, marketing/D2C & sales/retail. Design/product, brand, inventory discipline & marketing are the differentiators. Ownership & stakes are editable inputs.

4. Market Analysis — India

India's ethnic-wear market is huge & growing, anchored by weddings (a massive spend category), festivals, occasions & a strong ethnic/fusion-fashion revival, alongside D2C/online apparel growth, premiumisation & social-media-driven fashion. Consumers seek design, quality, occasion-appropriateness & brand. The market rewards design/product, brand, marketing, inventory/season management, channel mix & repeat; it is design-, brand-, inventory-/season- & CAC-sensitive & competitive, met with design, brand, inventory discipline & channels.

Demand drivers

- **Weddings & festivals** (huge spend).
- **Ethnic/fusion revival & occasions.**
- **D2C/online apparel** boom.
- **Premiumisation & social media.**
- **Aspiration & brand.**

Market sizing (illustrative framing)

Layer	Definition	Indicative scale
TAM	Ethnic-wear market in India	Very large
SAM	Segment/niche & channels	Substantial
SOM (Yr 1-3)	Customers & orders	Scaling

Target segments

- Wedding & occasion buyers.
- Festive & ethnic-fashion consumers.
- Young/fusion & aspirational.
- D2C/online & retail.

5. Competition & Competitive Advantage

Landscape: established ethnic brands (FabIndia/Manyavar/W/Biba), designers, D2C ethnic brands, marketplaces & local/unbranded. The brand competes on design/product, brand, quality, occasion-fit, channel & value.

The brand's edge

- **Design/product & aesthetic.**
- **Brand & story.**
- **Quality & occasion-fit.**
- **Channel mix (D2C/retail/marketplace).**
- **Repeat & customer connect.**

6. Products & Revenue Model

Stream	Model	Basis
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D2C / online (own brand)	Brand margin (best)	Margin/data
Own / multi-brand retail	Retail/wholesale margin	Reach
Marketplaces	Margin (net fees)	Reach/volume
Exhibitions & occasion/wedding	High-margin occasion	Margin/peaks
Custom/bespoke & premium	Higher margin	Margin/premium

Designed ethnic wear earns attractive fashion-brand margins (design + brand); D2C/own-brand is best margin & data-rich; retail & marketplaces add reach; exhibitions/wedding & custom/premium are high-margin/occasion. Design/product, brand/marketing (CAC), inventory/markdown (fashion/season) & channel mix drive economics — the decisive fashion-brand levers; design & inventory discipline are central.

7. Go-to-Market — Marketing & Sales

- **D2C/online & social** (design/brand content, influencers).
- **Marketplaces & retail** reach.
- **Exhibitions, wedding & festive.**
- **Brand, story & occasion** marketing.
- **Repeat, CRM & loyalty.**

Sales approach

Build brand & desire (design, social, influencers, story) → sell via D2C, marketplaces, retail & exhibitions → peak on wedding/festive → grow custom/premium & repeat → manage inventory/markdown (fashion/season). Design, brand, channel mix & inventory discipline build attractive-margin revenue.

8. Operations Plan

- **Design & production:** in-house design, sourcing (fabric/embellishment), own/contract manufacturing (CMT/vendors), quality; collections/seasons.
- **Process:** design/collection → sourcing & production → inventory & listing → sell (D2C/retail/marketplace/exhibition) → fulfilment & CX → repeat.
- **Inventory & fashion:** collection planning, inventory vs. markdown (season/fashion risk), turns, sizing.
- **Tech & channels:** D2C platform, marketplace/retail, inventory, CRM; content/social.
- **Compliance:** labelling, trademark/design IP, e-commerce/returns, DPDP, manufacturing (own/contract).

Fashion-brand workflow

Stage	Activity	Metric
Design	Collection/product	Differentiation
Produce	Source/manufacture	Cost/quality
Sell	D2C/retail/marketplace	Channel mix/CAC
Peak	Wedding/festive/exhibition	Occasion revenue

Manage	Inventory/markdown/repeat	Turns/repeat
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9. Regulatory, Licences & Compliance (India)

- **Business & retail:** company/GST; Shops & Establishments (retail); Udyam.
- **Product & IP:** textile/apparel labelling & weights-and-measures; trademark/brand IP & design protection.
- **E-commerce & data:** e-commerce/consumer-protection (returns); DPDP (D2C data); marketplace terms.
- **Manufacturing:** own unit (Factories/labour) or contract-manufacturer compliance.

10. Organisation & Manpower Plan

Role	Yr 1	Yr 2	Yr 3
Promoter / designer	1	2	3
Design & merchandising	2	4	6
Sourcing/production & QC	2	4	7
Marketing/D2C & sales/retail	2	5	9
Ops, fulfilment & admin	2	3	5
Total	9	18	30

11. Implementation Timeline & Milestones

Phase	Timeline	Milestone
Setup	Month 0-3	Design/collection, production, D2C, brand, launch
Ramp	Month 3-8	D2C/marketplace, retail, social, festive/wedding
Traction	Month 8-12	Channel mix & brand; ₹90L revenue
Grow	Year 2	Retail, marketplaces, custom/premium, collections
Scale	Year 3	₹2.5cr revenue; brand & channels

12. Financial Plan (Illustrative)

All figures are illustrative model assumptions for an Indian context, shown so the promoter can replace them with live rates. They are not projections of guaranteed results. Ethnic-wear brand; design/brand margins, inventory-/CAC-sensitive, occasion/season-driven.

12.1 Project cost & means of finance

Capital requirement	₹
Design, sampling & branding	8,00,000
Opening inventory (collections)	18,00,000

D2C platform, tech & (small) retail/setup	7,00,000
Marketing launch	8,00,000
Working-capital buffer	4,00,000
Total project cost	45,00,000
Promoter contribution	16,00,000
Self-funded/angel + WC	29,00,000

12.2 Projected Profit & Loss (3 years)

Particulars	Year 1	Year 2	Year 3
D2C / online	40,00,000	80,00,000	1,20,00,000
Retail, marketplace & exhibitions	40,00,000	75,00,000	1,05,00,000
Custom/bespoke & premium	10,00,000	20,00,000	25,00,000
Total revenue	90,00,000	1,75,00,000	2,50,00,000
Product cost (fabric/manufacturing)	40,00,000	78,00,000	1,10,00,000
Marketing & acquisition (CAC)	18,00,000	34,00,000	48,00,000
Salaries & team	18,00,000	32,00,000	48,00,000
Platform, retail, ops & overheads	11,00,000	22,00,000	31,00,000
Interest/other (incl. markdown)	2,00,000	4,00,000	6,00,000
Total expenses	89,00,000	1,70,00,000	2,43,00,000
Net profit (before tax)	1,00,000	5,00,000	7,00,000
Net margin	1.1%	2.9%	2.8%

12.3 Unit economics & break-even

- **Design/brand margin:** ethnic wear earns attractive gross margins (design + brand, often 45–60%); D2C & custom/premium best; product cost is fabric + manufacturing.
- **Inventory/markdown & CAC:** fashion/season inventory risk (markdowns erode margin) & marketing CAC are the key drains — inventory discipline, turns, repeat & efficient CAC/LTV are decisive.
- **Break-even:** near break-even Year 1 (brand/inventory-building & CAC); improving as brand, repeat & channel mix build; inventory & CAC discipline critical.

12.4 Projected Cash Flow — Year 1 (quarterly, illustrative; seasonal)

Particulars (₹)	Q1	Q2	Q3 (festive)	Q4 (wedding)
Opening balance	4,00,000	3,60,000	3,50,000	3,70,000
Collections	16,00,000	20,00,000	26,00,000	28,00,000
Product, marketing, salaries & operating	16,40,000	20,10,000	25,80,000	27,60,000
Closing balance	3,60,000	3,50,000	3,70,000	4,10,000

D2C/marketplace is quick cash; retail carries some credit; inventory (collections) ties up WC ahead of festive/wedding peaks (Q3/Q4). Inventory/markdown discipline, CAC/repeat, channel mix, CC & the WC buffer manage cash; over-inventory (fashion misses/markdowns) & high CAC are the main risks — met with tight collections, turns & repeat.

12.5 Key Performance Indicators to Monitor

- **Sales:** revenue by channel; D2C vs. retail vs. marketplace; AOV; festive/wedding peaks.
- **Margin:** gross margin; markdown %; custom/premium mix.
- **Marketing:** CAC; LTV; repeat rate; ROAS.
- **Inventory:** turns; ageing; sell-through; sizing.

13. Funding Requirement & Investability

Total ask: **₹29 lakh self-funded/angel + WC** against ₹16 lakh promoter contribution — fashion brands are typically self-funded/angel for design, inventory & brand (DPIIT if scaling; WC/inventory finance as sales prove). Investability/viability rests on design/product, brand, gross margin, inventory discipline & CAC/repeat; attractive margins & occasion demand support it (near break-even Year 1 → ₹7 lakh by Year 3). Brand & repeat drive value; inventory & CAC discipline are the watch-items.

13.1 Funding utilisation

Use of funds	₹	% of total
Opening inventory (collections)	18,00,000	40%
Marketing launch	8,00,000	17.8%
Design, sampling & branding	8,00,000	17.8%
D2C platform, tech & retail/setup	7,00,000	15.6%
Working-capital buffer	4,00,000	8.9%
Total	45,00,000	100%

14. Risk Analysis & Mitigation

Risk	Mitigation
Inventory / markdown (fashion/season)	Collection planning; turns; pre-orders/made-to-order; markdown discipline
High CAC / marketing burn	D2C/organic/repeat; influencers; efficient CAC/LTV; content
Design/fashion misses	Design capability; testing; collections; trend sensing
Competition (brands/marketplaces)	Design, brand, quality, occasion-fit & repeat
Working capital & returns	Turns; channel mix; RTO/returns reduction; buffer

15. SWOT Analysis

Strengths Huge ethnic-wear/wedding market; attractive design/brand margins; D2C/repeat; occasion demand; brand value.	Weaknesses Inventory-/markdown- & CAC-sensitive; fashion/design risk; seasonal; competition; funding-dependent to scale.
Opportunities Ethnic/fusion revival; D2C/online; wedding/festive; custom/premium; retail & marketplaces; exports.	Threats Fashion misses & markdowns; CAC inflation; competition & fast-fashion; discretionary cycles.

16. Recommended AiSevak Tools for This Business

This ethnic-wear brand would use AiSevak's Textile vertical tools in delivery:

- **Brand ops:** D2C-store & marketplace/retail, inventory/markdown & turns, CAC-LTV & CRM/repeat tools.
- **Compliance:** labelling & weights-and-measures, trademark/design-IP, e-commerce/returns & DPDP tools (with Legal & Finance verticals).
- **Practice:** Business Plan, gross-margin/CAC-inventory and Break-even tools to model the brand.

17. Key Assumptions & Notes

- Ethnic-wear/fashion brand; own label, in-house design + own/contract manufacturing; D2C + retail + marketplace + exhibitions; occasion/festive/wedding-led.
- Attractive design/brand margins (45–60% gross); inventory/markdown (fashion/season) & CAC are the key drains; inventory discipline, turns, repeat & efficient CAC decisive.
- Self-funded/angel + WC (DPIIT if scaling); GST/Shops-&-Establishments, labelling, trademark/design-IP, e-commerce/returns, DPDP.
- Design, brand, inventory discipline & channel/marketing drive economics; figures illustrative, exclude GST.

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