



Business Plan

On

Income Generation Activity

FOOD PROCESSING – GINGER GARLIC PASTE

For

Self Help Group - Triveni Mahadev



SHG/CIG name

Triveni Mahadev

VFDS name

Makan

Range

Lad Bharol

Division

Joginder Nagar

Prepared Under-

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

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1. Introduction-

Triveni Mahadev SHG is existing from 2020 and also have been included under Project for Improvement of Himachal Pradesh Forest Ecosystems Management & Livelihoods (JICA Assisted), which fall under VFDS Makan and Range Lad Bahrol. This SHG consists of 14 females and they collectively decided of preparing ginger garlic paste as their Income Generation Activity (IGA). These females already had the experience of growing garlic & ginger and now with the help of this project funding, training and assistance. They will be able to sell the ginger garlic paste as a product in market rather than selling raw ginger and garlic at lower price.

Ginger and garlic are commercial crops grown in India. They are cultivated in Kerala, Gujarat, Maharashtra, Orissa, Madhya Pradesh, Himachal Pradesh, Haryana and Uttar Pradesh. Garlic is mainly used in cooking and in medicinal preparations. India has been the largest producer of Garlic followed by China. Ginger and garlic are the two most important spices for cooking food. Ginger garlic paste is one of the essential ingredients used in Indian cuisine. Ginger & garlic paste is used for flavoring ketchups, sauces, curries, etc. Ginger and garlic paste adds a very pleasant aroma, flavor and a touch of heat to the food. Though ginger and garlic paste can be prepared at home, a ready-to-use ginger garlic paste saves a lot of time especially for employees and chefs. With increased earnings of population, the focus has shifted from affordable and cheap food to healthy and tasty food. Food delivery services have given the food industry a great transformation. Both, increased expenditure on food and food delivery services, have contributed to the growth in the Indian food industry that cannot survive without the ginger garlic paste. Given this scenario, it is quite imperative that there is a huge demand for ginger garlic paste at domestic and commercial level. This paste is getting immense popularity not only in the urban areas but also in small towns and rural areas.

Description of SHG/CIG

1.	SHG/CIG Name	Triveni Mahadev
2.	VFDS	Makan
3.	Range	Lad Bharol
4.	Division	Joginder Nagar
5.	Village	Makan
6.	Block	Chauntra
7.	District	Mandi
8.	Total no. of members in SHG	14
9.	Date of formation	17-01-2020
10.	Bank a/c No.	31510113108
11.	Bank details	HPSCB
12.	SHG/CIG monthly savings	1400 (100 per person)
13.	Total saving	35,000
14.	Total inter loaning	-
15.	Cash Credit Limit	-
16.	Repayment status	-

2. Beneficiaries Detail

S.no	Name	M/F	Father/ Husband name	Category	Designation	Contact no.
1	Manju Devi	F	Subhash Chand	General	President	8580588236
2	Pawna Kumari	F	Surender Kumar	General	Secretary	8920655487
3	Rajo Devi	F	Basant Singh	General	Member	8894475147
4	Raksha Devi	F	Veer Singh	General	Member	8580911679
5	Sunita Devi	F	Dula Ram	General	Member	9816354059

6	Masta Devi	F	Vyas Dev	General	Member	9805436343
7	Saroj Kumari	F	Dula Ram	General	Member	9816290159
8	Rekha Devi	F	Kehar Sigh	General	Member	8894445753
9	Parkash Devi	F	Sanjay Kumar	General	Member	9816291027
10	Kiran Devi	F	Suresh Kumar	General	Member	7678616039
11	Saroja Devi	F	Harnam Singh	General	Member	8219933129
12	Satya Devi	F	Mohan Singh	General	Member	6230043011
13	Sudha Devi	F	Beni Chand	General	Member	8544704125
14	Pooja Devi	F	Sandeep Kumar	General	Member	8219274155

3. Geographical details of the Village

1	Distance from the District HQ	Mandi - 115 Km
2	Distance from Main Road	12 Km
3	Name of local market & distance	Lad Bharol market - 12 Km
4	Name of main market & distance	Baijnath - 34 Km
5	Name of main cities & distance	Lad Bahrol- 12 Km Baijnath - 34 Km Palampur - 50 Km
6	Name of main cities where product will be sold/ marketed	✧ Joginder Nagar ✧ Palampur ✧ Baijnath

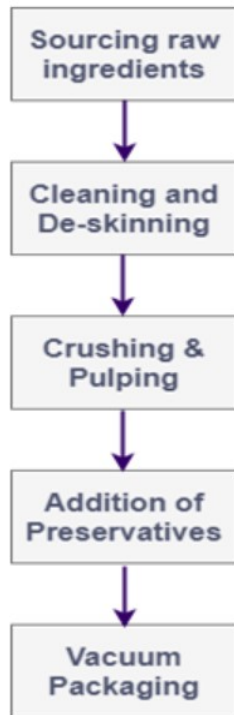
4. Executive Summary-

Ginger and garlic paste income generation activity has been selected by this Self Help Group. This IGA will be carried out by all ladies of this SHG. Starting a ginger and garlic paste business is easy as it only requires grinding ginger and garlic after cleaning. The manufacturing process of ginger garlic paste is simple and hence, this business can be taken up easily especially by women. Ginger and garlic are important commercial crops with versatile applications. Generally, people prepare the paste at home with the help of a mixer as and when required basis. However, nowadays people prefer to have more ready-to-cook items for managing the time more properly. Basically, the cooking paste segment is now catering to working professionals who are pressed for time and not just housewives. In addition, it is ready to use an item that is consumed in all households. Therefore, starting a ginger garlic processing business is a lucrative opportunity for Self Help Group to enhance their income.

5. Description of product related to Income Generating Activity-

1	Name of the Product	Ginger garlic paste
2	Method of product identification	Has been decided by group members
3	Consent of SHG/ CIG / cluster members	Yes

6. Production Processes-



- ❖ **Procure raw materials-** The food product development must ensure that all the procured raw ingredients meet the desired quality parameters.

Main raw material required:

- Ginger
- Garlic
- Preservatives

- ❖ **Cleaning-** Ginger and garlic should be thoroughly washed.

- ❖ **De-Skinning** - The next step is to de-skin ginger and garlic using skin peeling machine.



- ❖ **Crushing and pulping** - Use crushing machine to crush the de-skinned ginger and garlic. The crushed material is then put into pulping machine to obtain a paste of uniform

consistency. Add required quantity of turmeric, salt, water and remaining powder ingredients.

- ❖ **Adding preservatives-** Transfer the material into a stainless steel vessel and add preservative to it. This is done to enhance the shelf life of the finished product.
- ❖ **Packaging-** The product is vacuum packed into pouches or other suitable packaging product. The paste is a semi-solid product. Hence, one would require a leak proof packaging. The ginger garlic paste can be vacuum packed in can, plastic container, re-usable pouches and bottle.

7. Production Planning -

1.	Production Cycle for turmeric powder (in days)	1 -2 days
2.	Man power required per cycle(No.)	All ladies
3.	Source of raw materials	Local market/Main market
4.	Source of other resources	Local market / Main market
5.	Quantity required per month(Kg)	1,000
8.	Expected production per month(Kg)	1,000

Requirement of raw material and expected production

Sr.no	Raw material	Unit	Time	Quantity(approx)	Amount per Kg(Rs)	Total amount	Expected production Per month(Kg)
1	Raw ginger garlic	Kg	Monthly	1000	50	50,000	1000

8. Sale & Marketing -

1	Potential market places	Mandi, Joginder Nagar, Palampur, Baijnath
2	Distance from the unit	❖ Mandi - 115Km ❖ Palampur - 50 Km ❖ Baijnath - 34 Km
3	Demand of the production market place/s	Daily demand
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, wholesaler of near markets. Initially product will be sold in 200g and 500g packaging.
6	Product branding	At CIG/SHG level product will be marketed by branding CIG/SHG. Later this IGA may required branding at cluster level
7	Product “slogan”	“Triveni Mahadev- Ginger Garlic paste ”

9. SWOT Analysis-

❖ Strength–

- ❖ 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 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 consumption.

- ❖ 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. 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.

11. Description of Economics -

A. Capital Cost				
S. No.	Particulars	Quantity	Unit Price	Amount (Rs)
1	Peeling machine	1	25000	25000
2	Jet washer	1	15000	15000
3	Wet Mill Grinder - Gravy Machine	1	35000	35000
4	Kitchen tool		LS	6000
5	Finished product storage almirah/ racks		LS	6000
6	Apron, cap, plastic hand gloves, etc.	14	320	4500
7	Hand operated jar packing machine			10000
8	Stainless steel tank 100 ltr			10000
9	Weighing machine	1	2000	2000
10	Seeds of ginger and garlic	140 Kg	75	10,500
Total Capital Cost (A) =			124000	

Note

– As

raw turmeric will be produced by group members and labour work will be done by members themselves, therefore, these costs will be reduced from total recurring cost.

B. Recurring Cost					
S. No.	Particulars	Unit	Quantity	Price	Total Amount (Rs)
1	Garlic (Kg/ month)	Month	500	75	37,500
2	Ginger (Kg/ month)	Month	500	75	37500
3	Preservatives etc				5000
4	Transportation	Month	L/S		3000

3	Packaging material	Month	L/S		5000
	Labour				7000
5	Miscellaneous expenditure (stationary, electricity, water bill, machine repair)		L/S		3000
Total Recurring Cost (B) = 98000					

C. Cost of production		
S. No.	Particulars	Amount
1	Total recurring cost	98000
2	10% depreciation annually on capital cost	12400
Total = 1,06,600		

D. Selling price calculation			
S. No.	Particulars	Unit	Amount
1	Cost of production	Kg	80
2	Current market price	Kg	250-300
3	Expected selling price	Kg	200

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

S. No.	Particulars	Amount
1	10% depreciation annually on capital cost	12400
2	Total Recurring Cost	98000
3	Total Production (Kg)	1000
4	Selling Price (per Kg)	200

5	Income generation (200*1000)	2,00,000
6	Net profit (200000 - 98000)	1,02,000
7	Gross profit = Net Profit - (cost of raw material + Labour cost).	=1,02,000- (75,000+7,000) =20,000
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

13. Fund Requirement -

S. No.	Particulars	Total Amount (Rs)	Project Contribution	SHG contribution
1	Total capital cost	1,24,000	93,000	31,000
2	Total Recurring Cost	98,000	0	98,000
3	Training/capacity building/skill up-gradation.	70,000	70,000	0
Total		2,92,000	1,63,000	1,29,000

14. Sources of Fund -

Project support	<ul style="list-style-type: none"> ✧ 50% of capital cost will be provided by project if the group belongs to general category and 75% if from other category. ✧ Up to Rs 1 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 	Procurement of machines/equipment will be done by respective DMU/FCCU after following all codal formalities.
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	DMU and this facility will be only for three years. SHG have to pay the installments of the Principal amount on regular basis.	
SHG Contribution	<ul style="list-style-type: none"> ✧ 50% of capital cost to be borne by SHG if belongs to general category and if from other category then 25%. But members belongs to low income group and they can contribute 25% and project has to bear remaining 75%. ✧ Recurring cost to be borne by SHG 	

15. 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-gradation proposed/needed:

- ✧ Cost effective procurement of raw material
- ✧ Quality control
- ✧ Packaging and Marketing
- ✧ Financial Management

16. Computation of break-even point -

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

=1,24,000/ (200-80)

=1034 Kg

In this process break-even will be achieved after selling 1034 kg powder. Cost effective procurement of raw material

17. 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.

18. 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 are as:

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

19. Remarks

Members belongs to low income group and they can contribute 25% and project has to bear remaining 75%.

Individual Photo:



Manju Devi



Pawna Kumari



Satya Devi



Saroja Devi



Rekha Devi



Sudha Devi



Saroja Devi



Masta Devi



Raksha Devi



Prakasha Devi



Sunita Devi



Kiran Devi



Pooja Devi



Rajo Devi

Group photo



Resolution-cum-Group-consensus Form

It is decided in the General house meeting of the group Triveni Mahadev held on 13-10-2022 at Makan that our group will undertake the ginger garlic paste as Livelihood Income Generation Activity under the Project for Implementation of Himachal Pradesh Forest Ecosystem management and Livelihood (JICA assisted).

प्रधान
विवेणी महादेव S.H.G.
Signature of group President
बलौर चौड़ा
जिला मण्डी (हि.प्र.)

सचिव
विवेणी महादेव S.H.G.
Signature of group secretary
रवि चौतड़ा
जिला मण्डी (हि.प्र.)

President
Signature of President
Makan, G.P. Ootpur, Teh. Lad-Bharol
Distt. Mandi (H.P.)

Business Plan Approval by VFDS and DMU.

Triveni Mahadev Group will undertake the Jinger Garlic paste 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. 2,92,000 has been submitted by the group on 13-10-2022 and the Business Plan has been approved by VFDS Makan.

Business Plan is submitted to DMU through FTU for further action please.

सजुदेवी

प्रधान सचिव
त्रिवेणी महादेव S.H.G.

Signature of Group President

ब्लॉक चो-डा
जिला मण्डो/हि प्र.)

President
Vill. Forest Development Society
Makan, G.P. Ootpur, Teh. Lad-Bharol
Distt. Mandi (H.P.)

Thank You.

Pawna Kumar

सचिव
त्रिवेणी महादेव S.H.G.
Signature of group secretary

ब्लॉक चो-डा
जिला मण्डो/हि प्र.)

DMU cum
Divisional Forest Officer Approved
Joginder Nagar

DMU cum DFO Joginder Nagar

