



Business Plan for Enhance Livelihoods

HANDLOOM

Caps & Lady Jackets

“Samridhi” Self-Help Group, Dughilag



Village Forest Development Society -----Dughilag
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 Dughilag 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 Dughilag is located in Lagvalley at a distance of about 12 km from Kullu headquarters. The main occupation of the people in village Dughilag 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, Dughilag 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, 03 self-help groups were formed in Dughilag in the form of "Samridhi" "Jai Baba Veer Nath" and "Prerna" self-help groups. After this, "Samridhi" self-help group decided to work on handloom. 16 members joined this group.

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

To prepare the livelihood enhancement business plan of "**Samridhi**" 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. Hem Raj Bhardwaj (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	"Samridhi"
2.2	Manual for Management of Information System of SHG	Attached in Page No. 21
2.3	Village Forest Development Society	Dughilag
2.4	Forest Range/FTU	Bhutti
2.5	Forest Division/ DMU	Kullu
2.6	Village	Dughilag
2.7	Development	Kullu
2.8	District	Kullu
2.9	Total Members in SHG	16
2.10	SHG Formation	May, 2024
2.11	Bank Account Number	88311300002540
2.12	Name of Bank & Branch	HGB Sarwari, Kullu
2.13	Monthly Saving SHG	100
2.14	Total Saving SHG	6400
2.15	Loan given to members among themselves	
2.16	Cash deposit limit	
2.17	Repayment Status	11 Month

List of Samridhi Self-Help Group

Sr. No.	Name & Address of Members	Designation	Age	Sex	Qualification	Category	Contact No.
1	Smt. Chhalesh W/O Sh. Thakar	Pradhan	32	Fe	8 th .	Gen	9805473992
2	Smt. Parvati W/O Sh. Partap	Secretary	39	Fe	8 th .	Gen	7876471559
3	Smt. Nisha W/o Sh. Kulbir	Cashier	36	Fe	12 th .	Gen	9459998429
4	Smt. Kamla W/o Sh. Om Parkash	Member	39	Fe	8 th .	Gen	9418621525
5	Smt. Rukmani W/o Sh. Parmanand	Member	38	Fe	8 th .	Gen	9317541812
6	Smt. Roshani W/o Sh. Ramesh	Member	44	Fe	5 th .	Gen	8580872197
7	Smt. Jamna W/o Luxman	Member	30	Fe	8 th .	Gen	7018342252
8	Smt. Rukmani W/o Sh. Girdhari	Member	38	Fe	8 th .	Gen	7876805171
9	Smt. Rinkeshwari W/o Sh. Bhimsain	Member	42	Fe	12 th .	Gen	6230350960
10	Smt. Beena Devi W/o Sh. Chobe Ram	Member	49	Fe	12 th .	Gen	8580430597
11	Smt. Asha Devi W/o Sh. Sunil	Member	32	Fe	12 th .	Gen	9015090980
12	Smt. Shashi W/o Sh. Ravi	Member	30	Fe	12 th .	Gen	9805146955
13	Smt. Beena Devi W/o Sh. Sohan	Member	29	Fe	10 th .	Gen	8580410756
14	Smt. Meera Devi W/o Sh. Bhag Chand	Member	48	Fe	12 th .	Gen	8219122929
15	Smt. kali Devi W/o Sh. Fateh	Member	43	Fe	10 th .	Gen	9015298487
15	Smt. Manorama W/o Sh. Resham	Member	50	Fe	8 th .	Gen	7876633099



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 Jacket
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. 21

5. Details of Production Processes

First of all, the members of the self-help group will be given training by the project on making Stoles, Caps and Jackets 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 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: -

2. Kulvi Caps

Stoles of different designs will be prepared by 12 members. If one member works for 4 to 5 hours per day, 04 Caps will be prepared in 01 days.

3. Ladies Jacket

Stoles of different designs will be prepared by 04 members. If one member works for 4 to 5 hours per day, 01 Jacket will be prepared in 03 days.

6.Details of planning for production

6.1	Production cycle (in days) 30 days (working 4-5 hours per day)	1440 Kulvi Caps 40 Ladies Jacket
6.2	Workers required per cycle (number)	12 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			20%	47
	Total Cost				284

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			50%	237
	Total Cost				712

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 दुधिलग टोपी व जैकट 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	12 Sewing Machine (Rs. 7500 per)	90000
2	04 Sewing Machine (Rs. 34000 per)	136000
3	16 Scissors (Rs. 650 per)	10400
4	16 Press (Rs. 1600 per)	25600
5	16 Cutting Sets (Rs. 450 per)	7200
6	16 Machine Belt (Rs. 100.75 per)	1612
7	16 Cutters (Rs. 88.66 per)	968
8	16 Press wire (Rs. 250 per)	4000
	Total Capital Expenditure	275780

11b.Recurring Cost (Per Circle)

Sr.	Particulars	Unit	Qty.	Rate	Amt.	Expected Production
Caps						
1	Tapid Patti	Cm	288	170	48960	1440 Caps
2	Buckram	Cm	576	40	23040	
3	Bulli	Cm	288	30	8640	
4	Pasting	Cm	144	90	12960	
5	Magji Cloth	Cm	216	30	6480	
6	Kullu Border Patti	16 Inch/Piece	1440	140	201600	
7	Sewing Thread	No.	1440	LS	150	
Total Recurring Cost					301830	
	Service Charge		5%		15091	
	Total Production Cost				316921	
	Profit		15%		47538	
	Total				364459	

Sr.	Particulars	Unit	Qty.	Rate	Amt.	Expected Production
Ladies Jacket						
1	Tapid Patti <i>Supper 40 No.</i>	Mtr.	0.80	200	6400	40 No. Ladies Jacket
2	Bulli	Mtr.	1.50	30	1800	
3	Pasting	Mtr.	0.5	80	1600	
4	Machine Border	Mtr.	1.5	25	1500	
5	Sewing Tread & Baton	Piece	-	6	240	
6	Kaj ki Labour			20	800	
7	Sewing Labour			Ls	200	
	Total Recurring Cost				12540	
	Service Charges			10%	1254	
	Total Production Cost				13794	
	Profits			40%	5518	
	Total				19312	

12. Summary of the Economy

Cost of Production

Sr. No.	Particulars	Amount
1	Total recurring cost	314370
2	10% annual interest on capital expenditure	2757
3	10% annual interest on loan	3050
	Total	320177

13. Assumptions

Calculation of Selling Price

For One Caps				
3	Production Cost	No.	1	237
	Defined Benefits %	Per	20	47
	Total Cost + Benefits	No.	1	284
	Market Price	No.	1	350
For One Ladies Jacket				
	Production Cost	No.	1	475
	Defined Benefits	Per	50	237
	Total Cost + Benefits	No.	1	712
	Market Price	No.	1	900

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)	-	-	-	2757
2	Recurring Coat (B)			-	
2.1	Kulvi Caps				301830
2.2	Ladies Jacket				12540
	Total (B)				314370
3	Total Production (Kulvi Caps)	No.	1440		
4	Product sales (Kulvi Caps)	No.	1440		
5	Income from product sales (Kulvi Caps)	No.	1440	284	408960
6	Total Production (Ladies Jacket)	No.	40		0
7	Product sales(Ladies Jacket)	No.	40		0
8	Income from product sales (Ladies Jacket)	No.	40	712	28480
	Total (S)				437440
10	Total Benefits S-(A+B) 437440 - (2757+314370) = 317127				120313
11	Gross profit from product sales				120313
12	Amount available for distribution among members as profit after one cycle = Income from sale of product – (Amount required for principal and interest refund) 120313-30500=89813				89813

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	275780	206875	68945	0
2	Recurring Cost	314370	0	0	314370
	Total	590150	206875	68945	314370
	Note	Requirement of funds is approximately 320000.00			

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	206875
2	Internal savings of the group	15000
	Total	221875

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	12 Sewing Machine	22500	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	04 Sewing Machine	34000	
3	16 Scissors	2600	
4	16 Press	6400	
5	16 Scale sets	1800	
6	16 Machine Belt	403	
7	16 Cutters	242	
8	16 Press Wire	1000	
	TOTAL	68945	
9	RAW Material	314370	
	G. Total	383315	

18. Calculation of Break-even Point/Situation

(Break Even Point)

Calculation of Break-even Point of Kulvi Caps

$$= 275780/284 = 971 \text{ days}$$

Calculation of Break-even Point of Ladies Jacket

$$= 275780/712 = 387 \text{ days}$$

Calculation of Total Break-even Point = $971 + 387 = 1358 \text{ days}$

$$= 275780/1358 = 151 \text{ days}$$

In this process the breakeven point can be achieved in 151 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					320000	2666.67	322667
2	Month-2	27833.3	2666.67	30500	30500	292167	2434.72	294601
3	Month-3	28065.3	2434.72	30500	30500	264101	2200.84	266302
4	Month-4	28299.2	2200.84	30500	30500	235802	1965.02	237767
5	Month-5	28535	1965.02	30500	30500	207267	1727.23	208994
6	Month-6	28772.8	1727.23	30500	30500	178494	1487.45	179982
7	Month-7	29012.5	1487.45	30500	30500	149482	1245.68	150728
8	Month-8	29254.3	1245.68	30500	30500	120228	1001.9	121230
9	Month-9	29498.1	1001.9	30500	30500	90729.5	756.079	91486
10	Month-10	29743.9	756.079	30500	30500	60985.6	508.213	61494
11	Month-11	29991.8	508.213	30500	30500	30993.8	258.282	31252
12	Month-12	30999.7	258.282	31258	31258	-5.9126	-0.0493	-5.9619
		320006		336258	336258			

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 89813/- 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	24 Days	16	750	18000	Rs. 750-00 Per Day
2	Boarding & Lodging	24 Days		150	3600	Rs. 150 Per Day
3	Raw Material	24 Days	16	1000	16000	Rs.1500 Per Members
4	Training Hall Rent (Two Room)	24 Days	-	1500	3000	Rs. 1500 Trg. Period
5	Transportation Charges	-	-	-	1000	Rs. 1000 One Time
	Total				41600	



22. Attachment



List of Rule of Samridhi Self-Help Groups

1. Group work: Handloom
2. Group address: village -Dughilag
3. Total members of the group: 16
4. Date of the first meeting of the group;
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 04th.
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 88311300002540.
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 “Samridhi” SHG Dughilag



Smt. Chhalesh Kumari
Pradhan



Smt. Parvati Devi
Secretary



Smt. Nisha Devi
Cashier



Smt. Kamla Devi
Member



Smt. Meera Devi
Member



Smt. Shashi Thakur
Member



Smt. Rinkeshawri
Member



Smt. Asha Devi
Member



Smt. Rukmani Devi
Member



Smt. Rukmani Devi
Member



Smt. Beena Devi
Member



Smt. Roshani Devi
Member



Smt. Kali Devi
Member



Smt. Manorma Devi
Member



Smt. Jamna Devi
Member

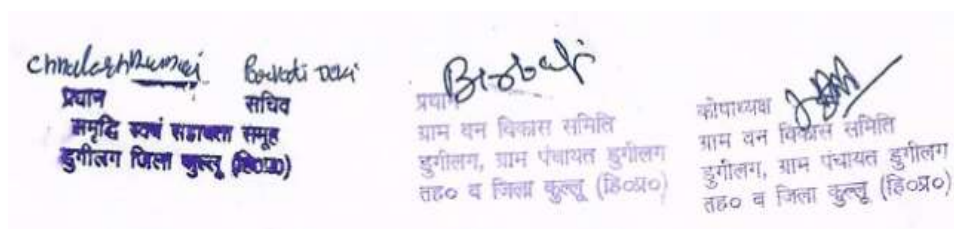


Smt. Beena Devi
Member

Agreement

(Sahmti Patra)

Today on **22.08.2024** a meeting of **"Samridhi" self Help Group Dughilag** was held under the chairmanship of Pradhan **Smt. Chhalesh Kumari** in which all the members of the group participated. The draft of the Handloom Business plan document prepared by the members of **"Samridhi" Self Help Group Dughilag** 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 **"Samridhi" Self Help group Dughilag** unanimously agreed to continue working on Handloom to increase their livelihood.



The image shows three handwritten signatures and stamps. The first signature is 'Chhalesh Kumari' with a stamp that reads 'प्रधान', 'समृद्धि ग्राम सहायता समूह', 'हुगीलग जिला कुल्लु (हि०प्र०)'. The second signature is 'Bibek' with a stamp that reads 'ग्राम वन विकास समिति', 'हुगीलग, ग्राम पंचायत हुगीलग', 'तह० व जिला कुल्लु (हि०प्र०)'. The third signature is 'K. S. Bhatti' with a stamp that reads 'कोषाध्यक्ष', 'ग्राम वन विकास समिति', 'हुगीलग, ग्राम पंचायत हुगीलग', 'तह० व जिला कुल्लु (हि०प्र०)'.

Approval

Today on **06.09.2024** the Divisional Management Unit and Forest Divisional Officer Kullu approved the Handloom Enhancing Livelihood Business Plan of **"Samridhi" Self Help group Dughilag**



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