



Income Generating Activity
Business plan
Cutting, Tailoring & Bag Making
2022-2023



SHG/Name	,	Durga Self Help Group
VFDS Name	,	Lakhdata Peer
FTU/Range	,	Swarghat
DMU/Division	,	Bilaspur
FCCU/Circle	,	Bilaspur
sponsored by PIHPFEm and L		prepared by:- DMU Bilaspur , FTU Swarghat and Durga SHG

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Introduction

Himachal Pradesh is a majestic , mythical land and is known for its beauty and serenity , rich culture and religious heritage.It is famous. 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 .

This district is adjacent to the border of Punjab and is famous for its tourist spots and it is the gateway for Himalayan travels , routes for Himalayan travels from Bilaspur district. Mandi connects Kullu, Shimla , Solan , Mirpur 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 Lakhdata Peer Gramin Van Vikas Samiti . One of them is " Durga " self help group, cutting , stitching and bag making is related to . The group members belong to the weaker sections of the society and have small land holdings. To enhance his socio-economic status , he decided to take up cutting , tailoring and bag manufacturing. In which Dr. Ulshida, subject expert Office of Forest Division Bilaspur , Ravinder Kumar, Forest Guard , Behal Beat and Poonam Thakur FTU Coordinator Swarghat was present in which Ved Prakash Pathania was present. Contributed in preparing the business plan under the constant supervision and guidance of retired H.P.V. Se .

Executive Summary

Lakhdata Peer Forest Rural Development Committee:-

Lakhdata Peer Rural Forest Development Committee is organized in Lakhala Revenue Village . This Gramin Van Vikas Samiti has been formed in Village Lakhala . It is located in Swahan block of Bilaspur district in Himachal Pradesh Lakhala Gramin Van Vikas Samiti Bilaspur Forest Division Management Unit(DMU) It falls under Swahan beat of Swahan forest division under Swarghat forest Range

Number of families	105
BPL Families	46
total population	444

Details of Self Help Group

Informal Durga Self Help Group, It was formed under Lakhala Gramin Van Vikas Samiti to provide livelihood improvement support by upgrading skills and capacities. The group comprises poor and marginal farmers. Durga Self Help Group is a women's group (12 women) consisting of marginalized 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 move towards cutting , stitching and bag manufacturing which can increase their income. There are 12 members in this group but the above business plan involves 11 members and their monthly contribution is Rs 100 /- per month. The details of the group members are as follows:-

फोटो के साथ स्वयं सहायता समूह सदस्यों का विवरण

क्र स	नाम	पद	वर्ग	उम्र	शैक्षणिक योग्यता	मोबाइल नंबर
1.	बिजो देवी वा 02/1/1968	प्रधान	अनुभवाति	52	5th	9857653263
2.	मेरा देवी वा 01/1/1989	सचिव	सामान्य	33	10th	8283073631
3.	चरना देवी वा 01/1/1968	सहायक	अनुभवाति	52	5th	9882671116
4.	इन्द्रा देवी वा 01/1/1989	सदस्य	-4-	32	8th	9736169433
5.	मनप्रीत कौर वा 01/1/1989	-4-	-4-	30	8th	8894433354
6.	सीमा वा 01/1/1989	-4-	-4-	26	12th	9882452053
7.	गीता देवी वा 01/1/1968	-4-	सामान्य	58	5th	6230519906
8.	राजिन्द्र कौर वा 01/1/1989	-4-	अनुभवाति	34	10th	9882440556
9.	मन्नु वा 01/1/1989	-4-	सामान्य	35	10th	7590961388
10.	कमला वा 01/1/1968	-4-	-4-	55	5th	8178419826
11.	संजीवनी देवी वा 01/1/1989	-4-	अनुभवाति	28	8th	7833012552
12.						

Details of Self Help Group Members with Photo



**Baggo Devi
(President)**

**Meera Devi
(Secretary)**

**Charan Devi
(Treasurer)**

Indra Devi



Manpreet Kaur

seema Devi

Geeto Devi

Rajinder Kaur



Manju Devi

Kamala Devi

Sanjivani Devi

DurgaSelf Help Group Lakhala

Name of the SHG	,	Durga
SHG/CIG MIS Code Number	,	,
VFDS	,	Lakhala
Enclave	,	Swarghat
Forest Division	,	Bilaspur
Village	,	Lakhala
Section	,	Swahan
District	,	Bilaspur
Total number of members in the SHG	,	12
Date of formation	,	27-04-2021
Name and details of the bank	,	Co- operative Bank Swarghat
Bank account number	,	11810108270
SHG/Monthly Savings	,	Rs. 1,00 /- per month
Total savings	,	25471/-
Total Inter-Loan	,	Yes
cash credit limit	,	
Repayment Status		quarterly basis

Geographical description of the village

away from district headquarter	,	60Km
away from the main road	,	5 Km
Local market and distant name	,	Behal 3 KM
Names and distances of major cities	,	Kiratpur 10 km , Swarghat 17 km, Bilaspur 60 km approximately.
Names of major cities where The products will be sold/marketed	,	Kiratpur , Swarghat,Bilaspur
Backward and Forward Linkage status	,	,

Description of the product related to the 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 , saturation point of production has been reached , they are not able to meet their financial needs , hence it was decided by the group member that cutting , stitching and bag making 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	,	Interconnected Village – Lakhala
	,	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.

Details of Economics:

Capital Cost			
Description	amount	Unit Price	Total Amount (Rs.)
Sewing Machine	05	8000	40000
Interlock Machine	1	6000	6000
Tailor scissors	11	400	4400
Sewing Ruler (Lace) Set	11	600	6600
Sewing Tailor Tap	11	100	1100
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) =			69900

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

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	

Income and Expenditure Of Analysis (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	69900	52425	17475
Total recurring cost	7800	0	7800
Training	50000	50000	0
Total	127700	102425	25275

Pay attention-

- Capital Cost - 75% 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"> • 75% 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>25% 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.

Note: Keeping in view the future income of the group the second proposed activity by the group is Bag making . 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
BagsMaking
By
Durga Self Help Group

Executive Summary

Bag 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

Product details related to income generation activities.

Product name	::	Bag
Product identification method	::	Although the entire group members grow seasonal vegetables and traditional crops, since their land holding is small and the production has reached saturation point , they are not able to meet their financial needs , hence it was decided by the group members to start bag making with the help of JICA project , which will increase their income.
Consent of SHG / CIG / Group	,	The consent is attached as annexure.

Description of the production plan

time taken	,	1-2 hours to complete 1 bag depending on the type and size of the bag
Number of women involved	,	all women.
Source of raw materials	::	Local Market / MainMarket
Sources of other resources	::	Local Market / MainMarket
EverydayExpectedSewingBags	::	Initially 4 bags

Marketing / SalesDetails

Potential market place / location	::	Achchaditgaon – Lakhala
	::	Nearby Institutions - Schools , Colleges etc
demand for bags	,	Carry bags are in high demand throughout the year (bags for lunch boxes and water bottles and for travelling on festive , wedding occasions etc.)
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 .

RiskAnalysis

- skill based
- as required
- 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. The work will be divided among the members as per their mental and physical capabilities.

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

Description of Economics :

recurring cost					
Serial Number	Description	Unit	amount	price	Total Amount (Rs .)
1	fabric for making bags (jute and coarse cotton)		30mt	150/ mt.	4500
2	Meti		30mt	120	3600
3	sewing threads	reels/bag/month	180	10	1800
4	Other finishing materials (zips, buttons, lace, tapes and chains and other items)	Bags/Month	About	About	8000
5	Sponge		30mt	3600	3600
6	Rent	month			1000
7	Others (stationery , electricity bill, transportation, machine repair)	month			1000
Total recurring cost					23500

C. Cost of Production (Monthly)		
Serial Number	Description	Amount (Rs .)
1	Total recurring cost	23500
	Total	23500

Bag Price (per bag)					
Serial Number	Description	Unit	amount	Amount (Rs .)	
1	Travel Bag	1	1	300-400	
2	carry bag for lunch box	1	1	100-150	
3	carry bag for water bottle	1	1	100-150	
4	Mini Utility Kit	1	1	75	
5	Kiln Bag	1	1	250	
6	Mobile Cover	1	1	75	
7	hand band	1	1	250-300	

Analysis of income and expenses (Monthly):

Serial Number	Description	Amount (Rs .)
1.	Total recurring cost	23500
2.	Total bags stitched per month	120 (approx .)
3.	Selling price of the bag (per bag)	75-400
4.	Income Generation (120*240)	28800
5.	Net Profit (28800 - 23500)	5300
6.	distribution of net profit	<ul style="list-style-type: none"> The benefit will be distributed equally among the members on a monthly/yearly basis. This benefit is based on working one hour per day Profits will be used for further investments in IGA

Funds Requirement :

Serial Number	Description	Total Amount (Rs .)	Project contributions	SHG Contribution
1	Total recurring cost	23500	0	23500
2	Training	50000	50000	0
	Total	73500	50000	235 00

The total cost of the project is

Capital cost = 69900 /-

Recurring cost = 7800/-

Total for cutting , stitching = 77700 /-

Making the bag is the project cost

Capital cost = 0/- (Capital cost of machine etc. is shown in Part - I of the project itself)

Recurring cost = 23500/-

Total for Bag Making Project = 23500/-

Expenses on training = 50000/-

Business planThe total sum of Rs. Only Rs 151200/-

Serial Number	Business plan	capital cost	recurring cost	Training	Project Share	Beneficiaries Contribution	Total Cost
1.	cutting , sewing	6 99 00/-	7800/-	50000/-	102425/-	25275/-	127700
2.	Making bags	0	23500/-		0	23500/-	23500/-
	Total	69900/-	31300/-	50000/-	102425/-	48775/-	151200/-

अनुलग्नक

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 (कटई, सिलई व लैंगवानके) द्वारा चुना गया। सदस्यों का विवरण इस प्रकार है

क्र.सं.	नाम	पद	वर्ग	उम्र	हस्ताक्षर
1.	बगौ देवी वा. ज्ञाना सिंह	पुद्गान	अनुभवाती	52	बगौ देवी
2.	मीरा देवी वा. दीपक शर्मा	सचिव	सामान्य	33	मीरा देवी
3.	चरनो देवी वा. प्यारालाल कोषाह्वर		अनुभवाती	52	चरनो देवी
4.	इन्द्रा देवी वा. ह्यानचंद सदरम		अनुभवाती	32	इन्द्रा देवी
5.	मनप्रीत कौर वा. सुरेश कौर	-	-	30	मनप्रीत कौर
6.	सीमा देवी वा. चमन	-	-	26	सीमा देवी
7.	गीता देवी वा. देशराज	-	सामान्य	58	गीता देवी
8.	राजिन्द्र कौर वा. धर्मेश	-	अनुभवाती	34	Rajinder Kaur
9.	मंजु देवी वा. शंकर सिंह	-	सामान्य	35	मंजु देवी
10.	कमला देवी वा. जगन्तराम	-	-	55	कमला देवी
11.	संजीवनी वा. पवन कुमार	-	अनुभवाती	28	संजीवनी

हस्ताक्षर मीरा देवी
प्रधान स्वयं सहायता समूह
गांव लखाला तह० श्री नैना देवी जी,
जिला बिलासपुर, हि०प्र०

हस्ताक्षर प्रधान जगदी देवी
स्वयं सहायता समूह
गांव लखाला तह० श्री नैना देवी जी,
जिला बिलासपुर, हि०प्र०

हस्ताक्षर हरदयाल सिंह
सचिव नवविद्यया मीणा विकास
समिति लखाला पीर गांव लखाला ग्राम पंचायत-
बहेल तह० श्री नैना देवी जी
जिला-बिलासपुर हि०प्र०

हस्ताक्षर प्रधान K Sharma
ग्राम पंच विकास समिति
लखाला पीर गांव लखाला ग्राम पंचायत-
बहेल तह० श्री नैना देवी जी
समिति जिला-बिलासपुर हि०प्र०

हस्ताक्षर Pms
वन रक्षक

हस्ताक्षर K Seeh
वन खण्ड अधिकारी

हस्ताक्षर
वन परिक्षेत्र अधिकारी
Range Forest Officer
Bilaspur Forest Range
Bilaspur Forest Division

Divisional Management Unit-Div
Officer JICA Forestry Project,
Distt. Bilaspur (H.P.)