

Business Models of Income Generation Activities

Cost Model 1- Goat Farming Number of Members - 12				
A	CAPTIAL COST			381000
B	RECURRING COST			458000
C	Training and Exposure visit			90000
	Total			920000
Details				
A	CAPTIAL COST			
Sr. No.	Particular	Quantity	Unit Cost (Rs.)	Total expenditure (Rs.)
1	Construction of shed / elevated sitting place of bamboo	2	12,500	25000
2	Cost of 1 buck members as the one buck of aging 9 month	2	10000	20000
3	48 does (in a ideal group of 12 does of 6 month age	48	7000	336000
	Total			381000
B.	RECURRING COST			
1	Balanced Ration, Wheat straw, green fodder, & other expenditure 22.5 quintals X37 @ Rs. 550/- per quintal/animal	22.7Qnt. *37.	550	457875 or say 458000
	Total			458000
C.	Training and Exposure visit	2	Approximate 45000	90000
D.	Cost Benefit Ratio= Income + present market value /Recurring cost + Capital Cost	= 585000+ 375000/732375 = 1.31 which is quite sustainable.		

Note-

- Capital Cost - 50% contribution from the Project to SHG/CIGs as decided in the 4th GB. The contribution from Project on capital cost for the SC/ST/poor women SHGs/CIGs is 75% as per 5th GB decision.
- Recurring Cost - To be borne by the SHG/CIG.
- Trainings/capacity building/ skill up-gradation - To be borne by the Project.

Cost Model 2- Sheep Farming
Number of members-10

A	CAPTIAL COST	265000		
B	RECURRING COST	40000		
C	Training and Exposure visit	50000		
	Total	355000		
Details				
A	CAPTIAL COST			
Sr. No.	Particular	Quantity	Unit Cost (Rs.)	Total expenditure (Rs.)
1	Sheep	40	6000	240000
2	Wool shredding Machine	2	2500	5000
3	Transportation	40	500	20000
	Total			265000
B.	RECURRING COST			
1	Rent	1 hall(for storage of FYM)	2000 per month	24000
2.	Packaging Material	240 bags	25	6000
3.	Feed	600 kg	15	9000
	Total			39000 or say 40000
C.	Training and Exposure visit	2	Approximate 25000	50000
D.	Cost Benefit Ratio = Income + present market value /Recurring cost + Capital Cost	Cost benefit Ratio= $107600+200000/265000+40000=1$ which is quite sustainable.		

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- Recurring Cost - To be borne by the SHG/CIG.
- Trainings/capacity building/ skill up-gradation - To be borne by the Project.

Cost Model 3- Pine Needle Handicrafts
Number of Members-10

A	CAPTIAL COST	45000
B	RECURRING COST	180000
C	Training and Exposure visit	80000
	Total	305000

Details

A	CAPTIAL COST			
Sr. No.	Particular	Quantity	Unit Cost (Rs.)	Total expenditure (Rs.)
1	Poly woolen fabric bag	20	500	10000
2	Dari(10*12)	2	2500	5000
3	Drill machine	1	3000	3000
4	Plastic Sheet (10*12)	4	150	6000
5	Iron Racks	4	4000	16000
6.	Measuring tape	10	50	500
7.	Pine putting ring	10	100	1000
8.	Scissors	10	200	2000
	Total			43500 or say 45000
B.	RECURRING COST			
1	Needle	40	50	200
2.	Thread	480	20	9600
3.	Wooden Pieces	480	100	4800
4.	Lobour cost	480	300	144000
5.	Packaging Material	480	20	9600
6.	Other Handling charges(transportation)	480	20	9600
	Total			177800 or say 180000
C.	Training and Exposure visit	2	Approximate 40000	80000
D.	Cost Benefit Ratio = Income + present market value /Recurring cost + Capital Cost	76600+150000/45000+180000= 1 which is quite sustainable		

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- Recurring Cost - To be borne by the SHG/CIG.

Cost Model 4- Pickle Making
Number of members- 10

A	CAPTIAL COST			110000
B	RECURRING COST			65000
C	Training and Exposure visit			50000
	Total			225000
	Details			
A	CAPTIAL COST			
Sr. No.	Particular	Quantity	Unit Cost (Rs.)	Total expenditure (Rs.)
1	Grinder Machine (1-2HP)	1	18000	18000
2	Mixer	2	4000	8000
3	Vegetable dehydrator	1	40000	40000
4	Finished product racks/ almirah			8000
5	Iron Racks		LS	5000
6.	Kitchen tools		LS	15000
7.	Hand operated jar sealing machine	1	15000	15000
8.	Apron, gloves, caps etc		LS	1000
	Total			110000
B.	RECURRING COST			
1	Mango	400	50	20000
2.	Raw material Masala	200	150	30000
3.	Amla	200	30	6000
	Packaging Material	LS	5000	5000
	Transportation	1	1000	3000
	Other(Stationary, electricity bill etc.)	1	1000	1000
	Total			63000
C.	Training and Exposure visit	1	Approximate 50000	50000
D.	Cost Benefit Ratio= Income + present market value /Recurring cost + Capital Cost	133167+200000/110000+65000= 1.9 which is quite sustainable		

• Trainings/capacity building/ skill up-gradation - To be borne by the Project

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- Recurring Cost - To be borne by the SHG/CIG.
- Trainings/capacity building/ skill up-gradation - To be borne by the Project.

Cost Model 5- Bag Making
Number of members- 10

A	CAPTIAL COST			111500
B	RECURRING COST			191310
C	Training and Exposure visit			40000
	Total			342310
Details				
A	CAPTIAL COST			
Sr. No.	Particular	Quantity	Unit Cost (Rs.)	Total expenditure (Rs.)
1	Bag Making Machine (Hood Machine)	1	35000	35000
2	Swing machine / Paddle Machine	5	6500	32500
3	Steel Rack	4	4000	16000
4	Scissors	10	300	3000
5	Wooden Stools	10	LS	5000
6.	Office table	1	LS	4000
7.	Chair	4	1500	6000
8.	Other overhead charges	LS	10000	10000
	Total			111500
B.	RECURRING COST			
1	Canvas Cloth	450 mtr	120	54000
2.	Zip	1350 no.	15	20250
3.	Nivar	900 mtr.	15	13500
4.	Adjuster	1800 no.	5	9000
5.	Parachute Cloth	225 mtr.	80	18000
6.	Foam	112 mtr	30	14560
7.	R-I cloth for partition	150 mtr	150	22500
8.	Rent for working place	1	1000	1000
9.	Electricity, water & sanitary charges	LS	LS	1000
10.	Labor (Labor will be done by SHGs)	125 Man days	@300	37500
	Total			191310

C.	Training and Exposure visit	1	Approximate 40000	40000
D.	Cost Benefit Ratio= Income + present market value /Recurring cost + Capital Cost	Cost Benefit Ratio=164910+225000/111500+191310= 1.2 which is quite sustainable		

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- Recurring Cost - To be borne by the SHG/CIG.
- Trainings/capacity building/ skill up-gradation - To be borne by the Project.