

Business Plan for Enhance Livelihood

IGA Activity

HANDLOOM

(Shawls & Stoles)

Jai Panchali Narayan Self-Help Group, Gadiara-Tandari



Village Forest Development Society -----Gadiara-Tandari

Gram Panchayat----- Majhat

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

Village Gadiara is located in Lagvalley at a distance of about 10 km from Kullu headquarters. The main occupation of the people in village Gadiara 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 Committee Gadiara-Tandari 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 Gadiara-Tandari in the form of "**Jai Panchali Narayan**" and "Jai Maa Lohri Achhari" self-help groups. After this, "Jai Panchali Narayan" self-help group decided to work on handloom. 19 members joined this group.

Based on the advice, suggestions and experiences of handloom expert Shri Jugat Ram Him Weaver Technical Assistant along with "Jai Panchali Narayan" group, the group members decided to make shawls and stoles etc. Expert Shri Jugat Ram was requested from time to time to make the group aware, skilled and capable, so that the products made by the group are beautiful, attractive and of good quality. This will increase the livelihood of the group.

Project for Improvement Himachal Pradesh Forest Ecosystems Management and Livelihoods decided to give training to “Jai Panchali Narayan” self-help group in making shawls and stoles along with giving Rs. 100000/- as revolving fund.

To prepare the livelihood enhancement business plan of “Jai Panchali Narayan” self-help group, Shri Shashi Sharma (FTU Coordinator), Bhutti Forest Range and handloom expert Shri Jugat Ram held repeated meetings with the group members and under the guidance of Divisional Forest Officer Mr. Angel Chauhan (IFS), Mr. Manoj Kumar (HPFS), Assistant Forest Conservator, Kullu, with the cooperation of Forest Range Officer, Bhutti and Mr. Balbir Singh, BO, Tarapur, this livelihood enhancement business plan was finalized.



2. Description of SHG

2.1	Name of Self-Help Group	"Jai Panchali Narayan"
2.2	Manual for Management of Information System of SHG	Attached in Page No. 20
2.3	Village Forest Development Society	Gadiara-Tandari
2.4	Forest Range/FTU	Bhutti
2.5	Forest Division/ DMU	Kullu
2.6	Village	Gadiara
2.7	Development	Kullu
2.8	District	Kullu
2.9	Total Members in SHG	19
2.10	SHG Formation	April, 2022
2.11	Bank Account Number	8831130002230
2.12	Name of Bank & Branch	HP Gramin Bank, Kullu
2.13	Monthly Saving SHG	100
2.14	Total Saving SHG	22000
2.15	Loan given to members among themselves	
2.16	Cash deposit limit	
2.17	Repayment Status	11 Month

List of Jai Panchali Narayan Self-Help Group

Sr. No.	Name & Adress of Members	Designation	Age	Sex	Qualification	Category	Contact No.
1	Smt. Asha Devi W/O Sh. Kulwant	Pradhan	28	Fe	BA	Gen	9418933010
2	Smt. Asha Devi W/O Sh. Mahinder	Secretary	29	Fe	BA	Gen	9418933090
3	Smt. Sunita W/o Sh. Yashwant	Cashier	28	Fe	10th.	Gen	
4	Smt. Kalawati W/o Sh. Tail Singh	Member	43	Fe	5th.	Gen	7018967899
5	Smt. Bandna W/o Sh. Ramesh Thakur	Member	23	Fe	12th.	Gen	
6	Smt. Sunita Devi W/o Rajesh	Member	37	Fe	8th.	Gen	9018067106
7	Smt. Roshani Devi W/o Rohit	Member	35	Fe	5th.	Gen	8219152249
8	Smt. Shankuntla W/o Sh. Sunder	Member	41	Fe	8th.	Gen	8219665658
9	Smt. Mali W/o Sh. Lal Chand	Member	42	Fe	5th.	Gen	8894906562
10	Smt. Nirmla W/o Sh. Dugle Ram	Member	38	Fe	10th.a	Gen	7876761541
11	Smt. Dev Darshanai w/o Sh. Dalip	Member	32	Fe	8th.	Gen	6230089869
12	Smt. Reena W/o Sh. Puran Chand	Member	37	Fe	8th.	Gen	8626848491
13	Smt. Monika W/o Sh. Lekh Raj	Member	35	Fe	8th.	Gen	
14	Smt. Sita W/o Nanak Chand	Member	43	Fe	8th.	Gen	
15	Smt. Kanta W/o Sh. Hira Lal	Member	42	Fe	8th.	Gen	7807076709
16	Smt. Krishna W/o Sh. Sanjeev	Member	40	Fe	12th.	Gen	8988756052
17	Smt. Kala Devi W/o Sh. Partap	Member	50	Fe	5th.	Gen	8694403041
18	Smt. Rajeta W/o Sh. Shankar Dyal	Member	30	Fe	BA	Gen	9015114608
19	Miss Samriti W/o Partap	Member	28	Fe	MA	Gen	

3. Geographical details of Village

3.1	Distance from District HQ	Road to 10 KM. On foot 02 KM.
3.2	Distance from Main Road	Road to 10 KM. On foot 02 KM.
3.3	Name of Local Market & Distance	Kullu 10 KM.
3.4	Name of Main Market & Distance	Kullu 10 KM.
3.5	Distance from Main City	Kullu 10 KM, Bhuntar 20 KM, Manali 50 KM, Shamshi 19 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	Shawl & stole
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 Shawl & stole etc. After the training, the following process will be followed by the group members in preparing the product: -

1. 05 members of the group will work on making Shawls.
2. 13 members of the group will work on making Stole.
3. 01 members of the group will work on Marketing.
4. 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. Shawls

Caps of different designs will be prepared by 05 members. If 01 member works for 4 to 5 hours per day, 01 Shawl will be prepared in 05 day.

2. Stoles

Jackets of different designs will be prepared by 13 members. If 01 member works for 4 to 5 hours per day, 01 Stole will be prepared in 3 days.

6. Details of planning for production

6.1	Production cycle (in days) 30 days (working 4-5 hours per day)	30 No. Shawls 130 No. Stole
6.2	Workers required per cycle (number)	05 members for Shawl 13 Members for Stole 01 Members for Marketing Total 19 Members
6.3	Source of raw material	Kullu
6.4	Source of other resources	Kullu, Shamshi, Bhuntar

6.5 Raw material requirement and estimated production

Sr. No.	Month	Raw Material (For Shawl & Stole Products)				Kaishmilon (For Shawl & Stole Products)			Expected Production Value	Remarks
		इकाई	मात्रा	दर	धनराशि	मात्रा	दर	धनराशि		
1	April	Kg.	51.3	1500	76950	19	450	8500	160	Shawl 30 & Stole 130 Per Circle
2	May	Kg.	51.3	1500	76950	19	450	8500	160	
3	June	Kg.	51.3	1500	76950	19	450	8500	160	
4	July	Kg.	51.3	1500	76950	19	450	8500	160	
5	August	Kg.	51.3	1500	76950	19	450	8500	160	
6	September	Kg.	51.3	1500	76950	19	450	8500	160	
7	October	Kg.	51.3	1500	76950	19	450	8500	160	
8	Nov/	Kg.	51.3	1500	76950	19	450	8500	160	
9	December	Kg.	51.3	1500	76950	19	450	8500	160	
10	January	Kg.	51.3	1500	76950	19	450	8500	160	
11	February	Kg.	51.3	1500	76950	19	450	8500	160	
12	March	Kg.	51.3	1500	76950	19	450	8500	160	
	Total		615.6		923400	228		102000	1920	

- In each cycle (per month) 30 shawls and 130 stoles will be made by the group.
- In a year 360 shawls and 1560 stoles, i.e. a total of 1920 pieces will be made by the group.

7. Details of Marketing/Sales

7.1	Potential marketing destination	Kullu, Bhuntar, Manali
7.2	Distance from Unit	10 to 50 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 Jai Panchali Narayan
7.11	Product slogan	शोभला गांव, शोभला कोम, रति भर नहीं काण । यह सा गदियाड़ा-टण्डारी स्टोल व शॉल 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	16 Khaddi of 35 inches (Rs. 10,500 per Khaddi)	168000
2	15 Charkhas and Uri Stand (Rs. 1,800 per Charkha and Uri Stand)	27000
	Total Capital Expenditure	195000

11B. Recurring Cost (Per Circle)

Sr. No.	Particulars	Unit	Qty.	Rate	Amt
1	Shawl				
A	Raw Material (Threads)	Kg.	0.54	1500	24300
B	Raw Material (Kaishmilon)	Kg.	0.20	450	2700
C	Warping machine cost (for 30 shawls)	No.	30	30	900
D	Labour (05 Members 4-5 (Hour/Day) 30x5x300	Days	30	300	45000
E	Others Expenditure (Packing, Pamphlets)				1000
	(A+B+C+E)				28900
2	Stole				
A	Raw Material (Threads)	Kg.	0.270	1500	52650
B	Raw Material (Kaishmilon)	Kg.	0.10	450	5850
C	Warping machine cost (for 130 Stoles)	No.	130	30	3900
D	Labour (13 Members 4-5 (Hour/Day) 30x13x300	Days	30	300	117000
E	Others Expenditure (Packing, Pamphlets)				3000
	(A+B+C+E)				65400
	Total Recurring Cost				94300

12. Summary of the Economy

Cost of Production

Sr. No.	Particulars	Amount
1	Total recurring cost	88585
2	10% annual interest on capital expenditure	1950
3	10% annual interest on loan	750
	Total	91285

13. Assumptions

Calculation of Selling Price

Sr. No.	Particulars	Unit	Qty.	Amount
For One Shawl				
1	Production Cost	No.	1	1000
	Defined Benefits	Per	30	300
	Total Cost + Benefits	No.	1	1300
	Market Price	No.	1	1600
For One Stole				
2	Production Cost	No.	1	521
	Defined Benefits	Per	30	156
	Total Cost + Benefits	No.	1	677
	Market Price	No.	1	950

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)	-	-	-	1950
2	Recurring Coat (B)			-	
2.1	Shawls				28900
2.2	Stole				65400
	Total (B)				94300
3	Total Production (Kulvi Shawls)	No.	30		
4	Product sales (Shawls)	No.	30		
5	Income from product sales (Shawls)	No.	30	1300	39000
	Total Production (Stoles)	No.	130		0
	Product sales (Stoles)	No.	130		0
	Income from product sales (Stoles)	No.	130	677	88010
	Total (S)				127010
6	Total Benefits S-(A+B) 127010 - (1950+94300) = 96250				30760
7	Gross profit from product sales				30760
8	Amount available for distribution among members as profit after one cycle = Income from sale of product – (Amount required for principal and interest refund 30760 - (1950+9500) = 11450				19310

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	195000	146250	48750	0
2	Recurring Cost	94300	0	0	94300
	Total	289300	146250	48750	94300
	Note	Requirement of funds is approximately 95000.00			

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	146250
2	Internal savings of the group	22000
	Total	168250

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	16 No. Khaddi 35 Inch	42000	25% advance should be given for Khaddi, Charkha and Uri from the assistance amount by the group.
2	15 No. Charkha with Uri Stand	6750	
	Total	48750	
3	Raw Material	94300	
	G. Total	143050	

18. Calculation of Break-even Point/Situation

(Break Even Point)

Calculation of Break-even Point of Shawl

= $195000/1300 = 150$ days

Calculation of Break-even Point of Stole

= $195000/156 = 1250$ days

Calculation of Total Break-even Point = $195000/1400 = 139$ days

In this process the break-even point can be achieved in 139 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					95000	791.6667	95791.67
2	Month-2	8708.3333	791.6667	9500	9500	86291.67	719.0972	87010.76
3	Month-3	8780.9028	719.0972	9500	9500	77510.76	645.923	78156.69
4	Month-4	8854.077	645.923	9500	9500	68656.69	572.1391	69228.83
5	Month-5	8927.8609	572.1391	9500	9500	59728.83	497.7402	60226.57
6	Month-6	9002.2598	497.7402	9500	9500	50726.57	422.7214	51149.29
7	Month-7	9077.2786	422.7214	9500	9500	41649.29	347.0774	41996.36
8	Month-8	9152.9226	347.0774	9500	9500	32496.36	270.803	32767.17
9	Month-9	9229.197	270.803	9500	9500	23267.17	193.8931	23461.06
10	Month-10	9306.1069	193.8931	9500	9500	13961.06	116.3422	14077.4
11	Month-11	9383.6578	116.3422	9500	9500	4577.403	38.14503	4615.548
12	Month-12	4577.855	38.14503	4616	4616	-0.45171	-	-
		95000.452		99616	99616			

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 30 shawls and 130 stoles in the first cycle. This will generate an average income of Rs 19310/- 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	-	750	10500	Rs. 750-00 Per Day
2	Boarding & Lodging	14 Days		150	3600	Rs. 150 Per Day
3	Raw Material	14 Days	15	1500	22500	Rs.1500 Per Members
4	Training Hall Rent (Two Rooms)	14 Days	&	2000 L/s	2000	Rs. 1000 Per Rooms
5	Transportation Charges	Sewing Machine & Other Tools	&	-	2000	Rs. 1000 two trips
	Total				40600	



22 Attachments



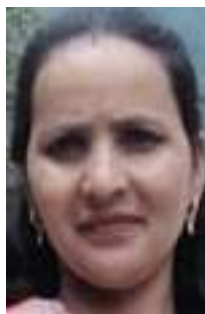
List of Rule of Jai Panchali Narayan Self-Help Groups

1. Group work: Handloom
2. Group address: village -Gadiara PO Bhutti The. Distt. Kullu HP
3. Total members of the group: 19
4. Date of the first meeting of the group; April, 2022
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 03th.
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. Self Help Group Account HGB Sarwari, Kullu Account number 8831130002230.
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 of Jai Panchali Narayan Self-Help Group



Smt. Asha Devi
Pradhan



Smt. Asha Devi
Secretary



Smt. Sunita Devi
Cahier



Smt. Malli Devi
Member



Smt. Sita Devi
Member



Smt. Bandna Devi
Member



Smt. Kalabati
Member



Smt. Sunta Devi
Member



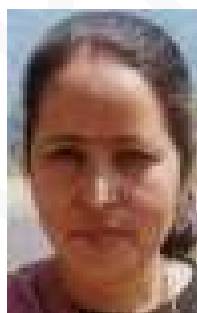
Smt. Nirmla Devi
Member



Smt. Roshni Devi
Member



Smt. Reena Devi
Member



Smt. Shankuntla
Member



Smt. Dev Darshani
Member



Smt. Monika
Member



Smt. Kanta Devi
Member



Smt. Krishana Devi
Member



Smt. Kala Devi
Member



Smt. Rajeta Devi
Member

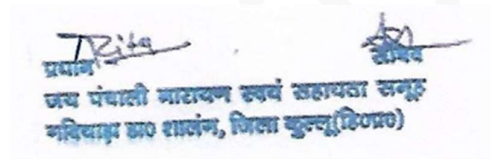


Miss Samriti
Member

Agreement

(Sahmti Patra)

Today on **01-11-23** a meeting of **Jai Panchali Narayan Self Help Group Gadiara-Tandari** was held under the chairmanship of Pradhan **Smt. Asha Devi** in which all the members of the group participated. The draft of the Handloom Business plan document prepared by the members of **Jai Panchali Narayan Self Help Group Gadiara-Tandari** 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 **Jai Panchali Narayan Self Help Group Gadiara-Tandari** unanimously agreed to continue working on Handloom to increase their livelihood.



प्रधान
जय पंचाली नारायण स्वयं सहायता समूह
नवियारा बाग शासन, जिला कुल्लू (हिमाचल)

Approval

Today on **07-11-23** the Divisional Management Unit cum Forest Divisional Officer, Kullu approved the Handloom Enhancing Livelihood Business Plan of **Jai Panchali Narayan Self Help Group Gadiara-Tandari**



Divisional Forest Officer
Forest Division Kullu