

**“A STUDY OF FEASIBILITY REPORT ON SUSTAINABLE LIVELIHOOD  
FOR BAMBOO ARTISANS UNDER MSME SCHEME IN DANG, GUJARAT.”**



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**SUBMITTED BY  
MANOHAR LAL  
(Enrolment No: 191633701001)**

**UNDER THE GUIDANCE OF  
DR. PURVI DERASHRI**

**PARUL INSTITUTE OF COMMERCE  
FACULTY OF COMMERCE**

**PARUL UNIVERSITY  
P.O LIMDA, TAL: WAGHODIA, DIST: VADODARA,  
GUJARAT STATE, INDIA-391760**

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## **Abstract:**

Dang is unique and isolated district in Gujarat in many ways. Tribal people live in Dang district, located in the hills of Sahyadri are Bhil, Kunbi and Varli the main castes among the tribal of district. The main occupation of the people of Dang is agriculture, fishing and bamboo handicrafts. Nearly 85% of population livelihood depend on agriculture and they are either cultivators or employed as agricultural labourers. Animal husbandry and Bamboo handicrafts are the other economic activities in the district. The major portion nearly 59% land is forestland and has abundant of bamboo in the Dang. The district is famous for bamboo traditional handicrafts.

Bamboo sector has been getting support from various stakeholders that include government sector, private sector, research institutes and financial institutes. Initiatives taken up by these stakeholders are helping in strengthening the value chain and creating the market for bamboo products. National Bamboo Mission and State Mission on Bamboo application are playing major role both at central and state level. These missions are supporting the activities taken up at state level for bamboo development. State level missions by KVIC have been set up in order to enhance the bamboo sector in the respective states. Despite of these initiatives bamboo is not being utilized much to fill the gap as there is a huge demand and supply gap. Majority of the bamboo is supplied to the paper and pulp industry because of increased demand after which very little is left for other industry.

Bamboo has very high rates of pro-poor financial impact and employment creation due to the highly manual processing of relatively small volumes of bamboo, with most benefit gained by small-scale processors.

In the Dang at Waghai, Ahwa, Saputara and some other villages, several bamboo-based cottage industries, co-operative societies, and bamboo products' selling co-cooperative societies exist. The members/artisans of bamboo working in these units prepare and sell various bamboo handicrafts. The bamboo poles are generally available in the open forest with the permission of forest department and also in the open market with saw mills and timber merchants. However, there is problem of consistency of quality and variety of bamboo. This gap in demand and supply, both qualitative and quantitative, can be reduced by proper initiative.

There is need to introduce the community to new technology advancements and skills in bamboo processing and handicrafts. In the Dang cluster it is proposed to to setup a primary common facility centre (CFC) at Ahwa Ambapada and three secondary CFC at Khirmani, Kunda, Ambapada and skills training in collaboration with BAIF and various other organisation in the respective field under MSME scheme SFURTI.

The intervention under SFURTI expected to cover more than 252 artisans covering 9 villages from Waghai and Ahwa block. The actual number of artisans is expected to be more than 450.

The estimated cost under the interventions is expected to be ₹133.18 lakhs, allocated as hard interventions ₹105.70 lakhs, soft interventions ₹10.57 lakhs, cost of IA ₹8.46 lakhs, cost of TA ₹8.46 lakhs. The proposed funding from the SFURTI grant is ₹122.62 lakhs and it is expected that IA will mobilize ₹10.57 lakhs. The working capital is expected to be approximately ₹41.00 lakhs for the first three years to cover around 6000 bamboo poles, raw material, transport, labour, overheads and enhancement activities.

The year wise phasing of the project cost expected to be: Year 1 - ₹87.15 lakhs, Year 2 - ₹41.67 lakhs, Years 3 - ₹4.36 lakhs.

The potential market size for the products under the proposed intervention at market price is expected to be approximately ₹120 lakhs per annum. The market size expected to grow by 10-15% every year.

The special purpose vehicle (SPV) i.e. common facility centre proposed under the interventions will be registered as Cooperative and registered societies as the unit is likely to be more labour intensive employing family labour and requiring common facilities that ensure quality and standardisation, marketing support, and the collective procurement of raw materials and other inputs.

The interventions in the region collectively have significant improvement in the skill set of artisans, the quality level of the bamboo artefacts, and income level of the artisans. However, the product portfolio does not change significantly when tested at 5% level of significance in the first year of the interventions. The intervention also have significant impact such as:

employment creation, direct benefit, distribution of benefits between men and women, rural distribution of benefits, improved product quality, cost competitiveness, diverse product profile, improved skill, new skills, new design, efficient manufacturing processes and increase in market share for the bamboo handicrafts.

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