

**Business Plan**

On

**Income Generation Activity**

**FOOD PROCESSING - TURMERIC POWDER**

For

**Self Help Group – Panjpeeri**



SHG/CIG name

Panjpeeri

VFDS name

Bari/Diyal

Range

Rey

Division

Nurpur

**Prepared Under-**

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



## TABLES OF CONTENTS

S.no	Particulars	Page no.
1.	Introduction	3
2.	Description of SHG/CIG	3
3.	Beneficiaries Detail	4
4.	Geographical details of the Village	5
5.	Executive Summary	5
6.	Description of product related to Income Generation Activity	6
7.	Production Processes	6-8
8.	Production Planning	8
9.	Sale & Marketing	9
10.	SWOT Analysis	9-10
11.	Description of management among members	10
12.	Description of Economics	10-11
13.	Analysis of Income and Expenditure	11-12
14.	Fund Requirement	12
15.	Sources of Fund	12-13
16.	Training/capacity building/skill up-gradation	13
17.	Computation of break-even point	13
18.	Bank Loan Repayment	13
19.	Monitoring Method	14
20.	Remarks	14
21.	Group member photos	15
22.	Group photo	16
23.	Resolution-cum Group consensus form	17
24.	Business approval by VFDS and DMU	18

## 1. Introduction-

Panjpeeri SHG is formed on 18-10-2022, under Project for Improvement of Himachal Pradesh Forest Ecosystems Management & Livelihoods (JICA Assisted), which fall under VFDS Bari/Diyal and Range Nurpur. This SHG consists of 10 females and they collectively decided of preparing turmeric powder as there Income Generation Activity (IGA). These females already had the experience of growing turmeric and now with the help of this project funding, training and assistance. They will be able to sell the turmeric powder as a product in market rather than selling raw turmeric at lower price.

Turmeric is one of the oldest cultivated crops which have been grown in India for several thousand years. Turmeric, the main spice powder in the Indian cuisine, is considered by many to be the most powerful herb on the planet at fighting and potentially reversing disease.

Turmeric is traditionally well known for its culinary and medicinal properties. It is one of the multi-use products having many valuable properties and uses. It is extensively used in food, textile, medicine and cosmetic industries.

## 2. Description of SHG/CIG

1.	SHG/CIG Name	Panjpeeri
2.	VFDS	Bari/Diyal
3.	Range	Rey
4.	Division	Nurpur
5.	Village	Bari/Diyal
6.	Block	Fatehpur
7.	District	Kangra
8.	Total no. of members in SHG	11
9.	Date of formation	14-10-2022
10.	Bank a/c No.	50075990521
11.	Bank details	KCC Bank
12.	SHG/CIG monthly savings	20/-
13.	Total saving	
14.	Total inter loaning	-
15.	Cash Credit Limit	-
16.	Repayment status	-

### 3. Beneficiaries Detail

S.no.	Name	Father/ Husband name	M/F	Category	Designation	Contact No..3...
1	Kanchan Thakur	Deep Kumar	Female	General	President	8580823764
2	Lata Devi	Baabu ram	Female	SC	Secretary	8580482934
3	Parveen Kumar	Vijay Kumar	Female	Sc	Member	8580829738
4	Kaushalya Devi	Bhagwan singh	Female	General	Member	9625776094
5	Urmila Devi	Avtar singh	Female	General	Member	9805148236
6	Sapna devi	Yudhveer singh	Female	General	Member	9817460752
7	Sanjogita Devi	Mukhtaiyaar Singh	Female	General	Member	8580823764
8	Santosh Devi	Aatma ram	Female	SC	Member	8894051027
9	Kamlesh Devi	Kuldeep singh	Female	General	Member	9805456749
10	Sushma rani	Subhash singh	Female	General	Member	9882077391

### 4. Geographical details of the Village

1	Distance from the District HQ	Kangra - 65 Km
2	Distance from Main Road	.5 Km
3	Name of local market & distance	Dhameta-2 Km, Fatehpur-8 km
4	Name of main market & distance	Dhameta-2 Km, Fatehpur-8 km

5	Name of main cities & distance	Dhameta-2 Km, Fatehpur-8 km
6	Name of main cities where product will be sold/ marketed	Dhameta-2 Km, Fatehpur-8 km

## 5. Executive Summary-

Food Processing (Turmeric Powder) income generation activity has been selected by this Self Help Group. This IGA will be carried out by all ladies of this SHG. Powder of turmeric will be made by this group initially. This business activity will be carried out yearly by group members. The process of making powder takes around 8-10 days. Production process includes process like cleaning, washing, drying, grading, grinding etc. Initially group will manufacture powder of raw turmeric but in future, group will manufacture other products which follow same process. Product will be sold directly by group or indirectly through retailers and whole sellers of near market initially.

## 6. Description of product related to Income Generating Activity-

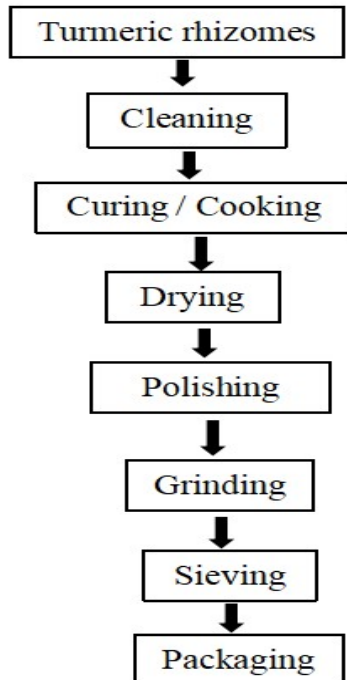
1	Name of the Product	Turmeric Powder
2	Method of product identification	Has been decided by group members
3	Consent of SHG/ CIG / cluster members	Yes

## 7. Production Processes-

### ❖ Harvesting-

- ❖ Depending upon the variety, the crop becomes ready for harvest in 7-9 months. Early varieties mature in 7-8 months, medium varieties in 8-9 months and late varieties after 9 months.
- ❖ On maturity, the leaves turn dry and are light brown to yellowish in colour.
- ❖ The land is ploughed and the rhizomes are gathered by hand picking or the clumps are carefully lifted with a spade.

- ✧ The harvested rhizomes are cleared of mud and other extraneous matter adhering to them.
- ✧ Fingers are separated from mother rhizomes. Mother rhizomes are usually kept as seed material.



#### ✧ Processing-

##### ✧ Sweating

After digging the turmeric from the ground, the leaves were separated from the plant and the roots were carefully wash off to remove all the impurities. Leaf scales and long roots are trim off and the rhizomes and branches are separate and cover in leaves and then remain for a day for sweating.

##### ✧ Curing

To get the dry form of turmeric, it is being cure. After washing it off, the rhizomes were boiled in water and dry under the sun. The boiling process lasts from 45-60 min until the rhizomes turn soft. Boiling usually stop when comes out and white fumes appear giving out a typical odor. The stage where boiling is stopped highly influence the color and aroma of the final product.

✧ Drying

After curing the turmeric the next step is drying. By using the drying floor or bamboo mats 5-7 cm thick layer of turmeric spread under the sun for drying. It takes 10-15 days for drying properly. At the night the turmeric is cover with a material which provides aeration.

✧ Polishing

After drying it has a rough dull outer surface with scales and root bites. By polishing the appearance will be improve and for this basically manual and mechanical rubbing technique were use.

✧ Coloring

The color of turmeric matters a lot. As the price was decided according to the color of the product.

✧ Grinding

The polished turmeric fingers are subjected to grinding. Grinding is one of the most common operations used to prepare turmeric powder for consumption and resale. The main aim of particular spice grinding is to obtain smaller particle sizes, with good product quality in terms of flavour and color. There are different ambient grinding mills and methods available for this process; such as hammer mill, attrition mill and pin mill. In India, traditionally, plate mills and hammer mills are used for turmeric grinding.

✧ Sieving

Ground spices are size sorted through screens, and the larger particles can be further ground. The screens usually used are 60 - 80 mesh size.

✧ Packaging & Storing

Turmeric is packed in air-tight paper bags inner coated with polyethylene. Also, to maintain the quality of the product, it is stored in dry storage and away from the light. So that turmeric doesn't lose the proper amount of moisture it has.

## 8. Production Planning -

1.	Production Cycle for turmeric powder (in days)	8-10days
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)	1500
8.	Expected production per month(Kg)	1500

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 Turmeric	Kg	Monthly	1500	50	75,000	1500

## 9. Sale &Marketing -

1	Potential market places	
2	Distance from the unit	20 Km & 45 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 5,1 and 0.5 Kg's a 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

## 10. 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, by beauty brands for making beauty products and also by pharmaceutical companies.
  - ❖ 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.

## 11. 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.

## 12. Description of Economics -

A. Capital Cost				
S. No.	Particulars	Quantity	Unit Price	Amount (Rs)
1	Haldi seeds	200 Kg	100	20,000
2	Grinder Machine	1	30,000	30,000
3	Storage tank	1	10,000	10,000
4	Weighing machine	1	8,000	8,000
5	Kitchen tools		LS	10,000
6	Finished product storage almirah/racks	2	5,000	10,000
7	Hand Operated Packing Machine	2	10,000	10,000
8	Apron, cap, plastic hand gloves etc		LS	5000
<b>Total Capital Cost (A) =</b>			<b>103,000</b>	

B. Recurring Cost					
S. No.	Particulars	Unit	Quantity	Price	Total Amount (Rs)
1	Raw material	Month	1500	50	75,000
2	Room rent	Month	1	1000	1000
3	Packaging material	Month	LS	2000	2000
4	Transportation	Month	1	1000	1000
5	Other (stationary, electricity, water bill, machine repair )	Month	1	1500	1500
<b>Total Recurring Cost (B) =</b>			<b>80,500</b>		

C. Cost of production		
S. No.	Particulars	Amount
1	Total recurring cost	80,500
2	10% depreciation annually on capital cost	1030
<b>Total = 81,530</b>		

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

### 13. Analysis of Income and Expenditure ( per month) –

S. No.	Particulars	Amount
1	10% depreciation annually on capital cost	1030
2	Total Recurring Cost	80,500
3	Total Production (Kg)	1500
4	Selling Price (per Kg)	200
5	Income generation (200*1500)	3,00,000
6	Net profit (300000 - 80500)	2,19,500
7	Distribution of net profit	<ul style="list-style-type: none"> <li>✧ Profit will be distributed equally among members monthly/yearly basis.</li> <li>✧ Profit will be utilized to meet recurring cost.</li> <li>✧ Profit will be used for further investment in IGA</li> </ul>

### 14. Fund Requirement –

S. No.	Particulars	Total Amount (Rs)	Project Contribution	SHG contribution
1	Total capital cost	103000	77250	25750
2	Total Recurring Cost	80,500	0	80,500
3	Training/capacity building/skill up-gradation.	50,000	50,000	0
Total		2,33,500	127250	1,06,250

### 15. Sources of Fund –

Project support	<ul style="list-style-type: none"> <li>✧ 50% of capital cost will be provided by project if the group belongs to general category and 75% if from other category.</li> <li>✧ Up to Rs 1 lakhs will be parked in the SHG bank account.</li> <li>✧ Training/capacity building/ skill up-gradation cost.</li> <li>✧ 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.</li> </ul>	Procurement of machines/equipment will be done by respective DMU/FCCU after following all codal formalities.
SHG Contribution	<ul style="list-style-type: none"> <li>✧ 50% of capital cost to be borne by SHG if belongs to general category and if from other category then 25%. <b>But members belongs to low income group and they can contribute 25% and project has to bear remaining 75%.</b></li> <li>✧ Recurring cost to be borne by SHG.</li> </ul>	

## 16. 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))

=95,000/ (200-80)

= 527Kg

In this process break-even will be achieved after selling 527kg powder.

## 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%. In future, group will also make other species powder that follow the same process and require the same machines.

**20. Group Member Photos:**

VFDS - Diyal  
Self Help Group = Panjpeeri



Kanchan Thakur  
President



Lata Devi  
Secretary



Parveen Kumari  
Treasurer



Kaustalya Devi  
Member



Urmila Devi  
Member



Sapna Devi  
Member



Sayogeta Devi  
Member



Santosh Devi  
Member



Kamlesh Devi  
Member



Sushma Rani  
Member

## 21. Resolution-cum Group consensus form

**Resolution cum Group Consensus Form**

It is decided in the general house meeting of the group Panj Peeri held on 29-09-2023 at Diyal Bari that our group will undertake the Haldi Processing as livelihood income generation activity Under the project for implementation of Himachal Pradesh forest ecosystem Management and livelihood (JICA assisted).

Kanchan Thakur  
Signature of Group President

[Signature]  
Signature of Group Secretary

Kanchan Thakur [Signature]  
Pardhan Secretary  
Panj Peeri JICA S.H.G.  
Ward No. 5, Anoh Dyal



## Business Plan Approval by Head of DMU

**Business Plan Approval by VFDS & DMU**

Panjpeeri Group will undertake the Haldi processing 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. 2,33,500 has been submitted by group on 29/09/2023 and the business plan has been approved by the VFDS, Diyal Bari.

Business plan is submitted through FTU for further action please.

Thank you  
Signature of Group President Kanchan Thakur

Signature of Group Secretary [Signature]

Signature of President VFDS  
[Signature]  
President  
Vill. Forest Development Society  
Diyal, G.P. Bari, Teh. Fatehpur  
Distt. Kangra (H.P.)

Kanchan Thakur Secretary  
Panj Peeri JICA S.H.G.  
Ward No. 5, Anon Dyal

[Signature]  
DMU -cum- DFO  
Nurpur Forest Division  
Nurpur



