

## BUSINESS PLAN

### INCOME GENERATING ACTIVITY - Cutting and Tailoring

by

Self Help Group Cutting & Tailoring – Shiv Shakti Group Kaflah



SHG / CIG Name	::	Shiv Shakti Group Kaflah
VFDS Name	::	Kaflah
Range	::	Kanda
Division	::	CHOPAL

**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 Jai Bijat Maharaj Gayahoo- II will be located at village Gayahoo PO Nakora Tehsil Choapl Distt. Shimla HP. The total households in ward Badich are 51 and there are 2 villages in VFDS Badich, for which this cutting and tailoring center will cater for. This center will provide excellent service and guide the customers about what suits them the best to provide them the product that marks the highest level of satisfaction and comfort for them.

## 2. Description of SHG / CIG

2.1	SHG / CIG Name	::	Shiv Shakti Group Kaflah Cutting & Tailoring
2.2	VFDS	::	Kaflah
2.3	Range	::	Kanda
2.4	Division	::	Chopal
2.5	Village	::	Kaflah
2.6	Block	::	Kupvi
2.7	District	::	Shimla
2.8	Total No. of Members in SHG	::	10 - females
2.9	Date of formation	::	14.07.2020
2.10	Bank a / c No.	::	46210104038
2.11	Bank Details	::	HP Co-operative Bank Kupvi
2.12	SHG / CIG Monthly Saving	::	100
2.13	Total saving		35000 / -
2.14	Total inter-loaning		-
2.15	Cash Credit Limit		-
2.16	Repayment Status		-

### 3. Beneficiaries Detail:

Sr.No	Name	Father / Husband Name	Age	Education	Category	Income Source	Address	Contact No.
1.	Kamlesh (President)	W / o Dinesh	27	10th	General	Agriculture	Kaflah	9816570489
2.	Kirpi Devi(Vice President)	W / o Jagat Singh	31	10 + 2	General	Agriculture	Kaflah	7807860705
3.	Koshalya (Secretary)	W / o Kamal	27	10 + 2	General	Agriculture	Kaflah	8091140477
4.	Indera (Treasurer)	W / o Ramlal	35	5th	General	Agriculture	Kaflah	9805942463
5.	Raksha	W / o KirpaRam	34	5th	General	Agriculture	Kaflah	6230512812
6.	Priyanka	W / o Madan	21	10th	General	Agriculture	Kaflah	7807793669
7.	Asha	W / o Ramesh	39	5 <sup>th</sup>	General	Agriculture	Kaflah	8580874168
8.	Kirishana	W / o Kedar Singh	39	12th	General	Agriculture	Kaflah	9816332167
9.	Nouri	W / o Moti Ram	86	-	General	Agriculture	Kaflah	9805463499
10.	Joshi Devi	W / o Dolat Ram	61	-	General	Agriculture	Kaflah	7807345612

### 4. Geographical details of the Village:

3.1	Distance from District HQ	::	160 Km
3.2	Distance from Main Road	::	500 m
3.3	Name of local market & distance	::	Kupvi, 28 km
3.4	Name of main market & distance	::	Nerwa, Chopal, Kupvi Haripurddhar
3.5	Name of main cities & distance	::	Shimla 240 km
3.6	Name of places / locations where product will be sold / marketed	::	Nerwa, Chopal, Kupvi Haripurddhar

### 5. Management

Cutting and tailoring center by SHG Jai Bijat Maharaj Gayahoo- II have 7 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 center 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 the center will mostly be ladies and some cloth merchants around village Gayahoo and Badich. But later on this business can be scaled up by catering to nearby small townships.

## **7. Target of the center**

The center primarily aims at providing unique modern and high-class stitching services to the residents of Gayahoo and Badich village in particular and all other residents of nearby villages.

This center aims to become the most renowned stitching center, 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. SWOT ANALYSIS**

### **1) Strength**

- i) All members are like-minded and have supportive attitude.
- ii) Cutting and Tailoring activity is simple one.

### **2) Weakness**

- i) SHG is new for the activity
- ii) lack experience in group working

### **3) Opportunities.**

- i) Working in a Group may help in higher production.
- ii) Good demand of the activity.
- iii) Provision of Project Contribution to the extent of 50% of the capital cost.
- iv) Training and capacity building / Skill upgradation to be borne by the project

### **4. Threat**

- i) Suddenly increase in price of raw material.
- ii) Competitive Market.

## **10. Business Plan \_\_\_\_\_ Different Stages.**

The SHG Cutting & Tailoring Jai Bijat Maharaj Gayahoo- II will hire a spacious room to house the 7 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 given hereafter under the heading -Capital Cost:

## **11. Some Initiatives / steps 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 center will repair all types of defects and ensure that no customer go unattended.
- The SHG, at later stage, may scale up their business by going into readymade garments sale-purchase.

## **12. Marketing analysis.**

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.

## **13. Business targets**

This SHG Jai Bijat Maharaj Gayahoo- II will broadly aim at becoming the best stitching center 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 4-5 years.

## **14. 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 .

### 15 Description of Economics:

A. CAPITAL COST				
Sr.No	Individuals	Quantity	Unit Price	Total Amount (Rs.)
1	Sewing machine with tool pedal	08	7800	62400
2	Sewing machine simple / ordinary	02	4500	9000
3	Room carpet	01	2000	2000
4	Cutting scissors	10	450	4500
5	Tailor's scale	10	300	3000
6	Measuring tape	10	70	700
7	Interlocking machine	01	7200	7200
8	Hangers	04 set	350	1400
9	Counter table alongwith wardrobe inbuilt	01	7200	7200
10	Stools	10	250	2500
11	Iron	02	700	1400
12	Almirah	02	5000	10000
13	Chairs	05	450	2250
Total Capital Cost (A) =				113550/ -
B. RECURRING COST				
Sr.No	Individuals	Quantity	Price	Total Amount (Rs)
1	Room rent	1	500	500
2	Marking material chalk etc.	L / S	L / S	400
3	Sewing thread of different colors	05 pkt	350	1750
4	Oiling pipette	10	60	600
5.	Buttons different types	2 box	950	1900
6.	Bukerem	30m	55	1650
7.	Misc. expenditure (ie electric bills, repair of machines, etc.)	L / S	L / S	1500
Total Recurring Cost (B)				8300 / -

### 16. Income projections:

At the beginning of IGA, 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 300 per suit. On an average the 7 members of group may stitch 150 ladies suit in a month to be on safer side and keeping in view the other household bonds of the members of group. Therefore the total output of the group is estimated  $300 \times 150 = \text{Rs}45000 / -$  only.

### 17. Analysis of Income and Expenditure (Monthly):

Sr.No.	Individuals	Expenditure/ month (Rs)	Income per month (Rs)
1.	10% Depreciation on capital cost ie <b>113550</b> / 12x10 = 946 or say 946 Rs.	946/-	
2.	Total Recurring Cost	8300	
3.	Total	<b>9246</b>	<b>60000</b>
4.	<b>Net Profit (45000 - 6555)</b>	<b>32702</b>	
5.	Distribution of Net Profit	<ul style="list-style-type: none"> <li>• Profit will be distributed equally among all the group members.</li> <li>• Part of the profit will be used for further investment in IGA</li> </ul>	

### 18. Fund flow in the group:

Sr.No.	Individuals	Total Amount (Rs)	Project contribution	SHG contribution
1	Total capital cost	<b>113550/-</b>	85163/-	28387/-
2	Total Recurring Cost	8300/-	0	8300/-
3	Trainings	30000/-	30000/-	
	<b>Total outlay</b>	<b>151850/-</b>	<b>115163/-</b>	<b>36687/-</b>

#### Note-

- **Capital Cost** -75% 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



## 19. Sources of funds and procurement:

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 as a revolving fund.</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.
SHG 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>	

## 20 .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

- 21. 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.

## 22. Monitoring Method-

- The 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

### 23. Group members Photos-



**Kamlesh President**



**Kaushalya V.P.**



**Kirpi Devi Secretary**



**Indra Devi Treasurer**



**hushi Devi Member**



**Asha Devi Meber**



**Krishna Member**



**Priyanka Member**



**Noori Devi Member**



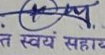
**Raksha Devi Member**

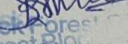
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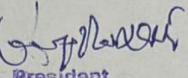
कटिंग और टेलरिंग के आईजीए के लिए स्वयं सहायता समूह शिव शक्ति कफलाह की व्यवसाय योजना वीएफडीएस कफलाह के जनरल हाउस के समक्ष अनुमोदन के लिए प्रस्तुत की गई थी। विभिन्न सदस्यों द्वारा लंबी चर्चा और विचारशील विचार-विमर्श के बाद एसएचजी में आगाने और एसएचजी के सदस्यों द्वारा आगे कार्यान्वयन के लिए व्यवसाय योजना को मंजूरी दी गई।

दिनांक

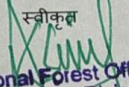
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शिव शक्ति स्वयं सहायता  
समूह कफलाह  
अध्यक्ष एसएचजी

  
Block Forest Officer  
Forest Block Kanda  
कोषाध्यक्ष वीएफडीएस

  
President  
Vill. Forest Development  
Society Kaphah  
Range Kanda  
अध्यक्ष वीएफडीएस

  
Range Forest Officer  
Forest Range Kanda  
एफटीयू अधिकारी कांडा

  
स्वीकृत  
Divisional Forest Officer  
Chopal Forest Division  
चौपाल वन प्रभाग चौपाल।

