

BUSINESS PLAN

INCOME GENERATING ACTIVITY - Cutting and Tailoring
By
Sarswati - Self Help Group



SHG/CIG Name	::	Sarswati
VFDS Name	::	Shango
Range	::	Katgaon
Division	::	Kinnaur

Prepared under:



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

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1. Description of SHG/CIG

2.1	SHG/CIG Name	::	Sarswati
2.2	VFDS	::	Shango
2.3	Range	::	Katgaon
2.4	Division	::	Kinnaur
2.5	Village	::	Shango
2.6	Block	::	Katgaon
2.7	District	::	Kinnaur
2.8	Total No. of Members in SHG	::	11- females
2.9	Date of formation	::	29-05-2022
2.10	Bank a/c No.	::	25310105833
2.11	Bank Details	::	Co-operative bank Katgaon
2.12	SHG/CIG Monthly Saving	::	100/ (meeting to be held every 25th day of the month)
2.13	Total saving		19800
2.14	Total inter-loaning		
2.15	Cash Credit Limit		--
2.16	Repayment Status		--

2. Beneficiaries Detail:

Sr. No	Name (Sh/Smt.)	Father/Husband Name (Sh.)	Age	Category	Cont .No	Designation	Occupation
1	Smt. Anju	Sh. Balwant Kumar	24	ST	829365104	Pradhan	Agricultural
2.	Smt. Divya	Sh. Vijay Kumar	22	ST	809175366	Secretary	Agricultural
3.	Smt. Krishma	Sh. Amit Negi	26	ST	7807062853	Member	Agricultural
4.	Smt. Sanjay Kumari	Sh. Mohan Lal	33	ST	7876283436	Member	Agricultural
5.	Smt. Malta	Sh. Naresh Kumar	29	ST	786591366	Member	Agricultural
6.	Smt. Rupa	Sh. Rajender Singh	25	ST	7807196349	Member	Agricultural
7.	Smt. Komal	Sh. Mohan Singh	24	ST	7650044380	Member	Agricultural
8.	Smt. Meena	Sh. Akash	20	ST	7876711588	Member	Agricultural
9	Smt. Hira Mani	Sh. Raj Bhgat	45	ST	8894643646	Member	Agricultural
10	Smt. Krishana Kumari	Sh. Shyam Singh	31	ST	8278877644	Member	Agricultural
11	Smt. Poonam Devi	Sh. Gian Singh	35	ST	9816008681	Member	Agricultural

3. Geographical details of the Village

3.1	Distance from the District HQ	::	57 Km
3.2	Distance from the Range Office		800 m
3.3	Distance from Main Road	::	500 m
3.4	Name of local market & distance	::	Katgaon - 500 m, Kafnoo - 5 km,

3.5	Name of main market & distance	::	Bhavanagar - 27 km Tapri 27- km Reckong Peo-57Km & Rampur 80 km
3.6	Name of main cities & distance	::	Bhabanagar- 27 Km, Reckong Peo - 57 Km & Rampur- 80 Km
3.7	Name of places/locations where product will be sold/ marketed	::	Katgaon, Kafnoo, Bhavanagar, Tapri, Reckongpeo, Jeori & Rampur

4. Executive Summary

Cutting and Tailoring is common in the VFDS Area & the Local People have to travel about 50-60 Km for better stitching of traditional Kinnauri ladies and gents' clothes. Cutting and Tailoring is good income generation activity and has been selected by Sarswati Self Help Group. This IGA will be carried out by all ladies of this SHG. In the beginning different types of traditional ladies suits will be stitched by this group. 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.

5. Description of Product related to Income Generating Activity

1	Name of the Product	::	Stitched Suit & Kinnauri Topi
2	Method of product identification	::	This activity is already being done by some members of SHG for their individual purpose It was decided by group members to carry out this activity for their income generation
3	Consent of SHG/ CIG / cluster members	::	Yes

6. Description of Production Planning

6.1	Time taken	::	1 Ladies 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 other resources	::	Local market/ Main market
6.5	Expected stitched suits per day	::	5 suits initially

7. Description of Marketing/ Sale

7.1	Potential market places/locations	::	Katgaon, Kafnoo, Yangpa, Bhavanagar, Tapri, Rekongpeo, Jeori & Rampur
7.2	Stitching work demand	::	Throughout the year and very high demand at the time of various local festivals & marriage occasions.
7.3	Process of identification of market	::	Group members will contact nearby villagers/households/institutions.
7.4	Marketing Strategy		SHG members will directly take orders (individual levels/ group level) from nearby villagers/households/institutions.

8. Risk Analysis

- Skill based
- Demand driven
- Highly competitive market

9. 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 Pre-Production process (i.e.- procuring of raw material etc.)
- Some group members will involve in Production process.
- Some group members will involve in Packaging and Marketing.

- ❖ **The Skill based training has been imparted to the group during the month of January 2023 and the members of SHG has now decided to do the stitching works with Pedal machine instead of simple machine as provided in the original business plan and later on the shg members during their resend meeting held on 25-08-2023 has on once again decided that there will be 11 members instead of thirteen members because the two member has left the group. Therefore the business plan has been revised accordingly and the total number of in the shg is now eleven.**

Description of Economics:

A. CAPITAL COST				
Sr.No	Particulars	Quantity	Unit Price	Total Amount (Rs.)
1	Sewing Machine	11	10000	1,10,000
2	Interlock Machine	3	6000	18000
3	Tailor Scissor	11	500	5500
4	Tailoring Ruler Set	11	600	6600
5	Sewing Tailor Tap	11	100	1100
6	Iron Press	2	500	1000
7	Almirah	2	LS	2500
8	Hanger	3 set	400	1200
9	Chairs, Table etc	Approx.	LS	8000
Total Capital Cost (A) =				1,53,900

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 (bookerm, neck etc)	Suits/month	LS	LS	6000
3	Rent	Month			2000
4	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		12,650

D. Stitched Suit & other items price (per suit)					
Sr.No	Particulars	Unit	Quantity	Amount (Rs)	
1	Simple suit	1	1	250-300	
2	Other(Palazzo,liningetc)	1	1	300-350	
3	Kinnauri Topi	1	1	400	

10. Analysis of Income and Expenditure (Monthly):

Sr. No	Particulars	Amount (Rs)
1	10% depreciation annually on capital cost	1150
2	Total Recurring Cost	11,500
3	Total Stitched Suit per month	200 (approx. quantity)
4	Selling Price of Stitched Suit (per suit)	250
5	Income generation (200*250)	50,000
	Total Stitched Kinnauri cap per month	50
	Selling Price of Kinnauri cap (per kinnauri cap)	400
	Income generation (50*400)	20000
	G Total income generation	70000
6	Net profit (70000-11,500)	58500
7	Distribution of net profit	<ul style="list-style-type: none">• Profit will be distributed equally among members monthly/yearly basis.• Profit will be used for further investment in IGA

11. Fund requirement:

Sr. No	Particulars	Total Amount (Rs)	Project contribution	SHG contribution
1	Total capital cost	1,53,900	1,15,425	38,475
2	Total Recurring Cost	11,500	0	11,500
3	Trainings	60000	60000	0
	Total	2,25,400	1,75,425	49,975

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**

12. Trainings/capacity building/skill up-gradation

Trainings/capacity building/ skill up-gradation cost will be borne by project.

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

- Team work
- Quality control
- Packaging and Marketing
- Financial Management

13. 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 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.

14. Monitoring Method –

15.

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

16. Sources of fund:

Project support;	<ul style="list-style-type: none"> • 75% of capital cost will be utilized for purchase of machines. • UptoRs 1 lakh will be parked in the SHG bank account. • Trainings/capacity building/ skill up-gradation cost. 	Procurement of machines will be done by Kinnuar/Rampur DMU/FCCUafter following all codal formalities.
SHG contribution	<ul style="list-style-type: none"> • 25% of capital cost to be borne by SHG. • Recurring cost to be borne by SHG 	

17. Remarks

Group members Photos-



Divya



Rupa



Poonam



Anju



Malta



Meena



Komal



Sanjay Kumari



Krishan Kumari




Hira Mani

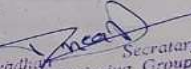


Urvashi

सहमति पत्र

आज दिनांक 15 /05/23 को सरस्वती स्वयं सहायता समूह शागों में बैठक हुई। यह बैठक प्रधान श्रीमती अन्जू की अध्यक्षता में हुई आज बैठक में यह चर्चा की तथा सभी सदस्यों ने यह निर्णय लिया कि उनके ग्रुप में 3 और महिलाएं शामिल की जाए कि तथा जाइका वन विभाग की तरफ जो धन राशि मिलेगी उसका उपयोग सिलाई सिखाई के लिए किया जाएगा। जिसके लिए सभी सदस्यों ने सहमति प्रकट की है और इस बैठक में सभी सदस्यों ने भाग लिया।


Pradhani Secretary
समूह के प्रधान की हस्ताक्षर
Shangri Talai Nichee Kher


Secretary
Pradhani Tailoring Group
समूह के सचिव का हस्ताक्षर
Shangri Talai Nichee Kher

Project for Improvement of Himachal Pradesh Forest Ecosystems Management and Livelihoods

Memorandum of Understanding

Between

The Sangro Village Forest Development Society/ BMC Sub Committee

And

The Forest Department (represented by DFO K. K. Sharma) for Participatory Forest Management.

Whereas

The Sangro 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 Sangro village Forest Development Society/ BMC Sub-Committee in district K. K. Sharma Forest Division, K. K. Sharma 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 Sangro 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.

- 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 Suresh kishan President, Sangra 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)

DMU Officer-cum-
Divisional Forest Officer,
Kinnaur Forest Division,
At R/Peo
On behalf of HPFD)

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

1. Divya
2. Anju
3. Komal
4. Dipthi

1 -----, (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
Kinnaur Forest Division,
At R/Peo
Kinnaur (H.P.)


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

DMU Officer-cum-
Divisional Forest Officer,
Kinnaur Forest Division,
At R/Peo

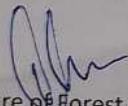
Business Plan Approval by VFDS & DMU

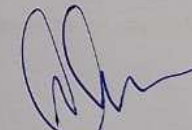
Saiswati----- Self help group will undertake the Cutting & Pastoring
As livelihood generation activity under the project for improvement of Himachal Pradesh
Forest Ecosystems & management & livelihood (JICA Assisted). In this regard business plan
of amount (Rs.) 2,25,400-----has been submitted by this group on dated -----
----- and this business plan has been approved by Shango-----VFDS. Business
Plan with SHG resolutions being submitted to DMU through FTU for further action, please.

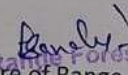
Thankyou

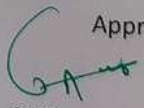

प्रधान
शांगो ग्राम वन विकास सोसाइटी
तहसील किन्नौर जिला हिमाचल प्रदेश
Signature of VFDS Pradhan


सचिव
शांगो ग्राम वन विकास सोसाइटी
तहसील किन्नौर जिला हिमाचल प्रदेश
Signature of VFDS Secretary


Signature of Forest Guard


Signature of Block forest officer



Signature of Range Forest officer
Range Forest Officer
Katgaon Range
Distt. Kinnaur (H.P.)

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 Sarswati Held on
..... at Shango that our self help group will undertake the
Cutting & Tailoring as livelihood income generation activity under the project for
improvement of Himachal Pradesh.

Forest Ecosystem Management & Livelihoods. (JICA Assisted.)


Pradhan Secretary
Sarvasati Tailoring Group
Shango Tehsil Nithar, KNR

Signature of Group Pradhan


Pradhan Secretary
Sarvasati Tailoring Group
Shango Tehsil Nithar, KNR

Signature of Group Secretary

