



## BUSINESS PLAN

Income Generation Activity –Rhododendron Flowers

by

Ganga Mayia -Self Help Group



SHG/CIG Name	::	Ganga Mayia
VFDS Name	::	Kanol-1
Range	::	Shahpur
Division	::	Dharamshala

**Prepared under:**

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

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## **Introduction:-**

*Rhododendron arboreum* (Burans) is an important species of Indian Himalayan region found at altitudes of 1200-4000 m. In Himachal Pradesh, it is found in Chamba, Kangra, Kullu, Shimla, Mandi, Kinnaur and Sirmour districts in sporadic or scattered form. It is an evergreen, much branched tree, up to 14 m in height and 2.4 m in girth. The flowering/fruitlet is reported during March-April/June-September. Its flowers are collected and processed into squash/juice. Besides this, localites have been using it as medicine for the treatment of diarrhea, blood dysentery, nasal bleeding and preventing high altitude sickness. Further, the paste made from flowers is applied on the head for curing headaches. Also, its flowers are sold in the market after drying. With the establishment of various food processing units, there is an increasing demand of Rhododendrons and as a result, their massive trade is being witnessed in and out of Himachal Pradesh. Therefore, the collection of Rhododendron flowers is not merely a local approach but it has expanded as one of the highly economical natural produce.

## **Background:-**

One Self Help Group comprising of 10 Women Members from VFDS viz. Kanol-1 (Ward No. 2) Ganga Mayia SHG has been constituted to take up Rhododendron Flowers (Juice Extraction, Squash etc) activity. The members of SHG will be encouraged for processing of collected flowers to produce squash. As per Village Record this group will be collecting around 50 quintals Rhododendron flowers annually. In addition, marketing intervention from the project will also be explored for the sale of dried flowers for better price. Marketing will be carried out by the marketing committee set up at Cluster level of VFDS and under the aegis of Manager (Marketing) from PMU.

## Description of SHG/CIG

2.1	SHG/CIG Name	::	Ganga Mayia
2.2	VFDS	::	Kanol-I
2.3	Committee	::	Kanol-1
2.4	Range	::	Shahpur
2.5	Division	::	Dharamshala
2.6	Village	::	Kanol
2.7	Block	::	Rirakmar
2.8	District	::	Kangra
2.9	Total No. of Members in SHG	::	10-females
2.10	Date of formation	::	21-03-23
2.11	Bank a/c No.	::	50076217866
2.12	Bank Details	::	KCC Bank
2.13	SHG/CIG Monthly Saving	::	50/-
2.14	Total saving	::	5000/-
2.15	Total inter-loaning	::	
2.16	Cash Credit Limit	::	--
2.17	Repayment Status	::	--

## Beneficiary Share

S. No	Name of Candidate	Daughter/Husband Name	Designation	Category	Contact No.
1	Santosh Kumar	W/o Ganesh Kumar	President	President	7876863764
2	Rajni Devi	W/o Shankar Pal	Secretary	Secretary	6230324518
3	Anjali Devi	W/o Sammi	Vice President	Vice President	7876371480
4	Meena Devi	W/o--	Member	Member	7876197681
5	Veena Devi	W/o Abhishek	Member	Member	9817610073
6	Lata Devi	W/o Rood Ram	Member	Member	862694179
7	Disko Devi	W/o Lalu Ram	Member	Member	8091311257
8	Hukmo Devi	W/o Karan	Member	Member	9816737404
9	Sungdo Devi	W/oLehri Ram	Member	Member	9816920528
10	Kehro Devi	W/o Krishan	Member	Member	7807413516

## Geographical Detail of the Village

3.1	Distance from the District HQ	::	55 KM
3.2	Distance from Main Road	::	22 KM
3.3	Name of local market & distance	::	Shahpur-22 KM, Dharamshala-46 KM
3.4	Name of main market & distance	::	Shahpur-22 KM, Dharamshala-46 KM
3.5	Name of main cities & distance	::	Shahpur-22 KM, Dharamshala-46 KM
3.6	Name of places/locations where Product will be sold/ marketed	::	Dharamshala, Shahpur, Kangra, Rait, Nagrota

## Management :-

Collection of Rhododendron Flowers by Ganga Mayia SHG has 10 women members and they have been Collected Rhododendron Flowers and will work together in the village to execute their plan and work in a collective manner. Before the start of the actual work all the members will be imparted a short term capsule course for training by any Professional Institute.

## Primary Action Plan:-

The members of this SHG have very clear vision of this IGA and after careful and thoughtful discussion within the group decided to take up this activity for additional income. The members are doing this activity in isolation but now they have joined hands to venture into this activity at a bit larger scale and in a planned manner. The divisions of labour between the members have been planned carefully so that each contributes towards strengthening the IGA and resulting the additional money into their pockets.

## Customers:-

The primary customers of the centre will mostly be local people around village Kanol, Salli and Main Market Shahpur, Rait, Dharamshala but later on this business can be scaled up by catering to Cluster Level.

## **Target of Centre:-**

The centre primarily aim provide healthy Juice Extraction, Squash and other Product of Rhododendron service to the residents of Salli village and all other residents of nearby villages and Local Market.

This centre will ensure to become the most renowned Business centre with quality work in its area of operation in coming years.

## **There as on to start this business:-**

Due to the prior experience of the members of this SHG who are already doing same work here and there this IGA has been selected and therefore the SHG is starting this business together. This is an effort to combine the skill of various members and scale up their activity to earn more livelihoods.

## **SWOT Analysis:-**

### **❖ Strength**

- Activity is being already done by some SHG members
- Raw material easily available from near by markets
- Manufacturing process is simple
- Proper packing and easy to transport
- Other family members will also cooperate with beneficiaries
- Product self-life is long

### **❖ Weakness**

- Lack of technical know-how

### **❖ Opportunity**

- Increasing demand for good products

### **❖ Threats/Risks**

- Competitive market
- Level of commitment among beneficiaries towards participation in training /capacity building &skill up-gradation

## Machinery,tools and other equipments

The traditional Equipments along with the mechanicalEquipments will go hand in hand so that a value product is made available for marketing and making it competitive both in quality and price tag. Some of the items will be produced in traditional manner and others in mechanical manner depending upon the demand in the targeted area.

<b>A.</b>	<b>CAPITALCOST</b>			
<b>Sr. No.</b>	<b>Particulars</b>	<b>Quantity</b>	<b>Rate per unit</b>	<b>Total Amount</b>
1	Stainless Steel Containers with stand	2	25000	50000
2	Stainless Steel Sieves	1	1000	1000
3	Gas Stove	1	5000	5000
4	Bottling Unit	1	25000	25000
5	Bottles (1 L capacity)	10000	10000	100000
6	Labeling of Bottles	1	10000	10000
7	Sealing Unit	1	10000	10000
8	Weighing Machine	1	2000	2000
9	General Overheads/Other Charges	LS	50000	50000
		<b>Total</b>		<b>253000/-</b>



<b>B. Recurring cost</b>				
<b>Sr.No</b>	<b>Particulars</b>	<b>Unit</b>	<b>Rate</b>	<b>Amount</b>
1.	Room rent	Per month	1500	1500
2.	Water &electricity	Per month	1000	1000
3.	Collection of Flowers	Kg	1,50,000	1,50,000
4.	Collection of Bags	LS	20,000	20,000
5.	Citric Acid	LS	5,000	5,000
6.	Sodium Benzoate	LS	5,000	<b>5,000</b>
<b>Total</b>				<b>182500</b>

### **Total Production and Sale Amount in Month:-**

Since it is an additional activity in the SHG apart from their routine household work the outcome will be proportionate to the working hours of each member. It is always better initially to keep the production on conservative side which can always be scaled up with passage of time and work experience. Therefore, it is presumed that each member in Group will produce juice, Squash etc. per day as finally finished 50 Bottles of juice, 30 Bottles of Squash can be made available for sale. Keeping in view this production rate of approximately 1500 Bottles of Juice and 900 Bottles of Squash finished items will be ready for sale in one month. As beginner the item rate on an average if presumed to be Rs. 200 per/L each therefore the total income per month is worked as under:

<b>Particulars</b>	<b>Total Amount (Rs.)</b>	<b>Project Contribution (75%)</b>	<b>SHG contribution (25%)</b>
Total capital cost	253000	189750	63250
<b>Recurring cost</b>			
10% depreciation on capital cost/month	2108		2108
Other expenditure per month	<b>182500</b>	-nil-	<b>182500</b>
<b>Total</b>	<b>184600</b>		<b>184600</b>

Total sale of Juice in a month(1500\*200)=300000

Total sale of Squash in a month(900\*200)=180000

Total expenditure in first month (182500+2108)= **184608**

However this amount can safely be deducted from the expenditure column and the net income can be re-cast again. More over the members of SHG will be doing the job collectively therefore their wages have not been taken into account. The net income at the end of the month is re-cast as under:

<b><u>Capital cost</u></b>	
<b>Particulars</b>	<b>Amount</b>
i) 10% depreciation on capital cost per month	2108
2.Total Recurring expenditure	182500
3. Total Juice and Squash Per Month	1500 900
4. Selling Price	200per/L
5.Income Genration(1500*200) (900*200)	300000 180000
<b>Net profit (Income Generation – Total Expenditure / Month)</b>	<b>297500</b>

## Fund Flow in Group

Sr.No.	Particulars	Total Amount (Rs)	Project the contribution (75%)	SHG Contribution (25%)
1	Total capital cost	253000	189750	63250
2	Total Recurring Cost	182500	0	182500
3	Trainings	50000	50000	0
	<b>Total</b>	<b>485500</b>	<b>239750</b>	<b>245750</b>

**Note-**

- **Capital Cost**-75% of the total capital cost will be borne by the Project
- **Recurring Cost**–The entire cost will be borne by the SHG/CIG.
- **Trainings /capacity building/ skill up-gradation**–Total cost to be borne by the Projec

## Source of funds and Procurements

Project support;	<ul style="list-style-type: none"><li>• 75% of capital cost will be utilized for purchase of machines.</li><li>• Up to Rs.1 lakh will be parked in the SHG bank account as a revolving fund.</li><li>• Trainings/ capacity building/ skill up-gradation cost.</li></ul>	Procurement of machines 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.</li><li>• Recurring cost to be borne by SHG</li></ul>	

### **Trainings/ capacity building/ skill up-gradation:-**

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

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

- Team work
- Quality control
- Packaging and Marketing
- Financial Management

### **Loan Repayment Schedule:-**

If the loan is availed from bank it will be in the form of cash credit limit and for CCL the reinsure payment 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.

## 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.

## Group Photo



Ganga mayia

(Roddenderson)

अनुसूचक

हम सब समूह सदस्य ने आईजीए गतिविधि में सक्रिय रूप से भाग लेने के लिए सहमति दी है एचपी पारिस्थितिकी तंत्र प्रबंधन और आजीविका में सुधार और वीएफडीएस के साथ समन्वय के लिए जेआईसीए परियोजना के दिशानिर्देश के अनुसार समूह ( बुराहा ) द्वारा चुना गया। सदस्यों का विवरण इस प्रकार है

क्र स	नाम	पद	वर्ग	उम्र	हस्ताक्षर
1.	सन्तोष कुमारी	प्रधान	अनुसूचित जाति	24	Santosh
2.	रजनी देवी	सचिव	-Do-	29	Rajni
3.	अंजली देवी	कोषाध्यक्ष	-Do-	23	Anjali
4.	मीना देवी	उप-प्रधान	-Do-	32	मीना देवी
5.	वीना देवी	सदस्य	-Do-	33	वीना देवी
6.	लता देवी	सदस्य	-Do-	42	लता
7.	हिस्को देवी	सदस्य	-Do-	36	
8.	हुकमो देवी	सदस्य	-Do-	60	
9.	सुगडा देवी	सदस्य	-Do-	51	
10.	केहरो देवी	सदस्य	-Do-	60	
11.					
12.					
13.					
14.					
15.					
16.					

हस्ताक्षर *Rajni*  
सचिव स्वयं सहायता समूह

हस्ताक्षर  
प्रधान स्वयं सहायता समूह  
*Santosh*

हस्ताक्षर *Ahmed*  
सचिव, वन ग्रामीण विकास  
समिति

हस्ताक्षर  
प्रधान, वन ग्रामीण विकास  
समिति *Darshan Singh*

*W. J.*  
हस्ताक्षर  
वन रक्षक

*M. K. Chhaya*  
हस्ताक्षर  
वन खण्ड अधिकारी

*Sunit*  
हस्ताक्षर  
वन परिक्षेत्र अधिकारी

*DFO Approval*  
DFO-cum-DMU Officer  
Dharamshala Forest Division  
Dharamshala