

Business Plan

On

Income Generation Activity

PATTAL MAKING

For

Self Help Group- Shani Dev



NAME OF THE DIVISION	DEHRA
NAME OF THE RANGE	DEHRA
NAME OF THE VFDS	DODUN RAJPUTAN
NAME OF THE SELF - HELP GROUP	SHANI-DEV

Prepared Under-

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



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1.Introduction-

Shani Dev SHG was formed under Project for Improvement of Himachal Pradesh Forest Ecosystems Management & Livelihoods (JICA Assisted), which fall under VFDS Chaplah Jhikla and Range Dehra. This SHG consists of 08 Males and they collectively decided of making Pattal/Paper (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/ Paper is very high in the locality as well as 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 was less. 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 large scale 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/Paper making as their Income Generation Activity.

2. Description of SHG/CIG

1.	SHG/CIG Name	Shani Dev
2.	VFDS	Dodun Rajputan
3.	Range	Dehra
4.	Division	Dehra
5.	Village	Dodun Rajputan
6.	Block	Pir - Saluhi
7.	District	Kangra (HP)
8.	Total No. of members in SHG	08
9.	Date of formation	03/10/2024
10.	Bank detail.	State Bank of India
11.	Bank Ac no.	44409166035
12.	SHG/CIG monthly savings	50/-
13.	Total saving	400/Month
14.	Total inter loaning	-
15.	Cash Credit Limit	-
16.	Repayment status	-

2qwwqqq3. Beneficiaries Detail

Sr. no	Name	M /F	Education	Desig.	Age	Designation	Source of Income
1	Rishu	M	BA	Pradhan	22	Pradhan	Agriculture
2	Surminder Kumar	M	12 th	Cashier	42	Cashier	Agriculture
3	Bhupinder Singh	M	8 th	Secretary	56	Secretary	Agriculture
4	Sangram Singh	M	B.com	Member	24	Member	Agriculture
5	Deepak	M	10 th	Member	30	Member	Agriculture
6	Rajinder Singh	M	8 th	Member	50	Member	Agriculture
7	Shir Ram	M	10 th	Member	-	Member	Agriculture
8	Dharmender Singh	M	12 th	Member	49	Member	Agriculture

4. Geographical details of the Village

1	Distance from the District HQ	78 KM
2	Distance from Main Road	1 KM
3	Name of local market & distance	Rakkar & 10 KM
4	Name of main market & distance	Nadaun & 13 KM
5	Product will be sold/marketed ◇ ◇	Kangra Jawalamukhi Naduan Dehra

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 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.

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 isa Huge demand of plates in market.
3	Consent of SHG/CIG/cluster members	Yes

6. 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 Dodun Rajputan. 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 isa 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: -02 Members
- Collection and carriage of Pattal (Manual and Vehicle): -01 Members
- Sale of Product: -Jointly
- Arranging the printed logo of their group-2 members (In each bundle 1printed logo will be kept)
- Handling account-1 members

As there are total of 08 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.

7. 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 Gents.</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: - 0 2Members Collection and carriage of Pattal (Manual and Vehicle): - 1 Members Sale of Product: - Jointly Arranging the printed logo of their group- 2 members (In each bundle 1printed logo will be kept) Handling account- 1 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

8. Sale & Marketing-

1	Potential market places	Kangra, Jawalamukhi, Nadaun, Dehra
2	Distance from the unit	<ul style="list-style-type: none"> ✧ Kangra- 44Km ✧ Jawalamukhi-8Km ✧ Nadaun-10Km ✧ Dehra-20Km
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 the m 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”	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 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 plate making machine with dye	1	150000	150000
2	Other Material (Paper for Making Pattal & Packaging Mat extension board) etc.	LS		25000
3	Weighing machine digital	LS	-	3000
Total Capital Cost (A)=		Rs. 1,78000 /-		

B. Recurring Cost

Sr. No.	Particulars	Unit	Quantity	Price	Total Amount (Rs)
B.2	Room rent	Month	1	1500	1500
B.3	Packaging material	Month	LS	0.5 per sheet	5,000
B.4	(Electricity, water bill, machine repair)	Month	LS	3,000	3,000
B.5	Miscellaneous expenditure (Stationary, Bill Book, Receipt etc.)	Month	LS	2000	2000
B.6	Brown cardboard paper	LS	LS	0.5 Rs / Sheet	15000
Total Recurring Cost(B) = 26500/-					

C. Cost of production		
Sr. No.	Particulars	Amount
1	Total recurring cost	26500
2	10% depreciation annually on capital cost	17800
Total = 44300/-		

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

D. Selling price calculation			
Sr. No.	Particulars		Amount
1	Production of Pattal	Month	60000
2	Expected selling price	Rs 4/ Unit	2,40,000

Sr. No	Particulars	Amount
1	10% depreciation annually on capital cost	17800/-
2	Total Recurring Cost	26500/-
3	Total Production (plate)	60000
4	Selling Price (per plate)	Rs. 4
5	Income generation	2,40,000/-
6	Net profit (Selling price (Rs 4/plate)- Production price (Rs 2 /plate))	240000-120000= 1 2 0 0 0 0 /-
7	Gross profit=Net Profit + Labour cost.	120000 + 12500= 132500/-
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

	<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 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. 	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 belong to low-income group and they can contribute 25% and project have to be remaining 75%. ✧ Recurring cost to be borne by SHG 	

14 . Fund Requirement

Sr.no	Particulars	Total Amount	Project Contribution 50%	SHG Contribution 50%
1.	Total Capital Cost	178000/-	89000/-	89000/-
2.	Total Recurring cost	26500/-	-	26500/-
3.	Training Capacity	35000/-	35000/-	-
	Total	239500/-	124000/-	115500/-

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-gradations 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))

= 178000/(4/plate-2/plate)

= 89000 plates

This process break-even will be achieved after selling 89000 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.

SHG name: Shani Dev,

VFDS: Dodun Rajputan,

Range: Dehra,

Forest Division: Dehra

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 50% and project has to be are remaining 50%.

- **Group Member Individual Photos:**



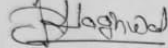
RESOLUTION-CUM GROUP CONSENT

BUSINESS PLAN APPROVAL BY VFDS & DMU

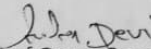
Shani Devi SHG Group will undertake the leaf plucking livelihood Income Generation Activity under the project for implementation of Himachal Pradesh Forest Ecosystem Management & livelihood (JICA assisted). In this regard business plan of amount Rs. 2,39,500/- has been submitted by group on 29/01/2016 and the business plan has been approved by the VFDS, Dehra Doon.

Business plan submitted through FTU for further action please.

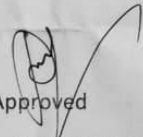
Thank you



Signature of Group President



Signature of Group Secretary



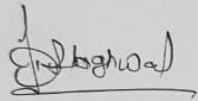
Approved

DMU - CUM - Dehra

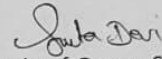
Submitted to DMU through FTU

Resolution - cum - Group Consensus Form

It is decided in the General House meeting of the group *Shani D.S.V...* at *Dudhna Rajputan* that our group will undertake the *Leaf/Flake Making* as Livelihood Income Generation Activity under the Project for improvement of Himachal- Pradesh Forest Ecosystem Management & Livelihoods (JICA Assisted).



Signature's of Group Pradhan



Signature's of Group Secretary

SUBMITTED to DMU through FTU

Submitted to DMU through FTU

Name & Signature of FTU Officer
Sudhakar Singh

Range Forest Office,
Kangra (H.P.)

**Range Forest Officer
Dehra Forest Range
Dehra (H.P.)**

Name & Signature of FTU Coordinator
Shivani Dhiman

SMS (JICA) *Deeksha Devi*
HPFS (Retd) *M.L. Sharma*

Approved
[Signature]

Name & Signature of DMU officer

Prepared By: -

1. Sh. Madan Lal Sharma (Retd. HPFS)
2. Deeksha Devi (SMS JICA)
3. Shivani Dhiman (FTU Dehra)

