

BUSINESS PLAN

INCOME GENERATING ACTIVITY – Cutting and Tailoring

By

Sita Ram Stitching - Self Help Group



SHG/CIG Name	::	Sita Ram
VFDS Name	::	Jaunta
Range	::	Nurpur
Division	::	Nurpur

Prepared under:



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

Table of Contents

Sl. No.	Particulars	Page/s
1	Description of SHG/CIG	3
2	Beneficiaries Detail	3-4
3	Geographical details of the Village	4
4	Executive Summary	4
5	Description of product related to Income Generating Activity	5
6	Production Processes	5
7	Sale & Marketing	5
8	Risk Analysis	5
9	Description of Management among members	5
10	Description of Economics	6-7
11	Analysis of Income and Expenditure	7
12	Fund Requirement	8
13	Sources of Fund	8
14	Trainings/capacity building/ skill up gradation	8
15	Bank Loan Repayment	8
16	Monitoring Method	8
17	Remarks	8
18	Group Member Photographs	9

1. Description of SHG/CIG

2.1	SHG/CIG Name	::	Sita Ram
2.2	VFDS	::	Jaunta
2.3	Range	::	Nurpur
2.4	Division	::	Nurpur
2.5	Village	::	Jaunta
2.6	Block	::	Nurpur
2.7	District	::	Kangra
2.8	Total No. of Members in SHG	::	10- females
2.9	Date of formation	::	15-06-2023
2.10	Bank a/c No.	::	50076139771
2.11	Bank Details	::	KCC Bank
2.12	SHG/CIG Monthly Saving	::	50rs
2.13	Total saving		-
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	Category	Income Source	Contact No.	Address
1	Sapna	Rajinder singh	37	Gen	Agriculture	98051-84508	Village Jaunta
2	Priti	Rakesh singh	33	Gen	Agriculture	98165-57281	Village Jaunta
3	Kanta	Jagdish Kumar	36	ST	Agriculture	88940-12709	Village Jaunta
4	Surekha	Tilakraj	38	ST	Agriculture	98171-24871	Village Jaunta
5	Priyanka	Kewal	20	ST	Agriculture	78076-32581	Village Jaunta

	Devi	singh					
6	Priyanka Jaryal	Satish Kumar	21	ST	Agriculture	78073-76891	Village Jaunta
7	Neelam	Arjun Kumar	43	ST	Agriculture	98826-55579	Village Jaunta
8	Sapna	Raj Kumar	37	SC	Agriculture	80911-56133	Village Jaunta
9	Neha	Naresh Kumar	27	Gen.	Agriculture	98165-57281	Village Jaunta
10	Santosh	Sushil Kumar	36	Gen.	Agriculture	98055-88977	Village Jaunta

3. Geographical details of the Village

3.1	Distance from the District HQ	::	65 Km
3.2	Distance from Main Road	::	.5Km
3.3	Name of local market & distance	::	Nurpur 12 Km
3.4	Name of main market & distance	::	Nurpur 12 Km, Pathankot 35 Km
3.5	Name of main cities & distance	::	Nurpur 12 Km
3.6	Name of places/locations where product will be sold/ marketed	::	Nurpur 12Km

4. Executive Summary

Cutting and tailoring income generation activity has been selected by Sita Ram 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 –
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	9	9000	81000
2	Interlock Machine	1	8000	8000
3	Tailor Scissor	3	300	900
4	Iron Press	1	1000	1000
5	Hanger	2 Sets	100	200
	Chairs, Table etc	Approx	LS	7000
Total Capital Cost (A) =				98100

B. RECURRING COST					
Sr.no	Particulars	Unit	Quantity	Price	Total Amount (Rs)
1	Sewing threads	Reels/Suits/month	306	10	3060
2	Other finishing materials (book rum, neck etc)	Suits/month	LS	LS	3000
3	Rent	Month			1500
4	Other (stationary, electricity bill, transportation, machine repair)	Month			1000
Total Recurring Cost (B)					8560

C. Cost of Production (Monthly)		
Sr. No	Particulars	Amount (Rs)
1	Total Recurring Cost	8560
2	10% depreciation annually on capital cost(98100)	817
	Total	9377

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	817
2	Total Recurring Cost	8560
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 - 8560)	80690
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	98100	73575	24525
2	Total Recurring Cost	8560	0	8560
3	Trainings	120000	120000	0
	Total	226660	193575	33085

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">• 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



Resolution cum Group Consensus Form

It is decided in the general house meeting of the group Sita Ram held on 23-12-2023 at Jaunta that our group will undertake the Cutting & tailoring as livelihood income generation activity Under the project for implementation of Himachal Pradesh forest ecosystem Management and livelihood (JICA assisted).

Sayha Devi
President
Secretary
Sita Ram Group (JICA) Self Help Group
Ward No. 8, Pleen (Nurpur) H.P

Buchi
President
Secretary
Sita Ram Group (JICA) Self Help Group
Ward No. 8, Pleen (Nurpur) H.P

Business Plan Approval by VFDS & DMU

Sita Ram Group will undertake the Cutting & tailoring as 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. 226660 /- has been submitted by group on 23/12/2023 and the business plan has been approved by the VFDS Jaunta.

Business plan is submitted through FTU for further action please.

Thank you

Sudha Devi
President of Group Secretary
Sita Ram Group (JICA) Self Help Group
Ward No. 8, Pleen (Nurpur) H.P.
Signature of President VFDS

Pardhan
Village Forest Development Society (V.F.D.S.)
Jaunta (Punder) Teh. Nurpur
Distt. Kangra (H.P.)

Ruchi
President of Group Secretary
Sita Ram Group (JICA) Self Help Group
Ward No. 8, Pleen (Nurpur) H.P.

[Signature]
DMU - cum - CFO
Approved
Nurpur Forest Division
DMU cum Nurpur

