

Impact Assessment and Mid-term Evaluation
of the
Handloom Cluster of Chanderi

UNIDO's
CLUSTER DEVELOPMENT PROJECT

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Conducted by

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Cluster Development Project of Chanderi

Abstract

Cluster Development is commonly understood to be a mechanism to help micro, small and medium size enterprises (SMEs) acquire scale of operations that brings in a) related and support industries/business CLOSE to offer services to SMEs, b) raw material suppliers to supply at competitive rates and c) buyers to come and offer reasonable price. But none of these has happened significantly in Chanderi. However, significant development has actually occurred towards livelihood promotion of large number of weavers in Chanderi. It is because in the context of livelihood promotion those are not the only parameters. There are several other processes that are critical. This study captures some of these critical organic processes that have played significant role in making the project a success. One of these processes is Institutional Development around these weavers, which proved to be an effective tool for large-scale positive impact on livelihoods of the weavers.

Introduction

Chandery is a small town in the Ashok Nagar district of Madhya Pradesh. Situated in Vidhyachal hills in north of the state, it has beautiful historical places in and around it. But it is poorly connected with other bigger towns/cities. The nearest railway station and mainline road links are over 30 kilometres away. Chandery has a population of around 30,000. With about 3,500 looms actively working, almost 60% of this population is directly or indirectly dependent on the handloom business being carried out here for centuries. Pranpur, another village in neighbourhood, also has almost similar degree of dependence on weaving, with about 250 functional looms.

Chandery is one of the best-known handloom clusters in India, particularly famous for its sarees, made with mix of silk and cotton. But if we look at its history, Chandery has been adapting itself as per needs. Saree is the product of second half of twentieth century only. Then, there have been changes in the methodologies, equipments and even the compositions of yarns in past. The heritage is attached with the skills of weaving high quality fabric products here. The weavers are actually the symbol of the heritage, as they have been the ones, who produced the kinds of stuff that received appreciation even from the royals.

Unlike past, in modern time of changes in lifestyle, Chandery tends to stick with what it has been doing for decades now. It is because of the inability of those, who lead the decision-making about the product, to adapt as per the changes. Their ability has partly been affected by lack of patronage it used to have in past. Till independence royal families of Gwalior provided the required patronage. After that, state and central government supported the cluster through purchases of the goods and subsidies and various promotional activities. But that support (barring promotional activities) has slowly reduced to bare minimum.

Realizing the difficulties well in advance, the resourceful traders/master weavers have generated several options for themselves. They have invested in alternative business activities for a possible shift in future. But unfortunately, the 'symbol of heritage' - weavers, are the most

vulnerable unit on the scene, as was indicated by ‘PPA’ (the participatory poverty approach that identified weavers as the “poor” under participatory approach). Having no options, weavers are facing increasingly difficult time.

It was, therefore, most appropriate for UNIDO’s project team to focus the efforts on the development of that poor weaver, who represents the heritage and who actually has the inherited traditional skills. The project team, aiming to alleviate poverty in the cluster using the acquired competencies around cluster development, has reasons to believe that the project would succeed by directly working with the core target group – the weavers.

It is almost two and half years gone into the project and it is the exit point staring in the eyes of all those, who are concerned about the outcome. It is important for the project to succeed as it has implications on not only this cluster and these poor weavers, but on several other clusters and poor, who could be impacted positively on the strength of this successful experience. But whether it has succeeded in its mission or not is the most important question.

This study aims at finding out the answer to the same question. It is to assess the depth of impacts and positives and negatives of each initiative taken under the project, on those involved in the initiatives and on those who are not directly involved in the activities carried out under the project. But the scope of the study doesn’t end at assessing the impacts. It has the flexibility to look into the possible ways to improve upon the ongoing functions of the project and even to suggest the road map if there has to be some change in the origin design of the project. Therefore, as a whole, the study is a sincere effort to assess the impacts of the activities taken up in the past and the possibility of making positive changes, wherever helpful, for the future course of action.

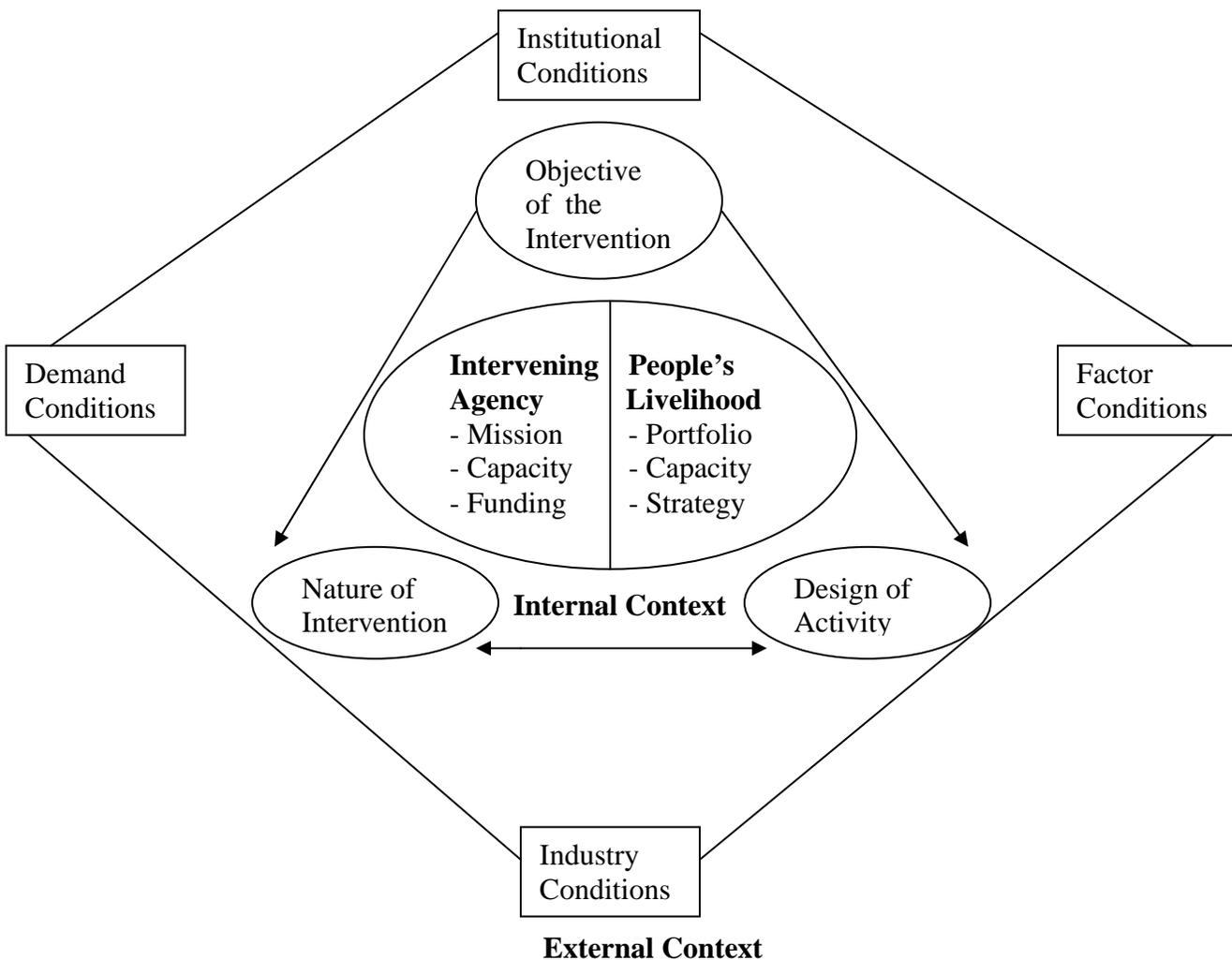
In light of this, it becomes all the more critical to keep eyes wide open to see the impacts from the perspective of poverty alleviation.

Impacts of Intervention

To have a logical assessment of the impact of the intervention for poverty¹ alleviation through cluster development in Chanderi handloom cluster, there are four important segments to look at:

1. Positive impacts of the intervention with regard to the basic objective of poverty alleviation - on those involved in the project activities and on those not involved,
2. Negative impacts with regard to poverty alleviation - on those involved in the project activities and on those not involved,
3. What would have been the scene of the cluster in absence of this intervention,
4. What is, possibly, going to be the overall scenario of the cluster after the completion of the intervention.

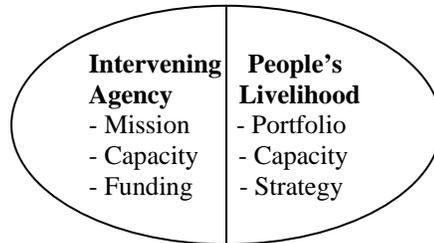
For the assessment of the impact made by different initiatives under the project, Basix' Livelihood Promotion Framework, developed on Porter's Diamond for analyzing livelihood intervention choices, has been used, as shown below:



¹ As defined by the stakeholders and understood through a Participatory Poverty Approach

In the context of this project, the framework could help to analyze both, the relationships and the impacts of the initiatives on various stakeholders. To understand the relationship, the Internal Context needs to be understood:

Internal Context-



Intervening Agency : United Nations Industrial Development Organisation (working here in active cooperation with Govt. of Madhya Pradesh), which has:

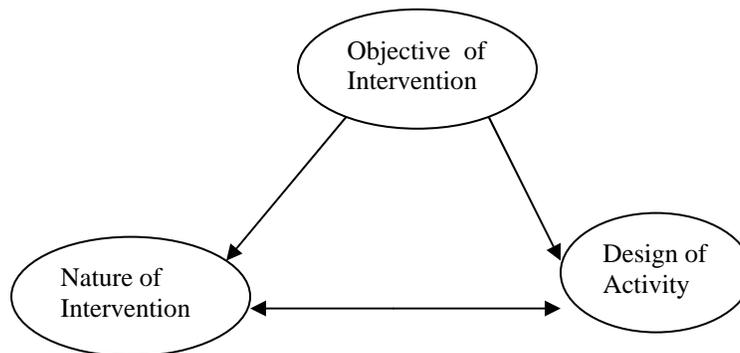
- **Mission** - industrial development in general and cluster development here in particular, in which poverty alleviation project of Chanderi fits in.
- **Capacities** – UNIDO has a global experience of developing industrial cluster, with concrete successes to back the decision of this intervention. It has competence, required literature and expertise to implement the project. **But UNIDO cluster development programme in India does not have experience of working with a focus on poverty alleviation so far. It would need to segregate the cluster development efforts impacting poor workers positively and those focused on enterprise development. There may be some amount of contradiction also, in certain sets of conditions.**
- **Funds** – funds should not be a constraint for UNIDO for such a project focused on poverty alleviation of weavers working in cluster like that of Chanderi. Moreover as per cluster development methodology the Project continuously arranges fund through various sources in the form of cash, capacity and handholding support.

People, whose livelihoods is the issue: Weavers and their families, who have

- **Portfolios** – Presently, the portfolios of the weavers are based mainly on weaving. Almost all their household activities for livelihood generation are around weaving. Very small proportion of them has comparable options to weaving. Bidi making is the second important contributor to the portfolio, which fetches them half the weaving wages only. It is to fill the gaps created by inadequate work.
- **Capacities** – Since weaving is their main livelihood related activity for years, their best capacities are also around weaving only. Financial capacities are very limited, as the traditional system of market doesn't let them have any surpluses. Their self-confidence to handle other activities is quite low.
- **Strategies** – Traditionally, weavers have been fully dependent upon the conditions created in the market, which is greatly influenced by the demand. To meet their emergency and

deficit of routine needs, the weavers borrow money from traders/ master weavers. In bargain, the traders/master weavers exploit the weavers on the strength of the loan and pay less than fair wages. But traders/master weavers provide the weaver some sense of security that they would continue getting work and that in emergency there is someone, who would rescue them. Another important strategy to cruise through the crisis of worklessness, which is an important part of their lives, is to get into alternate activities, like bidi making or on the extreme, work as unskilled labour. It might get them half of what they could earn by weaving, but still gets them food and clothing at least.

On the basis of these contributing factors on both the sides, the intervention had been planned, which had some objective(s), nature and design:



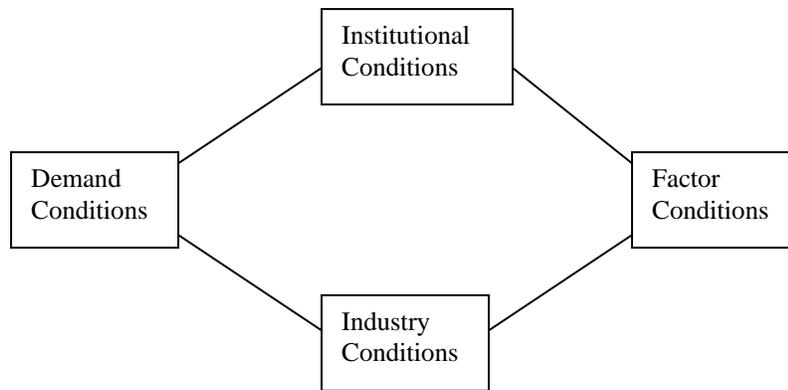
- **Objective of the intervention is poverty alleviation**, which has two major parts. One, by helping the weavers earn more through their own institution or on the strength of increase in demand for the produce of Chanderi. With increased income, they would be able to address their social needs also in a better way. Two, empowerment of poor, particularly women, and other social issues like health and education. This would create capacity to hold on to the increased income generation capacity created.
- **Nature of the intervention is Multi-dimensional**. On one hand, it focuses on economic issues related to the weavers and on the other, intends to develop the whole cluster in cooperation with the traders. It aims at social upliftment of the financially and socially deprived classes. But also tries to help the weavers to access the markets, better production practices and information. It plans to develop institutions of weavers, the poor exploited section of the society, while providing exposure of international markets to the traders (so called ‘exploiters’ of these weavers) also, such that the latter can also pull the cluster per se and promote the product and generate as much income possible for the cluster. It wishes to take up larger issue of ‘Geographical Indicators’ certification by the more financially capable stakeholders, for the benefits of the cluster and also makes efforts to address the issue of health of weavers by arranging a visit of a doctor from the bigger town. In other words, it has a vast range of initiatives, planned to achieve the set of sub-objectives.

However these initiatives have a basic underpinning, i.e. involvement and getting the activities done by a multiple cluster stakeholders situated in different parts of the value chain (at times outside the cluster) who have a business interest from those initiatives, thus building in natural self-sustainability in each initiative, right from the beginning.

- **Design of activity** has evolved over a period of time. Initially, it was aimed at working with SHGs and help them access the information, raw material, better production practices, new niche markets, etc. But with the time it was realized that it was not easy for a small group of weavers like an SHG to carry out these tasks and take the full use of these initiatives. Therefore, these groups were federated into a body called Bunkar Vikas Sansthan. **The Project has a time frame of 3 years, finishing in April 06.**

External Context -

In the **External Context**, the intervention aims to address issues related to all the four conditions – factor conditions, demand conditions, industry conditions and institutional conditions. The pre-project status, initiatives and impacts could be understood for all these four conditions in the external context as under:



1. FACTOR CONDITIONS:

Pre-project Status

The prevailing factor conditions in the cluster were not satisfactory. The town is not well connected with markets, neither by road nor by rail. The nearest railway station and a town are 32 kilometers away, connected with a bumpy road. The electricity condition was also not satisfactory. The main sources for the raw material purchase were over a thousand kilometers away, which restricted the yarn suppliers from keeping adequate stocks of large varieties of yarns. For marketing of goods, the weaver or a small group of weavers couldn't even think of taking up marketing of his/her own produce. Even traders had difficulty in transporting the goods to various markets. It increased the total effort, time and cost, reducing the margins and increasing the hassles. This in turn restricted the growth of the Chanderi handloom cluster.

Due to lack of active links with outside world and lack of tendency to get into diversification of the products under the pressure of survival issues, the production practices could not improve over a long period of time in recent past. The traders have been skeptical and have tried to develop options for alternate businesses as standby. This has further reduced their willingness to take aggressive steps forward. Under the pressure of low margins, the quality issues have not been addressed in line with the advancement of markets. The dyes still used were of poor quality

and the practices were even poorer. Where a yarn should be dyed at a temperature of 70-80 degree C for 30-40 minutes, it was dyed at room temperature for very short periods, in some cases for just five seconds. With this kind of low consideration for a high value yarn like silk, it was highly unprofessional and against the basic principles of production and marketing. (See a case in Box 1).

Box-1 : Quality of Dye in traditional Chanderi

In January 05, Fabindia held a business meeting at Orchchha, Jhansi. There was a component of field visit attached to the meeting. Exposure of Chanderi had been planned for the participants. During the period at Chanderi, all of them went to market to have some shopping of famous Chanderi products. One of them was a senior functionary of Fabindia. She bought a beautiful saree for herself from one of the biggest traders of Chanderi. The saree bled the colours, the moment it was washed.

Just a few months before that, a senior government officer of Madhya Pradesh bought saree from one trader and had the same fate. It is not just about a particular trader. Sometime back, a group of traders gifted a beautiful saree to Lata Mangeshkar. Fate was the same. Could she recommend it to some friend? Or buy one from market?

Then there was the upcoming challenge from the power loom, which produced large quantities of similar looking fine material at far lesser costs. It was difficult for a common person to identify the difference between the hand woven and power loom made stuffs. Chanderi was affected more than other handloom clusters on this line, as there had been no efforts, whatsoever, to develop new designs, which are appreciated by the buyer and that cannot be made on power loom. There was no willingness among traders/master weavers to invest in research and development, which is essential not only for growth, but for survival also. The extent of the problem could be understood by the fact that some showroom owners in Chanderi, who are master weavers also, are selling power loom made goods from Surat as Chanderi product, with a proper seal and bill for Chanderi product. This was scaring for the future of this handloom cluster.

The Government of Madhya Pradesh is partner in this project with UNIDO. Unlike various other State Governments, the initiative of the Government of Madhya Pradesh is significant, as it has sponsored various projects in the cluster. However, there are still significant taxes over handloom goods. In Chanderi, there is a handloom Resource Centre (RC) to provide technical and information support. Traders have found Computer Aided Design Centre in the Resource Centre useful. There is huge scope for enhanced contribution by RC. But institutions, like STC, Hast Shilp Vikas Nigam (HSVN) and Laghu Udyog Nigam, set up to provide marketing support have almost phased out with the time. They used to buy up to 20 per cent of the production of Chanderi, which worked as a minimum support price system, but they too have reduced their activities to the bare minimum. Similarly, the banks and other financial institutions were not willing to support the weavers. They used to consider them as 'not credit worthy'.

In given conditions, the overall business of Chanderi cluster was going down. The number of weavers actually involved in weaving reduced from around 5,000 (at its maximum) to around 3,500. Large number of them has migrated from Chanderi and many have taken up bidi making or other activities as unskilled workers. This was particularly true for women, who were willing

to weave with the men, but there was no work for them. The future of cluster did not seem to be bright.

Initiatives taken to influence Factor Conditions

It is all about influencing the factor conditions, including the mindset of people involved in this business at various levels. Under this project, following important initiatives have been taken up

1. **‘Geographical Indicators’ (GI) Certification:** Recently the Chanderi Development Foundation, an institution set up under the project to address larger issues, has been successful in getting the GI certification. It may play an important role to stop power looms to produce the material, which is identified as handloom product of Chanderi, with the specifications mentioned in it. This initiative might go a long way, but it yet to be seen. A detailed study has been commissioned on its implementation and the necessary steps of forming the appropriate forums and a two-pronged strategy of (a) promotion in the initial phase and (b) thereafter if required possible litigation at a later phase has been worked out.
2. **Access to Capital/Credit:** In the initial phase, 60 SHGs were formed, with average ten members in each. They were required to save an amount regularly, as per the decision taken by them collectively. It was envisaged that this money would be used as the capital for their future activities, apart from enabling them take care of their emergency needs within the group. The access of these groups to credit from financial institutions was very low, as the banks were not ready to give them loan. This saving gave them some sense of security about that as well.

With emergence of BVS, each member of the groups joining it was required to contribute Rs. 2000/- as the capital. Initially, Rs.70,000/- were received from the members of seven groups. Now there are 13 groups in BVS, with a contribution of Rs.0.13 million and another six are in the process of joining, with their contributions. That would take their capital to Rs.0.19 million. UNIDO has contributed Rs. 0.15 million as training support. Besides this, government of Madhya Pradesh has given a support of Rs. 0.5 million per annum for three years. This support is flexible and allows its usage as per the need of the organization. Government is also giving 20 Taralooms, each costing Rs. 21,000 to weavers with 75% subsidy.

The strength of the BVS has been acknowledged widely. There is increased willingness among financial institutions to offer them loans and support. Under its social responsibility component, Oil and Natural Gas Commission (ONGC) gave a grant of Rs. 0.5 million towards development of the weavers. National Minority Development Commission (NMDC) has given a soft working capital loan (at 5% p.a.) of Rs. 0.855 million to BVS through Hast Shilp Vikas Nigam (HSVN), since BVS had not completed required period of three years of its existence. State Bank of Indore has offered a loan of Rs. 80,000 each to four SHGs, but it has not been availed so far. Besides this, Nirvana (an NGO) has given an interest free loan of Rs. 0.1 million in Feb. 04, to be returned in four equal quarterly installments starting Feb. 06. So, the financial base is increasing.

With increase in strength and sustainability of BVS, the credit, perhaps, would not be a constraint for it. The presence of UNIDO on the scene has made lot of difference in this regard, providing credibility to the institution.

3. **Dyeing:** Improved practices around fastness of the colours have been initiated, which is at present one of the major quality related issues in case of Chanderi products. Hot water dyeing with adequate duration has been introduced among the weavers, who are linked with BVS. Other weavers and traders/master weavers also understand the importance of this, but still they have not adopted the new practices. That is why they are not getting sustainable markets.
4. **Yarn Bank:** A yarn bank has been started at BVS level to keep control on the supply, quality and price of yarn. It also gets a relief of 1 ½ % as transport and stocks subsidy. It is still in infant stage and looking at the total costs involved to keep the stock and its management, it is still under serious consideration of the team, how far to go in this direction.
5. **Technological Upgradation:** Some efforts are being made to introduce new technological practices and equipment, like warping machine could be helpful in faster filling. Likewise Taraloom is another proposed new equipment to be introduced. But these things are yet to be in place.

Impacts

Geographical Indicators (GI) Certification: Yet to be seen, as it has been received very recently. But it seems that there will be a definite impact on the cluster as a whole, provided it is used effectively and aggressively. To force the power looms and others involved in forged-production under the brand name of Chanderi to stop the foul practices, some legal steps might have to be taken. There has to be a campaign about the certification and about actions taken against those breaching it, on a reasonably large scale. Only then this achievement would be able to create a real impact. However efforts for linking the Foundation with their natural allies for this initiative, i.e. the State Government, is on.

Credit/Capital availability: It is critical for sustainability of BVS, to match the requirements of the growing sales. It has an indirect impact on the overall business, as the sustainability and smooth working of BVS has larger implication, particularly for the weavers. The movement has started in this direction.

Dyeing: Those directly involved in BVS or those who are the members of SHGs and are getting work and advantage of improved quality of product. Colour fastness being a major issue, new dyeing practices have increased acceptance in the niche markets, which could fetch orders and better rates. Beside this, three persons including a woman have got work in dye house. Others have got training about dyeing practices its importance, etc. They have got their capacity built for all times to come. Those not getting work from BVS are not benefited yet, but the increased demand of the product has excited them about the possible gains in

future. Traders/master weavers – are aware of the introduction of new dyeing practices, but are not yet trying to adopt. The costs are the major concern at present.

Yarn Bank: No significant impact has been seen yet, as the initiative is very new and at low scale. But the weavers’ body will have a better control on the pace of work, as the timely yarn availability is important. The yarn traders at Chanderi keep very limited stocks of yarn, since they have to keep large range of shades, to meet the requirement of free-style production system of the cluster. They take lot of time to arrange larger quantities, required by BVS, ordering it with Coimbatore traders. Therefore it was desirable for the latter to have its own stocks of yarn.

Impacts of factor conditions initiatives on different stakeholders

Factors Stakeholders	Geographical Indicators	Credit/Capital	Dyeing	Yarn Bank
BVS members	GI would benefit whole cluster. BVS would also gain from it.	With stronger financial base to meet orders, schedules, quality. Members get more work, total wages & profits.	Improved quality increases acceptance in market. Get more orders, better margins, benefiting members with better wages, profits.	Reduced dependence on suppliers increases ability to meet order schedules, quality. Less expense (better margins), benefiting members.
Other SHG members	--do--	With increased work, more members get included in BVS, getting similar advantage as BVS members.	Get included in BVS faster to get more wages, profit.	Benefits from BVS percolates.
Other weavers	Will get more work & better wages from traders/MWs.	Marginal indirect impact due to increased work in cluster.	Indirect impact due to increase in work of the cluster.	Marginal indirect effect, due to gains of BVS.
Traders/master weavers	With increased market space, get more orders & margins.	No impact.	Marginal gains due to improved credibility of Chanderi goods. May adopt better dyeing practices.	Yarn traders lose marginally in terms of buyers, get less margins.
Any other	Whole cluster gets benefited with more market space created.	Some new livelihoods may get created due to increased vacuum created by shifting of some weavers to BVS.	Cluster gains reputation and acceptance for its goods.	
Comments	Advantage only if GI used effectively & aggressively.	--	--	

Note: No negative impact from interventions on any section from any segment was reported.

Conclusion:

The initiation of dyeing house and yarn bank has helped the group in addressing the quality issue to some extent. Also the improved access to credit/capital has helped them to ensure timely production of goods, with increased ability to take more orders. Impact of GI is yet to be seen.

But there are lots of other critical issues, which are unresolved. The poor linkage with rail/road, power supply is still an issue. Institutional support to the cluster other than BVS is negligible. Common weavers' low access to credit is another important area to look at.

DEMAND CONDITIONS

Pre-project Status

The demand conditions for Chanderi product were not very encouraging for previous couple of years. The total sale was not increasing in value terms. As per the common weavers, not involved in BVS, 'they don't remember, when they used to get lesser wages than now'. The reputation of the traditional produce, despite solid heritage tag attached with it, was going down in comparison of products of some other competing clusters. This was happening for some time. The number of weavers involved in weaving had gone down and the trend continued, till the project was started. The impact of loss of livelihoods of these weavers could be felt there. In absence of an intervention, the situation was bound to go worse for the traditional cluster and the weavers, stricken by increasing poverty, despite being equipped with such a skill.

The system of selling the goods by the traders/ master weavers had been, and that continues to be, traditional, not suiting the requirements for growth. They carry the goods to different towns and try to sell wherever possible, without prior clarity about the demand there. They would sell to whomsoever. The margins could be anything depending upon the conditions. When everybody is trying to be global, here they are worried about losing the domestic and traditional markets even. So, this cycle of problems, compromising with quality and declining sales, was indeed threatening.

There were no significant efforts put in towards diversification to meet the requirements and the changes happening in the market. Saree continued to be the product, with some efforts for ladies' suits, but it was very little and practically unable to take the advantage of the market. The market-focused experimentation was out of question in terms of diversification.

The institutional support for sales of goods was declining, which has now become negligible. Earlier, it used to be significant, both in terms of price and quantity. State Textile Corporation, Hast Shilp Vikas Nigam and Laghu Udyog Nigam have almost phased out.

Initiatives taken to influence Demand Conditions

1. **Market Linkages:** Bunkar Vikas Samiti, the newly formed weavers' institution, has been greatly helped to access market. The link with Fabindia is a big step forward. Likewise, some more possible linkages are in the pipeline, including one of the global leader MNCs, which is exploring the possibility to buy from BVS. The leverage all these links may provide could be critical for sustainability of the BVS. A joint market strategy is also being planned for Chanderi, Kota and Maheshwar. **It is important to note that these linkages have not been created by taking away market from the master weavers.**

The total sales of last year stood at about Rs.3.6 millions and this year, it is estimated to be over Rs.8.0 millions. Fabindia would buy the lion's share (around 2/3) of the produce. As per the representative of the purchasing agency of the company, they are happy with

the quality, despite some concerns related to colour fastness of one particular colour and manufacturing defect in some pieces, which is expected to be resolved soon. Most of those aware of the latest developments at Chanderi, agree that BVS is capable of producing high end stuff, provided it takes extra care about quality, design and price, which is essential to compete in the quality conscious market.

2. **Exhibitions and Fairs:** BVS and some traders/master weavers were helped to participate in some national and international exhibitions and fairs with their goods, under the project. This was aimed to let them see and understand the changing market scenario and to sell their produce. It has given them exposure to the outside world and helped them know about the changes taking place in designs and diversification, in bigger markets. Weavers and traders/master weavers participated in the globally famous international textile exhibition called Hem Textile, in Germany, last year. This year in June, BVS weavers participated in exhibition in London and a female weaver participated in a fair in Pakistan, sponsored by Homenet South Asia, a sister concern of SEWA.
3. **Diversification of Products:** New products have been introduced under the project, partly on the demand from the buyers and partly due to realization of the changing markets. Lady suits, dupatta, curtains, bed covers, table covers, cushion covers, etc. have been introduced. It has increased the possibility of reaching to larger range of outlets in the market. New combinations of yarns have also been used. For example, the silk - silk, silk - cotton, silk - 2 cotton, silk – 3 cotton, etc. are being used for making the product suitable to the demands and trends. Sizing was another important area, which sought attention and has been addressed.

Impacts

Market Linkages: The practical advantage has been restricted to BVS so far. The traders/master weavers have not taken any advantage from the efforts in this direction. The orders so far received by BVS are from markets not traditionally linked with Chanderi products. Most of these are for upper class buyers, who are ready to pay high prices for high quality product. Therefore, it is the net addition to Chanderi products' market and if it increases substantially, it would benefit the cluster as a whole. But it is just the beginning. The quantity is just good enough to keep BVS members engaged. If the sales increase to the tune of Rs. 8.0 millions, as is being estimated in this financial year, the members will get full capacity work, with net increase in their wages. A large number of other SHG members will also get full capacity work, which could encourage them/give them space, to join BVS. Almost all members will start getting some spill over work to their advantage.

The non-SHG members are not getting any work from BVS and it is unlikely that they get work for the point of time till BVS has a turn over beyond a couple of crores. Still they may not get better wages from the traders/master weaver as they have some free floating weavers out of 1,500 weavers who left weaving in past, ready to re-enter into weaving. But beyond this point, traders/master weavers will have no option but to pay fair wages to the weavers working for them. That would be the point of massive impact in the direction of poverty alleviation.

- i. BVS weavers – They are getting work as per the orders received. The total quantum of work is less than what they used to get. But the rates offered per unit production are better by 10-35 per cent. The total earnings come out to be almost same for the members of BVS. But the advantage is in terms of the same wages earned by working for lesser time. This leaves them with some leisure time, which they could spend on social activities or to take rest. It reduces the work stress at least. Some of this time is spent in strengthening their newly formed institution, BVS, also. They also believe that with increased sales this year, they would get optimum work to do.

It has enhanced their self-confidence and esteem. (One woman weaver said-‘we feel as if we are Gopi Chand Somanis’- a well known trader). They don’t have to depend on traders/master weavers any more. They think they would be able to include many more weavers in BVS. So far, there have been 130 weavers in BVS, while another 60 are planned to be included now. In last year’s business, BVS has made enough profits, so that it can distribute Rs. 0.3 million as profits/bonus to its members, if decides so.

- ii) Non-BVS SHG members – Whenever there is a pressure of order and work has to be finished fast, up to about 200 weavers have been getting work. This is generally for very short duration and not at all enough for them to snap ties with traders/master weavers. But still, the better wages offered by BVS pleases them and they wait for such opportunities.

A large number of them feel that they were going to join BVS in near future. So far, they are being neglected simply because they were slow in responding when BVS was in the process of making. Some of them are unable to join, because they think they can’t afford to pay the required capital amount of Rs. 2,000 (recently reduced to Rs.1,000). However, when probed, it was not found to be the major reason. Actually, they are not yet sure that the BVS would get enough orders to offer them adequate work and that if they fully join BVS, the traders/master weavers would feel bad about it and treat them badly or might not give them any work. So, they are playing safe.

- iii) Non-SHG member weavers – Apparently, they seem to be unaffected by the small quantum of work BVS has procured, the advantage of which is going to its members and SHG weavers. They indeed have not got any work from the BVS so far. But surprisingly, they observed that indirect impacts of the initiative are there on them, as stated below –

The behaviour of the traders/master weavers has significantly changed towards them for good. They are now soft and considerate. They are getting more work to do, as some of the weavers are not available to work for the traders/master weavers. Then, there used to be a slump in the rainy season, when traders/master weavers used to exploit them more, by offering lesser wages and keeping them without work so that the weavers take loan and remain under their control. This year, the weavers have been treated better, got more work and regular prices, which was unimaginable in the rainy season.

- iv) Traders/master weavers – As such they don’t seem to be affected, as the markets tapped by BVS are totally new and there is no threat to them if this continues so. However,

they might not like the weavers' body to compete in the traditional markets, where they sell their goods. Some of them believe that with increased reach of BVS, they stand to gain in longer run, as they would be able to offer the same material on lesser prices to the buyers. They don't believe they have been negatively affected in any ways yet.

Exhibitions & Fairs: It seems that the traders/master weavers and group member weavers have found the experience, learning and enjoyable, alike. But in real sense, the traders do not seem to have taken the advantage so far. They perhaps took it as an experience of seeing foreign market. Some more aspire for a similar experience. But nobody actually mentioned about the possible changes they propose to make in the production or marketing practices. BVS members however feel they would be able to match the requirements of the changing markets on the strength of technological changes they are adopting and quality, including new designs fitting in the trends.

Diversification: The larger range of combinations has clearly given a new range of consumers, open to consider buying Chanderi-made material. It has pleased both the weavers as well as the traders/master weavers. Both feel it would add a new dimension to the future of otherwise declining Chanderi's demand. The impact has started appearing in the form of new orders around the new products. It would benefit the cluster as a whole. Particularly, the development of new designs have got appreciation among the designers, buyers and those who have seen the changing time of the cluster.

Impacts of demand conditions initiatives on different stakeholders

Factors Stakeholders	Marketing Linkage	Exhibition and Fairs	Diversification
BVS members	Get more work, better wages & profit. Increased self-confidence, security & esteem.	Aware about new markets & trends. Chance to find new linkages, including exports. Place to sell goods at better prices/margins, increasing profits of members. Improved future prospects.	More orders, better margins, improving profits for members. Get more work and total wages.
Other SHG members	Get work, better wages. Better chances to get included in BVS faster to help get same benefits.	Indirect impacts percolating down and faster inclusion in BVS.	With increased market, chances to get into BVS enhanced. More work.
Other weavers	Better treatment from trader/MW. A little better wages than past. More work.	Only marginally and indirectly as yet.	Get more work from traders/master weavers.
Traders/master weavers	In long run, chance to get orders from markets created by BVS.	Not availed yet.	Chance to get new markets for new products, whenever they adopt.
Any other	The cluster as a whole gets strengthened.	Cluster gets a new dimension for development in long run.	New products will give Chanderi a new phase in its history.

Note: No negative impact from interventions on any section from any segment was reported.

Conclusion: The demand conditions have improved for BVS. Its members have started getting work on higher wages (10-35%), but not to their capacity. The better wages compensate for the gap. But the same earning with lesser work leaves them some leisure time to take care of their health, family, social responsibilities and issues of their new institution, which they consider important for their future. This may also be explained as an intermediary phase, wherein the

weavers of BVS are leaving a low level equilibrium and moving towards a higher-level equilibrium and the difficulties faced are normal in such transition. Efforts in the direction of foreign market seem to be pre-mature, but as long as government sponsors them, it is fine. The reputation for the goods is yet to be established. It is just a step forward to tap niche market segment. But this has given a direction to the BVS towards issues of quality and diversification, which is important. To an extent, only members will get benefited, but with increasing markets, other weavers of the cluster will also get benefited in terms of work and wages, which has direct implications for their poverty.

INDUSTRY CONDITIONS

As such, nothing has been done consciously to influence the industry conditions. But there are a couple of developments, which would to some extent influence the industry. The Geographical Indication Certification would definitely add to the resistance against production of the handloom allocated materials on power looms. But it would require, as said before, effective and aggressive steps to be taken in this direction and to be publicized adequately.

Secondly, the diversification of the products made in the cluster would influence the handloom industry, in whatever little way.

INSTITUTIONAL CONDITIONS

Pre-project Status

The institutional conditions for weavers' community had never been conducive. They have always been on receiving end, on the mercy of the traders/master weavers. In last one decade, there were some cooperative societies formed with weavers as members. But those became the private enterprises of some of the master weavers, who initiated these societies and practically made other weavers work for them, as the weavers are doing for traders/master weavers. The real objective of the institution development could not be met. The societies used to do lot of institutional sales. These societies still exist. But now they have to sell most of their goods in traditional markets, since the government institutions have started slowing down purchases. Most of the weavers in Chanderi consider them as unreliable forum.

Now, with a recent declaration by the government to provide support to only weavers' institutions, new fake weavers' institutions are taking shape. This time it is in the form of NGOs. Already over a dozen NGOs have come into existence. Their purpose is to avail the benefits offered by the government, primarily aimed at promoting weavers' institutions.

Initiatives taken to influence Institutional Conditions

True to the spirit of the project, maximum efforts have gone in this direction. There are a number of initiatives for institutional development, taken up as stated below:

1. **Self Help Groups:** Sixty self-help groups of weavers have been organized, with an average of ten members in each. Eleven of them are all women, 32 all men and 17 mixed groups. These SHGs involve all the sections of weavers, across castes and communities. Each one of these groups has a particular amount to be saved monthly and deposited with

the group by each of its members. They collectively decide about the amount. By July 05, all SHGs had a total amount of Rs. 0.522 million in their accounts, with an ongoing total monthly contribution of over Rs. 33,000.

2. **Bunkar Vikas Sansthan (BVS):** Formation of BVS was not part of the initial plan. It evolved out of the process of working with SHGs for helping them take up all the important activities related to business. It was realized during the process that it was difficult for a small group of weavers' to get into so many things together, with limited resources and time left after weaving. Therefore, it was decided to form a bigger group out of these SHGs. This is how BVS came into existence. It is a federation of the SHGs to take care of the larger issues of production, marketing, finance, management, social importance, etc. It started with seven groups consisting of 70 members, later adding another 60 members. Now it is planning to add another 60 members. Therefore, right now there are about 190 members actively and directly part of BVS. The process of adding new members would continue as long as it keeps getting increasingly large enough quantities of orders and as long as there is willingness among weavers to join. According to BVS, each of the members joining it needs to contribute Rs. 1000 towards capital (An SHG of 10 - Rs.10,000).

BVS has an executive committee of 19 members, including 5 women, to take all major decisions regarding business. There are two sub committees also. One is responsible for all marketing related tasks. It is yet to take full control of the affairs, as the marketing is too complex an issue for them to handle. The other one is for production, including allocation of jobs, fixation of wages, payment to the weavers for their work, etc. It is relatively better matured up. Then there are 'Vyavasthapak's', one from each SHG to take work, keep account of supplies and payments to the group members. He is paid 3% of the total payment by BVS for her/his effort. The dyeing house and yarn bank are under the control of BVS, which has an office, with accounts section, room for stocks and for the meetings. There is a general body consisting of all BVS members. It is the apex body, responsible for budget approval, ratification of all decisions and actions.

3. **Silk Club:** Has twelve executive members. Most of them are traders and master weavers. A couple of them lead the cooperatives. But despite being the representative body for the whole cluster, has no representation from common weavers. The role of the club is to take up issues of common interest related to trade, for example, taxes on traders and a railway counter at Chanderi. But for project team, it is supposed to be the apex body of master weavers and traders. Involvement of the representatives of the club so far has been limited. They have participated in Hem Textile in Germany, an exposure to Varanasi and a few other places. The Varanasi visit seems to have motivated them to some extent. An expert weaver has been given training there and it is anticipated that he would make the required changes in the weaving technicalities, which could reduce the costs and help in increasing the pace of production & in developing better designs.
4. **Chanderi Development Foundation (CDF):** CDF is the representative body for the whole cluster. Members of CDF include four weavers, including women weavers and also traders and master weavers. It is a broader registered platform for overall development of Chanderi. Policy level issues would be addressed on this platform. Recently, it has got 'Geographical Indication Certification. It would be the responsibility

of CDF now to take full use of it in the interest of Chanderi business development. It is being viewed as the brokering institution of the cluster.

5. Capacity Development: There are a number of activities taken up for capacity development of the members of all the institutions as listed below:

- Training programmes for the members on dyeing, design, quality, new technology, raw material, etc. Some more programmes are planned in near future.
- Exposure visits for weavers, traders/master weavers to enable them know the latest developments in the marketing, technologies, practices, designs and products. These exposures have been particularly helpful in empowerment of women and other weavers in terms of enhancing their confidence.
- Weavers have a big say in affairs of the BVS and SHGs, thereby inculcating in them leadership qualities and the confidence to run the institution.
- Two traders were taken for exposure visit to Varanasi for motivating them to adopt new technologies, being practiced there. An expert weaver from Chanderi has been trained there. He would incorporate those changes in looms and weaving practices here, which could make significant changes in the production and costs.

6. Other social issues: Some social issues, related to empowerment, health and education are being addressed. Involvement of women is ensured at all levels of project work. There is reasonable amount of representation of women in executive committees of all the important bodies. They are encouraged to participate in exposure visits. One of the weavers has visited Pakistan to participate in an exhibition (See Box 2). About 80 women are enrolled in literacy classes and they are taking interest in learning. There was no lady doctor in the town at the time of start of the project. To begin with, services of a qualified doctor were taken particularly to ensure health related support to women. Then successful efforts were made to get a lady doctor posted at Chanderi.

In the process of women empowerment, about 150 women have constituted a forum, they have named 'Hamari Duniya'. This would serve as the platform for women's common issues.

Box-2 : Empowerment

Ms. Afroz Jahan joined her SHG, Indra Samooh in 2003, just as another member. Her group was one of the first ones to join the bunch of SHGs, which formed BVS. She got the opportunity she was looking for and deserved to get. Now, she has proved herself a person with great leadership qualities. Not only she is one of the senior executive committee members of BVS, but also has been elected as Vice-Chairperson of the national body of Homenet South Asia, a sister concern of SEWA, Ahmedabad. Homenet sponsored her to participate in an exhibition in Pakistan. Now, about 150 weaver women of Chanderi have formed a forum, called Hamari Duniya, of which she has been made Chairperson. She is not the only one coming out of isolation of four walls of house, but a number of other women also have come forward to take lead in the responsibilities offered to them by the group. Of course, she has motivated many of them to do so. The project has indeed given the platform to many women weaver to break the barriers.

Impacts

SHGs: These groups are active and members seem satisfied with them with savings and credit activities. But another important binding factor seems to be the BVS now. They all feel that some day, they all will be active part of that and get more work, with genuine wages attached. While there are 130 members already in BVS and 60 more are in the process of joining it, others wish to join as soon as possible. The best time from their point of view could be when there are sufficient orders to take care of their needs, for optimum amount of work. They don't want to take risk of losing contact with traders/master weavers, before getting sure of sustainable link with BVS.

Bunkar Vikas Sansthan: Formation of BVS has created a major impact on the cluster, particularly to address the main objective of poverty alleviation. All stakeholders have recognized it as the main institution of the weavers in Chanderi. There are other weaver institutions also, like cooperative societies, but the credibility of these is not very high in terms of objective to serve weavers. Most of these have become the pocket institutions of some master weavers, who have turned into bigger traders, taking the advantage of relief that governments used to give to cooperatives. They are seen as 'frauds'.

The weavers linked with BVS are satisfied with the wages offered and have a strong sense of ownership. They feel like coming out of clutches of traders/master weavers. They also understand that they are going to get share in the profits being made by BVS in the business. But many of them are skeptical about possibility of discrimination by the weavers belonging to bigger community, having better say in the body. There is a general fear among most of the weavers that if the experiment fails, they would be worse than what they were before the project and would be treated by traders/master weavers badly.

Silk Club : It is the representative body of the traders/master weavers. They thought that UNIDO should link them with agencies like Fabindia. They also believe that some day they will get access to such buyers, who are in touch with BVS right now. On the other hand, there will be strong resistance if BVS is helped in developing a link with a buyer of a trader/master weaver. They wish to encroach into the market segment of BVS, but don't want it to encroach into their territory. They appreciate the efforts of providing exposure to relevant markets and clusters.

Chanderi Development Foundation : Doesn't seem to be having much of a practical role in the poverty alleviation project right now. There is not much on its agenda currently excepting for implementation of GI Act.

The efforts on capacity enhancement and social empowerment have indeed yielded great results. The most immovable sections of weavers' seem to have accepted the increased role of women in household lives, particularly with regard to the income generation. It has made significant change in place of women in families. In such a short span, the change can be seen and felt. Importance of unity has also been recognized among various groups very well, which create a strong base for social harmony, which is so important for poor, struggling to make livelihoods (Box-3). The training programmes are also addressing issues of long term importance, like education, which would be of great help in long run. Interestingly, true to the

spirit of CDP, such training programmes are being arranged through specialized institutions and implemented by local organisations.

Box-3 : Fighting “Poverty” Together

Kaliman’s husband is a ‘beldar’ (unskilled worker). As she says, he has no other skills. He has been the sole breadwinner for the family of seven, including their five children. He has been struggling to earn enough to get them food. They had only a small hut of 8x8 ft in worst possible living conditions in the outskirts of the town. Moved by her miserable conditions, the members of Indra SHG made Kaliman a member of the group. They motivated her to take training for weaving. She got enrolled for training in Resource Centre, Chanderi. She was paid some stipend also. The members of her group contributed some amount to help her extend her hut, so that all the members of her family could at least get accommodated. She is soon finishing her training to get set to crack the deadliest phase of poverty, with the support of her group members. Kaliman’s hut is hardly a ‘hut’ still, with top half of the walls open to sky, but the shine on her face tells about the future she is going to have.

Impacts of institutional conditions initiatives on different stakeholders

Factors Stakeholders	SHGs	BVS	Silk Club	CDF	Capacity Enhancement	Social Empowerment
BVS members	19 SHGs are the base of BVS.	--	No impact.	GI certification helpful for the whole cluster.	Critically helpful. It would ensure sustainability.	Increased awareness, health care, literacy. Particularly women benefit.
Other SHG members	--	Future prospects for better wages, profits, social conditions.	No impact.	--Do--	--Do--	--Do--
Other weavers	Transition to getting into BVS.	Great hope for future. May join some day.	Ability of trader/MW would ensure work/wages.	--Do--	No impact yet.	Impact on women. Percolation of benefits out of BVS efforts.
Traders/master weavers	Marginal. Reduced dependence of weavers for loans.	A dormant threat to create vacuum for weaver availability.	A platform, could be used for trade benefits.	Another similar platform.	No impact.	No impact.
Any other	--	--	--	--	--	--

Note: No negative impact from interventions on any section from any segment was reported.

Conclusion: Institutional development is the most significant work done under the project. Particularly, formation of BVS has given a new impetus to the whole project towards achieving the objective of poverty alleviation. But it has to be sustainable. Otherwise, it might become counter productive for them, making them vulnerable to more exploitation in future than it was in the past. The Silk Club and Chanderi Development Foundation are the platform, which need to be handled with care. There is inherent contradiction in the interests of the main players of these two bodies with those of weavers involved in BVS and SHGs.

Overall Conclusions

On the basis of the assessment of the impacts created by each of the initiatives taken to influence external conditions, it could be stated, that:

1. **The project, with its approach of cluster development, has definitely benefited the weavers, who are involved in the processes initiated under the project**, i.e. members of BVS& SHGs. These impacts are in terms of increased wages (10-35%) for a given work, self-confidence, esteem and sense of security. On social front also, they are empowered, though marginally yet, through exposure to outer world, teamwork and collective working. However, the quantum of work has not increased. On the average, it has decreased marginally (15 days comparing 20 days of others), though, total wages have not reduced. This fall can be viewed as a natural adjustment of moving from a low level stable equilibrium of a worker to a high level entrepreneurial equilibrium that is popping up strongly in the cluster.
2. **The project has indirectly, though marginally, impacted the weavers not directly involved in the processes initiated under the project**, i.e. weavers, who work for the traders/master weavers. These impacts are in the form of increased respect with their 'masters', a little more work and consistent wages for a given work. Earlier, in rainy seasons, both work and wages used to get reduced.
3. **There are some new livelihoods created**. A couple of hundred weavers, who had left weaving, have been reported to re-enter into weaving in last one year.
4. The **factor conditions** for the cluster have improved, though marginally, which could play significant role in development of cluster, like Geographical Indicators certification.
5. There are **No Negative impacts, on any of the sections of the cluster**, particularly on poor/weavers.

A lot of work has actually gone into the institution building around SHGs. BVS is a unique creation evolved out of the process. It represents the very target group, for which the project was meant – weavers/poor. It has the potential of taking on the responsibility for economic as well social concerns, as its members are themselves the sufferers and they are the ones whose families would benefit. SWOT of BVS could give some idea about the possible outcome of the whole project in case it is capable of taking on the lead role of supporting livelihoods of weavers, a lot of which depends upon its capacity building. Besides this, there are other concrete achievements of the project so far, as explained in the Chapter on Impacts, like -

1. There is a significant change in the social conditions, particularly about the attitudes. The worst affected section, women, have got more space in the institutions created and in their own families & community. This is to be kept in mind that they all belong to the most marginalized communities of society.
2. There is strong willingness to work in groups, forgetting their religion or castes. The importance of unity has been well understood and acknowledged.
3. The efforts for creating markets have been superb. Even more significant has been the empowerment of the group to meet the requirements of the orders in terms of quality and schedules, which needs quite a bit of professional attitude.

4. The leadership qualities of the weavers and teamwork have also grown considerably.
5. There is general acceptance among all sections of Chanderi that the project is actually benefiting weavers, though they also think that it would collapse after the project is over. The environment is conducive for getting better results out of the efforts.

But all the opinions/information received from most stakeholders had a fear attached – ‘after the withdrawal of the UNIDO team, all this will collapse.’

It is probably a little early to conclude the project at this stage when it is expected to deliver a lot. In the absence of continuity there are chances that many of the good work initiated might not mature fully and even fade away. This could leave the weavers prone to more exploitation by traders/weavers. This is justified by the following observations:

1. Status of initiatives on Factor Conditions:

GI Certification – In case the project ends soon, the weavers (poor) might not be in a position to take any advantage of this. The traders/master weavers also may not be able to make full use of this, as they would like to avoid hassles, inbuilt with enforcement of GI. Government officials never have such will power to work for that.

Access to Credit/Capital – To meet the financial requirement for an annual turn over of Rs. 8.0 millions, some more finance mobilization will be required and BVS is not fully capable for the same.

Dye House and Yarn Bank – The improved dyeing practices and the new dye house would need excellent management. Without professional inputs, it might not be carried forward for long. As such, dye house and the practices introduced might not survive in isolation.

2. Status of initiatives on Demand Conditions:

Market Linkages – Their ability to sustain the existing linkages might be good enough if guided well and if they ensure the quality, but to seek new linkages, BVS would need support for the time, long enough to procure and serve some big orders.

Exhibitions & Fairs – Just financing by government might not enable them participate, procure orders and fulfill the requirements. It might end up with a tourist like visit.

Diversification – Does not carry much of a meaning in isolation. Needs to be backed by marketing, designing and proper management of affairs.

3. Industrial Conditions: No initiatives focused on industrial conditions taken.

4. Status of initiatives on Institutional Conditions: To carry forward the tasks initiated under the projects (Please see SWOT of BVS also, given in the end) –

- SHGs: The independent potential of SHGs is not beyond savings and loaning to its members. This could actually work as the backbone of the BVS.
- Silk Club: This group of traders/master weavers has not engaged itself much in the process and they have just started getting some enthusiasm. Their methodology of support for the cluster in the form of new technology introduction or creation of new (e.g. export market) can come only with some more sustained handholding support.

- Chanderi Development Foundation: Not much different from Silk Club. It doesn't seem to be having on its agenda the socio-economic concern for weavers, as envisaged in the plan.
- Bunkar Vikas Sansthan: There is a sense of togetherness, ownership and enthusiasm among the members of BVS. They have started involving in the decision making and action taking. But there are some serious areas of concern still:
 - i) Their capacity to handle issues of production, marketing, quality, designs, etc. is very limited. It is far from adequate.
 - ii) They have strength of just 5% of the total workforce of Chanderi to back them.
 - iii) They are not yet financially sound to meet requirements. The crisis arising out of new orders, delays in payments and regular paid workers' salaries could create lot of difficulty.
 - iv) The level of trust among the weavers is still not good enough to leave them alone. It might get into crisis due to disputes/mistrust, the traces of which are noticed now.
 - v) Their credibility in the new niche markets, that it is targeting, is yet to be built.
 - vi) They are not yet ready to take up responsibility of managing the institution (BVS). Not yet ready to take services of professional staff as well. Lack the level of confidence that goes with complete independence.

SWOT of BVS

Strengths	Weaknesses
<ol style="list-style-type: none"> 1. Confidence in the new institution-BVS & willingness to work with it. 2. Weaving skills and desire to continue weaving. 3. Representation from all important segments of weavers- caste/community. 4. Understanding of the importance of unity & collective working. 5. Positive attitude for quality issues & initiatives, including dyeing, designs. 6. Initial linkage with high-end buyer companies, like Fabindia. 7. Linkages with relevant local & distant support institutions, like NID, NIFT, Lady Irwin College, etc. 8. Willingness to take & accept suggestions. 9. Institutional & financial backing by UNIDO. 10. Willingness of financial institutions to support. 11. Exposure to national & foreign markets. 12. Name of Chanderi for its sarees to back. 13. Government/political support. 	<ol style="list-style-type: none"> 1. Lack of confidence to handle newly created institutions, SHGs & BVS, independently. 2. Lack of ability and confidence to take work from professionals. 3. Inadequate interpersonal trust among members on work allocation and financially sensitive issues. 4. Inter-community trust on financial issues is even lower. 5. Communal harmony is delicately poised. Traders/MWs could create problem, if feel pinched. 6. Low literacy level among weavers. 7. Lack of ability of weavers to handle issues demanding professional competence, like marketing, designing, schedule-keeping, institutional management. 8. Inherent contradictions with traders/MWs. 9. Low internal financial capacities for doing business, to survive crisis. 10. Difficult gender and other social propositions right now.

Opportunities (Potential)	Threats
<ol style="list-style-type: none"> 1. Increasing consciousness among consumers for handloom and cotton products. 2. New combinations of silk-cotton yarns could compete on price in the market. 3. Newly tapped markets could create demand for more weavers, thereby creating new livelihoods. 4. With exposure to outer world weavers, particularly women, are getting empowered in terms of competence and sense of right to equity. 5. Geographical Indicators certification has potential for scopes and spaces. 6. BVS has potential to lead all the weavers on all issues important for their livelihoods. 7. With ability to develop new designs, with better quality, BVS could tap a new market segment, which is quite large. 	<ol style="list-style-type: none"> 1. Relapse/failure of BVS might put the weavers in worse conditions than they were before. 2. Premature withdrawal of support from UNIDO might leave the cluster with unresolved contradictions between traders/MWs and weavers, which might lead to collapse of the institutions created under the project. 3. The sense of discrimination among some sections of the weavers might lead to fatal conflicts. 4. Retaliation form traders/MWs could be disastrous, if BVS fails to survive the onslaught. 5. Interference of government beyond a limit might be harmful.

SWOT clearly indicates the great potential latently available in the structure created and the below optimum status of assigning complete independence immediately.

Recommendations

On the basis of the available data and its analysis, following recommendations could be made for consideration of UNIDO: –

1. Project

- Extend the period of project by one year for active involvement and by another one year for distant support and participation in important tasks. Plan rest of the activities according to the new time frame.
- Withdraw the project team in two phases, with professional staff replacing it.

2. Institutional Conditions

- Strengthen Bunkar Vikas Sansthan institution through its capacity enhancement to reduce its dependence on outside support. Following issues need to be addressed as soon as possible:
 - a) Institution Development and Management –
 - ii. Team Work
 - iii. Leadership
 - iv. Dispute Management
 - b) Production Management – quality, schedules, designing, trends, pricing, exposures.
 - c) Systems Management
 - d) Marketing
 - e) Accounts and Finance
- Recruit professional staff for production (design, schedule, dyeing, etc.), marketing and management of BVS (as Chief Executive Officer reporting to Executive Committee). A person with expertise on design with some skills on marketing (or vice-versa) could be recruited immediately on role of BVS. S/he could be later retained for the main field of expertise after the other person joins. The salary could be partly paid with decreasing proportions. Quality, designing and marketing are the most immediate and foremost need. It would bring sustainability quickly and will allow all other things to happen. Education of the buyers about the products is critical factor to address.
- Develop Research and Development section under production, with a core fund backing it. 10% (?) of the profits earned by BVS could be passed on to it. Efforts could be made to develop designs, which could not be made on power loom. Get market surveyed conducted to understand the market and current demands/trends.
- Develop mechanisms for allocation of work, fixation of wages for a work and rejections. It should be transparent and fair, which is appreciated by all.
- Revolving responsibilities of office bearers from weavers, ensuring representation from all sections.
- Merge Silk Club with Chanderi Development Foundation. Increase the number of weavers as members. Promote it with clear roles and responsibilities.

- Help BVS tap market segments, which are not the major territory of traders/master weavers. It is essential in initial stages at least.
- Promote Resource Centre and make all stakeholders access it in multiple areas of needs.
- Constitute an Advisory Committee to support and guide the BVS and influence other institutions (could be done immediately). It should hold meetings quarterly, to analyze the conditions and should advise on the future course of action. A meeting with 7-8 members should be able to help. It could have its composition as suggested below:
 - a) Three main representatives from BVS, with fair representation, with at least one woman,
 - b) At least one representative from UNIDO to help in follow up,
 - c) Three representatives from main buyers (one each from three top buyers),
 - d) One representative from NIFT and NID each,
 - e) Mr. Balbir Singh, free lance designer,
 - f) Ms. Simi Bhagat, Associate Prof., Lady Irwin College, New Delhi,
 - g) One representative from present project team,
 - h) Two representatitves from MP government, including one from Resource Centre, Chanderi,
 - i) One or two persons from professional staff of BVS.
 - j) Two or three more persons, who could be useful, but who are not stakeholders.

3. **Demand Conditions**

- Top priority to marketing of BVS goods. Focus on quality, price and design. It would ensure faster growth, involvement of large number of weavers, higher gains for all the weavers, ability to hire professionals and the sustainability. There are stages for large number of weavers to benefit from overall increase in BVS' business:
 - i) Work to optimum level – to best of the capacity of weaver,
 - ii) Work to those weavers, who are out of weaving due to non-availability of sufficient work. Women are in large number in this category,
 - iii) Increase in wages of even those, who are working for traders/master weavers,
 - iv) Creation of the new space for more and more people to take weaving.
- Identify agencies, which have mandate of working with artisans only and develop linkage with them.

4. **Factor Conditions**

- i. Initiate work on use of Geographical Indicators certification as a brand and thereafter as a legal case.
- ii. There could be a case taken up and publicize to the extent that others don't find it worthwhile to imitate Chanderi products.
- iii. Take up Advocacy for better transport facilities, including roads from Chanderi to nearest links. Correspondence and meetings with relevant authority should be initiated. This could be taken up at Chanderi Development Foundation. Efforts may

also be made to make it easy, at least within the state, for the traders to move with their goods, without making multiple level/repeat taxes.

- iv. Develop Dye House further, with some conditional facilities to others, including traders/master weavers. The dye house at Resource Centre needs to be active. Better dyeing facilities could ensure better availability of yarn with yarn traders, who could be able to keep stock of larger quantities of plain yarns, which they don't have right now. The dye house should have some basic equipment to check quality, working like a lab. Natural dyes could also be used for high-end markets.
- v. Yarn Bank, having just gray/plain yarn, to ensure timely availability, quality and reasonable rates. It would help in bringing the source of yarn closer.
- vi. Sensitize the financial institutions to respond to needs of weavers.
- vii. Initiate promotional activities for popularization of handloom and cotton, for which market conditions are quite conducive now. A joint strategy could be planned with Kota, Maheshwar, etc. who are working on handloom and cotton/silk-cotton.
- viii. Check the possibility with Tourism ministry to get Chanderi identified for Craft People's 'Gurukul', the new idea floated by Union Minister of Tourism. Under this, lots of foreigners/tourists come to the place to see and to learn the craft. It can be a great opportunity for development of the cluster, in terms of infrastructure development and marketing opportunities. Advocate for it if there is any possibility.

5. **Social Initiatives**

- i. BVS should take steps to ensure health care facilities, particularly for women, which are presently in very poor conditions. Availability of female doctor in government hospital should be insisted. In case, it doesn't succeed, it should have an arrangement of its own, as soon as it is in a position, financially.
- ii. Make suitable arrangements for education for weavers' children. BVS could initiate own its own a school providing good quality education to their children. It could be a viable proposition in itself. Besides, the literacy work for adults initiated already should continue with full vigour.
- iii. Involve Pranpur in the project and BVS, with justifiable representation. There are around 250 weavers, fully dependent on weaving. Their skills are as good as those in Chanderi.

Executive Summary

The Study

UNIDO's Chanderi Cluster Development Programme aims at poverty² alleviation through cluster development. This is to alleviate poverty, with cluster development as the strategy. Therefore, the study is conducted with poverty alleviation perspective and not that of cluster development as such, even though most of the issues are relevant to the development of cluster as well. For this purpose, Basix' Livelihood Promotion Framework, developed on Porter's Diamond for analyzing livelihood intervention choices, has been used. The Framework has been detailed in the main chapter, 'Impacts of Intervention'. Besides impact assessment, information and opinions helpful for future course of action, were also sought, so that a road map could be suggested. The four main areas that were looked into:

1. Positive impacts of the intervention with regard to the basic objective of poverty alleviation - on those directly involved in the project activities and on those not directly involved,
2. Negative impacts with regard to poverty alleviation - on those directly involved in the project activities and on those not directly involved,
3. What would have been the scene of the cluster in absence of these interventions,
4. What was, possibly, going to be the overall scenario of the cluster after the completion of the project?

Methodology for collection of data and seeking the opinions

One to one interviews were conducted with stakeholders, which were small in number, like project team members, traders, government officials, buyers, support agencies, yarn traders, etc. But where stakeholders are large in number, the number of respondents had to be large. Therefore, group and mass meetings were held in their case. These were not pre-planned in terms of timings, places and groups. Keeping in mind the nature of information required, open-ended informal discussions were held. The data includes the perspectives of various respondents about impacts of different initiatives on different segments of the cluster, and not just on themselves. People interviewed were – members of project team, traders/master weavers, yarn traders, government official posted at Resource Centre of Chanderi, members of committees of Bunkar Vikas Sansthan (BVS), members of SHGs and other weavers working for traders/master weavers.

The framework looked at the impacts of various initiatives through internal and external contexts. Internal context understood the relationship of intervening agencies' mission, capacities and resources with the portfolios, capacities and strategies of people, of whose poverty is the issue. Under the external context, initiatives influencing factor conditions, demand conditions, industry conditions and institutional conditions, were studied.

Assessment of the Impacts of various Initiatives

In Internal Context, UNIDO is the Intervening Agency, with the mission that fits the poverty alleviation suitably. It has the capacity to address it through the cluster development, on which it has high competence. It is also capable of mobilizing the required funds for the project. On the other hand, the weavers of the cluster are the People, whose poverty is the issue. They have the Capacities to participate effectively in the cluster development project, with a focus on their well-being. They have certain strategies to cope up with different conditions affecting them.

² As defined by the stakeholders and understood through a Participatory Poverty Approach

In light of this, the intervention has been planned. The Objective of it is poverty alleviation of weavers. It has multi-dimensional Nature, having several areas to create an impact on and then it has a design consisted of several initiatives to achieve the sub-objectives of the project, with a three year time frame.

Not the least, this being an action research project, the project is continuously trying to understand the nuances of cluster development and its impact on poverty and has adapted accordingly to keep in line with the project objectives.

The project has focused on improvement of all the four conditions of External Context, factor conditions, demand conditions, industry conditions and institutional conditions.

Factor Conditions: four important initiatives have been taken up-

- Certification under Geographical Indication Act, which would help in resisting the imitation of Chanderi products by power looms and by people outside the cluster. It can create solid impact if GI certification is used effectively and aggressively. It would help the business of the cluster, which would impact all segments of stakeholders.
- Access to Credit/Capital, by motivating financial institutions and other agencies to come forward to support the BVS, the new institution of weavers, created under the Project, financially. It has begun well in the direction of financial sustainability.
- Dye house has been started, promoting better dyeing practices, which is a big issue for the quality of product and that facilitates better control on yarn movement by allowing dyeing locally. The improved dyeing practices could change the whole image of Chanderi for the quality of its goods. The dyeing/colour-fastness of its products has always been questioned and was a bottleneck for product promotion particularly in the niche market.
- Yarn house is aimed at reducing dependence on yarn traders, who take lot of time to supply larger quantities of material, when needed. It also ensures availability of quality yarn at reasonable price. An efficient yarn house could bring the source of yarn close to the place of production, putting it under the control. Right now, it is purchased from Coimbatore in South India. Therefore, dyeing and yarn availability are inter-dependent and have the potential of addressing serious issues of quality and schedule of supply of products.

Demand Conditions: There are three approaches to help the producers (BVS and traders/master weavers) to access markets: –

- Marketing linkages have been provided, particularly to BVS. A new market segment of niche products has been tapped. There is great potential of its expansion if the issues of quality, pricing, design and timely supplies are kept well in control. There is an appreciation of the product supplied to famous agencies and people and there is likelihood that their association with it gets stronger providing the new institution sustainability, which has direct implication on livelihoods of the member weavers. Consistency in quality and reasonable pricing could give an opening to supply to exporters and for direct export, once the standard is achieved. The BVS has been created after creating SHGs of weavers and thereafter federating them. One more BVS is under creation.
- Exhibitions and fairs, have given an exposure to the weavers, which was badly needed to understand what changes are taking place in the markets and what kind of challenges are going to be faced and also how to face them. The traders/master weavers have also been given the opportunity to attend the exhibitions, fairs and exposure visits. To have the results from traders could take some time before they start using their learning from these experiences. But the weavers' institution is already set to take them forward. The exposure to other successful clusters has been found motivating for all. For foreign exhibitions, it might be slightly pre-mature, looking at the costs involved and possibility of getting markets practically so early. As a part of

cluster development methodology, these have been done by involving a multiple institutions across the value chain and more importantly using those critical elements of the value chain which are the natural allies of development and those which lie outside the periphery of the cluster.

- Diversification of the products has helped to tap new market segments and the potential is immense. The new products, like *kurta-salwar*, curtains, table covers, cushion covers, bed covers, etc. have really given a new dimension to otherwise declining Chanderi cluster. While BVS is going into it in a big way - the traders and master weavers have also started exploring the new markets for these products for themselves.

Industry Conditions: No conscious efforts have been made in this direction. But the product diversification and certification under Geographical Indication Act has potential of creating some impact on handloom and cotton products to some extent.

Institutional Conditions: A number of steps have been taken to create impacts through influence on institutional conditions, some of the important ones are: –

- Formation of 60 self-help groups (SHGs) of weavers with about ten members in each group that has created a committed mass of poor in the cluster to work jointly. To begin with they started saving and helping the needy in the group with those savings. Another idea behind their savings was to create some capital to take up business activities later i.e. production and marketing. They have a sense of attachment with their groups. Meetings are generally regular and they have saved over Rs. 0.5 million already, with a monthly contribution of over Rs. 30,000. The emergency needs of the members have been fulfilled through this effort.
- BVS is the most dynamic outcome of the efforts under the project so far. It is formed by seven SHGs initially, adding another six later and recently deciding to take in another six. So, it is slowly developing into a strong platform of weavers, capable of taking up most important tasks upon itself. It is already into independent production, marketing and institutional management. It has high amount of credibility among all sections of the cluster, although others have always questioned its sustainability, after completion of the project. BVS has some problems to resolve right now, like trust among them regarding financial dealings, particularly for distribution of work and setting of wages for a work. But it is natural at this stage. It requires some mechanisms to address delicate issues and some capacity enhancement around management and institution/team building. BVS actually has a potential of representing the weavers of the whole cluster if taken forward properly. But again its sustainability depends upon how well it is built and that would actually decide the sustainability of all poverty alleviation efforts of the project.
- Silk Club, is represented by 12 members consisting of traders/master weavers. It is the body to address common business issues of the traders and master weavers. There is no representation from common weavers in it. However, the issues taken up by silk club might be of great relevance for cluster development, which would have indirect implications on weavers as well.
- Chanderi Development Foundation, was got registered with the purpose to get certification under Geographical Indication Act, which now have the mandate of addressing the issues related to development of Chanderi as business cluster and has a great potential as a brokering institution in the cluster.
- Under Capacity Enhancement efforts, a number of activities have been conducted. Several training programmes have been organized to enhance capacity of the weavers and to some extent that of traders/master weavers. Some of these are about better production practices around dyeing, design, sizing, etc. for weavers, while some others are focused on institution building and business development. Some exposure visits to other clusters have also been organized for weavers as well as traders/master weavers, which have been found pretty useful and motivating.
- There is a significant work done for Social Empowerment of weavers, particularly women. They have got most needed exposure to outer world and people from outside, to motivate them to change some of their attitudes, blocking their social development. Health and education issues

have also been taken up under project, which are of great relevance for the poor to address their poverty in long-term context.

Conclusions

On the basis of the assessment of the impacts, it could be stated, that:

1. The project, with its approach of cluster development, has benefited the weavers, who are identified as the poor involved in the processes initiated under the project,
2. The project has indirectly, though marginally, impacted the weavers not directly involved in the processes initiated under the project,
3. There are around a couple of hundreds new livelihoods created, attracting those who had left weaving for poorer options,
4. No Negative impacts, on any of the sections of the cluster,
5. Geographical Indicators certification has a potential of impacting the whole cluster. and now has created the capacity in the form of a brokering institution in the cluster, and
6. All these have been created by a classical cluster development approach, i.e. proactive joint action by a range of cluster stakeholders, involved in each activity

The assessment also suggests that while these initiatives have great potential to make this an exemplary model for similar clusters in India, it is too early to conclude the project “mid-way”, least some of these efforts may fizzle away prior to sustainable maturity. Of particular reference are BVS and the potential that it has created. Moreover in such case the newly networked weavers can become prone to more exploitation by traders/master weavers. Hence some resource should be mobilized to carry forward the good work that has been generated by the Project.

Recommendations

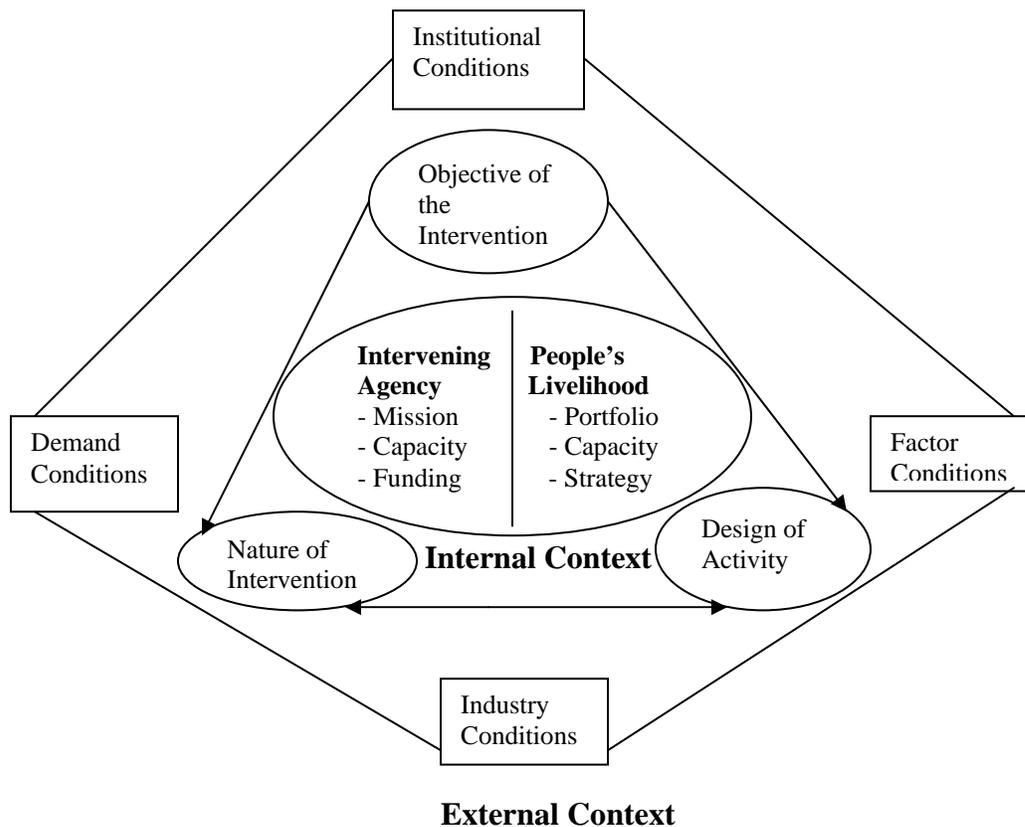
1. Extend the period of project by one year and by another one year for distant support. Withdraw the project team in two phases, with professional staff replacing it.
2. Strengthen BVS through its capacity enhancement. Help it in tapping exclusive markets, avoiding clash with traders/master weavers.
3. Recruit experts for production, marketing and management of BVS.
4. Develop Research and Development section under production, with a core fund.
5. Develop mechanisms for allocation of work, fixation of wages and rejections.
6. Revolving responsibilities of office bearers from weavers.
7. Merge Silk Club and Chanderi Development Foundation and involve weavers.
8. Promote Resource Centre to lead the cluster in all technology related aspects and especially quality related issues of Geographical Indication Act.
9. Constitute an Advisory Committee to support and guide BVS.
10. Top priority to marketing of BVS goods with focus on quality, price and design.
11. Initiate work on use of Geographical Indicators certification aggressively.
12. Take up Advocacy for better transport facilities, including roads.
13. Develop Dye House further, with some conditional facilities to others.
14. Yarn Bank, having just gray/plain yarn, for timely availability, quality genuine rates.
15. Sensitize the financial institutions to respond to needs of weavers.
16. Initiate promotional activities jointly with Kota, Maheshwar, etc.
17. Check the possibility for Craft People’s ‘Gurukul’ at Chanderi.
18. BVS should take steps to ensure health care facilities, particularly for women.
19. Make suitable arrangements for education for weavers’ children/adult literacy.
20. Involve Pranpur weavers in the project and BVS, with justifiable representation.

Modus Operandi

UNIDO, with its vast experience on cluster development in different sets of conditions globally, initiated the project aimed at poverty alleviation, through cluster development. It is important to note that in this case the aim of UNIDO's intervention is to alleviate **poverty**³ as defined under a participatory poverty approach. Cluster development is the **strategy**.

Therefore, the study focuses its attention on the issues influencing poverty and not the development of the cluster as such, even though most of the issues are relevant to the development of cluster as well.

To assess the impacts of the intervention, Basix' Livelihood Promotion framework has been used. This framework is developed on Porter's Diamond for analyzing livelihood intervention choices. A graphical presentation of the framework is given below:



As the framework suggests, there are four external conditions, which influence livelihoods – factor conditions, demand conditions, industry conditions and institutional conditions. Any intervention aimed at livelihood promotion would intend to change one or more elements of a condition(s). For this purpose, some initiatives could be taken under the intervention.

³ This definition has no direct relation to poverty as defined by Government of India or international agencies. It basically suggests what the participants view as poverty and who they feel are poor.

The cluster development intervention aimed at poverty alleviation is a multi-dimensional approach. It intends to develop a sustainable institution of the weavers to help them take control of their livelihoods. But it also tries to support both, traders and weavers, to access larger markets for overall development of the cluster. While addressing larger issues like that of 'Geographical Indicators' certification, it also initiates work on specific issues like the one on dyeing practices. On one hand, it aims to address economic issues of weavers, on the other, plans to work for change in social conditions. So, the number of initiatives is large and holistic.

Identification of these initiatives and nature thereof is the first and foremost task while deciding on the methodology. On each of the initiatives, there are some stakeholders to be contacted for collecting the data about information and their opinions related to the intervention. There would be a set of stakeholders from each of the initiatives. So, there would be various sets of stakeholders, depending upon the number and nature of the initiatives. The critical part of the decision for methodology is clubbing of these stakeholders, finalization of the respondents out of those and the questions to be asked from each one of them.

One to one interviews were conducted in cases of traders/master weavers, resource center officials, project team, yarn suppliers, etc. But in case of weavers, there are a number of segments – members of Bunkar Vikas Samiti, other members of Self Help Groups, non-member weavers. Then across these segments, there are weavers belonging to various communities having different backgrounds, both men and women. All of them have single or multiple major livelihood activities. Therefore, the number of the respondents had to be large and it was not possible to have individual interviews for getting adequate and reliable data. **It was essential to have group meetings to interact with different categories of members and mass meetings to interact with non-members.**

Secondly, on the basis of the findings, a recommendation of a road map was also sought. Therefore, study had to go beyond the impact assessment based on present status achieved by the past initiatives. It had to look into the strengths, weaknesses, potential areas and possible threats/constraints also. For this purpose, not only information/data was required from the respondents, but also their observations, feelings, opinions, etc. as well. In such a case, the group meetings and open type mass meetings became important.

Advantages of larger group/open mass meetings:

- In limited time, information, observation, feelings and opinions of large number of people were collected, which is critical for understanding an intervention aimed at large scale impact,
- Reliability of data/opinions is higher, as the errors are corrected there and then,
- Strategic versions to influence the study are scrutinized by others, not agreeing with the view,
- No preparations required for arranging meeting, etc.

Disadvantages

1. The data collected can be suitable for an impact study only, aiming at assessing the impacts of different initiatives on various sections. It could not be much of a use for a research, aiming to collect data, particularly seeking mathematical treatment.
2. The fear with this method is that if one meeting goes out of control, it becomes difficult to have similar meetings that are productive, in the same area.
3. The persons conducting the process need to have some degree of the following skills (better the skills, better would be the outcome):
 - Process needs lot of straight talking, cross-questioning, probing and provoking initially, for which words, gestures and attitude are very crucial,
 - Strong communication skills, understanding of the people, patience and ability to keep the discussions in relevant zone,
 - Respect for each participant & opinion,
 - Ability to understand the equation of the group quickly and build a short term relationship of trust with them,
 - Flexibility according to the situation and ability to enjoy the process.

The process in present study was reasonably smooth and people responded with willingness and patience. Mostly the information/opinions offered were relevant and were consistent with others in similar conditions.

The process of interaction with different stakeholders was as under –

- i. First of all, individual interactions took place with the members of the project team, to know about the background of the UNIDO's intervention and systems being followed prior to the project. It also aimed at finding out what they plan to do in future on this project.
- ii. Meeting with BVS members, which was focused on –
 - Understanding the evolution of the BVS and about its roles & responsibilities,
 - What main activities, in their opinion, have been taken up so far and what they thought have been the impacts on members and entire cluster,
 - Major problems perceived by them regarding future course,
 - Anticipated effect of UNIDO withdrawal in near future,
 - Vision of BVS for next 5 years,
 - Issues of Concern for the Project of UNIDO.
- iii. A series of group meetings were held with members of SHGs, to understand following issues from their perspective: –
 - Range of collective actions undertaken by the groups and learning from those.
 - Process involved,
 - Benefits received therein by the members,
 - Possible impact on weaver community,
 - Possible impact on the cluster,
 - Probable future course of action,
 - Negative impacts on them or others, if any.
- iv. Then a series of mass meetings were organized. It was ensured that these cover all the remaining castes, particularly Kolis and groups outside the SHGs. One of the open

meetings was held in neighbouring village, Pranpur (3 kms from Chanderi), where about 250 looms (second maximum) are working. The objective was to understand the following: –

- The perspective of the non-assisted SHG members about the impact of the project on different segments of weavers and cluster as a whole,
 - The future as they see for the cluster after the project is over,
 - What should be done to ensure large scale impact,
 - Negative impacts, if any.
- v. Meetings were held at one to one level with yarn trader, trader/master weavers, members of silk club and Chanderi Development Foundation, to have their opinions about the impacts and future of the project. Their perspective was important to understand, as they have been the traditional leaders of the activities in past and might also be now seeing Bunkar Vikas Samiti as a possible challenge in front of them.
- vi. A meeting was held with officials of Chanderi based Resource Centre, to get their views on the impact of the project and on what they thought could be done in future.
- vii. Individual level meetings were held with marketing agency representative and some others extending support to Bunkar Vikas Samiti, from Delhi –
- Ms. Anuradha Kumra of National Institute of Fashion Technology, who has conducted five training programmes related to dyeing, designing and other quality and trends issues. This was to understand what she thought are the current issues to be resolved by BVS to tap the market effectively, while ensuring production of the quality and trendy stuff.
 - Prakash Tripathi, M.D. of the Desert Craft Pvt. Ltd., the agency engaged in purchases for Fabindia, to assess the future of relationship and what BVS should do to strengthen the present market links and tap the new ones,
 - Balbir Singh, a teacher in NIFT and a free lance designer, to seek his views about the future course of action.
 - Ms. Simi Bhagat, who did her Ph.D. on Chanderi's business, to find out what changes she has seen happening and what she thought about all that. Also, to seek her opinion on future course of action.

The duration of each and every meeting was flexible, depending upon the interest taken by the people and relevance of the discussion. At no point of time the process was rushed through. It gave full opportunity to even those, who take their own time to understand the outsiders and to come out with opinions. The method was always informal and efforts were made to help the participants get at ease and at the required frequency to share the views.

Then, the discussions were not restricted to what they thought about the impact on themselves, but also how they thought this project could have impacted others. It helped in getting perspectives of cross-sections about each set of impacts, giving more authenticity to the data. Wherever there was inconsistency, it was cross-checked with larger groups and relevant stakeholders.

Road Map

It is suggested that the time period for the project be extended up to March 07. Then an outside support, without getting into day-to-day affairs, be provided up to March 08. First and foremost reason to suggest that is the great potential seen in the form of BVS, which could develop into a weavers' forum for all kinds of economic and social activities. As explained in the last chapter, there is a need to urgently address some long-term needs. It is a sort of investment to be made to exploit the potential in the best possible way.

The time frame could be as under:

1. **Immediate**: Constitute an Advisory Committee. Recruit designing/marketing expert to support team on both critical issues. Cost of salary could be shared equally by BVS & UNIDO (reimburses half to BVS). Address capacity enhancement needs of BVS.
2. **April 06**: Recruit CEO, BVS on same conditions.
3. **September 06**: Reduce UNIDO handholding support, limiting to 3-5 days per month to keep important issues handled efficiently.
4. **September 06**: Recruit another person for marketing/ designing. BVS pays full salary. Withdraw financial support for marketing/designing person. But if developments have been slower than expected, it may be continued to facilitate smooth inclusion of the other person.
5. **March 07**: Withdraw UNIDO. The SHG coordinator could be absorbed in BVS as its staff, if acceptable to all. Otherwise, he also could be withdrawn latest by September 07.
6. **September 07**: Withdraw the financial support for CEO's salary.
7. **March 08**: No financial support for staff salaries after this point

Expected (assumption) line of progress of BVS

Salaries to each expert (professional) – Rs. 200,000 – 250,000 per year on increasing basis.

Turn Over in 2005-06	Rs. 8.0 millions (Margins-1.0 million)
Turn Over in 2006-07	Rs.10.0 million (1.25 million)
Turn Over in 2007-08	Rs.15.0 million (2.0 million)

List of the Participants

Project Team –

1. Mahesh Gulati	2. Parvinder Pal	3. Ravindra Dwivedi
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Executive Committee– (Total participants – 23)

Tahir	Abdul Matin Ansari	Mohd. Zahir	Afroz Bano	Krishna Gopal
Rukhsana	Ashrafi Bano	Haseenuddin	Siddiqua Bano	Champa Lal
Mubina	Shoaib Mohd.	Akhtar Mohd.	Mufeed Ahmed	Abdul Jalil
Mohd. Shakeel	Hari Narain	Asha Ram	Mohd. Umar	Abdul Majid

Jyotiba Rao Phule SHG (Total participants – 10)

Hari Narain Ahirwar	Ravi Prakash	Bhagwan Das	Ganga Ram	Asa Ram
Hari Narain Kushwaha	Krishna Gopal	Champa Lal	Babu Lal	

Ma Sharada SHG (Total participants – 9)

Ram Piari Ahirwar	Prem Bai I	Munni Bai	Rekha Devi	Prem Bai II
Gulab Bai	Pushpa	Lachchmi Bai	Suman Bai	

Production Committee & Marketing Committee, BVS (Total participants – 5)

Tahir (Production)	Farooq (Production)	Shoaib Mohd. (Production)	Mohd. Asir
Zahi (Marketing)	Umar (Production)	Afroz	

Indra SHG (Total participants – 7)

Afroz Bano	Shaida	Rehana Bano	Kaliman Bano
Umranunisha	Jabira Bano	Rukhsana	

Pasiya Pura - Mass Meeting (Total participants – 25)

Vinod Kumar	Prem Narain	Paridhan	Rafiq	Ghanshyam
Champa Lal	Asa Ram	Bal Mukand	Ghasi Ram	Gauri Shankar
Satya Narain	Kailash	Gore Lal	+ many.	

Pranpur Village – Mass Meeting (Total participants – 30)

Ramesh Chander	Dilshad	Asha Ram	Jawahar Lal	Randhir Singh
Rakesh Kumar	Kamta Prasad	Gopal Das	Kansi Ram	Tulsi Ram
Har Govind	Mohd. Aslam	Kamlesh	Pradeep Kumar	Lala Ram
Tulsi Ram	Santosh Kumar	Gopal Ram	Hari Ram	Mishri Lal Bhati
Lakhan Lal	Shyam Lal	Manohar Lal	Dinesh	Tulsi Ram
Tulsi Ram	Tej Ram			

Bahar Shahar, Chanderi (Tea Stall) – Mass Meeting (Total participants – 30+)

Prem Narain	Mahendra Kumar	Abdul Ghani	Man Singh Parihar	Saiduddin
Hiralal Hirawal	Rais Qureshi	Ram Kishen	Ahmed Riaz	Ahmed Fazal
Abdul Hafiz	Jamali Painter	Saeed Khan		

Resource Centre: Sanjay Srivastava, Officer Incharge, Suresh Sakyavar, Sr. Inspector, A.B. Quereshi, Inspector Technical, Mr. S.A. Hippargi, Senior Research Officer of Central Silk Board, Delhi.

Traders/Master Weavers: Arun Kr. Somani, Amolak Chand Jain, Raj Kumar Jain, Mahavir Jain

Prakash Tripathi, MD, Desert Artisans Handicrafts, agency for purchases for Fabindia.

Ms. Anuradha Kumra: Associate Prof., NIFT, New Delhi.

Balbir Singh, free-lance designer.

Ms. Simi Bhagat, Associate Prof., Textile Department, Lady Irwin College, New Delhi.