

Business Plan for Enhance Livelihood

HANDLOOM

(Shawl & Stole)

Vaishno Self-Help Group, Peej



Village Forest Development Society -----Peej
Gram Panchayat-----Peej
Forest Range -----Kullu
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 Peej is located in Gram Panchayat Peej 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 Maharaja

Village Peej is located in Maharaja at a distance of about 16 km from Kullu headquarters. The main occupation of the people in village Peej 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 Shawl stall , 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, Peej the village, Project For Improvement of 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 Peej the form of "Jagjanani", "Vaishno" self-help groups. After this, "Vaishno" self-help group decided to work on handloom. 12 members joined this group.

Based on the advice, suggestions and experiences of handloom expert Shri Jugat Ram Him Weaver Technical Assistant along with "Vaishno" 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 of Himachal Pradesh Forest Ecosystems Management and Livelihoods decided to give training to “Vaishno” self-help group in making shawls and stoles along with giving Rs. 100000/- as revolving fund.

To prepare the livelihood enhancement business plan of “Vaishno” self-help group, Shri Shashi Sharma (FTU Coordinator) Bhutti Forest Range, Miss Premla Thakur (FTU Coordinator) Kullu Forest Range and handloom expert Shri Jugat Ram held repeated meetings with the group members and under the guidance of Divisional Forest Officer Sh. Angel Chauhan (IFS), Kullu, with the cooperation of Miss Anjel Sharma, Forest Range Officer, Kullu, this livelihood enhancement business plan was finalized.

2. Description of SHG

2.1	Name of Self-HelpGroup	“Vaishno”
2.2	Manual for Management of Information System of SHG	Attached in Page No. 19
2.3	Village Forest Development Society	Peej
2.4	Forest Range/FTU	Kullu
2.5	Forest Division/ DMU	Kullu
2.6	Village	Peej
2.7	Development	Kullu
2.8	District	Kullu
2.9	Total Members in SHG	12
2.10	SHG Formation	May 2024
2.11	Bank Account Number	50077156457
2.12	Name of Bank & Branch	KCCB Kullu
2.13	Monthly Saving SHG	100
2.14	Total Saving SHG	9600
2.15	Loan given to members among themselves	
2.16	Cash deposit limit	
2.17	Repayment Status	

List of Vaishno Self-Help Group

Sr no	Name of SHG Member	Name of Father/Husband	Designation	Category	Age	Sex	Qualification	Cont. No.
1	Smt.Pushpa Devi	Sh.Ashok Kumar	President	General	36	Female	7 th	8626825548
2	Smt.Radha Devi	Sh.Mukesh Kumar	Secretary	General	34	Female	10 th	9805722882
3	Smt.Madhubala	Sh.Ravi Kumar	Treasure	General	26	Female	12 th	8580616625
4	Smt.Urmila Devi	Sh.Shri kant	Member	General	30	Female	12 th	8219773525
5	Smt.Sarla devi	Sh.Shesh kumar	Member	General	34	Female	10 th	8580501060
6	Smt.Ganga devi	Sh.Sohan Lal	Member	General	38	Female	5 th	7718428183
7	Smt.Monika Devi	Sh.Rakesh kumar	Member	General	34	Female	9 th	8629090303
8	Smt.Hem Lata	Sh.Ashvani	Member	General	48	Female	5 th	8628860520
9	Smt.Varsha devi	Sh.Partap Chand	Member	General	30	Female	5 th	9217410916
10	Smt.Hardeii	Sh.Navinder Kumar	Member	General	44	Female	5 th	7018023681
11	Smt.Asha devi	Sh.Hoshiya singh	Member	General	28	Female	7 th	7018064677
12	Smt.Kalpna	Sh.Suresh Kumar	Member	General	43	Female	10 th	8091764930



3. Geographical details of Village

3.1	Distance from District HQ	Road to 10 KM.
3.2	Distance from Main Road	Road to 10KM. & On foot 100mtr
3.3	Name of Local Market & Distance	Kullu 10KM.
3.4	Name of Main Market & Distance	Kullu 10 KM.
3.5	Distance from Main City	Kullu 10KM, Bhuntar 16 KM, Manali 40 KM, Shamshi 14 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 & Pattu
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. 19

5. Details of Production Processes

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

The warp and weft of shawl and stole will be made by warping machine. This will reduce the time and labour cost of the products.

1. 12 members of the group will work on making stoles.
2. 2 members of the group will do marketing and will also bring raw material.
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. Stole 2/48 Australian Wool Yarn

Stoles of different designs will be prepared by 12 members. If one member works for 4 to 5 hours per day, one 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)	120 stoles
6.2	Workers required per cycle (number)	12 members for stole
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
		Unit	Qty.	Rate	Amt	Qty	Rate	Amt.		
1	April	Kg.	24	1500	36000	5	450	2250	120	Stole 120 Per Circle
2	May	Kg.	24	1500	36000	5	450	2250	120	
3	June	Kg.	24	1500	36000	5	450	2250	120	
4	July	Kg.	24	1500	36000	5	450	2250	120	
5	August	Kg.	24	1500	36000	5	450	2250	120	
6	September	Kg.	24	1500	36000	5	450	2250	120	
7	October	Kg.	24	1500	36000	5	450	2250	120	
8	Nov/	Kg.	24	1500	36000	5	450	2250	120	
9	December	Kg.	24	1500	36000	5	450	2250	120	
10	January	Kg.	24	1500	36000	5	450	2250	120	
11	February	Kg.	24	1500	36000	5	450	2250	120	
12	March	Kg.	24	1500	36000	5	450	2250	120	
	Total		288		432000	60		27000	1440	

- In each cycle (per month) 120 stoles will be made by the group.
- In a year 1440 stoles 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 40 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 Vaishno
7.11	Product slogan	शोभला गांव, शोभला कोम, श्रुति भर नहीं काण । यह सा पीज स्टोल 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	11 Khaddi of 35 inches (Rs. 12000 per Khaddi)	132000
2	01Khaddi of 50 inches (Rs. 18000 per Khaddi)	18000
3	11Charkhas and Uri Stand (Rs. 1800 per Charkha and Uri Stand)	19800
4	01 Almirah	10000
5	Total Capital Expenditure	179800

11B.Recurring Cost (Per Circle)

Sr. No.	Particulars	Unit	Qty.	Rate	Amt
1	Stole				
A	Raw Material (Threads)	Kg.	24	1500	36000
B	Raw Material (Kaishmilon)	Kg.	5	450	2250
C	Warping machine cost (for 70Stole)	No.	72	20	1440
D	Labour(01Members 4-5 (Hour/Day) 30x1x300	Days	30	400	12000
E	Others Expenditure (Packing, Pamphlets)				1200
	(A+B+C+E)				52890
	Total Recurring Cost				52890

12. Summary of the Economy

Cost of Production

Sr. No.	Particulars	Amount
1	Total recurring cost	52890
2	10% annual interest on capital expenditure	1780
3	10% annual interest on loan	5289
	Total	59961

13. Assumptions

Calculation of Selling Price

Sr. No.	Particulars	Unit	Qty.	Amount
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)	-	-	-	1780
2	Recurring Coat (B)			-	
2.1	Stole				52890
	Total (B)				52890
3	Total Production (Stole)	No.	120		
4	Product sales (Stole)	No.	120		
5	Income from product sales	No.	120	677	81240
	Total (S)				81240
6	Total Benefits S-(A+B)81240 - (1780+52890) = 26570				26570
7	Gross profit from product sales 81240-54670=26570				26570
8	Amount available for distribution among members as profit after one cycle = Income from sale of product – (Amount required for principal and interest refund 81240-(8200+52890)= 23150				23150

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	179800	134850	44950	0
2	Recurring Cost	52890	0	0	52890
	Total	232690	134850	44950	52890
	Note	Requirement of funds is approximately 52890.00			

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	134850
2	Internal savings of the group	9600
	Total	144450

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	01 Khadi 50 Inch	4500	25% advance should be given for Khaddi, Charkha and Uri from the assistance amount by the group.
2	11 Khadi 35 Inch	33000	
3	11 Charkha with Uri Stand	4950	
4	01Almirah	2500	
	TOTAL	44950	
3	RAW Material	52890	
	G.Total	97840	

18. Calculation of Break-even Point/Situation

(Break Even Point)

Calculation of Break-even Point of Stole

= $178000/156 = 1141$ days

Calculation of Total Break-even Point = $178000/156 = 1141$ days

In this process the breakeven point can be achieved in 1141 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					82000	683.33333	82683.333
2	Month-2	7516.6667	683.3333	8200	8200	74483.33	620.69444	75104.028
3	Month-3	7579.3056	620.6944	8200	8200	66904.03	557.53356	67461.561
4	Month-4	7642.4664	557.5336	8200	8200	59261.56	493.84634	59755.408
5	Month-5	7706.1537	493.8463	8200	8200	51555.41	429.6284	51985.036
6	Month-6	7770.3716	429.6284	8200	8200	43785.04	364.8753	44149.911
7	Month-7	7835.1247	364.8753	8200	8200	35949.91	299.58259	36249.494
8	Month-8	7900.4174	299.5826	8200	8200	28049.49	233.74578	28283.24
9	Month-9	7966.2542	233.7458	8200	8200	20083.24	167.36033	20250.6
10	Month-10	8032.6397	167.3603	8200	8200	12050.6	100.42167	12151.022
11	Month-11	8099.5783	100.4217	8200	8200	3951.022	32.925181	3983.9469
12	Month-12	3951.0748	32.92518	3984	3984	-0.053057	-0.000442	-0.053499
		82000.053		85984	85984			

10% 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(120) in the first cycle. This will generate an average income of Rs 23150/- 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. 1500/- per trainee.

Sr. No.	Particulars	Training Period	Members	Rate	Amt.	Remarks
1	Mater Trainer	45 Days	-	1500	67500	Rs. 1500-00 Per Day
2	Boarding & Lodging	45 Days		150	6750	Rs. 150 Per Day
3	Raw Material	45 Days	12	1500	18000	Rs.1500 Per Members
4	Training Hall Rent	45 Days	-	100	4500	Rs. 4500 Trg. Period
5	Transportation Charges	Khaddi, Charkha	-	-	1500	Rs.1500 One Time
	Total				98250	

22. Attachment



List of Rule of Self-Help Groups

1. Group work : Handloom
2. Group address : village -Peej
3. Total members of the group : 12
4. Date of the first meeting of the group ; May 2024
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 07th.
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 KCC Bank Akhada Bazar Kullu Account number **50077156457**
10. In order to attend the meeting of the group, the principal 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 members of Vaishno Self Help Group



Smt. Pushpa Devi
Pradhan



Smt. Radha Devi
Secretary



Smt. Madhubala
Cashier



Smt. Urmila
Member



Smt. Kalpna
Member



Smt. Varsha
Member



Smt. Asha Devi
Member



Smt. Hemlata
Member



Smt. Monika
Member



Smt. Ganga Devi
Member




Smt. Sarla Devi
Member




Smt. Hardeii Devi
Member

Agreement

Today on 07.11.2024 a meeting of **Vaishno self Help Group Peej** was held under the chairmanship of Pradhan **Smt.Pushpa Devi** in which all the members of the group participated. The draft of the Handloom Business plan document prepared by the members of Vaishno Self Help Group Peej and with the cooperation of Field Technical Unit Kullu was finalized. With the project being run in collaboration with Project For Improvement of Himachal Pradesh Forest Ecosystems Management and Livelihoods (Funded by JICA) through the Forest Department, the members of Vaishno Self Help group Peej unanimously agreed to continue working on Handloom to increase their livelihood.


प्रधान
वैष्णो स्वयं सहायता समूह पीज
ड. पीज, जिला कुल्लू (हि.प्र.)


प्रधान
ग्राम वन विकास समिति
पीज

Approval

Today on 23.12.2024 the Divisional Management Unit and and Forest Divisional Officer Kullu approved the Handloom Enhancing Livelihood Business Plan of Vaishno Self Help group Peej


DFO-cum DFO Kullu,
Kullu Forest Division Kullu