

8 HANDLOOM & HANDICRAFTS RETAIL



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1. INTRODUCTION

The Handloom and Handicrafts Retail Shop in Uttarakhand is a celebration of the region's rich cultural tapestry and artisanal heritage. Uttarakhand, a land known for its pristine landscapes, snow-capped peaks, and diverse ecosystems, specializes in the production of a wide array of handloom products. From woolen handlooms to cotton handlooms, silk products, and innovative combinations of various natural fibers, the state's artisans weave a story of tradition and creativity. The Handloom and Handicrafts Retail Shop seeks to showcase and preserve these unique creations, providing a platform for local artisans to share their craft with a broader audience. Through this endeavor, the shop not only becomes a retail space but a cultural ambassador, bridging the gap between traditional craftsmanship and the modern world.

2. SERVICE & ITS APPLICATION

The products offered are the retailing of handloom and handicraft products such as hand woven textiles, carpets, woodcraft, pottery, and traditional jewelry. The shop serves as a platform to connect artisans with customers, fostering a sustainable market for handmade products.

3. DESIRED QUALIFICATION FOR PROMOTER

The promoter should have a deep appreciation for traditional arts and crafts, understanding the cultural significance and market demand. Business management skills, marketing expertise, and a commitment to supporting local artisans are essential qualities. Knowledge of local languages and cultural nuances would be an added advantage.

4. BUSINESS OUTLOOK AND TRENDS

Uttarakhand provides an ideal backdrop for a retail venture dedicated to promoting the traditional arts and crafts of the region. A significant trend driving the success of such a venture is the global demand for authentic and sustainable products. Consumers increasingly seek unique, handmade items with cultural significance, and the shop can capitalize on this by offering a diverse range of handcrafted items, including woolen handlooms, cotton handlooms, silk products, and innovative combinations of natural fibers. The growing reliance on digital platforms and e-commerce presents a valuable opportunity for the shop to extend its reach beyond local markets. Establishing a robust online presence allows the business to tap into a broader audience, attracting not only local customers but also tourists who may discover the shop during their visit and continue to support it online.

5. KEY BUSINESS ELEMENTS

- **Product Variety:** A diverse range of handcrafted items representing different art forms will ensure that customers have a broad selection to choose from, thereby appealing to different tastes and preferences.
- **Quality Assurance:** Rigorous quality control measures must be implemented to maintain consistent standards. By fostering direct relationships with artisans, the shop must ensure the highest quality and promote fair trade practices.
- **Customer Engagement:** The shop must prioritize customer engagement as a cornerstone of its business strategy. By creating an interactive and educational environment, the shop must aim to build a deeper appreciation for the craftsmanship of the handloom and handicraft items it offers.

- Online Presence: The integration of online sales will complement the physical store, catering to both local customers and those who discover the shop from different parts of the world.

6. MARKET POTENTIAL AND MARKETING ISSUES; IF ANY

The market potential for a Handloom and Handicrafts Retail Shop in Uttarakhand is substantial, driven by the global demand for authentic, sustainable products and the region's rich cultural heritage. With diverse offerings, the shop should be well-positioned to attract a wide customer base. However, marketing issues may arise, particularly in competition with mass-produced alternatives and the need for continuous innovation to stay relevant. To address these challenges, the shop must leverage its unique selling points, such as storytelling, artisan connections, and sustainable practices, to differentiate itself in the market. Collaborations with local tourism entities, active participation in craft fairs, and a robust online presence will enhance visibility and overcome potential marketing hurdles. Overall, the market potential is significant, and strategic marketing efforts focused on authenticity, sustainability, and customer engagement will contribute to the shop's success in Uttarakhand.

7. SUPPLY OF RAW MATERIAL

Establishing strong connections with local artisans, cooperatives, and traditional craftspeople forms the foundation of the supply chain. Uttarakhand boasts several artisanal clusters, each specializing in unique traditional crafts. Pauri Garhwal is known for woolen products, Almora for copper and brass utensils, Tehri Garhwal for wooden artifacts, Chamoli for Aipan art, Kumaon for silk and woolen textiles, Ranikhet for candles and wax crafts, Rudrapur for basketry and bamboo crafts, and Uttarkashi for metal crafts. Visiting these communities and forming partnerships will ensure the authenticity of the products. By directly collaborating with these skilled individuals, the shop must ensure a direct link to the sources products.

8. BUSINESS MODEL

The store layout for the Handloom and Handicrafts Retail Shop in Uttarakhand must offer an aesthetic sense with traditional decor elements evoking the spirit of Uttarakhand's heritage. The product display should be strategically organized, categorizing handcrafted items based on different art forms to showcase the diversity of the offerings. A designated cultural corner must provide information about the history and significance of each craft, offering an educational element to the shopping experience.

9. BUSINESS PROCESS

- Sourcing: The primary step is directly collaborating with artisans and cooperatives.
- Quality Control: The next step is ensuring each product meets the established standards.
- Marketing: The marketing efforts reflect utilizing both traditional and digital platforms to create awareness.
- Customer Interaction: The promoter must facilitate a personalized shopping experience with a focus on education.
- Inventory Management: The last step is regular assessment of stock to maintain variety and prevent overstocking.

10. MANPOWER REQUIREMENT

Sr. No	Particulars	No.	No of month in year	Wages/Salaries per month (Rs. In Lakhs)	Annual Expense (Rs. In Lakhs)
1	Self-employed	1	-	-	-
2	Store Manager	1	12	0.35	4.2
3	Visual Merchandiser	1	12	0.25	3
4	Helper	3	12	0.15	5.4
	Total				12.60

11. IMPLEMENTATION SCHEDULE

Sr. No.	Activity	Time Required (in months)
1	Acquisition of premises	1
2	Construction (if applicable)	1.5
3	Procurement & installation of Plant & Machinery	2.5
4	Arrangement of Finance	1
5	Recruitment of required manpower	1
6	Total time required (some activities shall run concurrently)	3

12. COST OF PROJECT

Sr. No	Particulars	Annual Expenses (Rs. in lakhs)
1	Pre-operative and preliminary Exp.	0.10
2	Equipment and Furniture Exp.	5.85
3	Working Capital	3.15
	Total Project Cost	9.10

13. MEANS OF FINANCE

Bank-term loans are assumed @ 60%

Sr. No.	Particulars	Annual Expenses (Rs. in lakhs)
1	Promoter's contribution	3.64
2	Bank Finance	5.46
	Total	9.10

14. TOOLS, EQUIPMENT, FURNITURE AND FIXTURES

Sr. No	Particulars	Unit	Price per Unit (Rs. in lakhs)	Total Amount (Rs. in lakhs)
1	Display Shelves	3	0.15	0.45
2	Display Tables/Stands	2	0.25	0.50
3	Mirrors	4	0.10	0.40
4	Storage Units	20	0.15	3.00
5	Lighting Fixtures	5	0.10	0.50
6	Traditional Artwork and Wall Décor	-	1.00	1.00
	Total			5.85

PLEASE ADD COMPUTER AND PRINTER RS.0.60 LAKHS

Furniture and Fixtures required for setting up the retail store must be bought from furniture dealers in Uttarakhand. The entrepreneur can avail required tools after thorough research and analysis. Below is the tentative list of suppliers in India. Besides these, online platforms such as India Mart can also be explored for ordering machinery online.

1. Narang Traders

4183, Pahari Dhiraj Gali, Ahiran,
Sadar Bazaar, Syndicate Bank Pahari Dhiraj,
Delhi-110006,
New Delhi, India

2. Swastik Solutions

F-30, Street no.-1,
Chand Bagh, Shahdara,
Delhi - 110094,
North East Delhi, India

3. M/S.Sony Office Solutions

Shop No.2, Ground Floor,
Hasan Premji House,
Janmbhoomi Marg, Fort,
Mumbai - 400001,
Maharashtra, India

15. SALES REALISATION

Sr. No	Product	Sales in Percentage
1	Hand-woven Textiles	30.0%
2	Carpets and Rugs	20.0%
3	Wooden Artifacts	10.0%
4	Pottery, Clay and Metal Crafts	10.0%
5	Aipan Paintings and Artwork	10.0%
6	Traditional Jewelry and Textile Accessories	20.0%
	Total	100.00%

16. PROFITABILITY CALCULATIONS

The basis of profit calculation is;

Sr. No	Particulars	Annual Expenses (Rs. in lakhs)
A.	Sales realization	54.00
B.	Cost of production	
i)	Raw materials	32.40
ii)	Utilities	0.60
iii)	Manpower Cost (Salaries/wages)	12.60

iv)	Administrative expenses	0.28
v)	Packaging Cost	0.16
vi)	Material Lost Cost	0.16
vii)	Selling & distribution expenses	1.44
viii)	Rent	0.60
ix)	Interest	0.62
	Total (B)	48.86

17. BREAKEVEN ANALYSIS

(Rs. in lakhs)

Fixed cost	
Land & Building Rent	0.60
Depreciation	0.91
Interest	0.62
Manpower	3.78
Total Fixed cost	5.91
Variable cost	
Raw materials	32.40
Utilities	0.60
Manpower	8.82
Administrative expenses	0.28
Selling & distribution expenses	1.44
Total Variable cost	43.54
Contribution margin	20%
Break-Even Point in Value	29.54

18. STATUTORY/GOVERNMENT APPROVALS

Setting up a stationery and photocopy center in Uttarakhand would require several statutory and government approvals to ensure compliance with regulations.

1. Business Registration: Business registration has to be made with the appropriate local authorities within Local Municipal Corporation or Panchayat.

2. Trade License: Trade license is required to operate a retail business.

GST Registration: Goods and Services Tax (GST) registration is must for taxation purposes.

19. TRAINING CENTERS AND COURSES

Training centers that offer professional training and certification in entrepreneurship and business management are as follows:

1. National Institute for Entrepreneurship and Small Business Development (NIESBUD)
Regional Centre, Dehradun
NSTI Campus, Green Park, Dehradun-248001,
Uttarakhand, India

2. Indian Institute of Entrepreneurship (IIE)
NH-37 Bypass, Near Game Village,
Lalmati Guwahati- 781029,
Assam, India

3. Institute of Entrepreneurship Development (IEDUP)
A - 1 & 2, Industrial Area, Sarojini Nagar,
Kanpur Road, Lucknow-226008,
Uttar Pradesh, India

Disclaimer

Only few machine manufacturers are mentioned in the profile, although many machine manufacturers are available in the market. The addresses given for machinery manufacturers have been taken from reliable sources, to the best of knowledge and contacts. However, no responsibility is admitted, in case any inadvertent error or incorrectness is noticed therein. Further the same have been given by way of information only and do not carry any recommendation.