

# BUSINESS PLAN

INCOME GENERATING ACTIVITY – Cutting and Tailoring

By  
Raadhe Raadhe - Self Help Group



SHG/CIG Name	::	Raadhe Raadhe
VFDS Name	::	Badal
Range	::	Rey
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	::	<b>Raadhe Raadhe</b>
2.2	VFDS	::	Badal
2.3	Range	::	Rey
2.4	Division	::	Nurpur
2.5	Village	::	Badal
2.6	Block	::	Rey
2.7	District	::	Kangra
2.8	Total No. of Members in SHG	::	12- females
2.9	Date of formation	::	02-11-2022
2.10	Bank a/c No.	::	50075853267
2.11	Bank Details	::	KCC Bank
2.12	SHG/CIG Monthly Saving	::	20/-
2.13	Total saving		1440/--
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	Address
1	Raani Devi	Sudarshan singh	40	Gen	Agriculture	Vill. Badal
2	Pooja Devi	Satinder Singh	38	Gen	Agriculture	Vill. Badal
3	Manisha	Avtar Singh	44	Gen	Agriculture	Vill. Badal
4	Meena Devi	Tirlok Singh	50	Gen	Agriculture	Vill. Badal
5	Priyanka Devi	Sanjay KUMar	29	Gen	Agriculture	Vill. Badal
6	Reena Devi	Sahib Singh	42	Gen	Agriculture	Vill. Badal
7	Shalu Devi	Nek ram	42	Gen	Agriculture	Vill. Badal
8	Monika devi	Tej singh	35	Gen	Agriculture	Vill. Badal

9	Sunita Devi	Janak singh	47	Gen	Agriculture	Vill. Badal
10	Monika Devi	Vinod Singh	25	Gen	Agriculture	Vill. Badal
11	Sabho Devi	Sher singh	60	Gen	Agriculture	Vill. Badal
12	Neelam Devi	Sansar singh	51	Gen	Agriculture	Vill. Badal
13	Priyanka	Sanjay Kumar	29	Gen	Agriculture	Vill. Badal

### 3. Geographical details of the Village

3.1	Distance from the District HQ	::	105 Km
3.2	Distance from Main Road	::	1Km
3.3	Name of local market & distance	::	Rey-7Km, talwara-12Km
3.4	Name of main market & distance	::	Rey-7Km, talwara-12Km
3.5	Name of main cities & distance	::	
3.6	Name of places/locations where product will be sold/ marketed	::	Rey-7Km, talwara-12Km

### 4. Executive Summary

Cutting and tailoring income generation activity has been selected by Raadhe Raadhe 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 –Badal
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:

<b>A. CAPITAL COST</b>				
<b>Sr.No1</b>	<b>Particulars</b>	<b>Quantity</b>	<b>Unit Price</b>	<b>Total Amount (Rs.)</b>
1	Sewing Machine	12	8000	96000
2	Interlock Machine	1	10000	10000
3	Tailor Scissor	12	300	3600
4	Iron Press	2	1000	2000
5	Hanger	2 Sets	100	200
	Chairs, Table etc	Approx	LS	7000
<b>Total Capital Cost (A) =</b>				<b>118800</b>

<b>B. RECURRING COST</b>					
<b>Sr.no</b>	<b>Particulars</b>	<b>Unit</b>	<b>Quantity</b>	<b>Price</b>	<b>Total Amount (Rs)</b>
1	Sewing threads	Reels/Suits/month	306	10	3060
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
<b>Total Recurring Cost (B)</b>					<b>10360</b>

C. Cost of Production (Monthly)		
Sr. No	Particulars	Amount (Rs)
1	Total Recurring Cost	10360
2	10% depreciation annually on capital cost <b>118800</b>	990
	<b>Total</b>	<b>11350</b>

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	1059
2	Total Recurring Cost	10360
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 - 10360)	78890
7	Distribution of net profit	<ul style="list-style-type: none"> <li>Profit will be distributed equally among members monthly/yearly basis.</li> <li>Profit will be used for further investment in IGA</li> </ul>

#### 11. Fund requirement:

Sr.No	Particulars	Total Amount (Rs)	Project contribution	SHG contribution
1	Total capital cost	<b>118800</b>	89100	29700
2	Total Recurring Cost	10360	0	10360
3	Trainings	100000	100000	0
	Total	229160	189100	40060

**Note-**

- **Capital Cost - 75%** of capital cost to be covered under the Project
- **Recurring Cost -25%** 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"> <li>• 75% of capital cost will be utilized for purchase of machines.</li> <li>• Upto Rs 1 lakh will be parked in the SHG bank account.</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.
G contribution	<ul style="list-style-type: none"> <li>• 25% of capital cost to be borne by SHG.</li> <li>• Recurring cost to be borne by SHG</li> </ul>	

**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 Raadhe Raadhe held on 12-6-2023 at Badal that our group will undertake the Cuttigand. Tailomg livelihood income generation activity Under the project for implementation of Bhawal Pradesh forest ecosystem Management and livelihood (IICA assisted).

Manish Devi  
Signature of Group President  
**Pardhan**  
**SHG VFDS Badal**  
**Ward No.2**

[Signature]  
Signature of Group Secretary  
**SHG VFDS Badal**  
**Ward No.2**

[Signature]  
**President**  
**VFDS Badal**

### Business Plan Approval by VFDS & DMU

Raadhe-Raadhe 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. 229160 has been submitted by group on 28/7/2023 and the business plan has been approved by the VFDS Badal

Business plan is submitted through FTU for further action please.

Thank you Manish Kumar

Signature of Group President  
**SHG VFDS Badal  
 Ward No.2**

Signature of President VFDS

गजिन सिंह

**President  
 VFDS Badal**

21/02/23

Signature of Group Secretary

Secretary  
**SHG VFDS Badal  
 Ward No.2**

[Signature]

Approved

DMU cum Nurpur

