

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



SHG/CIG Name - **Barota**
VFDS Name - **Koharpur**
Range - **Jawalamukhi**
Division - **Dehra Division**

Prepared Under-

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



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1.Introduction-

Barota SHG was formed under Project for Improvement of Himachal Pradesh Forest Ecosystems Management & Livelihoods (JICA Assisted), which fall under VFDS Koharpur and Range Jawalamukhi. This SHG consists of 15 females and they collectively decided of making Pattals (Plates) and Duna (bowl) as their Income Generation Activity (IGA). These people already had abundance of tour leaves in nearby forest. The demand of such Pattal is very high in the locality as well in the nearby 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 exists 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 aluminum plates and shelf life of the tour leaves plates wasless. Other reason is it is time consuming and require a lot of labor and there 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 effect on human health, completely safe and can replace the aluminum plates. Aluminum plates are good and does not possess any serious threat to human health but as there is depletion of resources and aluminum 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 largescale production. With the advancement in technology, now there are specific machine 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	Barota
2.	VFDS	Koharpur
3.	Range	Jawalamukhi
4.	Division	Dehra
5.	Village	Koharpur
6.	Block	Bharoli
7.	District	Kangra
8.	Total No. of members in SHG	12
9.	Date of formation	03-09-2022
10.	Bank detail.	HDFC Bank
11.	Bank Ac no.-	Dated- 14/11/20222 AC No.- 50100530476884
12.	SHG/CIG monthly savings	50rs
13.	Total saving	600rs
14.	Total inter loaning	-
15.	Cash Credit Limit	-
16.	Repayment status	-

3. Beneficiaries Detail

Sr.no	Name	M /F	Father/Husband name	Category	Designation	Contact no.
1	Pinki Devi	F	W/O Sunil Kumar	OBC	President	8626952136
2	Bandana Devi	F	W/O Vipin Kumar	OBC	Secretary	8544781053
3	Monika	F	W/O Kamlesh Kumar	OBC	Treasurer	6230853571
4	Santosh Kumari	F	W/O Vijay Kumar	OBC	Member	9599456291
5	Geeta Devi	F	W/O Amar Singh	OBC	Member	8091298464
6	Meena Devi	F	W/O Ranjit Singh	OBC	Member	8894456608
7	Reshma Devi	F	W/O Ramesh Chand	OBC	Member	8920298189
8	Suman Devi	F	W/O Parshotam Singh	OBC	Member	9805647836

9	Asha Devi	F	W/O Sanjeev Kumar	OBC	Member	9816135247
10	Swarna Devi	F	W/O Pawan Kumar	OBC	Member	6230482735
11	Meera Devi	F	Bhagmal Chand	OBC	Member	8894485519
12	Anjana	F	W/o Satish Kumar	OBC	Member	9805695147

4. Geographical details of the Village

1	Distance from the District HQ	65Km
2	Distance from the main road	5Km
3	Name of main market & distance	10Km -
4	Name of main cities & distance	15 Km jawalamukhi

5. Executive Summary-

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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 40 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 by the JICA Project.

The taur leaves are in abundant in the forest area of VFDS KOHARPUR. 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.

Within stellation of Pattal Making Machine, the group has suggested Labour division as under: -

- Running of Machine: -02 Members
- Making of Pattal on spot: -04 Members
- Collection and carriage of Pattal (Manual and Vehicle): -02 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 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 Kangra District the 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 16 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>Running of Machine: -02 Members, Making of Pattal on spot: -04 Members</p> <p>Collection and carriage of Pattal (Manual and Vehicle): -04 Members</p> <p>Sale of Product: - Jointly</p> <p>Arranging the printed logo of their group-3 members (In each bundle 1 printed logo will be kept)</p> <p>Handling account- 2 members</p>
3.	Source of raw materials	Nearby forest.
4.	Source of other resources	Local market/Main market
5.	(1) Quantity required per month(plates)	17100 brown cardboard paper and taur leaves 760kg
6.	Expected production per Month (plates)	17100 plates / Month

9. Sale & Marketing-

1	Potential market places	Kangra, Jawalamukhi, Nadaan, Dehra
2	Distance from the unit	<ul style="list-style-type: none"> ✧ Kangra- 44Km ✧ Jawalamukhi-15Km ✧ Nadaan-10Km ✧ Dehra-25Km
3	Demand of the production market Places,	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, whole sale of near markets.
6	Product branding	At CIG/SHG level product will be marketed by branding CIG/SHG. Later this IGA may require branding at cluster level.
7	Product "slogan"	"Barota SHG-Eco-friendly Pattals"

SWOT Analysis-

10 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 competitions with other same product.
- ✧ High chance to be a well-established brand.

❖ **Weakness–**

- ❖ Lack of experience of making pattal 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 leader ship in distribution of Labour among the group member.
- ❖ Availability of raw material during rainy season from the fore stand 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				
Sr.No.	Particulars	Quantity	Unit Price	Amount (Rs)
1	Paper & Taur plate making machine with 3 Dice + 5Kg Paper Roll	1	60300	60,300
2	Transport	LS	LS	1000/-
Total Capital Cost (A) =		Rs. 61,300/-		

B. Recurring Cost					
Sr. No.	Particulars	Unit	Quantity	Price	Total Amount (Rs)
B.2	Room rent	Month	1	1500	1500
B.3	(Electricity, water bill, machine repair)	Month	LS	2,000	2,000
B.4	Paper & Packaging Material	Month	LS	20000	20000
B.	Miscellaneous expenditure (Stationary, Bill Book, Receipt etc.)	Month	LS	2000	2000
Total Recurring Cost(B) = 25500					
C. Cost of production					
Sr.No.	Particulars	Amount			
1	Total recurring cost	25500			
2	10% depreciation annually on capital cost	6130			
Total = Rs. 31630/-					

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

D. Selling price calculation			
Sr.No.	Particulars	Amount	
1	Production of Pattal	Month	37500
2	Expected selling price	Rs 3 per unit	112500

Sr. No	Particulars	Amount
1	10% depreciation annually on capital cost	6130
2	Total Recurring Cost	25500
3	Total Production (plate)	33500
4	Selling Price (per plate)	Rs 3
5	Income generation	112500
6	Net profit (Selling price (Rs 3/plate)- Production price (Rs .80/plate))	112500-33500 = 79000
7	Gross profit=Net Profit + Labour cost.	79000 +70125 = 149125/-
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-

Sr. no.	Particulars	Total Amount	Project Contribution	SHG Contribution
1	Total Capital Cost	Rs. 61300/-	Rs. 45975/-	Rs. 15325/-
2	Total Recurring Cost	Rs. 25500/-	Rs. 0/-	Rs. 25500/-
3	Training Capacity	Rs.45000/-	Rs. 45000/-	Rs. 0/-
TOTAL		Rs. 131800/-	Rs. 90975/-	Rs. 40825/-

15. Sources of FUND: -

Project Support	75% of Capital cost will be provided by project	Procurement of machine/equipment will be done by done by
SHG	<ul style="list-style-type: none"> ✧ Up to Rs1 lakhs will be parked in the SHG bank account. ✧ Training/capacity building/skill up-gradation cost. ✧ The subsidy of 5% interest rate will Deposited directly to the Bank/Financial Institution by DMU And this facility will be only for three Years. SHG pay the Installments of the principal amount on regular basis. 	<p>Respective DMU /FCCU</p> <p>after following all codal formalities.</p>
Contribution	<ul style="list-style-type: none"> ✧ 25% of capital cost to be borne by SHG. But members belong to low income group and they can only 25% and project have to be a remaining 75%. ✧ Recurring cost to be borne by SHG 	

16. Computation of break-even point-

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

= 61300/3-0.80 = **Rs. 27863/-**

This process break-even will be achieved after selling 27863 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 areas:

- ✧ 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 there 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 belong to low-income group and they can contribute 25% and project has to bear remaining 75%.

Group Member Individual Photos:



Business Plan Approval by VFDS & DMU

Business Plan Approval By VFDS & DMU

...Barota...SHG...Group will undertaken 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. 131800/-.....has been submitted by group on 14.12.2022..... and the business plan has been approved by the VFDS...Kohaspur.....

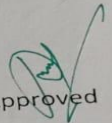
Business plan is submitted through FTU for further action please.

Thank you

Pinki Devi
Signature of Group President
President
VFDS.....

9-5-21 29
Signature of Group Secretary
VFDS.....

President Harichud
Signature of President VFDS
President
VFDS.....Kohaspur


Approved
DMU-CUM-Dehra

Resolution – Cum- Group Consensus Form

A. Resolution –CUM-Group Consensus Form

It is decided in the General House meeting of the group... Barota SHG
held on 03-09-22 at Koharpur that our group will undertake
the Patta making as Livelihood Income Generation Activity
under the Project for Improvement of Himachal Pradesh Forest
Ecosystems Management & Livelihoods (JICA Assisted).

Signature of Pinki Devi
Group President
V.F.O.S.

Signature of [Handwritten Signature]
Group Secretary
V.F.O.S.

Submitted to DMU through FTU

Submitted to DMU through FTU

Name & Signature of FTU Officer
Jawahar Lal (H.P.)

Savita Devi Savita Devi
Name & Signature of FTU Coordinator

Approved
Name & Signature of DMU Officer

