

BUSINESS PLAN

INCOME GENERATING ACTIVITY – Cutting and Tailoring

By

Prerna Stitching - Self Help Group



SHG/CIG Name	::	Prerna
VFDS Name	::	Minjgran
Range	::	Nurpur
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	::	Prerna
2.2	VFDS	::	Minjgran
2.3	Range	::	Nurpur
2.4	Division	::	Nurpur
2.5	Village	::	Minjgran
2.6	Block	::	Nurpur
2.7	District	::	Kangra
2.8	Total No. of Members in SHG	::	13- females
2.9	Date of formation	::	10-05-2022
2.10	Bank a/c No.	::	50074999728
2.11	Bank Details	::	Kangra central cooperative 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	Address
1	Ranjna kumari	Jeevan kumar	43	Gen	Agriculture	Vill. Minjgran
2	Sonkia devi	Anil Kumar	26	OBC	Agriculture	Vill. Minjgran
3	Sunita devi	Ranjeet singh	42	OBC	Agriculture	Vill. Minjgran
4	Kiran bala	Parshotam singh	49	OBC	Agriculture	Vill. Minjgran
5	Rekha devi	Manjeet singh	42	OBC	Agriculture	Vill. Minjgran
6	Neelam devi	Dev Raj	58	OBC	Agriculture	Vill. Minjgran
7	Meena kumari	Tarsem singh	44	OBC	Agriculture	Vill. Minjgran

8	Neetu devi	Joginnder kumar	41	OBC	Agriculture	Vill. Minjgran
9	Tanto devi	Lekh raj	34	St	Agriculture	Vill. Minjgran
10	Arti devi	Yashpal kaushal	28	ST	Agriculture	Vill. Minjgran
11	Subh lata	Babu ram	66	OBC	Agriculture	Vill. Minjgran
12	Seema devi	Sham singh	33	ST	Agriculture	Vill. Minjgran
13	Sapna devi	Neeraj kumar	35	OBC	Agriculture	Vill. Minjgran

3. Geographical details of the Village

3.1	Distance from the District HQ	::	70 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 Perna 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 –minjgran
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	13	8000	104000
2	Interlock Machine	1	10000	10000

3	Tailor Scissor	13	300	3900
4	Iron Press	1	1000	10000
5	Hanger	3 Sets	100	300
	Chairs, Table etc	Approx	LS	7000
Total Capital Cost (A) =				126200

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(126200)	1051
	Total	11411

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	1051
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"> 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	126200	94650	31550
2	Total Recurring Cost	10360	0	10360
3	Trainings	120000	120000	0
	Total	256560	214650	41910

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.
G contribution	<ul style="list-style-type: none"> 25% of capital cost to be borne by SHG. Recurring cost to be borne by 	

	SHG	
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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



Ranjana Kumari



Sonika



Shubh Lata



Seema Devi



Kiran Bala



Meena Kumari



Rekha Devi



Tento Devi



Neetu Devi



Arti Devi



Sapna Devi



Neelima Devi



Sunita Devi

Resolution cum Group Consensus Form

It is decided in the general house meeting of the group
Prerna held on 10-09-2022 at
Minjgran that our group will undertake the
Stitching as livelihood income generation
activity Under the project for implementation of Himachal
Pradesh forest ecosystem Management and livelihood (JICA
assisted).

Sampat Kumar
प्रधान सचिव कोषाध्यक्ष
प्ररेणा (JICA) स्वयं सहायता समूह
वार्ड नं. 5, मिजग्रां तह नूरपुर
Signature of Group President

Sonika
प्रधान सचिव कोषाध्यक्ष
प्ररेणा (JICA) स्वयं सहायता समूह
वार्ड नं. 5, मिजग्रां तह नूरपुर
Signature of Group Secretary

Business Plan Approval by VFDS & DMU

Prerna Group will undertake the Stitching 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. 256560/- has been submitted by group on 10/09/2022 and the business plan has been approved by the VFDS Minjgran.

Business plan is submitted through FTU for further action please.

Thank you

Ranjna Kumari
प्रधान सचिव कोषाध्यक्ष
प्ररेणा (JICA) स्वयं सहायता समूह
Signature of Group President

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वाड नं. 5 सिन्धु नदी
Signature of Group Secretary


President
VFDS Minjgran
Signature of President VFDS


DMU - cum - DFO
Nurpur Forest Division
Nurpur
Approved

DMU cum Nurpur