

# **BUSINESS PLAN**

INCOME GENERATING ACTIVITY–Knitting

by

**Jai Gau Mata -Self Help Group**



SHG/CIG Name	::	Jai Gau Mata
VFDS Name	::	Dhar (Khashdhar)
Range	::	Theog
Division	::	Theog

**Prepared under–**



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

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## **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 Gau Mata SHG will be located at village Dhar. 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 Gau Mata
2.2	VFDS	::	Dhar (Khashdhar)
2.3	Range	::	Theog
2.4	Division	::	Theog
2.5	Village	::	Dhar
2.6	Block	::	Matiyana
2.7	District	::	Shimla
2.8	Total No. of Members in SHG	::	12
2.9	Date of formation	::	13/10/2022
2.10	Bank a/c No.	::	2125000100053863
2.11	Bank Details	::	PNB
2.12	SHG/CIG Monthly Saving	::	Rs /-100
2.13	Total saving	::	Rs /-
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.	Meena Lalta	W/o Sh. Madan Lalta	44	+2	General	Agriculture	Vill.Khashdhar P.O. Kaleend, Teh. Theog, Disstt. Shimla	
2.	Sunita Thakur	W/o Sh.Diwan Thakur	46	10th	General	Agriculture	Vill. Khashdhar P.O. Kaleend, Teh. Theog, Disstt. Shimla	
3.	Shanta	W/o Sh.Lal Chand	42	10th	General	Agriculture	Vill. Khashdhar P.O. Kaleend, Teh. Theog, Disstt, Shimla	
4.	Meena	W/o Mehar Singh	43	8th	General	Agriculture	Vill. Khashdhar,P. O.Kaleend, Teh, Theog,Disstt, Shimla.	
5.	Bimla	W/o Sh.Geeta Ram	57	10th	General	Agriculture	Vill.Khashdhar P.O. Kaleend,Teh, Theog, Disstt. Shimla.	
6.	Leela Devi	W/o Sh.Ram Krishan	47	8th	General	Agriculture	Vill. Khashdhar,P. O. Kaleend,	

							Teh, Theog, Disstt. Shimla
7.	Kala	W/o Narender	38	8th	General	Agriculture	Vill. Khashdhar,P. O. Kaleend,Teh. Theog, Disstt. Shimla
8.	Geeta Nagta	W/o Sh. Joginder Nagta	47	+2	General	Agriculture	Vill. Khashdhar, P.O. Kaleend, Teh, Theog, Disstt. Shimla
9.	Kalpna	W/o Sh.Rajesh	36	+2	General	Agriculture	Vill. Khashdhar,P. O. Kaleend, Teh. Theog, Disstt. Shimla
10.	Minakshi Verma	W/o Sh. Sanjeev Verma	33	+2	General	Agriculture	Vill. Khashdhar,P. O. Kaleemd,Teh, Theog, Disstt. Shimla.
11.	Kanta	W/oSh. Bhagchand	57	10th	General	Agriculture	Vill. Khashdhar, P.O. Kaleend, Teh, Theog, Disstt. Shimla.
12.	Prabha	W/o Sh.Rakesh	41	8th	General	Agriculture	Vill. Khashdhar, P.O. Kaleend,

								Teh, Theog, Disstt. Shimla.
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### 5. Geographical details of the Village:

3.1	Distance from the District HQ	::	80km
3.2	Distance from Main Road	::	1km
3.3	Name of local market & distance	::	15Km Mahori
3.4	Name of main market & distance	::	38 Km Theog
3.5	Name of main cities & distance	::	38Km Theog
3.6	Name of places/locations where product will be sold/ marketed	::	Shimla, Theog, Chailla, Kotkhai

### 6. Management

Knitting centre by Jai Gau Mata SHG of Dhar (Khashdhar) has 12 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 centre 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.

<b>A. CAPITAL COST</b>				
<b>Sr. No.</b>	<b>Particulars of machinery.</b>	<b>Quantity</b>	<b>Rate per unit</b>	<b>Total Amount</b>
1.	Punch card knitting machine	2	37600	75200
2.	Knitting machine (simple)	12	7250	87000
4.	Gola making machine	6	600	3600
5.	Working table	12	1200	14400
6.	Plastic chairs	12	500	6000
<b>Total capital cost</b>				<b>186200</b>

<b>B. Recurring cost</b>				
<b>Sr. No.</b>	<b>Particulars</b>	<b>Unit</b>	<b>Rate</b>	<b>Amount</b>
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 & pipet	Per month	1400	1400
5.	Wear & tear	Per month L/S	1400	1400
<b>Total Recurring cost</b>				<b>89300</b>

### 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:

<b>Particulars</b>	<b>Total Amount (Rs.)</b>	<b>Project contribution (75%)</b>	<b>SHG contribution (25%)</b>
Total capital cost	<b>186200</b>	<b>139650</b>	<b>46550</b>
<b>Recurring cost</b>	<b>89300</b>		<b>89300</b>

10% depreciation on capital cost/ month	1551	-	
Other expenditure per month	89300	-nil-	
<b>Total</b>	<b>277051</b>		

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

However an amount of rupees 139650 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	186200	139650	46550
2	Total Recurring Cost	89300	0	89300
3	Training	45000	45000	0
	<b>Total outlay</b>	<b>320500</b>	<b>184650</b>	<b>135850</b>

#### 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

#### 14. Sources of funds and procurement:

Project support;	<ul style="list-style-type: none"> <li>• 75% of capital cost will be utilized for purchase of machines.</li> <li>• Upto Rs. 1 lakh will be parked in the SHG bank account as a revolving fund.</li> <li>• Trainings/capacity building/ skill up-gradation cost.</li> </ul>	Procurement of machines will be done by respective DMU/FCCU after following all codal formalities.
SHG contribution	<ul style="list-style-type: none"> <li>• 25% of capital cost to be borne by SHG.</li> <li>• Recurring cost to be borne by SHG</li> </ul>	

#### 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.	Meena Lalta	 A photograph of a woman standing outdoors next to a red car. She is wearing a black jacket over a light-colored dress and a decorative headband.
2.	Sunita	 A photograph of a woman sitting on a red carpeted floor. She is wearing a blue and white top and a red headband.
3.	Shanta	 A close-up photograph of a woman wearing a colorful, patterned headband and a dark top. She has a bindi on her forehead and is wearing a necklace.

4.	Meena	 A portrait of a woman named Meena. She is wearing a pink cardigan over a plaid shirt, a red headband with a bindi, and a necklace with a crescent moon and star pendant. She is smiling slightly.	
5.	Leela Devi	 A portrait of a woman named Leela Devi. She is wearing a dark patterned top with a white vest and a grey skirt with a blue border. She is wearing a headscarf and has a serious expression.	
6.	Bimla	 A portrait of a woman named Bimla. She is wearing a brown cardigan and has a bindi on her forehead. She is looking directly at the camera with a neutral expression.	

7.	Minakshi Verma		
8.	Kanta		
9.	Prabha		

10.			
11.	Kala		
12.	Geeta Nagta		



**Prepared by:** SHG members in consultation with DMU Theog, FTU Theog 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. Bau. Mata..... 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:

S.No.	Name (Phone number)	Father/Husband Name	Age	Education	Category	Income Source	Address	Sign
1	मीना 90151-64973	मदन लाल	44	+2	General	5000	Vit Khastol Phokadool Theng	Nyola
2	सुमिता 90187-64029	दिवान	46	10 <sup>th</sup>	General	40,000	Khastol Kulgod Theng	Sunita
3	मीना 8196-08892	लाल चन्द	42	10 <sup>th</sup>	General	60000	"	Shanta
4	मीना 889124-944	खलीव	33	+2	General	60,000	"	Manu
5	मीना 780778506	मोहर सिंह	43	8 <sup>th</sup>	General	70000	"	manu
6	मीना 94183-37141	नमो चन्द	57	10 <sup>th</sup>	General	70000	"	Ram
7	मीना 78072-41306	जोगिन्द्र	47	+2	General	60000	"	Geeta
8	मीना 6290588908	गीता राम	57	10 <sup>th</sup>	General	40,000	"	Bindu
9	मीना 78073-98669	चन्द	38	8 <sup>th</sup>	General	70,000	"	Kalpani
10	मीना 82594-91490	राजेश	36	+2	General	50,000	"	Kalpani
11	मीना 98574-46490	रामकृष्ण	47	8 <sup>th</sup>	General	60,000	"	Manu
12	मीना 78079-66097	राजेश	41	8 <sup>th</sup>	General	70000	"	Bhabe
13								
14								
15								
16								
17								
18								
19								
20								

**Business Plan Approval by VFDS**

Jai Gaur Mata 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. 320,500. has been submitted by this group on Dated. 30/11/2023 and the Business Plan has been approved by VFDS ..Dhara..(Khash Dhar)

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

Thank You

पधान  
जय गी माता समूह सहयोगी  
समूह धारा, प्र. 1, कालपठ  
पहाड़ियांग जिला शिमला हि  
Signature of Group President

*Malika*

पधान  
जय गी माता समूह सहयोगी  
समूह धारा, प्र. 1, कालपठ  
पहाड़ियांग जिला शिमला हि  
Signature of Group Secretary

*Sunita*

**Resolution-cum -Group-Consensus Form**

It is decided in the General House Meeting of the group Jai Gov. Mata.....

Held on 30.11.2023 at Village Max (Kharu) that our group will undertake the Knitting.....as Livelihood Income Generation Activity under the Project for Improvement of Himachal Pradesh Forest Ecosystems Management & Livelihoods (JICAAssisted)

प्रधान सा  
जय गौ माता स्टा  
समूह ग्राम पंचायत  
सहयोग जिला शिमला

Signature of Group President

Malta

सुमान  
जय गौ माता स्टा  
समूह ग्राम पंचायत  
सहयोग जिला शिमला

Signature of Group Secretary

Suman

<p>1..... VFDS  President.....  <b>VFDS Dhar</b>  President <i>A Chakraborty</i></p>	<p>2.....SHG  प्रधान  जय गौ माता स्वयं सहाय  समूह ग्रामधर, प्रा. कलिबंद  तह.डियोग जिला शिमला(हि.)  President  <i>Maites</i></p>
<p>3.....VFDS  Member Secretary.....  <b>VFDS Dhar</b>  Secretary <i>[Signature]</i></p>	<p>4.....SHG  जय गौ माता स्वयं सहाय  समूह ग्रामधर, प्रा. कलिबंद  तह.डियोग जिला शिमला(हि.)  Secretary <i>Sumita</i></p>

Submitted to DMU through FTU

Name and Signature of FTU officer  
*[Signature]*  
**Yogender Singh**

<p>प्रधान जय माँ माता स्वयं सहायता समूह ग्रामधर, गा. प. कटि वि. 15 याम जिला सिमरगढ़ि ।</p> <p>Signature of SHG Secretary</p>	<p>प्रधान सचि जय माँ माता स्वयं सहायता समूह ग्रामधर, गा. प. कटि वि. 15 याम जिला सिमरगढ़ि ।</p> <p>Signature of SHG President</p>
<p>Member Secretary..... VFDS Dhar</p> <p>Signature of VFDS Secretary</p>	<p>Signature of VFDS President</p>
<p>Signature of Forest Guard</p>	<p>Signature of Block Office Theog Range</p>
<p>Signature of RFO Theog</p>	

*(Signature)*  
Divisional Management Officer  
Theog, Forest Division, Theog