

BUSINESS PLAN

INCOME GENERATING ACTIVITY–Knitting

by

Jai MaaChal Kali -Self Help Group



| | | |
|--------------|----|------------------|
| SHG/CIG Name | :: | Jai MaaChal Kali |
| VFDS Name | :: | Jashla |
| Range | :: | Kotkhai |
| Division | :: | Theog |

Prepared under–



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

Table of Contents

| Sl. No. | Particulars | Page/s |
|---------|--|--------|
| 1. | Introduction | 3 |
| 2. | Background | 3 |
| 3. | Description of SHG/CIG | 4 |
| 4. | Beneficiaries Detail | 5 |
| 5. | Geographical details of the Village: | 6 |
| 6. | Management | 6 |
| 7. | Primary Action Plan | 6 |
| 8. | Customers | 7 |
| 9. | Target of the centre | 7 |
| 10. | The reason to start this business | 7 |
| 11. | SWOT Analysis | 7 |
| 12. | Machinery, tools and other equipments | 8 |
| 13. | Total production and sale amount in month | 9 |
| 14. | Sharing of the profit | 11 |
| 15. | Sources of funds and procurement | 11 |
| 16. | Trainings/capacity building/skill up-gradation | 11 |
| 17. | Loan Repayment Schedule | 12 |
| 18. | Monitoring Method | 12 |
| | Group members Photos | 13 |

1. Introduction

Sweater and Cardigan knitting along with knitting 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 IGA 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 IGA 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 IGA in collective manner and raise their additional income.

2. Background

Knitting center by Jai MaaChaal Kali SHG will be located at villageJashla. This centre will provide excellent service and guide 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

| | | | |
|------|-----------------------------|----|---|
| 2.1 | SHG/CIG Name | :: | Jai MaaChaal Kali |
| 2.2 | VFDS | :: | Jashla |
| 2.3 | Range | :: | Kotkhai |
| 2.4 | Division | :: | Theog |
| 2.5 | Village | :: | Chaknoti |
| 2.6 | Block | :: | Kalala |
| 2.7 | District | :: | Shimla |
| 2.8 | Total No. of Members in SHG | :: | 15 |
| 2.9 | Date of formation | :: | 17-11-2021 |
| 2.10 | Bank a/c No. | :: | |
| 2.11 | Bank Details | :: | HP State Co-operative Bank Deori Khaneti |
| 2.12 | SHG/CIG Monthly Saving | :: | Rs100/- |
| 2.13 | Total saving | :: | 9000 |
| 2.14 | Total inter-loaning | :: | -- |
| 2.15 | Cash Credit Limit | :: | -- |
| 2.16 | Repayment Status | :: | -- |

4. Beneficiaries Detail:

| Sr. No | Name | Father/Husband Name | Age | Education | Category | Income Source | Address |
|--------|-------------|---------------------|-----|------------------|----------|---------------|------------------|
| 1. | Usha | Naresh | 52 | MA | General | Agriculture | Chaknoti, Jashla |
| 2. | Sandhira | ----- | 48 | 10 th | General | Agriculture | Chaknoti, Jashla |
| 3. | ArunaBragta | Virender | 50 | 12 th | General | Agriculture | Chaknoti, Jashla |
| 4. | Rita Bragta | Devinder | 54 | BA | General | Agriculture | Chaknoti, Jashla |
| 5. | Sunita | KundanLal | 48 | 10 th | General | Agriculture | Chaknoti, Jashla |
| 6. | Reena | Rajesh | 42 | 10 th | General | Agriculture | Chaknoti, Jashla |
| 7. | Mamta | Sunder Singh | 48 | 12 th | General | Agriculture | Chaknoti, Jashla |
| 8. | Pinky Letka | PardeepLetka | 40 | BA | General | Agriculture | Chaknoti, Jashla |
| 9. | Isha | Jitender | 32 | MA | General | Agriculture | Chaknoti, Jashla |
| 10. | Indra | Jawahar Singh | 53 | 10 th | General | Agriculture | Chaknoti, Jashla |
| 11. | Sushma | RoshanLal | 50 | 10 th | General | Agriculture | Chaknoti, Jashla |
| 12. | Lata | Inder Singh | 51 | 10 th | General | Agriculture | Chaknoti, Jashla |
| 13. | Meera | Om Prakash | 49 | 12 th | General | Agriculture | Chaknoti, Jashla |

| | | | | | | | |
|-----|-------------|-----------|----|------------------|---------|-------------|---------------------|
| 14. | Mandhi Devi | Hem Chand | 60 | 8 th | SC | Agriculture | Chaknoti, Jashla |
| 15. | Toshi | Joginder | 46 | 12 th | General | Agriculture | Chaknoti, Jashla |

5. Geographical details of the Village:

| | | | |
|-----|---|----|---------------------------------|
| 3.1 | Distance from the District HQ | :: | 95km |
| 3.2 | Distance from Main Road | :: | 9km |
| 3.3 | Name of local market & distance | :: | 9KmKhaneti |
| 3.4 | Name of main market & distance | :: | 17Km Kotkhai |
| 3.5 | Name of main cities & distance | :: | 45Km Theog |
| 3.6 | Name of places/locations where product will be sold/ marketed | :: | Shimla, Theog, Kotkhai, Khaneti |

6. Management

Knitting centre by Jai MaaChaal kali SHG of Jashla has 15 women members and they will have individual knitting machines 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 center all the members will be imparted a short term capsule course for training them in knitting under some professional trainers.

7. Primary Action Plan

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 to this activity at a bit larger scale and in a planned manner. The division of labour between the members have been planned carefully so that each member contributes towards strengthening the IGA and resulting the additional money into their pockets.

8. Customers

The primary customers of our centre will mostly be local people around the village 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 knitting service to the residents of the village in particular and all other residents of nearby villages.

This centre will ensure to become the most renowned knitting 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 knitting along with the mechanical knitting 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 |
| 1. | Punch card knitting machine | 2 | 37600 | 75200 |
| 2. | Knitting machine (simple) | 13 | 7250 | 94250 |
| 3. | Knitting design book | | 3000 | 3000 |
| 4. | Gola making machine | 5 | 600 | 3000 |
| 5. | Working table | 15 | 1200 | 18000 |

| | | | | |
|---------------------------|----------------|----|-----|---------------|
| 6. | Plastic chairs | 15 | 500 | 7500 |
| Total capital cost | | | | 200950 |

| B. Recurring cost | | | | |
|-----------------------------|---|------------------|-------------|---------------|
| Sr. No. | Particulars | Unit | Rate | Amount |
| 1. | Room rent | Per month | 1500 | 1500 |
| 2. | Water & electricity | Per month | 1000 | 1000 |
| 3. | Knitting yarn of different colour and quality | Per month L/S | 84000 | 84000 |
| 4. | Lubricating oil & pippet | Per month | 1400 | 1400 |
| 5. | Wear & tear | Per month L/S | 1400 | 1400 |
| Total Recurring cost | | | | 89300 |

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 per day as finally finished product and daily 14 items can be made available for sale. Keeping in view this production rate of approximately 400 finished items will be ready for sale in one month. As beginner the item rate on an average if presumed to be Rs. 500 each therefore the total income per month is worked as under:

| Particulars | Total Amount (Rs.) | Project contribution (75%) | SHG contribution (25%) |
|---|-------------------------------|---------------------------------------|-----------------------------------|
| Total capital cost | 200950 | 150712.5 | 50237.5 |
| Recurring cost | 89300 | | 89300 |
| 10% depreciation on capital cost/ month | 20095 | - | |
| Other expenditure per month | 89300 | -nil- | |
| Total | 399645 | | |

Total sale in a month (500*50) = 25000

However an amount of rupees 150712 is the project support therefore for calculation purpose this amount can safely be deducted from the expenditure column and the net income can be re-cast again. More over the members of SHG will be doing the job collectively therefore their wages have not been taken into account.

13.Fund flow in the group:

| Sr.No | Particulars | Total Amount (Rs) | Project contribution | SHG contribution |
|--------------|----------------------|--------------------------|-----------------------------|-------------------------|
| 1 | Total capital cost | 200950 | 150715.5 | 50237.5 |
| 2 | Total Recurring Cost | 89300 | 0 | 89300 |
| 3 | Training | 45000 | 45000 | 0 |

| | | | | |
|--|---------------------|---------------|-----------------|-----------------|
| | Total outlay | 335250 | 195715.5 | 139537.5 |
|--|---------------------|---------------|-----------------|-----------------|

**Note-
ss**

- **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

14. Sources of funds and procurement:

| | | |
|------------------|--|--|
| Project support; | <ul style="list-style-type: none"> • 75% of capital cost will be utilized for purchase of machines. • Upto 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 codal formalities. |
| CIG contribution | <ul style="list-style-type: none"> • 25% of capital cost to be borne by SHG. • Recurring cost to be borne by SHG | |

15. 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



16. 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.



17. Monitoring Method –

- 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.

Group members Photos-

| Sr.No | Name | Photo |
|-------|-----------|---|
| 1. | Sandheera |  |
| 2. | Toshi |  |

| | | |
|----|--------------|--|
| 3. | Aruna Bragta |  A portrait photograph of a woman with dark hair, wearing a light-colored shawl, set against a patterned background. |
| 4. | Rita Bragta |  A portrait photograph of a woman with glasses and a purple and yellow checkered scarf, set against a patterned background. |
| 5. | Sunita |  A photograph of a woman wearing a green top and a dark vest, sitting and smiling, with her hands clasped in front of her. |

| | | | |
|----|-------------|--|--|
| 6. | Usha |  A small, square portrait of a woman with dark hair, wearing a blue and black sari, mounted on a textured, brown fabric background. | |
| 7. | Reena |  A woman standing outdoors in a rural, hilly area. She is wearing a yellow and pink patterned sari and a white headscarf. The background shows dry grass and trees under a clear blue sky. | |
| 8. | Pinky Letka |  A close-up portrait of a woman with dark hair, wearing a black and gold patterned sari. She is looking directly at the camera with a slight smile. The background is dark and indistinct. | |

| | | |
|-----|-------|--|
| 9. | Isha |  A portrait of a woman with dark hair styled in a bun, wearing a yellow and white patterned top and gold jewelry. She has a bindi on her forehead. |
| 10. | Mamta |  A small portrait of a woman with a blue headscarf and a pink top, held in a hand. The background is a colorful patterned fabric. |
| 11. | Meera |  A small portrait of a woman with a bindi, placed on a colorful, patterned fabric background. |

| | | | |
|-----|--------|---|--|
| 12. | Sushma |  A portrait of a woman with a colorful patterned headscarf, wearing a red long-sleeved top and a grey vest over a purple patterned skirt. She is smiling slightly and looking towards the camera. | |
| 13. | Indra |  A portrait of a woman wearing a white top with a colorful floral pattern and a grey vest. She has a bindi on her forehead and is looking directly at the camera. | |
| 14. | Lata |  A portrait of a woman wearing a red long-sleeved top and a dark vest. She has a dark headscarf and is sitting on a patterned surface, looking towards the camera. | |

| | | | |
|-----|-------------|--|--|
| 15. | Mandhi Devi |  | |
|-----|-------------|--|--|

Prepared by: SHG members in consultation with DMU Theog, FTU Kotkhai Forest Range and JICA staff.

Annexure

We the member of group hereby consented to actively participate in the IG Activity opted by the group, Jai Man. Chand. Kadi, as per the guideline of JICA Project For Improvement of HP Forest Ecosystems management and Livelihood and coordination with the VFDS.

The details of the members is as under:

| Sr.No. | Name (Phone number) | Father/Husb and Name | Age | Education | Category | Income Source | Address | Sign. |
|--------|---------------------|----------------------|-----|-----------|----------|---------------|----------------|-------------|
| 1 | Usha Ghanvate | Narash Ghanvate | 52 | M.A. | General | Agriculture | Milch Chakmohi | [Signature] |
| 2 | Sandhya | — | 48 | 10th | General | " | Milch Chakmohi | [Signature] |
| 3 | Aruna | Vishender | 50 | 12th | General | " | Milch Chakmohi | [Signature] |
| 4 | Rita | Devinder | 54 | B.A. | General | " | Milch Chakmohi | [Signature] |
| 5 | Suneta | Kundan Lal | 48 | 10th | General | " | Milch Chakmohi | [Signature] |
| 6 | Reena | Rajesh | 42 | 10th | General | " | V. Chakmohi | [Signature] |
| 7 | Mamta | Sunder Singh | 48 | 12th | General | " | V. Chakmohi | [Signature] |
| 8 | Pinky | Pardeep | 40 | B.A. | General | " | V. Chakmohi | [Signature] |
| 9 | Isha | Jitennder | 32 | M.A. | General | " | V. Chakmohi | [Signature] |
| 10 | Indira | Jawahar Singh | 53 | 10th | General | " | V. Chakmohi | [Signature] |
| 11 | Sushma | Roshan Lal | 50 | 10th | General | " | V. Chakmohi | [Signature] |
| 12 | Lata | Indler Singh | 51 | 10th | General | " | V. Chakmohi | [Signature] |
| 13 | Meera | Om Parkash | 49 | 12th | General | " | V. Chakmohi | [Signature] |
| 14 | Mandhi Devi | Hem Chand | 60 | 8th | SC | " | V. Chakmohi | [Signature] |
| 15 | Tochi | Jogindar | 46 | 12th | General | " | V. Chakmohi | [Signature] |

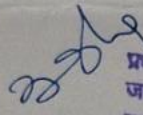
Business Plan Approval by VFDS

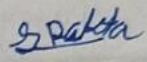
Jai Ma chand Kali Group will undertake the.....Knitting.....

As Livelihood Income Generation Activity under the Project for Improvement of Himachal Pradesh Forest Ecosystems Management & Livelihoods (JICA Assisted) In this regard Business Plan of amount Rs. 335250 has been submitted by this group on Dated 7/2/2023 and the Business Plan has been approved by VFDS Jashla..

Business Plan with SHG resolution is being submitted to DMU through FTU for further action, please.

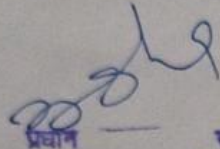
Thank You


प्रधान
जय मों चाल काली (बकनोटी)
ग्राम : जशला
Signature of Group President

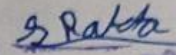

प्रधान सचिव
जय मों चाल काली (बकनोटी)
ग्राम : जशला
Signature of Group Secretary

Resolution-cum -Group-Consensus Form

It is decided in the General House Meeting of the group ...Jai. Maa... Chhal Kali
Held on 9/2/2023...at Village Jashla.....that our group will undertake the
Knitting.....as Livelihood Income Generation Activity under the Project for
Improvement of Himachal Pradesh Forest Ecosystems Management & Livelihoods
(JICA Assisted)



प्रधान — सचिव
जय मों चाल काली (चकनोटी)
Signature of Group President
ग्राम : जशला



प्रधान सचिव
जय मों चाल काली (चकनोटी)
ग्राम : जशला
Signature of Group Secretary

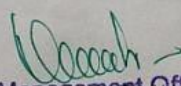
| | |
|---|---|
| <p>1..... VFDS</p> <p>President <i>Gandey</i></p> <p>President..... VFDS Jashia</p> | <p>2.....SHG</p> <p><i>अश्व</i></p> <p>प्रधान सचिव जय मों चाल काली (चकनोटी) ग्राम : जाशल</p> |
| <p>3.....VFDS</p> <p><i>Pranto</i></p> <p>Secretary</p> | <p>4.....SHG <i>Rakta</i></p> <p>प्रधान सचिव जय मों चाल काली (चकनोटी) ग्राम : जाशल</p> <p>Secretary</p> |

Submitted to DMU through FTU

Name and Signature of FTU officer

DMU
Range Forest Officer
Forest Range Korkhal

| | |
|---|--|
| <p>प्रधान सचिव जय मों चाल काली (चकनोटी) ग्राम : जशला Signature of Secretary</p> | <p>सचिव जय मों चाल काली (चकनोटी) ग्राम : जशला Signature of SHG President</p> |
| <p>Signature of VFDS Secretary</p> | <p>Signature of VFDS President VFDS Jashla</p> |
| <p>Signature of Forest Guard</p> | <p>Signature of Block Officer Treasurer VFDS Jashla</p> |
| <p>Signature of Range Forest Officer Range Forest Officer Forest Range Kotkhai</p> | |


 Divisional Management Officer
 Theog, Forest Division, Theog

