BUSINESS PLAN

INCOME GENERATING ACTIVITY

Haldi cultivation & Processing Turmeric Powder

By

Tamana - Self Help Group




SHG Name	**Tamana**
Bank Details	**HPSC Bank Padhar ()**
VFDS Name	**Mulsu**
Range	**Urla**

Prepared Under –

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

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1. Introduction-

Tamana SHG have been already formed in the year 2023 and has also been included under Project for Improvement of Himachal Pradesh Forest Ecosystems Management & Livelihoods (JICA Assisted), which fall under VFDS Mulsu and Range Urla. This SHG consists of 8 females and they collectively decided of cultivated the haldi & preparing turmeric powder as there Income Generation Activity (IGA). These females already had the experience of growing traditional bases 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 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	Tamana
2.	VFDS	Mulsu
3.	Range	Urla
4.	Division	Joginder Nagar
5.	Village	Ropi
6.	Block	Padhar
7.	District	Mandi
8.	Total no. of members in SHG	8

9.	Date of formation	28-09-2023
10.	Bank a/c No.	34710109761
11.	Bank details	Bank Name :HPSC Bank Padhar IFSC Code :HPSC0000347
12.	SHG/CIG monthly savings	100(800 per person)
13.	Total saving	4000
14.	Total inter loaning	-
15.	Cash Credit Limit	-
16.	Repayment status	-

3. Beneficiaries Detail

Sr. No	Name & address of members	Designation	Age	Edu.	Gender	Category/Occupation	Photograph
1.	Mrs.Seela Devi W/o late. Sh.Prem Singh Vill.Ropi P.OGawaliTeh.Padhar Distt.Mandi 86793-85705	Pradhan	49	8th	Female	ST Agriculture	
2.	Mrs. Manju Devi W/o Sh. Jaswant Singh Vill.Ropi P.O Gawali Teh. Padhar Distt. Mandi 86270-66711	Vice Pradhan	39	10th	-Do-	ST Agriculture	
3.	Mrs. Yashoda Devi W/O Sh. Shyam Singh Vill.RopiP.O GawaliTeh. PadharDistt.Mandi 62306-54694	Treasure	40	10+2	-Do-	ST Agriculture	
4.	Mrs. Rupa Devi W/o Sh. Chander Mani Vill.RopiP.O GawaliTeh. PadharDistt.Mandi 70186-18830	Member	45	10+2	-Do-	ST Agriculture	

5.	Mrs. Krishna Kumari W/o Sh. Amar Singh Vill.Ropi P.O Gawali Teh. Padhar Distt. Mandi 78078-4724	Member	47	8th	-Do-	ST Agriculture	
6.	Mrs. Bhavna Devi W/o Sh. Rangeela Ram Vill.Ropi P.O Gawali Teh. Padhar Distt.Mandi 78714-95971	Member	38	8th	-Do-	ST Agriculture	
7.	Mrs. Lata Devi W/o Sh. Ramesh Kumar Vill.Ropi P.O.Gawali Teh. Padhar Distt.Mandi 82198-18664	Member	40	10+2	-Do-	ST Agriculture	
8.	Mrs. Punni Devi W/o Sh. Nag Singh Vill.Ropi P.O.Gawali Teh. PadharDisttMandi 86296-72295	Member	52	3rd	-Do-	ST Agriculture	

4. Geographical details of the Village

1	Distance from the District HQ	Mandi -48 Km
2	Distance from Main Road	500 mtr
3	Name of local market & distance	Joginder Nagar -11 Km., Paddhar – 17 Km.
4	Name of main market & distance	Joginder Nagar -11 Km., Paddhar – 17Km.
5	Name of main cities & distance	Mandi -48 Km., Joginder Nagar -11 Km.
6	Name of main cities where product will be sold/ marketed	Mandi, Paddhar, Joginder Nagar

5. Executive Summary

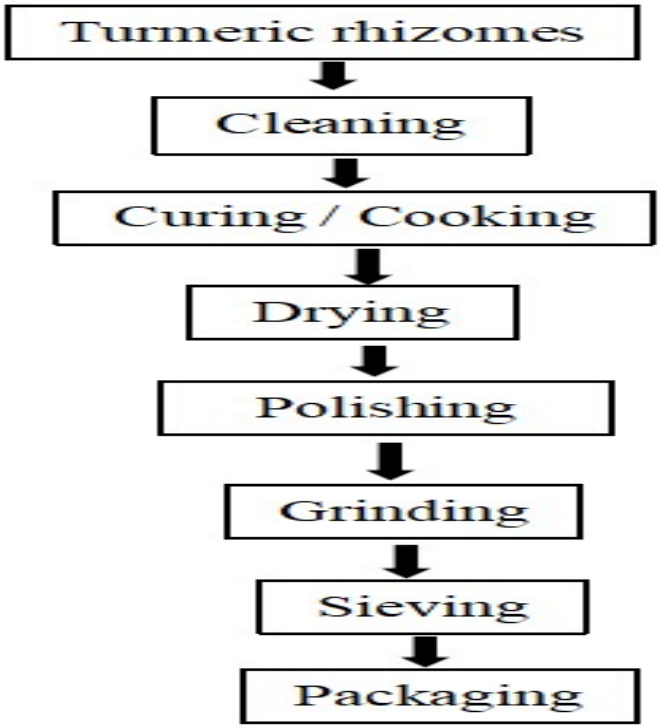
Food Processing (Turmeric Powder) income generation activity has been selected by this Self Help Group. This IGA will be carried out by all ladies of this SHG. Powder of turmeric will be made by this group initially. This business activity will be carried out yearly by group members. The process of making 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 minuet 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)	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 Turmeric	Kg	Monthly	1000	50	50,000	1000

9. Sale &Marketing

1	Potential market places	Joginder Nagar, Mandi Sunder Nagar
2	Distance from the unit	
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
7	Product "slogan"	"Mahila Mandal Lunapani Organic Haldi"

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	120 Kg	100	12,000
2	Grinder Machine	1	35,000	35,000
3	Storage tank	1	5,000	5000
4	Weighing machine	1	2,500	2500
5	Kitchen tools		LS	5,000
6	Bucket& Mug	2	500	1,000
7	Aluminum tub	2	3,000	6,000
8	LPG gass cylinder & stove	1	6,500	6500
9	Finished product storage almirah/racks	2	5,000	10,000
10	Hand Operated Packing Machine	2	3,000	3,000
11	Apron, cap, plastic hand gloves etc		LS	2,000
12	Chair, Dari/ Sitting Mats	Chair-8,Dari/Mat	10,000	10,000
			Total Capital Cost (A) = 98,000/-	

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	Raw material	Month	200 Kg	50	20,000
2	Room rent	Month	1	1000	1000
3	Packaging material	Month	LS	2000	2000

4	Transportation	Month	1	1200	1200
5	Other (stationary, electricity, water bill, machine repair)	Month	1	2000	2000
6	Labour cost	Month	1	13,000	13,000
Total Recurring Cost			**=**		**39,200/-**

C. Cost of production		
S. No.	Particulars	Amount
1	Total recurring cost	39,200
2	10% depreciation annually on capital cost	9800
Total = 49,000		

D. Selling price calculation			
S. No.	Particulars	Unit	Amount
1	Cost of production	Kg	90
2	Current market price	Kg	250-300
3	Expected selling price	Kg	250

13. Analysis of Income and Expenditure (Per month)

S. No.	Particulars	Amount
1	10% depreciation annually on capital cost	9800
2	Total Recurring Cost	39200
3	Total Production (Kg)	90
4	Selling Price (per Kg)	250
5	Income generation 250*1000)	250000
6	Net profit (250000 - 39200)	210800
7	Gross profit = Net Profit + cost of raw material + Labour cost.	=210800+50000+13000=273800

8	Distribution of net profit	✧ 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

14. Fund Requirement of Fund

S. No.	Particulars	Total Amount (Rs)	Project Contribution	SHG contribution
1	Total capital cost	98,000	73500	24500
2	Total Recurring Cost	39,200	-	39,200
3	Training/capacity building/skill up-gradation.	30,000	30,000	-
Total		1,67,200	1,03,500	63.700

15. Sources

Project support	✧ 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 1.00 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 DMU and this facility will be only for three years. SHG have to pay the installments of the Principal amount on regular	Procurement of machines/equipment will be done by respective DMU/FCCU after following all codal formalities.

	basis.	
SHG Contribution	✧ 50% of capital cost to be borne by SHG if belongs to general category and if from other category then 25%. **But members belong to low income group and they can contribute 25% and project has to bear remaining 75%**. ✧ Recurring cost to be borne by SHG	

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

17. Computation of break-even point

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

=98000/250-90=

In this process break-even will be achieved after selling 612.5 kg powder.

18. 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.

19. 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

20. Remarks

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

Group Photographs of SHG Tamana Under VFDS Mulsu

Resolution-cum-Group-consensus Form

It is decided in the General house meeting of the group Tamana held on 08/09/2023 at Mulsu that our group will undertake the Turmeric Powder as Livelihood Income Generation Activity under the Project for Implementation of Himachal Pradesh Forest Ecosystem management and Livelihood (JICA assisted).

शीला देवी

प्रधान
तमन्ना स्वय सहायता समूह
त० पधर,जिला मण्डी (हि० प्र०)

Signature of group President

शीला देवी संजू देवी

तमन्ना स्वय सहायता समूह रापा
त० पधर,जिला मण्डी (हि० प्र०)

Signature of group secretary

Shey Kp Ram

Signature of President VFDS

प्रधान
ग्राम वन विकास समिति मूलसु
ग्राम पंचायत बग्याली तह. पधर
जिला मण्डी (हि.प्र.

Business Plan Approval by VFDS and DMU.

Tamasra Group will undertake the Turmeric Powder 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. 167200 has been submitted by the group on 08/09/2023 and the Business Plan has been approved by VFDS Tamasra

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

Thank You.

शीला देवी
प्रधान
तमन्ना स्वय सहायना स...
...पधर, जिला मण्डी (हि० प्र०)

Signature of group President

संजू देवी
तमन्ना स्वय सहा...
...पधर, जिला मण्डी (हि० प्र०)

Signature of group secretary

प्रधान
ग्राम वन विकास समिति ...
ग्राम पंचायत गवाली तह. पधर
जिला मण्डी (हि.प्र.

Signature of President VFDS

Approved

D.M.U.-Cum-
Divisional Forest Officer
Joginder Nagar

DMU cum DFO Joginder Nagar