

Business Plan

On

Income Generation Activity

FOOD PROCESSING – Food processing (Seera-Badi)

For

Self Help Group – Udhan



SHG/CIG name

Udhan

VFDS name

Tamber

Range

Jaisinghpur

Division

Palampur

Prepared Under-

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



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1. Introduction-

Seera is made from the wheat and this wheat halwa is traditional and famous dish of himachal Pradesh. After the harvest of wheat, the female of rural Himachal Pradesh start the preparation of Seera with the newly harvested wheat or the old wheat. They soak the grains of wheat in water for three days. So, that it become soft and after three days. They take strain out the water from grains and wash it with water for several times. After that they make a paste of the wheat grains with help of a machine and let it dry on a netted material. So, that the excess water can be separated out. Within two days of drying in the sun, the Seera is formed. Now the Seera is ready for storing. Seera is considered to be a healthy dish and is liked by people of all age groups. It can be enjoyed with food as a sweet dish. The process of cooking Seera is also easy. As you have to just dissolve the dried Seera in water and then cook it for 5-10 minutes and it is ready to serve.

Badi is made from the lentils and Lentils are rich in fibre, folate and potassium making them a great choice for the heart and for managing blood pressure and cholesterol. They are also a good source of protein. Seera is a traditional fermented food prepared in Bilaspur, Kangra, Hamirpur, Mandi, Shimla and Kullu districts of Himachal Pradesh. It is a starch based food made by soaking, crushing and fermenting wheat grains used to prepare sweet dish/snack generally served people during religious fast. The level of essential amino acids especially methionine, phenylalanine, threonine, lysine and leucine also increased during seera fermentation. As seera is biologically enriched with vitamins and amino acids during fermentation so it forms a good source of nutrition to the people who consume it. The most lucrative aspect of the Seera-Badi 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 the product is liked by customers the business will flourish like anything.

After discussing about the market potential and different aspects very carefully before getting into this IGA (Income Generation Activity). The Udhan SHG group has collectively decided of Seera-Badi making as their Income Generation Activity(IGA). Udhan SHG is formed under Project for Improvement of Himachal Pradesh Forest Ecosystems Management & Livelihoods (JICA Assisted), which fall under VFDS Tamber. This SHG consists of 15 females. These females already had the experience of making Seera-Badis and now with the help of this project funding, training and assistance. They will be able to manufacture Seera-Badis at a large scale and will become self independent and generate income. 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

1.	SHG/CIG Name	Udhan
2.	VFDS	Tamber
3.	Range	Jasinghpur
4.	Division	Palampur
5.	Village	Tamber
6.	Block	Lambagaon
7.	District	Kangra
8.	Total no. of members in SHG	15
9.	Date of formation	14-09-2022
10.	Bank a/c No.	50075008013
11.	Bank details	KCC bank Dagoh
12.	SHG/CIG monthly savings	100 per members
13.	Total saving	6000
14.	Total inter loaning	-
15.	Cash Credit Limit	-
16.	Repayment status	-

3. Beneficiaries Detail

S.no	Name	M/ F	Father/ Husband name	Category	Designation	Contact no.
1	Resha Rani	F	Baldev Singh	Gen.	Pardhan	94186-37444
2	Anita Devi	F	Nirmal Singh	Gen.	Secretary	89497-71109
3	Rakesh Devi	F	Ramesh Chand	Gen.	Member	88942-71877
4	Asha Devi	F	Kartar Chand	Gen.	Member	98165-50242
5	Anita Kumari	F	Ashok Kumar	Gen.	Member	82196-77763
6	Rajo Devi	F	Parkash chand	Gen.	Member	82196-62630
7	Bandana	F	Joginder singh	Gen.	Member	98052-91221
8	Subhadra Devi	F	Rajesh singh	Gen.	Member	62302-26296
9	Sudershna Devi	F	Karam Singh	Gen.	Member	85805-63235
10	Suman Kumari	F	Kushal kumar	Gen.	Member	85805-40637
11	Beena Devi	F	Parkash chand	Gen.	Member	81788-06087
12	Nisha Kumari	F	Harbansh Singh	Gen.	Member	85807-28028
13	Preeta Rani	F	Bhim Singh	Gen.	Member	862789-58452
14	Lata Devi	F	Durga Chand	Gen.	Member	88941-69438
15	Shresta Kumari	F	Jaswant Singh	Gen.	Member	88949-72733

4. Geographical details of the Village

1	Distance from the District HQ	85 km
2	Distance from Main Road	01 Km
3	Name of local market & distance	Jaisinghpur and 12 Km
4	Name of main market & distance	Jaisinghpur and 12Km
5	Name of main cities & distance	Palampur and 55 Km
6	Name of main cities where product will be sold/ marketed	Palampur and 55Km

5. Market Potential-

The market of Seera-Badis is on the ever increasing side both in domestic and export market. In the market Poha, Upma are served as ready to eat food items in which you have to just add water. In the same way we can also promote seera. In the initial phase of the group, we will sell seera in a packed box and badi also in the same manner. Depending upon the result from the market, we can further plan to sell seera as a ready to eat item.

6.Executive Summary-

Food Processing (Seera-Badi 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 Seera-Badi takes around 12-15 & 3-4 days respectively. Production process of making badi & seera includes process like cleaning, washing, soaking, grinding, mixing drying etc. Product will be sold directly by group or indirectly through retailers and whole sellers of near market initially.

7. Description of product related to Income Generating Activity-

1	Name of the Product	Seera-Badi making
2	Method of product identification	Has been decided by group members
3	Consent of SHG/ CIG / cluster members	Yes

8. Description of Production Processes-

Badi:

- Group will make badi of moong, maah, masar daal and danthal(arbi pata). This business activity will be carried out whole year by group members.
- The process of making badi takes around 3 days.
- Based on assumption 1 kg of badi will be manufactured by 1.25-1.50 Kg of daal and 150-200 gram of masala (kaali mirch, badi elachi, ajwain, jeera etc)
- Production process includes process like cleaning, washing, soaking, grinding, mixing, drying etc.

Seera:

- Group will make seera of wheat. This business activity will be carried out whole year by group members.
- The process of making seera takes around 12-15 days.
- Based on assumption 1 kg of badi will be manufactured by 2 Kg of wheat seeds.
- Production process includes process like cleaning, washing, soaking, grinding, mixing, drying etc.

9. Seera-Badi making business compliance -

Seera-Badi is a food item therefore different regulation of the state government need to be followed. Since 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.

10. Production Planning -

1	Production Cycle for Seera-Badi making (in days)	12-15 days & 3-7days respectively.
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 cycle(Kg) Seera	200 kg of wheat seeds initially
6	Expected production per cycle (Kg) Seera	100 Kg initially
7	Quantity required per cycle (Kg) Badi	30 kg daal and 4.5-5 kg masala
8	Expected production per cycle (Kg) Badi	25 Kg

Requirement of raw material and expected production.

S.no	Raw material	Unit	Time	Quantity(approx)	Amount per Kg(Rs)	Total amount	Expected production Per month(Kg)
1	Wheat seeds	Kg	Monthly	750	20	15,000	350
2	Daal	Kg	Monthly	560	120	66,000	455
3	Masala	Kg	Monthly	80	200	16,000	

11. Description of Sale & Marketing -

1	Potential market places	Jaisinghpur, Shivnagar, Sujanpur, Palampur
2	Distance from the unit	20 Km , 15 Km, 40 Km, 30 Km respectively
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 1 Kg 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”	“Udhan Seera-Badi A product of SHG”

12. 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 festive & marriage season.

- ❖ There are opportunities of expansion with production at a larger scale.
- ❖ Daily consumption and consumption 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.

13. 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.

14. Description of Economics -

A CAPITAL COST Badi & Seera				
S. No.	Particulars	Quantity	Unit Rate	Amount
1	Grinder machine (1-2 HP)WITH installation	2	20000	40000
2	Water tub (40-50 ltr)	6	800	4800
3	Drum for storage	5	1500	7500
4	Plastic sheets (40*60 inch)		LS	4000
5	Plastic mugs		LS	1500
6	Kitchen tools		LS	5000
7	Water strainer		LS	3000
8	Almirah/racks		LS	8000
9	Digital weighing machine	1	1000	1000
10	Pouch Plastic Packaging Machine	1	2000	2000
11	Apron, Cap, Gloves etc		LS	3000
12	chairs, table		LS	8000
13	Mixer	2	8000	16000
Total Capital cost (A)				103800

B				
Recurring Cost				
S. No.	Particulars	Quantity	Unit Rate	Amount
1	Daal (Kg/month)	450	120	54000
2	Masala (Kg/month)	68	200	13600
3	Wheat seeds (Kg/month)	600	20	12000
4	Rent	1	500	500
6	Packaging material		LS	1200
7	Transportation	1	500	500
8	Other (stationary, electricity, water bill, machine repair etc)	1	1000	1000
Total Recurring Cost (B)				100500

Cost of production:

C. Cost of production		
S. No.	Particulars	Amount
1	Total recurring cost	100,500
2	10% depreciation annually on capital cost	10,380
Total = 110880		

D. Selling price calculation			
S. No.	Particulars	Unit	Amount Rs.
1	Cost of production Seera	Kg	60
2	Current market price Seera	Kg	150-180
3	Expected selling price Seera	Kg	150
4	Cost of production Badi	Kg	190
5	Current market price Badi	Kg	300
6	Expected selling price Badi	Kg	250

E. Average income monthly by way of sale of /Seera-Badi				
S. No.	Particulars	Quantity Kg	Cost per Kg	Amount
1	Sale of Seera	350	150	52,500
2	Sale of Badis	455	250	1,13,750
Total				1,66,250

15. Cost Benefit Analysis (Monthly)

Cost benefit analysis (monthly)		
S. No.	Particulars	Amount
1	Total recurring cost	1,00,500
2	Total sale amount	1,66,250
3	Net profit (Sale amount - Recurring cost)	65,750
4	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

16. Fund flow arrangement in SHG -

S. No.	Particulars	Total Amount (Rs)	Project Contribution	SHG contribution
1	Total capital cost	103,800	77,850	25,950
2	Total Recurring Cost	100,500	0	100,500
3	Training/capacity building/skill up-gradation.	50,000	50,000	0
Total		254,300	127,850	126,450

Note:

- i) Capital cost- 75% capital cost will be borne by the project and 25% by the SHG.
- ii) Recurring cost- to be borne by the SHG.
- iii) Training and capacity building/ skill up gradation to be borne by the project.

17. Sources of Fund -

Project support	<ul style="list-style-type: none"> ✧ 75% of capital cost will be provided by project if members belong to SC/ST/Poor women. If the members belong to general then 50% capital cost is will be borne by project. ✧ Up to Rs 1 lakhs will be parked in the SHG bank account. 	Procurement of machines/equipment will be done by respective DMU/FCCU after following all codal formalities.
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	<ul style="list-style-type: none"> ✧ 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. 	
SHG Contribution	<ul style="list-style-type: none"> ✧ 50% or 25% of capital cost to be borne by SHG for general category and other categories respectively. ✧ Recurring cost to be borne by SHG. 	

18. 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

19. Computation of break-even point -

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

=1,03,800/(200-125)

= 1384 Kg

In this process break-even will be achieved after selling 1384 kg of Seera-Badis.

20. 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 has to pay the installments of the Principal amount on regular basis.

21. 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

22. Remarks

This group will make Seera-Badi depending upon the availability of raw material and response from the market.

23. Group member's Individual photos



Lata Devi



Anita Kumari



Bandana



Rakesh Devi



Shubhadra Kumari



Asha Devi



Rajo Devi



Beena Devi



Anita Devi



Preeta Devi



Sudershana Devi



Resha Rani



Suman Kumari



Nisha Kumari



Shresta Kumari

24. Group photos:



25. Resolution-cum Group consensus form

Resolution-cum-Group-consensus Form

It is decided in the General house meeting of the group Udhan held on 20-12-2022 at Tamber that our group will undertake the Badi & Seera as Livelihood Income Generation Activity under the Project for Implementation of Himachal Pradesh Forest Ecosystem management and Livelihood (JICA assisted).

रेशा रानी

सचिव
Signature Of group President
ग्राम पंचायत टम्बर तह. जयसिंहपुर
वि. ख. लम्बागांव (कागंडा) हि.प्र.

21/12/22

Signature of President VFDS

प्रधान
ग्राम वन विकास समिति
ग्राम पंचायत टम्बर तह. जयसिंहपुर
वि. ख. लम्बागांव (कागंडा) हि.प्र.

Anita

सचिव
Signature Of group secretary
ग्राम पंचायत टम्बर तह. जयसिंहपुर
वि. ख. लम्बागांव (कागंडा) हि.प्र.

26. Business approval by VFDS and DMU

Business Plan Approval by VFDS and DMU.

Udhan Group will undertake the Badi Seera 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. 254300 has been submitted by the group on 20-12-2022 and the Business Plan has been approved by VFDS Tamber.

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

Thank You.

रेशा शनी
प्रधान सचिव
Signature Of group President
उद्यम सहायता समूह टम्बर
ग्राम पंचायत टम्बर तह. जयसिंहपुर
वि. ख. लम्बागांव (कार्गला) डि.प्र.

शिवर प्र
प्रधान
Signature of President VFDS
ग्राम वन विकास समिति
तह. जयसिंहपुर
जिला कांगडा

Anita
Signature Of group secretary
उद्यम सहायता समूह टम्बर
ग्राम पंचायत टम्बर तह. जयसिंहपुर
वि. ख. लम्बागांव (कार्गला) डि.प्र.

Approved

[Signature]
DMU DFO Palampur
Palampur (H.P.)

