



Business Plan

On

Income Generation Activity

PATTAL MAKING

For

Self Help Group -Baba Kamlaahiya



SHG/CIG name

Baba Kamlaahiya

VFDS name

Nalyana

Range

Kamlaah

Division

Joginder Nagar

Prepared Under-

**Project for Improvement of Himachal Pradesh Forest Ecosystems
Management & Livelihoods (JICA Assisted)**

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1. Introduction-

Baba Kamlaahiya SHG was formed under Project for Improvement of Himachal Pradesh Forest Ecosystems Management & Livelihoods (JICA Assisted), which falls under VFDS Nalyana and Range Kamlah. This SHG consists of 9 females and they collectively decided of making pattals (Plates) and duna (bowl) as their Income Generation Activity (IGA). These females already had abundance of tour leaves in nearby forest. The demand of such pattal is very high in the locality as well as in the near by market.

Making plates from the tour leaves is not new a new concept. It is an old concept, where a person used to collect tour leaves, clean the leaves by washing and then bind two to three leaves together with small pins of wooden. This traditional method still exist but in a very small number. The main reason for the shrinking of making tour leaves plate in traditional way is the availability of other plates in the market such as aluminium plates and shelf life of the tour leaves plates was less. Other reason are it is time consuming and require a lot of labor and their are few people left now those are still making these plates from the traditional method.

As the demand of eco-friendly things are on rise. It is a good Income generation activity which is purely bio-degradable and have no affect on human health, completely safe and can replace the aluminium plates. Aluminium plates are good and does not possess any serious threat to human health but as their is depletion of resources and aluminium being an important resource can be used for other purposes.

As discussed above the traditional method of making tour leaves plate is not feasible for large scale production. With the advancement in technology, now there are specific machines available in the market for the production of tour leaves plates in a very less time. Many people have started this business but still there is huge scope for the other such businesses that can flourish too. As the demand of such plates is huge. As these ladies have a huge supply of tour leaves and knowing about the market, they together decided pattal making as their Income Generation Activity.

2. Description of SHG/CIG

1.	SHG/CIG Name	Baba Kamlahiya
2.	VFDS	Nalyana
3.	Range	kamlah
4.	Division	Joginder Nagar
5.	Village	Nalyana
6.	Block	Dharampur
7.	District	Mandi
8.	Total no. of members in SHG	09
9.	Date of formation	05-08-2021
10.	Bank a/c No.	33210107460
11.	Bank details	HPSCB Tihra
12.	SHG/CIG monthly savings	450(50 per person)
13.	Total saving	500
14.	Total inter loaning	-
15.	Cash Credit Limit	-
16.	Repayment status	-

3. Beneficiaries Detail

S.no	Name	M /F	Father/ Husband name	Category	Designation	Contact no.
1	Anju Devi	F	Sukh Ram	General	President	7807515164
2	Prita Devi	F	Sanjay Kumar	General	Secretary	7807725088
3	Anjana Kumari	F	Anku	General	Member	9805701992
4	Anita Devi	F	Sukh Dev	General	Member	9418426385
5	Kirna Devi	F	Ramesh Chand	General	Member	7876241424
6	Kirna Kumari	F	Vijay Kumar	General	Member	9816722802
7	Mansa Devi	F	Rajeev Kumar	General	Member	7807294365
8	Vandana Devi	F	Hakam Chand	General	Member	8580973687
9	Vimla Devi	F	Raj Kumar	General	Member	9816722802

4. Geographical details of the Village

1	Distance from the District HQ	120 Km
2	Distance from Main Road	2 Km
3	Name of local market & distance	Gadhidhar -5 km
4	Name of main market & distance	Tihra - 6 Km
5	Name of main cities & distance	Mandi - 120 km Sarkaghat - 35 Km Dharampur- 25 Km Sandhol -25 Km
6	Name of main cities where product will be sold/ marketed	Sarkaghat, Dharampur, Sandhol, Awah Devi

5. Executive Summary-

Pattal making income generation activity has been selected by this Self Help Group. This IGA will be carried out by all ladies of this SHG. This business activity will be carried out yearly by group members. The process of making a bundle which will consist of 25 plates will take 30 minutes initially. Later, this time will be decreased as the group members will be comfortable in using the machine. Product will be sold directly by group or indirectly through retailers and whole sellers of near market initially.

6. Description of product related to Income Generating Activity-

1	Name of the Product	Taur Pattal Making by machines.
2	Method of product identification	Has been decided by group members as the availability of tour leaves is in abundance and the process of making plates is also easy. Also, there is a huge demand of plates in market.
3	Consent of SHG/ CIG / cluster members	Yes

7. Production Processes-

The training of pattal making on machine will be arranged by JICA project through the supplier on spot training on machine to the group members. The full cost of training with spot demonstration will be borne by the JICA Project.

The taur leaves are in abundant in the forest area of VFDS Nalyana. The group members will collect these taur leaves and use them for making taur pattal. In the process of pattal making, collecting the leaves from forest and bringing them to the place where machine is installed is a time consuming work.

With installation of Pattal Making Machine, the group has suggested labour division as under:-

- Running of Machine: -01Member
- Making of Pattal on spot:-03Members
- Collection and carriage of Pattal (Manual and Vehicle):-03Members
- Sale of Product :-Jointly
- Arranging the printed logo of their group- 1 member(In each bundle 1 printed logo will be kept)
- Handling account- 1 members

As there are total of 9 members in the group, they will be able to do the work efficiently. In every monthly meeting, they will divide the work of each member and set their monthly product target and can also change the role of member if necessary.

8. Production Planning -

1.	Production Cycle	<p>In Mandi District the taur pattal demand is generally in all the villages and urban areas also and usually the people purchase pattal for use in marriages and other religious function.</p> <p>There is huge demand of taur leaves as they are eco-friendly and people are well aware and want to contribute in the protection of environment.</p> <p>The Pattal making and availability of taur leaves in the forest are for 10month and these leaves are not available in June or July.</p>
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2.	Man power required per cycle(No.)	All ladies. After the installation of Patal making Machine there will be division of labour among the group members as under:- Running of Machine: -01Members Making of Patal on spot:-03Members Collection and carriage of Patal (Manual and Vehicle):-04Members Sale of Product :-Jointly Arranging the printed logo of their group- 1 members (In each bundle 1 printed logo will be kept) Handling account- 1 members
3.	Source of raw materials	Nearby forest.
4.	Source of other resources	Local market / Main market
5.	Quantity required per month(plates)	9000 brown cardboard paper and Taur leaves 400 Kg
6.	Expected production per month(plates)	9000 plates per month

9. Sale & Marketing -

1	Potential market places	Mandi, Joginder Nagar, Palampur, Baijnath
2	Distance from the unit	120 Km , 85 Km, 110 Km, 95 Km respectively
3	Demand of the production market place/s	Pattals are in demand all round the year. Potential demand will be from marriage, other religious functions.
4	Process of identification of market	Group members, according to their production potential and demand in market, will select list of retailer or whole seller. Initially product will be sold in near markets.
5	Marketing Strategy of the product	SHG members will directly sell their product through village shops and from manufacturing place/shop. Also by retailer, wholesaler of near markets. Initially product will be sold in 25 pattals per bundle.

6	Product branding	At CIG/SHG level product will be marketed by branding CIG/SHG. Later this IGA may required branding at cluster level.
7	Product “slogan”	“A product of SHG- Eco-friendly pattals”

10. SWOT Analysis-

❖ Strength–

- ❖ Raw material easily available.
- ❖ Manufacturing process is simple.
- ❖ Proper packing and easy to transport.
- ❖ Product shelf life is long.
- ❖ Production cost is less
- ❖ Few competition with other same product.
- ❖ High chance to be a well established brand.

❖ Weakness–

- ❖ Lack of experience of making pattals with machine.
- ❖ New SHG may face difficulties while management and planning.

❖ Opportunity–

- ❖ There are good opportunities of profits as other product of same category are less that are eco-friendly.
- ❖ There are opportunities of expansion with production at a larger scale.
- ❖ Demand is high during marriages and other functions. Daily demand can come from local food stalls.

❖ Threats/Risks–

- ❖ Internal conflict in group, lack of transparency, lack of high risk bearing capacity and lack of leadership in distribution of labour among the group member.
- ❖ Availability of raw material during rainy season from the forest and during leave shedding time of trees will decrease greatly.

11. Description of management among members-

By mutual consent SHG group members will decide their role and responsibility to carry out the work. Work will be divided among members according to their mental and physical capabilities.

- ❖ Some group members will involve in Pre-production process (i.e. - procuring of raw material etc).
- ❖ Some group members will involve in production process.
- ❖ Some group members will involve in packaging and marketing.

12. Description of Economics -

A. Capital Cost					
S. No.	Particulars	Quantity	Unit Price	Amount (Rs)	
1	Pattal making machine with 1.5 hp motor with double dye	1	1,85,000	1,85,000	
2	Stitching units	1	15,000	15,000	
Total Capital Cost (A) =			2,00,000		
B. Recurring Cost					
S. No.	Particulars	Unit	Quantity	Price	Total Amount (Rs)
1	Labour Cost	Month	9	300/day	81,000
2	Room rent	Month	1	1,000	1,000
3	Packaging material	Month	LS	0.2 per sheet	10,000
4	Transportation	Month		1,000	1,000
5	Other (stationary, electricity, water bill, machine repair)	Month		2,000	2,000
6	Brown cardboard paper	Month		0.2 per sheet	10,000
Total Recurring Cost (B) =			1,05,000		

C. Cost of production		
S. No.	Particulars	Amount
1	Total recurring cost	1,05,000
2	10% depreciation annually on capital cost	20,000
Total = 1,25,000		

D. Selling price calculation			
S. No.	Particulars	Unit	Amount
1	Production of pattal	Month	20,000
2	Expected selling price	Rs 3 per unit	60,000

13. Analysis of Income and Expenditure (per month) -

S. No.	Particulars	Amount
1	10% depreciation annually on capital cost	20,000
2	Total Recurring Cost	1,05,000
3	Total Production (plate)	20,000
4	Selling Price (per plate)	Rs 3
5	Income generation	60,000
6	Net profit (Selling price (Rs 3/ plate) - Production price (Rs 1.5/ plate))	60,000 - 30,000 = 30,000
7	Gross profit = Net Profit + Labour cost.	30,000 + 81,000 = 1,11,000
8	Distribution of net profit	<ul style="list-style-type: none"> ✧ Profit will be distributed equally among members monthly/yearly basis. ✧ Profit will be utilized to meet recurring cost. ✧ Profit will be used for further investment in IGA

14. Fund Requirement -

S. No.	Particulars	Total Amount (Rs)	Project Contribution	SHG contribution
1	Total capital cost	2,00,000	150000	50000
2	Total Recurring Cost	1,05,000	0	1,05,000
3	Training/capacity building/skill up-gradation.	50,000	50,000	0
Total		3,55,000	200000	155000

15. Sources of Fund -

Project support	<ul style="list-style-type: none"> ✧ 75% of capital cost will be provided by project. ✧ Up to Rs 1 lakhs will be parked in the SHG bank account. ✧ Training/capacity building/ skill up-gradation cost. ✧ The subsidy of 5% interest rate will be deposited directly to the Bank/Financial Institution by DMU and this facility will be only for three years. SHG have to pay the installments of the Principal amount on regular basis. 	Procurement of machines/equipment will be done by respective DMU/FCCU after following all codal formalities.
SHG Contribution	<ul style="list-style-type: none"> ✧ 25% of capital cost to be borne by SHG. But members belongs to low income group and they can contribute 25% and project has to bear remaining 75%. ✧ Recurring cost to be borne by SHG 	

16. Training/capacity building/skill up-gradation -

Training/capacity building/ skill up-gradation cost will be borne by project.

Following are some training/capacity building/ skill up-gradation proposed/needed:

- ✧ Cost effective procurement of raw material
- ✧ Quality control
- ✧ Packaging and Marketing
- ✧ Financial Management

17. Computation of break-even point -

= Capital Expenditure/(selling price (per plate)-cost of production (per plate))

= 2,00,000 / (3-1.5)

= 1,33,334

In this process break-even will be achieved after selling 1,33,334 number of plates .

18. Bank Loan Repayment-

If the loan is availed from bank it will be in the form of cash credit limit and for CCL there is not repayment schedule; however, the monthly saving and repayment receipt from members should be routed through CCL.

- ✧ In CCL, the principal loan outstanding of the SHG must be fully paid to the banks once a year. The interest amount should be paid on a monthly basis.
- ✧ In term loans, the repayment must be made as per the repayment schedule in the banks.
- ✧ Project support - The subsidy of 5% interest rate will be deposited directly to the Bank/Financial Institution by DMU and this facility will be only for three years. SHG/CIG have to pay the installments of the Principal amount on regular basis.

19. Monitoring Method-

- ❖ Social Audit Committee of the VFDS will monitor the progress and performance of the IGA and suggest corrective action if need be to ensure operation of the unit as per projection.
- ❖ SHG should also review the progress and performance of the IGA of each member and suggest corrective action if need be to ensure operation of the unit as per projection.

Some key indicators for the monitoring are as:

- ❖ Size of the group
- ❖ Fund management
- ❖ Investment
- ❖ Income generation
- ❖ Quality of product

20. Remarks

The forth coming vision of the group is to enhance their income by value addition in the form of Machine Pattal and Dunas with the help of dyes etc. To establish themselves as a brand as their is no brand associated with this product. By maintaining the high quality of their product and maintaining a proper manufacturing plan they have targeted to achieve this.

But members belongs to low income group and they can contribute 25% and project has to bear remaining 75%.

21. Group Member Individual Photos:



Preeta devi

Aju Devi

Anita Kumari



Kiran Kumari

Mansa Devi

Vandana Kumari



Kirana Kumari

Anjana Kumari

Bimla Devi

22. Group Photo:



23. Resolution-cum-Group-consensus Form:

Resolution-cum-Group-consensus Form

It is decided in the General house meeting of the group Jai Baba Kamlahiya held on 06-07-2022 at Nalyana that our group will undertake the Pattal making as livelihood Income Generation Activity under the project for Implementation of Himachal Pradesh Forest Ecosystem management and Livelihood (JICA assisted).

प्रीता देवी
प्रधान
जय बाबा कमलाहिया
स्वयं सहायता समूह नल्याणा
उप-त0 टिहरा, जिला मण्डी हि.प्र.

Signature of group president

Signature of group secretary

मि. अ. अ. अ.
प्रधान
ग्राम वन विकास समिति नल्याणा
डाकघर नल्याणा तहसील धर्मपुर
जिला मण्डी (हि० प्र०)

Signature of president VFDS

24. Business Plan Approval by VFDS and DMU:

Business Plan Approval by VFDS and DMU

Jai Baba Kamlahiya Group will undertake the Pattal making as livelihood Income Generation Activity under the project for Implementation of Himachal Pradesh Forest Ecosystem management and livelihood (JICA assisted). In this regard business plan of Amount Rs. 3,55,000 has been submitted by the group on 06-07-2022 Business Plan submitted to DMU through FTU to further action Please.

Thank You.

प्रीता देवी
प्रधान
जय बाबा कमलाहिया
स्वयं सहायता समूह नल्याणा
उप-तहसिल टिहरा, जिला मण्डी हि.प्र.

Signature of group president

Signature of group secretary

प्रधान प्रीता देवी सचिव
श्रीम वन विकास समिति नल्याणा
डाकघर नल्याणा तहसील धर्मपुर
जिला मण्डी (हि.प्र.)

Signature of president VFDS

Approved

DMU cum DFO Joginder Nagar

D.M.U.-Cum-
Divisional Forest Officer
Joginder Nagar

