

BUSINESS PLAN

INCOME GENERATING ACTIVITY – Cutting and Tailoring

By

Radha Krishan - Self Help Group



SHG/CIG Name	::	Radha Krishan
VFDS Name	::	Nihari
Range	::	Dehra
Division	::	Dehra Division

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	::	Radha Krishan	
2.2	VFDS	::	Nihari	
2.3	Range	::	Dehra	
2.4	Division	::	Dehra Divison	
2.5	Village	::	Nihari	
2.6	Block	::	Pir Saluhi	
2.7	District	::	Kangra	
2.8	Total No. of Members in SHG	::	13	
2.9	Date of formation	::	14/9/22	
2.10	Bank a/c No.	::	50100604055267	
2.11	Bank Details	::	HDFC Dehra	
2.12	SHG/CIG Monthly Saving	::	50rs	
2.13	Total saving		650rs	
2.14	Total inter-loaning		1%	
2.15	Cash Credit Limit		--	
2.16	Repayment Status		--	

2. Beneficiaries Detail:

Sr. no	Name (Smt.)	Father/Husb and Name (Sh.)	Age	Cate gory	Income Source	Address
1	Anu Sharma(Pradhan)	W/O Sonipal	38	Gen	Agriculture	Vill. Nihari
2	Bhawna Sharma(Secretary)	Rampal Sharma	43	Gen	Agriculture	Vill. Nihari
3	Reeta Kumari(Treasurer)	DeshRaj	52	Gen	Agriculture	Vill. Nihari
4	Tripta Sharma	Rajneesh Kumar	47	Gen	Agriculture	Vill. Nihari
5	Sudha Sharma	Sudarshan Sharma	52	Gen	Agriculture	Vill. Nihari
6	Tripta Kumari	Manohar Lal	40	Gen	Agriculture	Vill. Nihari
7	Reeta Devi	Subash Chand	45	Gen	Agriculture	Vill. Nihari
8	Seema rani	Kishori Lal	47	Gen	Agriculture	Vill. Nihari

9	Anita Kumari	Lucky	33	Gen	Agriculture	Vill. Nihari
10	Sunita Devi	Ravi Dutt	43	Gen	Agriculture	Vill. Nihari
11	Monika Sharma	Sandeep	36	Gen	Agriculture	Vill Nihari
12	Shama Devi	Ravi Roy	31	Gen	Agriculture	Vill. Nihari
13	Renu Sharma	Pankaj Sharma	36	Gen	Agriculture	Vill. Nihari

3. Geographical details of the Village

3.1	Distance from the District HQ	::	75 Km
3.2	Distance from Main Road	::	5 Km
3.3	Name of local market & distance	::	Rakkar & 18 Km
3.4	Name of main market & distance	::	Nadaun & 30 Km
3.5	Name of main cities & distance	::	Nadaun & 20 Km
3.6	Name of places/locations where product will be sold/ marketed	::	Nadaun , Kangra , Dehra

4. Executive Summary

Cutting and tailoring income generation activity has been selected by **Radha Krishan** Self Help Group. This IGA will be carried out by all the 13 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 fewer 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 and has been decided by group members
3	Consent of SHG/ CIG / cluster members	::	Yes

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
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7. Description of Marketing/ Sale

7.1	Potential market places/locations	::	Villages covered – Nihari
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 Price	Total Amount (Rs.)
1	Sewing Machine With Table	11	8800	96800
2	Sewing Machine	2	5500	11000
2	Interlock Machine	1	8000	8000
3	Tailor Scissor	13	500	6500
4	Tailoring Ruler Set	13	650	8450
5	Sewing Tailor Tape	13	150	1950
6	Iron Press	13	700	9100
7	Almirah	1	LS	16000
8	Hanger	3 set	1200	3600
9	Chairs, Table etc	Approximate	LS	15000
Total Capital Cost (A) =			25500	176400

B. RECURRING COST					
Sr.no	Particulars	Unit	Quantity	Price	Total Amount (Rs)
1	Sewing threads	Reels/Suits/month	600	10	6000
2	Other finishing materials (bookrum, neck etc)	Suits/month	LS	LS	6500
3	Rent	Month			3000
4	Other (stationary, electricity bill, transportation, machine repair)	Month			2000
Total Recurring Cost (B)					17500

C. Cost of Production (Monthly)		
Sr. No	Particulars	Amount (Rs)
1	Total Recurring Cost	17500
2	10% depreciation annually on capital cost	1750
	Total	19250

D. Stitched Suit price (per suit)					
Sr.no	Particulars	Unit	Quantity	Amount (Rs)	
1	Simple suit	1	1	300-350	
2	Other (Plazzo, lining etc)	1	1	350-400	

Analysis of Income and Expenditure (Monthly):

Sr.no	Particulars	Amount (Rs)
1	10% depreciation annually on capital cost	1750
2	Total Recurring Cost	17500
3	Total Stitched Suit per month	125(approximate quantity)
4	Selling Price of Stitched Suit (per suit)	300
5	Income generation (125*300)	37500
6	Net profit (37500 - 17500)	20000

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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11. Fund requirement:

Sr.no	Particulars	Total Amount (Rs)	Project contribution	SHG contribution
1	Total capital cost	176400	132300	44100
2	Total Recurring Cost	17500	-	17500
3	Trainings	50000	50000	-
	Total	243900	182300	61600

Note-

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

12. 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 	

13. 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

14. 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.

15. 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.

**16. Remarks
Group Members**



Individual Photos of each member:-



Prepared By:-

Mr. Madan Lal Sharma (Retd.) HPFS (Co-ordinator)
Ms. Deeksha Devi (Subject Matter Specialist)
Ms. Shivani (FTU Co-ordinator)

Resolution - cum - Group Consensus Form

It is decided in the General House meeting of the group Radha Krishan held on
15-9-22 at Nihari that our group will undertake the Sitting & Tending as
Livelihood Income Generation Activity under the Project for Improvement of Himachal Pradesh Forest
Ecosystems Management & Livelihoods (JICA Assisted) .

ANU Sharma
President
Signature of Group Pradhan
Shree Forest Dev. Society
Nihari, S.M.D., Radha
Koishan

Bhawna
Member Secretary
Signature of Group Secretary
S.M.D., Radha Koishan

Business Plan Approval by VFDS & DMU

Radha-Krishan.....Group will undertake the ~~Cutting & Tailoring~~ livelihood income Generation Activity under the project for implementation of Himachal Pradesh forest ecosystem Management and livelihood (JICA assisted). In this regard business plan of amount Rs. 243900/- has been submitted by group on 15-12-2022 and the business plan has been approved by the VFDS Nihari.

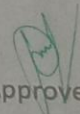
Business plan is submitted through FTU for further action please.

Thank you

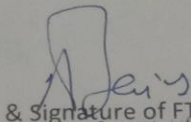
ANU Sharma
Signature of Group President
S.M. Radha Krishan

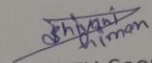
Bhawna
Signature of Group Secretary
~~S.M. Radha Krishan~~

Sunita Devi
Signature of President VFDS
Village Forest Dev. Society
Nihari



Approved
DFO
DMU - CUM-Dehra

Submitted to DMU through FTU


Name & Signature of FTU Officer
Range Forest Office
DEHRA, Kangra


Shivani
Name & Signature of FTU Coordinator

Approved


Name & Signature of DMU Officer