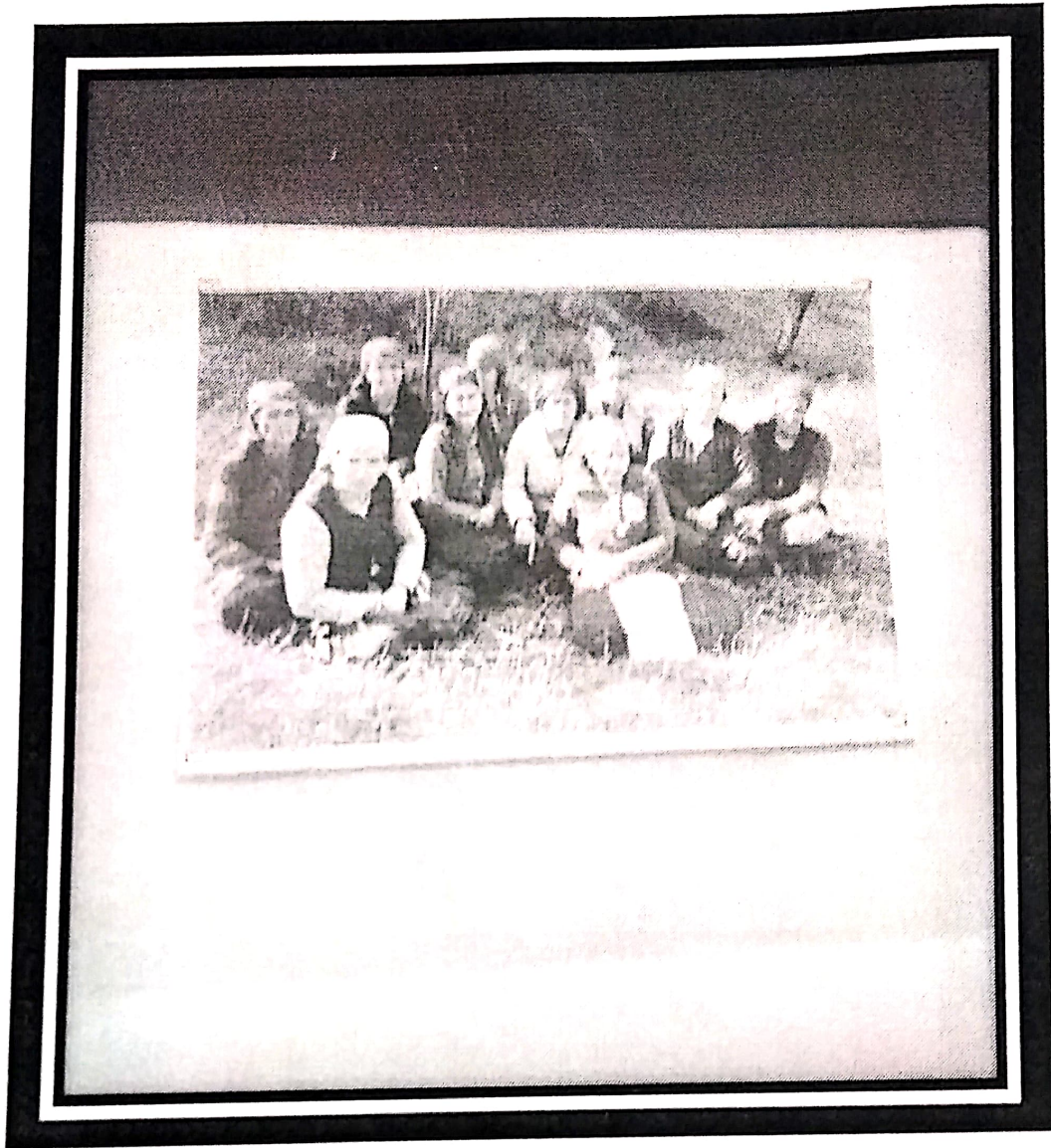


BUSINESS PLAN

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



SHG/CIG Name	::	SHG Mashdoh
VFDS Name	::	Tipra Mashdoh
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 Mashdoh will be located at village Mashdoh P.O. Dewat Tehsil Choapl Distt. Shimla HP. The total households in ward Tipra Mashdoh are 28 and there are 2 villages in VFDS Tipra Mashdoh, 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 Mashdoh
2.2	VFDS	::	Tipra Mashdoh
2.3	Range	::	Nerwa
2.4	Division	::	Chopal
2.5	Village	::	Tipra Mashdoh
2.6	Block	::	Chopal
2.7	District	::	Shimla
2.8	Total No. of Members in SHG	::	10 - females
2.9	Date of formation	::	01-07-2021
2.10	Bank a/c No.	::	30680110013250
2.11	Bank Details	::	UCO Bank Chopal
2.12	SHG/CIG Monthly Saving	::	100
2.13	Total saving		1000 /-
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.	Sulakshna (President)	W/o Netar Singh	32	10+2	General	Agriculture	Village Mashdoh	98164-77678
2.	Sunita Devi (Vice President)	W/o Lt.Mohan lal	55	Illiterate	General	Agriculture	Tipra	98056-05738
3.	Damyanti (Secretary)	W/o Gopal Singh	38	10+2	General	Agriculture	Tipra	94599-83608
4.	Neesha (Treasurer)	W/o Sanjeev Kumar	33	10+2	General	Agriculture	Mashdoh	94592-75884
5.	Surendra Devi	W/o Ramesh Mehta	47	5 th	General	Agriculture	Tipra	--
6.	Sarita	W/o Harinder Mehta	31	10+2	General	Agriculture	Mashdoh	--
7.	Devindra	W/o Yoginder Singh	42	7 th	General	Agriculture	Tipra	--
8.	Banita	W/o Surjeet Mehta	33	10+2	General	Agriculture	Tipra Mashdoh	--
9.	Meera Devi	W/o Ram Singh	43	Illiterate	S.C	Agriculture	Mashdoh	--
10.	Murtu Devi	W/o Jhenku	63	Illiterate	S.C.	Agriculture	Tipra	--

4. Geographical details of the Village:

3.1	Distance from the District HQ	::	105 Km
3.2	Distance from Main Road	::	16 Km
3.3	Name of local market & distance	::	Chopal, 35 km
3.4	Name of main market & distance	::	Nerwa, Chopal , 25km and 35 Km
3.5	Name of main cities & distance	::	Shimla 105km
3.6	Name of places/locations where product will be sold/ marketed	::	Nerwa , Chopal

5. Management

Cutting and tailoring centre by SHG Tipra Mashdoh have 10 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 Tipra and Mashdoh. 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 Tipra and Mashdoh 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

Village Forest Development Society Tipra Mashdoh has been constituted in Tipra Mashdoh ward under JICA assisted Project for Himachal Pradesh Forest Ecosystem Management & Livelihood Improvement. Main occupation of the people here is Agriculture and Horticulture with small land holdings. To increase their income 10 female members of the ward have formed a Self Help Group for linking it to the ongoing JICA assisted Forestry Project in their ward. After long discussion and thoughtful deliberations the SHG has decided to take up the Cutting & Tailoring as income Generation Activity with the prior experience of some of the members of this SHG who are already doing same work. Thus 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 Tipra Mashdoh will hire a spacious room to house the 10 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 Tipra Mashdoh 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	10	7400	74000
2	Sewing machine simple/ordinary	-	-	-
3	Room carpet	01	1500	1500
4	Cutting scissors	10	500	5000
5	Tailor's scale	10	200	2000
6	Measuring tape	10	50	500
7	Interlocking machine	01	6000	6000
8	Hangers	02 set	300	600
9	Counter table alongwith wardrobe inbuilt	01	7500	7500
10	Stools	10	300	3000
11	Iron	03	700	2100
12	Almirah	01	7000	7000
13	Chairs	04	500	2000
Total Capital Cost (A) =				111200/-
B. RECURRING COST				
Sr.No	Particulars	Quantity	Price	Total Amount (Rs)
1	Room rent	1	1500	1500
2	Marking material chalk etc.	L/S	L/S	200
3	Sewing thread of different colours	03pct	300	900
4	Oiling pippet	10	50	500
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)				6100/-

16. Income projections:

At the beginning of IGA, it 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 10 members of group may stitch 155 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 $300 \times 155 = \text{Rs}46500/-$ 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. $111200/12 \times 10 = 927$ or say 927 Rs.	927	
2.	Total Recurring Cost	6100	
3.	Total	7027	46500/-
4.	Net Profit (46500 - 7027)	39473/-	
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 	

IS Fund flow in the group:

Sr.No.	Particulars	Total Amount (Rs)	Project contribution	SHG contribution
1	Total capital cost	111200/-	61160/-	50040/-
2	Total Recurring Cost	7027/-	0	7027/-
3	Trainings	30000	30000	0
	Total outlay	148227/-	91160/-	57067/-

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.• 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">• 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.

21. 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



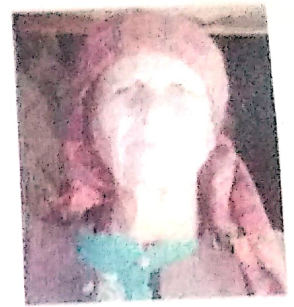
Surendra



Devindra



Meera Devi



Meera Devi



Sunita Devi



Nisha



Banita



Divyanka



Sarita



Sulksana

The Business plan of Self Help Group Cutting & Tailoring... SHG Mashdoh for the IGA of Cutting & Tailoring was presented before the general house of VFDS Tipra Mashdoh 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: 2-11-2021

Place:-

Sulakshna
President SHG
सुलक्षणा शर्मा
President SHG

[Signature]
Treasurer
Village Forest Development
Society & CD & Li
Unit Tipra, Mashdoh
Treasurer VFDS

[Signature]
President
Village Forest Development
Society & CD & Li
Unit Tipra, Mashdoh
President VFDS

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Range Forest Officer
Forest Range, Chopal

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Divisional Forest Officer
Chopal Forest Division
Divisional Forest Officer
Chopal Forest Division, Chopal