



**Income Generating Activity
Business plan
Cutting, Tailoring and Knitting work
2022-23**



SHG/Name	,	Jai Maa Laxmi Self Help Group
VFDS Name	,	Charrol
FTU/Range	,	Swarghat
DMU/Division	,	Bilaspur
FCCU/Circle	,	Bilaspur
sponsored by PIHPFEM&L(JICA)		prepared by:- DMU Bilaspur , FTU Swarghat and Jai Maa Saraswati SHG

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Introduction

Himachal Pradesh is a majestic , mythical land and is famous for its beauty and serenity , rich culture and religious heritage. The state has diverse ecosystems , rivers and valleys , and has a population of 7.5 million and covers an area of 55,673 sq km ranging from the foothills of the Shivalik mountains to the middle hills (300 - 6816 m above MSL) , high hills and the cool arid regions of the Upper Himalayas . It is spread over valleys in which several perennial rivers flow. About 90% of the state's population lives in rural areas. Agriculture , horticulture , hydropower and tourism are important components of the state's economy. There are 12 districts in the state and its population density is quite high .

The district is situated along the border of Punjab and is the gateway for its tourist destinations and Himalayan tours , the routes for Himalayan tours from Bilaspur district connects Mandi , Kullu, Shimla , Solan , Hamirpur and Kangra districts .

This district is famous for its ancient settlements and traditional agriculture , with the Sutlej river as its main lifeline. And after the construction of Bhakra Dam, most of the fertile land area of this district has become submerged .

Forests and forest ecosystems are repositories of rich biodiversity , and play a vital role in preserving fragile sloping lands and were the primary sources of livelihood for the rural population. Rural people are directly dependent on forest resources for their livelihood and socio-economic development. The harsh reality is that these resources are continuously depleting due to overexploitation such as for fodder , fuel , NTFP extraction, grazing , fire and drought etc.

self-help groups have been formed to implement livelihood improvement activities under Charrol Forest Rural Development Committee . One of these , “Jai Maa luxmi” self- help group, is engaged in cutting , sewing and knitting work . The group members belong to the weaker sections of the society and have small land holdings. To enhance their socio-economic status , they decided to take up cutting , tailoring and knitting work . In which Dr. Ulshida, Subject Specialist, Office of Forest Division Bilaspur , Dharam Pal, Forest Guard, Ch arrol Beat and Poonam Thakur, FTU Coordinator Swarghat were included, in which Ved Prakash Pathania, retired from Himachal Pradesh, contributed in preparing the business plan under the constant supervision and guidance of the same.

Executive Summary

Charrol Forest Rural Development Committee -

Charrol Forest Rural Development Committee organized in Charrol Revenue Village . This forest rural development committee has been formed in Gram Panchayat Charrol . It is located in Ratanpur block of Bilaspur district in Himachal Pradesh Charrol Forest Rural Development Committee Bilaspur Forest Division Management Unit (DMU) It falls under Charrol beat of Ratanpur forest division under Swarghat forest range

Number of families	121
BPL Families	12
total population	492

Details of Self Help Group

Formation of informal Jai Maa Laxmi self help group Charrol It was done under Van Gramin Vikas Samiti to provide livelihood improvement support by upgrading skills and capabilities. The group comprises of poor and marginal farmers. Jai Maa Laxmi Self Help Group is a women's group (13 women) consisting of marginal and financially weak sections of the society with less land resources. Though all the members of the group grow seasonal vegetables etc. but since the land holdings of these members are very small and irrigation facilities are less and the production level has reached near saturation , to meet their financial requirements they decided to take up cutting , tailoring and knitting work which can increase their income. There are total 13 members in this group and their monthly contribution is Rs 1,00 /- per month Out of these, 11 women decided to do this work, their details are as follows:-

फोटो के साथ स्वयं सहायता समूह सदस्यों का विवरण

क्र स	नाम	पद	वर्ग	उम्र	शैक्षणिक योग्यता	मोबाइल नंबर
1.	सुनीता देवी	प्रधान	S.C	42	10+2	7580032425
2.	अंजना देवी	सचिव	S.C	32	10+2	8544773225
3.	किरण खात्या	कोषाध्यक्ष	S.C	47	10th	7018693629
4.	मन्जू खात्या	सदस्य	S.C	45	10th	7018418767
5.	सोनी देवी	- - -	S.C	38	8th	9015066196
6.	कृष्णा देवी	- - -	S.C	41	8th	9816823017 623022407
7.	कमलेश देवी	- - -	S.C	48	-	7833923399
8.	खोटी देवी	- - -	S.C	40	5th	8580456375
9.	कमलेश कुमारी	- - -	S.C	24	10+2	8219343026
10.	रम कवी	- - -	S.C	30	10+2	9816904625
11.	सोनी देवी	- - -	SC	43	5th	9817136242.
12.						
13.						
14.						
15.						
16.						

Details of Self Help Group Memberswith Photo



**Sunita Devi
(President)**



**Anjana Devi
(Secretary)**



**Kiran Bala
(Treasurer)**



Manju Bala



Sonu Devi



Krishn Devi



Kashmira Devi



Choto Devi



Kamalesh Kumari



Ramkali Devi



Roshni Devi

Jai Maa Laxmi Self Help Group Charrol

Name of the SHG	,	Jai Maa Laxmi
SHG/CIG MIS Code Number	,	,
VFDS	,	Charrol
Range	,	Swarghat
Forest Division	,	Bilaspur
Village	,	Charrol
Section	,	Ratnapur
District	,	Bilaspur
Total number of members in the SHG	,	13
Date of formation	,	03-08-2014
Name and details of the bank	,	uco bank charrol
Bank account number	,	153801100 21439
SHG/Monthly Savings	,	Rs. 100 /- per month
Total savings	,	65000 /-
Total Inter-Loan	,	Yes
cash credit limit	,	
Repayment Status		quarterly basis

Geographical description of the village

away from district headquarter	,	21 Km
away from the main road	,	1km
Local market and distant name	,	Charrol 1 km , Bilaspur 21 km approx.
Names and distances of major cities	,	Charrol 1 km , Bilaspur 21 km approx.
Names of major cities where The products will be sold/marketed	,	Charrol, Bilaspur
Backward and Forward Linkage status	,	The back link lies in training (Agricultural Science Centres) and the front link lies in market suppliers etc.

Product Details Related to Income Generating Activity

Product Name	,	Stitched Suit
Method of product identification	,	However the entire group members grow seasonal vegetables and traditional crops. Since their land holding is small , the saturation point of production has been reached , they are not able to meet their financial needs , hence it was decided by the group members that cutting , tailoring and knitting work will increase their income.
Consent of SHG/CIG/ Group	,	The consent is attached as annexure.

Description of the production plan

takes time	,	1 suit takes approximately 3-4 hours to complete
The number of women involved	,	all women.
Source of raw materials	,	Local Market / Main Market / Local People
Source of other resources	,	Local Market / Main Market
Required stitched suits per day	,	5 suits in the beginning

Marketing /Sales Details

Potential Market Place / Location	,	Contained Village - Charrol
	,	Nearby Institutions - Schools , Colleges etc
demand for sewing work	,	High demand throughout the year and during festive and wedding occasions.
market identification process	,	Group members will contact nearby villagers/households/institutions.
marketing strategy		SHG members will take orders (individual level/group level) directly from nearby villagers/households/institutions.

Risk analysis

- skill based
- as per need
- Highly competitive market

Management details among members

By mutual consent the members of the SHG group will decide their roles and responsibilities for carrying out the work. Work will be divided among the members according to their mental and physical capabilities.

- Some group members will be involved in the pre-production process (i.e. procurement of raw materials, etc.)
- Some group members will be involved in the production process.
- Some members of the group will be involved in packaging and marketing.

Economics details :

Capital Cost			
Description	amount	Unit Price	Total Amount (Rs.)
Sewing Machine	05	8000	40000
Interlock Machine	1	6000	6000
Tailor scissors	10	400	4000
Sewing Ruler (Lace) Set	10	600	6000
Sewing Tailor Tap	10	100	1000
Iron Press	2	500	1000
wardrobe	3-4	About	5000
Fork	2 sets	400	800
chairs , tables etc	About	About	5000
Total capital cost (A) =			68800

B. recurring cost					
Serial Number	Description	Unit	amount	price	Total Amount (Rs.)
1	sewing threads	Reels/Suits/Month	180	10	1800
2	Other finishing materials (bookram , collars , etc.)	Suit/Month	About	About	4000
3	Rent	month			1000
4	Others (stationary , electricity bill , transport , machine repair)	month			1000

Total Recurring Cost (B)	7800
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Cost of Production (Monthly)	
Description	Amount (Rs.)
Total recurring cost	7800
Depreciation at 10% per annum on capital cost	600
Total	8400

Stitched Suit Cost (Per Suit)				
Description	Unit	amount	Amount (Rs.)	
Ordinary suit	1	1	250-300	
Others(Plazo , Lining etc)	1	1	300-350	

Analysis Of income and expenditure (Monthly):

Description	Amount (Rs.)
Depreciation at 10% per annum on capital cost	600
Total recurring cost	7800
Total suits stitched per month	150 (approx. qty)
tailored suits Selling Price (per suit)	250
Income Generation (150*250)	37,500
Net Profit (37,500 – 8700)	28,800
distribution of net profit	<ul style="list-style-type: none"> The profit will be distributed equally among the members on monthly/yearly basis. Profits will be used for further investments in IGA

Finance requirement:

Description	Total Amount (Rs.)	Project contributions	SHG Contribution
total capital cost	68800	34,400	34,400
Total recurring cost	7800	0	7800
Training	50000	50000	0
Total	126600	84400	42200

Pay attention-

- **Capital Cost** -50% of the capital cost to be covered under the project
- **recurring cost** -To be borne by SHG/CIG.
- **Training/Capacity Building/Skill Upgradation** -will be borne by the project

Finance Source:

Project Support :	<ul style="list-style-type: none"> • 50% of the capital cost will be used for purchasing machines. • 1 lakh will be deposited in the SHG bank account . • Training/Capacity Building/Skill Upgradation costs. 	The machines will be purchased by the respective DMU/FCCU after following all the codal formalities.
Self Help Group Contribution	<p>50% of the capital cost will be borne by the SHG.</p> <p>Recurring costs to be borne by the Self Help Group</p>	

Training/Capacity Building/Skill Upgradation

Training/capacity building/skill upgradation cost will be borne by the project.

Following are some of the training/capacity building/skill upgradation proposed/required:

- Teamwork
- Quality Control
- Packaging and marketing
- financial management

Loan Repayment Schedule- If loan is taken from bank then it will be in the form of cash credit limit and there is no repayment schedule for CCL ; however , monthly savings and repayment receipts from the members should be sent through CCL.

- In CCL , the outstanding principal of the SHGs should be paid in full to the banks once a year. The interest amount should be paid on a monthly basis.
- In term loans , the repayment should be done as per the repayment schedule in banks.

Monitoring method -

- The Social Audit Committee of VFDS will monitor the progress and performance of the IGA and suggest corrective actions, if necessary, to ensure the operation of the unit as per projections.
- The SHG should review the progress and performance of each member's IGA and suggest corrective actions, if necessary, to ensure the operation of the unit as per projections.

Comment:

Keeping in view the upcoming income of the group , the second proposed activity by the group Weaving is the activity As it was decided in principle during the review mission that more than one activity should be included in a business plan, hence the second proposed activity is enclosed below.

Business plan

Sweater and Sock Knitting

By

Jai Maa Laxmi

Executive Summary

Sweater and socks production is a method through which people will benefit and villagers can improve their livelihood by producing bags at low cost. Through this, poor families can increase their income substantially. To produce good quality products at low cost, the group will be given training and advanced machines on subsidy so that group members can produce good quality products and earn more income.

Detail of Expenditure:

Capital cost			
Details	Quantity	Unit price	Total Amount (Rs.)
Knitting Machine	0 2	8000	16,000
Thread Roller	01	6000	6,000
knitting machine (carded)	01	50000	50,000
Small scissors	05	150	750
weighing machine	1	2000	2,000
Storage Box	01	5000	5000
Total capital cost =			79750

recurring cost				
Description	Unit	amount	price	Total Amount

				(Rs.)
Woollen Yarn (Oswal)	kg/month	78	700	54600
2 ply fleece	kg/month	24	400	9600
Others (paper , electricity , water Bill for repair of machine)	month	1	1000	1000
recurring cost				65200

Cost of Production (Monthly)	
Description	Amount (Rs.)
Total recurring cost	65200
10% depreciation per annum on capital costs	700
Total	65900

Cost of production(per month)

sweaters by a member in a month = 8 nos.

(If 3-4 hours working per day then)

Average production of the group per month: sweaters = 130 nos.

Average production of socks by a member in a month – 15 nos. pairs

(If 3-4 hours working per day then)

Average production of the group per month – 240 nos. . pairs

Wool required for 130 nos. sweaters = 78 kg

Average market price of wool = Rs 54600/-

Wool required for 240 nos. pair of socks = 24 kg

Average market price of wool = Rs 9600/-

Income per month :

Average production of the group in a month is = 130 nos. of sweaters

Average market value of a sweater= Rs 800/-

Average income of the group = Rs 104000

Average production of socks by the group in a month = 240 nos. pairs

Average market value of a pair of sock = Rs 150/-

Average income of the group = Rs 36000

Benefit per month

Group profit per month = Average income – Average – Cost

$= (104000 + 36000) - (54600 + 9600)$

=75800 rupees

Benefit per person per month = Rs 9475 / -

This also includes the wages of the group members

The total cost of the project is

Capital cost = 68800/-

Recurring cost = 7800/-

Total for cutting, stitching = 76600/-

The cost of sweater and sock knitting project is

Capital Cost = 79750/-

Recurring cost = 65200/-

Total for sweater and sock knitting project = 144950/-

The total sum of the business plan is Rs. Only Rs 221550/-

Serial Number	business plan	capital cost	recurring cost	Part of the project	Beneficiary Contribution	Total Cost
1.	cutting , sewing	68800	7800	34400	34400	76600
2.	Sweater and Sock Knitting	79750	65200	39875	105075	144950
	Total	148550	73000	74275	139475	221550

अनुलप्रक

हम सब समूह सदस्य ने आईजीए गतिविधि में सक्रिय रूप से भाग लेने के लिए सहमति दी है एचपी पारिस्थितिकी तंत्र प्रबंधन और आजीविका में सुधार और वीएफडीएस के साथ समन्वय के लिए जेआईसीए परियोजना के दिशानिर्देश के अनुसार समूह (कैडि, सिलेडि व कुनडि कार्य) द्वारा चुना गया। सदस्यों का विवरण इस प्रकार है

क्र स	नाम	पद	वर्ग	उम्र	हस्ताक्षर
1.	सुनीता देवी	प्रधान	अनुजाति	42	Sunida Devi
2.	अंजना देवी	सचिव	अनुजाति	32	Anjana
3.	किरण बाबा	कोषाध्यक्ष	अनुजाति	47	Kiran Baba
4.	मन्जू बाबा	सदस्य	अनुजाति	45	Manju Baba
5.	सोनी देवी	॥	अनुजाति	38	Sony Devi
6.	कृष्णा देवी	॥	अनुजाति	41	Krushna Devi
7.	कश्मीरा देवी	॥	अनुजाति	48	Kashmiri
8.	छोटी देवी	॥	अनुजाति	40	Chhoti Devi
9.	कमलेश कुमारी	॥	अनुजाति	24	Kamlesh Kumari
10.	राम कली	॥	अनुजाति	30	Ramkali
11.	रोशनी देवी	॥	अनुजाति	43	Roshni Devi
12.					
13.					
14.					
15.					
16.					

हस्ताक्षर
सचिव
लक्ष्मी स्वयं सहायता समूह
बडोले, बिलासपुर (हि.प्र.)
हस्ताक्षर
सचिव स्वयं सहायता समूह

Sushiladevi
हस्ताक्षर
लक्ष्मी स्वयं सहायता समूह
बडोले, बिलासपुर (हि.प्र.)
हस्ताक्षर
प्रधान स्वयं सहायता समूह

हस्ताक्षर
सचिव, वन ग्रामीण विकास
समिति
सचिव
वन विकास समिति कडोब नाम
बिलासपुर (हि.प्र.)

हस्ताक्षर
प्रधान, वन ग्रामीण विकास
समिति

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वन रक्षक
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वन खण्ड अधिकारी

हस्ताक्षर
वन प्रबंधक अधिकारी
Swairghat Forest Range
Bilaspur Forest Division

डीएमयू द्वारा स्वीकृत