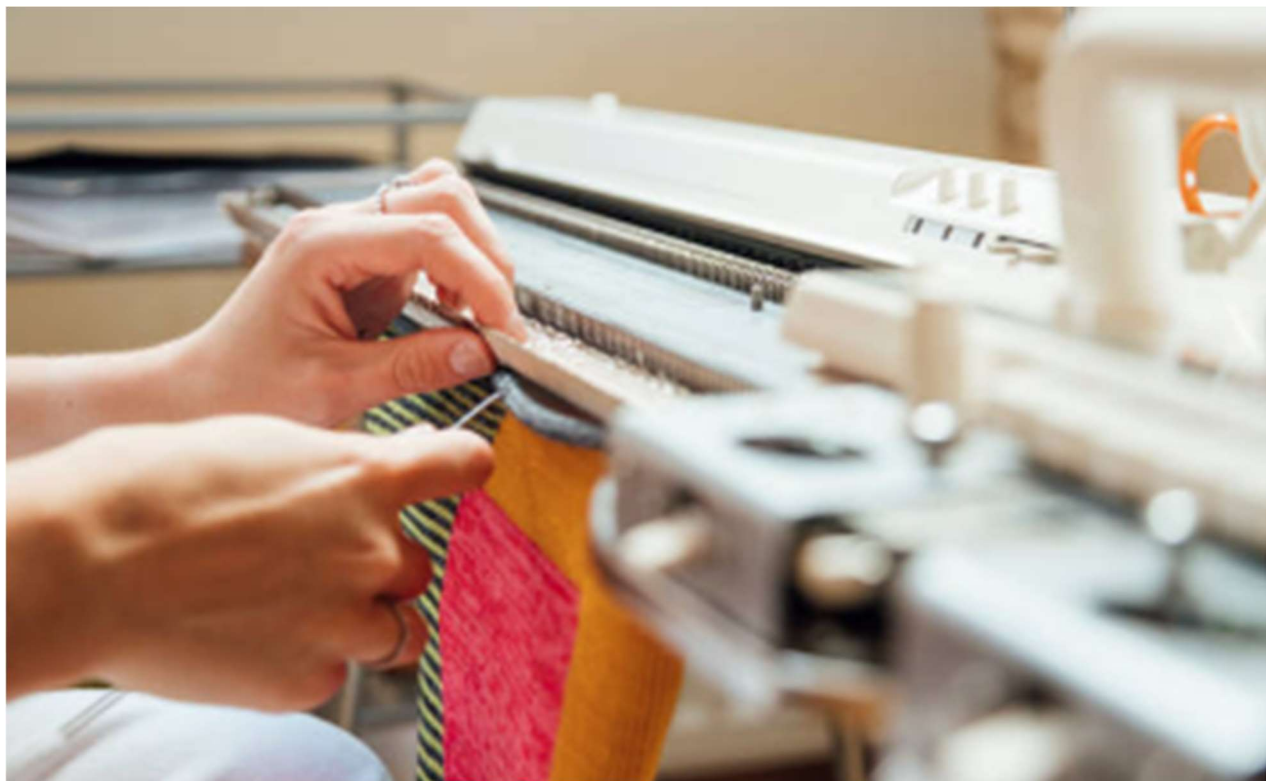




Income Generation Activity

KNITTING



Lakshmi - Self Help Group

SHG/ Name	::	Lakshmi
VFDS Name	::	Katrain-I
FTU/Range	::	Patlikuhal
DMU/Division	::	Kullu
FCCU/ Circle	::	Kullu

Sponsored by PIHPFEM&L	Prepared by FTU CO-ORIDNATOR – VISHAL VERMA
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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 income generating activity 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 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. Executive summary

VFDS: -

Katrain-I VFDS falls under development block Naggar, Patlikuhal beat of Patlikuhal range in Kullu forest Division.

3. Description of SHG

The informal Lakshmi SHG group was formed in 03/02/2022 VFDS to provide Livelihoods Improvement Support by up gradating skill and capacities. The group consists of poor and marginal farmers.

a women group consist of marginal and weaker section of the society having less land resources. Though all Group member grow high value cash crops Viz. Cauliflower, Cabbage, Peas, Garlic Onion Tomatoes etc. but as the land holding of these members is very small and the production level has reached near saturation, so in order to meet out their financial requirements' they decided to go ahead with knitting which can enhance their income. There are 10 members in this group and their monthly contribution is Rs 2000- per month, the detail of Group members is as under:-

Detail of SHG Members along

Sr. No	Name	Name of Father/ Husband	Designation	Category	Age	Qualification	Cont. No.
1.	Leena	Subash Chand	President	General	42	10 th	9317523757
2	Seeta	Ravinder thakur	Secretary	General	35	10 th	94590 395 38
3	Sudarshana	Riman	Member	General	35	+2	8219649521
4	Pushpa	Chaman negi	Member	General	45	+2	82788 52261
5	Naiyna devi	Deeplal	Member	General	40	10 th	90153 56851
6	Shanta	Yashpal Sharma	Member	General	48	10 th	9817281434
7	Bimla	Nirmal thakur	Member	General	58	5 th	9882275734
8	Anjali Bharadwaj	Riman thakur	Member	General	37	M.A, B.Ed.	9459885075
9	Satya	Kali dass	Member	General	55	10 th	9882973116

3.1 laxmi SHG Group VFDS kaniyal.

3.1.	Name of SHG/	::	Lakshmi
3.2	SHG/CIG MIS Code No	::	
3.3	VFDS	::	Katrain-I
3.4	Range	::	Patlikuhal
3.5	Division	::	Kullu
3.6	Village	::	Baskola
3.7	Block	::	Naggar
3.8	District	::	Kullu
3.9	Total no of members in SHG	::	9 females
3.10	Date of formation	::	03/01/2009
3.11	Bank Name and details	::	KCC Bank katrain
3.12	Bank A/C No.	::	20077051854
3.13	SHG/ monthly saving	::	300
3.14	Total Saving	::	22097
3.15	Total inter- loaning	::	0
3.16	Cash Credit limit	::	
3.17	Repayment status		

4. Geographical detail of the Village

4.1	Distant from District HQ	:	25km
4.2	Distant from Main Road	:	3km
4.3	Name of Local Market and distant	:	Patlikuhal ,5KM
4.4	Name of main Cities and distant	:	Kullu 25 km
4.5	Name of the main cities where products will be sold/ marketed	:	Manali 15 KM, Kullu 25 KM Bhuntar 35 km approx.
4.6	Status of backward and forward link ages	:	Kullu, Manali, Bhuntar ,patluikull

5. Description of product related to Income Generating Activity.

5.1	Name of the Product	::	Coty ,sweater,socks,baby set,cape and mufler
5.2	Method of Product Identification	::	Some members are already doing knitting work.
5.3	Consent of SHG/ CIG/ Cluster	::	Yes (page no)

6. Production Processes.

First of SHG/CIG will be given traning in making of coti swater,socks , baby sets,caps and muffler etc. after the traning following process will be done by the members of group in preparing the product:

1. Coty, sweater, socks, baby set, cap and muffler will be installed by machine. more time than The cost of the wage rate of the products will be lower.
2. In the group, 02 members will do the work of making a coty.
3. In the group, 02 members will do the work of making a sweater.
4. In the group, 01 members in the group will do the work of making socks.
5. 01 members in the group will do the work of making wavy sets.
6. In the group 01 member will do the work of making muffler
7. In the group 01 members will do the work of making woolen caps.
8. The members of the group will do the marketing in turn and also bring raw materials.

After the training, the following products will be worked by the group. whose description is is of the type:

1. Coty

The categories of different designs will be prepared by 02 members. On working 4 to 5 hours per day by 02 members, 01 coty will be prepared in 01 day.

2. sweaters

Sweaters of different designs will be prepared by 02 members. 01 swatters will be prepared in 01 day if 02 members work for 4 to 5 hours in a day.

3. Socks

Socks of different designs will be prepared by 01 members. 04 pairs of socks will be prepared in 01 day if 02 members work for 4 to 5 hours per day.

4. Baby sets

Baby set of different designs will be prepared by 01 member. 02 copy by 02 member On working 4 to 5 hours a day, 02 wave sets will be prepared in 01 day.

5. Mufflers Mufflers of different designs will be prepared by 01 member. 03 mufflers will be prepared in 01 day after working 4 to 5 hours in the state.

6. Hat

Caps of different designs will be prepared by 01 members. On working 4 to 5 hours a day by 01 members, 02 heads will be prepared in 01 day

7. Description of Production Planning :

6.1	Production cycle (in days) 30 days (would work 4-5 hours a day)	::	30coty 30swaters 60 baby sets 120 pair socks 90 mufflers 60capcs
6.2	Manpower required (No)	::	02 for coty 02 for swaters 02 for baby sets 02 for socks 01 for mufflers 01 for caps
6.3	Source of raw material	::	Kullu/ manali
6.4	Source of other resources.	::	Kullu/manali

8. Description of Marketing / Sale

8.1	Potential Market Places	::	Manali ,kullu, solang nala, Bhunter
8.2	Distance from unit	::	1km to 55km approx.
8.3	Demand of the Product in Market		Manali , solang Nala, kullu
8.4	Process of Identification of Market	::	Group based on its own capacity and local demand <ul style="list-style-type: none"> • Listing of sellers • Contact with sellers

8.5	Impact of seasonality on Market.	::	Higher demands in winters.
8.6	Potential buyers of the Product.	::	Local people ,urban, and tourist.
8.7	Potential consumers in the area.	::	Tenants ,job seekers, outsiders.
8.8	Marketing mechanism of the Product.	::	<ul style="list-style-type: none"> • Contact with shopkeepers • Own sells center • Stall/exhibition in fairs • Various offices • Religious places
8.9	Marketing strategy of the Product.	::	<ul style="list-style-type: none"> • Wholesaler • Rental merchant • Agent 20-25 % subsidy • Local network promotion • Promotion in social media
8.10	Product Branding.	::	Lakshmi group knitting product
8.11.	Product Slogan	::	

9.SWOT Analyses

Sl.no	Detail/Items	:	Description
1.	Strength	::	<ul style="list-style-type: none"> • Women have a passion for work. • Already some members are engaged in weaving. • The group also has experienced members
2.	Weakness	::	<ul style="list-style-type: none"> • Women also do the work of agriculture and animal husbandry. • Finding only 2 to 3 hours time for work. • Working in group for the first time.
3.	Opportunity	::	<ul style="list-style-type: none"> • Support and funds will be available from the HP Forest Ecosystem Management and Livelihood Improvement Project. • Training will increase efficiency and capability. • There are women in the group. • There is a demand for the producers locally and in the cities. Kullu and Manali are tourist places

4.	Threats	::	<ul style="list-style-type: none"> • Not producing good products. • Not understanding the situation (demand) of market . • Competition with other product centers. • Lack of coordination with consumers. • Engagement in other (agriculture, horticulture and animal husbandry) works
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10. Description of Potential risks and measures to mitigate them.

Sl.no	Potential risks	:	Measures to mitigate them.
1.	Not understanding the situation (demand)of market	:	Work As per the market demand from time to time
2.	Not producing good products	:	Creating customized products for the consumers
3.	Competition from other product centers	:	To make better products than other product centers and earn less profit initially
4.	Lack of coordination with consumers	:	Always be in touch with the consumers
5.	More engagement in agriculture, horticulture and animal husbandry	:	To pay attention to agriculture, horticulture and animal husbandry and weaving along with other household works
6.			

11. Description of Economics of the Project.

S. No	PROJECT COST	Amount in Rs.			
A	CAPTIAL COST				
	7 designing card knitting machine (Rs 29500 per machine)	206500			
	7 Gola making machine(Rs 999 per machine)	6993			
	Total Capital Cost	213493			
B. RECURRING COST of First Cycle					
Sr.no	Description	Unit	Amount	Rates	Amount
1	Coty				
a	Raw material(threads)	Kg	24kg	700	16800
b	Raw material (button)	Number	180	10	1800
C	Cost of washing(for 30 cotys)	Number	30	50	1500
d	Wages (02 members 4-5hrs/day)30×2×300	days	30	300	18000
e	Other expenses (packing and pepplates)				1000
	Total (a+b+c+d+e)				39100
2.	Sweater				
a	Raw material(threads)	Kg	21	700	14700
b	Cost of washing(for 30 sweater)	Number	30	50	1500
c	Wages (02 members 4-5hrs/day)30×2×300	days	30	300	18000

d	Other expenses (packing and peplates)				1000
	Total (a+b+c+d)				35200
3. Baby set					
a	Raw material(threads)	Kg	18	750	13500
b	Raw material (button)	Number	180	10	1800
C	Cost of washing(for 60 baby sets)	Number	60	20	1200
d	Wages (02 members 4-5hrs/day)30×2×300	days	30	300	18000
e	Other expenses (packing and peplates)				1000
	Total b(a+b+c+d+e)				35500
4. Socks					
a	Raw material(threads	Kg	12kg	700	8400
	Cost of washing(for 120 socks)	Number	120	20	2400
	Wages (02 members 4-5hrs/day)30×2×300	days	30	300	18000
	Other expenses (packing and peplates)				1000
	Total (a+b+c+d)				29800
5. Muffler					
a	Raw material(threads)	Kg	13.5	750	10125

b	Cost of washing(for 90 muffers)	Number	90	20	1800
c	Wages (01 members 4-5hrs/day)$30 \times 1 \times 300$	days	30	300	9000
d	Other expenses (packing and peplates)				1000
	Total (a+b+c+d)				21925
6.	Caps				
a	Raw material(threads)	Kg	6	750	4500
b	Cost of washing(for 60 caps)	Number	60	20	1200
c	Wages (01 members 4-5hrs/day)$30 \times 1 \times 300$	days	30	300	9000
d	Other expenses (packing and peplates)				1000
	Total (a+b+c+d)				15700
					177225
	Total recurring cost(total-wages)				87225

12. Guesses

Sr.no	Description	Unit	Amount	Amounts in Rs
For a coty				
1	Cost of production	Number	1	728
	Fixed Profit	percentage	30	218
	Total (cost + profit)	Number	1	946
	Market price	Number	1	1000
For a sweater				
2	Cost of production	Number	1	630
	Fixed Profit	percentage	30	190
	Total (cost + profit)	Number	1	820
	Market price	Number	1	900
For a baby set				
3	Cost of production	Number	1	323
	Fixed Profit	percentage	30	96
	Total (cost + profit)	Number	1	419
	Market price	Number	1	500
For a pair of socks				
4	Cost of production	Number	1	145
	Fixed Profit	percentage	30	43
	Total (cost + profit)	Number	1	188
	Market price	Number	1	200
For a muffler				

5	Cost of production	Number	1	200
	Fixed Profit	percentage	30	60
	Total (cost + profit)	Number	1	260
	Market price	Number	1	300
For a cap				
6	Cost of production	Number	1	151
	Fixed Profit	percentage	30	45
	Total (cost + profit)	Number	1	196
	Market price	Number	1	250

13. Summary of Economics

Particulars	Total Amount (Rs.)	Project Contribution (75%)	SHG contribution (25%)
Total capital cost	213493	160119.75	53373.25
Recurring cost			
10% depreciation on capital cost/ month	1779.1189		1779.11
Other expenditure per month	87225	-nil-	87225
Total	89004.11		89004.11

14. Cost Benefit Analysis First Cycle:-

Sr no	Particular	Unit	Quantity/no	Rate	Amount in (Rs)
A	Depreciation 10% on Capital Cost	Month	12	10%	1779.11
B	Recurring Cost				
1.	Coty				39100
2.	Sweater				35200
3.	Baby set				3500
4.	Socks				29800
5.	Muffler				21925
6.	Cap				15700
	Total -wages (177225-90000)				87255
c.	Product sells revenue				

1	Product sells revenue coty	Number	30	728	21840
2	Product sells revenue sweater	Number	30	630	18900
3	Product sells revenue baby set	Number	60	323	19500
4	Product sells revenue socks	Number	120	145	17400
5	Product sells revenue muffler	Number	90	200	18000
6	Product sells revenue caps	Number	60	151	9060
Total					104700
Total profit (c-a+b)104700-566+87255=16879					16879

Gross profit from the sell of the product(total profit-wages=)(104700-90000)=14700

14.1 Benefit Cost Analysis (Yearly)

Sr. No	Particulars	Amount (Rs)
1	10% depreciation on capital cost	1779.11
2	Recurring cost	1068048
3	Total profit	202548
4	Gross profit	176400

Note: -This amount is excluding Labour wages and room rent.

15. Resources of Funds and Fund Requirement

Sr no	Detail of Resources	Amount in Rs.
1	Project share on Capital cost of 213493(75%)	160119.75
2.	Monthly contribution till date	22097
3.	Loan from bank	
	Total	

-
- Rs one lac will be provided to self help Group as a revolving fund to take the loan from bank.
- 75% of Capital cost will be borne by Project.

16. Computation of Break-even Point

Break-even Point = Capital Cost/ Sale /kg.- Recurring Cost /Kg.

Even point of coty

$$213493/218=979$$

Even point of sweater

$$213493/192=1111$$

Even point of baby set

$$213493/96=2223$$

Even point of pair of socks

$$213493/43=4964$$

Even point of muffler

$$213493/60=3558$$

Even point of cap

$$213493/45=4744$$

Total profit (coty, sweater, baby set, socks, muffler, toppu = $218+190+96+43+60+45=652$

so $213493/652=327$ days

After sales of **327** breakeven point can be achieved after 173 days circle.

17. 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.

19. Training

The training will be done for 30 days (240 hours) 08 hours a day. 1000/- per day will be given to the master trainer for training. During the period of training, the raw material will be supplied to the group once at the rate of Rs. 1000/- per trainee. From will be given

Sr .no.	Description	Training	Member	Rates	Amount in rs
1	master trainer	30 days		1000/day	30000
2	Training hall rent	30days		2000/month	2000
3	Boarding loading	30days		100/day	3000
4	Raw material /training material	30days	10	1000/member	10000
	Total				45000

20. Remarks:

20.

Glimpse of Photos during Discussion



21.

Photograph of CIG/SHG members



Leena
President



Seeta
Secretary



Shanta



Naina Devi



Sudarshna



Pushpa



Satya



Anjali Bhardwaj



Bimla devi

22. List of rules of SHG

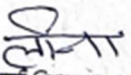
1. Group work: knitting
2. Group address: village – Katrain-I
3. Total members of the group: 9
4. Date of the first meeting of the group;03/01/2009
5. For every Rs. 100 in the group , there will be an interest of Rs. 2
6. The monthly meeting of the group is held every month. will be on the date of 18th
7. All the members of the group will deposit the saved money of each month in the group
8. All members will have to attend the meeting of the Self Help Group
Self Help Group Account Kcc katrain Account number 20077051854
9. In order to attend the meeting of the group, the principal and secretary will have to take permission by stating the appropriate work.
10. Those who do not deposit the amount of savings in the group or are present in the group for 3 Meetings , then that person will be removed from the group.
11. If the person who is present in the group giving reasons, then the next meeting will be in the house of the person whose expenses will have to be borne by that person himself.
12. The Principal and Secretary of the Self Help Group shall be elected unanimously
13. The principal and secretary can transact with the bank, this post will be valid for one year.
14. The Principal, Secretary or Member shall not do any work against the Group shall always utilize the funds of the Group.
15. If the member wants to leave the group for some reason, if this person has taken a loan, then the group will have to return only then there is equality except the group otherwise not.


16. The purpose of the loan will be decided in the meeting, the time of repayment of the amount, the installment of the loan and the rate of interest will be decided in the meeting.
17. For emergency, the principal and secretary should have an amount of at least Rs 1000
18. The register of self-help groups should be read and written in front of all members
19. Large borrowers will have to report a week in advance
20. Loans should be given to all members in times of need
21. If the member wants to leave the group without any reason, then the accumulated income of that member will be divided into the group.
22. Group Has To Submit There Monthly Report To The FTU

Resolution-Cum-Group-Consensus-Form

It is decided in the general house meeting of the group LAKSHMI Held on.03/01/2024 at Katrain that our group will undertake the knitting livelihood income generation activity under the project for implementation of Himachal Pradesh Forest eco system management and livelihood (JICA assisted)

Sites

प्रधान  सचिव
लक्ष्मी स्वयं सहायता समूह
बुशकोला (कटराई) हि. प्र.
Signature of VFDS president

प्रधान  सचिव
लक्ष्मी स्वयं सहायता समूह
बुशकोला (कटराई) हि.
Signature of FTU-cum-RFO
Range Forest Officer
Patlikuhal Forest Range

APPROVAL

Business Plan Knitting of SHG **Lakshmi VFDS Katrain-I** Approved by Divisional Management Unit cum Divisional Forest Officer Kullu On dated ..10/01/2024....


DMU-cum-DFO
Kullu Forest Division Kullu