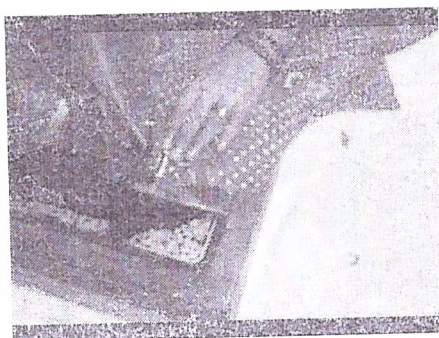


BUSINESS PLAN

INCOME GENERATING ACTIVITY – Cutting and Tailoring

by

SHGTAILORING KOLTHA - Self Help Group



SHG/CIG Name	::	SHG TAILORING KOLTHA
VFDS Name	::	KHALAIR
Range	::	NITHER
Division	::	ANI AT LUHRI

Prepared under:



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

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1. Background

Cutting and tailoring center by SHG Tailoring Koltha will be located at village Koltha P.O. Urtoo, Tehsil Nirmand, Distt. Kullu HP. The total households in ward Khalair are 77 and 4 to 5 small villages surrounding Koltha for which this cutting and tailoring centre will cater for. This centre will provide excellent service and guide the customers about what suits them the best to provide them the product that mark the highest level of satisfaction and comfort for them.

2. Description of SHG/CIG

2.1	SHG/CIG Name	::	SHG Tailoring Koltha
2.2	VFDS	::	Khalair
2.3	Range	::	Nither
2.4	Division	::	Ani at Luhri
2.5	Village	::	Koltha
2.6	Block	::	Margi
2.7	District	::	Kullu
2.8	Total No. of Members in SHG	::	9 - females
2.9	Date of formation	::	10/07/2020
2.10	Bank a/c No.	::	2429000100099691
2.11	Bank Details	::	PNB, Bagipul, Nirmand, Kullu
2.12	SHG/CIG Monthly Saving	::	100
2.13	Total saving		6900 (till March, 2021)
2.14	Total inter-loaning		-
2.15	Cash Credit Limit		---
2.16	Repayment Status		---

3. Beneficiaries Detail:

Sr.No	Name	Father/Husb and Name	Age	Education	Category	Income Source	Address	Contact No.
1.	Pappi Bisht (President)	Anup Bisht	33	MA	General	Agriculture	Koltha	98169-97373
2.	Sonu Bisht (Secretary)	Devender Bisht	33	10 th	General	Agriculture	Koltha	85807-40138
3.	Dipika Guleria	Doia Singh	24	BA	General	Agriculture	Koltha	
4.	Shashi Bisht	Mahinder Pal Bisht	31	12 th	General	Agriculture	Koltha	
5.	Snehlata	Raja Ram Bisht	37	BA	General	Agriculture	Koltha	
6.	Bavita Bisht	Yashpal Bisht	35	12 th	General	Agriculture	Koltha	
7.	Devki Bisht	Lal Chand	27	12 th	General	Agriculture	Koltha	
8.	Ranjana Bisht	Vir Bisht	29	Twelfth	General	Agriculture	Koltha	
9.	Heena Guleria	Dilip Singh	27	Twelfth	General	Agriculture	Koltha	

4. Geographical details of the Village:

3.1	Distance from the District HQ	::	180 Km
3.2	Distance from Main Road	::	5 Km
3.3	Name of local market & distance	::	Bagipul, 30km
3.4	Name of main market & distance	::	Rampur, 60km
3.5	Name of main cities & distance	::	Rampur, 60km Nirmand, 50km
3.6	Name of places/locations where product will be sold/ marketed	::	Rampur 60km

5. Management

Cutting and tailoring centre by SHG Tailoring Koltha have 9 women members and they will have individual sewing machines and will hire a room in the village to execute their plan and work in a collective manner. Before the start of the actual work in the centre all the members will be imparted a short term capsule course for training them in cutting and tailoring under some professional trainers.

6. Customers

The primary customers of our centre will mostly be ladies and some cloth merchants around village Koltha but later on this business can be scaled up by catering to nearby small townships.

7. Target of the centre

The centre primarily aims at to provide unique modern and high class stitching service to the residents of Koltha village in particular and all other residents of nearby villages.

This centre will ensure to become the most renowned stitching centre with quality work in its area of operation in coming years.

8. The reason to start this business

Due to the prior experience of the members of this SHG who are already doing same work here and there this IGA has been selected and therefore the SHG is starting this business. This is an effort to combine the skill of various members and scale up their activity to earn more livelihoods.

9. The initial stage to start the business

The SHG Tailoring Koltha will hire a spacious room to house the 9 members along with their equipments at a centrally located place which will be easily accessible to all the members. The detailed requirement along with financial projection to start up the project will be as under:

1. Room rent = 2000 / month
2. Sewing machine with foot pedal = 4 @ 5500 = 22000
3. Sewing machine simple / ordinary = 5 @ 3000 = 15000
4. Room carpet 1 @ = 1500
5. Cutting scissors = 9 @ 450 = 4050
6. Tailors scale = 9 @ 200 = 1800
7. Measuring tape = 9 @ 50 = 450
8. Marking material Chalk = 100
9. Iron = 9 no's. @ 700 = 6300
10. Sewing thread different colours = 4 pkt @ 500 = 2000
11. Oiling pippet = 9 no's. @ 50 = 450

10. Some salient features to attract customers

- The center will ensure stitching of the traditional, non- traditional fancy, daily use modern and stylish dresses
- Emphasis will be on stitching fancy and simple clothes for women and children
- The centre will repair all types of defects and ensure that no customer go unattended.
- Later on the SHG may scale up their business by going into readymade garments sale-purchase.

11. Marketing analysis of cutting & tailoring business

This is the most important factor which will ensure the success of our business. A detailed analysis and market survey of the command area is essential ingredient and it will give us the overview of our targeted customers and the members of the group will know the latest demands and trends.

12. Business targets

This SHG tailoring Koltha will broadly aim at becoming the best stitching centre in the area and nearby villages. Our goal will be to scale up the business gradually and transform it into profit making unit within next 3-5 years.

13. Financial forecast/ projections

The final rather foremost step to start up the business is to make a financial plan to determine the cost to run the business and it should also cover the business profit which the SHG is going to earn in nutshell a cost benefit analysis is required to be projected.

14. Description of Economics:

A. CAPITAL COST				
Sr.No	Particulars	Quantity	Unit Price	Total Amount (Rs.)
1	Sewing machinewith tool pedal	04	5500	22000
2	Sewing machine simple/ordinary	05	3000	15000
3	Room carpet	01	1500	1500
4	Cutting scissors	09	450	4050
5	Tailor's scale	09	200	1800
6	Measuring tape	09	50	450
7	Interlocking machine	01	6000	6000
8	Hangers	09	100	900
9	Counter table alongwith wardrobe inbuilt	01	8000	8000
10	Stools	09	500	4500
11	Iron	09	700	6300
Total Capital Cost (A) =				70500
B. RECURRING COST				
Sr.No	Particulars	Quantity	Price	Total Amount (Rs)
1	Room rent	1	2000	2000
2	Marking material chalk etc.	L/S	L/S	100
3	Sewing thread of different colours	04 m	500	2000
4	Oiling pippet	9	50	450
5.	Buttons different types	1 box	1000	1000
6.	Bukerem	20m	50	1000
7.	Misc. expenditure (i.e. electric bills, repair of machines, etc.)	L/S	L/S	1000
Total Recurring Cost (B)				7550

15. Income projections:

To start with it is estimated that each member will stitch one ladies suit in a day complete in all respect. The stitching charges as on today for simple suit is approximately 250 per suit. On an average the 9 members of group may stitch 200 ladies suit in a month to be on safer side and keeping in view the other household obligations of the members of group. Therefore the total output of the group is estimated $200 \times 250 = \text{Rs}50000/-$ only.

16. Analysis of Income and Expenditure(Monthly):

Sr.No.	Particulars	Expenditure / month (Rs)	Income per month(Rs)
1.	10% Depreciation on capital cost i.e. $70500/12 \times 10 = 587.5$ or say 587 Rs.	587	
2.	Total Recurring Cost	7550	
3.	Total	8137	50000
4.	Net Profit (50000 - 8137)	41863	
5.	Distribution of Net Profit	<ul style="list-style-type: none">• Profit will be distributed equally among all the group members.• Part of the profit will be used for further investment in IGA	

17. Fund flow in the group:

Sr.No.	Particulars	Total Amount (Rs)	Project contribution	SHG contribution
1	Total capital cost	70500	35250	35250
2	Total Recurring Cost	7550	0	7550
3	Trainings	27000	27000	
	Total outlay	105050	62250	42800

Note-

- **Capital Cost** - 50% of the total capital cost will be borne by the Project
- **Recurring Cost** - The entire cost will be borne by the SHG/CIG.
- **Trainings/capacity building/ skill up-gradation** - Total cost to be borne by the Project

18. Sources of funds and procurement:

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 as a revolving fund.• 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	

19. 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

20. **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 no 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.

21. 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.

22. Remarks

Group members Photos-



SNEH LATA



PAPPI BISHT



DIPIKA



SHASHI BISHT



BABITA BISHT



SLEELA BISHT



SONU DEVI



RANJANA
BISHT



HEENA GULERIA

Prepared by: Mr. M.M.Khushdil (Retd. HPFS)

Dr. Lalit Thakur (SMS)

Ms. Mitika Gupta (FTU Co-ordinator)

The business plan of Self Help Group **SHG Tailoring Koltha** for the IGA of **Cutting and Tailoring** was presented before the general house of VFDS **Khalair** for approval. After long discussion and thoughtful deliberations by the different members, the business plan was approved for adoption in the SHG and further implementation by the members of SHG.

Secretary
V.F.D.S. Khalair
[Signature]
General Secretary

[Signature]
Treasurer

President
V.F.D.S. Khalair
Teh. Nirmand, Distt. Kullu H.P.
[Signature]
President

Secretary
V.F.D.S.
Teh. Nirmand, Distt. Kullu H.P.

[Signature]
Forest Officer
Teh. Nirmand, Distt. Kullu H.P.

*Approved & sanctioned for Rs. 1,05,050/- only.
(Rs. one lac Five Thousand & fifty only)*

[Signature]
DMU, Cum. Divisional
Forest officer Ani at
Luhri

