

BUSINESS PLAN

INCOME GENERATING ACTIVITY – Cutting & Tailoring

By

Radhe - Radhe Cutting & Tailoring - Self Help Group



SHG/CIG Name	::	Radhe - Radhe
VFDS Name	::	Ghandran
Range	::	Indora
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	::	Radhe - Radhe
2.2	VFDS	::	Ghandran
2.3	Range	::	Indora
2.4	Division	::	Nurpur
2.5	Village	::	Mokhi
2.6	Block	::	Nurpur
2.7	District	::	Kangra
2.8	Total No. of Members in SHG	::	14- females
2.9	Date of formation	::	18-11-2023
2.10	Bank a/c No.	::	50076733618
2.11	Bank Details	::	The Kangra Central Co-Op. Bank Ltd.
2.12	SHG/CIG Monthly Saving	::	50/-
2.13	Total saving		500/-
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	Matlesh kumari	Subash Katoch	60	Gen	Agriculture	Vill. Mokhi
2	Sweaty	Balvinder Singh	46	Gen.	Agriculture	Vill. Mokhi
3	Kanchan	Ajay Kumar	37	Gen.	Agriculture	Vill. Mokhi
4	Usha Devi	Satvinder Singh	47	Gen.	Agriculture	Vill. Mokhi
5	Rajni Devi	Raman Singh	40	Gen.	Agriculture	Vill. Mokhi
6	Rekha	Bupinder	35	Gen.	Agriculture	Vill. Mokhi

7	Kajal	Daman Singh	25	Gen.	Agriculture	Vill. Mokhi
8	Reeta	Rakesh Singh	36	Gen.	Agriculture	Vill. Mokhi
9	Seema Rani	Tarsem Katoch	50	Gen	Agriculture	Vill. Mokhi
10	Meenakshi	Gagan Katoch	29	Gen.	Agriculture	Vill. Mokhi
11	Reema Devi	Manohar Lal	48	OBC	Agriculture	Vill. Mokhi
12	Neelam	Chain Singh	49	OBC	Agriculture	Vill. Mokhi
13	Bandna	Sachin Katoch	38	Gen.	Agriculture	Vill. Mokhi
14	Seema Devi	Khushi Ram	50	OBC	Agriculture	Vill. Mokhi

3. Geographical details of the Village

3.1	Distance from the District HQ	::	80 Km
3.2	Distance from Main Road	::	Approx. 2km
3.3	Name of local market & distance	::	Indora 6km
3.4	Name of main market & distance	::	Nurpur 44Km, Pathankot 25 Km
3.5	Name of main cities & distance	::	Nurpur 44Km
3.6	Name of places/locations where product will be sold/ marketed	::	Nurpur & Indora

4. Executive Summary

Cutting and tailoring income generation activity has been selected by Bag Making 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	::	Cutting & Tailoring
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 –Ghandran & Indora
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	7	8000	56000
2	Interlock Machine	1	10000	10000
3	Tailor Scissor	7	300	2100
4	Iron Press	1	1000	1000
5	Chairs, Table etc	Approx	LS	7000
Total Capital Cost (A) =				76100

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	4800
3	Rent	Month			1500
4	Other (stationary, electricity bill, transportation, machine repair)	Month			1000
Total Recurring Cost (B)					10360

C. Cost of Production (Monthly)		
Sr. No	Particulars	Amount (Rs)
1	Total Recurring Cost	10360
2	10% depreciation annually on capital cost(76100)	634
	Total	10994

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	450-600	

Analysis of Income and Expenditure (Monthly):

Sr.No	Particulars	Amount (Rs)
1	10% depreciation annually on capital cost	634
2	Total Recurring Cost	10360
3	Total Stitched Suit per month	295 (approx. quantity)
4	Selling Price of Stitched Suit (per suit)	400
5	Income generation (180*250)	118000
6	Net profit 118000 - 10360)	107640
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	76100	57075	19025
2	Total Recurring Cost	10360	0	10360
3	Trainings	99000	99000	0
	Total	185460	156075	29385

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"> • 25% 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

Activity - Sticking

Radhe - Radhe SHG

Ward no :- 2



Matlesh Kumari



(Secretary) Sweeti



(Treasurer) Kanchan



(Member) Usha devi



(Member) Ratni



(Member) Rekha



Kajal (Member)



Reeta (Member)



Seema devi (Member)



Meenakshi (Member)



Neelam devi (Member)



Bandna (Member)



Seema Rani (Member)



Reema devi (Member)



Resolution cum Group Consensus Form

It is decided in the general house meeting of the group Raadhe - Raadhe held on 18-11-2023 at Ghandran 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).

Signature of Group President

Matlesh Kumeri

3

Signature of Group Secretary

Sweety Devi

Business Plan Approval by VFDS & DMU

She - 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. 185460/- has been submitted by group on 18/11/2023 and the business plan has been approved by the VFDS Ghandran.

Business plan is submitted through FTU for further action please.

Thank you

Signature of Group President

Matlosh K. Idamasi

Signature of President VFDS

J. S. Raza

Signature of Group Secretary

Suresh Verma

J. S. Raza
DMU - cum - DFO
Nurpur Forest Division
Nurpur Approve

DMU cum Nurpur

