

# BUSINESS PLAN

INCOME GENERATING ACTIVITY – Cutting and Tailoring

by

Punch veer - Self Help Group



SHG/CIG Name	::	Punch Veer CUTTING & TAILORING
VFDS Name	::	Dushad
Range	::	Sainj
Division	::	Seraj

Prepared under:



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

## Table of Contents

Sl. No.	Particulars	Page/s
1.	Background	3
2.	Description of SHG/CIG	3
3.	Beneficiaries Detail:	4
4.	Geographical details of the Village:	4
5.	Management	4
6.	Customers	5
7.	Target of the centre	5
8.	The reason to start this business	5
9.	The initial stage to start the business	5
10.	Some salient features to attract customers	6
11.	Marketing analysis of cutting & tailoring business	6
12.	Business targets	6
13.	Financial forecast/ projections	6
14.	Description of Economics:	7
15.	ome projections:	8
16.	Analysis of Income and Expenditure (Monthly):	8
17.	Fund flow in the group:	8
18.	Sources of funds and procurement:	9
19.	Trainings/capacity building/skill up-gradation	9
20.	Loan Repayment Schedule	9
21.	Monitoring Method	9
22.	Group Photo	11

## 1. Background

Cutting and tailoring center by SHG Punch Veer will be located at village kansha P.O. Banogi Tehsil Sainj, Distt. Kullu HP. The total households in village Dushad are 67 and 4 to 3 small villages surrounding Dushad 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	::	Punch veer Cutting & Tailoring
2.2	VFDS	::	Dushad
2.3	Range	::	Sainj
2.4	Division	::	Banjar
2.5	Village	::	Kansha
2.6	Block	::	Banjar
2.7	District	::	Kullu
2.8	Total No. of Members in SHG	::	10 - females
2.9	Date of formation	::	31/01/2022
2.10	Bank a/c No.	::	50074462559
2.11	Bank Details	::	KCC SAinj
2.12	SHG/CIG Monthly Saving	::	100
2.13	Total saving		8000
2.14	Total inter-loaning		-
2.15	Cash Credit Limit		--
2.16	Repayment Status		--

### 1. Beneficiaries Detail:

Sr. No	Name	Father/Husband Name	Age	Category	Income Source
1.	Naina Devi	Sita Ram	28	General	agriculture
2.	Churadevi	PremSng	29	General	agriculture
3.	JabitraDev	Om Praksh	23	General	agriculture
4.	Pingla Devi	Ravti Ram	29	General	agriculture
5.	Javitri Devi	Ram Lal	39	General	agriculture
6.	Jai Dasi	Suresh	30	General	agriculture
7.	Durga Devi	Dinesh Kumar	35	General	agriculture
8.	Roshna Devi	Gulab Chand	31	General	agriculture
9.	Chavitra Devi	Devender Kumar	31	General	agriculture
10.	Rkmani Devi	Giri Raj	35	General	agriculture

### 3. Geographical details of the Village:

3.1	Distance from the District HQ	::	66 Km
3.2	Distance from Main Road	::	1 $\frac{1}{2}$ Km
3.3	Name of local market & distance	::	Sainj 15 km
3.4	Name of main market & distance	::	Kullu, 56km
3.5	Name of main cities & distance	::	Sainj, 15km Bhuntar, 45
3.6	Name of places/locations where product will be sold/ marketed	::	Sainj ,Kullu

### 4. Management

Cutting and tailoring centre by SHG Punch Veer 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.

## 1. Customers

The primary customers of our centre will mostly be ladies and some cloth merchants around village Kansha but later on this business can be scaled up by catering to nearby small townships.

## 2. Target of the centre

The centre primarily aims at to provide unique modern and high class stitching service to the residents of Dushad village in particular and all other residents of nearby villages.

This centre will ensure to become the most renowned stitching centre with quality work in its area of operation in coming years.

## 3. 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.

## 4. The initial stage to start the business

The SHG Punch veer 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 under:

1. Room rent = 2000 / month
2. Sewing machine with foot pedal = 10 @ 8000 = 8000
3. Sewing machine simple / ordinary = 1 @ 3000 = 3000
4. Room carpet 1 @ = 1500
5. Cutting scissors = 12 @ 250 = 3000
6. Tailors scale = 12 @ 200 = 2400
7. Measuring tape = 12 @ 50 = 600
8. Marking material Chalk = 100
9. Iron = 10 no's. 700 = 7000
10. Sewing thread different colours = 4 pkt @ 500 = 2000
11. Oiling pippet = 12 no's. 50 = 600

### **10. Some salient features 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.
- Later on the SHG may scale up their business by going into readymade garments sale-purchase.

### **11. Marketing analysis of cutting & tailoring business**

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.

### **12. Business targets**

This SHG Punch veer 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 3-5 years.

### **13. 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.

**Description of Economics:**

<b>A. CAPITAL COST</b>				
<b>Sr.No</b>	<b>Particulars</b>	<b>Quantity</b>	<b>Unit Price</b>	<b>Total Amount (Rs.)</b>
1	Sewing machinewith tool pedal	10	8000	80000
2	Sewing machine simple/ordinary	01	3000	3000
3	Room carpet	01	1500	1500
4	Cutting scissors	12	450	5400
5	Tailor`s scale	12	200	2400
6	Measuring tape	12	50	600
7	Interlocking machine	01	6000	6000
8	Hangers	12	100	1200
9	Counter table alongwith wardrobe inbuilt	01	8000	8000
10	Stools	12	500	6000
11	Iron	10	700	7000
	<b>Total Capital Cost (A) =</b>			<b>121100</b>
<b>B. RECURRING COST</b>				
<b>Sr.No</b>	<b>Particulars</b>	<b>Quantity</b>	<b>Price</b>	<b>Total Amount (Rs)</b>
1	Room rent	1	2000	2000
2	Marking material chalk etc.	L/S	L/S	100
3	Sewing thread of different colours	04 m	500	2000
4	Oiling pippet	12	50	600
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

<b>Total Recurring Cost (B)</b>	<b>7700</b>
---------------------------------	-------------

#### 14. Income projections:

To start with 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 250 per suit. On an average the 10 members of group may stitch 300 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  $300 \times 250 = \text{Rs } 75000/-$  only.

#### 15. Analysis of Income and Expenditure (Monthly):

Sr.No.	Particulars	Expenditure / month (Rs)	Income per month(Rs)
1.	10% Depreciation on capital cost i.e. $121100/12 \times 10 = 1009.166$ or say 1009Rs.	1009	
2.	Total Recurring Cost	7700	
3.	Total	<b>8709</b>	<b>75000</b>
4.	<b>Net Profit (75000 - 8709)</b>	<b>66291</b>	
5.	Distribution of Net Profit	<ul style="list-style-type: none"> <li>• Profit will be distributed equally among all the group members.</li> <li>• Part of the profit will be used for further investment in IGA</li> </ul>	

#### 16. Fund flow in the group:

Sr.No.	Particulars	Total Amount (Rs)	Project contribution	SHG contribution
1	Total capital cost	121100	60550	60550
2	Total Recurring Cost	7700	0	7700



3	Trainings	40000	40000	0
	<b>Total outlay</b>	<b>168800</b>	<b>100550</b>	<b>68250</b>

**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

**17. Sources of funds and procurement:**

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

**18. 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

19. **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.

**20. 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.



Duga Devi

Pingla Devi

Jabitri Devi



Naina Devi

Chura Mani

Javitra Devi



Ruk Mani

Jai dasi

Chabitra Devi



Roshna Devi

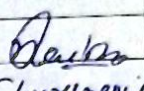
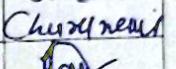


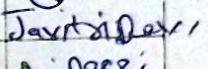
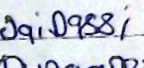
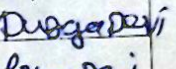
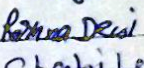
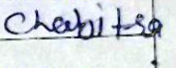
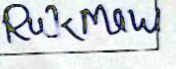
Prepared by:- Akash Gupta(SMS)

Smt.Phoola Thakur (FTUCoodinator)

### GROUP CONSENT LETTER

The Meeting of Panchveer Self Help Group was held under the Chairmanship of the Pradhan Sh Jhabe Ram on dated 31.01.2022 in which the member of group collectively decided to do the work of tailoring and cutting to increase the income with the association, project for improvement of Himachal Pradesh Forest ecosystem Management and livelihoods (JICA).

The detail description of the members of the group is given below:-

Sr.No.	Name	Husband Name	Designation	Qualification	Age	Phone Numer	Category	Signature
1.	Naina Devi	Sita Ram	Pradhan	10 <sup>th</sup>	28	787623035	General	
2.	Churadevi	PremSingh	Secretary	12 <sup>th</sup>	29	9816324363	General	
3.	JavitraDev	Om Praksh	Treasurer	12 <sup>th</sup>	23	8629003685	General	
4.	Pingla Devi	Ravti Ram	Up-Pradhan	B.A	29	8219731991	General	
5.	Javitri Devi	Ram Lal	Member	10 <sup>th</sup>	39	9816124276	General	
6.	Jai Dasi	Suresh	Member	10 <sup>th</sup>	30	9816118667	General	
7.	Durga Devi	Dinesh Kumar	Member	12 <sup>th</sup>	35	8894558376	General	
8.	Roshna Devi	Gulab Chand	Member	10 <sup>th</sup>	31	9882833728	General	
9.	Chavitra Devi	Devender Kumar	Member	12 <sup>th</sup>	31	8580797241	General	
10.	Rukmani Devi	Giri Raj	Member	12 <sup>th</sup>	35	786297271 7876297271	General	

प्रधान *Shela Devi*  
ग्रामीण वन विकास समिति  
दुशाहड, ग्राम पंचायत दुशाहड  
वि. ख. बन्जार, जिला कुल्लू (हि.प्र.)

Signature of VFDs Pradhan

सचिव *Maheya*  
ग्रामीण वन विकास समिति  
दुशाहड, ग्राम पंचायत दुशाहड  
वि. ख. बन्जार, जिला कुल्लू (हि.प्र.)

Signature of VFDs Secretary

प्रधान *वि. ख. बन्जार*  
पंचवीर कटिंग अर  
सहायक *Pradhan...*  
ग्रा. पं. दुशाहड, जिला कुल्लू (हि.प्र.)

*Signature of...*  
Signature of *...*  
ग्रा. पं. दुशाहड, जिला कुल्लू (हि.प्र.)

*H. Pandey F.N. 12*  
*H. Pandey*  
Signature of Forest Guard

*Signature of B.O.*  
Block Forest Office  
Sainj Block

*Signature of B.O.*  
Range Forest Officer  
Sainj Forest Range

*JICA*  
DMU-Seraj