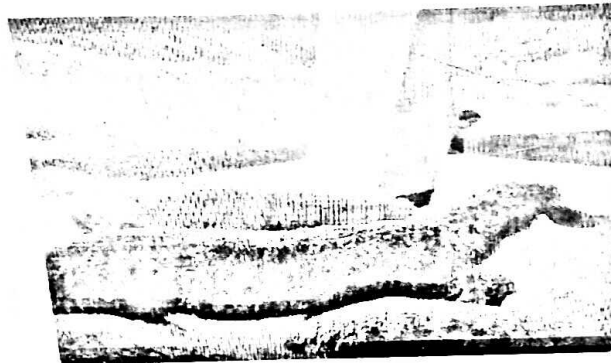


INCOME GENERATING ACTIVITY – (Sheep farming)

by

**KAMRUNAG - Self Help Group**



SHG/CIG Name	:: Kamrunag
VFDS Name	:: Karnala
Range	:: Nachan
Division	:: Nachan

**Prepared Under –**



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

## Table of Contents

Sl. No.	Particulars	Page/s
1	Description of SHG	3
2	Beneficiaries Detail	4
3	Geographical details of the Village	4
4	Executive Summary	4
5	Description of product related to Income Generating Activity	5
6	Production Processes	5
7	Production Planning	5
8	Sale & Marketing	6
9	SWOT Analysis	6
10	Description of Management among members	6-7
11	Description of Economics	8-9
12	Analysis of Income and Expenditure	9-10
13	Fund Requirement	10
14	Sources of Fund	10
15	Trainings/capacity building/ skill up gradation	10
16	Computation of break-even Point	11
17	Other sources of income	11
18	Bank Loan Repayment	11
19	Monitoring Method	11
20	Remarks	11

### 1. Description of SHG/CIG

1	SHG/CIG Name	::	Kamrunag
2	VFDS	::	Karnala
3	Range	::	Nachan
4	Division	::	Nachan
5	Village	::	Chandyas
6	Block	::	Gohar
7	District	::	Mandi
8	Total No. of Members in SHG	::	10- Male
9	Date of formation	::	
10	Bank a/c No.	::	33510115427
11	Bank Details	::	Co-op-Chail Chowk
12	SHG/CIG Monthly Saving	::	100
13	Total saving		3000 (till August 2021)
14	Total inter-lending		--
15	Cash Credit Limit		--
16	Repayment Status		--

**2. Beneficiaries Detail:**

Sr. No	Name	Father/Husb and Name	Age	Category	Income Source	Address
1	Harish Kumar	Jodh mal	32	Gen.	Agriculture	Vill Karnala P.O. Jachh
2	Yashwant Singh	Bhav Dev	33	Gen.	Agriculture	Vill Karnala P.O. Jachh
3	Gagan Deep	Lalit Kumar	28	Gen.	Agriculture	Vill Karnala P.O. Jachh
4	Niraj Kumar	Ashwani Kumar	29	Gen.	Agriculture	Vill Karnala P.O. Jachh
5	Bodh Raj	Tej Singh	43	Gen.	Agriculture	Vill Karnala P.O. Jachh
6	Yadav Singh	Molak Ram	44	Gen.	Agriculture	Vill Karnala P.O. Jachh
7	Ajay Kumar	Yashwant singh	23	Gen.	Agriculture	Vill Karnala P.O. Jachh
8	Surender Kumar	Ghamand Ram	37	S.C.	Agriculture	Vill Karnala P.O. Jachh
9	Mitar Dev	Hira Lal	70	Gen.	Agriculture	Vill Karnala P.O. Jachh
10	Gorave	Surender Kumar	20	Gen.	Agriculture	Vill Karnala P.O. Jachh

**3. Geographical details of the Village**

1	Distance from the District HQ	::	48 Km
2	Distance from Main Road	::	0 Km
3	Name of local market & distance	::	Chailchowk- 19 Km
4	Name of main market & distance	::	Sundernagar- 47 Km, Mandi- 48Km
	Name of main cities & distance	::	
6	Name of main cities where product will be sold/ marketed	::	Sundernagar, Mandi

**4. Executive Summary**

Sheep farming income generation activities has been selected by Dev kamrunag self help group. This IGA will be carried out by ten gents by this SHG. This activity is being already done by maximum members of this group. This activity will be carried out whole year by group member. Because there is lot of scope of grazing in this area. The grazing work carried out by group member in rotation. Name of The process of wool,FYM and selling of mature sheep.

### Description of Product related to Income Generating Activity

1	Name of the Product	::	Wool, FYM and sale of mature sheep
2	Method of product identification	::	This activity is being already done by maximum SHG members . This activity has been decided by group members.
3	Consent of SHG/ CIG / cluster members	::	Yes

### 5. Description of Production Processes

- Group will process sheep farming material. This business activity will be carried out whole year by group members.
  - The process of sheep farming for one year. Production process includes cleaning shed ,daily grazing and bearing of wool.
6. Initially group will obtained 1Qtl. Wool, FYM 10. Qtl.and male sheep=10 Nos. every year.

### 7. Description of Production Planning

1	Production Cycle (in days)	::	1 Year
2	Manpower required per cycle (No.)	::	10 Gents in ruteen
3	Source of raw materials	::	Local area cultivated & waste land
4	Source of other resources	::	Lopping of trees from private land
5	Quantity required per cycle (Kg)	::	-
6	Expected production per cycle (Kg)	::	-

Requirement of raw material and expected production

Sr.no	Raw material	unit	Time	Quantity	Amount per kg (Rs)	Total amount	Expected production Monthly (Kg)
1	Salt & Medicine	25 No	-	50 Kg & Med. Lum-sum	-	Rs.2000	-
2	Feed	-do-	One year	4.50.Qtl.	-	13500	yearly

### 8. Description of Marketing/ Sale

1	Potential market places	::	Chail Chowk ,
2	Distance from the unit	::	Chail Chowk-19 KM,
3	Demand of the product in market place/s	::	Daily demand,
4	Process of identification of market	::	Group members, according to their production potential and demand in market, will select/list retailer/whole seller. Initially product will be sold in near markets.
5	Marketing Strategy of the product		SHG members will directly sell their product through village shops and from manufacturing place/shop. Also by retailer, wholesaler of near markets.
6	Product branding		-
7	Product "slogan"		-

### 9. SWOT Analysis

- ❖ Strength –
  - Activity is being already done by maximum SHG members
  - Raw material easily available
  - Sheep farming process is simple
  - Proper packing and easy to transport
  - Product shelf life is long
- ❖ Weakness –
  - Effect of temperature, humidity, for grazing.
  - In rainy season product manufacturing cycle will increase
- ❖ Opportunity –
  - High demand of selling of mature sheep.
  
- ❖ Demand of FYM for orchards during Feb.& March.

### 10. 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 harvesting of wool and packing of FYM by manual .
- Some group members will involve in Production process.
- Some group members will involve in Packaging and Marketing.

11. Description of Economics:

A. CAPITAL COST				
Sr.No	Particulars	Quantity	Unit Price	Total Amount (Rs.)
1	Sheep (Male=10, Female=15)	25	5000	125000
2	Wool sharing machine	1	2500	2500
Total Capital Cost (A) =				127500

B. RECURRING COST					
Sr.no	Particulars	Unit	Quantity	Price	Total Amount (Rs)
1	Rent	Month	1	200	2400 Annually
	Packaging material	Month	1	300	3600 Annually
	Feed				15500 Annually
Recurring Cost					21500
Total Recurring Cost B =					21500
(Recurring cost- Labour cost) as work/labour will be done by SHG members.					

C. Cost of Production (Monthly)		
Sr. No	Particulars	Amount (Rs)
1	Total Recurring Cost	21500
2	10% depreciation annually on capital cost	12750
	<b>Total</b>	<b>34250</b>



D. Selling Price calculation (per year)					
Sr.No	Particulars	Unit	Quantity	Amount (Rs)	
1	Cost of Production	-	-	Grazing daily by SHG members in ruteen.	It will decrease as the quantity of production increase. In one year 15 lamb will be boran.
2	Current market price	-	-	Wool=2500 FYM=20000 Selling of mature sheep=100000	
3	Expected Selling Price by SHG	Rs	-	122500/-	

12. Analysis of Income and Expenditure (Monthly):

Sr.No	Particulars	Amount (Rs)
1	Salt&madicine	2000
2	Feed	13500
	Total	15500
	Net Profit	122500-34250=88250 will be distributed among 10 members of SHG.

13. Fund requirement:

Sr.No	Particulars	Total Amount (Rs)	Project Contribution	SHG Contribution
1	Total capital cost	127500	63750	63750
2	Total Recurring Cost	0	0	34250
3	Trainings/capacity building/ skill up-gradation	0	0	0
	<b>Total</b>	<b>1,27500</b>	<b>63750</b>	<b>98000</b>

Note-

- **Capital Cost** - 50% 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

14. Sources of fund:

Project support;	<ul style="list-style-type: none"> <li>• 50% of capital cost will be utilized for purchase of sheeps ,medicine &amp; material i.e. Rs 1 lakh as revolving will be parked in the SHG bank account.</li> </ul>	Procurement of machineries/equipment will be done by respective DMU/FCCU after following all codal formalities.
SHG contribution	<ul style="list-style-type: none"> <li>• 50% of capital cost to be borne by SHG, this include cost of materials/tools other than machineries.</li> <li>• Recurring cost to be borne by SHG</li> </ul>	

15 Following are some trainings/capacity building/ skill up-gradation proposed/needed:

- Cost effective procurement of raw material
- Quality control
- Packaging and Marketing
- Financial Management

#### 16. Computation of break-even Point

In this process breakeven will be achieved after one year selling wool, FYM and mature sheep.

#### 17. Other sources of income: Nil

18. **Bank Loan Repayment** - 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.

19. **Monitoring Method** – At the initial stage baseline survey and yearly survey will be conducted of the beneficiaries.

Some key indicators for the monitoring are as:

- Size of the group
- Fund management
- Investment
- Income generation
- Production level
- Quality of product
- Quantity sold
- Market reach

  
SMS JICA Project  
Nachan Forest Division.

  
FTU-cum-R.O. Nachan  
Range Forest Officer  
Nachan Range  
Bassa Distt. Mandi (H.P.)

  
DMU- cum  
Divisional Forest Officer,  
Nachan Forest Division,  
Gohar.