

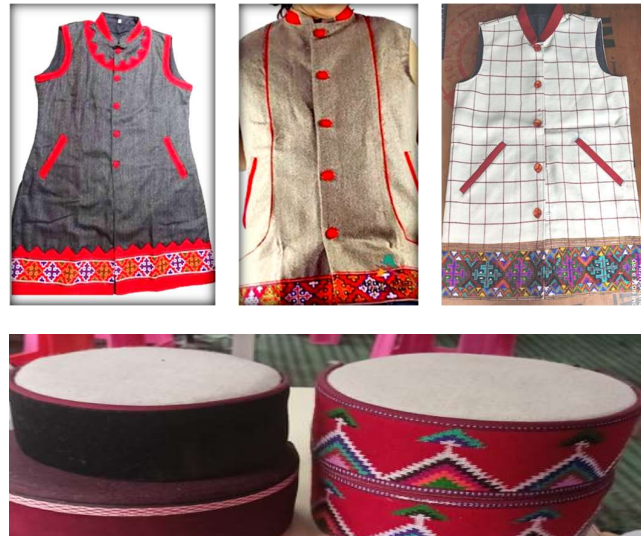


Business Plan for Enhance Livelihoods

HANDLOOM

Caps & Ladies Jackets

Asha Self-Help Group, Bhaltha



Village Forest Development Society -----Bhaltha
 Gram Panchayat-----Dughilag
 Forest Range -----Bhutti
 Forest Division-----Kullu
 Forest Circle-----Kullu

**Project for Improvement of Himachal Pradesh
 Forest Ecosystems Management & Livelihoods**

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1. Introduction

Himachal Pradesh is a hilly state located in the western Himalayan region. It is famous for its natural beauty and rich culture. The climate of Himachal Pradesh is very diverse and many small and big rivers and valleys enhance the beauty of the state.

The total population of the state is about 70 lakhs. Its geographical area is 55673 sq. km. which is spread from the Shivalik hills to the cold desert region of the upper Himalayas. Agriculture and horticulture are the main occupations here. Among the 12 districts of Himachal Pradesh, Kullu district is famous for tourism and horticulture. Kullu district is located in the central hills of Himachal Pradesh.

Village Bhaltha is located in Gram Panchayat Dughilag development block Kullu, Tehsil and District Kullu in Himachal Pradesh. The valley of Kullu district have been given various names according to their physical structure, one of which is Lagvalley

Village Bhaltha is located in Lagvalley at a distance of about 12 km from Kullu headquarters. The main occupation of the people in village Bhaltha is agriculture and gardening but due to lack of proper irrigation system, people are not getting the expected increase in their income. Most of the people have very little land, due to which they are not able to earn their livelihood properly. To improve their livelihood, people earn their livelihood by growing cash crops and gardening.

People in the village are also engaged in making pattu, but the production is done in a traditional way, due to which the production is less and the income is also less. To overcome this problem and to increase the production of products, these women need information about advanced types of machines which are suitable for this production.

According to the geographical situation, these products are required throughout the year in this area. Therefore, production can be increased as much as possible by using proper training and modern machines. There is also a need to prepare new products according to demand and fashion from time to time.

After the formation of Village Forest Development Society, Bhaltha in the village, Project for Improvement Himachal Pradesh Forest Ecosystems Management and Livelihoods told the people about working in groups to increase their means of livelihood.

Through the project, 02 self-help groups were formed in Bhaltha in the form of "**Asha**" and "**Bhalthi Narayan**" self-help groups. After this, "**Asha**" self-help group decided to work on handloom. 10 members joined this group.

Project for Improvement Himachal Pradesh Forest Ecosystems Management and Livelihoods decided to give training to "Asha" self-help group in making Caps and Ladies Jackets along with giving Rs. 100000/- as revolving fund.

To prepare the livelihood enhancement business plan of "Asha" self-help group, FTU Coordinator, Bhutti Forest Range held repeated meetings with the group members and under the guidance of Divisional Forest Officer Sh. Angel Chouhan (IFS), Sh. Manoj Kumar (HPFS), Assistant Forest Conservator, Kullu, with the cooperation of Forest Range Officer, Bhutti and BO Tarapur this livelihood enhancement business plan was finalized.



2. Description of SHG

2.1	Name of Self-Help Group	"Asha"
2.2	Manual for Management of Information System of SHG	Attached in Page No. 20
2.3	Village Forest Development Society	Bhaltha
2.4	Forest Range/FTU	Bhutti
2.5	Forest Division/ DMU	Kullu
2.6	Village	Bhaltha
2.7	Development	Kullu
2.8	District	Kullu
2.9	Total Members in SHG	10
2.10	SHG Formation	10.11.2020
2.11	Bank Account Number	8831130001854
2.12	Name of Bank & Branch	HGB Sarwari, Kullu
2.13	Monthly Saving SHG	100
2.14	Total Saving SHG	8000
2.15	Loan given to members among themselves	
2.16	Cash deposit limit	
2.17	Repayment Status	11 Month

List of Asha Self-Help Group

Sr. No.	Name & Adress of Members	Designation	Age	Sex	Qualification	Category	Contact No.
1	Smt. Guddi W/O Sh. Pritam	Pradhan	47	Fe	5 th .	SC	8894126081
2	Miss Reena D/O Sh. Balak Ram	Secretary	30	Fe	10 th .	SC	8894672426
3	Smt. Meena W/o Sh. Jitender	Cashier	22	Fe	BA	SC	8278823599
4	Smt. Ram Kali W/o Sh. Jai Chand	Member	47	Fe	-	SC	7807595737
5	Smt. Jugli W/o Sh. Sanju	Member	35	Fe	-	SC	9805319067
6	Smt. Sukhi Devi W/o Sh. Mal Kishore	Member	48	Fe	-	SC	9882137758
7	Smt. Chandra W/o Sh. Ramu	Member	33	Fe	5 th .	SC	9805807268
8	Smt. Shankuntla W/o Sh. Rakesh	Member	23	Fe	10 th .	SC	9805584874
9	Smt. Guddi Devi W/o Sh. Mohar	Member	43	Fe	-	SC	9805815201
10	Smt. Guddi Devi W/o Sh. Sandeep	Member	25	Fe	5 th .	SC	9816071449



3. Geographical details of Village

3.1	Distance from District HQ	Road to 12 KM.
3.2	Distance from Main Road	Road to 12 KM.
3.3	Name of Local Market & Distance	Kullu 12 KM.
3.4	Name of Main Market & Distance	Kullu 12 KM.
3.5	Distance from Main City	Kullu 12 KM, Bhuntar 22 KM, Manali 52 KM, Shamshi 20 KM
3.6	Name of main Cities where products will be sold/marketed	Kullu, Bhuntar, Manali, Shamshi
3.7	Special Information for effected IGA of village related	<ul style="list-style-type: none">• Agriculture & Horticulture• Kulvi Pattu
3.8	Status of before & After linkage	Continuous meetings are being held and information about handloom is being shared.

4. Description of Product related to Income Generating Activity

4.1	Name of Product	Caps, Ladies Jackets
4.2	Method of Product Identification	Some members are already doing Handloom work
4.3	Consent of SHG/CIG Cluster	Yes Consent attached page No. 20

5. Details of Production Processes

First of all, the members of the self-help group will be given training by the project on making Caps and Jackets etc. After the training, the following process will be followed by the group members in preparing the product: -

1. 06 members of the group will work on making Caps.
2. 04 members of the group will work on making Ladies Jackets
3. Group members will work for 4 to 5 hours daily.

After training, the following products will be made by the group. The details of which are as follows: -

1. Kulvi Caps

Stoles of different designs will be prepared by 06 members. If one member works for 4 to 5 hours per day, 04 Caps will be prepared in 01 days.

2. Ladies Jacket

Stoles of different designs will be prepared by 04 members. If one member works for 4 to 5 hours per day, 01Jacket will be prepared in 04 days.

6.Details of planning for production

6.1	Production cycle (in days) 30 days (working 4-5 hours per day)	720 Kulvi Caps 30 Ladies Jacket
6.2	Workers required per cycle (number)	06 members for Caps 04 member for Ladies Jackets
6.3	Source of raw material	Kullu
6.4	Source of other resources	Kullu, Shamshi, Bhuntar

6.5 Raw material requirement and estimated production

Caps (one piece Only)

Sr.	Particulars	Unit	Qty.	Rate	Amt.
2	Caps (one piece Only)				
1	Tapid Patti	cm	0.20	170	8
2	Buckram	cm	0.40	40	16
3	Bulli	cm	0.20	30	6
4	Pasting	cm	0.10	90	9
5	Magji Cloth	cm	0.15	30	2
6	Kullu Border Patti	16 Inch/Piece	16	140	140
7	Sewing Thread	No.			45
Total					226
	Service Charge			5%	11
	Total Production Cost				237
	Profit			15%	36
	Total Cost				237

Ladies Jacket (one piece Only)

Sr.	Particulars	Unit	Qty.	Rate	Amt.
3	Ladies Jacket (one piece Only)				
1	Tapid Patti <i>Supper 30 No.</i>	Mtr.	0.80	200	160
2	Bulli	Mtr.	1.50	30	45
3	Pasting	Mtr.	0.5	80	40
4	Machine Border	Mtr.	1.5	25	37
5	Sewing Tread & Baton	Piece	-	6	30
6	Kaj ki Labour			20	20
7	Sewing Labour			100	100
Total					432
	Service Charges			10%	43
	Total Production Cost				475
	Profits			40%	190
	Total Cost				665

7. Details of Marketing/Sales

7.1	Potential marketing destination	Kullu, Bhuntar, Manali
7.2	Distance from Unit	12 to 52 Km.
7.3	Demand for the product at the market places	Kullu, Bhuntar, Manali
7.4	Market Identification Process	Based on the capacity and local demand of the group <ul style="list-style-type: none"> • Make a list of vendors. • Contact the vendors.
7.5	Effect of season on marketing:	Higher demand in winter.
7.6	Potential buyers of the product	Locals, city people, tourists Potential
7.7	Consumers in the area	Tenants, job holders, outsiders.
7.8	Product marketing system	<ul style="list-style-type: none"> • Contact with shopkeepers. • Own sales Centre • Stall/exhibition in fairs • Various offices • Religious places
7.9	Product Marketing Strategy	<ul style="list-style-type: none"> • Wholesaler • Retailer • Agent 20-25% subsidy • Publicity in local network • Publicity in social media
7.10	Determining the product's branding	Beautiful products of SHG Samridhi
7.11	Product slogan	शोभला गांव, शोभला कोम, रति भर नहीं काण । यह सा भालठा दोपी री पहचाण ।।

8. Details of management among group members

- Rules will be made for management.
- Group members will divide the work by mutual consent.
- The division will be done on the basis of efficiency and capacity of work.
- Profit will also be distributed on the basis of quality of work, skill and hard work.
- The marketing member will be given 5% commission on the total sales amount.
- One member having experience in marketing will do the marketing.
- The head and secretary will keep on evaluating and observing the management from time to time.

9. Analysis of Strengths, Weaknesses, Opportunities and Challenges (SWOT)

Strengths

- Women have the passion for work.
- Some members are already doing khadi work.
- There are experienced members in the group too.

Weakness

- Women also do agriculture and animal husbandry work.
- Can only spare 2 to 3 hours for work.
- Working in a group for the first time.

Opportunities

- Himachal Pradesh Forest Ecosystem Management Project will provide support and funds.
- Training will increase skills and capacity.
- There is demand for the products locally and in cities.
- Kullu and Manali are tourist places.

Challenges

- Not producing good products
- Not understanding the market situation (demand)
- Competition from other production centers.
- Engagement in menial work.
- Engagement in other (agricultural, horticultural and animal husbandry) works.

10. Description of potential challenges and measures to mitigate them

Sr. No.	Statement of Risks / Challenges	::	Measures to reduce risk
10.1	Not understanding the market situation (demand).	::	To adapt to the market demand from time to time.
10.2	Not producing good products.	::	Creating products in demand the consumers.
10.3	Competition from other production centers.	::	Making better products than other production centers and earning less profit in the beginning.
10.4	Not understanding the market situation (demand).	::	To promote handloom instead of menial work.
10.5	More involvement in agriculture, horticulture and animal husbandry activities.	::	Pay attention to agriculture, gardening, animal husbandry and other household work along with handloom
10.6	Division in groups	::	<ul style="list-style-type: none"> • Income should be distributed on the basis of skill and ability. • Working with transparency.
10.7	Sales may decrease due to decrease in product quality.	::	To maintain quality the group will have to maintain high standards.

11. Statement of Economics of the Project

11a. Capital Expenditure

Sr. No.	Particulars	Amount
1	08 Umbrella Sewing Machine (Rs. 7000 per)	56000
2	02 Zuki Sewing Machine (Rs. 29000 per)	58000
3	10 Scissors (Rs. 650 per)	6500
4	10 Press (Rs. 1600 per)	16000
5	10 Scale Sets (Rs. 350 per)	3500
	Total Capital Expenditure	140000

11b.Recurring Cost (Per Circle)

Sr.	Particulars	Unit	Qty.	Rate	Amt.	Expected Production
Caps						
1	Tapid Patti	Cm	144	170	24480	720 Caps
2	Buckram	Cm	288	40	11520	
3	Bulli	Cm	144	30	4320	
4	Pasting	Cm	72	90	6480	
5	Magji Cloth	Cm	36	30	1080	
6	Kullu Border Patti	16 Inch/Pi ece	720	120	86400	
7	Sewing Thread	No.	720	1	720	
Total Recurring Cost					135000	
	Service Charge		5%		6750	
	Total Production Cost				141750	
	Profit		15%		21262	
	Total				163012	

Sr.	Particulars	Unit	Qty.	Rate	Amt.	Expected Production
Ladies Jacket						
1	Tapid Patti <i>Supper 30 No.</i>	Mtr.	0.80	200	4800	30 No. Ladies Jacket
2	Bulli	Mtr.	1.50	30	1350	
3	Pasting	Mtr.	0.5	80	1200	
4	Machine Border	Mtr.	1.5	25	1125	
5	Sewing Tread & Baton	Piece	-	6	180	
6	Kaj ki Labour			20	600	
7	Sewing Labour			100	3000	
Total Recurring Cost					12255	
	Service Charges			10%	1225	
	Total Production Cost				13480	
	Profits			40%	5392	
	Cost				25164	
	Total				18872	

12. Summary of the Economy Cost of Production

Sr. No.	Particulars	Amount
1	Total recurring cost	319460
2	10% annual interest on capital expenditure	2757
3	10% annual interest on loan	3050
	Total	325267

13. Assumptions Calculation of Selling Price

For One Caps				
3	Production Cost	No.	1	237
	Defined Benefits %	Per	20	36
	Total Cost + Benefits	No.	1	273
	Market Price	No.	1	350
For One Ladies Jacket				
	Production Cost	No.	1	475
	Defined Benefits	Per	40	190
	Total Cost + Benefits	No.	1	665
	Market Price	No.	1	800

14. Cost-benefit analysis for the enterprise (in one cycle i.e. in 01 month)

Sr. No.	Particulars	Unit	Qty	Rate	Amt
1	10% annual interest on capital expenditure (a)	-	-	-	1410
2	Recurring Coat (B)			-	
2.1	Kulvi Caps				135000
2.2	Ladies Jackets				12255
	Total (B)				147255
3	Total Production (Kulvi Caps)	No.	720		
4	Product sales (Kulvi Caps)	No.	720		
5	Income from product sales (Kulvi Caps)	No.	720	273	196560
6	Total Production (Ladies Jackets)	No.	30		0
7	Product sales (Ladies Jackets)	No.	30		0
8	Income from product sales (Ladies Jackets)	No.	30	665	19950
	Total (S)				216510
10	Total Benefits S-(A+B) 216510 - (1410+147255) = 148665				67845
11	Gross profit from product sales				67845
12	Amount available for distribution among members as profit after one cycle = Income from sale of product – (Amount required for principal and interest refund) 216510 - (1410+147255+14000) = 162665				53845

15- Self Help Groups/Similar Interest Groups need funds

Sr. No.	Particulars	Total Expenditure	Contribution by project 75%	Contribution by project 25%	Group needs money
1	Capital Cost	141000	105000	35000	0
2	Recurring Cost	147255	0	0	147255
	Total	288255	105000	35000	147255
	Note	Requirement of funds is approximately 148000.00			

Note- Since the group members will arrange for the wages themselves, no additional money will be required for this, hence wages have not been included in the recurring expenditure given in the financial requirement of the group.

16. Financial resources of the group

Sr. No.	Particulars	Amount
1	Support fund provided by the project	105000
2	Internal savings of the group	8000
	Total	113000

The project will provide an amount of Rs. 100000/- as seed fund. The group members will take loan from the bank on the basis of this seed fund.

17. Planning of Fund Requirements

Sr. No.	Resources needed funds needed	Resources needed funds needed	Comment
1	08 Sewing Machine	14000	25% advance should be given for Sewing Machine, Press, Scissors, Scale Set, Machine Belt, Press Wire etc. from the assistance amount by the group.
2	02 Sewing Machine	14500	
3	10 Scissors	1625	
4	10 Press	4000	
5	10 Scale sets	875	
	TOTAL	35000	
9	RAW Material	147255	
	G. Total	182255	

18. Calculation of Break-even Point/Situation

(Break Even Point)

Calculation of Break-even Point of Kulvi Caps

$$= 140000/273 = 513 \text{ days}$$

Calculation of Break-even Point of Ladies Jacket

$$= 140000/665 = 210 \text{ days}$$

Calculation of Total Break-even Point = 273 + 665 = 938 days

$$= 140000/938 = 150 \text{ days}$$

In this process the breakeven point can be achieved in 150 days as per the same ratio of sales of the above product.

19. Loan Repayment schedule

Sr. No.	Month	Loan Repayment			Cumulative Loan Repayment	Remaining Loan		
		Amt.	Interest	Total		Amt.	Interest	Total
1	Month-1					148000	1233.333	149233
2	Month-2	12766.67	1233.33	14000	14000	135233	1126.944	136360
3	Month-3	12873.06	1126.94	14000	14000	122360	1019.669	123380
4	Month-4	12980.33	1019.67	14000	14000	109380	911.4996	110291
5	Month-5	13088.5	911.5	14000	14000	96291.4	802.4287	97093.9
6	Month-6	13197.57	802.429	14000	14000	83093.9	692.449	83786.3
7	Month-7	13307.55	692.449	14000	14000	69786.3	581.5527	70367.9
8	Month-8	13418.45	581.553	14000	14000	56367.9	469.7323	56837.6
9	Month-9	13530.27	469.732	14000	14000	42837.6	356.9801	43194.6
10	Month-10	13643.02	356.98	14000	14000	29194.6	243.2882	29437.9
11	Month-11	13756.71	243.288	14000	14000	15437.9	128.649	15566.5
12	Month-12	15451.35	128.649	15580	15580	-13.4737	-0.11228	-13.586
		148013		155580	155580			

Annual interest is calculated on the basis of reducing principal amount every month. Due to adjustments, the final EMI may be less or more than the regular EMI.

20. Comment

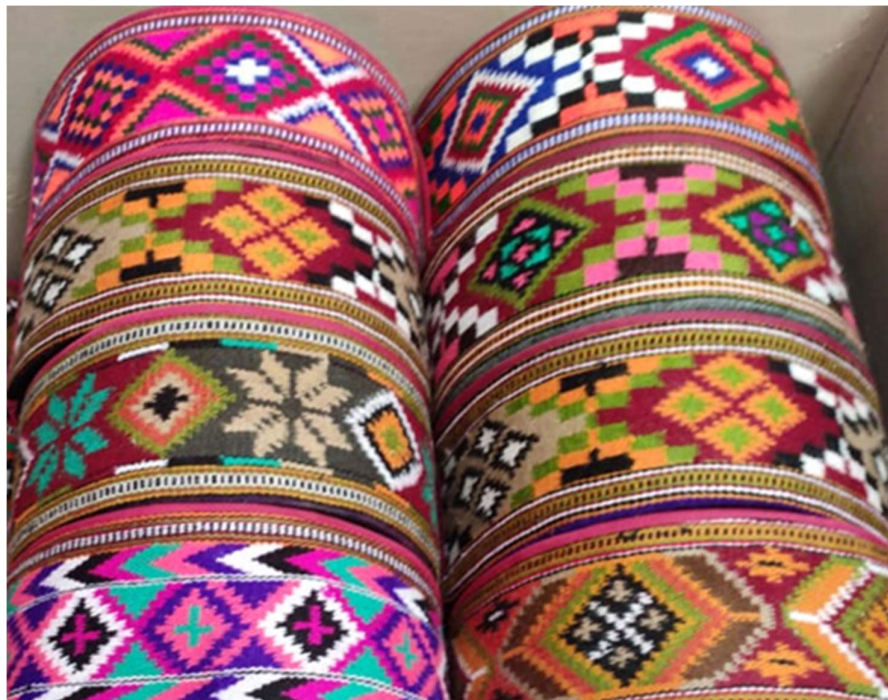
The group will prepare and sell stoles, Caps, Jackets in the first cycle. This will generate an average income of Rs 53845/- in each cycle.



21. Training

The training will be done for 08 hours per day i.e. 42 to 43 days. The master trainer will be paid Rs. 1500/- per day for training. During the training period, the group will be given raw material once at the rate of Rs. 1000/- per trainee.

Sr. No.	Particulars	Training Period	Members	Rate	Amt.	Remarks
1	Master Trainer	14 Days	10	750	10500	Rs. 750-00 Per Day
2	Boarding & Lodging	14 Days		100	1400	Rs. 100 Per Day
3	Raw Material	14 Days	10	1000	10000	Rs.1500 Per Members
4	Training Hall Rent	14 Days	-	1000	1000	Rs. 1000 Trg. Period
5	Transportation Charges	-	-	-	1000	Rs. 1000 One Time
	Total				23900	



22. Attachment



List of Rule of ASHA Self-Help Groups Bhaltha

1. Group work: Handloom
2. Group address: village -Bhaltha
3. Total members of the group: 10
4. Date of the first meeting of the group; 11th. July, 2020
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 11th.
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
9. SHG Account HGB Sarwari, Kullu Account number 8831130001854.
10. In order to attend the meeting of the group, the Pradhan and secretary will have to take permission by stating the appropriate work.
11. 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.
12. 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.
13. The Pradhan and Secretary of the Self -Help Group shall be elected unanimously
14. The Pradhan and secretary can transact with the bank; this post will be valid for one year.
15. The Pradhan, Secretary or Member shall not do any work against the Group shall always utilize the funds of the Group.
16. 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.
17. 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.
18. For emergency, the Pradhan and secretary should have an amount of at least Rs 1000/-
19. The register of self-help groups should be read and written in front of all members
20. Large borrowers will have to report a week in advance
21. Loans should be given to all members in times of need
22. If the member wants to leave the group without any reason, then the accumulated income of that member will be divided into the group.
23. Group has to Submit their Monthly Report to the FTU.

Photographs Members of ASHA SHG Bhaltha



Smt. Guddi Devi
Pradhan



Miss Reena Devi
Secretary



Smt. Meena Kumari
Cashier



Smt. Shankuntla
Member



Smt. Chandra
Member



Smt. Guddi Devi
Member



Smt. Jugli Devi
Member



Smt. Ramkali
Member



Smt. Guddi Devi
Member

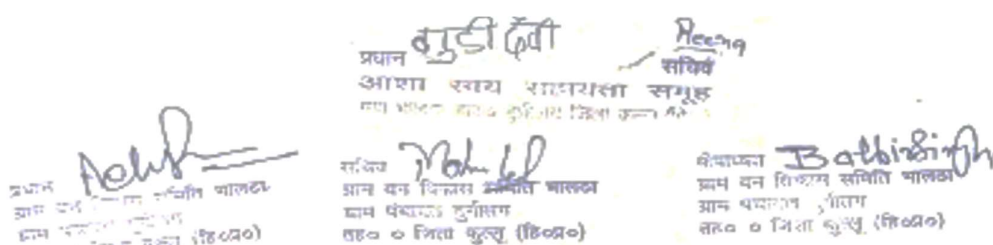


Smt. Suriti Devi
Member

Agreement

(Sahmti Patra)

Today on **20.03.2022** a meeting of **"ASHA" Self Help group Bhaltha** was held under the chairmanship of Pradhan **Smt. Guddi Devi** in which all the members of the group participated. The draft of the Handloom Business plan document prepared by the members of **"ASHA" Self Help group Bhaltha** and with the cooperation of FTU Bhutti was finalized. With the project being run in collaboration with **Project for Improvement Himachal Pradesh Forest Ecosystems Management and livelihoods (Funded by JICA)** through the Forest Department, the members of **"ASHA" Self Help group Bhaltha** unanimously agreed to continue working on Handloom to increase their livelihood.



The image shows three handwritten signatures and stamps. The first signature is on the left, the second is in the middle, and the third is on the right. Each signature is accompanied by a stamp with text in Hindi. The stamps include the names of the individuals and their respective roles or organizations.

Approval

Today on **04.04.2022** the Divisional Management Unit and Forest Divisional Officer Kullu approved the Handloom Enhancing Livelihood Business Plan of **"ASHA" Self Help group Bhaltha**



The image shows a handwritten signature and a stamp. The stamp reads "Divisional Forest Officer, Forest Division Kullu".