

BUSINESSPLAN

Income Generation Activit- Cutting & Tailoring

By

Nurbu-Self Help Group



SHG/CIGName	::	Nurbu
VFDSName	::	Leo
Range	::	Malling
Division	::	Kinnaur

Prepared under:



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

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2.Description of SHG/CIG

2.1	SHG/CIG Name	::	NURBU
2.2	VFDS Name	::	Leo
.3	Range	::	Malling
3.4	Division	::	Kinnaur
3.5	Village	::	Leo
3.6	Block	::	Leo
3.7	District	::	Kinnaur
3.8	Total No. of Members in SHG	::	10– females
3.9	Date of formation	::	28.07.2022
3.10	Bank a/c No.	::	26710100718
3.11	Bank Details	::	HP State CO-Oprative
3.12	SHG/CIG Monthly Saving	::	50(meeting held to be every 8 th day of month)
3.13	Total saving	::	3500
3.14	Total inter-loaning	::	
3.15	Cash Credit Limit	::	
3.16	Repayment Status	::	

1. Beneficiaries Detail:

Sr.No	Name (Sh/Smt.)	Father/Husband Name (Sh.)	Age	Category	Cont no	Designation	Income Source
1	Smt. Sonam Chhokit	Sh. Prabhat Singh	29	ST	8219711681	(Pradhan)	Agriculture
2	Smt. Kunzang Ankit	Sh. Sankat Dorje	29	ST	7876443835	Sectary	Agriculture
3	Smt.Panma	Sh.Ranish Kumar	51	ST	8091772249	Member	Agriculture
4	Smt.Gagan Devi	Sh.PanmaD amdul	47	ST	7876271020	Member	Agriculture
5	Smt.Chhering Angmo	Sh.chiwang Ringzin	38	ST	8580924656	Member	Agriculture
6	Smt. Kesang Chhomo	Sh.Devender Singh	31	ST	7876449571	Member	Agriculture
7	Smt.Samtan Buttith	Sh.Ringzin Murup	42	ST	8219734115	Member	Agriculture
8	Smt. Chhering Lamo	Sh. Chhering Dorje	21	ST	7876449367	Member	Agriculture
9	Smt.Kelash Kumari	Sh. Thakur	34	ST	8219053417	Member	Agriculture
10	Smt. Lobzang Dolma	Sh. Chhoying	48	ST	8580746667	Member	Agriculture

2. Geographical details of the Village:

4.1	Distance from the District HQ	::	96km
4.2	Distance from Main Road	::	7 Km from NH 5
4.3	Name of local market & distance	::	, RecongPeo96kms, Rampur 196km & Kaza 90Km
4.4	Name of main market & distance	::	Recong Peo-96Km& Rampur196 Km & Kaza 90km
4.5	Name of main cities & distance	::	RecongPeo-96Km Rampur-196Km
4.6	Name of places/locations where product will be sold/ marketed	::	Recong Peo96 Km& Rampur196 Km& Kaza 90km

1. Executive Summary

Cutting and Tailoring is common in the VFDS Area, and the Local People has to travel about 60-166Kms for better stitching of ladies and gents' clothes. Cutting and Tailoring is income generation activity and has been selected by nurbu Self Help Group. This IGA will be carried out by all ladies of this SHG initially. Different types of suits will be stitched by this group initially. This activity is being already done by some ladies of this group. Group members will work with less machines initially and as group members' skill/ efficiency improve then group will purchase more machines. This business activity will be carried out whole year by group members. Suits will be stitched as per order by consumer and cloth will be provided by consumer or depends on order.

2. Description of Product related to Income Generating Activity

1	Name of the Product	::	Stitched Suit & Traditional Dresses
2	Method of product identification	::	This activity is being already done by some SHG ladies. Has been decided by group members
3	Consent of SHG/ CIG / cluster members	::	Yes

3. Description of Production Planning

6.1	Time taken	::	1 suit takes around 3-4 hours to complete
6.2	Number of ladies involved	::	All ladies.
6.3	Source of raw materials	::	Local market/Main market
6.4	Source of the resource	::	Local market/Main market
6.5	Expected Sticked Suit Per Day	::	5 Suit Initially

1. Description of Marketing/Sale:

7.1	Potential market places/locations	::	Village itself, Pooh -75Km, Recong Peo-123 Km & Rampur-223Km
7.2	Demand	::	Throughout the year.
7.3	Process of identification of market	::	Group members will contact nearby villages/market
7.4	Marketing Strategy	::	SHG members will directly take orders from nearby villages/market.

2. Details of management among group members:

- Rules will be made for management.
- The group members will distribute the tasks by mutual consent.
- The allocation will be done on the basis of efficiency and capacity of the work.
- The distribution of profit will also be done on the basis of quality of work and skill and hard work.
- 04 members having experience in marketing will do marketing in turn.
- Pradhan and Secretary will continue to evaluate and observe the management at the same time

3. Customers

The primary customers of our centre will mostly be local people around village Leo but later on this business can be scaled up by catering to nearby small townships

4. RiskAnalysis

- Skill based
- Demand driven
- Highly competitive emarket

5. Description of potential challenges and measures to mitigate them:

Sr.no	Description of Risks	::	Measures for Risk Mitigation
13.2	It might be possible that there can be short demand in the market which will affect the sale and income.	::	For Marketing purpose additional market should be explored.
13.3	Due to decline in quality of production the sales may go down.	::	In order to maintain the quality of product, the SHG members have to follow strict guidelines.

6. Description of Economics:

A. CAPITAL COST				
Sr.No	Particulars	Quantity	Unit Price	Total Amount (Rs.)
1	Sewing Machine	10	6000	60000
2	Interlock machine	2	6000	12000
3	Tailor Scissor	10	500	5000
4	Tailoring Ruler Set	10	600	6000
5	Sewing Tailor Tap	10	100	1000
6	Iron Press	2	500	1000
7	Almirah	2	LS	2500
8	Hanger	3set	400	1200
9	Chair & table	Approx.	L/S	8000
Total Capital Cost(A)=				96,700

B. RECURRING COST					
Sr.no	Particulars	Unit	Quantity	Price	Total Amount (Rs)
1	Sewing threads	Reels/Suits/month	250	10	2500
2	Other finishing materials (bookram, neck etc)	Suits/month	LS	LS	6000
6	Rent	Month			2000
7	Other (stationary, electricity bill, transportation, machine repair)	Month			1500
Total Recurring Cost(B)					11,500

C. Cost of Production (Monthly)		
Sr.No	Particulars	Amount (Rs)
1	Total Recurring Cost	11,500
2	10% depreciation annually on capital cost	1150
	Total	12650

D. Stitched Suit price(persuit)				
Sr.No	Particulars	Unit	Quantity	Amount(Rs)
1	Simple suit	1	1	250-300
2	Other (palazzo,lining)	1	1	300-350
3	Kinnauri cap	1	1	400

7. Analysis of Income and Expenditure (Monthly):

Sr.No	Particulars	Amount(Rs)
1	10% depreciation annually on capital cost	1150
2	Total Recurring Cost	11500
3	Total stitched suit per month	200(approx.quantity)
4	Selling price of kinnauri cap (per kinnauri cap)	250
5	Income generation (250)	50,000
	Total stitched kinnauri cap (per kinnauri cap)	50
	Selling price of kinnauri cap (per kinnauri cap)	4000
	Income generation (50 -400)	20000
	G Total income generation	70000
6	Net profit (70000-11500)	• 58500
	Distribution of net profit	• Profit will be distributed equally among members monthly/yearly basis. Profit will be used for further investment in IGA

8. Fund requirement:

Sr.No	Particulars	Total Amount(Rs)	Project contribution	SHG contribution
1	Total capital cost	96,000	72,525	24,175
2	Total Recurring Cost	11500	0	11500
3	Trainings	50000	50000	0
	Total	158,200	122,525	35,675

Note-

- **Capital Cost**-75% 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

9. Sources of fund:

Project support;	<ul style="list-style-type: none">• 75% of capital cost will be utilized for purchase of machines.• Up to Rs 1 lakh will be parked in the SHG bank account.• Trainings /capacity building/ skillup-gradation cost.	Procurement of machines will be done by respective DMU/FCCU after following all codal formalities.
SHG contribution	<ul style="list-style-type: none">• 50% of capital cost to be borne by SHG.• Recurring cost to be borne by SHG	

10. Trainings/capacity building/skillup-gradation

Trainings/capacity building/ skill up-gradation cost will be borne by project. Following are some trainings / capacity building/skillup-gradation proposed/needed:

- Teamwork
- Quality control
- Packaging and Marketing
- Financial Management

11. 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 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 bank so next 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.

12. Monitoring Method –

- Social Audit Committee of the VFDS will monitor the progress and performance of the IGA 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.

13. Remarks

14. Group members Photos-



Kunzang



Sonam



Kailash



Chhering Lamo



Kesang Chhomu



Panma e10



Samtan Budit



Gagan Devi



Chhering Angmo



Lobzang Dolma

समूह का सहमती पत्र

आज दिनांक 12-05-2023 नोरखू स्वयं सहायता समूह लियो में बैठक हुई यह बैठक प्रधान श्रीमति सोनम छोकित के अध्यक्षता में हुई। आज बैठक में यह चर्चा की सभी सदस्य ने यह निर्णय लिया की जायका वन विभाग की तरफ से जो धनराशी मिलेगी उसका उपयोग कर्टिंग सिलाई सीखने के लिए किया जाएगा। जिसके लिए सभी सदस्यों की सहमती प्रकट की है। इस बैठक में सभी सदस्यों ने भाग लिया।

समूह के प्रधान के हस्ताक्षर
चहुसावित्री
वहसीला हंगर, जिला किन्नौर (हिमाचल प्रदेश)

समूह के सचिव के हस्ताक्षर
सचिव
प्रधान
वहसीला हंगर, जिला किन्नौर (हिमाचल प्रदेश)

Memorandum of Understanding

Between

The Village Forest Development Society/ BMC Sub Committee

And

The Forest Department (represented by DFO for Participatory Forest Management.

Whereas

The Village Forest Development Society/ BMC Sub-Committee (hereinafter called "Society") has been constituted as per procedure described in the HP PFM Regulations notified by Govt. of HP vide No. FFE-C (9) 1/2001 dated 23.8.2001 and vide No.FFE-B-F (5) 5/2016- Pam III dated 19.11.2018, by the Villagers of village Forest Development Society/ BMC Sub-Committee in district and Forest Division Himachal Pradesh and has an elected Executive Committee (hereinafter called "EC"),

as part of the Japan International cooperation Agency (JICA) supported "Project For Improvement of Himachal Pradesh Forest Ecosystems Management and livelihoods" (hereinafter called -Project") the Micro plan (Forest Ecosystems Management Plan & Community Development & Livelihood Improvement Plan) for Forest Management and Community Development (hereinafter called "Plan") for Forest protection, rehabilitation and management of the specified forest areas has been jointly prepared by the Society and the Forest Division

the Plan contains details of program for conservation, management and development of forest areas, Biodiversity conservation, Livelihood improvement works and also the description of equitable distribution of usufructs obtained from allocated forest areas and public resources of the ward/village;

the Plan has been approved by the Officer in Charge of the Forest Division (here- in after called "Forest Officer") on behalf of Government of Himachal Pradesh;

Now here with

The Forest Division and the Society have mutually agreed on this MoU, and consequently. This MoU is executed with the following articles;

1. Purpose of the Memorandum of Understanding

This Memorandum of Understanding (hereinafter called -Man details the responsibilities of the Society regarding management and protection of forest areas) and village(s) resource development, in the manner specified in the Plan and for equitable distribution of benefits amongst its members. It further details payments and support to be provided by the project and the associated conditions.

2 Responsibilities of the Society

- 2.1 With regard to its Constitution, working, powers, duties and benefits, the Society agrees to act in accordance with the HP Government Notification No. FFE-B-F (9) 1/2001 dated 23.8.2001 and vide No.FFE-B-F (5) 5/2016- Part- III dated 19.11.2018, and other relevant Government orders and instructions.
- 2.2 The Society agrees to provide all necessary assistance to the Forest Officer in selection of forest area(s) to be allotted to it for forest management and development so that there is no dispute regarding areas of common use of nearby villages.
- 2.3. The Society agrees to prepare and submit general house approved, quarterly physical & financial plans with budget requirements to FTU concerned for releasing funds after Plan's approval from PMU.
- 2.4. The Society agrees to identify Community Development Activities (CDAs) in conformity with the CDA guidelines, decide on these through a consultative process and implement them according to the relevant standards as applicable.
- 2.5. The Society agrees to carry out works laid out in the Plan for the forest area (such as planting, fencing, maintenance and protection) and in doing so, follow the principles of management of forest and wildlife specified therein, also taking into account the guidelines of the Government, prevalent legal provisions and technical principles. The Society will ensure that no existing acts/rules of forest/wildlife management are being violated.
- 2.6. The Society agrees to contribute membership fee through its members/user groups. The amount with interest will be available to VFDS/BMC (Sub-Committee) after project closure and can be used by VFDS/BMC (Sub-Committee) consensus. The amount deposition to be done within six months.
- 2.7. The Society agrees, after completion of the related works, to protect the forest area from fire, illicit grazing, illicit felling, and illicit transport. Illicit mining, encroachments and poaching and shall help the forest department in this regard.
- 2.8. The Society agrees to pass the information regarding person(s) engaged in banning the wild animals and forests or those engaged in illegal activities on to the Forest Department. The Society agrees to help forest employees in apprehending such person(s) and provide all possible assistance in protecting any seized produce etc.
- 2.9 The Society agrees to rectify any shortcomings found during review of its works by the Forest Officer/monitoring agency.

- 2.10 The Society agrees to keep accounts of income and expenditure of the funds from various sources and also to get regular annual audits done by the agency assigned by the Forest Officer.
- 2.11. The Society agrees to maintain the records specified by the project regularly and in prescribed formats.
- 2.12. The Society agrees that the distribution of products and services generated as a result of implementation of the Plan among its members/User Groups is done in an equitable manner. If the Forest Officer points out any mismanagement or irregularity in the equitable distribution of such products and services, then the

☛ Society agrees to implement the necessary corrections/improvements suggested by the Forest Officer.

2.13. Society agrees to ensure that there will be no miss utilization of funds provided by Forest Department for implementing project activities.

2.14. Society will open two accounts of VFDS/BMC (Sub-Committee), One for FEMP implementation (FE Account) and second one as revolving fund under Livelihood activities (CD&LI Account).

2.15 The funds and maintenance of account would be in accordance with Para-36 to 43 of the Bye-laws notified by Govt. on dated 19-11-2018 for VFDS under the Project.

3. Responsibilities of the Forest Department

3.1. The Forest Department will provide to the Society the related input materials required to carry out the works specified in the Plan, such as saplings, fencing materials, etc. in a timely manner.

3.2. The Forest Department will provide the payments specified in the Plan to the Society for implementation of works carried out in the forest area on the basis of the Plan in a timely manner. The Society to prepare and submit general house approved, six monthly physical & financial plans with budget requirements to DMU through FTU concerned for release of funds. DMU to release the fund to the VFDS/BMC (Sub-Committee)

3.3. Funds from other department's schemes as the Panchayat may be able to garner/converge, may also be used for activities that help meet the project's objectives.

3.4. The Forest Department shall provide the necessary advice and guidance to the Society for implementation of works carried out in the forest area on the basis of the Plan.

3.5 The Forest Department shall NOT be responsible for any loss in any of the works related to implementation of the Plan and no claim of any sort can be presented against Forest Department.

3.6 Forest Department will take legal action against any mis appropriation of fund by VFDS/BMC (Sub-Committee).

4. Support by the Project

4.1. The Project will provide funds for Community Development & Livelihood activities (CDAs) identified by the Society and in conformity with the CD&LIP guidelines, which will be implemented by the Society.

4.2. The Project will provide to the Society if required the related input/materials required to carry out the works specified in the Plan, such as saplings, fencing materials, etc. in the required qualities and quantities.

4.3. The Project will provide to the Society the payments specified in the Plan for implementation of works carried out in the PFM area on the basis of the Plan.

4.4. The Project will provide to the Society members training and other capacity building measures, as well as support for income generating activities as specified in the Plan.

- 4.5. The funds earmarked for Plantations, soil and water conservation, Biodiversity conservation etc., will be credited into the VFDS/BMC (Sub-Committee) bank account according to six-month plan requirement (prepared from Micro plan) of VFDS/BMC (Sub-Committee). In addition, VFDS/BMC (Sub-Committee) to open an account for Livelihoods activity.
- 4.6. Payment and receipt of project funds will be strictly by means of cheques online payment/RTGS etc. or bank transfers to the account of the Society. Society will further distribute fund similarly.
- 5. Rights and Benefit Sharing**
- 5.1. The Rights of right holders as admitted in the Forest Settlement will remain unaffected due to constitution of the Society and will continue to be exercised as heretofore.
- 5.2. The Benefits which Society members and their user groups will be entitled to after closure of plots / patches in the forest for various project interventions are as follows:
- i) to collect the yield such as fallen twigs, branches, lopping, grass, bamboos, fruits, flowers, seeds, leaf fodder and non-timber forest products free of cost through individual or collective arrangements as decided by the Society;
 - ii) to the sale proceeds of all intermediate harvest, subject to protection of forest and plantations for at least 3 years from the date of agreement;
 - iii) to organize and promote vocational activities related to forest produce and land; and other activities such as promotion of self-help groups which may provide direct benefits, including micro-lending to women. None of the activities so promoted shall affect the legal status of the forest land;
 - iv) recorded rights over the forest shall not be affected by these benefits;
 - v) after 5 years, the Society may expand the area, on the basis of a fresh agreement deed, by inclusion of adjoining or nearby areas;
 - vi) to utilize at least 40 percent of the sale proceeds on forest regeneration activities including soil and water conservation.
- provided that for the purpose of usufruct, the usufruct sharing family shall be one unit.
- 5.3. The Society will be entitled to their share of payments from intermediate and final felling, whenever they take place in this forest, as laid out in the PFM Regulations of HP, 2001,
- 6. Monitoring & Evaluation**
- 6.1. Monitoring and Evaluation of project activities will be done at different levels, including by the EC, a participatory monitoring committee and an independent third party apart from Project authorities.
- 6.2. The EC of VFDS/BMC (Sub-Committee) or any of its members will monitor progress and quality of work during execution of various works. The Member Secretary will record the date, places and names of EC members who checked the work(s) and whether works were satisfactory and any instructions given.

- 6.3. A participatory monitoring committee made up of members of the Society, a member from the Panchayat as well as a representative from the Forest Department (e.g. Deputy RO) will on quarterly basis review objectives, inputs and work progress and report to the whole Society. Their reports will then be sent to the Forest Officer for further action.
- 6.4. Where Society groups have carried out or are responsible for activities like social fencing, fire prevention, plantations or maintenance of plantations, annual monitoring will be carried out by Project-approved monitors (Third Party) and the results of this monitoring linked to release of payments, a) for social fencing in lieu of barbed wire fencing, b) for fire prevention as specified in the Plan and c) for survival in forest plantations as given in the agreed to norms for that activity.
- 6.5. Settlement of Disputes: Settlement of disputes and conflict resolution will be governed as laid out under para 47, 48 and 49 of the Bye Laws notified by GoHP.

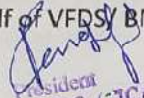
Memorandum of Understanding


We are aware that the benefits mentioned in this agreement shall be available to the Society only when it discharges its duties, responsibilities and works in a satisfactory manner and this is certified by the Forest Officer every year. However, if the Forest Officer fails to fulfill conditions mentioned in Para 3 and 4 of this agreement and this is a cause for the Committee not able to discharge its responsibilities and works, and then it will be kept in mind while evaluating the works of the Committee every year.

I *P. S. Negi* President, *leo* Joint VFDS/BMC

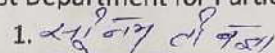
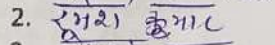
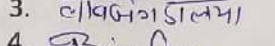
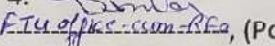
(Sub-committee), declare on behalf of the Society, that I am committed to follow all the conditions mentioned in this MOU and am signing this memo after reading/understanding all conditions mentioned herein, literally and I understand their original meaning.

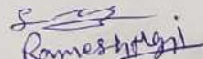
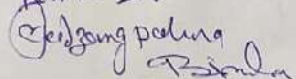
(Name and Signature of the President)
On behalf of VFDS/ BMC (Sub-committee)



President
V.F.D.S. (CICA), Leo
District Kinnaur H.P.



Divisional Forest Officer
Kinnaur Forest Officer
On behalf of HPFD

Witness: Village Forest Development Society /BMC(Sub-committee) and the Forest Department for Participatory Forest Management.


1. 
2. 
3. 
4. 


Ramesh Chaggi

Jeejgong pedling
Raimla

1.  F.T.U. officer - Kinnaur-HP, (Position) undertake, on behalf of Kinnaur Division Forest Department to implement all duties responsibilities of the Forest Department mentioned in this memorandum.


Range Forest Officer
Malling Range
Distt. Kinnaur

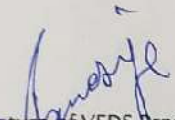
(Name and Signature of the Divisional Forest Officer or other officer authorized by him) On behalf of Kinnaur Forest Department.


Kinnaur Forest Division
At R/Peo

Business Plan Approval by VFDS & DM

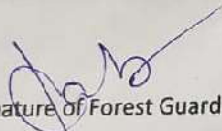
Number _____ Self help group will undertake the Lobby & Tailoring
As livelihood generation activity under the project for improvement of Himachal Pradesh
Forest Ecosystems & management & livelihood (JICA Assisted). In this regard business plan
of amount (Rs.) 1.58.000 has been submitted by this group on dated _____
_____ and this business plan has been approved by _____ VFDS. Business
Plan with SHG resolutions being submitted to DMU through FTU for further action, please.

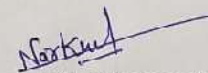
Thankyou


Signature of President
VFDS (ICA), Leo
District Kinnaur H.P.


Signature of VFDS Secretary

Secretary (ICA), Leo
District Kinnaur H.P.


Signature of Forest Guard


Signature of Block forest officer


Signature of Range Forest officer
Range Forest Officer
Malling Forest Range
Distt. Kinnaur

Approved

DMU -cum-
Deputy conservator forests,
Kinnaur Division at R/Peo

Resolution -cum-group consensus form

It is decided in the general house meeting of the Self Help Group..... Nurba Held on at..... Leo that our self help group will undertake the atlas tailings livelihood income generation activity under the project for improvement of Himachal Pradesh.
Forest Ecosystem Management & Livelihoods. (JICA Assisted.)

Kamlesh Panj सचिव
Signature of Group Pradhan सहायता
लिखो, मिना
कल प्रदर्श

Kanchan Kumari
Signature of Group Secretary
किन्तोर विमान प्रदर्श