

BUSINESS PLAN

INCOME GENERATING ACTIVITY – Cutting and Tailoring

By

VaishnoSHG Stitching - Self Help Group



SHG/CIG Name	::	VaishnoSHG
VFDS Name	::	Lahru
Range	::	Jawali
Division	::	Nurpur

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	::	Vaishno SHG
2.2	VFDS	::	Lahru
2.3	Range	::	Jawali
2.4	Division	::	Nurpur
2.5	Village	::	Lahru
2.6	Block	::	Jawali
2.7	District	::	Kangra
2.8	Total No. of Members in SHG	::	11- females
2.9	Date of formation	::	10-03-2023
2.10	Bank a/c No.	::	50075681717
2.11	Bank Details	::	KCC Bank Lubh
2.12	SHG/CIG Monthly Saving	::	50rs
2.13	Total saving		3300/-
2.14	Total inter-loaning		-
2.15	Cash Credit Limit		--
2.16	Repayment Status		--

2. Beneficiaries Detail:

Sr. No	Name (Smt.)	Father/Husband Name (Sh.)	Age	Cat egor y	Income Source	Address
1	Preety Devi	Ritesh Kumar	31	Gen	Agriculture	Vill. Lahru
2	Sanjogita Devi	Subhash Singh	50	Gen	Agriculture	Vill. Lahru
3	Ranjana Kumari	Vijay Singh	38	Gen	Agriculture	Vill. Lahru
4	Saroj Kumari	Rajesh Mankotia	41	Gen	Agriculture	Vill. Lahru
5	Reeta Devi	Ravinder Singh	51	Gen	Agriculture	Vill. Lahru
6	Meena Kumari	Ravinder Singh	48	Gen	Agriculture	Vill. Lahru
7	Lata Rani	Ashok Kumar	58	Gen	Agriculture	Vill. Lahru
8	Kanta Devi	Pawan kumar	50	Gen	Agriculture	Vill. Lahru
9	Urmila Devi	Surjeevan Singh	54	Gen	Agriculture	Vill. Lahru
10	Leela Devi	Shuvind Singh	60	Gen	Agriculture	Vill. Lahru
11	Anjana Devi	Milap Singh	27	Gen	Agriculture	Vill. Lahru

3. Geographical details of the Village

3.1	Distance from the District HQ	::	87Km
3.2	Distance from Main Road	::	3Km
3.3	Name of local market & distance	::	Jawali 6 Km
3.4	Name of main market & distance	::	Rehan 9 Km, Jawali 6Km
3.5	Name of main cities & distance	::	Jawali 6 km
3.6	Name of places/locations where product will be sold/ marketed	::	Jawali 6Km and Pathankot

4. Executive Summary

Cutting and tailoring income generation activity has been selected by Vaishno SHG 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 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
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

7. Description of Marketing/ Sale

7.1	Potential market places/locations	::	Villages covered –Lahru
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	11	15000	165000
2	Interlock Machine	2	10000	20000
3	Tailor Scissor	11	500	5500
4	Tailoring Ruler Set	11	600	6600
5	Sewing Tailor Tape	11	100	1100
6	Iron Press	3	2000	6000
7	Almirah	2	8000	16000
8	Hanger	8 Sets	300	2400
9	Chairs, Table etc	Approx	LS	15000
Total Capital Cost (A) =				237600

B. RECURRING COST					
Sr.no	Particulars	Unit	Quantity	Price	Total Amount (Rs)
1	Sewing threads	Reels/Suits/month	206	10	2060
2	Other finishing materials (book rum, neck etc)	Suits/month	LS	LS	4800
3	Rent	Month			1500
4	Other (stationary, electricity bill, transportation, machine repair)	Month			1000
Total Recurring Cost (B)					9360

C. Cost of Production (Monthly)		
Sr. No	Particulars	Amount (Rs)
1	Total Recurring Cost	9360
2	10% depreciation annually on capital cost(237600)	1980
	Total	11340

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	300-450	

Analysis of Income and Expenditure (Monthly):

Sr.No	Particulars	Amount (Rs)
1	10% depreciation annually on capital cost	1980
2	Total Recurring Cost	9360
3	Total Stitched Suit per month	255 (approx. quantity)
4	Selling Price of Stitched Suit (per suit)	350
5	Income generation (180*250)	89250
6	Net profit 89250 - 9360)	79890
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

11. Fund requirement:

Sr.No	Particulars	Total Amount (Rs)	Project contribution	SHG contribution
1	Total capital cost	237600	118800	118800
2	Total Recurring Cost	9360	0	9360
3	Trainings	50000	50000	0
	Total	296960	168800	128160

Note-

- **Capital Cost** - 50% 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"> • 50% 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.
G contribution	<ul style="list-style-type: none"> • 50% 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

17. Photos of SHG Members

VASHNO SHG (Cutting & Tailoring)

Lahru



Lata Rani
(Pradhan)



Anya Devi
(Secretary)



Kanta Devi
(Cashier)



Leela Devi



Urnila Devi



Meena Kumari



Rita Kumari



Saroj Kumari



Jayana Kumari



Preeti Devi



Rojja Guloria



Prem Lata



Renu Bala



Padma Devi



Mayeet Kour



Nita Devi



Manisha Devi



Suresha
Devi



Asha Devi

