BUSINESSPLAN

INCOME GENERATING ACTIVITY-Handloom

Ву

Nav Joyti-Self Help Group



SHG	1 1	
	::	Nav Joyti
VfdsName	::	Bhallan
Range	::	
Division		Sainj
	::	Seraj

Preparedunder:



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

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1. Introduction

Shawl and Stall, socks, mufflers, scarf, caps, gloves etc. 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 appily 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 oftheir family members. Now the members have chosen this activity as income generating activity so that they can earn extra money to meet their expenses and raise some saving also for the difficult times. A group of 10 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

Handloom center by Nav joyti SHG will be located at village Bhallan P.O. Bhallan Tehsil kullu Distt. Kullu HP. The total household in village 145 is small village surrounding 4 to 5 smal villages. 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. DescriptionofSHG/CIG

2.1	SHG	11	NavJoyti
2.2	VFDS	11	Bhallan
2.3	Committee	11	Bhallan
2.4	Range	11	Sainj
2.5	Division	11	Seraj
2.6	Village		Bhallan
2.7	Block		Bhuntar
2.8	District	::	Kullu
2.9	TotalNo.ofMembersin SHG	::	10-females
2.10	Dateofformation	::	24-02-22
2.11	Banka/cNo.	::	50074654332
2.12	BankDetails	**	K.C.C Sainj
2.13	SHG/CIGMonthlySaving	::	100
2.14	Totalsaving	***	2000
2.15	Totalinter-loaning	00	2000
2.16	CashCreditLimit	00	
2.17	Repayment Status	5.0	36

4. BeneficiariesDetail:

S.No	NameofCandidate	Daughter/Husband Name	Category	ContactNo	Designation
	Babli Devi	Gopal	S.C	7816663290	President
	Basanti Devi	Penne Ram	S.C	6230460812	Secretary
	Heeramani	Gokul Chand	s.c	8544793383	Treasurer
	Manju Devi	ChamanLal	S.C	88948260816	Treasurer
	Roshni Devi	Sanju	S.C	8219808219	Member
	Veena Devi	SohanLal	S.C	9816070715	Member
	Kiran Devi	Dhale Ram	S.C	78776300257	Member
	Sesi Devi	HeereLal	S.C	7807275925	Member
	Roshani Devi	Hotam Ram	S.C	8544753091	Member
)	Madhu Devi	ChamanLal	S.C	9805196015	Member

5 DistancedetailsoftheVillage:

3.1	DistancefromtheDistrictHQ	::	47 KM
3.2	Distance from Main Road	::	500M
3.3	Nameoflocalmarket&distance	::	SainjBhuntar, 40 KM
3.4	Nameofmainmarket&distance	::	Sainj, 20 KM
3.5	Nameofmaincities& distance	::	Sainj 20 KM, Kullu 47 KM Bhuntar 40 km approx.
3.6	Name of places/locations where Productwillbesold/ marketed	::	Kullu, Sainj, Bhuntar

6. Management

Handloom centre by NavJoyti SHG has 10 women members and they will have individual Handloom machines and will hire room inthe village to execute their plan and work 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 Handloom under some professional trainers.

7. Primary ActionPlan

The members of this 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 bit 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 theirpockets.

8. Customers

The primary customers of the center will mostly be local people around village Bhallanbutlateronthisbusinesscanbescaledupbycateringtonebysmalltownships.

9. Targetofthecentre

The centre primarily aim sat to provide excellent high class Handloom service to the residents of Bhallanvillage in particular and all other residents of nearby villages.

This centre will ensure to become them outran Handloom centre with quality work in its area of operation in coming years.

10. Thereason 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.SWOTAnalysis

Strength

- ActivityisbeingalreadydonebysomeSHGmembers
- Raw material leasily available from near by markets
- Manufacturing processis simple
- Proper packing and easyto transport
- Other family members will also cooperate with beneficiaries
- Productself-lifeislong

Weakness

Lack of technical know-how

* Opportunity

Increasingdemandforgoodproducts

* Threats/Risks

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

12. Machinery, tools and other requipments

The traditional Handloom along with the mechanical Handloom will go hand in hand so that a value product is made available for marketing and making itcompetitive 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	Rateper unit	Total Amount
1	Handoom Machine 60Inch	10	16000	160000
2	Charka	10	2000	20000
3	Scissors	5	400	2000
	Totalcapital cost=		S ASSESSOR	182000

B.	Recurringcost			
S r. N	Particulars	Unit	Rate	Amount
1.	Roomrent	Permonth	2000	2000
2.	Water & electricity	Permonth	1000	1000
3.	Handloom wool of Different color and quality	L/S	80000	80000
		ecurring	one the year	83000

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 one item (Shawl & Stall) per day as finally finished product and daily 30 items can be made available for sale. Keeping in view this production rate of approximately 900 finished items will be ready for sale in one month. As beginner the item rate on an average if presumed Rs.800 each therefore the total income per month is worked as under:

Particulars	Total Amount (Rs.)	Project Contribution (50%)	SHGcontribution (50%)
Totalcapitalcost	182000	91000	91000
Recurringcost			
10%depreciationon capitalcost/month	1516		1516
Otherexpenditureper month	83000	-nil-	83000
Total	266516		175516

Total sale in a month(900*800)=720,000

Totalexpenditureinfirstmonth= 266516

However this amount can safely be deducted from the expenditure column and the net income can re-cast again. More over the members of SHG will be doing the job collectively therefore their wag have not been taken into account. The net income at the end of the month is re-cast as under:

Capitalcost		
Particulars	Amount	SHG contribution
Capitalcost	182000	91000
Recurring expenditure	8 1980 AND 10 B	
i) 10% depreciation on capitalcostpermonth	1516	
i) Other expenditure on material cost etc.	83000	
Total	266516	
Total cost	182000+ 83000=265000	
Totalsale in1stmonth	720000	
Netprofit L/S	455000	

^{*}Profit will Depend upon the working of SHG

14. Fundflowinthegroup:

Sr.No.	Particulars	Total Amount (Rs)	Project contribution	SHG contribution
1	Totalcapitalcost	182000	91000	91000
2	TotalRecurring Cost	83000	0	83000
3	Trainings	40000	4000	0
	Total	320645	166700	174000

Note-

- CapitalCost-75% of the total capital cost will be borne by the Project
- RecurringCost-Theentire cost twillbeborneby theSHG/CIG.
- Trainings/capacitybuilding/skillup-gradation—Totalcosttobebornebythe Project

15. Sourcesoffundsandprocurement:

Projectsupport;	 75% of capital cost will be utilizedforpurchaseofmachines. UptoRs. Hakhwillbeparked in the SHG bank account as a revolving fund. Trainings/capacitybuilding/skill up-gradation cost. 	Procurement of machines willbedonebyrespective DMU/FCCU after following all codal formalities.
SHGcontribution	 25%ofcapitalcosttobeborne bySHG. Recurring cost to be born by SHG 	

16. Trainings/capacitybuilding/skillup-gradation

Trainings/capacitybuilding/skillup-gradationcostwillbebornebyproject.
Followingaresometrainings/capacitybuilding/skillup-gradation proposed/needed:

- Teamwork
- Qualitycontrol
- Packagingand Marketing
- FinancialManagement
- 17. Loan Repayment Schedule If the loan isavailed 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 mustbefully paid to the banks once a year. The interest amount should be paid on a monthlybasis.
 - In term loans, the repayment must be made as per the repayment schedule in the banks.

18. MonitoringMethod-

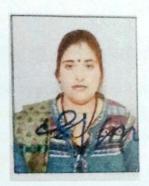
- Social Audit Committee of the VFDS will monitor the progress and performance of the IGA and suggest corrective action if need be to ensure operation of the unit as per projection.
- SHG should also review the progress and performance of the IGA of each
- member and suggest corrective action if need be to ensure operation of the unit as per projection.



Manju Devi



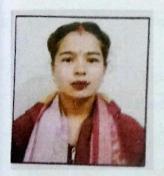
Veena Devi



Bubli Devi



Sesi Devi



Heeramani



Madhu



Roshani



Basanti Devi



Roshani Devi



Kirana Devi

Prepared by – Akash Gupta S.M.S Phoola Thakur FTU Coodinator

GROUP CONSENT LETTER

The Meeting of Navjyoti Group was held under the Chairmanship of the PradhanShJeevan Ramon dated24-02-22in which the member of group collectively decided to do the work of Handloom to increase the income with the association, project for improvement of Himachal Pradesh Forest ecosystem Management and livelihoods (JICA).

The detail description of the members of the group is given below:-

r.N	Name	Husband Name	Designation	Age	Phone Number	Catego	Qualificati	Signature
						ry	on	
	Babli Devi	Gopal	President	21	7816663290	S.C	8th	Babli Dui
	Basanti Devi	Penne Ram	Secretary	26	6230460812	S.C	10th	JasantiDar
3.	Heeramani	Gokul Chand	Treasurer	26	8544793383	S.C	12th	Heeranani
4.	Manju Devi	ChamanLal	Treasurer	20	88948260816	S.C	10th	Manju
5.	Roshni Devi	Sanju	Member	20	8219808219	S.C	10h	Roshni
6.	Veena Devi	SohanLal	Member	26	9816070715	S.C	9th	Beena Devi
7.	Kiran Devi	Dhale Ram	Member	20	78776300257	S.C	10th	Kisha
8.	Sesi Devi	HeereLal	Member	21	7807275925	S.C	10th	Jesi Devi
9.	Roshani Devi	Hotam Ram	Member	21	8544753091	S.C	8th	रीरानी
10	Madhu Devi	ChamanLal	Member	19	9805196015	S.C	10th	Madha Dei

Signature of VFDs Pradhan

Signature of VFDs Secretary

प्राप्त Babli Devi स्तितः Signature of SHG Bradhan स गांव व डाकघर भलाण नहसी नेस्त्र जिला पुरुष

Signature of Forest Guard

Signature of R.O.

Pange Forest Office
Saini For st Range

प्रधान न तिद्वाणि स्थित नवज्योति स्थित स्थिति समूहि मांव व डाकधर मलाण तहसील सैन्ज जिला मु हृ हि प.

Signature of 8:0.

Block Forest Officer
Larji Block,
Distt. Kullu (H.P.)

