

BUSINESS PLAN

INCOME GENERATING ACTIVITY – Cutting and Tailoring
by
Self Help Group Cutting & Tailoring SHG Jubbar ✓



SHG/CIG Name	::	SHG Jubbar
VFDS Name	::	Jubbar
Range	::	CHOPAL
Division	::	CHOPAL

Prepared under:



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

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Cutting and tailoring center by SHG Jubbar will be located at village Jubbar P.O. Makrog Tehsil Chopal Distt. Shimla HP. The total households in ward Jubbar are 50 and there are 1 villages in VFDS Jubbar, 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 Jubbar
2.2	VFDS	::	Jubbar
2.3	Range	::	Chopal
2.4	Division	::	Chopal
2.5	Village	::	Jubbar
2.6	Block	::	Chopal
2.7	District	::	Shimla
2.8	Total No. of Members in SHG	::	09 - females
2.9	Date of formation	::	26-05-2015
2.10	Bank a/c No.	::	08670110020289
2.11	Bank Details	::	UCO Bank Maraog
2.12	SHG/CIG Monthly Saving	::	100
2.13	Total saving		900 /-
2.14	Total inter-loaning		-
2.15	Cash Credit Limit		--
2.16	Repayment Status		--

3. Beneficiaries Detail:

S.No	Name	Father/Husb and Name	Age	Education	Category	Income Source	Address	Contact No.
1.	Mamta Devi (President)	W/o Rakesh Kumar	47	10 th	General	Agriculture	Village Jubbar	98162-75141
2.	Bhagwati Devi (Vice President)	W/o Kewal Ram	50	Illiterate	S.C.	Agriculture	Jubbar	--
3.	Uma Devi (Secretary)	W/o Manoj Kumar	34	10+2	S.C.	Agriculture	Jubbar	26270-20037
4.	Sarita Devi (Treasurer)	W/o Rajinder Singh	50	5 th	General	Agriculture	Jubbar	88940-35973
5.	Bhagwati	W/o Roshan Lal	57	5 th	General	Agriculture	Jubbar	78765-04771
6.	Geeta Devi	W/o Kameshwar	42	10 th	General	Agriculture	Jubbar	85447-17312
7.	Neena Devi	W/o Devinder Singh	35	10 th	S.C.	Agriculture	Jubbar	90151-09935
8.	Seema Devi	W/o Kamlesh Singh	32	8 th	S.C.	Agriculture	Jubbar	98165-03149
9.	Kanta Devi	W/o Balveer Singh	53	10 th	S.C	Agriculture	Jubbar	88946-34962

4. Geographical details of the Village:

3.1	Distance from the District HQ	::	94
3.2	Distance from Main Road	::	4Km
3.3	Name of local market & distance	::	Chopal, 26 km
3.4	Name of main market & distance	::	Maraog, Chopal , 7km and 26 Km
3.5	Name of main cities & distance	::	Shimla 94km
3.6	Name of places/locations where product will be sold/ marketed	::	Maraog , Chopal

5. Management

Cutting and tailoring centre by SHG Jubbar have 09 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 Jubbar. 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 Jubbar village in particular and all other residents of nearby villages.

This centre aims 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 Jubbar will hire a spacious room to house the 09 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 Jubbar 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 project.

A. CAPITAL COST				
Sr.No	Particulars	Quantity	Unit Price	Total Amount (Rs.)
1	Sewing machine with tool pedal	07	7200	50400
2	Sewing machine simple/ordinary	01	4000	4000
3	Room carpet	01	1800	1800
4	Cutting scissors	09	500	4500
5	Tailor's scale	09	200	1800
6	Measuring tape	09	50	450
7	Interlocking machine	01	6000	6000
8	Hangers	02set	300	600
9	Counter table along with wardrobe inbuilt	01	7500	7500
10	Stools	09	300	2700
11	Iron	03	700	2100
12	Almirah	01	7000	7000
13	Chairs	04	500	2000
Total Capital Cost (A) =				90850/-
B. RECURRING COST				
Sr.No	Particulars	Quantity	Price	Total Amount (Rs)
1	Room rent	1	1800	1800
2	Marking material chalk etc.	L/S	L/S	200
3	Sewing thread of different colours	03	300	900
4	Oiling pippet	09	50	450
5.	Buttons different types	1 box	1000	1000
6.	Bukerem	20m	50	1000
7.	Misc. expenditure (i.e. electric bills, repair of machines, etc.)	L/S	L/S	1000
Total Recurring Cost (B)				6350/-

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 320 per suit. On an average the 09 members of group may stitch 180 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 $320 \times 180 = \text{Rs}57600/-$ only.

Analysis of Income and Expenditure (Monthly)

No.	Particulars	Expenditure / month (Rs)	Income per month (Rs)
1.	10% Depreciation on capital cost i.e. $90850/12 \times 10 = 757$ or say 757 Rs.	757	
2.	Total Recurring Cost	6350	
3.	Total	7107	57600
4.	Net Profit (57600 - 7107)	50493	
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	90850	58043	32807
2	Total Recurring Cost	7107	0	7107
3	Trainings	30000	30000	
	Total outlay	127957/-	88043/-	39914/-

Note-

- **Capital Cost** - 50% and 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">• 50% and 75% of capital cost will be utilized for purchase of machines.• Up to 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">• 50% and 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

Group members Photos-

→ Jubben khat →



Bhagnati Devi



Seemta Aje



Srujita Devi



Bhagi Devi



Neena Devi



Greeta Rapla



Uma Devi



Seema Devi

The Business plan of Self Help Group Cutting & Tailoring SHG JUBBAR.....for the IGA of Cutting & Tailoring was presented before the general house of VFDS.....JUBBAR.....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:- 22/10/2021

Place:- JUBBAR

प्रधान Mamta Astrya

सहयता समूह जुब्बाड़

President SHG

[Signature]
कोषाध्यक्ष

आग्नि वन विभाग, जिल्हा जुब्बाड़

Treasure VFDS

प्रधान [Signature]
आग्नि वन विभाग समिति जुब्बाड़

President VFDS

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Range Forest Officer
FTU Chopal
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