

BUSINESS PLAN

INCOME GENERATING ACTIVITY – Achar Chutney /Pickle Making

By

SHG Achar Chutney Vijat Maharaj Noura- Self Help Group



SHG / CIG Name	SHG Achar Chutney Vijat Maharaj Noura
VGDS Name	Noura
Range	Kanda
Division	Chopal

Prepared Under-



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



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1. Introduction

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 hereunder. Achar/Pickles are very important ingredients of dining tables across the globe and more often used in the Asia Pacific region. A wide range of varieties is used in achar/pickle and varies from region to region depending upon the locally available raw material, taste and food habits 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.

2. Description of SHG/CIG

1	<i>SHG/CIG Name</i>	::	<i>SHG Vijat Maharaj Achar Chutney Noura</i>
2	<i>VGDS</i>	::	<i>Noura</i>
3	<i>Range</i>	::	<i>kanda</i>
4	<i>Division</i>	::	<i>Chopal</i>
5	<i>Village</i>	::	<i>Noura</i>
6	<i>Block</i>	::	<i>Kupvi</i>
7	<i>District</i>	::	<i>Shimla</i>
8	<i>Total No. of Members in SHG</i>	::	<i>12</i>
9	<i>Date of formation</i>	::	<i>16-10-2021</i>
10	<i>Bank a/c No.</i>	::	<i>46210104953</i>
11	<i>Bank Details</i>	::	<i>H.P. State Co-operative Bank kupvi</i>
12	<i>SHG/CIG Monthly Saving</i>	::	<i>100/</i>
13	<i>Total saving</i>	::	<i>1000</i>
14	<i>Total inter-lending</i>	::	<i>-</i>
15	<i>Cash Credit Limit</i>	::	<i>-</i>
16	<i>Repayment Status</i>	::	<i>-</i>
17	<i>Interest rate</i>	::	<i>2%</i>



3. Beneficiaries Detail:

Sr No	Name	Father/Husb And name	Age	Educati on	Category	Income Source	Address	Contact No.
1	Padmu devi	W/o Man singh	53	5TH	GENRAL	Agriculture	VIII. NOURA	7007146072
2	Kavita	W/o Rajesh	25	10TH	GENRAL	Agriculture	NOURA	7876374243
3	Kasholiya devi	W/o kapil	27	B.A.	GENRAL	Agriculture	NOURA	7807680887
4	Radha	W/o Naresh	31	12TH	GENRAL	Agriculture	NOURA	8894200759
5	Rekha	W/o Devraj	29	B.A.	GENRAL	Agriculture	NOURA	7807879340
6	Seema devi	W/o Ved parkash	28	12TH	GENRAL	Agriculture	NOURA	8894394625
7	vidhiya	W/o Ramesh	34	5TH	GENRAL	Agriculture	NOURA	7807690602
8	Surto devi	W/o Dulla Ram	62	5TH	GENRAL	Agriculture	NOURA	8894127386
9	Ravena	W/o virender	18	12TH	GENRAL	Agriculture	NOURA	8580926799
10	kasholiya	W/o Arjun	28	12TH	GENRAL	Agriculture	NOURA	9816796268
11	Sunita	W/o devender	37	12TH	GENRAL	Agriculture	NOURA	8894375155
12	Sunita	W/o jaget singh	37	5TH	GENRAL	Agriculture	NOURA	8219146136

4. Geographical details of the village:

3.1	Distance from the District HQ	::	212 km
3.2	Distance from Main Road	::	2 km
3.3	Name of local market & distance	::	Kupvi 12km
3.4	Name of main market & distance	::	Kupvi 12, Haripurdhar16 km
3.5	Name of main cities & distance	::	212 km
3.6	Name of places/ locations where product will be sold/ marketed	::	Kupvi, Haripurdhar

5. Selection of row 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 serves 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), lingo, 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 the 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 shimla and solan can sell their pickles in command area then this SHG can do it more vigorously and briskly and compete with such outsiders.

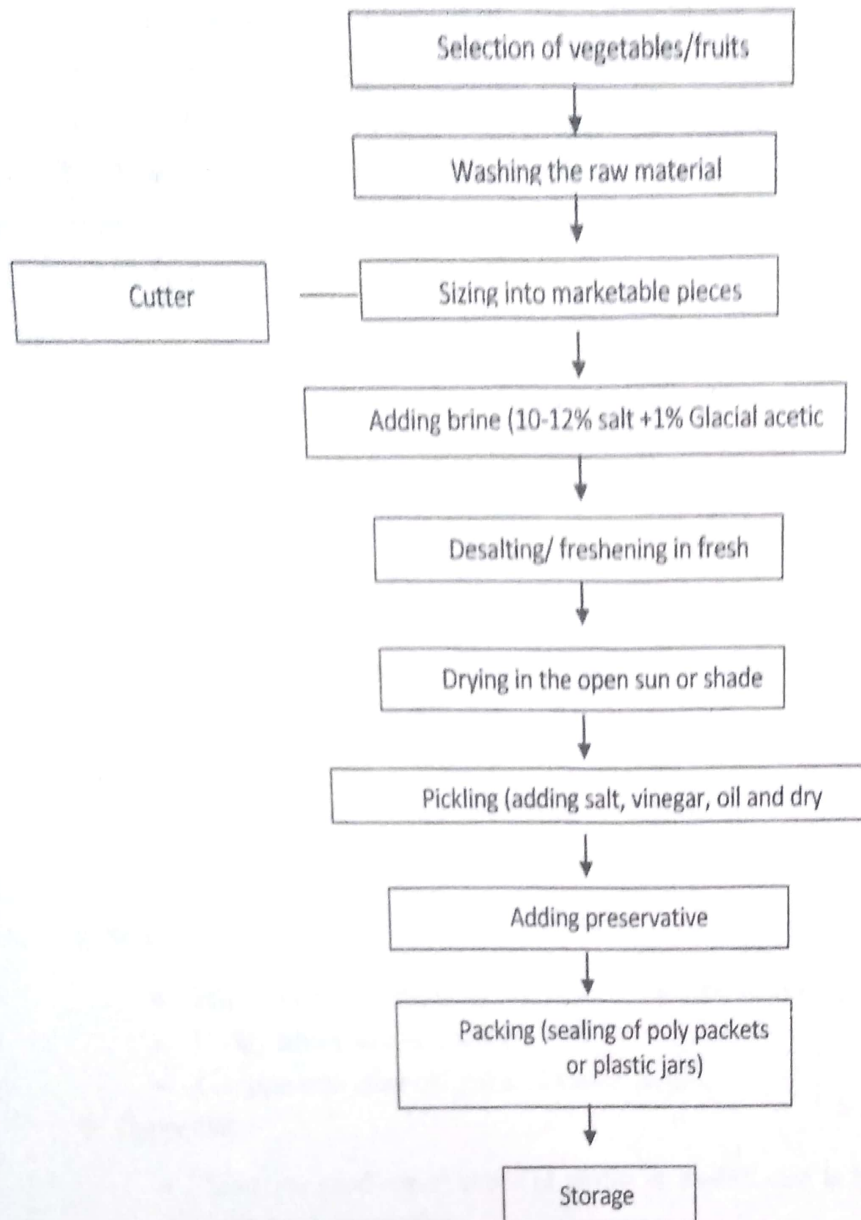


8. Achar chutney/ pickle making business plan

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 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 nullahas. 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 making process



7. Achar chutney/pickle making business compliance

Pickle is a food item therefore different regulations 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 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 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 products

❖ Opportunity-

- There are good opportunities of profits 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.	Equipment	Approximately cost
1.	Grinder machine	15000
2.	Vegetable dehydrator	27000
3.	Cooking arrangement (commercial Gas cylinder with chullah)	5000
4.	Pickle mixer	10000
5.	Weighing scale (2 no.'s)	10000
6.	Packaging/ sealing unit	12500
7.	Labelling machine	12600
	Total	92100

Sr. No.	Utensils	Quantity	Unit price	Total amount
1.	Pattila	2	5000	10000
2.	Card board	10	100	1000
3.	Cutter with stand	10	600	6000
4.	Knife	12	200	2400
	Total			19400
	Total capital cost			111500

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, chilli, 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 500 g, 1 kg and 2 kg 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 as under:

B. RECURRING COST					
Sr. No.	Particulars	Unit	Quantity	Unitcost	Total amount
1.	Room rent	Per month	1	3000	3000
2.	Water & electricity charges	Per month	1	1000	1000
3.	Raw material	kg	800	50	40000
4.	Spices etc.	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.	Clinical gloves, head cover and aprons etc.	month	L/S	4000	4000
Total recurring cost					900000

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	900000
2.	10% depreciation monthly on capital cost (111500)	930
	Total	909930

Average income monthly by way of sale of achar/pickle

Sr. No.	Particulars	Quantity	Cost	Amount
1.	Sale of pickles	800kg	200/Kg	160000

13. Cost benefit analysis (monthly)

Sr. No.	Particulars	Amount
1.	Total recurring cost	90930
2.	Total sale amount	160000
3.	Net profit	69070
4.	Distribution of net profit	1. Out of total sale of Rs. 160000 in 1 st month one lakh rupees will be kept for further investment in IGA 2. Rs. 60000 the remaining out of total sale will be kept as emergency fund in the SHG account for the 1 st month

14. Fund flow arrangement in the SHG

Sr. No.	Particulars	Total amount	Project contribution	SHG contribution
1.	Total capital cost	111500	55750	55750
2.	Total recurring cost	90930	-	90930
3.	Training/ capacity building, skill upgradation	40000	40000	-
Total		242430	80000	146680

Note: i) Capital cost- 50% capital cost will be borne by the project and 50% by the SHG
 ii) Recurring cost- to be borne by the SHG
 iii) Training and capacity building/ skill upgradation to be borne by the project

15. Training capacity building skill upgradation

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:

- 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 mango, amla, pulses, wheat, maize, etc. of the villagers and the local people in the vicinity. It will be additionality 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

18. Remarks

1999 Members Photos



Radha



Kavita



Rekha



Kashobija



Ravina



Vidya



Suroto



Padma



Sumita



Sema



Sumita



Kashobija





Certificate

The Business plan of Self Help Group **Bijat Maharaj Naura** for the IGA of Achar Chutney/Pickle Making was Presented before the General House of **VFDS Naura** 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 14-12-2021

Place: Naura

Radha
सदस्य
महाराज स्वयं सहायता
संघ

President SHG

Princy
Block Forest Officer
Forest Block Kulag
Treasurer VFDS

S. S. N. Jagan
President
Forest Block Kulag
Society Naura-1
President VFDS

Kanda
FTU Officer
Forest Officer
Forest Range Kanda

Approved

Kanda
DMU-cum-Divisional Forest Officer
Chopal Forest Division Chopal.