

BUSINESS PLAN

INCOME GENERATING ACTIVITY – Handloom (Khadi)

by

Jai Jaga Mata - Self Help Group



SHG/CIG Name		
VFDS Name	::	Jai Kewar Jakh VFDS Danderwari
Range	::	Dodra Kewar
Division	::	Rohru

Prepared under:



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

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1. Introduction

Himachal Pradesh is a State in the Northern part of the India and is situated in the western Himalayas. It is characterized by an extreme landscape featuring several peaks and extensive river system. Himachal Pradesh is known as “Land of God “and is also known for its scenic beauty. Himachal Pradesh is rich in flora and fauna. The state has diverse ecosystem, rivers and valleys, and has a population of 7.5 million and covers 55,673 sq.km ranging from foothills of Shivalik to the mid hills (300 - 6816 MT above MSL), high hills and cold dry zones of the upper Himalayas. It is spread across valleys with many perennial rivers flowing through them. Almost 90% of the state’s population lives in rural areas. Agriculture, horticulture, hydropower and tourism are important constituents of the state's economy. The Local inhabitants of District Rohru are traditionally wearing hand-woven fabrics that have existed since beyond the reach of memory. Climatically the Rohru is divided into 3 zones viz Wet Zone, Dry Zone & Arid Zone. ‘**Dohru, Shawl, Stall, Mafler, Kinnouripattu, Gachi**’ for Ladies and Woollen Clothes from ‘**Patti**’ for Men. Beside this Men and Women put Woollen Caps (Kinnauri **Topi**). These articles are prepared from the wool of sheep which local people are rearing from time memorial. The Handloom Industry in Rohru has a long tradition of excellent craftsmanship, representing and preserving the vibrant Indian culture. The operations of this industry are

primarily household based, wherein various members of the family put in joint efforts for production. 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 IGA so that they can earn extra money to meet their expenses and raise some saving also for the difficult times. A group of 20 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 IGA in collective manner and raise their additional income.

2. Description of SHG/CIG

3.1	SHG/CIG Name	::	Jai Jaga Mata SHG Danderwari
3.2	VFDS	::	Jai kavar jakh VFDS Dhanderwari
3.3	Range	::	Dodra kewar
3.4	Division	::	Rohru
3.5	Village	::	Dhanderwari
3.6	Block	::	Kewar
3.7	District	::	Shimla
3.8	Total No. of Members in SHG	::	20– females
3.9	Date of formation	::	01/06/2022
3.10	Bank a/c No.	::	41010107977
3.11	Bank Details	::	HP State Co-Operative Bank Dodra kewar
3.12	SHG/CIG Monthly Saving	::	50/-(held to meeting every 15 th day of month)
3.13	Total saving	::	16000-/-
3.14	Total inter-loaning	::	
3.15	Cash Credit Limit	::	--
3.16	Repayment Status	::	--

3. Beneficiaries Detail:

Sr.No	Name (Sh/Smt.)	Father/Husband Name (Sh.)	Age	Category	Address	Income Source
1	SHARMILA DEVI	ROSHAN LAL	38	SC	DHANDRWARI	Agriculture
2	DEEPIKA	MUKESH	28	GEN	DHANDRWARI	Agriculture
3	OSHIN	BOBBY	22	GEN	DHANDRWARI	Agriculture
4	SONIYA DEVI	HARINAND	32	GEN	DHANDRWARI	Agriculture
5	VIRENDRA DEVI	BALDEV	45	GEN	DHANDRWARI	Agriculture
6	PREMLATA	VIJAY	24	GEN	DHANDRWARI	Agriculture
7	KAUSHALIYA DEVI	PADAMVEER	47	GEN	DHANDRWARI	Agriculture
8	KAILASHI DEVI	DILIP	36	GEN	DHANDRWARI	Agriculture
9	GANGI DEVI	SUDDHURAM	38	SC	DHANDRWARI	Agriculture
10	SUMOLA DEVI	RABATE	34	GEN	DHANDRWARI	Agriculture
11	MEERA DEVI	VIDESH	40	GEN	DHANDRWARI	Agriculture
12	SURESHI DEVI	SOHANLAL	40	GEN	DHANDRWARI	Agriculture
13	LANNI DEVI	SHURVEER	45	GEN	DHANDRWARI	Agriculture
14	KUNDAL DEVI	MADANLAL	48	GEN	DHANDRWARI	Agriculture
15	PRATAPI DEVI	PAPU	37	SC	DHANDRWARI	Agriculture
16	ALISHA DEVI	NAVESH	26	GEN	DHANDRWARI	Agriculture
17	ANURADHA	DEEPAN	26	GEN	DHANDRWARI	Agriculture
18	SANJU DEVI	MUKESH GURETA	27	GEN	DHANDRWARI	Agriculture
19	ANJU DEVI	NEERAJ BETTAN	28	GEN	DHANDRWARI	Agriculture
20	LALITA DEVI	RAAM LAL	40	SC	DHANDRWARI	Agriculture

4. Geographical details of the Village:

4.1	Distance from the District HQ	::	110 km
4.2	Distance from Main Road	::	50 km
4.3	Name of local market & distance	::	Chirgaon ,Rohru ,95 km from Dodra
4.4	Name of main market & distance	::	Chirgaon ,Rohru ,95 km from Dodra
4.5	Name of main cities & distance	::	Shimla , 250 km From shimla to dodra kewar
4.6	Name of places/locations where product will be sold/ marketed	::	Dodra kewar ,Chirgaon, Rohru ,Theog , Shimla ,

5. Description of product related to income generating activity

1	Name of the Product		Full design Shawl & ordinary Shwal, Stall, Border, Full design Pattu, (Full design & ordinary Dohru)&woolan Patti
2	Method of product identification		This activity has been decided by SHG members. Further, one of the members of the SHG is doing this activity. There is heavy demand in the local market which will enhance the additional income.
3	Consent of SHG/ CIG / cluster members		Yes

6. Description of Production Planning:

The Members of the group will be imparted training for the manufacturing of the products that are Full design Shawl & ordinary Shwal, Stall, Border, Full design Pattu, (Full design & ordinary Dohru) &woolan Patti etc.After training the following steps will be followed by the members of the group: -

1. The Warp and Weft (Tana and Bana) for the manufacturing of Shawl and Stall will be carried by Warping Machines. It will save the time and labour expenditure.
2. There will be division of the labour by the group members for the manufacturing of the articles.
3. The Members will bring the raw material and the distribution of articles turn by turn.
4. The Members have to work for at least 4-5 hours/day.

6.1	Time taken	::	<p>Shawl/Stall: One design shawl will be ready in 10 days after working for 4-5 hour by at least two members.</p> <p>Border: Two Border of different designs will be made in handloom in one day after working for 4-5 hour by a member.</p> <p>Pattu:Pattu of different design will be ready by 3 members in 15 days after working for 4-5 hours/day.</p> <p>Patti: Patti for Stitching coat will be ready by 3 members in 10 days after working for 4-5 hours/day</p> <p>Maflar:Maflarof different design will be ready by 3 members in 15 days after working for 4-5 hours/day</p> <p>Dhoru: :Dhoruof different design will be ready by 3 members in 15 days after working for 4-5 hours/day</p>
6.2	Number of members involved	::	20 Female.
6.3	Source of raw materials	::	Already available in Dodra kewar
6.4	Source of other resources	::	Local market/ Main market
6.5	Production cycle (in days) 30 days per day after 4-5 hour/day work.	::	<p>30 shawls</p> <p>30 stalls</p> <p>50 Border</p> <p>15 Pattu</p> <p>40 Patti</p> <p>10 Dhoru</p> <p>10 Maflar</p>
6.6	Workers Required Per Cycle (Nos.)	::	<p>04 Members for Shawl</p> <p>03 Member Stalls</p>

			02 member for Border 03 member for Pattu 03 Member for patti 03 member for Dohru 02 member for Maflar Total-20 members
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7. Raw Material Requirement and Estimated Production:

1. Shawl

Sr. No.	Particulars	Unit	Quantity	Rate per unit (Rs.)	Amount (Rs.)	Expected Production Volume
1.	Raw Material (Warp&Weft) (Oswal)	Kg.	20	2000	40000	20 Shawl
2.	Expense of Warping Machine for 30 Shawls	No.	50	25	1250	
	Total				41250	

2. Stall

Sr. No.	Particulars	Unit	Quantity	Rate per unit (Rs.)	Amount (Rs.)	Expected Production Volume
1.	Tana & Bana	Kg.	20	2000	40000	20 Stole
2.	Total				40000	

3. Border(woolen/Cashmilon)

Sr. No.	Particulars	Unit	Quantity	Rate per unit (Rs.)	Amount (Rs.)	Expected Production Volume
1.	Tana Woollen	Kg.	0.36	1500	540	50 Pieces (16 inch)
2.	Bana Cashmilon	Kg.	0.36	430	155	
	Total				695	

4. Pattu(Full Design)

Sr. No.	Particulars	Unit	Quantity	Rate per unit (Rs.)	Amount (Rs.)	Expected Production Volume
1.	Tana (100% Wool)	Kg.	5	L/S	20000	25 Pattu
2.	Bana (100% Wool)	Kg.	10			
3.	Oswal	Nos	20			
	Total				20000	

5. Patti

Sr. No.	Particulars	Unit	Quantity	Rate per unit (Rs.)	Amount (Rs.)	Expected Production Volume
1.	Tana (100% Wool)	Kg.	8	L/S	30000	20Patti
2.	Bana (100% Wool)	Kg.	20			
3.	Marina Wool	Kg	20			
	Total				30000	

6. Dhoru(Full Design)

Sr. No.	Particulars	Unit	Quantity	Rate per unit (Rs.)	Amount (Rs.)	Expected Production Volume
1.	Tana (100% Wool)	Kg.	4	L/S	20000	10 Dhoru
2.	Bana (100% Wool)	Kg.	8			
3.	Oswal	Nos	10			
4.	Marina	Kg	6			
	Total				20000	

7. Maflar

Sr. No.	Particulars	Unit	Quantity	Rate per unit (Rs.)	Amount (Rs.)	Expected Production Volume
1.	Tana (100% Wool)	Kg.	4	L/S	20000	10 Maflar
2.	Bana (100% Wool)	Kg.	4			
3.	Oswal	Nos	600			
	Total				20000	

8. Description of Marketing/Sale:

7.1	Potential market places/locations	::	Village itself, Chirgaon-90 km Rohru- 100Km, Theog,-65 km Shimla - 200Km
7.2	Demand	::	Throughout the year.
7.3	Process of identification of market	::	Group members will contact nearby villages/market
7.4	Marketing Strategy	::	SHG members will directly take orders from nearby villages/market.
7.5	Brand of the Product	::	Jai Banda kali Handloom Project

9. Details of management among group members:

- Rules will be made for management.
- The group members will distribute the tasks by mutual consent.
- The allocation will be done on the basis of efficiency and capacity of the work.

- The distribution of profit will also be done on the basis of quality of work and skill and hard work.
- 04 members having experience in marketing will do marketing in turn.
- Pradhan and Secretary will continue to evaluate and observe the management at the same time.

10. Customers

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

11. Target of the centre

The centre primarily aims at to provide unique modern and high-class knitting service to the residents of Danderwari 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.

12. SWOT Analysis

❖ 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

13. Description of potential challenges and measures to mitigate them:

Sr.no	Description of Risks	::	Measures for Risk Mitigation
13.2	It might be possible that there can be short demand in the market which will affect the sale and income.	::	For Marketing purpose additional market should be explored.
13.3	Due to decline in quality of production the sales may go down.	::	In order to maintain the quality of product, the SHG members has to follow strict guidelines.

14. Machinery, tools and other Equipment's

A. CAPITAL COST				
I. Khaddi				
Sr. No.	Particulars of machinery.	Quantity	Rate per unit	Total Amount
1.	Khadi-42 inch	10	12000	120,000
2.	Iron Press (2 kg)	5	1000	5000
3.	Spinning Wheels	7	2500	17,500
4.	Peg Wrapping Machine	7	3500	24,500
5.	Storage Box(Trunk)	2	5000	10000
6	Pit Loom	10	3000	30000
7	Scissor	10	100	1000
Total				208,000

B. Recurring cost**1. Shawl**

Sr. No.	Particulars	Unit	Quantity	Rate per unit (Rs.)	Amount (Rs.)	Expected Production Volume
1.	Raw Material (Warp&Weft) (Oswal)	Kg.	20	2000	40000	20Shawl
2.	Expense of Warping Machine for 30 Shawls	No.	50	25	1250	
	Total				41250	

2. Stall

Sr. No.	Particulars	Unit	Quantity	Rate per unit (Rs.)	Amount (Rs.)	Expected Production Volume
1.	Tana & Bana	Kg.	20	2000	40000	20 Stall
2.	Total				40000	

3. Border(Boolen/Cashmilon)

Sr. No.	Particulars	Unit	Quantity	Rate per unit (Rs.)	Amount (Rs.)	Expected Production Volume
1.	Tana Woollen	Kg.	0.36	1500	540	50 Pieces (16 inch)
2.	BanaCashmilon	Kg.	0.36	430	155	
	Total				695	

4. Pattu(Teen Phool Tara Guddi Bel)

Sr. No.	Particulars	Unit	Quantity	Rate per unit (Rs.)	Amount (Rs.)	Expected Production Volume
1.	Tana (100% Wool)	Kg.	5	L/S	20000	25 Pattu
2.	Bana (100% Wool)	Kg.	10			
3.	Oswal	Nos	20			
	Total				20000	

5. Patti

Sr. No.	Particulars	Unit	Quantity	Rate per unit (Rs.)	Amount (Rs.)	Expected Production Volume
1.	Tana (100% Wool)	Kg.	8	L/S	30000	20Patti
2.	Bana (100% Wool)	Kg.	20			
3.	Marina Wool	Kg	20			
	Total				30000	

6. Dhoru (Full Design)

Sr. No.	Particulars	Unit	Quantity	Rate per unit (Rs.)	Amount (Rs.)	Expected Production Volume
1.	Tana (100% Wool)	Kg.	4	L/S	20000	10 Dhoru
2.	Bana (100% Wool)	Kg.	7			
3.	Oswal	Nos	10			
4.	Marina	Kg	6			
	Total				20000	

7. Maflar

Sr. No.	Particulars	Unit	Quantity	Rate per unit (Rs.)	Amount (Rs.)	Expected Production Volume
1.	Tana (100% Wool)	Kg.	4	L/S	20000	10 Maflar
2.	Bana (100% Wool)	Kg.	4			
3.	Oswal	Nos	600			
	Total				20000	

Sr.no	Particulars	Price	Total (Rs)	Amount
1	Room Rent and Electricity	3000	3000	
2	Packing Material and Storage Box	7000	7000	
3	Freight Charges (Raw Material & final products)	3000	3000	
4	Other (stationary, transportation, machine repair)	1500	1500	
Total Recurring Cost (B)				186,445
Total Capital cost (A)				208,000

15. 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.

C) Total Sale				
Sr.no	Particular	Quantity	Rate (Rs.)	Amount (Rs.)
1	Shawl	20	2500	50,000
2	Stall	20	3000	60000
3	Border	25	1000	25000
4	Pattu	10	10000	100,000
5	Patti	20	2500	50000
6	Dhoru	5	10000	50,000
7	Maflar	5	10000	50000
8	suit	20	500	10000
Total (C)				395,000

Particulars	Total Amount (Rs.)	Project contribution (75%)	SHG contribution (25%)
Total capital cost	208,000	156,000	52000
Recurring cost	186,445	0	186,445
Total	394,445	156,000	283445

Total sale in a month = **395,000**

However, an amount of rupees 156,000 is the project support therefore for calculation purpose this amount can safely be deducted from the expenditure column and the net income can be re-cast again. Moreover the members of SHG will be doing the job collectively therefore the wages have not been taken into account.

16. Sharing of the profit

The members of SHG have mutually agreed with consent voice that in the 1st month Rs. 28,571 will be paid to each member as income and the remaining profit of Rs. 154,615 will be kept as emergency reserve in their bank account to meet up the future contingency, if any.

17. Fund flow in the group:

Sr.No.	Particulars	Total Amount (Rs)	Project contribution	SHG contribution
1	Total capital cost	208,000	156,000	52000
2	Total Recurring Cost	186,445	0	186,445
3	Trainings	70,000	1,00,000	0
	Total outlay	464,445	256,000	238445

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

- The self-help group shall be imparted training local trainer available at Bari. The payment will be released to the trainer only after the entire satisfaction of the training.

18. Sources of funds and procurement:

Project support;	<ul style="list-style-type: none"> • 75% of capital cost will be utilized for purchase of machines. • Upto Rs. 1 lakh will be parked in the SHG bank account as a revolving fund. • Trainings/capacity building/skill up-gradation cost. 	Procurement of machines will be done by respective DMU/FCCU after following all codal formalities.
SHG contribution	<ul style="list-style-type: none"> • 25% of capital cost to be borne by SHG. • Recurring cost to be borne by SHG 	

19. Trainings/capacity building/skill up-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

20. 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

21. 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.

Group members Photos-



List of Rules of the House of Interest

1. Group work: handloom;
2. Total members of the group: 20
3. Interest will be Rs.2 for every Rs.100 in the group.
4. Monthly meeting of the group will be held on 15th of every month.
5. All the members of the group will deposit the amount saved every month in the group.
6. All the members will have to attend the meeting of the Self Help Group.
7. Self help group account will be opened in HP State Co-Operative Bank Dodra Kewar
8. In order to be present in the group meeting, permission will have to be taken by telling the principal and secretary the proper work.

In the group who does not deposit the amount of savings or remains absent from the group for 3 meetings, then that person will be removed from the group.

9. The person who remains present in the group without giving reasons, then the next meeting will be held in the house of that person whose expenses will have to be paid by that person himself, if there are two members, then the expenses will have to be paid together.

10. The head and the secretary of the Self Help Group will be elected by consensus.

11. Principal and Secretary can do transactions with the bank, this post will be valid for one year.

12. The head, secretary or member will not do any work against the group and will always use the amount of the group.

13. If the member wants to leave the group due to any reason, if this person has taken the loan, then the group has to be returned, only then he is able to leave the group otherwise not

14. The purpose of the loan, the time of repayment of the amount, the instalment of the loan and the rate of interest will be decided in the meeting.

15. In case of emergency, the principal and the secretary should have at least Rs 10

16. The register of SHGs should be read and written in front of all the members.

17. Large borrowers will have to give a week's advance notice.

18. Loans should be available to all the members in times of need.

19. If the member wants to leave the group without any reason, then the deposits of that member will be divided in the group

BUSINESS PLAN APPROVED BY VFDS

Sage Mata Mandis & Self help group will undertake the *(Wearing) Khadi Paki* as livelihood Income Generation Activity under the project for Improvement of Himachal Pradesh Forest Ecosystems Management & Livelihoods (JICA Assisted). In this regard Business Plan of amount (Rs) has been submitted by this group on dated 8-5-2023 and this business plan has been approved by *Jai Kewar VFDS Dhandewari Jakh*

Business Plan with SHG resolution is being submitted to DMU through FTU for further action, please.

Thank you

Signature Of VFDS President


प्रधान *S. K. Sharma*
जय क्वार जाख ग्रामीण वन विकास
संस्थिति धन्डवाडी तह0 डोडरा-क्वार
जिला शिमला हि0 प्र0 171221

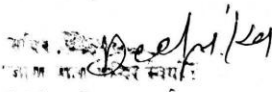
Signature Of VFDS Secretary

(Signature)
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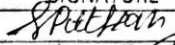
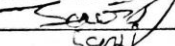
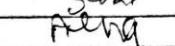
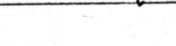
RESOLUTION-CUM-GROUP CONSENSUS

It is decided in the General House Meeting of the group Dhandla wari held on 22 (Gurga Mata)
28-5-2022 at Kewar that our group will undertake the Khachli Rati Wood
Livelihood Income Generation Activity under the Project for Improvement of Himachal Pradesh Forest Spinning
Ecosystems Management & Livelihoods (JICA Assisted).


Signature of Group President

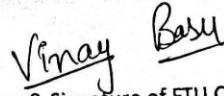

Signature of Group Secretary

NAME & SIGNATURE OF AUTHORIZED SIGNATORIES


S.No.	NAME	DESIGNATION	SIGNATURE
1.	MAN Mahan	Vfds president	
2.	Tinle - Pw	Vfds Secretary	
3.	Saki Dive	Shg president	
4.	Asha	Shg secretary	

Submitted to DMU through FTU


Name & Signature of FTU Officer


Name & Signature of FTU Co-ordinator

Approved


Name & Signature of DMU Officer

