

INCOME GENERATING ACTIVITY – Galicha and Dohru Making

BY

Yarket – SELF HELP GROUP



SHG/CIG Name	::	Yarket SHG
VFDS/BMC Name	::	Rangrik
Range	::	Kaza (WL)
Division	::	Kaza (WL)

Prepared under:



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

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1. **Introduction**

Galicha and Dohru making is a common household activity mainly among the women in rural India. Most of the women are well conversant with this income generating activity and they do it happily in their free time and as well while doing other household works. The women in this SHG are already in activity to meet the need of their family members. Now the members have chosen this activity as income generating activity so that they can earn extra income to meet their expenses and raises some saving also for the difficult times. A group of 09 women of different age group came together to form a SHG under JICA project and decided to craft a business plan which can help them to take this income generating activity in collective manner and raise their additional income.

2. **Background**

Galicha and Dohru making center by Yarket Self-help group will be located at village Rangrik P.O. Rangrik & Tehsil Spiti, Dist. Lahaul & Spiti HP. The total of 120 households in village Rangrik surrounding Kaza Soma, Kaza Khas, Khurik and Kewling/ Kwang for which this Galicha and Dohru making centre will cater for. This centre will provide excellent service and guide to the customers about what suits them the best to provide them the product that mark the highest level of satisfaction and comfort for them.

3. Description of SHG/CIG

3.1	SHG Name	::	Yerket SHG
3.2	BMC	::	Rangrik
3.3	Range	::	Kaza (WL)
3.4	Division	::	Spiti (WL)
3.5	Village	::	Rangrik
3.6	Block	::	Kaza
3.7	District	::	Lahaul & Spiti
3.8	Total No. of Members in SHG	::	09- females
3.9	Date of formation	::	2019
3.10	Bank a/c No.	::	50071465701
3.11	Bank Details	::	KCC Bank Kaza
3.12	SHG/CIG Monthly Saving	::	100 per Member
3.13	Total saving	::	225485
3.14	Total inter-loaning	::	--
3.15	Cash Credit Limit	::	--
3.16	Repayment Status	::	--

4. Beneficiaries Detail:

Sr. No	Name	Designation	Qualification	Age	Category	Income Source	Mobile No.
1.	Dechen Angmo	Member	10 th	56	ST	agriculture	8219741048
2.	Dolma Yangchen	Member	10 th	46	ST	agriculture	7876621141
3.	Lobzang Chhodon	Member	10 th	35	ST	agriculture	9418817669
4.	Lobzang Dechen	Member	12 th	38	ST	Agriculture	8091442566
5.	Lobzang Dolkar	Member	5 th	41	ST	Agriculture	7876515207
6.	Lobzang Lachho	Member	12 th	37	ST	Agriculture	8310780032
7.	Tanzin Desal	Sectary	12 th	34	ST	Agriculture	7018773140
8.	Namgial Dolma	Member	10 th	49	ST	Agriculture	7580541176
9.	Lobzang Lamo	President	12 th	41	ST	Agriculture	8580467824

5. Geographical details of the Village:

5.1	Distance from the District HQ	::	186 KM
5.2	Distance from Main Road	::	150 mtrs
5.3	Name of local market & distance	::	Tabo 50 KM approx. Kaza 7 KM approx
5.4	Name of main market & distance	::	Kaza 7 KM approx. Rampur 307 KM approx Manali 190 KM approx.
5.5	Name of main cities & distance	::	Rampur 307 KM approx. Manali 190 KM approx.
5.6	Name of places/locations where product will be sold/ marketed	::	Rampur 307 KM approx. Kaza 7 KM approx., Manali 190 KM approx.

6. Management

Galicha and Dohru Making IGA by Yarket SHG has 09 women members and they want individual Galicha and Dohru making Khadies and will hire a room in the village to execute their plan and work in a collective manner. Before the start of the actual work in the centre all the members will be imparted a short-term capsule course for training them in Galicha and Dohru making under by local trainers.

7. Primary Action Plan

The members of Pema SHG have very clear vision of this IGA and after careful and thoughtful discussion within the group decided to take up this activity for additional income. The members are doing this activity in isolation but now they have joined hands to venture into this activity at a larger scale and in a planned manner. The division of labour between the members has been planned carefully so that each contributes towards strengthening the IGA and resulting the additional money into their pockets.

8. Customers

The primary customers of the centre will mostly be local people around village Kaza, Tabo but later on this business can be scaled up by catering to nearby small townships.

9. Target of the centre

The centre primarily aims at to provide unique modern and high-class Galicha and Khadi service to the residents Kaza, Tabo village in particular and all other residents of nearby villages.

This centre will ensure to become the most renowned Galicha and Dohru centre with quality work in its area of operation in coming years.

10. The reason to start this business

Due to the prior experience of the members of this SHG who are already doing same work here and there this IGA has been selected and therefore the SHG is starting this business. This is an effort to combine the skill of various members and scale up their activity to earn more livelihoods.

11. SWOT Analysis

❖ Strength

- ➔ Activity is being already done by some SHG members
- ➔ Raw material easily available from nearby markets
- ➔ Manufacturing process is simple
- ➔ Proper packing and easy to transport
- ➔ Other family members will also cooperate with beneficiaries
- ➔ Product self-life is long

❖ Weakness

- ➔ Lack of technical know-how

❖ Opportunity

- ➔ Increasing demand for good products

❖ Threats/Risks

- ➔ Competitive market
- ➔ Level of commitment among beneficiaries towards participation in training/capacity building & skill up-gradation

12. Machinery, tools and other equipments

The traditional Galicha and Dohru making along with the Khadies will go hand in hand so that a value product is made available for marketing and making it competitive both in quality and price tag. Some of the items will be produced in traditional manner and others in mechanical manner depending upon the demand in the targeted area. The following machinery and tools need to be procured.

A. CAPITAL COST					
Sr. No.	Particulars of Machinery.	Quantity	Rate per unit	Total Amount	Remarks
1	Galicha Khadi	5	16000	80000	
2	Dohru Khadi	4	20000	80000	
3	Wool Spining Machine	6	6000	36000	
Total capital cost				196000	

B. Recurring cost				
Sr.No.	Particulars	Unit	Rate	Amount
1.	Room rent	Per month	1000	6000
2.	Water & electricity	Per month	1000	6000
3.	Raw material such as wool etc	Per month for 6 month	5000	90000
Total Recurring cost				102000

13. Total production and sale amount in month

Since it is an additional activity in the SHG apart from their routine household work the outcome will be proportionate to the working hours of each member. It is always better initially to keep the production on conservative side which can always be scaled up with passage of time and work experience. Therefore, it is presumed that each member will produce three item (Galicha and Dohru.) per month for six months by all member of group as finally finished product and in this way approximately 18 items can be made available for sale in a year. Keeping in view this production rate of approximately 18 finished items will be ready for sale in a year. As beginner the item rate on an average if presumed to be Rs. 20000 each therefore the total income per month is worked as under:

Particulars	Total Amount (Rs.)	Project Contribution (75%)	SHG contribution (25%)
Total capital cost	196000	147000	49000
Recurring cost			
10% depreciation on capital cost per year	19600	-	19600
Other expenditure per year	102000	-nil-	102000
Total			

Total sale in a year (20000*18) = 3,60,000.00

Total expenditure (102000) = 1,02,000.00

More over the members of SHG will be doing the job collectively therefore their wages have not been taken into account. The net income at the end of the month is re-cast as under:

<u>Capital cost</u>		
Particulars	Amount	SHG contribution
Capital cost	196000	49000
<u>Recurring expenditure</u>		
i) Other expenditure on material cost etc.	102000	
Total cost	102000	
Total sale in in year	3,60,000	
Net profit	2,58,000	

14. **Sharing of the profit**

The members of SHG has mutually agreed with consent voice that in the 1st year Rs. 3500 will be paid to each member for six months as income and the remaining Rs. 69000 profit will be kept as emergency reserve in their bank account to meet up the future contingency, if any.

15. **Fund flow in the group:**

Sr. No.	Particulars	Total Amount (Rs)	Project contribution	SHG Contribution
1	Total capital cost	196000	147000	49000
2	Total Recurring Cost	102000	00	102000
3	Trainings	50000	50000	0
	Total outlay	348000	197000	151000

Note-

- **Capital Cost** - 75% of the total capital cost will be borne by the Project
- **Recurring Cost** –The entire cost will be borne by the SHG/CIG.
- **Trainings/capacity building/ skill up-gradation** –Total cost to be borne by the Project

16. Sources of funds and procurement:

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 as a revolving fund.• Trainings/capacity building/skill up-gradation cost.	Procurement of machines will be done by respective DMU/FCCU after following all 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. 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-gradation proposed/needed:

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

18. 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 no 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 –**

Social Audit Committee of the BMC Sub Committee will monitor the progress and performance of the IGA and suggest corrective action if needed 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 needed to ensure operation of the unit as per projection.

Members Photos

 <p>Tanzin Desal</p>	 <p>Dolma Yangchen</p>	 <p>Lobzang Dolker</p>	 <p>Dechen Agmo</p>
 <p>Namgyal Dolma</p>	 <p>Lobzang Lacho</p>	 <p>Lobzang Chhodon</p>	 <p>Lobzang Dechan</p>
 <p>Lobzang Lamo</p>			

Self Help Group Consent/Sehmati Letter

समूह के बिज़नेस प्लान का सहमति पत्र

आज दिनांक 13/11/2024 को BMC Sub Committee - Ragrik में
यरकित स्वयं सहायता समूह की बैठक की गई। बैठक की अध्यक्षता समूह की
प्रधान व सचिव की अध्यक्षता में की गई। जिसमें समूह की सभी महिलाओं ने
गलीचा व दोडु का कार्य करने में सहमती दिखाई है। और कार्य करके समूह की
आय को बढ़ाएगी। और आजिविका सुधार योजना जाइका परियोजना से जुड़ने
में सब ने सहमति दिखाई है।

Lobzang Lamo

प्रधान

लोबजग लामो

Desal

सचिव

तेंजिन देसेल

J. J. J.
Deputy Conservator of Forest
Spiti Wildlife Division, Manza