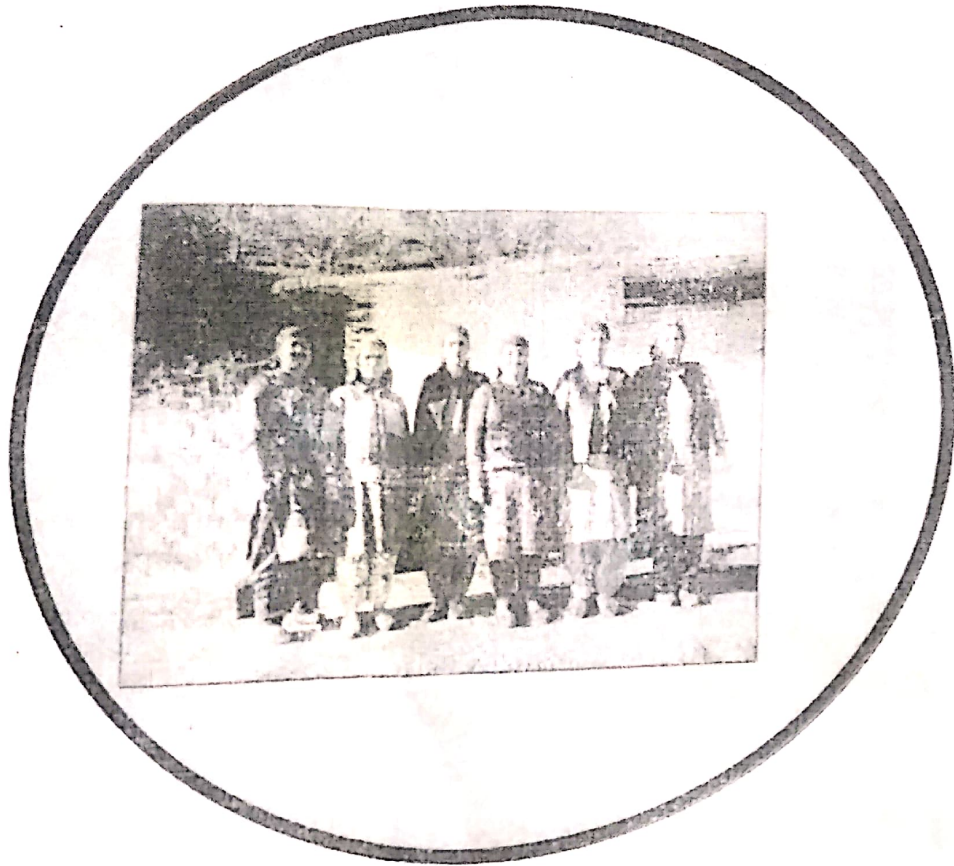


BUSINESS PLAN

INCOME GENERATING ACTIVITY – Cutting and Tailoring

by
Self Help Group Cutting & Tailoring - Peer Maharaj Thundvi ✓



SHG/CIG Name	::	PEER MAHARAJ THUNDVI
VFDS Name	::	CHOUKIYA
Range	::	CHOPAL
Division	::	CHOPAL

Prepared under:



Project for Improvement of Himachal Pradesh Forest Ecosystems
Management & Livelihoods (JICA Assisted)

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1. Background

Cutting and tailoring center by SHG PEER MAHARAJ THUNDVI will be located at village Thundvi P.O.Chopal Tehsil Choapl Distt. Shimla HP. The total households in ward Choukiya are 105 and there are 5 villages in VFDS Choukiya, for which this cutting and tailoring centre will cater for. This centre will provide excellent service and guide the customers about what suits them the best to provide them the product that mark the highest level of satisfaction and comfort for them.

2. Description of SHG/CIG

2.1	SHG/CIG Name	::	SHG Cutting & Tailoring Peer Maharaj Thundvi
2.2	VFDS	::	Choukiya
2.3	Range	::	Chopal
2.4	Division	::	Chopal
2.5	Village	::	Thundvi
2.6	Block	::	Chopal
2.7	District	::	Shimla
2.8	Total No. of Members in SHG	::	6 - females
2.9	Date of formation	::	10-05-2018
2.10	Bank a/c No.	::	37742507514
2.11	Bank Details	::	UCO Bank Chopal
2.12	SHG/CIG Monthly Saving	::	100
2.13	Total saving		600 /-
2.14	Total inter-loaning		--
2.15	Cash Credit Limit		--
2.16	Repayment Status		--

3. Beneficiaries Detail:

Sr.No	Name	Father/Husb and Name	Age	Education	Category	Income Source	Address	Contact No.
1.	Krishna Devi (President)	W/o Rakesh Kumar	37	B.A.	S.C.	Agriculture	Village Thundvi	85805-53715
2.	Raksha Devi (Vice President)	W/o Parmanand	45	5 th	--do--	Agriculture	Thundvi	98161-66048
3.	Rama Kumari (Secretary)	W/o Rajesh Kumar	32	12 th	--do--	Agriculture	Thundvi	98058-55257
4.	Babli (Treasurer)	W/o Govind	28	9 th	--do--	Agriculture	Thundvi	98163-27458
5.	Secma Devi	W/o Ram Lal	33	12 th	--do--	Agriculture	Thundvi	86289-71766
6.	Sheela Devi	W/o Mohan Lal	45	5 th	--do--	Agriculture	Thundvi	98055-95218

4. Geographical details of the Village:

3.1	Distance from the District HQ	::	110Km.
3.2	Distance from Main Road	::	10Km.
3.3	Name of local market & distance	::	Chopal 10Km.
3.4	Name of main market & distance	::	Nerwa, Chopal , 26km and 10 Km
3.5	Name of main cities & distance	::	Shimla 110km
3.6	Name of places/locations where product will be sold/ marketed	::	Nerwa , Chopal

5. Management

Cutting and tailoring centre by SHG Peer Maharaj Thundvi have 6 women members and they will have individual sewing machines and will hire a room in the village to execute their plan and work in a collective manner. Before the start of the actual work in the centre all the members will be imparted a short-term capsule course for training them in cutting and tailoring under some professional trainers.

6. Customers

The primary customers of the centre will mostly be ladies and some cloth merchants around village Thundvi, Choukiya, Jarait. But later on this business can be scaled up by catering to nearby small townships.

7. Target of the centre

The centre primarily aims at providing unique modern and high-class stitching services to the residents of Thundvi village in particular and all other residents of nearby villages.

This centres amis to become the most renowned stitching centre, with quality work, in its area of operation, in coming years.

8. The reason to start this business

Due to the prior experience of the members of this SHG who are already doing same work here and there this IGA has been selected and therefore the SHG is starting this business. This is an effort to combine the skill of various members and scale up their activity to earn more livelihoods.

9. SWOT ANALYSIS

1) Strength

- i) All members are like -minded and have supportive attitude.
- ii) Cutting and Tailoring activity is simple one.

2) Weakness

- i) SHG is new for the activity
- ii) lack experience in group working

3) Opportunities.

- i) Working in a Group may help in higher production.
- ii) Good demand of the activity.
- iii) Provision of **Project Contribution** to the extent of 50% of the capital cost.
- iv) Training and capacity building / Skill upgradation to be borne by the project

4. Threat

- i) Suddenly increase in price of raw material.
- ii) Competitive Market.

10. Business Plan _____ Different Stages.

The SHG Cutting & Tailoring Peer Maharaj Thundvi will hire a spacious room to house the 6 members along with their equipments at a centrally located place which will be easily accessible to all the members. The detailed requirement along with financial projection to start up the project will be as given hereafter under the heading -Capital Cost:

11. Some Initiatives / steps to attract customers

- The center will ensure stitching of the traditional, non- traditional fancy, daily use modern and stylish dresses
- Emphasis will be on stitching fancy and simple clothes for women and children
- The centre will repair all types of defects and ensure that no customer go unattended.
- The SHG , at later stage , may scale up their business by going into readymade garments sale-purchase.

12. Marketing analysis.

This is the most important factor which will ensure the success of our business. A detailed analysis and market survey of the command area is essential ingredient and it will give us the overview of our targeted customers and the members of the group will know the latest demands and trends.

13. Business targets

This SHG Peer Maharaj Thundvi will broadly aim at becoming the best stitching centre in the area and nearby villages. Our goal will be to scale up the business gradually and transform it into profit making unit within next 4-5 years.

14. Financial forecast/ projections

The final rather foremost step to start up the business is to make a financial plan to determine the cost to run the business and it should also cover the business profit which the SHG is going to earn in nutshell a cost benefit analysis is required to be projected.

A. CAPITAL COST				
Sr.No	Particulars	Quantity	Unit Price	Total Amount (Rs.)
1	Sewing machine with tool pedal	06	8600	51600
2	Sewing machine simple/ordinary	-	-	-
3	Room carpet	01	1500	1500
4	Cutting scissors	06	500	3000
5	Tailor's scale	06	200	1200
6	Measuring tape	06	50	300
7	Interlocking machine	01	6800	6800
8	Hangers	02 set	300	600
9	Counter table alongwith wardrobe inbuilt	01	10000	10000
10	Stools	06	300	1800
11	Iron	02	700	1400
12	Almirah	01	7000	7000
13	Chairs	04	500	2000
Total Capital Cost (A) =				87200/-
B. RECURRING COST				
Sr.No	Particulars	Quantity	Price	Total Amount (Rs)
1	Room rent	1	2000	2000
2	Marking material chalk etc.	L/S	L/S	200
3	Sewing thread of different colours	03pct	300	900
4	Oiling pippet	6	50	300
5.	Buttons different types	1 box	1000	1000
6.	Bukerem	20m	80	1600
7.	Misc. expenditure (i.e. electric bills, repair of machines, etc.)	L/S	L/S	2000
Total Recurring Cost (B)				8000/-

16. Income projections:

At the beginning of IGA, is estimated that each member will stitch one ladies suit in a day complete in all respect. The stitching charges as on today for simple suit is approximately 300 per suit. On an average the 6 members of group may stitch 150 ladies suit in a month to be on safer side and keeping in view the other household obligations of the members of group. Therefore the total output of the group is estimated $300 \times 150 = \text{Rs}45000/-$ only.

Analysis of Income and Expenditure (Monthly):

Sr.No.	Particulars	Expenditure / month (Rs)	Income per month (Rs)
1.	10% Depreciation on capital cost i.e. $87200/12 \times 10 = 613$ or say 727Rs.	727	
2.	Total Recurring Cost	8000	
3.	Total	8727	45000
4.	Net Profit (45000 - 8727)	36273	
5.	Distribution of Net Profit	<ul style="list-style-type: none"> • Profit will be distributed equally among all the group members. • Part of the profit will be used for further investment in IGA 	

18. Fund flow in the group:

Sr.No.	Particulars	Total Amount (Rs)	Project contribution	SHG contribution
1	Total capital cost	87200	65400	21800
2	Total Recurring Cost	8727	0	8727
3	Trainings	30000	30000	
	Total outlay	125927/-	95400-	30527/-

Note-

- **Capital Cost** - 75% of the total capital cost will be borne by the Project
- **Recurring Cost** - The entire cost will be borne by the SHG/CIG.
- **Trainings/capacity building/ skill up-gradation** - Total cost to be borne by the Project

19. Sources of funds and procurement:

Project support;	<ul style="list-style-type: none">• 75% of capital cost will be utilized for purchase of machines.• Upto Rs. 1 lakh will be parked in the SHG bank account as a revolving fund.• Trainings/capacity building/ skill up-gradation cost.	Procurement of machines will be done by respective DMU/FCCU after following all caudal formalities.
SHG contribution	<ul style="list-style-type: none">• 25% of capital cost to be borne by SHG.• Recurring cost to be borne by SHG	

20. Trainings/capacity building/skill up-gradation

Trainings/capacity building/ skill up-gradation cost will be borne by project. Following are some trainings/capacity building/ skill up-gradation proposed/needed:

- Team work
- Quality control
- Packaging and Marketing
- Financial Management

21. **Loan Repayment Schedule** - If the loan is availed from bank it will be in the form of cash credit limit and for CCL there is no repayment schedule; however, the monthly saving and repayment receipt from members should be routed through CCL.

- In CCL, the principal loan outstanding of the SHG must be fully paid to the banks once a year. The interest amount should be paid on a monthly basis.
- In term loans, the repayment must be made as per the repayment schedule in the banks.

22. Monitoring Method -

- Social Audit Committee of the VFDS will monitor the progress and performance of the IGA and suggest corrective action if need be to ensure operation of the unit as per projection.
- SHG should also review the progress and performance of the IGA of each member and suggest corrective action if need be to ensure operation of the unit as per projection

23. Group members Photos-



कुमारी देवी



रश्मा देवी



रमा कुमारी



जबली देवी



सीमा देवी



शीला देवी

The Business plan of Self Help Group Cutting & Tailoring Peer Mahraj Thundvir for the IGA of Cutting & Tailoring was presented before the general house of VFDS Choukiya for approval. After long discussion and thoughtful deliberations by the different members, the business plan was approved for adoption in the SHG and further implementation by the members of the SHG

Dated:- 5/11/2021

Place:- Chokia

Kaishna

President SHG

Treasurer

Village Forest Development Society Chokia

[Signature]

Treasure VFDS

President VFDS

Range Forest Officer
Forest Range, Chopal

President
Village Forest Development Society Chokia

[Signature]

DMB-CHM- Divisional Forest Officer
Chopal Forest Division, Chopal

[Signature]