

1. EXECUTIVE SUMMARY

Kullu is very famous not only for its picturesque beauty but also for its colourful and appealing shawls made on hand looms. But due to invasion of power looms and lack of out side exposure the demand for the product is on diminishing side of product life cycle.

The history of Kullu shawls dates back to pre-independence era and the product has evolved from ordinary pattu type to vegetable dyed shawls of various designs.

Most of the weavers are job workers who weaves for master weavers and cooperative societies and receives wage, which varies based upon their skill. There is HP Apex Weavers Society which also provides weaving work for those who registered under the society.

Though there is sufficient raw material availability within the cluster but is provided at comparatively higher cost. Market is the main problem, as most of the product is sold through intermediaries and direct marketing is very less. In technology, skill up gradation and capacity building are very much required with emphasis on design development.

Though the linkage with Public service providers is good but the same is lacking as far as commercial service providers are concerned. As such linkage with NIFT, NID for design development and Private Market consultants for identifying niche market is very much required.

With proper interventions and help from DC, Handlooms the Kullu Shawl cluster can evolve as model cluster with in the given time frame of four years.

2. INDUSTRY SCENARIO

The textile industry has been the backbone of Indian economy, in view of its significant contribution to GDP (4%), industrial output (14%), foreign exchange earnings (1/3rd of total foreign exchange) and employment (next to agriculture). In the global scenario of handlooms world capacity is 4.60 millions . India is in number one position which posses 3.90 millions (85% of total handlooms world capacity).

Cotton is the most important natural fibres, accounting for almost half of all textiles in the world. It is an excellent clothing material with huge variety of uses. Because it is so strong it can be made into fine, thin textiles, as well as hard-wearing fabrics like denim. Cotton is now the world's most important non-food crop covering five percent of the planet's cultivated land area. It is grown in more than 80 countries around the world. Cotton has been grown and used by people in many parts of the world for at least 5000 years. India is producing 312 millions of cotton yarn bales per annum. India account for about 12% of the world's production of textile fibres and yarn and second largest producer of silk and cellulose fibre and yarn and fifth largest producer of synthetic fire and yarn. Pieces of woven and dyed cloth, dating back as far as 3000 BC found near the Indus River in India. For ancient Greeks and Romans, the muslins of the Ganges delta are were an exotic and expensive luxury. The Indian textiles is one of the oldest industry in the country, renowned for their fineness and captivating colours for ages beyond 5000 years have attracted connoisseurs from all parts of the world. The handloom industry is second largest provider of employment after agriculture and it is estimated that it provides employment to 124 lakh persons working on 39 lakh looms. The share of the handlooms has around 20 percent of the total cloth production in the country.

Handloom weavers have been capable of producing cloth as per demand and designs required from time to time since the British India. Britain's first links with India came about through trading cotton and other goods. In the seventeenth century, the East India Company began bringing cloth from West India, shawls and

silks from Kashmir, spices from the East Indies and Ceylon and sugar from Bengal. In return India brought metals, novelties and ivory. Visitors to India were impressed by the sophistication and skill of its crafts people, by the range of products and by the way in which manufacturing was organized and controlled by the State. Indian cloths were so popular that they transformed European fashion. When the British occupied India their trade was to sell finished cotton goods. They found a readily available market in India, as it is a huge country with large number of people. However in process they have realized that the handloom industry in India is one of the finest world. There fore they systematically destroyed the local based industry, disposed the people, cut the fingers of hand loom weavers, levied excess taxes have done their best to destroy the Indian Handloom Industry.

In addition to this rewards were given to those Indians who adopted westernization and the British fashions. Over period of time this combination had severe impact to the handloom industry and resulted in series set back and loss to the handloom industry. Since the handloom weavers have been facing tremendous depression and problems. They lost their market, wages and they were systematically obscured, humiliated and disposed.

During this time Mahatma Gandhi who was leading the Independent movement, he realized that India and Indian industry have to survive a different approach for development must be adopted. This approach must be village based and takeup village industries development. To stress on this point he initiated steps to create awareness among the people he started Swadeshi movement. The swadeshi movement encourage the people to buy the home made Indian products introduced khadi and khadi made a popular cloth when fighting for independence.

After independence the Indian Government started Khadi and Village Industries Commission to develop Village Industries especially for the spinning and weaving industries in rural areas. After few decades the Indian cloth industry was modernized and systematic disposement and discouragement of handloom

industries was prevailing. Since then handloom industry has been facing serious problems. It resulted in the poor weavers the Government initiated few steps like supply of yarn at subsidized price, retail selling outlets for weavers co-operative societies, project package scheme, handloom development centre, Integrated Handloom Village Development scheme etc., all over the country.

Handloom Industry Scenario

Handloom is one of the oldest cottage industries in India. Despite the onslaught of modern technology based industrialization and the proliferation of powerlooms and composite textile mills in independent India, handlooms continues to occupy a prominent place in the country's economy. In a capital scarce and labour surplus economy like India, this traditional cottage industry has remained as a major source of employment and livelihood to the people next only to agriculture. During the year 1988-89, it provided direct employment to 7.8 million persons and produced 3665 (13.8 %) million metres of cloth out of a total production of 26,554 million metres of cloth produced in the textiles sector of the country. In addition to the direct employment, it provides indirect employment to 1.5 persons per every weaver in the loom engaged in production. Besides all these, the industry through the back ward and forward linkage effect generates employment for many others such as loom and accessories manufacturers such as dyers, printers, processors etc., On the whole the handloom industry provides an employment of 5.5 % of the employment in the decentralized sectors of the country's economy. Goods manufactured in handlooms also have high export potentiality. The handloom sector accounts for about 4 % of the total textile and clothing exports in the country, in terms of value rupees 2600 crores. United States and European are the predominant export markets apart from Japan and Australia. Together they constitute nearly 70 % of the handloom textile export. Efforts to tap new markets like Australia and New Zealand are in progress.

Government policy

New Textile policy has been framed to give direction and focus on strategic thrust areas. Some of important objectives are:

Facilitate the Textile industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing. Develop a strong multi-fibre base product up gradation and diversification.

Sustain and strengthen the traditional knowledge, skills and capabilities of weavers and craftspeople.

Make Information Technology, an integral part of the entire value chain of textile production and thereby facilitate the industry to achieve international standards in terms of quality, design and marketing.

Involve and ensure the active co-operation and partnership of the State and Central governments, Financial Institutions, Entrepreneurs, Farmers and Non Governmental Organizations in the development of the textile industry.

Strengthen and encourage the handloom industry to produce value added products and assist it to forge joint ventures to secure global markets.

Facilitate the growth and strengthen HRD Institutions like NIFT on innovative lines.

Some of the Programs launched during the last few years:

Project package Scheme: This will provide working capital, training for up gradation of artisans skills and showroom cum godown (marketing).

Deen Dayal Hathkargh protshan Yojana: This will support and assist for training the weavers any new techniques of weaving and total gamut of handloom activities.

Health Package Scheme: This will assist for the treatment of professional diseases.

Integrated Handloom Village Development Scheme: This scheme enable to provide common facility centers, training, purchase of new looms, housing etc.,

Handloom Development Centre: This scheme provides Quality dyeing unit and Training to the weavers.

Bunkar Bima Yojana Insurance Scheme: This scheme is for the weavers.

Economic research and Market Intelligence Unit: To organize the collection and dissemination of information for the benefit of all for effective planning and strategy to overcome the competition in the international market.

Nodal Centre for Upgradation of Textile Education (NCUTE): NCUTE is engaged in mapping the present textile education scenario at various levels of human resource requirement, identifying the quantitative and qualitative gaps and well prepare an action plan supported by the required information to fill these gaps based on sector wise felt needs.

National Centre for Textile Design (NCTD): This center has been set up with website to provide colour and trend forecasts, designs, motifs and database of different kinds of handloom weavers, designers, exporters, machine suppliers etc.,

National Centre for Design and product Development for Handicrafts: This Centre caters to the design and technology related needs of the handicrafts sector and provide the services of reputed national and international design experts to the small scale and cottage handicraft industry to enable them to compete in the world market.

3. HISTORICAL EVOLUTION

Geographic Location



Kullu is the district head quarters situated in the state of Himachal Pradesh. It is well connected by Road and air.

History



During the pre-independence era clothes from industrialized regions couldn't reach the valley due to lack of transportation facilities. As Kullu Valley falls under temperate Himalayan region, the cold climate prevalent is suitable for sheep and goat rearing; this also fulfills the necessity for woolens. Initially the people of Kullu used to weave

Patti which is 18", 20" or 22" wide, and having an appropriate length. They wove it to

fulfill the bare necessity of covering their body and protecting themselves of severe cold. Menfolk wove Patti for coats and suthan (pyjamas) and women used it as Pattus for themselves. Men also made caps out of Patti, which was originally, woven in natural colors of wool i.e. black, white and grey. Until 1936 pattus were made on the pitloom, but after that handlooms came into way, this probably happened because of British influence. When weavers from Bushehar (Shimla) came to the valley in early 1940's their craft influenced the people of Kullu Valley. The weavers of Bushehar were acquainted with the geometrical designs, which they successfully used on Pattus.

In 1942 when Indian film star Devika Rani, daughter-in-law of famous Russian painter Nicholas Roerich, came to Kullu. She took a zealous interest in the looms and it was at her request that Sh. Sheru Ram of Banontar village fashioned the earliest urban size shawl (72" x 36"). On being inspired from Mr. Sheru Ram, Pt. Urvi Dhar started manufacturing shawls commercially.

The advent of synthetic threads in Kullu too dates back to 1940's when Busheheras came to the valley. As there weren't any spinning mills in the valley, weavers started importing yarn from Ludhiana (Punjab) and used them in pattus and shawls. Most of these are being imported even today.

In 1957 Kullu Shawl Improvement Center opened up in the valley and Mr. Devi Prakash Sharma joined there as a technician. He developed diverse designs, visited the various co-operative societies and individual weavers and gave them new designs.

With time shawls are now being manufactured in a wide variety of patterns and the use of vegetable dyes, which augment an exotic array of subdued colors in apricots, ochre, rusts, browns, olives and many more, is in vogue.

4. SKETCH OF MSMEs & OTHER CLUSTER ACTORS

Weaver :

There are 28,500 weavers and 22000 looms at Kullu and adjoining area. The weaver is a job worker and receives dyed yarn from traders & master weaver, does all the pre-weave activities and weaves product, hand over and receive wag.

The average wage earning is Rs.35-40 per day.

Co-operative Societies :

The base of co-operative societies in Kullu is very strong, there are around 180 co-operative societies. Most of the members of co-operative societies are job workers only.

Master Weaver:

The master weaver purchase the raw material from local spinning mills. He supplies the yarn to weaver and receives woven product, and sell it through his own outlet.

Dyer :

The dyer receives the yarn from traders & master weavers, dyes it. The process of dyeing is modernized and using good colours ,which provides high colour fastness.

Finance :

Most of the nationalized bank's branches and a co-operative bank are existing within the cluster.

Local District Administration :

DIC :

The DIC is providing skill up gradation training to the weavers, giving assistance under work shed scheme to the weavers.

DRDA :

Self Help Groups :

There are considerable numbers of SHGs in the cluster which are availing loans, grants from the government.

H.P. Apex Weavers Society :

The Apex Weavers society supply raw material to the co-operatives and in return receives the woven product from them.

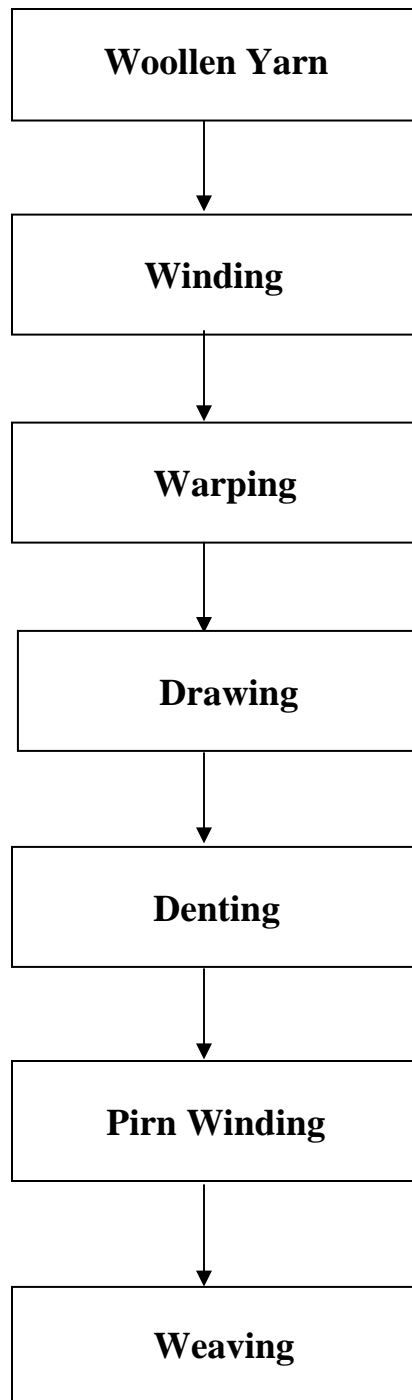
NABARD :

Provided finance to few SHGs in the cluster.

The annual Turnover of the cluster is Rs. 40 crores.

5. ANALYSIS OF BUSINESS OPERATION

Process Flow Chart



Production

Dyer :

Most of the Master Weavers purchase dyed yarn directly from mills. For those who bought non-dyed yarn from the mills, it will be done at dye house maintained by a private businessman. The process of dyeing is modernized and using good colours leading to colour fastness.

Weaving :

The weaver is a job worker receives dyed yarn from traders & master weavers, does all the preparatory activities and weaves the product for which he receives wage. The average wage earning is Rs.35-40 per day. There is need for skill up-gradation of weavers as many of them are using traditional looms with low productivity. The Looms used are both Pit and Fly shuttle looms. The production in pit looms is less than Fly shuttle looms, even the quality differentiation is observed. The process of shawl weaving consists of making of reels from Ruffle, Pashmina and Angora wool yarn first.

In case of the pitloom, the warp is made manually by winding it around peg- stands separated by a definite amount of distance. The drafting and denting of the ends is done by pulling them through the thread healds and the reed with the help of fingers. The warp is then



set onto the loom, its ends are tied and its tension adjusted as per the requirement.

The warp for the fly shuttle loom is wound on the warping machine. It is transferred to the warp beam under tension, which is then put on the loom for drafting and denting. The warp ends are drafted and dented with a reed hook, the loom tie-ups and tension are re-adjusted and the loom is geared up for weaving.

The basic structure for the shawl is 2/2 twill woven on a straight or pointed drafting order. The surface texture could be as follows:

- Straight lifting plan woven on a straight drafting plan to give diagonal lines.
- Pointed lifting plan woven on a straight drafting plan to give vertical zigzag.
- Straight lifting plan woven on a pointed drafting plan to give a horizontal wavy pattern.
- Pointed lifting plan woven on a pointed drafting plan to give a diamond shaped structure.

The decorative border of the shawls is always woven in a basket weave with the dove- tailing or slit- tapestry techniques. The colored graph of the design to be woven is used as a reference and the number of ends per design is considered.

Cut lengths of the colored acrylic wool threads are placed in the warp in 2- 3 plys. The technique used to produce the pattern is intertwining or the 'dove- tailing' technique also referred as the tapestry weave.



Since the inevitable need for woolens was felt, the aborigines of the valley started creating the same for themselves. Alterations have undeniably arisen but those have worked towards enhancing the status of weavers and the looms. The handloom has put back the pitloom, superior raw material is in use and positive variations have occurred in the motifs.

The pitloom developed and took the shape of a handloom, which produces finer products rapidly. Formerly, plain shawls were woven but with the arrival of Bushehras (weavers from Rampur Bushehar, Shimla) into the valley, patterned handloom products came into trend. The patterns woven illustrate indigenous flora and fauna. In order to accomplish every promising demand of the patrons more of raw materials are being imported into Kullu from every nook and corner. The hues typically vivid were in fashion till recently, but these days people are smitten by pastel shades. The colors are made of both natural and chemical dyes.



Handlooms are now found in almost every house of the valley who weave for themselves and for commercial purposes. It has expanded as a key cottage industry in Kullu Valley. There are thousands of people wholly and partly occupied in the sphere.

Designing :

Designing is entirely done at cluster level. Most of the designers develops designs on his own as per the inputs given by master weavers and traders. The daily earning of the designer is Rs. 50-60, which is far better than a weaver. There is no professional qualification observed in designers as such there is need to train them



in modern designing from a professional institution like NIFT. Prior to early forties plain shawls were in fashion in the valley. With the arrival of Bushehras from Rampur Busheher (Shimla), the native weavers took to patterning shawls. The initial designs that were geometrical in outline basically depicted local flora and fauna. The colors, usually intense, perhaps endeavor to portray the Kulluities' enthusiasm for life.

Mr. Devi Prakash Sharma who joined Kullu Shawl Improvement Center as a technician developed diverse designs, visited the various co-operatives and individual weavers and promoted new designs.

The patterns:

- Plain shawl made of single color without any design or pattern.
- Plain with border of a traditional pattern or colored stripes on the four sides.
- Plain with ek phool i.e. traditional pattern on its both ends.
- Plain with teen phool i.e. three traditional patterns on two ends.
- Shawl having design all over it.
- Designed Shawl with ek phool i.e. one traditional pattern on both ends.
- Designed Shawl with teen phool i.e. three traditional patterns on both ends.

Raw Material :

There are 3 spinning mills located near by the cluster and the availability of raw material is good. NHDC also provides raw material to the master weavers. They use 2 X 48s ,2 X 32s worsted woolen yarn. The average yarn cost (White) is Rs. 500 per KG and Dyed Yarn is Rs. 550. The private mills are supplying better quality yarn with minimum supply time. The raw materials for shawls are easily available in the Valley. If not produced here it is easily imported from the neighboring states and countries. The wool obtainable in Kullu Valley are:



Australian Merino Wool

Natural fair fleece- ends, imported from Australia are cleaned, carded and spun at the spinning mills at Ludhiana, Amritsar, Panipat, Kullu, etc. The fiber is soft and well in worth.



Most of the Kullu shawls are prepared in this quality wool tinted in diverse colors. At times hand- spun Merino wool may also be used for the weft in the case of the hand-spun array of shawls.

Usually the count of theyarn used for the body ranges from 2/44's to 2/ 50's. The count of the reed used maybe 36's, 40's or 42's. Most commonly, a 2/ 48's warp is woven using a reed of 42's count- this is considered to be the ideal combination for weaving the ground fabric as well as the patterned border of the shawl.

Local Wool

This is the wool acquired from sheep bred in Himachal Pradesh. Most of them are migratory. In summer, the sheep migrate from the villages in the lower plains to the higher up Himalayan paddocks for grazing with the Gaddies or local shepherds. Through the glacial iciness, the sheep are brought back to their villages in the lower

Himalayas. These sheep are sheared twice a year during the autumn and spring seasons i.e. in the months of September and April.

This wool is obtainable in natural white, black, grey and brown. Due to its coarseness, local wool is usually used for floorings and blankets.

Pashmina Wool

This wool is taken from the under belly of the Pashmina goat existing in Tibet. The shawls woven from Pashmina range from a fine to super- fine quality. They are pure and light, yet tremendously warm. Owing to the high cost of labor involved in the sorting of fine Pashmina fiber they are pretty expensive but trendy.

Angora Wool

This is the wool of the Angora rabbit, procured from the local Angora breeding farms. These rabbits are imported from Germany. Since they have a very high birth rate and death rate, they are bred for about two years and then sold off as meat. They are trimmed once in every three months. Angora wool is enormously warm, soft and sleek to feel.

Due to its fine quality, it is manually spun only on the 'takli' (i.e. the spindle). It is originally found in white, brown, grey and black colors and may be dyed in the same colors as sheep wool. Owing to its fibrosity, it is extremely difficult to weave a 100% Angora shawl; they are hence woven using merino for the warp and angora for the weft.

Staple Yarn: Cotton fiber, used as warp.

Acrylic Yarns: Synthetic wool, used in making patterns.

Technical Specifications of Kullu Shawl:

Yarn Used:

Warp- 2/ 44's, to 2/ 64's Woolen Worsted

Weft- 2/ 44's to 2/ 64's Woolen Worsted , Hand Spun- Pashmina, Angora, etc.

Patterning- 2/ 32's Woolen Worsted / Acrylic. 2-3 ply.

Size - 2Mt. x 1Mt.

Weave - 2/2 Twill (base) & Weft rib in patterning.

Weight - If woven in 2/ 48's count the weight of a shawl may vary from 360to 390gms, conditional on the outline & design

Market :

Some of the product is consumed in local market and some of the traders supply the product to outside traders. As the market for product is seasonal and lack of direct marketing channels the total sales of the cluster is very low. There is a need for building brand image for the product outside Kullu by organizing fairs, exhibitions, buyer-seller meets at the place where there is a demand for the product.

Finance :

Most of the nationalized bank's branches & co-operatives bank are within the cluster. The default rate in the cluster is within normal range and there is no alarming financial problem observed in the cluster. Most of the bankers are pro-active.

Export : At present there is no direct export is observed in the cluster. The scope for the export market has to be analyzed. Kullu Shawls occupy a place of pride among the Handicrafts of Kullu. They are world famous for their elegant look, brilliant traditional patterns, quality and reasonable cost.



A shawl is a light woolen fabric measuring 1 x 2 meters. It is usually draped around and over the chest and shoulders by women. Generally, the yarn is Merino Wool,

Angora Wool, Pashmina Wool, local sheep wool or a combination of any of these. Men also wear shawls, these are known as Loi or Chaddar.



Kullu shawls occupy an imperative position in the economy of the valley and to realize the demand 18500 people are partially engaged in this field and about 10000 people fully earn their livelihood from the industry.

Price

The price of shawls depends upon the quality of wool and the pattern and ranges from Rs. 300 to Rs. 12000. The ones made on the handloom are expensive as compared to those made on the powerloom.

6. INTER FIRM INDUSTRIAL ORGANISATION

Weaver :

There are 28,500 weavers and 22000 looms at Kullu and adjoining area. The weaver is a job worker receives dyed yarn from traders & master weaver does all the pre weave activities and weaves a product hand over them and receives wage. The average wage earning is Rs.35-40 per weaver per day.

Co-operative Societies : There are around 180 active co-operative societies. Most of the members of co-operative societies are job workers only.

Master Weaver:

The master weaver purchase the raw material from local spinning mills and supply the yarn to weaver and receives woven product and sold through his own outlet. The linkage between Master Weaver and weaver is strong.

Dyer :

The dyeing is done at a common dye centre run by group of master weavers. There are no individual dyers in the cluster.

Finance :

The linkage of core cluster actors with the bank is good. The default rate is very less and bank coverage is encouraging in the cluster.

Local District Administration :

DIC :

The DIC is providing skill up gradation training to the cluster actors and giving assistance under work shed scheme to the weavers.

DRDA :

Self Help Group :

DRDA is providing loans for infrastructure, marketing & skill training. Though the linkage with cluster actors is good but needs effective monitoring and hand holding.

H.P. Apex Weavers Society :

The society supply raw material to the co-operatives and in return receives the woven product from them with strong linkage.

The linkages with Commercial and Public service providers is nil in the cluster.

7. SWOT ANALYSIS

A. STRENGTHS:

Production

- Traditional weaving and designs.
- Skilled Manpower availability.
- Availability of technical know-how.
- Durability and usage of fabric.
- Less Floor Space Requirement
- occupation for both males and females.

Marketing

- Good demand for the product
- Existence of Apex Society run by State Govt.
- Proximity to Nepal for export market

Finance

- Low cost operations.
- Availability of part-time occupation.
- Proactive Bankers

B. WEAKNESSES:

Production

- Non-availability of work sheds
- Non-availability of processing facilities.
- Absence of modern designs and designing systems.

Marketing

- Improper market feed back.
- Limited market season.
- Non-availability of adequate and proper transport.
- Limited usage.
- Absence of diversification in product

Finance

- Inadequate working capital with weavers.
- Limited marketing opportunities.
- Non-availability of raw material at cheaper rates.

C. OPPORTUNITIES:

Production

- Long-term sustainability of weavers – Employment generation.
- Skill up-gradation.

Market

- Availability of National & Export Markets.
- Usage of local wool in industry

Finance

- Banking Credit facilities.
- Govt. sponsored activities and schemes.

D. THREATS:

Production

- Competition from mill-made product.
- Fluctuating raw-material prices.
- Absence of adequate processing facilities for local raw-wool.
- Absence of quality in local sheep wool.
- High end design shawls made in other clusters

Marketing

- Invasion of powerlooms in shawl making

Finance

- Increasing cost of transportation.
- Taxes on raw material.

8. VISION

Kullu Handloom Cluster shawls will be evolved into a most sought after product in domestic and export markets by the year 2010. This will be achieved by continuously improving the quality, innovating the product, up grading the skills of the weavers, increasing the job opportunities to the youth, enhancing the wages of weavers and through backward and forward linkages.

9. STRATEGY

1. Formation of Self Help Groups

21 SHGs created recently for the purpose of implementing the cluster development programme covering 993 handloom weavers in 5 blocks of Kullu handloom cluster.

2. Skill Up gradation Programme

The weavers of SHGs, Cooperatives and private are selected for training in new designs continuously batch for value addition of the shawls.

3. Raw Material Depots

A consortium of Cooperatives, SHGs and private weavers will be formed to invest and manage the Raw Material Depots dynamically with the assistance of the IHCDP.

4. Wide Publicity

Marketing is the weak link in the Kullu Handloom Cluster. Programms will be organized to give wide publicity to the product.

With a view to project the handloom products, creating awareness and opening up opportunity for boosting sales, financial assistance will be required for publicity as per details hereunder:

1. Print publicity	= Rs. 3.00 lacs.
2. Catalogues, brochures, folders etc	= Rs. 3.00 lacs.
3. Printing and developing of packaging material	=Rs. 2.00 lacs.
4. Hoardings	= <u>Rs. 2.00 lacs</u>
Total	= <u>Rs.10.00 lacs</u>

5. Craft Melas, Woollen Craft Melas & Exhibitions:

The objective of this scheme is to facilitate the organization engaged in marketing/development of handlooms to hold exhibitions of handlooms items at various places in the country in order to:-

- ❖ Promote sales of handloom products of SHGs.
- ❖ Increase awareness in favour of products.
- ❖ Expose weavers to the market.
- ❖ Launch new products and designs for trial and promotion.

It is proposed to organize mount exhibitions in various parts of the country with active participation of the members of SHGs. During the course of each exhibition, live demonstration by minimum six weavers will be essential with a view of allowing the buyers to get first hand feel of the intricacy of the crafts as well as skill of the weavers.

The pattern of financial assistance will be as per the norms approved for such exhibitions by the Development Commissioner for Handicrafts. The budget for each exhibition will be Rs. 1.80 lacs to be used primarily for:

- i. Rentals.
- ii. Display/ structural costs.
- iii. Designers fee.
- iv. Electricity and water.
- v. Publicity.
- vi. TA/DA to weavers.
- vii. Transportation etc

The duration of each exhibition will be minimum 15 days. Since the woollen find market only during winters, it is proposed to hold exhibitions at following places where the produce of the cluster will be put on display and sales:

1. Ajmer.
2. Nainital.
3. Jaipur
4. Dehradun.
5. Agra.
6. Jallandhar.
7. Shimla.
8. Ambala Cantt.

Craft Melas:

To provide direct marketing facilities to the weavers without middlemen / agencies, it is proposed to organize exclusive woollen craft melas in the big cities. Each SHGs will be allowed exclusive space for the sale of their products.

It is proposed to organize woollen craft melas at the following places: -

1. Chandigarh.
2. New Delhi

It is envisaged that a sum of Rs. 5.00 lacs per craft mela will be spent which will be used towards rent of ground, structure, decoration, electricity & water, publicity, TA/DA to crafts person etc. The total envisaged expenditure works out to Rs. 10.00 lacs.

6. Buyers sellers meet:

During the above exhibition, the buyers-sellers meets shall also be organized for which purpose TA/DA will be provided to all the participant weavers.

It is proposed to invite at least 04 weavers from each group for buyers-sellers meet. The tentative expenditure on account of TA/DA, transportation, boarding lodging etc for 84 participants works out to Rs. 7.00 lacs.

Craft Melas:

To provide direct marketing facilities to the weavers without middlemen / agencies, it is proposed to organize exclusive woollen craft melas in the big cities. Each SHGs will be allowed exclusive space for the sale of their products.

It is proposed to organize woollen craft melas at the following places: -

3. Chandigarh.
4. New Delhi

It is envisaged that a sum of Rs. 5.00 lacs per craft mela will be spent which will be used towards rent of ground, structure, decoration, electricity & water, publicity, TA/DA to crafts person etc. The total envisaged expenditure works out to Rs. 10.00 lacs.

Participation in local melas/exhibitions/fairs:

Local exhibitions organized from time to time are major avenues for sale and does not involve exorbitant expenditure. The weavers of cluster will be motivated to participate in the following exhibitions for which purpose they will be paid to and fro, TA/DA, transportation cost and ground rent.

1. Lavi Fair, Rampur , District Shimla (HP)
2. Kullu Dushahra Fair, District Kullu (HP).
3. Shivratri Fair, Mandi, District, Mandi (HP).
4. Shimla Summer Festival, Shimla.
5. Dharamshala Summer Festival, Dharamshala.

In each exhibition at least 20 weavers will participate. The total expenditure envisaged is Rs. 4.80 lacs per year.

10. ACTION PLAN

The following action plan is suggested for the long-term sustainability of weavers of the newly formed cluster at Kullu.

A. TECHNOLOGICAL INTERVENTIONS

S N	Particular of SHG	Beneficiaries	Activities required	Nature of activity	No. of centres	Duration	Period of activity	Budget in lacs
1.	Jawalajee	76	Skill up-gradation training.	Core	05	04 months	Sept., 2006 to Dec., 2006	9.14
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-
2.	Bhubnashwari	57	Skill up-gradation training.	Core	04	04 months	Sept. 2006 to Dec., 2006.	7.44
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-
3.	Him	44	Skill up-gradation training.	Core	03	04 months	Sept., 2006 to Dec.,2006	5.61
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-
4.	Baba	35	Skill up-gradation training.	Core	02	04 months	Sept., 2006 to Dec.,2006.	3.85

S N	Particular of SHG	Beneficiaries	Activities required	Nature of activity	No. of centres	Duration	Period of activity	Budget in lacs
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-
5.	Sarswati	32	Skill up-gradation training.	Core	02	04 months	Sept., 2006 to Dec., 2006	3.79
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-
6.	Bunkar	71	Skill up-gradation training.	Core	05	04 months	Sept., 2006 to Dec.,2006	9.27
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-
7.	Krishna	40	Skill up-gradation training.	Core	03	04 months	Sept., 2006 to Dec.,2006	5.53
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-
8.	Shitla	34	Skill up-gradation training.	Core	02	04 months	Sept., 2006 to Dec.,2006	3.83
			Raw Material Depot*	Core	01	Permanent	-	-

S N	Particular of SHG	Beneficiaries	Activities required	Nature of activity	No. of centres	Duration	Period of activity	Budget in lacs
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-
9.	Mahvir	44	Skill up-gradation training.	Core	03	04 months	Sept., 2006 to Dec.,2006	5.61
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-
10.	Veerunath	33	Skill up-gradation training.	Core	02	04 months	Sept., 2006 to Dec., 2006	3.71
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-
11.	Panchali	39	Skill up-gradation training.	Core	03	04 months	Sept., 2006 to Dec., 2006	5.51
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-
12.	Naina	33	Skill up-gradation training.	Core	02	04 months	Sept., 2006 to Dec., 2006	3.81
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-

S N	Particular of SHG	Beneficiaries	Activities required	Nature of activity	No. of centres	Duration	Period of activity	Budget in lacs
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-
13.	Hari Om	50	Skill up-gradation training.	Core	03	04 months	Sept., 2006 to Dec., 2006	5.73
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-
14.	Jagni Mata Aadi Brahma	40	Skill up-gradation training.	Core	03	04 months	Sept., 2006 to Dec., 2006	5.53
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-
15.	Shankar	55	Skill up-gradation training.	Core	04	04 months	Sept., 2006 to Dec., 2006	7.40
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-
16.	Apragita	53	Skill up-gradation training.	Core	04	04 months	Sept., 2006 to Dec., 2006	5.79
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-

S N	Particular of SHG	Beneficiaries	Activities required	Nature of activity	No. of centres	Duration	Period of activity	Budget in lacs
			Marketing Activities*					-
17.	Laxmi	35	Skill up-gradation training.	Core	02	04 months	Sept., 2006 to Dec., 2006	3.85
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-
18.	Jagrite	58	Skill up-gradation training.	Core	04	04 months	Sept., 2006 to Dec., 2006	7.46
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-
19.	Ambika	29	Skill up-gradation training.	Core	02	04 months	Sept., 2006 to Dec., 2006	3.73
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-
20.	Jai Durga	30	Skill up-gradation training.	Core	02	04 months	Sept., 2006 to Dec., 2006	3.75
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Complimentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-

S N	Particular of SHG	Benef- iciaries	Activities required	Nature of activity	No. of centres	Duration	Period of activity	Budget in lacs
21.	Nri-Singh	89	Skill up- gradation training.	Core	06	04 months	Sept., 2006 to Dec., 2006	11.23
			Raw Material Depot*	Core	01	Permanent	-	-
			Awareness Camps*	Compli- mentary	01	15 days	August, 2006	-
			Design Workshop*	Core	01	15 days	Oct., 2006	-
			Marketing Activities*					-
	TOTAL							121.59

NOTE: -

The norms for calculating the financial support for skill up-gradation, Raw-material Depot, Awareness Camps and Design Workshops are at Annexure 'A','B','C' and 'D' respectively.

It is proposed to organize Awareness Camps, Design Workshops, Raw Material Depots and Marketing Activities for the entire cluster at common places rather than individually for each SHG. The details are given hereunder: -

SN	Activity	Place of activity	SHG's to be covered	Number of activities to be organized	Period	Budget in lacs
1.	Raw Material Depots	1. Kullu Town 2. Village Banjar 3. Village Anni	01-15 & 21 16-17-18 19-20	01 01 01	Permanent	16.98
2.	Awareness Camps	1. Village Washing 2. Village Banjar 3. Village Anni	01-15 & 21 16-17-18 19-20	01 01 01	02 days each	1.50
3.	Design Workshops	1. Kullu Town 2. Sai Ropa	01-15 16-21	02 01	15 days each	5.40
4.	Marketing Activities	Details given separately				

From the consolidation as done above it is evident that since the problems of all the self help groups in the cluster are identical, the interventions required will also be identical. The major problem is that of skill up gradation and skill generation, after which marketing interventions will be required. The trained workers are expected to undertake production in decentralized sector after availing the facilities of raw material.

SUMMARY

(A) FINANCIAL:

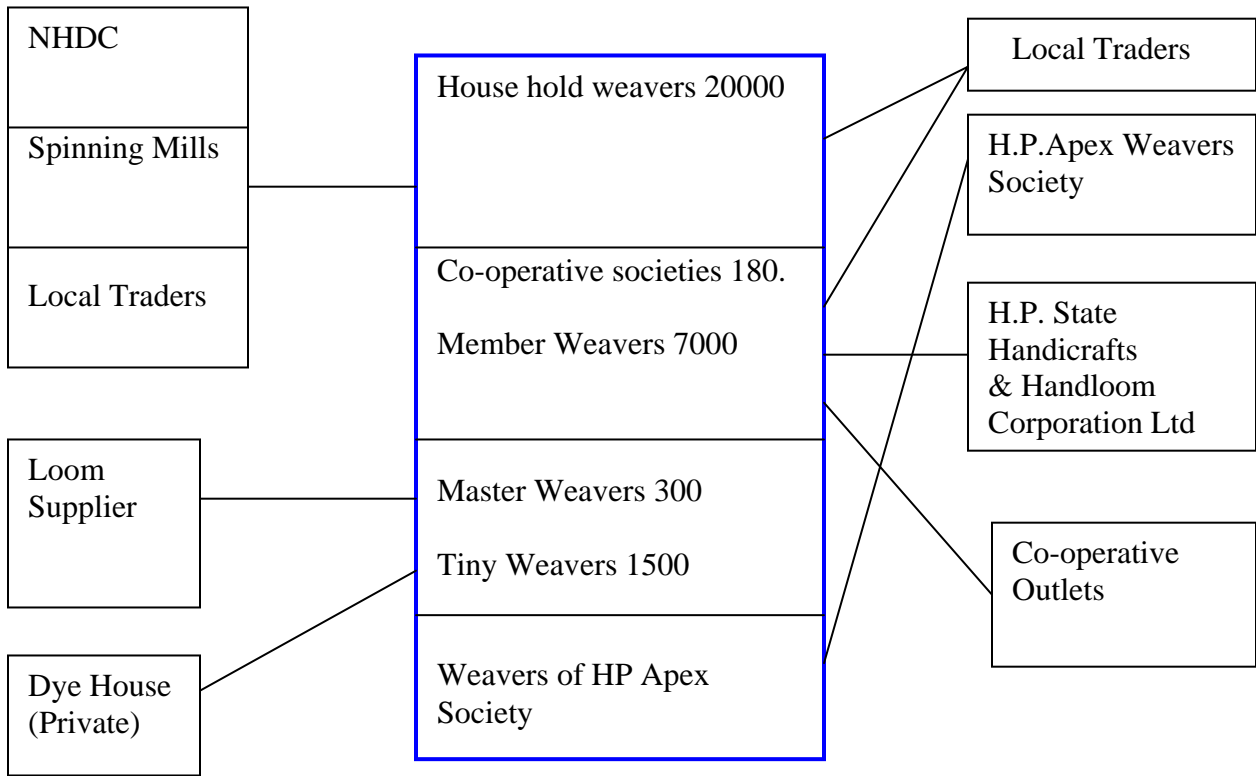
(Rs. in lacs)

SN	Particulars	01 st year	02 nd year	3 rd year	4 th year	Total
1.	Trainings. (Annexure-A1,A2 & A3)	103.33	18.26	-	-	121.59
2.	Raw Material Depots. (Annexure-B)	16.98	-	-	-	16.98
3.	Awareness Camps (Annexure-C)	3.00	-	-	-	3.00
4.	Design Workshops. (Annexure-D)	-	5.40	-	-	5.40
5.	Expenditure on technical personnel's.(Annexure-E)	3.34	4.44	4.44	4.44	17.10
6.	Exhibitions. (Annexure-F)	3.70	3.70	3.70	3.70	14.80
7.	Buyers-seller meets	1.75	1.75	1.75	1.75	7.00
8.	Craft Melas	-	-	5.55	5.00	10.00
9.	Local Fairs & Exhibitions	4.80	4.80	4.80	4.80	19.20
10.	Publicity	1.00	4.00	2.50	2.50	10.00
11.	Implementing Agency share	8.72	-	-	-	8.72
12.	EDI Share	5.19	-	-	-	5.19
	Total	152.25	42.35	22.19	22.19	224.58

(B) PHYSICAL:

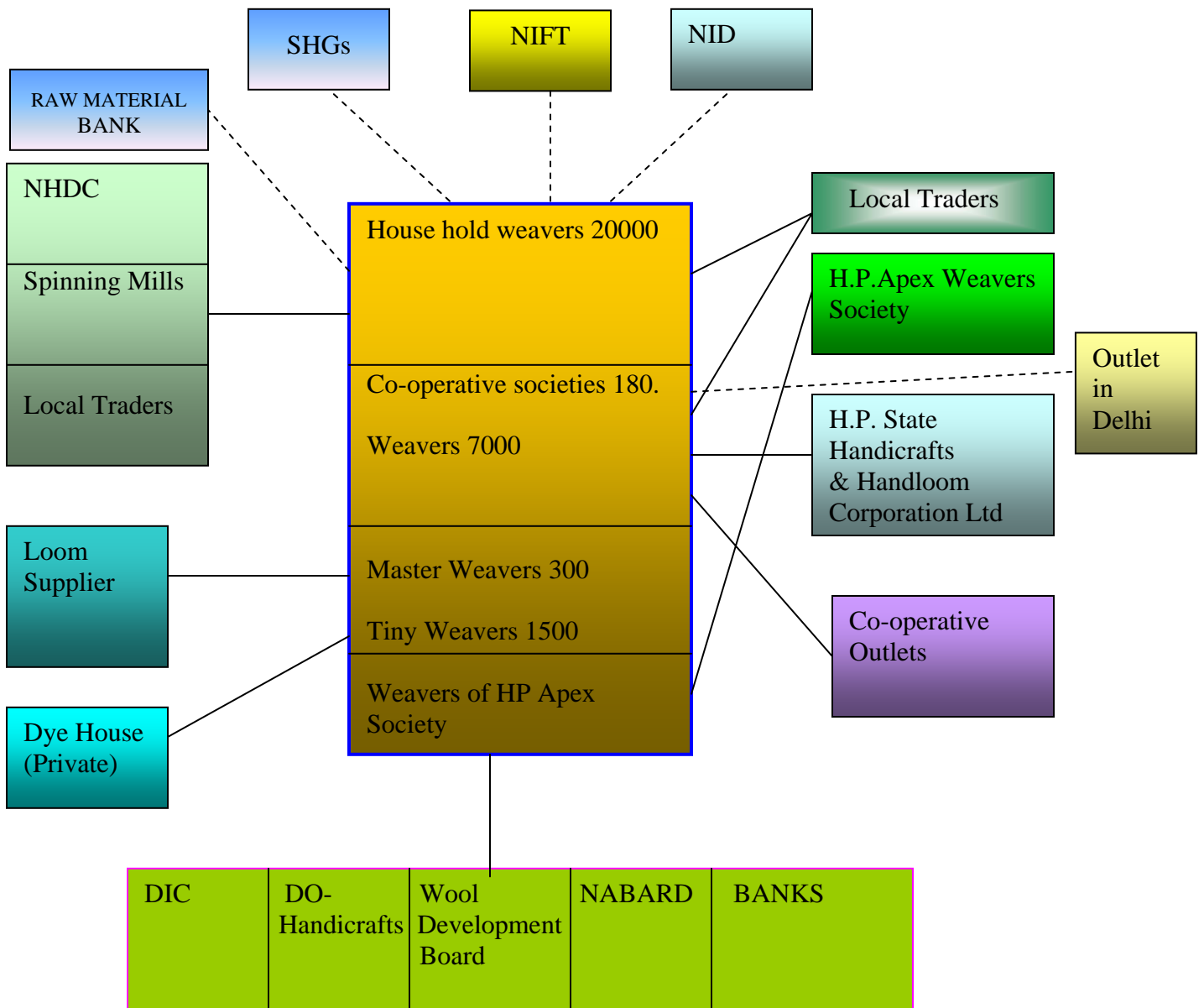
SN	Particulars	01 st year	02 nd year	3 rd year	4 th year	Total
1.	Trainings.	54	11	-	-	65
2.	Raw Material Depots.	03	-	-	-	03
3.	Awareness Camps	03	-	-	-	03
4.	Design Workshops.	-	03	-	-	03
5.	Exhibitions.	02	02	02	02	08
6.	Buyers-seller meets	02	02	02	02	08
7.	Craft Melas	-	-	01	01	02
8.	Local Fairs & Exhibitions	08	08	08	08	32

Cluster Map (Pre – Intervention)

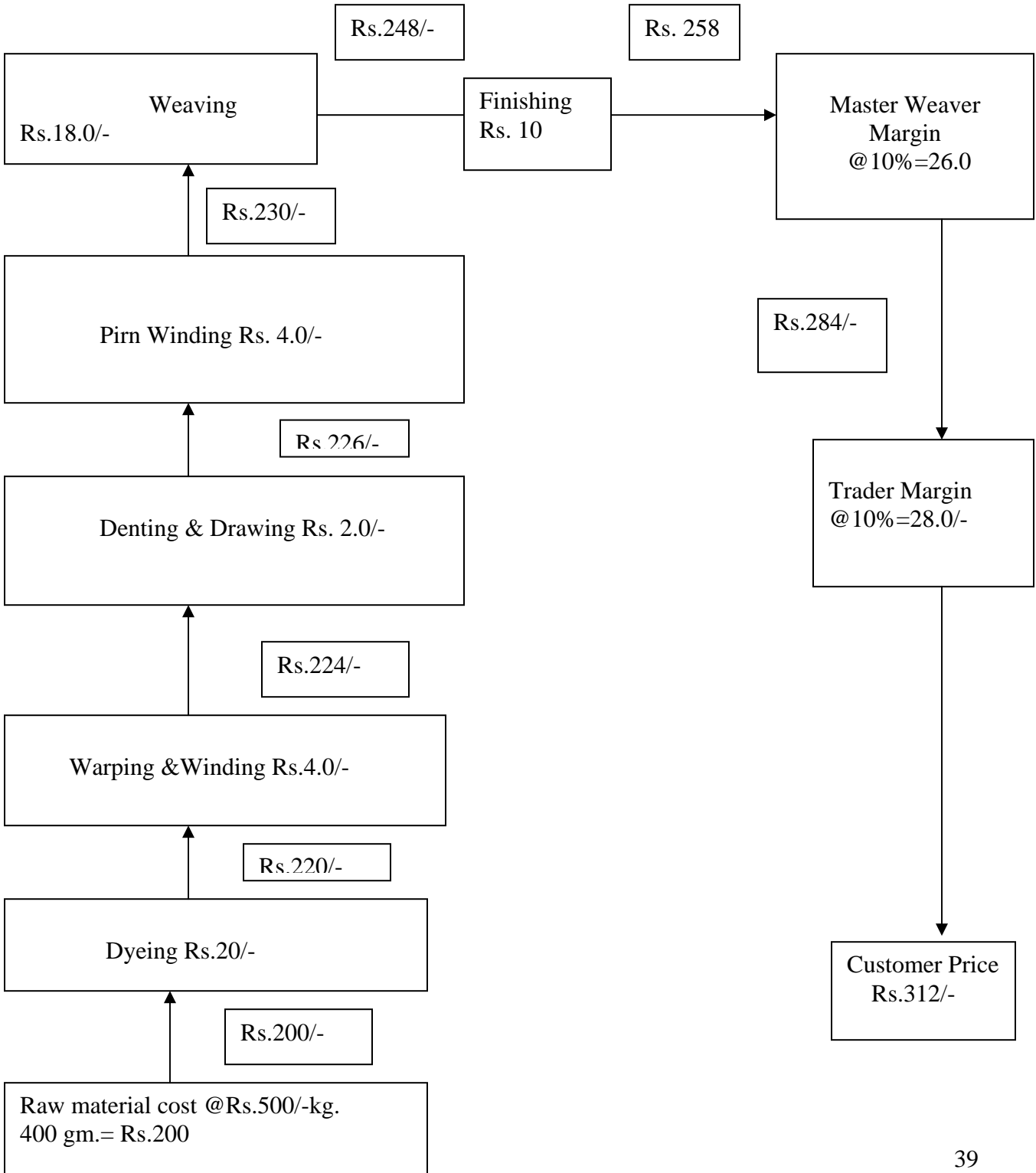


DIC	DO- Handicrafts	Wool Development Board	NABARD	BANKS
-----	--------------------	------------------------------	--------	-------

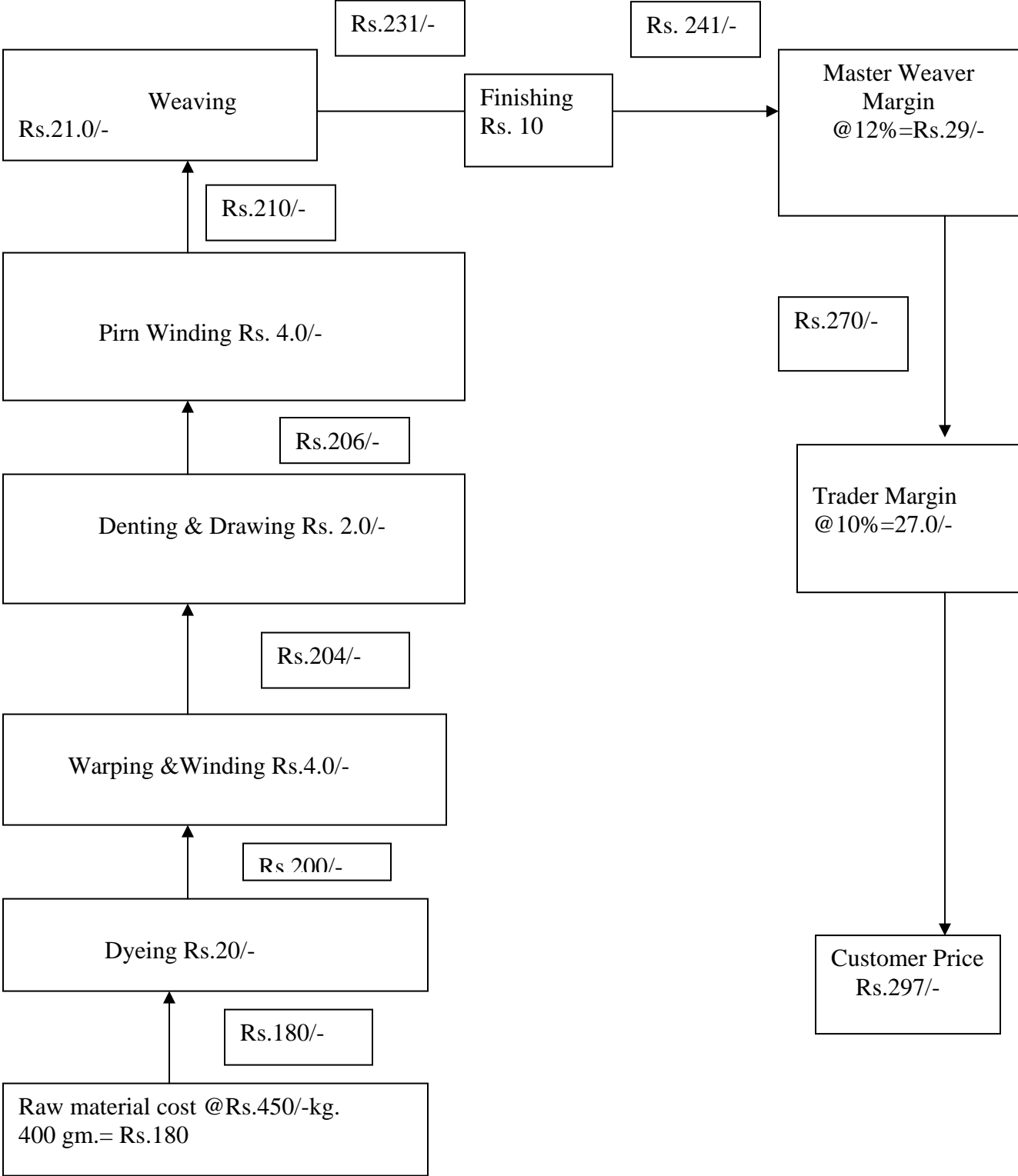
Cluster Map (Post – Intervention)



**Value Chain Analysis of
Traditional Kullu Woollen Shawl
42”X 83”(Pre-Intervention)**



**Value Chain Analysis of
Traditional Kullu Woollen Shawl
42"X 83" (Post Intervention)**



Annexure-A1

FINANCIAL IMPLICATIONS OF THE PROJECT.

SN	Name of the SHG	No. of beneficiaries	Training Batches		Raw Material Depot		Awareness Camps		Design Workshop		Total (Rs.in lacs)
			No.	Amt	No.	Amt	No.	Amt	No.	Amt	
1.	Jawalajee	76	05	9.14	01	5.66	01	1.00	01	1.80	17.60
2.	Bhuvneshwari	57	04	7.44	-	-	-	-	-	-	7.44
3.	Him	44	03	5.61	-	-	-	-	-	-	5.61
4.	Baba	35	02	3.85	-	-	-	-	-	-	3.85
5.	Sarswati	32	02	3.79	-	-	-	-	-	-	3.79
6.	Bunkar	71	05	9.29	-	-	-	-	-	-	9.29
7.	Krishna	40	03	5.53	-	-	-	-	-	-	5.53
8.	Shitla	34	02	3.83	-	-	-	-	-	-	3.83
9.	Mahadev	44	03	5.61	-	-	-	-	-	-	5.61
10.	Veeru Nath	33	02	3.71	-	-	-	-	-	-	3.71
11.	Panchali	39	03	5.51	-	-	-	-	-	-	5.51
12.	Naina	33	02	3.81	-	-	-	-	-	-	3.81
13.	Hari Om	50	03	5.73	-	-	-	-	-	-	5.73
14.	Jogni Mata Aadi Brahma	40	03	5.53	-	-	-	-	-	-	5.53
15.	Shakti	55	04	7.40	-	-	-	-	-	-	7.40
16.	Aprajita	53	02	5.79	01	5.66	01	1.00	01	1.80	14.25
17.	Laxmi	35	02	3.85	-	-	-	-	-	-	3.85
18.	Jagriti	58	04	7.46	-	-	-	-	-	-	7.46
19.	Ambika	29	02	3.73	01	5.66	01	1.00	01	1.80	12.19
20.	Jai Durga	30	02	3.75	-	-	-	-	-	-	3.75
21.	Nar Singh	89	06	11.23	-	-	-	-	-	-	11.23
	Total	993	65	121.59	03	16.98	03	3.00	03	5.40	146.97

Annexure-A2

FINANCIAL PARAMETERS PER TRAINING CENTRE TO BE OPENED
UNDER HANDLOOM CLUSTER DEVELOPMENT PROJECT AT KULLU,
DISTRICT KULLU (HP).

FOR FOUR MONTHS DURATION.

(In Rupees)

Sr.No.	Particulars	Amount
1.	Honorarium to instructor @ Rs.3,000/- per month for 4 months [3000x4]	12,000.00
2.	Stipend to 15 trainees @ Rs. 500/- per trainee per month [500x15x4]	30,000.00
3.	Expenses on raw material	10,000.00
4.	Rent of training premises @ Rs.1,500/- per month for 6 months [1500x4]	6,000.00
5.	Cost of Modernized/Improved loom @ Rs. 7,500/- per trainee for 15 trainees (7500X15)	1,12,500.00
6.	Transportation charges of looms.	12,000.00
7.	Contingent expenses (Hot and cold weather, electricity, water, postage, stationery TA/DA etc.	5,000.00
	TOTAL	1,87,500.00

❖ The looms shall be distributed free of cost to the trainees after successful training.

Annexure-A3

STANDARD NORMS PER TRAINING CENTRE OF FOUR MONTHS DURATION:

Sr.No.	Particulars	Amount
1.	Honorarium to Instructor (per month)	Rs. 3,000/-
2.	Stipend to trainees (per month)	Rs. 500/-
3.	Raw material per training centre	Rs. 10,000/-
4.	Rent of training premises (per month)	Rs. 1,500/-
5.	Transportation of looms	Rs. 12,000/-
6.	Cost of modernized/improved loom (per loom)	Rs. 7,500/-
7.	Contingent expenses	Rs. 5,000/-

Annexure-B

FINANCIAL PARAMETERS OF RAW MATERIAL DEPOT TO BE OPENED
UNDER HANDLOOM CLUSTER DEVELOPMENT PROJECT AT KULLU,
DISTT. KULLU (HP)

FOR 12 MONTHS DURATION.

Sr.No.	Particulars	Amount
1.	Rent of building @ Rs. 1500/- per month for one year (1500x12)	18,000.00
2.	Raw material for sale	5,00,000.00
3.	Contingent expenses (Hot and cold weather, electricity, water, postage, stationery TA/DA etc.	12,000.00
4.	Honorarium of one Salesman on contract basis @ Rs.3,000/- per month for one year (3000x12)	36,000.00
	TOTAL REQUIREMENT OF FUNDS:	5,66,000.00

Annexure-C

FINANCIAL PARAMETERS FOR CONDUCTING AWARENESS CAMPS.

SN.	Particulars	Amount
1.	TA/DA to weavers @ Rs.100/- per weaver for 350 weavers for 02 days.	Rs. 70,000.00
2.	Engaging resource per course (All inclusive)	Rs. 2,000.00
3.	Community lunch/ refreshments etc	Rs. 20,000.00
4.	Rentals and contingency.	Rs. 8,000.00
	TOTAL	RS. 1,00,000.00

FINANCIAL PARAMETERS FOR CONDUCTING DESIGN DEVELOPMENT WORKSHOPS.

SN.	Particulars		Amount
1.	Designer's fee TA/DA, etc.	Rs.	60,000.00
2.	Cost of Raw material for development of two sets of prototypes.	Rs.	10,000.00
3.	Cost of documentation, report, etc	Rs.	30,000.00
4.	Wages compensation for trainees @ Rs.150/- per day for 30 trainees for 15 days.	Rs.	67,500.00
5.	Miscellaneous expenditure towards site preparation, light refreshment/tea etc., for the participants of the workshop.	Rs.	12,500.00
	TOTAL	Rs.	1,80,000.00

**EXPENDITURE OF TECHNICAL PERSONNEL'S FOR THE IMPLEMENTATION
OF THE PROJECT.**

SN	Particulars	01 st year	02 nd year	3 rd year	4 th year	Total
1.	Cluster Development Executive @ Rs. 20,000/- per month.	2.40	2.40	2.40	2.40	9.60
2.	Technical person @ Rs.7500/- per month	0.90	0.90	0.90	0.90	3.60
3.	Field Assistant @ Rs. 4,000/- per month.	0.48	0.48	0.48	0.48	1.92
4.	Recurring expenses for Raw Material Depots.	-	0.66	0.66	0.66	1.98
	TOTAL	3.78	4.44	4.44	4.44	17.10

FINANCIAL PARAMETERS FOR ORGANIZING EXHIBITION

Sr.No.	Particulars	Amount
1	Cost of rent	50,000.00
2	Cost of Display structure	10,000.00
3	Cost of Electricity & Water	3,000.00
4	Cost of publicity including fee for designer	80,000.00
5	Cost of TA/DA wages compensation of Craftsmen	42,000.00
	Total:	1,85,000.00