



Business Plan for Enhance Livehood

HANDLOOM

(Shawl & Stole)

Kamna Self-Help Group, Padhar



Village Forest Development Society -----Lot Padhar
Gram Panchayat-----Barahar
Forest Range -----Kullu
Forest Division-----Kullu
Forest Circle-----Kullu

Project for Improvement of Himachal Pradesh Ecosystems Management & Livelihoods

Table of Contents

Sr.No	Particulars	Page
1	Introduction	3-4
2	Description of SHG	5-6
3	Geographical detail of the Village	7
4	Description of product related to Income Generating Activity.	7
5	Production Processes.	8
6	Production Planning	8-9
7	Sale and marketing	10
8	Detail of among Members	11
9	SWOT Analysis	11
10	Description of Potential risks and measures to mitigate them.	12
11	Description of Economics of the Project	13-14
12	Summary of Economics	14
13	Assumption	14
14	Benefit cost Analysis	15
15	Fund Requirement	11
16	Financial resources of the Group	16
17	Plaining of the fund requirment	16
18	Calculation of Break Point situation	17
19	Loan Repayment schedule	17
20	Remarks	18
21	Training	18
22	Atteachment	19
23	List of rules of SHG	20
24	Photograph of CIG/SHG members	21
22	Agreement	22

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 Padhar is located in Gram Panchayat Barahar 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 Padhar is located in Maharaja at a distance of about 16 km from Kullu headquarters. The main occupation of the people in village Padhar 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 Stall Shawl & 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, Lot Padhar 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 Lot Padhar the form of "Kamna", "Kali Narayan" self-help groups. After this, "Kamna" self-help group decided to work on handloom. 10 members joined this group.

Based on the advice, suggestions and experiences of handloom expert Shri Jugat Ram Him Weaver Technical Assistant along with "Kamna" 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 “Kamna” self-help group in making shawls and stoles along with giving Rs. 100000/- as revolving fund.

To prepare the livelihood enhancement business plan of “Kamna” 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), with the cooperation of Miss Angel Sharma, Forest Range Officer, Kullu Sh. Sunny Forest Block Officer, Kullu, this livelihood enhancement business plan was finalized.

2. Description of SHG

2.1	Name of Self-HelpGroup	"Kamna"
2.2	Manual for Management of Information System of SHG	Attached in Page No. 20
2.3	Village Forest Development Society	Lot Padhar
2.4	Forest Range/FTU	Kullu
2.5	Forest Division/ DMU	Kullu
2.6	Village	Padhar
2.7	Development	Kullu
2.8	District	Kullu
2.9	Total Members in SHG	10
2.10	SHG Formation	March 2017
2.11	Bank Account Number	50065678604
2.12	Name of Bank & Branch	KCC Bank, Gandhi Nagar Kullu
2.13	Monthly Saving SHG	50
2.14	Total Saving SHG	47259
2.15	Loan given to members among themselves	
2.16	Cash deposit limit	
2.17	Repayment Status	

List of Kamna Self-Help Group

Sr no	Name	Name of Father/Husband	Designation	Category	Age	Sex	Qualification	Cont. No.
1	Smt. Chatra devi	Sh.Bheem Sein	President	General	36	Female	10 th	9816617027
2	Smt.Shela Devi	Sh.Tikam Ram	Secretary	General	30	Female	10 th	6230700190
3	Smt. Ghumri Devi	Sh. Budh Ram	Treasure	General	31	Female	10 th	9625196577
4	Smt.Sarla Devi	Sh.Roop Chand	Member	General	43	Female	5 th	9805343384
5	Smt.Reshma devi	Sh.Ram Singh	Member	General	44	Female		8628987591
6	Smt.Kanta Devi	Sh.Inder Singh	Member	General	48	Female	5 th	9459990439
7	Smt.Chandra Devi	Sh.Bhagat Ram	Member	General	49	Female	-	8894580417
8	Smt.Ruchi	Sh.Inder Singh	Member	General	27	Female	10 th	7018704468
9	Smt.Champa devi	Sh.Roop Chand	Member	General	43	Female	5 th	9015199116
10	Smt.Nirmla devi	Sh.Tulsi Ram	Member	General	29	Female	5 th	8219452415



3. Geographical details of Village

3.1	Distance from District HQ	Road to 22 KM & 1km on foot
3.2	Distance from Main Road	Road to 18 KM. & On foot 1km
3.3	Name of Local Market & Distance	Kullu 18 KM.
3.4	Name of Main Market & Distance	Kullu 18 KM.
3.5	Distance from Main City	Kullu 18KM, Bhuntar 18 KM, Manali 60 KM, Shamshi 13 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 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. 07 members of the group will work on making stoles.
2. 3 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 07 members. If one member works for 4 to 5 hours per day, one stole will be prepared in 5days.

2. ShawlPattu2/48 Australian Wool Yarn

Stoles of different designs will be prepared by 02 members. If one member works for 4 to 5 hours per day, one Shawl Pattu will be prepared in 15days.

6.Details of planning for production

6.1	Production cycle (in days) 30 days (working 4-5 hours per day)	42 Stoles 04Shawl
6.2	Workers required per cycle (number)	07 members for stole 02 members for Shawl 01 member marketing Total 10 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
		Unit	Qty.	Rate	Amt	Qty	Rate	Amt.		
1	April	Kg.	19.44	1500	29160	2.16	450	972	48	Stall42 & 04Shawl Per Circle
2	May	Kg.	19.44	1500	29160	2.16	450	972	48	
3	June	Kg.	19.44	1500	29160	2.16	450	972	48	
4	July	Kg.	19.44	1500	29160	2.16	450	972	48	
5	August	Kg.	19.44	1500	29160	2.16	450	972	48	
6	September	Kg.	19.44	1500	29160	2.16	450	972	48	
7	October	Kg.	19.44	1500	29160	2.16	450	972	48	
8	Nov/	Kg.	19.44	1500	29160	2.16	450	972	48	
9	December	Kg.	19.44	1500	29160	2.16	450	972	48	
10	January	Kg.	19.44	1500	29160	2.16	450	972	48	
11	February	Kg.	19.44	1500	29160	2.16	450	972	48	
12	March	Kg.	19.44	1500	29160	2.16	450	972	48	
	Total		233.28		349920	25.92		11664	576	

- In each cycle (per month) 42 stoles & 04 Stall will be made by the group.
- In a year 504 stoles & 48 Shawl 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	18 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 Kamna
7.11	Product slogan	शोभला गांव, शोभला कोम, श्रति भर नहीं काण । यह सा कामना स्टील 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	10Khaddi of 35 inches (Rs.10500 per Khaddi)	105000
2	08 Charkhas and Uri Stand (Rs. 1800 per Charkha and Uri Stand)	14400
	Total Capital Expenditure	119400

11B.Recurring Cost (Per Circle)

Sr. No.	Particulars	Unit	Qty.	Rate	Amt
1	Stole				
A	Raw Material (Threads)	Kg.	0.270	1500	17010
B	Raw Material (Kaishmilon)	Kg.	0.030	450	567
C	Warping machine cost (for 42Stole)	No.	42	20	840
D	Labour(01Members 4-5 (Hour/Day) 30x1x300	Days	30	300	9000
E	Others Expenditure (Packing, Pamphlets)				1000
	(A+B+C+E)				19417
	Total Recurring Cost				19417

1	Shawl				
A	Raw Material (Threads)	Kg.	0.800	1500	4800
B	Raw Material (Kaishmilon)	Kg.	0.100	450	180
C	Warping machine cost (for 04Shawl)	No.	08	50	400
D	Labour(01Members 4-5 (Hour/Day) 30x1x300	Days	30	300	9000
E	Others Expenditure (Packing, Pamphlets)				200

	(A+B+C+E)				5380
	Total Recurring Cost				24797

12. Summary of the Economy

Cost of Production

Sr. No.	Particulars	Amount
1	Total recurring cost	24797
2	10% annual interest on capital expenditure	1190
3	10% annual interest on loan	2500
	Total	28487

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
For One Shawl				
2	Production Cost	No.	1	1345
	Defined Benefits	Per	30	404
	Total Cost + Benefits	No.	1	1749
	Market Price	No.	1	2200

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)	-	-	-	1167
2	Recurring Coat (B)			-	
2.1	Stole				24797
	Total (B)				24797
3	Total Production (Stole)	No.	42		
4	Product sales (Stole)	No.	42		
5	Income from product sales	No.	42	677	48744
6	Total Production (Shawl)	No	04		
7	Product sales (Shawl)	No	04		
8	Income from product sales	No	04	1749	6996
	Total (S)				55740
9	Total Benefits $S-(A+B) 55740 - (1167+24797) = 29776$				29776
10	Gross profit from product sales				29776
11	Amount available for distribution among members as profit after one cycle = Income from sale of product – (Amount required for principal and interest refund $29776-2500=27276$)				27276

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	119400	89550	29850	0
2	Recurring Cost	24797	0	0	24797
	Total	144197	89550	29850	24797
	Note	Requirement of funds is approximately 25000.00			

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	89550
2	Internal savings of the group	47259
	Total	136809

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	10Khadi35 Inch	26250	25% advance should be given for Khaddi, Charkha and Uri from the assistance amount by the group.
2	08 Charkha with Uri Stand	3600	
	TOTAL	29850	
3	RAW Material	34197	
	G.Total	64047	

18. Calculation of Break-even Point/Situation

(Break Even Point)

Calculation of Break-even Point of Stole

= $116700/1567$ 48 days

Calculation of Total Break-even Point = $116700/404$ = 289days

In this process the breakeven point can be achieved in 208 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					25000	208.333	25208
2	Month-2	2291.67	208.333	2500	2500	22708.3	189.236	22898
3	Month-3	2310.76	189.236	2500	2500	20397.6	169.98	20568
4	Month-4	2330.02	169.98	2500	2500	18067.5	150.563	18218
5	Month-5	2349.44	150.563	2500	2500	15718.1	130.984	15849
6	Month-6	2369.02	130.984	2500	2500	13349.1	111.242	13460
7	Month-7	2388.76	111.242	2500	2500	10960.3	91.3362	11052
8	Month-8	2408.66	91.3362	2500	2500	8551.67	71.264	8622.9
9	Month-9	2428.74	71.264	2500	2500	6122.94	51.0245	6174
10	Month-10	2448.98	51.0245	2500	2500	3673.96	30.6164	3704.6
11	Month-11	2469.38	30.6164	2500	2500	1204.58	10.0382	1214.6
12	Month-12	1204.96	10.0382	1215	1215	-0.382	-0.00318	-0.3852
		25000.4		26215	26215			

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(46) in the first cycle. This will generate an average income of Rs27148/- 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. 150Per Day
3	Raw Material	45 Days	10	1500	15000	Rs.1500 Per Members
4	Training Hall Rent	45 Days	-	100	4500	Rs.4500 one time
5	Transportation Charges	Khaddi, Charkha	-	-	1600	Rs. 1600 One Time
	Total				95350	

22. Attachment



List of Rule of Self-Help Groups

1. Group work: Handloom
2. Group address: village -Padhar
3. Total members of the group: 10
4. Date of the first meeting of the group; March 2017
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 20th.
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 Gandhinagar Kullu Account number 50065678604
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 Principal and Secretary of the Self -Help Group shall be elected unanimously
14. The principal and secretary can transact with the bank, this post will be valid for one year.
15. The Principal, 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 principal 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 Kamna Self Help Group



Smt. Chatra Devi
Pradhan



Smt. Sheela Devi
Secretary



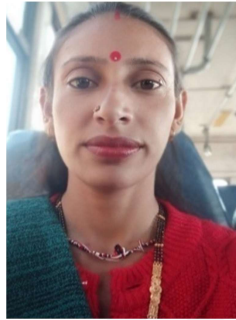
Smt. Ghumri Devi
Cashier



Smt. Chandra Devi
Member



Smt. Ruchi Devi
Member



Smt. Nirmla Devi.
Member



Smt. Sarla Devi
Member



Smt. Champa Devi
Member



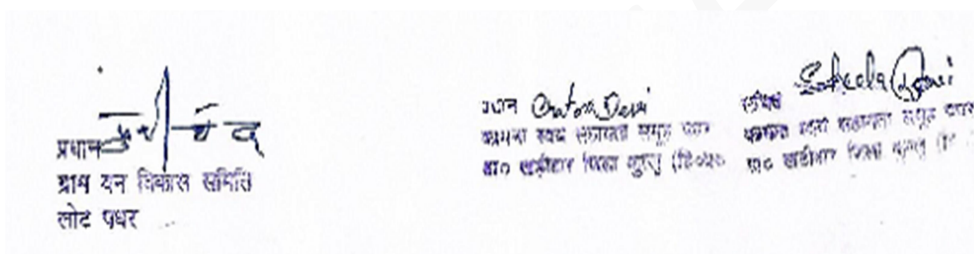
Smt. Kanta Devi
Member



Smt. Reshma Devi
Member

Agreement

Today on 20.11.2023 a meeting of **Kamna Self Help Group Padhar** was held under the chairmanship of Pradhan Smt. **Chatra Devi** in which all the members of the group participated. The draft of the Handloom Business plan document prepared by the members of Kamna Self Help Group Padhar 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 Kamna Self Help group Padhar unanimously agreed to continue working on Handloom to increase their livelihood.



Approval

Today on 28.12.2023 the Divisional Management Unit and Forest Divisional Officer Kullu approved the Handloom Enhancing Livelihood Business Plan of Kamna Self Help Group Padhar

