

BUSINESS PLAN

INCOME GENERATING ACTIVITY – Backyard Poultry
By
SUNRISE POULTRY FARM-Self Help Group



SHG/CIG Name	::	SIDH BABA BADOBARIYAN POULTRY FARM
VFDS Name	::	KOKE
Range	::	JAWALAMUKHI
Division	::	DEHRA

Prepared under:



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

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1. Introduction

Himachal Pradesh is a State in the Northern part of the India and is situated in the western Himalayas. It is characterized by an extreme landscape featuring several peaks and extensive river system. Himachal Pradesh is known as “Land of God “and is also known for its scenic beauty. Himachal Pradesh is rich in flora and fauna.

Himachal Pradesh has 12 districts and KANGRA is one of the 12 Administrative districts of the State. The KANGRA district is divided into THIRTY FIVE administrative sub division .The total geographical area of the district Kangra is 5,739 Sqr.KM and the population is 1423794 as per 2011 census.

The district has number of valleys varying from an altitude of 733 mt to. The District of Kangra Extends from Jalandhar Doab far into the southern ranges of Himalaya it is a town at the confluence of Baner River and Majhi River and Beas is an important river here.

Poultry industry is the fastest growing sector in Indian Agriculture. Egg being an excellent source of proteins is fast becoming a favorite among urban Indies the fourth largest egg producer in the world. The layer segment in India is all set to grow and is currently estimated at Rs. 10,000 crores (INR 100 billion). According to the Ministry of Agriculture, India’s egg production is estimated at 47.3 billion eggs per annum. Today, with more and more ‘eggetarians’ on the rise, egg consumption is growing at 8% - 10% annually. It is an important source of subsidiary income to small/marginal farmers and agricultural labourers. The manure from birds provides a good source of

Organic matter for improving soil fertility and crop yields. Since agriculture is mostly seasonal, there is a possibility of fine dining employment throughout the year for many persons through poultry farming. With the adequate infrastructural facilities especially for egg production has become increasingly popular in and around. The present demand in the area is more. It is increasing day by day & the present strength of the flock in the area is not in a position to meet the growing demand. Include increased adoption of integrated farming system, contract farming, awareness of people about diet and health, cost effectiveness of poultry meat compared to other meat, its Low-fat content, superior protein quality and change of life style of the people are also responsible for spectacular development of Poultry Sector.

The main Objectives of the Poultry Farming is:-

- i) To meet the growing demand of eggs.
- ii) To raise the income of poor farmers of Kangra.

The men in the VFDS KOKE have decided Poultry as their IGA instead of cultivation of Mushroom which was earlier decided by the groups of 9 male members. Now, they have decided Poultry Farming and some of the SHG are already in activity to meet the need of their family members. Now the members have chosen this activity as IGA so that they can earn extra money to meet their expenses and rise some saving also for the difficult times. A group of 9 men of different age groups came together to form a SHG under JICA project and decided to draft a business plan which can help them to take this IGA in collective manner and raise their additional income. The proposed unit will be located on a piece of land for which the Gram Panchayat Baggi have given and passed resolution/NOC to start this activity. The site is almost leveled & is well connected to approach road. Electricity is an essential component for poultry farming as it is required for brooding of chicks and pumps used for water supply as well as lighting of the area. It is available near the farm site. In the absence of assured of water supply, a tube

well/ hand pump is proposed on the farm. Underground water is adequately available & is of good quality.

For Housing, provision has been made for the construction of a brooder-cum-grower house measuring at a rate of 1 sq. feet in a case of layer. Besides it, the farm will have a small store room, office & servants' quarters.

Construction of house will be pukka with as besots roofing. Provision has also been made for the construction of built in laying nests. The installation of a tube well & laying of pipeline is also to be done.

One day old commercial hybrid chicks will be transported from the nearby hatcheries and chicks will be vaccinated against Marek's disease (MD) at source. Chicks will be purchased in lots at regular intervals.

The Feed for the chicks will be bought from the nearest market where feed is available or will be made available directly through the feed company if possible. Similarly, the MEDICINE & VETERINARY AID facilities will be made available from the nearby Veterinary Department.

2. Description of SHG/CIG

2.1	SHG/CIG Name	::	SIDH BABA BADOBARIYAN
2.2	VFDS Name	::	KOKE
3	Range	::	JAWALAMUKHI
3.4	Division	::	DEHRA
3.5	Village	::	KOKE
3.6	Block	::	SURANI
3.7	District	::	KANGRA
3.8	Total No. of Members in SHG	::	09–MALE
3.9	Date of formation	::	09-09-2022
3.10	Bank a/c No.	::	HDFC BANK
3.11	Bank Details	::	50100582029469
3.12	SHG/CIG Monthly Saving	::	100-(meeting held to be every 6 th day of month)
3.13	Total saving	::	900
3.14	Total inter-loaning	::	1000Rs.
3.15	Cash Credit Limit	::	-
3.16	Repayment Status	::	-

BeneficiariesDetail:

Sr. No	Name (Sh/Smt.)	Father/Husb and Name (Sh.)	Age	category	Cont. no	Designation	Income Source
1	Sh. Parshotam Singh	Sh. Bangali Ram	53	OBC	7876214366	Pradhan	Farmer
2	Sh. Milap Singh	Sh. Bansi Ram	57	OBC	9805698861	Sectary	Farmer
3	Sh. Gurdeep Singh	Sh. Dharamchand	47	OBC	-	Treasure	Farmer
4	Sh. Hansraj	Sh. Bakshi Ram	35	OBC	780758138	Member	Farmer
5	Sh. Anshul	Sh. Tilak Raj	20	OBC	8627020094	Member	Farmer
6	Sh. Dinesh Kumar	Sh. Birbal	36	OBC	9877366179	Member	Farmer
7	Sh. Manoj Kumar	Sh. Bhagat Ram	32	OBC		Member	Farmer
8	Sh. Pawan Kumar	Sh. Pritam Chand		OBC	7876245340	Member	Farmer
9	Sh. Desh Raj	Sh. Bhagat Ram	46	OBC	9877366179	Member	Farmer

Geographically Details of the Village Balehra

4.1	Distance from the District HQ	::	57 Km
4.2	Distance from the Range Office	::	20 Km
4.3	Distance from Main Road	::	500 m
4.4	Name of local market & distance	::	Baggi- 1km
4.5	Name of main market & distance	::	Dehra -22 km, Kangra -38, Jawalamukhi -15km

4.6	Name of main cities & distance	∴	Dehra -22 km, Kangra -38, Jawalamukhi -15km , Khundian – 12km
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4.7	Name of places/locations where product will be sold/marketed		Dehra -22 km, Kangra -38, Jawalamukhi -15km , Khundian – 12km
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4. Description of product related to income generating activity

1	Name of the Product	Koke Poultry Farm
2	Method of product identification	This activity has been decided by SHG members. Further, one of the members of the SHG is already is doing this activity. There is heavy demand in the local market which will enhance the additional income.
3	Consent of SHG/ CIG / cluster members	Yes

5. Description of Production Planning:

Initially, through the project of poultry farming, the guidance from animal husbandry department located at Surani will be sought and also from the private hatcheries located at Baggi & Surani. After training each chicken coops and trays etc. 75% subsidy will be given by capital expenditure of the project as per guideline of the Project. The group has decided that initially the Chicks will be reared and when they grow up, it will be reared in open and natural environment. Therefore, after 18 weeks when the Chickens attain a weight of up to 2 kg and after 6 months, the chickens grow up to lay eggs. There is a huge demand for chicken meat and eggs in the local market. Marketing them will be no problem for all the members of group.

By dividing the work collectively, they will do it in the local market, after that, from the eggs of the broiler chicken & Desi chickens will also be marketed.

Planning for Production

First round:

Working day : 365 days

Persons working : 09 persons (1 hour out of 2 hours per day, one hour in the morning & in the evening)

Source of chicken and raw material: Sapdhelu (Surani) Poultry Farm for chicken and Other similar Farms situated at Kangra & Nadaun.

Source of other resources: Local Hatcheries at Surani & Naduan

Material required : 5400 pieces

Estimated production : $30 \times 9 = 270$ number of chickens will be ready
For chicken mass!

$270 \times 25 = 6750$ eggs per month

Total egg production in cycle : $6750 \times 6 = 40500$

6.1	Time taken	::	As above
6.2	Number of members involved	::	09 Male
6.3	Source of raw materials	::	Nadaun, Sapdhelu
6.4	Source of other resources	::	& Local Hatcheries at Kangra , Jawalamukhi
6.5	Production cycle (in days) 30 days per day after 4-5 hour/day work.	::	$30 \times 9 = 270$ $270 \times 25 = 6750$ eggs per month
6.6	Workers Required Per Cycle (Nos.)	::	Total- 09 member

6. Raw Material Requirement and Estimated Production

1. Description of Marketing/Sale:

7.1	Potential places/locations	market	::	Villages & Market- Balehra, Koke Balahar & Salihar , Tip and Surani, Thalakan & Khundian , Jawalamukhi
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7.2	Demand	::	Throughout year and high demand at the time of festive and marriage Occasions.
7.3	Process of identification of market	::	Group members will contact Nearby villagers/households/Restaurants & Hotels.
7.4	Marketing Strategy	::	Villages covered - Balehra, Koke Balahar &,Salihar , Tip and Surani, Thalakan
7.5	Brand of the Product	::	Balehra Poultry

2. **Details of management among group members:**

- Rules will be made for management.
- The group members will distribute the tasks by mutual consent.
- The allocation will be done on the basis of efficiency and capacity of the work.
- The distribution of profit will also be done on the basis of quality of work and skill and hard work.
- 04 members having experience in marketing will do marketing in turn.
- PradhanandSecretarywillcontinuetoevaluateandobservethemanagementat the same time.

3. **Customers**

The primary customers of our center will mostly be local people, Restaurants & Hotels around village Koke , but later on this business can be scaled up by catering to nearby small townships.

4. **Target of the center**

The Center primarily aims at to provide high quality and Fresh Eggs and Chickens to the residents of koke village in particular and all other residents of nearby villages.

ThiscentrewillensuretobecomethemostrenownedPoultryFarmwithquality work in its area of operation in coming years.

5. SWOT Analysis

❖ Strength

- Poultry has the potential to meet the protein requirements of a nation where malnutrition is rampant-since both eggs/broilers are a good source of protein.
- Helps to augment the income of the rural masses. Thus improve the socioeconomic status of rural population.
- Poultry is one of the most efficient converters of plant products/waste into edible food that can in some measure tackle the problem of malnutrition especially in a country like India.
- Unlike other meat (beef, pork) which have religious taboos-chicken is widely accepted in India and is cheaper than goat meat.
- Poultry litter has high manure value and can be used in agriculture activities.
- It has tremendous potential to create non-farm employment and check migration from rural to urban areas.
- Generates relatively quick returns with low investment requirements.

❖ Weakness

- Poultry farming is labour intensive.
- A peculiar feature of the poultry industry is that it is highly fragmented
- Poor transport, infrastructure and lack of cold chain facilities currently limit the feasibility of handling significant volumes of chilled or frozen products.
- Low growing charges coupled with the cost of making investments in infrastructure such as sheds, feeders, breeders, heating and cooling systems result in a low income for farmers.
- The stringent mortality norms (only a 5% mortality is permitted in most integration contracts-else the farmer gets penalized and is offered a lower rate) leaves the farmers in a vulnerable position and with no avenue to voice their grievances.

❖ Opportunity

- Present per capita unlike other meat (beef, pork) which have religious taboos-chicken is widely accepted in India and is cheaper than goat meat. Consumption in India is increasing day by day, therefore there is large scope for poultry farming.
- Besides this, India has also great potential to exploit the international market
- The increasing awareness of the need for balanced nutrition has led to changes in the eating habits with vegetarians accepting eggs as a part of their diet compared to all other

Threats/Risks

- Natural calamities
- If adequate health precautions are not taken infectious/contagious diseases can be spread. The recent avian flu has spread a wave of panic across the globe. The other aspects that have dragged the poultry industry are the recent SARS and Ebola and also the older diseases like tuberculosis is and malaria.
- Shortage in major feed ingredient i.e., maize, which constitutes more than 5 percent of feed rations. Therefore, even as small increase in costs can wipe out the profits.

6. Description of potential challenges and measures to mitigate them:

Sr.no	Description of Risks	::	Measures for Risk Mitigation
6.1	It might be possible that there can be short demand in the market which will affect the sale and income.	::	For Marketing purpose additional market should be explored.
6.2	Due to decline in quality of production the sales may go down.	::	In order to maintain the quality of product, the SHG members have to follow strict guidelines.

7. Machinery, tools and other Equipment's

A. BASICS AND PREASUMPTIONS

Sr.No.	Particulars	Unit	Quantity
I. Techno-economic parameters			
1	No. of birds	No.	540
2	Batches per year	No.	2
3	Batch size	Nos.	270
4	Birds considered for laying	Nos.	270
5	Birds considered for culling	Nos.	270
6	Brooding cum growing period in weeks		20
7	Laying period in weeks		52
8	Type of housing		Deep Litter
9	Space required per bird in brooder cum grower house	Sq.ft.	1
10	Floor space per bird in layer shed (Cage system)	Sq.ft.	0.8
11	Repayment period	year	5
12	Rate of interest for bank loan	%	12
II. Expenditure norms			

1	Cost of construction of brooder cum grower shed	Rs./sq.ft	125
2	Cost of construction of Layer shed	Rs./sq.ft	140
3	Cost of construction of store room	Rs./sq.ft	250
4	Cost of cages for layers	Rs./bird	90
5	Feeders, waters and dressing equipment	Rs.	20
6	Cost of day old Chicks	Rs./bird	40
7	Feed requirement during laying-52 weeks laying	Rs./bird	21
8	Feed requirement during growers-20 weeks	Rs./bird	6
9	Chick/grower mash	Rs./kg	14
10	Cost of layer mash	Rs./kg	12
11	Medicine, vaccine, labour & misc charges	Rs./bird	8
12	Insurance	Rs./bird	1

III. Income norms

1	Number of eggs produced per bird	Eggs per cycle	120
2	Selling price of egg	Rs./egg	10
3	Selling price of culled birds	Rs./bird	700
4	Income from manure & gunny bags	Rs./bird	44

A. CAPITAL COST				
Sr. No.	Particulars of Machinery.	Quantity	Rate per unit	Total Amount
1.	Cost of housing (1 sq. ft/bird) (60*9=540 sq.ft)	80	3000	240000
2.	Cost of Kuroiler Chicks (day old)	1600	45	72000
3.	Brooder cum grower equipment	400	50	20000
4.	Laying house	600	150	90000
5.	Water supply system	LS	LS	12000
6	Transport			15000
	Total			449000

B.**Recurring cost**

Sr. No.	Particulars	Unit	Quantity	Rate per unit (Rs.)	Amount (Rs.)
1.	Cost of day old chicks	Rs/bird	400	40	16000
2.	Grower feed for first two batches	Qtl.	12	2600	31200
3.	Chick feed from 1 to 4 weeks	Qtl.	4	3000	12000
4.	Layer feed from 20 to 52 weeks	Qtl.	20	2700	54000
5.	Egg Packing/Tray	Number	2400	5	12000
6.	Medicine , vaccine, labour and miscellaneous charges	Rs./bird	500	10	5000
7.	Carriage/ Transportation	LS	LS	LS	15000
8.	Insurance	%	500	1	500
	Total				145700

7. Total production and sale amount in month

Since it is an additional activity in the SHG apart from their routine household work the outcome will be proportionate to the working hours of each member. It is always better initially to keep the production on conservative side which can always be scaled up with passage of time and work experience.

8. TOTAL PRODUCTION AMOUNT AND SALE AMOUNT IN 1 CYCLE

Sr.no	Particular	Quantity	Rate (Rs.)	Amount (Rs.)
1	Eggs	40500	10	405000
2	Meat/Chicken	270	700	202500
	Total (C)			607500

Particulars	Total Amount (Rs.)	Project contribution (50%)	SHG contribution (50%)
Total capital cost	449000	224500	224500

However, an amount of **Rupees 224500** is the project support therefore for calculation purpose this amount can safely be deducted from the expenditure column and the net income can be re-cast again. Moreover, the members of SHG will be doing the job collectively therefore their wages have not been taken into account. The net income at the end of the month is re-cast as under:

CAPITAL COST		
PARTICULARS	AMOUNT	SHG CONTRIBUTION
CAPITAL COST	449000	224500
RECURRING EXPENDITURE		
i) 10% depreciation on capital cost annually	44900	
i) Other expenditure on material cost etc.	145700	
Total	190600	
Total cost	224500+190600=415100	
Total sale in 1st cycle	607500	
Net profit	192400	

9. Sharing of the profit

The members of SHG have mutually agreed with consent voice that in the 1st cycle Rs. 15000 will be paid to each member as income and the remaining profit of Rs.57500 will be kept as emergency reserve in their bank account to meet up the future contingency, if any.

10. Fund flow in the group:

Particulars	Total Amount (Rs.)	Project contribution (50%)	SHG contribution (50%)
Total capital cost	449000	224500	224500
Recurring cost	145700	-	145700
training	50000	50000	
Total	644700	274500	370200

Note-

- **Capital Cost** - 50% of the total capital cost will be borne by the Project
- **Recurring Cost** –The entire cost will be borne by the SHG/CIG.
- **Trainings/capacitybuilding/skillup-gradation**–Total cost to be borne by the Project

8. Sources of funds and procurement:

Project support;	<ul style="list-style-type: none">• 50% of capital cost will be utilized for purchase of product.• Upto Rs. 1 lakh will be parked in the SHG bank account as a revolving fund.• Trainings/capacity building/ skill up-gradation cost.	Procurement of machines will be done by respective DMU/FCCU after following all codal formalities.
SHG contribution	<ul style="list-style-type: none">• 50 % of capital cost to be borne by SHG.• Recurring cost to be borne by SHG	

9. Trainings/capacity building/skillup-gradation

Trainings/capacity building/ skill up-gradation cost will be borne by project.

Following are some trainings/capacity building/ skill up-gradation

proposed/needed:

- Teamwork
- Quality control
- Packaging and Marketing
- Financial Management

10. Loan Repayment Schedule-

If the loan is availed from bank it will be in the form of cash credit limit and for CCL there is no 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.

11. 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.

12. Remarks

Group members Photos-



List of Rules of the House of Interest

1. Group work: Balehra Poultry Farm;
2. Address of the group: V.P.O Balehra Tehsil- Khundian District- Kangra Himachal Pradesh.
3. Total members of the group:09
4. Date of First Group Meeting: 09.09.2022
5. Interest will be Rs.2 for every Rs.100 in the group.
6. Monthly meeting of the group will be held on 6th of every month.
7. All the members of the group will deposit the amount saved every month in the group.
8. All the members will have to attend the meeting of the Self-Help Group.
9. Self-help group account will be opened in
10. In order to be present in the group meeting, permission will have to be taken by telling the principal and secretary the proper work.
11. In the group who does not deposit the amount of savings or remains absent from the group for 3 meetings, then that person will be removed from the group.
12. The person who remains present in the group without giving reasons, then the next meeting will be held in the house of that person whose expenses will have to be paid by that person himself, if there are two members, then the expenses will have to be paid together.
13. The head and the secretary of the Self-Help Group will be elected by consensus.
14. Principal and Secretary can do transactions with the bank, this post will be valid for one year.
15. The head, secretary or member will not do any work against the group and will always use the amount of the group.

16. If the member wants to leave the group due to any reason, if this person has taken the loan, then the group has to be returned, only then he is able to leave the group otherwise not

17. The purpose of the loan, the time of repayment of the amount, the instalment of the loan and the rate of interest will be decided in the meeting.

18. In case of emergency, the principal and the secretary should have at least Rs1000.

19. The register of SHGs should be read and written in front of all the members.

20. Large borrowers will have to give a week's advance notice.

21. Loans should be available to all the members in times of need.

22. If the member wants to leave the group without any reason, then the deposits of that member will be divided in the group.

23. The group will have to submit its monthly report every month to the office of the Field Technical Unit (Jawalamukhi Range Dehra Division).

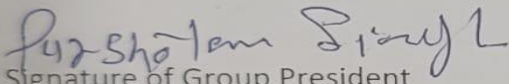
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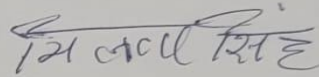
Business Plan Approval By VFDS & DMU

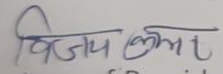
Sidh. baba. badbrij Group will undertaken the Murg, Poultry as livelihood income Generation Activity under the project for implementation of Himachal Pradesh forest ecosystem Management and livelihood (JICA assisted). In this regard business plan of amount Rs. 4,49,000/- has been submitted by group on 12/12/2022 and the business plan has been approved by the VFDS. Koke


Business plan is submitted through FTU for further action please.

Thank you


Signature of Group President


Signature of Group Secretary


Signature of President VFDS
President
V.F.D.S.


Approved
DMU-CUM-Dehra

Resolution -CUM-Group Consensus Form

It is decided in the General House meeting of the group Sikh Baba badobrijas
held on 09-09-2022 at Kate that our group will undertake
the Poultry Farm as Livelihood Income Generation Activity
under the Project for Improvement of Himachal Pradesh Forest
Ecosystems Management & Livelihoods (JICA Assisted).

Purshotam Singh
Signature of Group President

Patil R. R.
Signature of Group Secretary