



Business plan - Adi Brahma

(Ladies suits , Gents night Suit,Children Dresses)

Income Generation Activity - Cutting & tailoring



Village Forest Development Committee-
Gram Panchayat -
Forest Range -
Forest Division-

Khokhan-II
Khokhan
Bhuntar
Shamshi

**Project for improvement of Himachal Pradesh
Forest Ecosystem Management&Livelihoods**

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1. Executive Summary

Himachal Pradesh is located in the western Himalayas. This state is rich in natural beauty, cultural heritage, and religious significance. It features diverse ecosystems, rivers, and valleys. The population of Himachal Pradesh is approximately 7 million, and its geographical area spans 55,673 square kilometers. The state includes regions ranging from the Shivalik hills to the mid-Himalayan zone, characterized by varying elevations and cold climates. The primary occupation of the people here is agriculture.

Out of the 12 districts in Himachal Pradesh, six are part of the Himachal Pradesh Forest Ecosystem Management and Livelihood Improvement Project with support from JICA (Japan International Cooperation Agency), including Kullu district.

As part of the Himachal Pradesh Forest Ecosystem Management and Livelihood Improvement Project (JICA), a microplan was developed for the Village Forest Development Committee (VFDC) Khokhan. The main occupations of the villagers are agriculture and horticulture, but the average landholding per family is very small. Due to limited resources, their income has not increased as expected. The local people primarily cultivate wheat, maize, barley, and pulses, along with vegetables and orchard crops like apples, plums, apricots, and pomegranates.

To generate additional income, Self-Help Group (SHG) "Aadi bhrama" decided to engage in tailoring and stitching activities. This SHG was formed on 24th March 2021 and consists of 13 women members. Later, the SHG was renamed as "Aadi Bhrama Common Interest Group (Jolly - Bagicha)" on _____ (date). After thorough discussions, the members decided to pursue income generation through tailoring and stitching.

With support from the project, the group will receive training in stitching ladies' suits (with and without lining), gents' night suit, and palazzo suits. The project will provide 50% capital cost assistance for the general category and 75% for general and scheduled caste categories. Additionally, a revolving fund of ₹1,00,000/- will be given to facilitate bank loans.

The group has agreed to distribute the work among its members as per defined rules and regulations, ensuring equal distribution of profits based on their contributions.

The business plan for the Jognimata Common Interest Group was developed through multiple meetings between the SHG members and experts, including Mr. Padam Singh Chauhan (Retd. HPFS), Mrs. Babita Thakur, and Mr. Som Dev (Forest Guard).

As per the business plan, the group will produce the following garments per month:

- 240 ladies' suits (without lining)
- 150 ladies' suits (with lining)
- 180 gents' night suit
- 120 Kids Dresses

Each member will contribute 4 to 5 hours daily for production. The details of the group members are listed below:

S. No	Name of Beneficiary	Designation	Village	Age	Gen.	Qual.	Category	Cont. No.
1	Smt. Krishana devi	President	Khokhan-II	52	Female	10th	General	9817060937
2	Smt. Lalita	Secretary	Khokhan-II	32	Female	10th	General	9736917206
3	Smt. Purnima	Member	Khokhan-II	42	Female	12th a	General	9418205626
4	Smt. Bhuvneshwari	Member	Khokhan-II	42	Female	10th	General	7018096085
5	Smt. Kunta	Member	Khokhan-II	30	Female	8th	General	7876333951
6	Smt. Tammana	Member	Khokhan-II	27	Female	12th	General	8219963973

7	Smt. Chinta Mani	Member	Khokhan-II	39	Female	12th	General	8580615224
8	Smt. Krishna	Member	Khokhan-II	53	Female	5th	General	8219601613
9	Smt. Elvanti	Member	Khokhan-II	54	Female	5th	General	7876687935
10	Smt. Kamla	Member	Khokhan-II	51	Female	5th	General	8580855960
11	Smt. Lata	Member	Khokhan-II	50	Female	5th	General	9816391775
12	Smt. Sevti	Member	Khokhan-II	52	Female	10th	General	9816382151
13	Smt. Raveena	Member	Khokhan-II	26	Female	8th	General	8580472334

Summary by Category

Sr. No.	General	SC	ST	BPL
1	12	1	-	-

2 Detail of SHGs

2-1	Name of the Self-Help Group:	Aadi Bhrama
2-2	SHG MIS Code: -	&
2-3	Village Forest Development Committee:	Khokhan-II
2-4	Forest Division:	Shamshi
2-5	Forest Range:	Bhuntar
2-6	Village:	Khokhan-II
2-7	Development Block:	Bhuin
2-8	District:	Kullu
2-9	Total Number of Members in the Group:	13
2-10	Date of Formation of the Group:	5 August] 2020
2-11	Monthly Savings of the SHG/Uniform Contribution:	100@&
2-12	Bank Name and Branch where the SHG Account is Maintained:	Kangra Co-operative Bank Bhuntar
2-13	Bank Account Number:	50072206325
2-14	Total Savings of the Group:	10400@&
2-15	Loan Amount Given to Members by the Group: -	—
2-16	Status of Loan Repayment by Group Members:	&

3. Description of the geographical location of the village

3.1	Distance from District Headquarters:	14 Km
3.2	Distance from the Main Road:	4 Km
3.3	Name and Distance of the Nearest Local Market	Bhunter 16 Km
3.4	Distance from the Main Market and Name	Bhunter 16 Km

3.5	Distance from Other Important Towns and Blocks	Kullu 14 Km
3.6	Any Special Features of the Village Related to Income Generation Activities Selected by the Group	4 Km

Why is a Business Plan Necessary?

In Village Forest Development Committee, Khokhan, there was no pre-existing women's group. Therefore, the project facilitated the formation of a Self-Help Group (SHG) to support women in enhancing their livelihoods through sewing and tailoring activities.

Some women in the group already engage in sewing and tailoring but lack proper training and currently sew only for household purposes. Additionally, several women neither own a sewing machine nor have any formal training. Due to these challenges, they have been unable to improve their livelihoods. To address this, the women have requested support from the JICA project for sewing machines and proper training through their SHG, enabling them to develop their skills and generate income.

(Objectives of the Business Plan

Capacity building of all group members.

- Ensuring a sustainable source of income for the group.
- Connecting products with suitable markets.
- Encouraging all members to actively participate in the group.
- Promoting modern and advanced sewing techniques.
- Enhancing livelihood opportunities.

(Activities Included in the Business Plan

- Sewing and tailoring, covering:
- 240 ladies' suits (without lining)
- 150 ladies' suits (with lining)
- 180 gents' night suit
- 120 Kids Dresses

Details of Business Plan Implementation

1. Community Mobilization

- Awareness and engagement activities were conducted among villagers.
- Beneficiaries were selected for livelihood enhancement initiatives.

2. Formation of the Group

- Self-Help Group (SHG) was formed, and members were gathered.
- President, Secretary, and Treasurer were elected through mutual consensus.
- Rules and regulations for the group were established and implemented.

3. Capacity Building

- Proper training for beneficiaries is essential for skill development.

4. Distribution of Sewing Machines

- High-quality sewing machines will be provided to all members for efficient work.

5. Market Linkages

- The group will establish partnerships with government and private entities for selling product.
- They will supply school uniforms for local schools.
- Collaboration with local tailors in Bhuntar Market for steady work opportunities.

6. Financial and Institutional Support

- Efforts will be made to connect the group with financial institutions.
- SHG members will be informed about loan facilities from various banks.
- The project will assist in linking the group with banking services.

7. Market Knowledge

- Members will collaborate with tailors in Bhuntar Market for business expansion.

8. Monitoring Mechanism

- Baseline surveys will be conducted before starting the business.
- Economic surveys will be conducted every six months to assess progress.
- Monitoring indicators include:
 - Increase in production (*post-implementation*)
 - Increase in product sales (*post-implementation*)
 - Growth in group membership (*post-implementation*)
 - Increase in income levels (*post-implementation*)

Required Support and Resources

- **Capital Expenditure Support:**

- The project will provide 50% or 75% financial assistance, depending on the category.
- The remaining 50% or 25% will be contributed by group members.
- For recurring expenses:
 - ₹10400 will be covered through group savings.
 - ₹18,500 will be borrowed from a bank loan.

(10) Estimated Benefits

- Women will have access to home-based employment.
- The group will gain a sustainable and long-term livelihood source.
- Members can engage in tailoring during their free and extra time.

Each member can increase their income by approximately ₹10685 per month.

4. Description of products related to IGA

4.1	List of Products	Gents' Night suit Shirts,Ladies,Suit (With Lining & Without Lining),Kids Dresses
4.2	Method of Product Identification	Discussion and consultation within the group
4.3	Consent from Self-Help Group Members	Yes, with written consent attached.

5. Production Process

1. Training Phase

- Self-Help Group (SHG) members will receive training under the project for stitching ladies suits (with and without lining), kids' dresses, and gents' night suits.
- 13 members of Aadi Bhrama SHG will work on this initiative.
- After training, the group will start production.

Work Distribution

Product	Members Assigned	Daily Output (per person)	Work Hours (per day)
Ladies' Suit (With Lining)	5 Members	1 suit	4-5 hours
Ladies' Suit (Without Lining)	4 Members	2 suits	4-5 hours
Gents' Pants & Shirts	2 Members	3 dress	4-5 hours
Kids Dresses	2 Members	2 dress	4-5 hours

6. Production Planning

- Workdays per month: 30 days
- Total workforce: 13 members
- Raw material sources: Kullu, Bhuntar
- Other resource sources: Kullu, Bhuntar.

S.No.	Product Name	Unit	Qty	Wages	Average Other Expenses	Total Amount	Product Name	Unit
1.	Ladies' Suit (With Lining)	No.	150	25800	6282	32082	213.88	150
	Ladies' Suit (Without Lining)	No.	240	20700	10051	30753	128.13	240
	Gents' Pants & Shirts	No.	180	10200	7538	17739	98.54	180
	Child Dresses	No.	120	10200	5026	15226	126.88	120
	Total		690	66900	28900	95800	-	-

Note: The cost of training for the Self Help Group is borne by the project and is not included in this business plan.

7.Detail of sale & Marketing

7-1	Areas of Operation	Bhunter, Mohal, and Shamshi
7-2	Source of Marketing for the Products	4 Km
7-3	Types of Products	ladies' suits (without lining), ladies' suits (with lining), gents' night suit, Kids Dresses
7-4	Marketing Strategy	Local markets have been targeted, such as schools, Bhunter, Mohal, and Shamshi
7-5	Seasonal Marketing Strategy	Woolen suits during winter, cotton suits during summer
7-6	Target Customers	Local villagers
7-7	Customer Types	School children, women/men from villages and towns
7-8	Marketing Approach	Direct contact with tailors, and stitching suits for women and men of the village
7-9	Marketing Activities to be Done Initially	(1) Initially, ladies suits, gents night suits, school dresses, kids' dresses will be stitched. Later, pillows, cushions, quilt covers, etc., will be stitched. (2) Selection of group members based on proficiency in cutting, stitching, sewing, buttoning, ironing, etc.

8.Description of management among the members

The members of the group will divide the work by mutual consent, and the income will be distributed according to the work done. All members of the Self Help Group will be responsible for work. The work distribution and each member's role will be based on their economic, physical, and mental capabilities. These members will also maintain the financial records.

9. (SWOT Analysis)

Strengths

1. All group members have a similar and positive outlook.
2. One group member will work on small-scale tailoring.

Weaknesses

1. It is a new Self Help Group.
2. The group does not have experience in working together.

Opportunities

1. Working in the group can lead to large-scale production.
2. There is high demand for suit stitching and other services in local markets due to the tourism sector.
3. The project will provide 75% support for Scheduled Caste/Tribe and poor general category women, and 50% for general category women for purchasing tailoring machines and other equipment.
4. The project will provide expert training for tailoring either on-site or through institutions

Threats

1. Internal conflicts within the group can affect the group's work.
2. Lack of demand and transparency can lead to the breakdown of the group.

10. Description of economics of Business plan**A.Capital Costs**

S.No.	Activity	Qty	Price	Total Cost	Project Share (75%)	Beneficiary Share (25%)
1	Steel Stand	5	2000	10000	7500	2500
2	Scissors	7	500	3500	2625	875
3	Inch Tape	10	20	200	150	50
4	L Scale	8	100	800	600	200
5	Press	6	1200	7200	5400	1800
6	Stapler (3 Large, 2 Small)	3	150	450	337.5	112.5
		2	50	100	75	25
	Total			22250	12130	10120

One member already possesses a machine and some other equipment.

(b) Recurring cost (for One Cycle) - Considered for One Month

Sr No.	Description	Unit	Quantity	Rate	Amount
1	Rent	Month	1	1000	1000
2	Wages	Month	223 Days	300	66900
3	Transport	Month	1	2000	2000
4	Packing (Envelopes, Bags,	No.	1	2000	2000

	Newspaper)				
5	Sewing Thread, Buttons, Zippers, Hooks, etc.	No.	690	10	6900
6	Suit Lining (Material) Cost	Month	150	100	15000
7	Miscellaneous Expenses (Stationery, Electricity, Water, etc.)	Month	1	2000	2000
	Total				95800

- Every day one women will work 4 to5 hours

11.Summary of economics of Business plan

A.Capital Costs

Sr. No.	Description	Amount
1	Total Recurring Expense	95800
2	10% Annual Depreciation on Fixed Cost	185
3	Interest on Loan at 7% Annual Rate	667
	Total	96652

12.Assessment of sale value (per cycle)

:

Sr. No.	Description	Unit	Qty	Rate	Amount
.1	Cost of Production				
	Ladies Suit with Lining	Number	150	213.88	32082
	Ladies Suit without Lining	Number	240	128.13	30751
	Gents night Suit	Number	180	98.54	17738
	Children Garments	Number	120	126.88	15226
	Total Cost		690 Pec.		95797
2	Fixation of profit (in Percentage)				
	Ladies Suit with Lining	110.39%	150	236.12	35418
	Ladies Suit without Lining	56.09%	240	71.87	17249
	Gents night Suit	102.96%	180	101.46	18263
	Children Garments	18.22%	120	23.12	2773
	Total Cost		690 Pec.		73703
3	Estimated sale value of products				
	Ladies Suit with Lining		150	450	67500

	Ladies Suit without Lining		240	200	48000
	Gents night Suit		180	200	36000
	Children Garments		120	150	18000
	Total		690 Pec.		169500

13. Cost-Benefit Analysis -

Sr. No.	Items	Amount
1	10% Annual Depreciation on Fixed Cost	185
2	Recurring Cost 30) Days (
2-1	Rent	1000
2-2	Wages	66900
2-3	Packing (Envelopes, Bags, Newspaper)	2000
2-4	Sewing Thread, Buttons, Zippers, Hooks, etc.	6900
2-5	Miscellaneous Expenses (Electricity, Stationery, etc.)	2000
2.6	Transport	2000
2.7	Suit Lining (Material)	15000
	Total	95800
3	Production per Month	690नं०/ माह
4	Revenue from Production per Month	169500
5	Income from sewing Products 690) नं०)	169500
6	Total Profit (95800 + 185) - 169500 =	73515
7	Gross Profit from Production (Including Wages & Rent 1000 + 66900 + 73515 =	141415
8	Amount available for distribution among members as profit after one cycle=Income from sale of product-(Repayment of loan and interest +Recurring cost required for second cycle) =169500)-1700+95800 - (66900	138900

- This amount is in addition to wages and rent. The profit per member will be distributed among the members based on the agreed ratio.
- From the bank loan interest rate, 5% interest will be directly deposited into the bank account by the project. The remaining interest will be paid by the group.

14. Fund requirement

(a) Requirement funds for group

Sr. No.	Item	Amount
1	Capital expenditure	22250
2	Recurring expenses	28900
3	Other expenses	-

	Total	51150
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(b) Financial resources of the groups

Sr. No.	Description of financial resources	Amount
1	Project Assistance Fund amount (75% of capital expenditure)	12130
2	Beneficiary share (25% of capital expenditure)	10120
3	Group's internal savings	10400
4	Bank Loan	18500
	Total	51150

- Project will also provide 100000 as a revolving fund
- The beneficiary share of the above capital expenditure of ₹21,100 will be paid in cash by the group
- member themselves. The remaining recurring expenditure amount of ₹18,500 will be taken as a loan from the bank.

15.. Calculation of the Break-Even Point

- Break-Even Point = Capital Expenditure / (Selling Price – Recurring Expenses) = 22250 / 169500 - 95800 = 22250 / 73700 = 0.3018 month = 0.3018 x 30 = 9 Days. At the above ratio, by stitching and delivering 690 units, the "Break-Even Point" will be achieved in 9 days. In other words, the invested amount in this activity will be recovered in 9 days.

16. Bank loan repayment (on installment basis)

Sr. No.	Month	Loan Repayment						Cumulated Repayment of loan	Balance Loan		
		Principal	Total Interest	Payable interest @ 5 % by project	Payable interest @ 2 % by SHG	Payable monthly installment by SHG	Total		Principal	Interest	Total
1	Month 1								18500	108	18608
2	Month 2	1592	108	77	31	1700	1700	1700	16908	99	17007
3	Month 3	1601	99	70	29	1700	1700	3400	15307	89	15396
4	Month 4	1611	89	64	25	1700	1700	5100	13696	80	13776
5	Month 5	1620	80	57	23	1700	1700	6800	12076	70	12146
6	Month 6	1630	70	50	20	1700	1700	8500	10446	61	10507
7	Month 7	1639	61	44	17	1700	1700	10200	8807	51	8858

8	Month 8	1649	51	37	14	1700	1700	11900	7158	42	7200
9	Month 9	1658	42	30	12	1700	1700	13600	5500	32	5532
10	Month 10	1668	32	23	9	1700	1700	15300	3832	22	3855
11	Month 11	1678	22	16	6	1700	1700	17000	2155	13	2167
12	Month 12	2155	13	9	4	2167	2167	2167	0	0	0
	Total	18500	667	477	190	19167	19167	95667	0	0	0

7% annual interest is calculated monthly on the reducing principal amount. Due to adjustments, the final EMI may be lower than the regular EMI. Additionally, if the project pays the interest in advance as a lump sum, the last installment will decrease. The final installment should be carefully checked before transferring the amount from the bank account.

17. Comments

- The group will stitch **ladies' suit lining, non-lining suits, gents' night suit, Children Dresses** every month.
- By stitching these garments, the group will receive a total amount of **₹138900** for distribution.
- Out of this, **₹66900** will be paid as wages, and **₹72000** will be earned as profit.
- If each member works **4 hours daily**, they will earn an additional **₹10685 per month**.
- Additionally, the **project will bear 5% annual interest** on the loan.
- As a result, the group will also save an extra **₹477**.

18. Bye laws Self-Help Group (SHG)

1. **Group's Work:** Stitching and tailoring.
2. **Group's Address:** Village Khokhan, Post Office Khokhan , Tehsil Bhuntar, District Kullu, Himachal Pradesh.
3. **Total Members in the Group:** 13.
4. **First Meeting of the Group:** August 05, 2020.
5. **Interest on Savings:** ₹2 per ₹100 per month.
6. **Monthly Meeting:** Held on the 5th of every month.
7. **Depositing Savings:** All members must deposit their saved amount in the group every month.
8. **Attendance in Meetings:** All members must attend group meetings.
9. **Bank Account:** The group's account will be opened in **Central Bank of India, Bhuntar Branch**, Account No. **50072206325**.
10. **Leave of Absence:** The President and Secretary must inform and seek approval for any absence from meetings.
11. **Expulsion from the Group:** Any member failing to deposit savings or remaining absent for three meetings will be removed from the group.
12. **Meeting at Member's House:** If a member provides a valid reason for absence, the next meeting will be held at their house, and the expenses will be covered by them. If two members are involved, they will share the expenses.
13. **Decision Making:** The President and Secretary will be elected with full consensus.
14. **Authority of President and Secretary:** They can handle financial transactions, and their tenure will be one year.
15. **Use of Group Funds:** The group's funds will always be used for collective benefit. No individual can misuse them.
16. **Loan Repayment:** If a member has taken a loan, they must repay it before leaving the group; otherwise, they cannot exit.
17. **Loan Policy:** The amount, tenure, and interest rate of the loan will be decided in the meeting.
18. **Emergency Fund:** A minimum balance of ₹1,000 must be maintained with the President and Secretary.
19. **Record Keeping:** All meeting minutes must be read out loud and signed by all members.
20. **Large Loan Requests:** Members must inform the group at least a week in advance before taking a large loan.
21. **Loan Disbursement:** Loans must be distributed in the presence of all members.
22. **Forfeited Savings:** If a member leaves the group without a valid reason, their deposited savings will be forfeited.

19. Letter of Consent and approval of DMU

समूह का सहमती पत्र

आज दिनांक 28/01/2021 को 'आदि ब्रह्मा' स्वयं सहायता समूह की बैठक हुई ! बैठक प्रधान श्रीमती कृष्णा देवी की अध्यक्षता में हुई जिसमें समूह के सदस्यों ने सर्व सहमती से निर्णय लिया की आय बढ़ाने के लिए लेडी सूट लाइनिंग, बिना लाइनिंग, जेंट्स सूट, किड्स ड्रेसज सिलाई का कार्य करने के लिए हिमाचल प्रदेश वन पारिस्थितिकी तन्त्र प्रबंधन और आजीविका सुधार परियोजना (जाईका) से जुड़ने की सहमती प्रदान करते हैं !

ब्रह्मा स्वयं सहायता समूह,
खोखन, जिला कुल्लू (हि.प्र.)

समूह के सचिव के हस्ताक्षर

समूह के प्रधान के हस्ताक्षर

Recommended for approval
Range Forest Officer
Forest Range Chander

Approved
Deputy Conservator of Forest,
Parvati Forest Division, Shamsh

20 . Photographs of members of SHG

			
SMT. Krishna (President)	SMT. Lalita (Secretary)	Smt. Purnima (Member)	Smt. Kunta (Member)
			
Smt. Bhuvneshari (Member)	Smt. Krishna (Member)	Smt. Kamla (Member)	Smt. Elavati (Member)
			
Smt. Tamanna (Member)	Smt. Sevati (Member)	Smt. Chintamani (Member)	Smt. Lata (Member)
			
Smt. Raveena (Member)			

Revised Capital Expenditure Details:

As per the decisions taken in the 8th meeting of the Governing Body, the revised capital expenditure details are presented as follows:

Proposed Capital Expenditure in the Business Plan

S.No.	Activity	Qty	Price	Total Cost	Project Share (50%)	Beneficiary Share (50%)
1	Steel Stand	4	2000	8000	4000	4000
2	Scissors	6	500	3000	1500	1500
3	Inch Tape	9	20	180	90	90
4	L Scale	7	100	700	350	350
5	Press	5	1200	6000	3000	3000
6	Stapler (3 Large, 2 Small)	2	150	300	150	150
		1	50	50	25	25
	Total			18230	9115	9115

Revised Capital Expenditure After the Decisions of the 8th Governing Body Meeting

S.No.	Activity	Qty	Price	Total Cost	Project Share (75%)	Beneficiary Share (25%)
1	Steel Stand	1	2000	2000	1500	500
2	Scissors	1	500	500	375	125
3	Inch Tape	1	20	20	15	5
4	L Scale	1	100	100	75	25
5	Press	1	1200	1200	900	300
6	Stapler (3 Large, 2 Small)	1	150	150	112.5	37.5
		1	50	50	18.75	12.5
	Total			4020	3015	1005