

## BUSINESS PLAN

INCOME GENERATION ACTIVITY –Achar chutney/Pickel making

By

CHITEREKHA JAGAT JANANI –SELF HELP GROUP



SHG/CIGName	::	CHITEREKHA JAGAT JANANI
VFDS Name	::	TRANDA
Range	::	NICHAR
Division	::	KINNAUR

Prepared Under–



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

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## 1. Introduction

Himachal Pradesh is a State in the Northern part of the India and is situated in the western Himalayas. It is characterized by an extreme landscape featuring several peaks and extensive river system. Himachal Pradesh is known as “Land of God “and is also known for its scenic beauty. Himachal Pradesh is rich in flora and fauna.

The state has diverse ecosystem, rivers and valleys, and has a population of 7.5 million and covers 55,673 sq.km ranging from foothills of Shivalik to the mid hills (300 - 6816 MT above MSL), high hills and cold dry zones of the upper Himalayas. It is spread across valleys with many perennial rivers flowing through them. Almost 90% of the state's population lives in rural areas. Agriculture, horticulture, hydropower and tourism are important constituents of the state's economy.

The Himachal state has 12 districts and Kinnaur is one of the Twelve Administrative District of the State. The Kinnaur district is divided into three administrative sub division viz Kalpa, Nichar Bhaba Nager) and Pooh and has six Tehsils. The district Headquarter is located at Reckong Peo-. It is the 2<sup>nd</sup> least populous district oh Himachal Pradesh after Lahul and Spiti. The total geographical area of the district Kinnaur is 6401 Sqr.KM and the population is 84121 as per 2011 census.

The Kinnaur district once a forbidden land, is known treasure's trove for the daring and adventurers' seekers. The Mount Kinnar Kailash, Abode of Lord Shiva can be seen from Kalpa. Beside this there is pristine at Nako village. The lower Kinnaur has large influences of Hinduism with traces of Buddhism in their belief systems, and in the higher reaches it is Buddhism that dominate and both the religion co-exist in harmony. The Kinnaur District is famous for its dry fruits viz. Chilgoza, Apricot and Badam. Beside this the Apple cultivation has also gained momentum & now the apple from Kinnaur district is fetching highest value as compare to the other part of the State growing apple crop.

Tranda village is situated above old HT Road. It is a beautiful village surround by beautiful coniferous Forest. There is beautiful historical Temple of Mata Chitterlekha which is situated in the middle of the village. The Tranda village is bestowed with natural herbs, shrubs, trees and variety of medicinal plants. Beside this the local inhabitants are having Apple, Palm, wild apricot orchards.

The residents of Tranda which falls in Trandapanchayat ward no 2 has identified Pickle, Jam and juice (Apple and rose pattel as income generation activity under JICA project. The local women has already formed SHGs under NRLM for the last 5 years and the group is not in active state due to paucity of funds.

Pickles (Achar), Jam, and juice are important ingredients of every table across the country and it is also served in the festivals, marriage ceremony and other in this region. A wide range of variety is used in achar/pickle, Jam and juices which varies from region to region depending upon the locally available raw material, taste and food habit of the people.

The most lucrative aspect of the pickle, Jam, and Juice making business is that it can be started as per the financial capacity of the group and later on at any given time when the financial portfolio of the SHG improves the business can be scaled up to any level. Once your product and its taste are liked by the customers the business will flourish like anything. However, the SHG has considered different aspects very carefully before getting into this IGA (income generation activity). The SHG has therefore crafted a detailed business plan according to its investment capacity; marketing & promotional strategy and the detailed action plan will be discussed hereunder:

## 2. Description of SHG/CIG

3.1	SHG/CIG Name	::	CHITEREKHA JAGAT JANANI
3.2	VFDS Name	::	TRANDA
3.3	Range	::	NICHAR
3.4	Division	::	KINNAUR
3.5	Village	::	TRANDA
3.6	Block	::	TRANDA
3.7	District	::	KINNAUR
3.8	Total No. of Members in SHG	::	11-Females
3.9	Date of formation	::	22-12-2022
3.10	Bank a/c No.	::	1493000100084475
3.11	Bank Details	::	PNB Nigulsari
3.12	SHG/CIG Monthly Saving	::	100/- (meeting held to be every 25 <sup>th</sup> day of month)
3.13	Total saving	::	-
3.14	Total inter-loaning	::	-
3.15	Cash Credit Limit	::	-
3.16	Repayment Status	::	-

**3. BeneficiariesDetail:**

S.No	Name(Sh/Smt.)	Father/Husband Name (Sh.)	Age	Category	ContactNo	Designation
1	Smt.Kanta Devi	Sh.Dhara Singh	48	ST	9805073450	Pradhan
2	Smt.Naram Prabha	Sh.Ram Rattan	50	ST	8219749044	Seceretary
3	Smt.Palmo Devi	Sh.AttamPrakesh	38	ST	7078797840	Member
4	Smt.PwanRekha	Sh.Sanjev	32	ST	8629045199	Member
5	Smt.Meera	Sh.Ganga Singh	45	ST	6230031761	Member
6	Smt.RamChhokit	Sh.Raj Pal	43	ST	8219939556	Cashier
7	Smt. Saina Devi	Sh.Harbans	53	ST	9805756071	Member
8	Smt.Parwati Devi	Sh.Bharat	43	ST	8988468063	Member
9	Smt.Dikshu	Sh.Ankush	20	ST	8626986358	Member
10	Smt.Palam Devi	Sh.BajanLal	62	ST	8894504134	Member
11	Smt.Chhering Dolma	Sh.Amitab	33	ST	7018207183	Member

**4. GeographicaldetailsoftheVillage**

1	Distance from the District HQ	::	66 km
2	Distance from Main Road	::	8 Km from NH 5
3	Name of local market & distance	::	Nigulsari-8km, Nanspo-7 km, Thach-8 Km, ReckongPeo--66 Km, Jeori-20 Km&Rampur-48 Km
4	Name of main market & distance	::	ReckongPeo- 66 Km & Rampur- 48 Km
5	Name of main cities & distance	::	66 km
6	Name of places/locations where product will be sold/ marketed	::	8 Km from NH 5

## 5. **Selection of Raw Material and Market Potential**

The members of SHG after detailed discussion and thoughtful process were of the consensus that this IGA of pickle (Achar), Jam and juice making will be suitable for them. People consume different pickles with meal and it serve as taste enhancer. Pickles are also used as toppings for foods such as sandwiches, hamburgers, hotdogs, parathas and pulav etc.

Similarly, the Jam and juices are also common and served in breakfast and jam is also used in sandwiches. The Apple and Rose which are local products of the area will be used for making juices and the ~~plum~~, Apple fruits will also be utilized for making jams. The Jungali Lingad (Lasun) Garlic, cauliflower (full gobbi) are common ingredients for making Pickles. Here, particularly in this SHG the focus will be mainly on the locally and easily available raw material, such as garlic, ginger, Gal-Gal (hill lemon), lingad, mango, lemon, mushroom, green chills, fish, chicken and mutton etc.

The pickle market is highly fragmented because of the presence of several large and small. The competition is on the basis of factors such as price, quality, innovation, reputation, service, distribution and promotion to grab lion share in the market. Pickle making is an ideal business on the small scale and mainly for the housewives and other women work force. In this case it was felt when the sellers of pickles from Sarkaghat, Mandi, and Kangra can sell their pickle in command area then this SHG can do it more vigorously and briskly and compete with such outsiders.

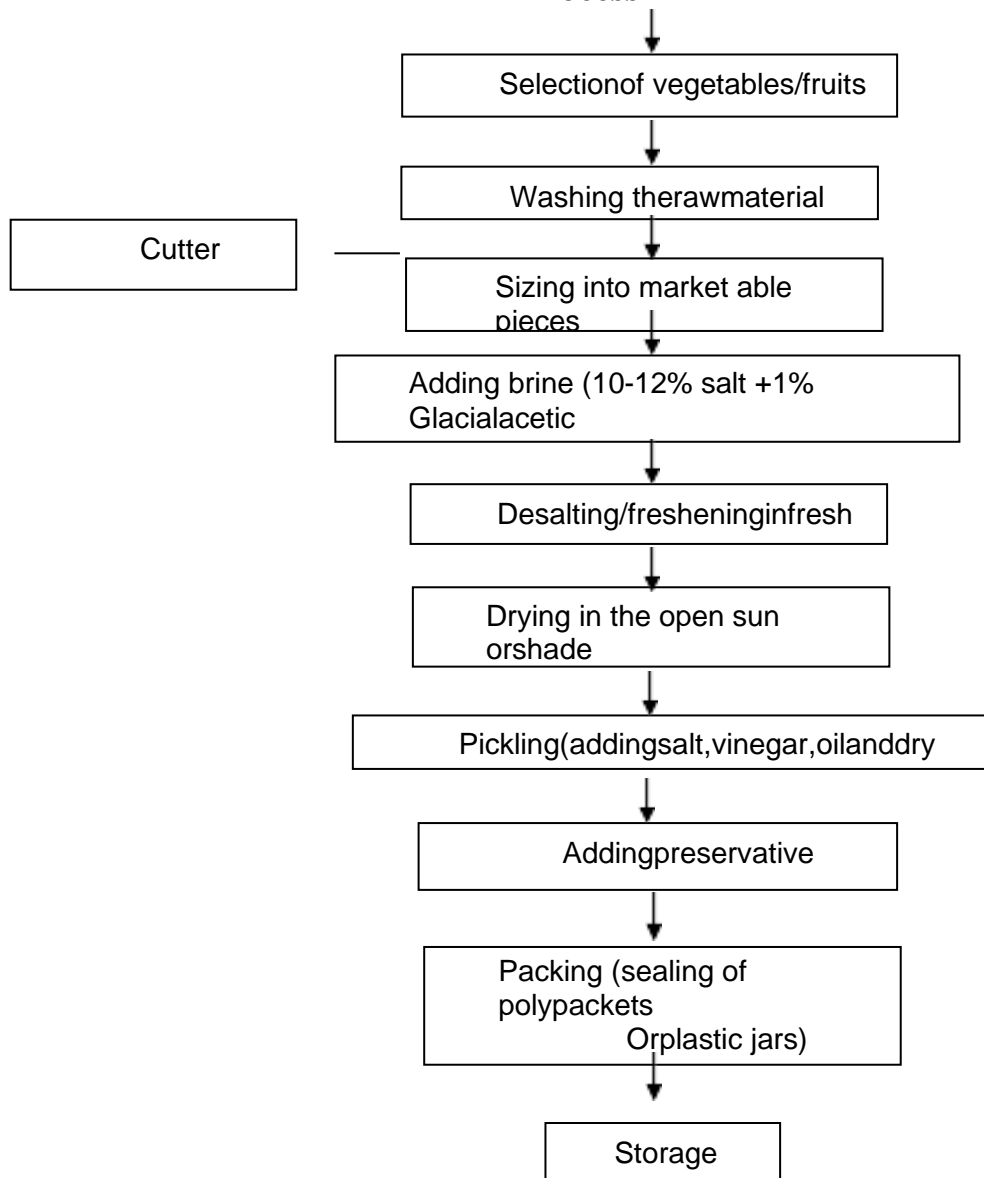
## 4. **Acharchutney/pickle Making Business Plan**

Before starting any IGA (Income generation activity) it is very essential to craft a customized business plan with detailed and structured discussion. The business plan helps to get the clear conception of investment, operational activities, marketing and net income/return. The scope of scale up the business is also envisaged clearly and in addition it helps in arranging finance from the banks. It is advisable to have market survey prior to returning upon the business and plus point is that the group members of this SHG are well aware of the market study. Primarily the SHG studied the demand for the specific type of pickles in their area and mainly the local market was kept as target. The members of SHG have shortlisted the IGA carefully by making the study of nearby markets and the taste of the people at large and have seen potential to venture upon this activity as IGA.

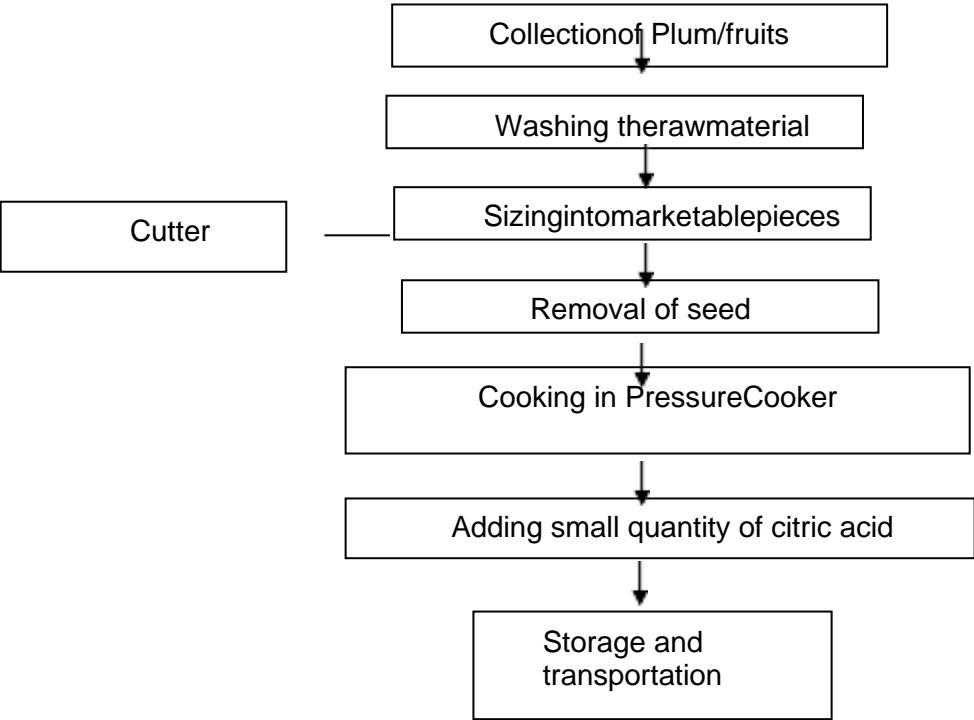
Most of the raw material is locally available and lingad is naturally growing fern spp. free of cost in the nearby moist areas and nalla of the nearby Forest of Tranda. People of the small townships like Bhaba Nagar, R/Peo and Rampur Bhushar around this group have inherent liking towards this lingad pickle which otherwise is not available in the open markets.

The Apple, Plum and Roses are found in abundance in the orchards and wild and can be used as raw material which is available for no price. Only labour for collection is required and will be cheaper.

## Flowchart of the Acharutney Making Process

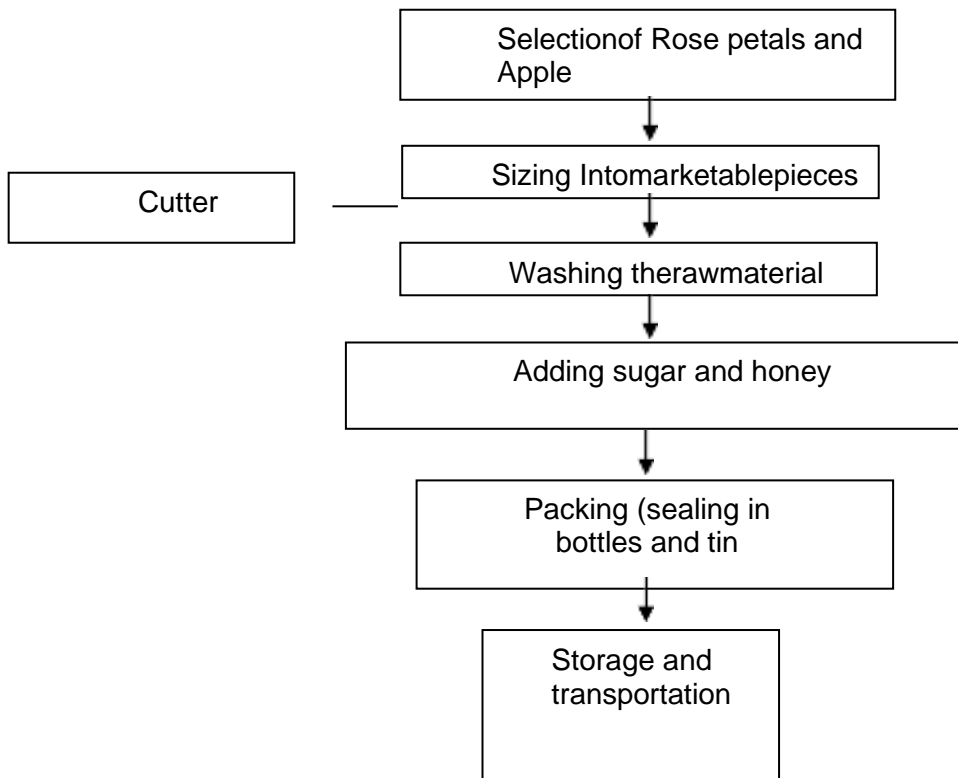


**Flowchart of the Jam Making Process**





## Flowchart of the Juice Making Process



#### 4. Acharchutney/pickle Making Business Compliance

Pickle is a food item therefore, different regulation of the state government need to be followed. Since the IGA is being taken up initially on small scale therefore these legal issues will be address locally by the SHG members by obtaining a food handling license from the local authorities. The business is being operated from home therefore, the tax regulations for self-employed groups will be taken care as per the rules.

## 5. Different Types of Achar/Pickles

As discussed in earlier chapter mostly the locally and easily available raw material for pickle making will be used. Pickles are of numerous taste and flavours whereas, the SHG will focus mainly on the traditional and more commonly used pickle in the area and market for which this SHG intends to cater for. Once the business of the SHG picks up the demand driven quality pickle will be prepared and customized as per the taste of the customers.

Some of the most popular and commonly used pickles are Amla, Mango, Bambooshoot, Mushroom, Garlic, Ginger, Lingad, fish and chicken etc. Sometimes the mixed pickles such as Garlic - Arbi (Ghindyali) Mango, Green Chillies, Mix veg. etc. will also be prepared as per the taste and demand of the targeted customers.

## 6. SWOT Analysis

### ❖ Strength–

- Activity is being already done by some SHG members
- Raw material easily available
- Manufacturing process is simple
- Proper packing and easy to transport
- Product shelf life is long
- Homemade, lower cost

### ❖ Weakness–

- Effect of temperature, humidity, moisture on manufacturing process/product.
- Highly labor-intensive work.
- Compete with other old and well-known products

### ❖ Opportunity–

- There are good opportunities of profits as product cost is lower than others in same categories products
- High demand in Shops, Fast food stalls, Retailers, Wholesalers, Canteen, Restaurant, Chefs and cooks, Housewives.
- There are opportunities of expansion with production at a larger scale.
- Daily/weekly consumption and consumed by all buyers in all seasons

### ❖ Threats/Risks–

- Effect of temperature, moisture at time of manufacturing and packaging particularly in winter and rainy season.
- Sudden increase in price of raw material
- Competitive market

## 7. Acharchutney/Pickle Making Equipments

The requirement of equipment or machinery basically depends upon our mode of operation and size of the plan. In this case the SHG will start initially on small and manageable scale. Therefore, the appliances and accessories used in kitchen are enough to meet the demand apart from this some of the machinery will have to be purchased to make the plan viable and therefore some of the basic equipments will also be included for procurement which will help the SHG to scale of its activities at larger level. The following equipments will be procured initially to start the plan:

A. CAPITAL COST				
Sr. No.	Particulars	Quantity	Unit rate /amount	Approximate cost in Rupees
1.	Grinder machine 1-2HP)	1	15000	15000
2.	Vegetable dehydrater	1	27000	27000
	Mixer	1	4000	4000
3.	Cooking arrangement (commercial Gas cylinder with chullah)	1	5000	5000
4.	Pickle mixer	1	4000	4000
	Pressure cooker (10ltr)	1	20000	20000
	Seive (chanini)	1	500	500
	Prata (steel)	3	1500	4500
	Jag	3	200	600
5.	Weighing scale (2 no.'s)	2	1000	2000
	Kitchen tools	L/s		1000
	Mixer	2	5000	10000
	Finished products storage almirah / racks	L/s	8000	8000
	Apron, cap plastic and gloves etc	L/s	5000	5000
6.	Packaging/sealing unit	L/s	12500	12500
7.	Labeling machine	L/s	12600	12600
	Pattila	2	5000	10000
	Card board	10	100	1000
	Cutter with stand	10	600	6000
	Knife	12	200	2400
8	Fidge Big Size	1	40000	40000
9	Siddu Masker ( Mokto)	1	10000	10000
10	Pressur cooker (22ltr)	1	10000	10000
11	Tharmos (5ltr)	2	75000	15000
12	Jar Sealing machine	1	L/S	10000

	<b>Total</b>			<b>222,600</b>
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## 8. **Achar pickle Making Raw Material**

The detail of raw material will depend upon the essential availability of different fruits, vegetables, articles. However, the main raw material will remain cauliflower, garlic, chilli, lingad. In addition to these different spices, salt, cooking oil, vinegar etc. will be procured. Apart from this packaging material such as plastic jars, pouches, labels and cartons will be procured.

As per the market demand the packaging will be done in 500g, 1kg and 2kg containers/pouches.

In addition to this SHG will hire a spacious room which will be used for operational activities, temporary Storage and the command area being in village. The rent per month is presumed to be Rs.3000 per month. Electricity and water charges have been estimated Rs.1000 per month. The cost of fruits and vegetables on an average have been estimated at the Rs.50 per kg and keeping in view the man power available at our disposal at least 200 kg of achar will be produced in one week and it amount to be 800 kg in one month. Accordingly, therefore recurring cost for 80k g of achar is calculated as under :

<b>B.RECURRING COST</b>					
<b>Sr . N o.</b>	<b>Particulars</b>	<b>Unit</b>	<b>Quantity</b>	<b>Unitcost</b>	<b>Total amount</b>
1.	Roomrent	Permonth	1	1500	3000
2.	Water &electricity Charges	Permonth	1	1000	1000
4.	Spicesetc.	kg	100	200	20000
5.	Sarson(mustard)oil	kg	80	200	16000
6.	Packaging material	kg	10	200	2000
7.	Transportation Charges	month	L/S	4000	4000
8.	Clinicalgloves,head Coverandapronsetc.	month	L/S	4000	4000
	Jar (Glass)	1kg=1000	L/s	25	25000
	Jar (Glass)	500ml =100	L/s	25	25000
	Juice bottle	1ltr =100	L/s	15	1500
	Raw materials (Cauliflower and ingredients ,)		L/S		20000
<b>Total Recurring Cost</b>					<b>121500</b>

*Note: The group members will do the work themselves and therefore labour cost has notbeen included and the members will manage between them the working schedule to befollowed.*

#### 9. **Costof Production(monthly)**

<b>Sr.No.</b>	<b>Particulars</b>	<b>Amount</b>
1.	Total Recurring Cost	121500
2.	10% depreciation monthly on capital cost (151100)	1500
	<b>Total</b>	<b>123000</b>

#### **Average in come monthly by way of sale of achar/pickle**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Quantity</b>	<b>Cost</b>	<b>Amount</b>
1.	Saleofpickles	800kg	200/Kg	160000

#### 10. Costbenefitanalysis(monthly)

Sr. No.	Particulars	Amount
1.	Total recurring cost	123000
2.	Total sale amount	160000
3.	Net profit	37000
4.	Distribution of net profit	1. Out of total sale of Rs.160000 in1 <sup>st</sup> month. One lakh rupees will be kept for further in vestment in IGA 2. Rs.60000 the remaining outof total sale will be kept as emergency fund in the SHG account for the1 <sup>st</sup> month

#### 11. Fund flow arrangement in the SHG

Sr.No.	Particulars	Total Amount (Rs)	Project contribution	SHG contribution
1	Total capital cost	222,600	1,66,950	55,650
2	Total Recurring Cost	121500	0	121500
3	Trainings	50000	50000	
	<b>Total outlay</b>	<b>394100</b>	<b>2,16,950</b>	<b>1,77,150</b>

Note:i)Capitalcost-75%capital cost will be borne by the project and 25% by the SHG

ii) Recurring cost-tobeborne by the SHG

iii) Training and capacity building/skill up gradation to be borne by the project

#### 12. Trainingcapacitybuildingskillupgradation

The cost of training/ capacity building and skill up-gradation will entirely bone by the project. These are some of the areas which are proposed to be taken care of under this component:

- Cost effective procurement of raw material
- Quality control
- Packagingand marketing practices
- Financial management and resource mobilization

### 13. **Other sources of income**

Other sources of income can also be explored by the SHG such as grinding Ogla, Fafra (Millets), pulses, wheat, maize, Barley etc. of the villagers and the local people in the vicinity. The 'Sattu' will be prepared by grinding Ogla, Fafra & Barley which is being consumed locally as well as sold in the nearby market at Rampur, Reckong Peo etc. In addition to this Walnuts, Wild Apricot & Behmi etc. will also be additional income generating source. It will be additionality in the IGA and later on the same can be scaled up.

### 14. **Monitoring method**

- Social Audit Committee of the VFDS will monitor the progress and performance of the IGA and suggest corrective action if needed 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 needed 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

### 15. **Remarks**

## GroupmembersPhotos-



Chhering Dolma



Naram Prabha



Dikshu



Saina Devi



Palam Devi



Parwati Devi



Meera



Palmo Devi



Kanta Devi



Ram Chokit





Pawan Rekha



## समूह का सहमती पत्र

आज दिनांक 10.04.2025 चित्रेखा जगत जननी स्वयं सहायता समूह तारंडा में मानसिक बैठक हुई यह बैठक प्रधान श्रीमती कांता देवी की अध्यक्षता में हुई। आज बैठक में सभी सदस्यों ने प्रशिक्षण के उपरान्त यह निर्णय लिया कि बिजनेस प्लान रिकार्ड करने के बाद से जो धन राशि दान जायका विभाग की तरफ से मिलेगी उसका उपयोग फ्रिज प्रेशर कुकर इत्यादि लेने के लिए करेंगे। जिसके लिए सभी सदस्यों ने सहमती प्रकट की है। इस बैठक में सभी सदस्यों ने भाग लिया।

प्रधान  सचिव  
चित्रेखा जगत जननी स्वयं  
सहायता समूह तारंडा तहसील  
समूह के प्रशासकीय हस्ताक्षर

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सहायता समूह तारंडा तहसील  
समूह के सचिव के हस्ताक्षर

## Memorandum of Understanding

Between

The Tsando Village Forest Development Society/ BMC Sub Committee

And

The Forest Department (represented by DFO KINNAUR) for Participatory Forest Management.

Whereas

- The Tsando Village Forest Development Society/ BMC Sub-Committee (hereinafter called "Society") has been constituted as per procedure described in the HP PFM Regulations notified by Govt. of HP vide No. FFE-C (9) 1/2001 dated 23.8.2001 and vide No.FFE-B-F (5) 5/2016- Pam III dated 19.11.2018, by the Villagers of Tsando village Forest Development Society/ BMC Sub-Committee in district KINNAUR and Forest Division KINNAUR Himachal Pradesh and has an elected Executive Committee (hereinafter called "EC"),
- as part of the Japan International cooperation Agency (JICA) supported "Project For Improvement of Himachal Pradesh Forest Ecosystems Management and livelihoods" (hereinafter called "Project") the Micro plan (Forest Ecosystems Management Plan & Community Development & Livelihood Improvement Plan) for Forest Management and Community Development (hereinafter called "Plan") for Forest protection, rehabilitation and management of the specified forest areas has been jointly prepared by the Society and the Forest Division
- the Plan contains details of program for conservation, management and development of forest areas, Biodiversity conservation, Livelihood improvement works and also the description of equitable distribution of usufructs obtained from allocated forest areas and public resources of the ward/village;
- the Plan has been approved by the Officer in Charge of the Forest Division (here- in after called "Forest Officer") on behalf of Government of Himachal Pradesh;

Now here with

The KINNAUR Forest Division and the Society have mutually agreed on this MoU, and consequently. This MoU is executed with the following articles;

### 1. Purpose of the Memorandum of Understanding

This Memorandum of Understanding (hereinafter called "MoU") details the responsibilities of the Society regarding management and protection of forest areas) and village(s) resource development, in the manner specified in the Plan and for equitable distribution of benefits amongst its members. It further details payments and support to be provided by the project and the associated conditions.



2. Responsibilities of the Society
- 2.1 With regard to its Constitution, working, powers, duties and benefits, the Society agrees to act in accordance with the HP Government Notification No. FFE-B-F (9) 1/2001 dated 23.8.2001 and vide No.FFE-B-F (5) 5/2016- Part- III dated 19.11.2018, and other relevant Government orders and instructions.
  - 2.2 The Society agrees to provide all necessary assistance to the Forest Officer in selection of forest area(s) to be allotted to it for forest management and development so that there is no dispute regarding areas of common use of nearby villages.
  - 2.3. The Society agrees to prepare and submit general house approved, quarterly physical & financial plans with budget requirements to FTU concerned for releasing funds after Plan's approval from PMU.
  - 2.4. The Society agrees to identify Community Development Activities (CDAs) in conformity with the CDA guidelines, decide on these through a consultative process and implement them according to the relevant standards as applicable.
  - 2.5. The Society agrees to carry out works laid out in the Plan for the forest area (such as planting, fencing, maintenance and protection) and in doing so, follow the principles of management of forest and wildlife specified therein, also taking into account the guidelines of the Government, prevalent legal provisions and technical principles. The Society will ensure that no existing acts/rules of forest/wildlife management are being violated.
  - 2.6. The Society agrees to contribute membership fee through its members/user groups. The amount with interest will be available to VFDS/BMC (Sub-Committee) after project closure and can be used by VFDS/BMC (Sub-Committee) consensus. The amount deposition to be done within six months.
  - 2.7. The Society agrees, after completion of the related works, to protect the forest area from fire, illicit grazing, illicit felling, and illicit transport. Illicit mining, encroachments and poaching and shall help the forest department in this regard.
  - 2.8. The Society agrees to pass the information regarding person(s) engaged in banning the wild animals and forests or those engaged in illegal activities on to the Forest Department. The Society agrees to help forest employees in apprehending such person(s) and provide all possible assistance in protecting any seized produce etc.
  - 2.9 The Society agrees to rectify any shortcomings found during review of its works by the Forest Officer/monitoring agency.
  - 2.10 The Society agrees to keep accounts of income and expenditure of the funds from various sources and also to get regular annual audits done by the agency assigned by the Forest Officer.
  - 2.11. The Society agrees to maintain the records specified by the project regularly and in prescribed formats.
  - 2.12. ~~The Society agrees that the distribution of products and services generated as a~~ result of implementation of the Plan among its members/User Groups is done in an equitable manner. If the Forest Officer points out any mismanagement or irregularity in the equitable distribution of such products and services, then the



- ✓ Society agrees to implement the necessary corrections/improvements suggested by the Forest Officer.
- 2.13. Society agrees to ensure that there will be no miss utilization of funds provided by Forest Department for implementing project activities.
- 2.14. Society will open two accounts of VFDS/BMC (Sub-Committee), One for FEMP implementation (FB Account) and second one as; revolving fund under Livelihood activities (CD&LI Account).
- 2.15 The funds and maintenance of account would be in accordance with Para-36 to 43 of the Bye-laws notified by Govt. on dated 19-11-2018 for VFDS under the Project.

### **3. Responsibilities of the Forest Department**

- 3.1. The Forest Department will provide to the Society the related input materials required to carry out the works specified in the Plan, such as saplings, fencing materials, etc. in a timely manner.
- 3.2. The Forest Department will provide the payments specified in the Plan to the Society for implementation of works carried out in the forest area on the basis of the Plan in a timely manner. The Society to prepare and submit general house approved, six monthly physical & financial plans with budget requirements to DMU through FTU concerned for release of funds. DMU to release the fund to the VFDS/BMC (Sub-Committee)
- 3.3. Funds from other department's schemes as the Panchayat may be able to garner/converge, may also be used for activities that help meet the project's objectives.
- 3.4. The Forest Department shall provide the necessary advice and guidance to the Society for implementation of works carried out in the forest area on the basis of the Plan.
- 3.5 The Forest Department shall NOT be responsible for any loss in any of the works related to implementation of the Plan and no claim of any sort can be presented against Forest Department.
- 3.6 Forest Department will take legal action against any mis appropriation of fund by VFDS/BMC (Sub-Committee).
- 4. Support by the Project**
- 4.1. The Project will provide funds for Community Development & Livelihood activities (CDAs) identified by the Society and in conformity with the CD&LIP guidelines, which will be implemented by the Society.
- 4.2. The Project will provide to the Society if required the related input/materials required to carry out the works specified in the Plan, such as saplings, fencing materials, etc. in the required qualities and quantities.
- 4.3. The Project will provide to the Society the payments specified in the Plan for implementation of works carried out in the PFM area on the basis of the Plan.
- 4.4. The Project will provide to the Society members training and other capacity building measures, as well as support for income generating activities as specified in the Plan.



4.5. The funds earmarked for Plantations, soil and water conservation, Biodiversity conservation etc., will be credited into the VFDS/BMC (Sub-Committee) bank account according to six-month plan requirement (prepared from Micro plan) of VFDS/BMC (Sub-Committee). In addition, VFDS/BMC (Sub-Committee) to open an account for Livelihoods activity.

4.6. Payment and receipt of project funds will be strictly by means of cheques online payment/RTGS etc. or bank transfers to the account of the Society. Society will further distribute fund similarly.

## **5. Rights and Benefit Sharing**

5.1. The Rights of right holders as admitted in the Forest Settlement will remain unaffected due to constitution of the Society and will continue to be exercised as heretofore.

5.2. The Benefits which Society members and their user groups will be entitled to after closure of plots / patches in the forest for various project interventions are as follows:

- i) to collect the yield such as fallen twigs, branches, lopping, grass, bamboos, fruits, flowers, seeds, leaf fodder and non-timber forests products free of cost through individual or collective arrangements as decided by the Society;
- ii) to the sale proceeds of all intermediate harvest, subject to protection of forest and plantations for at least 3 years from the date of agreement;
- iii) to organize and promote vocational activities related to forest produce and land; and other activities such as promotion of self-help groups which may provide direct benefits, including micro-lending to women. None of the activities so promoted shall affect the legal status of the forest land;
- iv) recorded rights over the forest shall not be affected by these benefits;
- v) after 5 years, the Society may expand the area, on the basis of a fresh agreement deed, by inclusion of adjoining or nearby areas;
- vi) to utilize at least 40 percent of the sale proceeds on forest regeneration activities including soil and water conservation.

provided that for the purpose of usufruct, the usufruct sharing family shall be one unit.

5.3 The Society will be entitled to their share of payments from intermediate and final felling,

whenever they take place in this forest, as laid out in the PFM Regulations of HP, 2001,

## **6. Monitoring & Evaluation**

6.1 Monitoring and Evaluation of project activities will be done at different levels, including by the EC, a participatory monitoring committee and an independent third party apart from Project authorities.

6.2. The EC of VFDS/BMC (Sub-Committee) or any of its members will monitor progress and quality of work during execution of various works. The Member Secretary will record the date, places and names of EC members who checked the work(s) and whether works were satisfactory and any instructions given.

- 6.3. A participatory monitoring committee made up of members of the Society, a member from the Panchayat as well as a representative from the Forest Department (e.g. Deputy RO) will on quarterly basis review objectives, inputs and work progress and report to the whole Society. Their reports will then be sent to the Forest Officer for further action.
- 6.4. Where Society groups have carried out or are responsible for activities like social fencing, fire prevention, plantations or maintenance of plantations, annual monitoring will be carried out by Project-approved monitors (Third Party) and the results of this monitoring linked to release of payments, a) for social fencing in lieu of barbed wire fencing, b) for fire prevention as specified in the Plan and c) for survival in forest plantations as given in the agreed to norms for that activity.
- 6.5. Settlement of Disputes: Settlement of disputes and conflict resolution will be governed as laid out under para 47, 48 and 49 of the Bye Laws notified by GoHP.

#### Memorandum of Understanding

We are aware that the benefits mentioned in this agreement shall be available to the Society only when it discharges its duties, responsibilities and works in a satisfactory manner and this is certified by the Forest Officer every year. However, if the Forest Officer fails to fulfill conditions mentioned in Para 3 and 4 of this agreement and this is a cause for the Committee not able to discharge its responsibilities and works, and then it will be kept in mind while evaluating the works of the Committee every year.

I Umila Devi....., President, VFDS Tandra..... Joint VFDS/BMC



Sub-committee), declare on behalf of the Society, that I am committed to follow all the conditions mentioned in this MOU and am signing this memo after reading/understanding all conditions mentioned herein, literally and I understand their original meaning.

(Name and Signature of the President)

On behalf of VFDS/ BMC (Sub-committee)

*[Signature]*  
President  
VFDS Tranda  
Jica Project

*[Signature]*  
Divisional Forest Officer  
Kinnaur Forest Officer  
On behalf of HPFD)

Witness: Village Forest Development Society /BMC(Sub-committee) and the Forest Department for Participatory Forest Management.

1. *[Signature]* देव
2. *[Signature]* देव
3. *[Signature]* देवी
4. *[Signature]* देवी

*[Signature]*  
मानस श्रवा  
मानस श्रवा

1. मानस श्रवा, (Position) undertake, on behalf of Kinnaur Division Forest Department to implement all duties responsibilities of the Forest Department mentioned in this memorandum.

*[Signature]*  
Range Forest Officer  
Range Forest Officer  
Niche Kinnaur Range

(Name and Signature of the Divisional Forest Officer or other officer authorized by him) On behalf of Kinnaur Forest Department.

*[Signature]*  
Kinnaur Forest Division  
At R/Peo

**Business Plan Approval by VFDS & DMU**

Chhatekhe Jagat Self help group will undertake the Achar & Chutney Pickle making  
As livelihood generation activity under the project for improvement of Himachal Pradesh  
Forest Ecosystems & management & livelihood (JICA Assisted). In this regard business plan  
of amount (Rs.) ₹ 94100 has been submitted by this group on dated \_\_\_\_\_  
and this business plan has been approved by Tranda VFDS. Business  
Plan with SHG resolutions being submitted to DMU through FTU for further action, please.

Thankyou

Chhatekhe Jagat  
President  
VFDS Tranda  
JICA Project

Signature of VFDS Pradhan

V. Singh  
Secretary  
VFDS Tranda  
JICA Project  
2020  
Signature of VFDS Secretary

V. Singh

Signature of Forest Guard

V. Singh  
Block Forest Officer  
Forest Block Tranda  
Signature of Block forest officer

M. Prakash  
Range Forest Officer  
Nihar Forest Range  
Distt. Kinnaur (H.P.)  
Signature of Range Forest officer

Approved

G. Singh  
DMU -cum-  
Deputy conservator forests,  
Kinnaur Division at R/Peo



Resolution -cum-group consensus form

It is decided in the general house meeting of the Self Help Group Chiterukha Tjanda Held on Tjanda  
..... at Tjanda ..... that our self help group will undertake the  
Pohar Chaiting Panchayat as livelihood income generation activity under the project for  
improvement of Himachal Pradesh.

Forest Ecosystem Management & Livelihoods. (JICA Assisted.)

प्रधान Pohar साक्षी  
विश्वरक्षा जगत जननी स्वयं  
सहायता समूह तहसील तहसील  
निचर जिला किन्नौर हि० प्र०

Signature of Group Pradhan

प्रधान Chiterukha  
सहस्रिका जगत जननी स्वयं  
सहायता समूह तहसील तहसील  
निचर जिला किन्नौर हि० प्र०

Signature of Group Secretary