

BUSINESS PLAN

INCOME GENERATING ACTIVITY – Cutting and Tailoring

by

Jai Devta Bhungdu - Self Help Group



SHG/CIG Name	::	Jai Devta Bhungdu CUTTING & TAILORING
VFDS Name	::	Bhalla II
Range	::	Sainj
Division	::	Seraj

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 Jai Devta Bhungdu will be located at village Ghat P.O. Bhallan II Tehsil Sainj, Distt. Kullu HP. The total households in village Dushad are 250 and 4 to 3 small villages surrounding Bhallan II 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	::	Jai Devta BhungduCutting & Tailoring
2.2	VFDS	::	Bhallan II
2.3	Range	::	Sainj
2.4	Division	::	Banjar
2.5	Village	::	Ghat
2.6	Block	::	Banjar
2.7	District	::	Kullu
2.8	Total No. of Members in SHG	::	08 - females
2.9	Date of formation	::	01/11/2022
2.10	Bank a/c No.	::	50075177297
2.11	Bank Details	::	KCC SAinj
2.12	SHG/CIG Monthly Saving	::	100
2.13	Total saving		800
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.	Kanta Devi	Yog Raj	34	General	agriculture
2.	Savitra Devi	Om Prakash	33	General	agriculture
3.	Nirmala Devi	Khaim Raj	36	General	agriculture
4.	Vina Devi	Khume Ram	40	General	agriculture
5.	Khari Devi	Balbir	24	General	agriculture
6.	Chinta Devi	Ghanshayam	33	General	agriculture
7.	Babli Devi	Bhoj Raj	32	General	agriculture
8.	Raj kumari	Chaman	33	General	agriculture

3. Geographical details of the Village:

3.1	Distance from the District HQ	::	60 Km
3.2	Distance from Main Road	::	1 $\frac{1}{2}$ Km
3.3	Name of local market & distance	::	Sainj 09 km
3.4	Name of main market & distance	::	Kullu, 56km
3.5	Name of main cities & distance	::	Sainj, 09 km Bhuntar, 40
3.6	Name of places/locations where product will be sold/ marketed	::	Sainj, Kullu

4. Management

Cutting and tailoring centre by SHG Jai Devta Bhungduhave 08 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 Ghat 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 Bhallan II 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 08 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 = 08 @ 8000 = 64000
3. Sewing machine simple / ordinary = 1 @ 3000 = 3000
4. Room carpet 1 @ = 1500
5. Cutting scissors = 08 @ 250 = 2000
6. Tailors scale = 08 @ 200 = 1600
7. Measuring tape = 08 @ 50 = 400
8. Marking material Chalk = 100
9. Iron = 08 no's. 700 = 5600
10. Sewing thread different colours = 4 pkt @ 500 = 2000
11. Oiling pippet = 08 no's. 50 = 400

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 Jai Devta Bhungdu 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:

A. CAPITAL COST				
Sr.No	Particulars	Quantity	Unit Price	Total Amount (Rs.)
1	Sewing machinewith tool pedal	08	8000	64000
2	Sewing machine simple/ordinary	01	3000	3000
3	Room carpet	01	1500	1500
4	Cutting scissors	8	450	3600
5	Tailor's scale	8	200	1600
6	Measuring tape	8	50	400
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	8	700	5600
	Total Capital Cost (A) =			100900
B. RECURRING COST				
Sr.No	Particulars	Quantity	Price	Total Amount (Rs)
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
Total Recurring Cost (B)				7700

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 08 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. $100900/12 \times 10 = 8408.33$ or say 840Rs.	840	
2.	Total Recurring Cost	7700	
3.	Total	8540	75000
4.	Net Profit (75000 - 8709)	66291	
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 	

16. Fund flow in the group:

Sr.No	Particulars	Total Amount (Rs)	Project contribution	SHG contribution
1	Total capital cost	100900	50450	50450
2	Total Recurring Cost	7700	0	7700
3	Trainings	40000	40000	0
	Total outlay	148600	90450	58150

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"> • 75% of capital cost will be utilized for purchase of machines. • UptoRs. 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 codal formalities.
SHG contribution	<ul style="list-style-type: none"> • 75% of capital cost to be borne by SHG. • Recurring cost to be borne by SHG 	

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.



Veena Devi



Nirmla Devi



Kanta Devi



Chinta Devi



Savitra Devi



Khari Devi



Babli Devi



Rajkumari

Prepared By SMS- Akash Gupta

FTU Coodinator-Phoola Thakur

GROUP CONSENT LETTER

The Meeting of Jai Devta Bhungdu Self Help Group was held under the Chairmanship of the Pradhan Smt. Kanta Devi on dated 01-11-2022 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	Age	Phone Numer	Category	Signature
1.	Kanta Devi	Yog Raj	Pradhan	34	86278 30199	General	Kanta Devi
2.	Savitra Devi	Om Prakash	Secretary	33	98824 80731	General	Savitra Devi
3.	Nirmala Devi	Khaim Raj	Trasurer	36	88948 30795	General	Nirmala Devi
4.	Vina Devi	Khume Ram	Member	40	98055 60261	General	Vina Devi
5.	Khari Devi	Balbir	Member	24	70187 72799	General	Khari Devi
6.	Chinta Devi	Ghanshaya m	Member	33	86796 43049	General	Chinta Devi
7.	Babli Devi	Bhoj Raj	Member	32	78767 09330	General	Babli Devi
8.	Raj kumari	Chaman	Member	33	85944 66172	General	Rajkumari

स्थायी ग्रामीण वन विकास समिती
मलाप- 1)

Signature of VFDs Pradhan

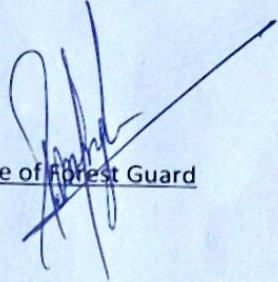
~~प्रधान~~
ग्रामीण वन विकास समिती
मलाप- 1)

Signature of VFDs Secretary

सचिव
Signature of SHG Pradhan
जय देवता वुंगडू स्वयं सहायता
समूह घाट, डाकघर ब्रेहण
तह. सैज, जिला कुल्लू (हि.प्र.)

सचिव
Signature of SHG Secretary
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तह. सैज, जिला कुल्लू (हि.प्र.)

Signature of Forest Guard



Signature of B.O. Officer
Larji Block

Signature of R.O.
Range Forest Officer
Saini Forest Range

