



Business Plan

On

Income Generation Activity

PATTAL MAKING

For

Self Help Group -Durga Mata



SHG/CIG name

Durga Mata

VFDS name

Garli

Range

Kamlah

Division

Joginder Nagar

Prepared Under-

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

TABLESOFCONTENTS

S.no	Particulars	Page no.
1.	Introduction	3
2.	Description of SHG/CIG	4
3.	Beneficiaries Detail	5
4.	Geographical details of the Village	6
5.	Executive Summary	6
6.	Description of product related to Income Generation Activity	7
7.	Production Processes	7
8.	Production Planning	8
9.	Sale & Marketing	9
10.	SWOT Analysis	9-10
11.	Description of management among members	10
12.	Description of Economics	10-12
13.	Analysis of Income and Expenditure	12
14.	Fund Requirement	13
15.	Sources of Fund	13
16.	Training/capacity building/skill up-gradation	13
17.	Computation of break-even point	14
18.	Bank Loan Repayment	14
19.	Monitoring Method	15
20.	Remarks	15
21.	Group member photos	16
22.	Group photo	17
23.	Resolution-cum Group consensus form	18
24.	Business approval by VFDS and DMU	19

1. Introduction-

Durga Mata SHG was formed on 10-10-2018 and also have been included under Project for Improvement of Himachal Pradesh Forest Ecosystems Management & Livelihoods (JICA Assisted), which fall under VFDS Garli and Range Kamlah. This SHG consists of 15 females and they collectively decided of making pattals (Plates) and duna (bowl) as there 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	Durga Mata
2.	VFDS	Garli
3.	Range	kamlah
4.	Division	Joginder Nagar
5.	Village	Garli
6.	Block	Dharampur
7.	District	Mandi
8.	Total no. of members in SHG	15
9.	Date of formation	10-10-2018
10.	Bank a/c No.	33610106036
11.	Bank details	Himachal State Co-oprative Bank Sajao Pipplu
12.	SHG/CIG monthly savings	1500(100 per person)
13.	Total saving	60000
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	Sarla Devi	F	Basant Singh	General	President	9816559895
2	Sheela Devi	F	Bhag singh	SC	Secretary	8894832450
3	Phulan Devi	F	Jai Singh	General	Member	7580088729
4	Krishni Devi	F	Suresh Kumar	General	Member	9459871637
5	Kanta Devi	F	Jaswant Singh	General	Member	7018903824
6	Sanju Devi	F	Sunil Kumar	General	Member	9805310852
7	Meera Devi	F	Sohan Singh	SC	Member	9625404398
8	Roshni Devi	F	Chaman Lal	General	Member	8894476959
9	Kamla Devi	F	Vijay Kumar	SC	Member	9817764699
10	Neema Devi	F	Desh Raj	SC	Member	8629812718
11	Babli Devi	F	Pratap Singh	SC	Member	8219093968
12	Sunita Devi	F	Vaneet Kumar	General	Member	8988649338
13	Leela Devi	F	Bheem Singh	SC	Member	8626960976
14	Varsha Devi	F	Sunil Kumar	SC	Member	8091745476
15	Kiran mala	F	Sushil Kumar	General	Member	8988601474

4. Geographical details of the Village

1	Distance from the District HQ	123 Km
2	Distance from Main Road	11 Km
3	Name of local market & distance	Sarkhaghat & 23 Km
4	Name of main market & distance	Mandi & 123 Km
5	Name of main cities & distance	Sarkhaghat & 23 Km
6	Name of main cities where product will be sold/ marketed	Sarkhaghat & 23 Km

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	Tour 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 Garli. 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: -02Members
- Making of Pattal on spot:-05Members
- Collection and carriage of Pattal(Manual and Vehicle):-04Members
- Sale of Product :-Jointly
- Arranging the printed logo of their group- 2 members (In each bundle 1 printed logo will be kept)
- Handling account- 2 members

As there are total of 15 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 10 month and these leaves are not available in June or July.</p>
2.	Man power required per cycle(No.)	<p>All ladies.</p> <p>After the installation of Pattal making Machine there will be division of labour among the group members as under:-</p> <ul style="list-style-type: none"> • Running of Machine: -02Members • Making of Pattal on spot:-05Members • Collection and carriage of Pattal (Manual and Vehicle):-04Members • Sale of Product :-Jointly • Arranging the printed logo of their group- 2 members (In each bundle 1 printed logo will be kept) • Handling account- 2 members
3.	Source of raw materials	Nearby forest.
4.	Source of other resources	Local market / Main market
5.	Quantity required per month(plates)	45,000 brown cardborad paper and Taur leaves 1800 Kg
6.	Expected production per month(plates)	45,000 plates per month

9. Sale & Marketing -

1	Potential market places	Mandi, Joginder Nagar, Palampur, Baijnath, Dharampur
2	Distance from the unit	❖ 120 Km , 85 Km, 110 Km, 95 Km, 15 Km
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	165 days	300/day	49,500
2	Room rent	Month	1	1,000	1,000
3	Packaging material	Month	LS	0.2 per sheet	15,000
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	15,000
Total Recurring Cost (B) = 83,500					

* There are total of 15 members. They will work for 4 hours daily as they have other household and agriculture related work. They will work 5 day per week. Total working hours of 1 member in a month (total working days in a month will be 22 and 4 hours per day) will be 88 hours (22 days * 4 hours) and for all the 15 members the working hours in a month will be 1320 hours (22 days). Total labour days in a month for the whole group will be 165 days (1320/8). The labour cost comes out to be Rs 49500.

C. Cost of production		
S. No.	Particulars	Amount
1	Total recurring cost	83,500
2	10% depreciation annually on capital cost	20,000
Total = 1,03,500		

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	83,500
3	Total Production (plate)	45,000
4	Selling Price (per plate)	Rs 3
5	Income generation	1,35,000
6	Net profit (Selling price (Rs 3/ plate) - Production price (Rs 1.5/ plate))	1,35,000 - 67,500 = 67,500
7	Gross profit = Net Profit- Labour cost (67,500 - 49,500)	18,000
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	83,500	0	83,500
3	Training/capacity building/skill up-gradation.	50,000	50,000	0
Total		3,33,500	200000	133500

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 	

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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%.

Group Member Individual Photos:



Neema Devi

Leela Devi

Krishni devi

Sarla Devi



Sanju Devi

Sunita Devi

Sheela Devi

Varsha Devi



Kanta Devi

Babli Devi

Meera Devi

Fula Devi



Roshani Devi

Kamla Devi

Kiran Mala

Group Photo:



Resolution-cum-Group-consensus Form

It is decided in the General house meeting of the group Durga Mata held on 06-07-2022 at Garli 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).

Signature Of group President

Qua
प्रधान
ग्राम वन विकास समिति गरली,
ग्राम पंचकला डरवाड़, तह० बर्मपुर,
जिला बठाना (हि० प्र०)
सचिव

प्रधान
दुर्गा
समूह
तह० बर्मपुर

Sheela Devi

Signature Of group secretary

सचिव
श्रीमती
श्रीमती
श्रीमती

Business Plan Approval by VFDS and DMU.

Durga Mata Group will undertake the pottery 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. 3,33,500 has been submitted by the group on 06-07-2022 and the Business Plan has been approved by VFDS Garli.

Business Plan is submitted to DMU through FTU for further action please.

Thank You.

Signature Of group President

[Signature]
प्रधान
ग्राम वन विकास समिति गरली,
ग्राम पंचायत डरवाड़, तह० धर्मपुर,
Signature of President VFDS

Sarla Devi (Sheela Devi)
प्रधान
दुर्गा
समूह
तह० धर्मपुर, जोगिंदर नगर

Signature Of group secretary

Approved

D.M.U.-Cum-
Divisional Forest Officer
DMU cum DFO Joginder Nagar

