



**Business Plan**  
On  
**Income Generation Activity**  
**PATTAL MAKING**  
For  
**Self Help Group - Naina**



SHG/CIG name  
VFDS name  
Range  
Division

Naina  
Banehar  
Joginder Nagar  
Joginder Nagar

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

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## 1. Introduction-

Naina SHG was formed under Project for Improvement of Himachal Pradesh Forest Ecosystems Management & Livelihoods (JICA Assisted), which fall under VFDS Banehar and Range Joginder Nagar. This SHG consists of 11 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	Naina
2.	VFDS	Banehar
3.	Range	Joginder Nagar
4.	Division	Joginder Nagar
5.	Village	Banehar
6.	Block	Drang
7.	District	Mandi
8.	Total no. of members in SHG	11
9.	Date of formation	01-03-2021
10.	Bank a/c No.	34010109918
11.	Bank details	HPCBJoginder Nagar
12.	SHG/CIG monthly savings	220( 20 per person)
13.	Total saving	2428
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	Sushma Devi	F	Lal Singh	General	Secretary	8580481431
2	Krishna Devi	F	Pyar Chand	General	President	8278719713
3	Sumitra Devi	F	Dalip singh	General	Member	8278780962
4	Shanti Devi	F	Ramesh Chand	General	Member	9418486721
5	Rita Devi	F	Krishan Singh	General	Member	8580712574
6	Monika Thakur	F	Om Parkash	General	Member	9418060985
7	Kavya Devi	F	Vidha Ram	General	Member	7807914988
8	Krishna Devi	F	Mast Ram	General	Member	9015120227
9	Shakuntala Devi	F	Ram Chand	General	Member	8219928487
10	Lalita Devi	F	Shyam Singh	General	Member	9882595144
11	Nirmala Devi	F	Ram Chand	General	Member	9015120227

#### 4. Geographical details of the Village

1	Distance from the District HQ	Mandi - 55 Km
2	Distance from Main Road	7 Km
3	Name of local market & distance	Galu - 7 Km
4	Name of main market & distance	Joginder Nagar - 13 Km
5	Name of main cities & distance	Joginder Nagar - 13 Km Padhar - 30 Km Mandi - 55 Km Sundernagar - 75 Km Baijnath - 30 Km Palampur - 46 Km
6	Name of main cities where product will be sold/ marketed	◇ Padhar ◇ Joginder Nagar ◇ Palampur ◇ Baijnath

#### 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 Banehar. 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: -01 Members
- Making of Pattal on spot: -03 Members
- Collection and carriage of Pattal (Manual and Vehicle): -04 Members
- Sale of Product :- Jointly
- Arranging the printed logo of their group- 1 members ( In each bundle 1 printed logo will be kept)
- Handling account- 2 members

As there are total of 11 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 taurpattaldemand is generally in all the villages and urban areas also and usually the people purchasepattal 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>ThePattal 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> <p>Runningof Machine: -01Members          MakingofPattalon spot:-03Members          Collectionandcarriageof Pattal(Manualand Vehicle):-04Members          SaleofProduct :-Jointly          Arranging the printed logo of their group- 1 members ( In each bundle 1 printed logo will be kept)          Handling account- 2 members</p>
3.	Source of raw materials	Nearby forest.
4.	Source of other resources	Local market / Main market
5.	Quantity required per month(plates)	30000 brown cardborad paper and Taur leaves 400 Kg
6.	Expected production per month(plates)	30000 plates per month



## 9. Sale &Marketing -

1	Potential market places	Mandi, Joginder Nagar, Palampur, Baijnath
2	Distance from the unit	<ul style="list-style-type: none"> <li>❖ Mandi - 86Km</li> <li>❖ Joginder Nagar - 30 Km</li> <li>❖ Palampur - 41 Km</li> <li>❖ Baijnath - 25 Km</li> </ul>
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
<b>Total Capital Cost (A) =</b>			<b>2,00,000</b>	

B. Recurring Cost					
S. No.	Particulars	Unit	Quantity	Price	Total Amount (Rs)
1	Labour Cost	Month	11	300/day	99,000
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
<b>Total Recurring Cost (B) = 1,23,000</b>					

C. Cost of production		
S. No.	Particulars	Amount
1	Total recurring cost	1,23,000
2	10% depreciation annually on capital cost	20,000
<b>Total = 1,43,000</b>		

D. Selling price calculation			
S. No.	Particulars	Unit	Amount
1	Production of pattal	Month	30,000
2	Expected selling price	Rs 3 per unit	90,000

### 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	1,23,000
3	Total Production (plate)	30,000
4	Selling Price (per plate)	Rs 3
5	Income generation	90,000
6	Net profit ( Selling price ( Rs 3/ plate) - Production price ( Rs 1.5/ plate))	90,000 - 30,000 = 60,000
7	Gross profit = Net Profit + Labour cost.	60,000
8	Distribution of net profit	<ul style="list-style-type: none"> <li>✧ Profit will be distributed equally among members monthly/yearly basis.</li> <li>✧ Profit will be utilized to meet recurring cost.</li> <li>✧ Profit will be used for further investment in IGA</li> </ul>

### 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	1,23,000	0	1,23,000
3	Training/capacity building/skill up-gradation.	50,000	50,000	0
<b>Total</b>		<b>3,73,000</b>	<b>200000</b>	<b>1,73,000</b>

## 15. Sources of Fund -

Project support	<ul style="list-style-type: none"> <li>✧ 75% of capital cost will be provided by project.</li> <li>✧ Up to Rs 1 lakhs will be parked in the SHG bank account.</li> <li>✧ Training/capacity building/ skill up-gradation cost.</li> <li>✧ 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.</li> </ul>	Procurement of machines/equipment will be done by respective DMU/FCCU after following all codal formalities.
SHG Contribution	<ul style="list-style-type: none"> <li>✧ 25% of capital cost to be borne by SHG.<b>But members belongs to low income group and they can contribute 25% and project has to bear remaining 75%.</b></li> <li>✧ Recurring cost to be borne by SHG</li> </ul>	

## 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 -

$$\begin{aligned} &= \text{Capital Expenditure}/(\text{selling price (per plate)}-\text{cost of production (per plate)}) \\ &= 2,00,000 / (3-1.5) \\ &= 1,33,334 \end{aligned}$$

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:**



**Sushma Devi**



**Krishna Devi**



**Sumitra Devi**



**Rita Devi**



**Monika Thakur**



**Kavya Devi**



**Lalita Devi**



**Nirmala Devi**



**Shanti Devi**



**Krishna Devi**



**Shakuntla Devi**



**Group Photo:**



Resolution-cum-Group-consensus Form

It is decided in the General house meeting of the group Naina SHG held on 24-05-2022 at Banehar 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).

Sushma Devi  
प्रधान  
नैना स्वयं सहायता समूह बनेहार  
डा. बस्सी, तह. ज. नगर  
Signature of group President

Lojehna  
सचिव  
प्रधान  
नैना स्वयं सहायता समूह बनेहार  
डा. बस्सी, तह. ज. नगर  
Signature of group secretary

Baldev  
Secretary  
President  
Village Forest Development Society  
Signature of the President VEDS  
Gram Panchayat Kopa Padhar  
P.O. Bassi, Teh. J. Nagar,  
Distt. Mandi (H.P.)

Business Plan Approval by VFDS and DMU.

Naina SHG 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. 3,73,000 has been submitted by the group on 24-05-2023 and the Business Plan has been approved by VFDS Banehar.

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

Thank You.

*Sushma Devi*  
प्रधान  
नैना स्वयं सहायता समूह बनेहड़  
डा. बस्ती, तह. जो. नगर  
वि. नैना (वि. नैना)  
Signature Of group President

*Wishna*  
सचिव  
नैना स्वयं सहायता समूह बनेहड़  
डा. बस्ती, तह. जो. नगर  
वि. नैना (वि. नैना)  
Signature Of group secretary

*Secretary*  
President Secretary  
Village Forest Development Society  
(VFDS) Banehar,  
Gram Panchayat Ropa Padhar  
Distt. Mandi (H.P.)  
Signature of President VFDS

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

