



Buissness Plan

Income Generation Activity(Cutting & tailoring)

(Ladies suits , Gents night Suit,Children Dresses)



- Village Forest Development Committee-Pahnala
- Gram Panchayat- Khadihar
- Forest Range - Bhunter
- Forest Division- Parvati

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) of Pahnala . 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) "Ekta" decided to engage in tailoring and stitching activities. This SHG was formed on 24th March 2021 and consists of 10 women members. Later, the SHG was renamed as "Ekta Common Interest Group (Jarad - 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 , Children Dresses . 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 Rupan Pal 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. Dikesh Kumar (Forest Guard).

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

- 180 ladies' suits (without lining)
- 90 ladies' suits (with lining)
- 180 gents' Night Suit
- 120 Children Garments

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.	Qualification	Category	Cont. No.
1	Smt. Maya Devi W/o Sh. Bali Ram	President	Pahnala	29	Female	5th	SC	7876366452
2	Smt. Sunita Devi W/o Sh. Sanjay Kumar	Secretary	Pahnala	27	Female	10th	SC	6230264624
3	Smt. Urmila Devi W/o Sh. Bihari Lal	Treasurer	Pahnala	34	Female	5th	SC	7876521456
4	Smt. Uma W/o Sh. Om Prakash	Member	Pahnala	23	Female	8th	SC	8091700660
5	Smt. Kavita Devi W/o Sh. Devnu Ram	Member	Pahnala	31	Female	2+	SC	8219763792

6	Smt. Nisha Devi W/o Sh. Veer Singh	Member	Pahnala	25	Female	10th	SC	9805590770
7	Smt. Sushma Devi D/o Vinod Kumar	Member	Pahnala	26	Female	5th	SC	8894865521
8	Smt. Doli Devi W/o Sh. Fagnu Ram	Member	Pahnala	40	Female	3th	SC	9805563768
9	Smt. Dhaneswari w/o Sh. Shiv Chand	Member	Pahnala	26	Female	5th	SC	7876581427
10	Smt. Devkala W/o Sh. Deen Chand	Member	Pahnala	26	Female	4th	SC	9805639258

Summary by Category

Sr. No.	General	Scheduled Caste	IRDP	BPL
1	-	10	-	-



Member of Rupan Pal SHGs

2 Detail of SHGs

2-1	Name of the Self-Help Group:	RupanPal
2-2	SHG MIS Code: -	&
2-3	Village Forest Development Committee:	Pahnala
2-4	Forest Division:	Shamshi
2-5	Forest Range:	Bhunter
2-6	Village:	Pahnala
2-7	Development Block:	Bhuin
2-8	District:	Kullu
2-9	Total Number of Members in the Group:	10
2-10	Date of Formation of the Group:	26-06-2020
2-11	Monthly Savings of the SHG/Uniform	50@&

	Contribution:	
2-12	Bank Name and Branch where the SHG Account is Maintained:	Himachal Pradesh Gramin Bank Dohranala
2-13	Bank Account Number:	88331300005687
2-14	Total Savings of the Group:	6500@&
2-15	Loan Amount Given to Members by the Group: -	—
2-16	Status of Loan Repayment by Group Members:	&

3. Geographical Situation of the Village

3-1	Distance from District Headquarters:	14 Km
3-2	Distance from the Main Road:	11Km
3-3	Name and Distance of the Nearest Local Market	Kullu 14 , Bhunter 15Km
3-4	Distance from the Main Market and Name	Kullu 14 Km
3-5	Distance from Other Important Towns and Blocks	Kullu 14 Km Manali 56 Km Bhunter 15 Km
3-6	Any Special Features of the Village Related to Income Generation Activities Selected by the Group	Kullu 14 Km Manali 56 Km Bhunter 15 Km
3-7	Any other specialty regarding the village as selected by the SHGs related to the income generation activity	--

Why is a Business Plan Necessary?

In Village Forest Development Committee, Pahnala, 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:
 - Ladies' suits (with and without lining)
 - Gents' Night Suit ,Children Dresses etc..

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 products.
- 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

1. Financial Management

- **Capital Expenditure Support:**
 - The project will provide 50% or 75% financial assistance, depending on the category.
 - The remaining will 50% or 25% be contributed by group members.
 - For recurring expenses:
 - ₹6500 will be covered through group savings.
 - ₹15000 will be borrowed from a bank loan.

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 ₹10651 per month

4. Details of Products Related to Livelihood Activity

4.1	List of Products	Gents' Night Suit, ,Ladies,Suit (With
-----	------------------	---------------------------------------

		Lining & Without Lining), Children Dresses etc.
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.**
-
- 10 members of Rupan Pal SHG will work on this initiative.
- After training, the group will start production.

2. Work Distribution

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

6. Production Planning

- Workdays per month: 30 days
- Total workforce: 10 members
- Raw material sources: Kullu, Bhuntar
- Other resource sources: Kullu, Bhuntar.

S.No.	Product Name	Unit	Qty	Wages	Average Other Expenses	Total Amount	Per Piece	Estimated Production
1.	Ladies' Suit (With Lining)	No.	90	15300	3268	18568	206.31	90
	Ladies' Suit (Without Lining)	No.	180	15300	6537	21837	121.32	180
	Gent's Night Suit	No.	180	10200	6537	21837	121.32	180

	Children Dresses	No.	120	10200	4358	14558	121.32	120
	Total		570	51000	20700	76800	-	-

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

7. Sale & Marketing

7-1	Areas of Operation	Bhunter, Mohal , and Shamshi
7-2	Source of Marketing for the Products	Kullu 14 Km Manali 56 Km Bhunter 14 Km
7-3	Types of Products	Ladies suits, gents night suits, gents pants and shirts, Children 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. Enterprise Management Among Group 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)

1. **Strengths** - 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

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	Sewing Machine with Motor	10	7000	70000	52500	17500
2	L Scale	10	200	2000	1500	500
3	Press	10	1200	12000	9000	3000
4	Stapler (1 Large, 1 Small)	2	150	300	225	75
		2	50	100	75	25
	Total			84400	63300	21100

Recurring Expenses (One month Cycle)

Sr No.	Description	Unit	Quantity	Rate	Amount
1	Rent	Month	1	1000	1000
2	Wages	Month	170Days	300	51000
3	Transport	Month	1	1000	1000
4	Packing (Envelopes, Bags, Newspaper)	Number	570	2000	2000
5	Sewing Thread, Buttons, Zippers, Hooks, etc.	Number	570 Suits/Dresses	10	5700
6	Suit Lining (Material) Cost	Number	90	100	9000
7	Miscellaneous Expenses (Stationery, Electricity, Water, etc.)	Month	1	2000	2000
	Total				71700

Every day one women will work 4 to5 hours

11.Summary of economics of Buisness Plan

Sr. No.	Description	Amount
1	Total Recurring Expense	71700
2	10% Annual Depreciation on Fixed Cost	703

3	Interest on Loan at 7% Annual Rate	87
	Total	72490

12.Assessment of sale value per cycle

Sr. No.	Description	Unit	Qty	Rate	Amount
1	Cost of Production				
	Ladies Suit with Lining	No.	90	206.31	18568
	Ladies Suit without Lining	No.	180	121.32	21837
	gents' night suits	No.	180	121.32	21837
	children's garments:	No.	120	121.32	14558
	Total Cost		570 नग		76800
2	Fixation of profit (in Percentage)				
	Ladies Suit with Lining	118.11%	90	243.69	21932
	Ladies Suit without Lining	64.85%	180	78.68	14163
	gents' night suits	64.85%	180	78.68	14163
	children's garments:	23.64%	120	28.68	3442
	Total		570 Pec.		53700
3	Estimated sale value of products				
	Ladies Suit with Lining		90	450	40500
	Ladies Suit without Lining		180	200	36000
	gents' night suits		180	200	36000
	children's garments:		120	150	18000
	Total		570Pec.		130500

13.Cost-Benefit Analysis for One Cycle :

Sr. No.	Items	Amount
1	10% Annual Depreciation on Fixed Cost	703
2	Recurring cost (B)	
2-1	Rent	1000
2-2	Wages	51000

2-3	Sewing Thread, Buttons, Zippers, Hooks, etc.	5700
2-4	Miscellaneous Expenses (Electricity, Stationery, etc.)	2000
2-5	Transport	1000
2.6	Suit Lining (Material)	9000
2.7	Packing (Envelopes, Bags, Newspaper)	2000
	Total	71700
3	Total Production) No. (570 नं०/ माह
4	Month wise Product sale	130500
5	Income from sewing Products) 570No. (130500
6	Total Profit (71700 + 703) - 130500 =	58097
7	Gross Profitfrom Production (IncludingWages & Rent 1000+ 51000 + 58097 =	110097
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) ==130500 -)1500+71700+51000 (108300

"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

Sr. No.	Item	Amount
1	Capital expenditure	84400
2	Recurring expenses	71700
3	Other expenses	-
	Total	156100

Note: The beneficiary share of the above capital expenditure of ₹21,100 will be paid in cash by the group member themselves. The recurring expenditure of ₹20,700 will be met from savings of ₹6500. The remaining recurring expenditure amount of ₹14,200 will be taken as a loan from the bank.

. Group's financial resources :

Sr. No.	Description of financial resources	Amount
1	Project Assistance Fund amount (75% of capital expenditure)	63300
2	Beneficiary share (25% of capital expenditure)	21100
3	Group's internal savings	6500
	Total	90900

Note: An additional amount of ₹100,000 will be provided as a revolving fund for the project.

15. - Calculation of break even point

Break-Even Point = Capital Expenditure / (Selling Price – Recurring Expenses) = 84400 / 130500 - 71700 = 84400 / **58800** = 0.697 month = 0.697 x 30 = 21 Days. At the above ratio, by stitching and delivering 570 units, the "Break-Even Point" will be achieved in **21** days. In other words, the invested amount in this activity will be recovered in 21 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	Amount (Total)in Rs.
1	Month 1								15000	87	15088
2	Month 2	1413	87	62	25	1500	1500	1500	13588	79	13667
3	Month 3	1421	79	57	22	1500	1500	3000	12167	71	12238
4	Month 4	1429	71	51	20	1500	1500	4500	10738	63	10800
5	Month 5	1437	63	45	18	1500	1500	6000	9300	54	9355
6	Month 6	1446	54	39	16	1500	1500	7500	7855	46	7900
7	Month 7	1454	46	33	13	1500	1500	9000	6400	37	6438
8	Month 8	1463	37	27	10	1500	1500	10500	4938	29	4967
9	Month 9	1471	29	21	8	1500	1500	12000	3467	20	3487
10	Month 10	1480	20	14	6	1500	1500	13500	1987	12	1998
11	Month 11	1488	12	8	4	1500	1500	15000	498	3	501
12	Month 12	498	3	2	1	501	501	501	0	0	0
	Total	15000	501	358	143	15501	15501	83001	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' pants and shirts, sarees, blouses, petticoats, and palazzo suits every month.
- By stitching these garments, the group will receive a total amount of **₹108300** for distribution.
- Out of this, **₹51000** will be paid as wages, and **₹57300** will be earned as profit.
- If each member works **4 hours daily**, they will earn an additional **₹10830 per month**.
- Additionally, the **project will bear 5% annual interest** on the loan.
- As a result, the group will also save an extra **₹358**

18. Bye Laws of SHGs

1. **Group's Work:** Stitching and tailoring.
2. **Group's Address:** Village Pahnala, Post Dohranala, Tehsil & District Kullu, Himachal Pradesh.
3. **Total Members in the Group:** 10.
4. **First Meeting of the Group:** June 26, 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 Himachal Gramin Bank , Dohranala Branch, **Account No.** 88331300005687.
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 15-06-2021 को 'रूपन पाल' स्वयं सहायता समूह की बैठक हुई। बैठक प्रधान श्रीमती माया 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।

Sunil Kumar

समूह के सचिव के हस्ताक्षर
रूपन पाल स्वयं सहायता समूह
पाहनाला जिला कुल्लू

माया देवी
प्रधान के हस्ताक्षर
रूपन पाल स्वयं सहायता समूह
पाहनाला, जिला कुल्लू

Recommended for approval
[Signature]
Range Forest Officer
Forest Range Bhunter

Approved
[Signature]
Deputy Conservator of Forest,
Parvati Forest Division, Shamshi

20. Photographs of members of SHG

			
Smt. Maya Devi President	Smt. Sunita Kumari Secretary	Smt. Urmila devi Treasurer	Smt. Uma Devi Member
			
Smt. Kavita devi Member	Smt. Nisha Devi Member	Smt. Sushma Devi Member	Smt. Doli Devi Member
			
Smt. Dhaneswari Devi Member	Smt. Devkalan Member		