

BUSINESS PLAN

INCOME GENERATING ACTIVITY – CUTTING AND TAILORING

BY

EKTA – SELF HELP GROUP



SHG/CIG Name	::	EKTA
VFDS Name	::	Prerna VFDS Ruhil-Malog
Range	::	Saraswati-nagar
Division	::	Rohru

Prepared under:



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

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1. Description of SHG/CIG

2.1	SHG/CIG Name	::	Ekta
2.2	VFDS	::	Prerna VFDS Ruhil-Malog
2.3	Range	::	Sarswati-nagar
2.4	Division	::	Rohru
2.5	Village	::	Malog
2.6	Block	::	Jubbal-Kotkhai
2.7	District	::	Shimla
2.8	Total No. of Members in SHG	::	09 – females
2.9	Date of formation	::	September,2020
2.1 0	Bank a/c No.	::	13810110030974
2.1 1	Bank Details	::	Uco Bank Anti
2.1 2	SHG/CIG Monthly Saving	::	100/-
2.1 3	Total saving		11000/-
2.1 4	Total inter-loaning		---
2.1 5	Cash Credit Limit		--
2.1 6	Repayment Status		--

2. Beneficiaries Detail:

Sr. No	Name	Father/Husband Name	Age	Category	Income Source	Address
1	Pushpa Devi	Sh. Rakesh	31	SC	Agriculture	Malog
2	Rameshi Devi	Sh. Lokinder	36	SC	Agriculture	Malog
3	Geeta Devi	Sh. Rajinder Singh	38	SC	Agriculture	Malog
4	Roshani Devi	Sh. Jiwan Singh	53	SC	Agriculture	Malog
5	Guddi Devi	Sh. Balak Ram	47	SC	Agriculture	Malog
6	Shanu Devi	Sh. Chain Ram	31	SC	Agriculture	Malog
7	Amita Devi	Sh. Lachhi Ram	33	SC	Agriculture	Malog
8	Santosh Devi	Sh. Prem Lal Thapa	47	SC	Agriculture	Malog
9	Sunita Devi	Sh. Layak Ram	32	SC	Agriculture	Malog

3. Geographical details of the Village

3.1	Distance from the District HQ	::	120 Km
3.2	Distance from Main Road	::	100 Mtrs.
3.3	Name of local market & distance	::	Anti-Sarswatinagar-Rohru 13 kmtrs
3.4	Name of main market & distance	::	Anti 6 Kmtrs, Rohru—33 Kmtrs
3.5	Name of main cities & distance	::	Shimla—120 Kmtrs
3.6	Name of places/locations where product will be sold/ marketed	::	Villages covered – Ruhil, Bajhanu, Malog, Nandpur, Sabhar etc. Institutions nearby---Senior Secondary, Sub-Tehsil, College etc.

4. Executive Summary

Cutting and tailoring income generation activity has been selected by Ekta Self Help Group. This IGA will be carried out by all ladies of this SHG initially. Different types of suits will be stitched by this group initially. This activity is being already done by some ladies of this group. Group members will work with less machines initially and as group members' skill/ efficiency improve then group will purchase more machines. This business activity will be carried out whole year by group members. Suits will be stitched as per order by consumer and cloth will be provided by consumer or depends on order.

5. Description of Product related to Income Generating Activity

1	Name of the Product	::	Stitched Suit
2	Method of product identification	::	This activity is being already done by some SHG ladies. Has been decided by group members
3	Consent of SHG/ CIG / cluster	::	Yes

members		
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6. Description of Production Planning

6.1	Time taken	::	1 suit takes around 3-4 hours to complete
6.2	Number of ladies involved	::	All ladies.
6.3	Source of raw materials	::	Local market/ Main market
6.4	Source of other resources	::	Local market/ Main market
6.5	Expected stitched suits per day	::	5 suits initially

7. Description of Marketing/ Sale

7.1	Potential market places/locations	::	Anti, Saraswatinagar, Rohru, Jubbal etc.
7.2	Stitching work demand	::	Throughout year and high demand at the time of festive and marriage occasions.
7.3	Process of identification of market	::	Group members will contact nearby villagers/households/institutions.
7.4	Marketing Strategy		SHG members will directly take orders (individual levels/ group level) from nearby villagers/households/institutions.

8. Risk Analysis

- Skill based
- Demand driven
- Highly competitive market

9. Description of Management among members

By mutual consent SHG group members will decide their role and responsibility to carry out the work. Work will be divided among members according to their mental and physical capabilities.

- Some group members will involve in Pre-Production process (i.e- procuring of raw material etc.)
- Some group members will involve in Production process.
- Some group members will involve in Packaging and Marketing.

10. Description of Economics:

A.	CAPITAL COST			
Sr.No	Particulars	Quantity	Unit	Total Amount

			Price	(Rs.)
1	Sewing Machine	9	6000	54000
2	Interlock Machine	1	6000	6000
3	Tailor Scissor	9	500	4500
4	Tailoring Ruler Set	9	600	5400
5	Sewing Tailor Tape	9	100	900
6	Iron Press	2	700	1400
7	Almirah	3-4	LS	10000
8	Hanger	3 set	400	1200
9	Chairs, Table etc	Approx	LS	5000
Total Capital Cost (A) =				88400

B. RECURRING COST					
Sr.no	Particulars	Unit	Quantity	Price	Total Amount (Rs)
1	Sewing threads	Reels/Suits/month	180	10	1800
2	Other finishing materials (bookerm, neck etc)	Suits/month	LS	LS	4000
3	Rent	Month			1000
4	Other (stationary, electricity bill, transportation, machine repair)	Month			1000
Total Recurring Cost (B)					7800

C. Cost of Production (Monthly)		
Sr. No	Particulars	Amount (Rs)
1	Total Recurring Cost	7800
2	10% depreciation annually on capital cost	780
Total		8580

D. Stitched Suit price (per suit)					
Sr.No	Particulars	Unit	Quantity	Amount (Rs)	
1	Simple suit	1	1	250-300	
2	Other (Plazo, lining etc)	1	1	300-350	

11. Analysis of Income and Expenditure (Monthly):

Sr.No	Particulars	Amount (Rs)
1	10% depreciation annually on capital cost	780
2	Total Recurring Cost	7800
3	Total Stitched Suit per month	150 (approx quantity)
4	Selling Price of Stitched Suit (per suit)	250
5	Income generation (150*250)	37,500
6	Net profit (37,500 - 8580)	28,920

7	Distribution of net profit	<ul style="list-style-type: none"> • Profit will be distributed equally among members monthly/yearly basis. • Profit will be used for further investment in IGA
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12. Fund requirement:

Sr.No	Particulars	Total Amount (Rs)	Project contribution	SHG contribution
1	Total capital cost	88400	66,300	22,100
2	Total Recurring Cost	7800	0	7800
3	Trainings	50000	50000	0
	Total	146200	116300	29900

Note-

- **Capital Cost** - 75% of capital cost to be covered under the Project being SC Group
- **Recurring Cost** - To be borne by the SHG/CIG.
- **Trainings/capacity building/ skill up-gradation** - To be borne by the Project

13. Sources of fund:

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. • Trainings/capacity building/skill up-gradation cost. 	Procurement of machines will be done by respective DMU/FCCU after following all codal 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 	

14. 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

15. 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 not 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.

16. 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-

Group Members Photo



Resolution-cum-Group Consensus

It is decided in the General House Meeting of the group Ekta SHG Malog, held on 3-09-2020 at Malog, that our group will undertake the Cutting Tailoring, as Livelihood Income Generation Activity under the Project for Improvement of Himachal Pradesh Forest Ecosystems Management & Livelihoods (JICA Assisted).

Rishi
Signature of Group Pradhan
President
Ekta Self Help Group Malog
G.P Nandpur

Rameshi
Signature of Group Secretary
President Secretary
Ekta Self Help Group Malog
G.P Nandpur

Business Plan Approval by VFDS

.....Ekta Self Help group will undertake the.....Cutting - Tailoring..... as
Livelihood Income Generation Activity under the Project for Improvement of
Himachal Pradesh Forest Ecosystems Management & Livelihoods (JICA Assisted).
In this regard Business Plan of amount (Rs).....146,200-00.....has been
submitted by this group on dated.....and this business plan has been
approved bySamsidhi.....VFDS.Ruhil Malog.

Business Plan with SHG resolution is being submitted to DMU through FTU for
further action, please.

Thank you

President Sapta
Prerna Vill. Forest
Development Society
Vill. Ruhil Malog G.P. Nandpur

Signature of VFDS Pradhan

S. S. Datta

Signature of VFDS Secretary

Name & Signature of Authorized Signatories

1	<p>President <i>Beta</i> Pre-forest Development Society Vill. Ruhil Malog G.P. Nandpur (President) VFDS Ruhil Malog</p>	2	<p><i>Pushpa</i> (President) "Ekta" SHG Ruhil Malog</p>
3	<p>Secretary <i>B.S. Rawat</i> Pre-forest Society Development Society Vill. Ruhil Malog G.P. Nandpur (Secretary) VFDS Ruhil Malog</p>		<p><i>Rameshi</i> (Secretary) "Ekta" SHG Ruhil Malog</p>

Submitted to DMU through FTU

[Signature]
 Name & Signature of FTU Officer
 Range Forest Officer
 Saraswati Nagar

[Signature]
 Name & Signature of FTU Co-coordinator
 F. T. U. Coordinator
 F.T.U./Range S. Nagar
 D. M. U. Rohru

Approved

[Signature]
 Divisional Forest Officer
 Rohru Forest Division Rohru

Name & Signature of DMU Officer