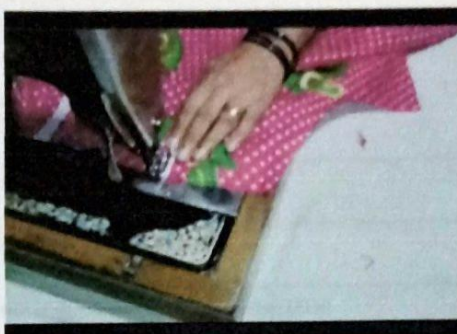


# BUSINESS PLAN

INCOME GENERATING ACTIVITY – Cutting and Tailoring

by

Dudhi- Self Help Group



SHG/CIG Name	::	DUDHI CUTTING & TAILORING
VFDS Name	::	Kalwari
Range	::	Tirthan
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 Dudhi will be located at village Kalwari P.O. Kalawari Tehsil Banjar, Distt. Kullu HP. The total households in village Kalwari are 350 and 4 to 5 small villages surrounding Kalwari 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	::	Dudhi Cutting & Tailoring
2.2	VFDS	::	Kalwari
2.3	Range	::	Tirthan
2.4	Division	::	Banjar
2.5	Village	::	Kalwari
2.6	Block	::	Banjar
2.7	District	::	Kullu
2.8	Total No. of Members in SHG	::	10- females
2.9	Date of formation	::	09/01/21
2.10	Bank a/c No.	::	50073923023
2.11	Bank Details	::	K.C.B Banjar
2.12	SHG/CIG Monthly Saving	::	100
2.13	Total saving		6600
2.14	Total inter-loaning		-
2.15	Cash Credit Limit		--
2.16	Repayment Status		--

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### 3. Geographical details of the Village:

3.1	Distance from the District HQ	::	57 Km
3.2	Distance from Main Road	::	4 Km
3.3	Name of local market & distance	::	Banjar 7km
3.4	Name of main market & distance	::	Banjar 7 km
3.5	Name of main cities & distance	::	Kullu, 50
3.6	Name of places/locations where product will be sold/ marketed	::	Banjar/Kullu

### 4. Management

Cutting and tailoring centre by SHG Dhudi have 10 women members and they 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.

### 5. Customers

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

### 6. Target of the centre

The centre primarily aims at to provide unique modern and high class stitching service to the residents of Kalwari 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.

## 7. 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.

## 8. The initial stage to start the business

The SHG Dudhi 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. Room carpet 1 @ = 1500
3. Cutting scissors = 11 @ 250 = 2750
4. Tailors scale = 11 @200 = 2200
5. Measuring tape = 11 @ 50 = 550
6. Marking material Chalk = 100
7. Iron = 6 no's. 700 = 4200
8. Sewing thread different colours = 4 pkt @ 500 = 2000
9. 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 Dudhi 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	10	8000	80000
2	Sewing machine simple/ordinary	01	3000	3000
3	Room carpet	01	1500	1500
4	Cutting scissors	10	450	4500
5	Tailor's scale	10	200	2000
6	Measuring tape	10	50	500
7	Interlocking machine	01	6000	6000
8	Hangers	10	100	1000
9	Counter table alongwith wardrobe inbuilt	01	8000	8000
10	Stools	10	500	5000
11	Iron	10	700	7000
	Total Capital Cost (A) =			118500
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
<b>Total Recurring Cost (B)</b>				<b>7700</b>

#### 15. 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.

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

Sr.No.	Particulars	Expenditure / month (Rs)	Income per month (Rs)
1.	10% Depreciation on capital cost i.e. $118500/12 \times 10 = \text{Rs.}$	987	
2.	Total Recurring Cost	7700	
3.	Total	<b>8687</b>	<b>75000</b>
4.	<b>Net Profit (75000 - 8687)</b>	<b>66313</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>	
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**17. Fund flow in the group:**

Sr.No	Particulars	Total Amount (Rs)	Project contribution	SHG contribution
1	Total capital cost	118500	59250	59250
2	Total Recurring Cost	7700	0	7700
3	Trainings	40000	40000	0
	<b>Total outlay</b>	<b>166200</b>	<b>99250</b>	<b>66950</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

## 18. Sources of funds and procurement:

Project support;	<ul style="list-style-type: none"><li>• <u>75%</u> of capital cost will be utilized for purchase of machines.</li><li>• Upto Rs. 1 lakh will be parked in the SHG bank account as a <u>revolving fund</u>.</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>• <del>50%</del><u>75%</u> of capital cost to be borne by SHG.</li><li>• Recurring cost to be borne by SHG</li></ul>	

## 19. 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

20. **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.

## 22. Detail of Group Members

Sr. No.	Name	Husband Name	Designation	Qualification	Age	Phone Number
1	Krishna Devi	Manohar Lal	Sectary	8 <sup>th</sup>	37	94598-31843
2	Sita Devi	Ghanshyam	Member	12 <sup>th</sup>	21	78761-22201
3	Kheva Devi	Jagdish	Member	8 <sup>th</sup>	32	94593-24570
4	Kamla Devi	Diwan Singh	Member	8 <sup>th</sup>	34	94187-73344
5	Deepa	Yatesh Kumar	Pradhan	B.A.	23	78077-26941
6	Kirna	Led Ram	Member	10 <sup>th</sup>	24	90152-67960
7	Veena Devi	Dharam Chand	Member	12 <sup>th</sup>	26	62305-44124
8	Mamta Devi	Heere Lal	Member	10 <sup>th</sup>	29	82198-54375
9	Karuna Devi	Surender Kumar	Member	12 <sup>th</sup>	31	90153-20727
10	Mamta Devi	Sanjay Negi	Member	12 <sup>th</sup>	24	78079-68941

## Group members Photos-



Deepa Devi



Sita Devi



Kamla Devi



Mamta Devi



Mamta Devi



Karuna Devi



Khewa Devi



Kirna Devi



Veena Devi




Krishna Devi

## GROUP CONSENT LETTER

The Meeting of Dudhi Self Help Group was held under the Chairmanship of the Pradhan Sh. Chuni Lal on dated 22.06.2022, in which the members of the 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 Number	Signature
1	Smt. Krishna Devi	Sh. Manohar Lal	Sectary	8th	37	94598-31843	Krishna Devi
2	Smt. Sita Devi	Sh. Ghanshyam	Member	12th	21	78761-22201	SITA Devi
3	Smt. Kheva Devi	Sh. Jagdish	Member	8th	32	94593-24570	Kheva Devi
4	Smt. Kamla Devi	Sh. Diwan Singh	Member	8th	34	94187-73344	Kamla Devi
5	Smt. Deepa	Sh. Yatesh Kumar	Member	B.A.	23	78077-26941	Deepa Devi
6	Smt. Kirna	Sh. Led Ram	Member	10th	24	90152-67960	Kirna Devi
7	Smt. Veena Devi	Sh. Dharma Chand	Member	12th	26	62305-44124	Veena Devi
8	Smt. Mamta Devi	Sh. Heere Lal	Member	10th	29	82198-54375	Mamta Devi
9	Smt. Karuna Devi	Sh. Surender Kumar	Member	12th	31	90153-20727	Karuna
10	Smt. Mamta Devi	Sh. Sanjay Negi	Member	12th	24	78079-68941	Mamta

  
प्रधान  
ग्राम वन विकास समिति  
कलवारी ...गाल वजार  
जिला कुल्लू (H040)

प्रधान  
ग्राम वन विकास समिति  
कसवारी तहसील बन्तार  
जिला कुल्लू (160940)

Signature of VFDS  
Pradhan

सचिव  
ग्राम वन विकास समिति  
कसवारी तहसील  
जिला कुल्लू (160940)

Signature of VFDS  
Secretary

Delna Devi  
प्रधान  
दुग्धी स्वयं सहायता समूह  
मनोटे तहसील  
जिला कुल्लू (160940) 175123

Signature of SHG  
Pradhan

Krishna Devi

सचिव  
दुग्धी स्वयं सहायता समूह  
मनोटे तहसील  
जिला कुल्लू (160940) 175123

Signature of SHG  
Secretary

K. Chand  
Kahraji  
Bent

Signature of Forest Gaurd

Block Forest Officer  
Panihar Forest Block  
PANIHAR

Signature of B O

F.T.O.  
Signature of R.O.  
Jica Project

D.M.U. Seraj

JICA

DMU-Seraj