



## BUSINESS PLAN

### INCOME GENERATING ACTIVITY–KNITTING by Ganga Mayia-Self Help Group



SHG/CIG Name	::	Ganga Mayia
VFDS Name	::	Kanol-I
Range	::	Shahpur
Division	::	Dharamshala

### Prepared under:

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

## Table of Contents

Sr. 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	6
9.	Target of the centre	7
10.	There as on 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	10
15.	Sources of funds and procurement	11
16.	Trainings/capacity building/skill up-gradation	11
17.	Loan Repayment Schedule	11
18.	Monitoring Method	12
19.	Remarks	12
20.	Group members Photos	13
21	Approval Letter	14-15

## 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 the 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. **Background**

Knitting center by Ganga Mayia SHG will be located at village Kanol P.O. Salli Tehsil Shahpur Distt. Kangra HP. The total households in village 151 is small village surrounding 4 to 5 small 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. Description of SHG/CIG

2.1	SHG/CIG Name	::	Ganga Mayia
2.2	VFDS	::	Kanol-I
2.3	Committee	::	Kanol-I
2.4	Range	::	Shahpur
2.5	Division	::	Dharamshala
2.6	Village	::	Kanol
2.7	Block	::	Rirakmar
2.8	District	::	Kangra
2.9	Total No. of Members in SHG	::	10-females
2.10	Date of formation	::	September -2024
2.11	Bank a/c No.	::	50076217866
2.12	Bank Details	::	KCC Bank Shahpur
2.13	SHG/CIG Monthly Saving	::	50/-
2.14	Total saving	::	5000/-
2.15	To inter-lending	::	
2.16	Cash Credit Limit	::	--
2.17	Repayment Status	::	--

#### 4. BeneficiariesDetail:

फोटो के साथ स्वयं सहायता समूह सदस्यों का विवरण

क्र.सं.	नाम	पद	वर्ग	उप	शैक्षणिक योग्यता	मोबाइल नंबर
1	अनीता कुमारी	प्रधान	अनुसूचित जाति	26	+2	7876863764
2	रानी कुमारी	समिति	-	21	+2	8278769254
3	जोशी देवी	कोषाध्यक्ष	-	22	+2	8627960247
4	अनीता कुमारी	सदस्य	-	19	+2	8626941719
5	रानी देवी	सदस्य	-	19	+2	8091058247
6	रानी देवी	सदस्य	-	24	+2	7876311093
7	रानी देवी	सदस्य	-	36	5th	7876516830
8	पुष्पा	सदस्य	-	25	+2	905268025
9	शिल्पा	सदस्य	-	23	+2	8894335247
10	विन्ध्य कुमारी	सदस्य	-	22	+2	8091211357
11						
12						
13						
14						
15						
16						

## 5. **Geographical detailsoftheVillage:**

3.1	Distance from the District HQ	::	22 KM
3.2	Distance from Main Road	::	3 KM
3.3	Name of local market&distance	::	Shahpur-22 Km Dharamshala- 46 KM
3.4	Name of main market &distance	::	Dharamshala- 46 KM
3.5	Name of main cities& distance	::	Dharamshala-46 Km, Kangra- 22 Km
3.6	Name of places/locations where Product will be sold/ marketed	::	Shahpur, Dharamshala, kangra

## 6. **Management**

Knitting centre by Ganga Mayia SHG has 10 women members and they will have individual knitting machines and will hire 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 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 have been planned carefully so that each contributes towards strengthening the IGA and resulting the additional money into their pockets.

## 8. **Customers**

The primary customers of the centre will mostly be local people around village Kanol-I but later on this business can be scaled up by catering to nearby small townships.

## 9.Target of the centre

The centre primarily aim provide unique modern and high class knitting service to the residents of Kanol-I 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.There as on 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

- 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.	CAPITALCOST			
Sr. No.	Particulars of Machinery.	Quantity	Rate per unit	Total Amount
1	knitting machine	10	8000	80000
	Total capital cost=			80000

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	30000	30000
4.	Lubricating oil & pippet	Per month	1400	1400
5.	Wear & tear	Per month L/S	1400	1400
Total Recurring cost				35300



### 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 (Sweater, Baby Sets) per day as finally finished product and daily 10 items can be made available for sale. Keeping in view this production rate of approximately 300 finished items will be ready for sale in one month. As beginner the item rate on an average is presumed to be Rs. 400 each therefore the total income per month is worked as under:

Particulars	Total Amount (Rs.)	Project Contribution (75%)	SHG contribution (25%)
Total capital cost	80000	60000	20000
<b>Recurring cost</b>	<b>35300</b>		<b>35300</b>
10% depreciation on capital cost/month	8000		8000
Other expenditure per month	<b>35300</b>	-nil-	35300
<b>Total</b>	<b>43300</b>		<b>43300</b>

Total sale in a month  $(300 \times 400) = 120000$

However 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. The net income at the end of the month is re-cast as under:

<b><u>Capital cost</u></b>		
<b>Particulars</b>	<b>Amount</b>	<b>SHG contribution</b>
Capital cost	80000	20000
<b><u>Recurring expenditure</u></b>		
i) 10% depreciation on capital cost per month	8000	
i) Other expenditure on material cost etc.	35300	
Total	43300	
<b>Total cost</b>	<b>20000+43300=63300</b>	
<b>Total sale in 1<sup>st</sup> month</b>	<b>120000</b>	
<b>Net profit</b>	<b>56700</b>	

#### 14. Sharing of the profit

The members of SHG has mutually agreed with consent voice that in the 1<sup>st</sup> month Rs. 3000 will be paid to each member as income and the remaining profit of Rs. 26700 will be kept as emergency reserve in their bank account to meet up the future contingency, if any.

#### 15. Fund flow in the group:

<b>Sr.No.</b>	<b>Particulars</b>	<b>Total Amount (Rs)</b>	<b>Project contribution</b>	<b>SHG contribution</b>
1	Total capital cost	80000	60000	20000
2	Total Recurring Cost	35300	0	35300
3	Trainings	50000	50000	0
	<b>Total</b>	<b>165300</b>	<b>110000</b>	<b>55300</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

#### 16. 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>• Up to 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>	

#### 17. Trainings/capacitybuilding/skillup-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

**18. Loan Repayment Schedule-** If the loan is availed from bank it will be in the form of cash credit limit and for CCL the reinsure payment 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. 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.

**20. Remarks**

### Group members Photo-



Prepared By SMS – Babita  
FTU Coordinator - Vishali

### अनुसूचक

हम सब समूह सदस्य ने जाईसीए गतिविधि से सक्रिय रूप से भाग लेने के लिए सहमति दी है। हमारी गतिविधियों की तब प्रारंभ और जाड़ीका से सुधार और बीजांकुरण के साथ समन्वय के लिए जाईसीए परियोजना के दिशाचिह्न के अनुसार समूह ( कुमारी ) द्वारा चुना गया। सदस्यों का विवरण इस प्रकार है।

क्र.सं.	नाम	पद	वर्ग	उम्र	हस्ताक्षर
1	संजीव कुमारी	प्रधान	अनुसूचित जाति	26	Sanjiv Kumar
2	स्वाति कुमारी	सचिव	"	21	Swati Kumari
3	साक्षी देवी	केसाध्य	"	22	Saxhi Devi
4	अनीता कुमारी	सदस्य	"	19	Anita Kumari
5	समीक्षा देवी	सदस्य	"	19	Samika Devi
6	सरोज देवी	सदस्य	"	24	Saroj Devi
7	रंजना देवी	सदस्य	"	26	Ranjana Devi
8	पंकज	सदस्य	"	25	Pankaj
9	शिल्पा	सदस्य	"	23	Shilpa
10	ब्रिन्दा कुमारी	सदस्य	"	22	Brinda Kumar
11					
12					
13					
14					
15					
16					

Shwoti Puneri  
हस्ताक्षर  
सचिव स्वयं सहायता समूह

Sanjath Kumar  
हस्ताक्षर  
प्रधान स्वयं सहायता समूह

Lokesh  
हस्ताक्षर  
सचिव, वन ग्रामीण विकास  
समिति

D. Shankar  
हस्ताक्षर  
प्रधान, वन ग्रामीण विकास  
समिति

Nandan  
हस्ताक्षर  
वन रक्षक

Kamachappa  
हस्ताक्षर  
वन खण्ड अधिकारी

  
हस्ताक्षर  
वन परिसेत्र अधिकारी

Approval  
  
DFO-cum-DMU Officer  
Dharamshala Forest Division  
Dharamshala  
डीएमयू द्वारा स्वीकृत