

BUSINESS PLAN

INCOME GENERATING ACTIVITY –Achar Chutney/Pickle Making

By

Self Helf Group Nari Shakti Shillal



SHG/CIG Name	::	SHG Nari Shakti Shillal
VFDS Name	::	Shillal
Range	::	Kanda
Division	::	Chopal

Prepared Under–



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



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1. Introduction

Achar/Pickle is very important ingredient of dining table across the globe and more oftenly used in the Asia Pacific region. A wide range of variety is used in Achar/Pickle and 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 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 is 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 here under:

2. Description of SHG/CIG

2.1	SHG/CIG Name	Nari Shakti Shilal
2.2	VFDS Name	Shilal
2.3	Range	Kanda
2.4	Division	Chopal
2.5	Village	Shillal
2.6	Block	Kanda
2.7	District	Shimla
2.8	Total no of member's in SHG	10
2.9	Date of Formation	07/09/2020
2.10	Bank A/c No.	46210104322
2.11	Bank Detail	Co-operarative Bank Kupvi IFSC 0000462
2.12	SHG/CIG monthly saving	100
2.13	Total Saving	30000
2.14	Total inter-loaning	-
2.15	Cash Credit Limit	-
2.16	Repayment status	-



3. Beneficiaries Detail

Sr. No.	Name	Father/ Husband Name	Age	Educa- tion	Cat.	Income source	Address	Cont. Number
1.	Kamla Devi President	W/o sh. Mehar Singh	43	5 th	Gen	Agriculture	Shillal	76499- 70095
2.	Saina Devi Vice- President	W/o Sita Ram	49	5 th	Gen	Agriculture	Shillal	82195- 64776
3.	Bitee Devi Secretary	W/o Virender Singh	25	MA	Gen	Agriculture	Shillal	85809- 26250
4.	Kanta Devi Treasurer	W/o Dilam Singh	53	5 th	Gen	Agriculture	Shillal	88941- 80190
5.	Neelam devi Member	W/o Balbir singh	31	12 th	Gen	Agriculture	Shillal	98059- 77810
6.	Meera Devi Member	W/o Rajender Singh	39	12 th	Gen	Agriculture	Shillal	88945- 95049
7.	Shyama Devi Member	W/o Narayan Singh	35	12 th	Gen	Agriculture	Shillal	98058- 94226
8.	Reena Devi Member	W/o Rai Singh	39	5 th	Gen	Agriculture	Shillal	86270- 21930
9.	Geeta Devi Member	W/o Rati Ram	29	12 th	Gen	Agriculture	Shillal	82199- 08848
10.	Gangti Devi Member	W/o Relu Ram	65	5 th	Gen	Agriculture	Shillal	98050- 32313

4. Geographical detail of the village.

1.	Distance from the district HQ.	::	170Km
2.	Distance from the Main Road	::	100 Meter
3.	Name of the local Market & distance	::	Kupvi 3 Km
4.	Name of the Main Market & distance	::	Nerwa, Kupvi & Hariprdha, 50 Km, 3Km & 28Km
5.	Name of the main cities & distance	::	Shimla 170 Km
6.	Name of the main cities where product will be sold/marketed	::	Nerwa, Kupvi & Haripurdhar



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 Achar Chutney/Pickle 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 food such as sandwiches, hamburgers, hotdogs, parathas and pulav etc.

Mango and lemon pickles are the most popular variety across the globe. Here particularly in this SHG we will focus mainly on the locally and easily available raw materials such as garlic, ginger, Gal-Gal (hill lemon), lingad, mango, lemon, mushroom, green chillies, fish, chicken and mutton etc.

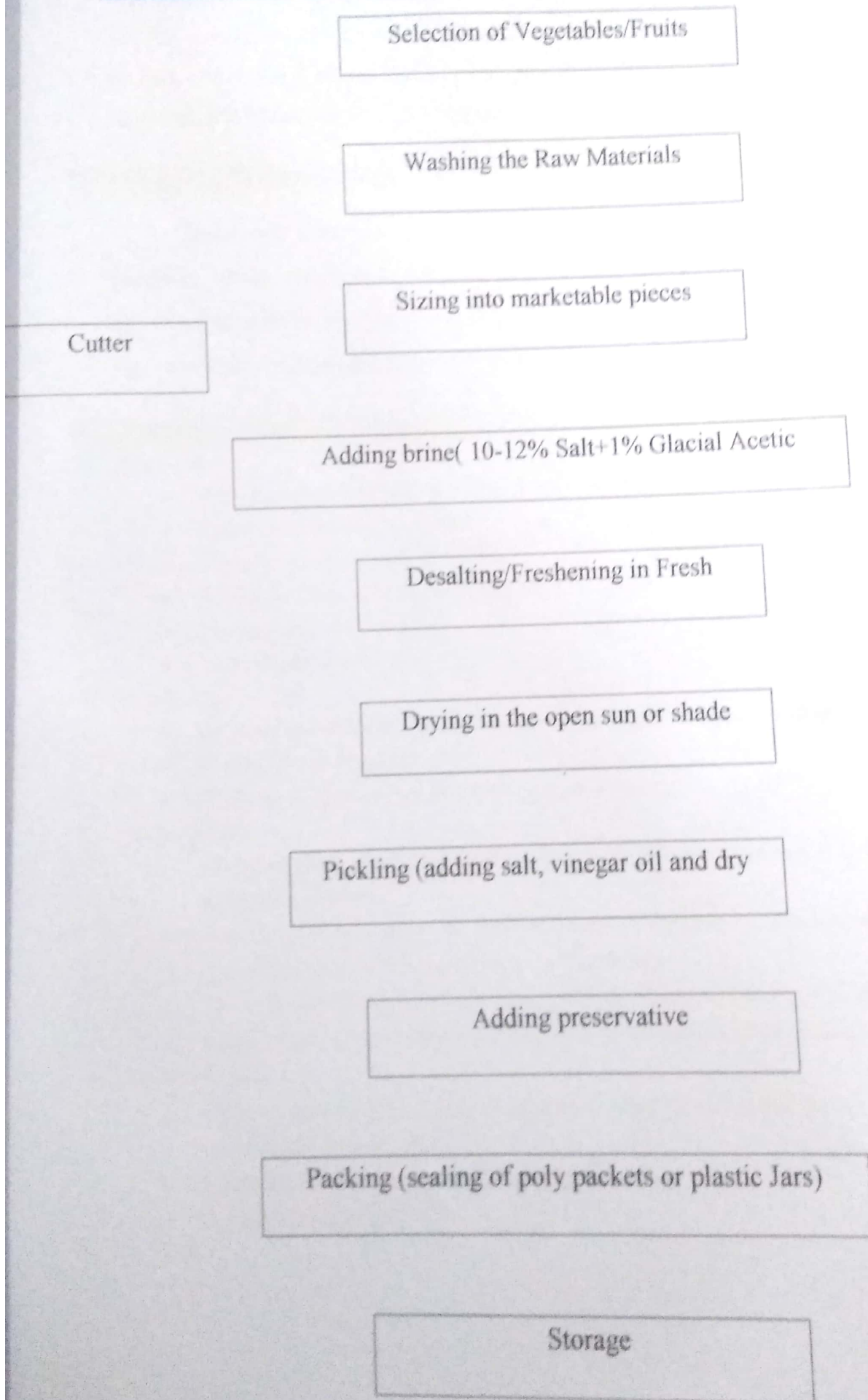
The pickle market is highly fragmented because of the presence of several large and small vendors and the competition is on the basis of factors such as price, quality, innovation, reputation, service, distribution and promotion to grab lion share in the market. Pickle making is an ideal business on the small scale and mainly for the housewives and other women workforce. In this case it was felt when the sellers of pickles from Nerwa, Haripurdhar & other places can sell their pickles in rural area then this SHG can do it more strongly and briskly and compare with such outsiders.

6. Achar Chutney/Pickle making business Plan

Before starting any 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 has shortlisted the IGA a 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 nallas. People of the small townships around this group has inherent liking towards this lingad pickle which otherwise is not available in the open markets.

Flow chart of the Achar Chutney/Pickle Making Process



7. Achar chutney/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.

8. Different type of Achar/Pickle

Some of the most popular and commonly used pickles are mango, bamboo shoot, 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.

9. 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 labour-intensive work.
- Compete with other old and well-known product.

❖ Opportunity

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

❖ Threats/Risks

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



10. Achar chutney/ 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.	Equipments	Approximately Cost
1.	Grinder Machine	16000
2.	Vegetable dehydrator	28000
3.	Cooking arrangement (commercial Gas cylinder with Chula)	5500
4.	Pickle Mixer	10000
5.	Weighing Scale 2 Nos	10000
6.	Packaging/Sealing unit	12700
7.	Labeling Maching	12500
Total		94700

Sr. No.	Utensils	Quantity	Unit Price	Total Amount
1.	Pattila	2	5200	10400
2.	Card Board	8	150	1200
3.	Cutter with stand	8	650	5200
4.	Knife	15	100	1500
Total				18300
Total Capital Cost				113000



11. Achar Chutney/Pickle Making Raw Material

The detail of raw material will depend upon the essential availability of different fruits, vegetables and non-veg. articles. However, the main raw material will remain mango, ginger, garlic, chili, lingad, fish, mutton, mushroom, gal-gal, lemon, pear, apricot etc. 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 use 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 manpower available at our disposal at least 200 kg of Achar will be produced in one week and it amounts to be 800 kg in one month. Accordingly, therefore recurring cost for 800kg of Achar is calculated asunder:

B. RECURRING COST					
Sr. No.	Particulars	Unit	Quantity	Unit/Cost	Total Amount
1.	Room Rent	Monthly	1	2000	2000
2.	Water and Electricity Charges	Monthly	1	1000	1000
3.	Raw Material	Kg	850	50	42500
4.	Spices etc	Kg	100	200	20000
5.	Mustard Oil (Sarson)	Kg	75	250	18750
6.	Packaging Material	Kg	15	150	2250
7.	Transportation Charges	Monthly	L/S	4500	4500
8.	Clinical Gloves, head cover and aprons etc.	Monthly	L/S	5000	5000
Total Recurring Cost					96000

Note: The group members will do the work themselves and therefore labour cost has not been included and the members will manage between them the working schedule to be followed.

12. Cost of Production (Monthly)

Sr. No.	Particulars	Amount
1.	Total Recurring Cost	96000
2.	10% Depreciation monthly on Capital Cost (113000/12x10)	942
3.	Total	96942

Average income monthly by way of sale of Achar Chutney/Pickle

Sr. No.	Particulars	Quantity	Cost	Amount
1.	Sale of Pickle	750Kg	200/	150000



13. Cost Benefits Analysis

Sr. No.	Particulars	Amount
1.	Total recurring Cost	96000
2.	Total Sale Amount	150000
3.	Net profit	54000
4.	Distribution of Net Profit	<ol style="list-style-type: none">1. Out of total sale of Rs 150000 in 1st month one lakh rupees will be kept for further investment in IGA.2. Rs 50000 the remaining out of total sale will be kept as emergency fund in the SHG account for the 1st month.

14. Fund Flow arrange in the SHG

Sr. No.	Particulars	Total Amount	Project contribution	SHG Contribution
1.	Total Capital Cost	113000	56500	56500
2.	Total Recurring Cost	96000		96000
3.	Training/Capacity building/Skill Upgradation	40000	40000	
Total		249000	96500	152500

Note: I) Capital Cost - 50% Capital Cost will be done by the project and 50% by the SHG

II) Recurring Cost – Recurring Cost to be done by the SHG.

III) Training and Capacity building/Skill upgradation to be done by the project.

15. Training Capacity Building Skill Upgradation.

The Cost of Training/Capacity Building and skill upgradation will entirely done by the project. These are some of the areas which are proposed to be taken care of under these components.

- I. Cost effective procurement of raw material.
- II Quality Control.
- III Packaging and marketing practices.
- IV Financial Management and resource mobilization.

16. Other sources of Income

Other sources of income can also be explored by the SHG such as grinding Apple, Amla, Pulses, wheat, Maize, etc. of the villagers and the local people in the vicinity. It will be additionally in the IGA and later on the same can be scaled up.



17. 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 are as:

- Size of the group
- Fund management
- Investment
- Income generation
- Quality of product

Group Members Photos:



Kamla Devi
President



Saina Devi
Vice President



Bitee Devi
Secretary



Kanta Devi
Treasurer



Reena Devi
Member



Meera Sharma
Member



Gangti Devi
Member



Neelam Devi
Member



Shyama Devi
Member



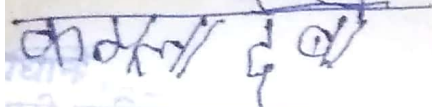
Geeta Devi
Member

Certificate

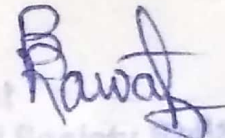
The Business plan of **Self Help Group Nari Shakti Shillal** for the IGA of **Achar and Chutney/Pickle** was presented before the General House of **VFDS Shillal** for approval. After long discussion and thoughtful deliberation by the different members, the business plan was approved for adoption in the SHG and further implementation by the members of the SHG.

Dated: 05/12/2021

Place: Shillal

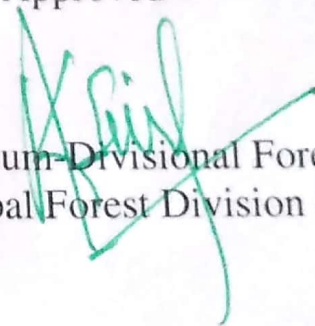

President SHG


Block Forest Officer
KANDA
Treasurer VFDS


President VFDS


Range Forest Officer
Forest Range Kanda

Approved


DMU-cum-Divisional Forest Officer
Chopal Forest Division Chopal