

# BUSINESS PLAN

INCOME GENERATING ACTIVITY – Backyard Poultry

By

Hare Krishna-Self Help Group



SHG/CIG Name	:: HARE KRISHNA POULTRY FARM
VFDS Name	:: Baduhi
Range	:: Nurpur
Division	:: Nurpur

**Prepared under:**



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

## Table of Contents

Sl. No.	Particulars	Page/s
1	Executive Summary	3-5
2	Description of Common Interest Group	6
3	Geographical location of the village	7-8
4.	Description of the product related to the income generating activity	9
5	Production process	9-10
6	Production planning	10
7	Marketing	10
8	Management of the enterprise among group members	11
9	SWOT Analysis	12
10	Possible risks and ways to reduce them	12-13
11	Description of the economy of the business plan	13
12	Summary of the economy	13
13	Estimate	13-14
14	Benefit Cost Analysis (for one cycle)	14-17
15	<b>Need Money</b>	18
	(a) Group of financial necessity	18
	(b) Group of financial Resources	19
16	Calculating the Break Even Point	19
17	Installment plan for loan repayment	20
18	Vermicomposting	21
19	Description of Production Processes, Planning & Marketing	22-23
20	Swot Analysis	24
21	Description of Economics	25-26
22	Fund Requirement	27
23	Source of Fund & Bank Loan Repayment	28
24	Monitoring Mechanism	29
25	Total Project Cost	30
26	Group Member Photo	31
27	Approval Letter	32

## 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 laborer’s. 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 Baduhi have decided Poultry as their IGA activity by the groups of 24 female members. 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 24 women 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 Baduhi 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, tubewell /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 bests 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	::	HARE KRISHNA POULTRY FARM
2.2	VFDS Name	::	BADUHI
3	Range	::	NURPUR
3.4	Division	::	NURPUR
3.5	Village	::	BADUHI
3.6	Block	::	NURPUR
3.7	District	::	KANGRA
3.8	Total No. of Members in SHG	::	12-FEMALE
3.9	Date of formation	::	17-10-2022
3.10	Bank a/c No.	::	Himachal Pradesh Gramin Bank
3.11	Bank Details	::	50075702716
3.12	SHG/CIG Monthly Saving	::	50
3.13	Total saving	::	6000
3.14	Total inter-loaning	::	-
3.15	Cash Credit Limit	::	-
3.16	Repayment Status	::	-

**Beneficiaries Detail:**

<b>Sr. No</b>	<b>Name</b>	<b>Designation</b>	<b>C t g</b>	<b>Mobile Number</b>
<b>1.</b>	<b>Neelam kumarai w/o Santosh lal</b>	<b>President</b>	<b>S C</b>	<b>7876693070</b>
<b>2.</b>	<b>Anju bala w/o Beer singh</b>	<b>Secretary</b>	<b>S C</b>	<b>9816005732</b>
<b>3.</b>	<b>Kailasho Devi w/oSomraj</b>	<b>Treasurer</b>	<b>S C</b>	<b>9805924427</b>
<b>4.</b>	<b>Ranjana Devi W/O Suresh Kumar</b>	<b>Member</b>	<b>S C</b>	<b>7807173357</b>
<b>5.</b>	<b>Shubh Lata W/O Ram Pal</b>	<b>Member</b>	<b>S C</b>	<b>9736456746</b>
<b>6.</b>	<b>Kamla Devi W/O Jagjeevan Kumar</b>	<b>Member</b>	<b>S C</b>	<b>9816538205</b>
<b>7.</b>	<b>Krishna Devi W/O Tarsem Lal</b>	<b>Member</b>	<b>O B C</b>	

8.	<b>Raj Rani W/O kushal Kumar</b>	<b>Member</b>	<b>O B C</b>	<b>7876343411</b>
9.	<b>Jyoti Devi W/O Shashi Kumar</b>	<b>Member</b>	<b>O B C</b>	<b>8894809852</b>
10.	<b>Indu Rani W/O sanjeev Kumar</b>	<b>Member</b>	<b>O B C</b>	<b>7876844754</b>
11.	<b>Manu Rani W/O satinder kumar</b>	<b>Member</b>	<b>O B C</b>	<b>7814187129</b>
12.	<b>Sandhya Devi W/O Rampal</b>	<b>Member</b>	<b>S C</b>	<b>-</b>

### **Geographically Details of the Village Baduhi**

4.1	Distance from the District HQ	::	86 Km
4.2	Distance from the Range Office	::	10 Km
4.3	Distance from Main Road	::	4km



4.4	Name of local market & distance	::	Pathankot - 10 Km, Jassur- 8 Km, Nurpur-18Kmand Bakloh
4.5	Name of main market & distance	::	Pathankot - 10 Km, Jassur- 8 Km, Nurpur-18 Km

4.6	Name of main cities & distance	∴	Pathankot - 10 Km, Jassur- 8 Km, Nurpur-18 Km
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4.7	Name of places/locations where product will be sold/marketed		Pathankot - 10 Km, Jassur- 8 Km, Nurpur-18 Km
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#### 4. Description of product related to income generating activity

1	Name of the Product	Hare Krishna Poultry Farm & Vermicomposting
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 Nurpur will be sought and also from the private hatcheries located at around the village. 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** : 12 persons (2 hour to 3 hours per day, one hour in the morning & in the evening)

**Source of chicken and raw material:** Poultry Farm of animal Husbandry for chicken and

Other similar Farms situated at Jasoor and Nurpur.

**Source of other resources:** Local Hatcheries [Local](#)

**Material required** : 840 pieces

**Estimated production** : 400 number of chickens will be ready For chicken mass!

400 X 25 = 10000 eggs per month

**Total egg production in cycle** : 10000 x 6 = 60000

6.1	Time taken	::	As above
6.2	Number of members involved	::	12 Female
6.3	Source of raw materials	::	Near Jassur ,Nurpur and Kangra
6.4	Source of other resources	::	Near Jassur ,Nurpur and Kangra
6.5	Production cycle (in days) 30 days per day after 4-5 hour/day work.	::	400 400 X 25 = 10000 eggs per month
6.6	Workers Required Per Cycle (Nos.)	::	<b>Total- 12 members at rotational basis.</b>

## 6. Raw Material Requirement and Estimated Production

### 1. Description of Marketing/Sale:

7.1	Potential market places/locations	::	
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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 - Nurpur, Jassur ,Pathankot and Bakloh.
7.5	Brand of the Product	::	Baduhi 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.
- Pradhan and Secretary will continue to evaluate and observe the management at the same time.

## 3. **Customers**

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

## 4. **Target of thecentre**

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

This center will ensure to become the most renowned Poultry Farm with quality work in its area of operation in coming years.

## 5. SWOT Analysis

### ❖ Strength

- ➔ Poultry has the potential to meet the protein requirements of a ~~min~~ 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 socio-economic status of rural population.
- ➔ Poultry is one of the most efficient converters of plant products/~~wa~~ 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 ~~uk~~ migration from rural to urban areas.
- ➔ Generates relatively quick returns with low investment requirements.

### ❖ Weakness

- ➔ Poultry farming is labor intensive.
- ➔ A peculiar feature of the poultry industry is that it is highly fragmented
- ➔ Poor transport, infrastructure and lack of cold chain facilities ~~cur~~ limit the feasibility of handling significant volumes of chilled or frozen products.
- ➔ Low growing charges coupled with the cost of making investments in ~~infrastructure~~ 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 ~~relig~~ 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 50percent 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
<b>I. Techno-economic parameters</b>			
1	No. of birds	No.	840
2	Batches per year	No.	2
3	Batch size	Nos.	400
4	Birds considered for laying	Nos.	400
5	Birds considered for culling	Nos.	400
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.	0.17
11	Repayment period	year	5
12	Rate of interest for bank loan	%	12
<b>II. Expenditure norms</b>			

1	Cost of construction of brooder cum grower shed	Rs. /sq.ft	150
2	Cost of construction of Layer shed	Rs. /sq.ft	150
3	Cost of construction of store room	Rs. /sq.ft	230
4	Cost of cages for layers	Rs. /bird	100
5	Feeders, waters and dressing equipment	Rs.	20
6	Cost of day-old Chicks	Rs. /bird	30
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, labor & misc. charges	Rs. /bird	8
12	Insurance	Rs. /bird	1
<b>III. Income norms</b>			
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

<b>A. CAPITAL COST</b>				
<b>Sr. No.</b>	<b>Particulars of Machinery.</b>	<b>Quantity</b>	<b>Rate per unit</b>	<b>Total Amount</b>
1.	Cost of housing (1 sq. ft/bird) (60*9=540 Sq. ft)	840	230	1,93,200
2.	Cost of Kuroiler Chicks (Day old)	840	30	24,300
3.	Brooder cum grower equipment	840	40	33600
4.	Laying house	800	70	56000
5.	Water supply system	LS	LS	12000
	<b>Total</b>			<b>319000</b>



**B.****Recurring cost**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Unit</b>	<b>Quantity</b>	<b>Rate per unit (Rs.)</b>	<b>Amount (Rs.)</b>
1	Grower feed for first two batches	Qtl.	22	2600	57200
2	Chick feed from 1 to 4 weeks	Qtl.	4	3000	12000
3	Layer feed from 20 to 52 weeks	Qtl.	18	2700	48600
4	Egg Packing/Tray	Number	2000	4	8000
5	Medicine , vaccine, labor and miscellaneous charges	Rs./bird	500	10	5000
6	Carriage/ Transportation	LS	LS	LS	11000
7	Insurance	%	840	1	840
	<b>Total</b>				<b>142640</b>

## 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

C)				
Total Sale				
Sr.no	Particular	Quantity	Rate (Rs.)	Amount (Rs.)
1	Eggs	60,000	8	480000
2	Meat/Chicken	800	600	480000
	Total (C)			960000

Particulars	Total Amount (Rs.)	Project contribution (75%)	SHG contribution (25%)
Total capital cost	319000	239250	79750
Recurring cost	142640	-	142640
<b>Total</b>	<b>461640</b>	<b>239250</b>	<b>222390</b>

However, an amount of **Rupees 240000** 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:

<b>PARTICULARS</b>	<b>Total Amount (Rs.)</b>	<b>Project Contribution 75%</b>	<b>SHG CONTRIBUTION 25%</b>
<b>CAPITAL COST</b>	<b>319000</b>	239250	79750
<b>RECU RRING EXPEN DITURE</b>	<b>142640</b>	-	142640
Training	38000	38000	-
<b>Total</b>	<b>499640</b>	<b>277250</b>	<b>222390</b>

## 9. Sharing of the profit

The members of SHG have mutually agreed with consent voice that in the 1<sup>st</sup> cycle Rs. 26311 will be paid to each member as income and the remaining profit of Rs.200000 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 (75%)	SHG contribution (25%)
Total capital cost	319000	239250	79750
Recurring cost	142640	-	142640
Training	38000	38000	-
<b>Total</b>	<b>499640</b>	<b>277250</b>	<b>222390</b>

### Note-

- **Capital Cost** - 75% of the total capital cost will be borne by the Project
- **Recurring Cost** –The entire cost will be borne by the SHG/CIG.
- **Trainings/capacity building/skill up-gradation**–Total cost to be borne by the Project

## 8. Sources of funds and procurement:

Project support;	<ul style="list-style-type: none"><li>• 75% of capital cost will be utilized for purchase of product.</li><li>• Upto Rs. 1 lakh will be parked in the SHG bank account as a revolving fund.</li><li>• Trainings/capacity building/ skill up-gradation cost.</li></ul>	Procurement of machines will be done by respective DMU/FCCU after following all codal formalities.
SHG contribution	<ul style="list-style-type: none"><li>• 25 % of capital cost to be borne by SHG.</li><li>• Recurring cost to be borne by SHG</li></ul>	

## 9. Trainings/capacity building/skill up-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-



## Resolution cum Group Consensus Form

### Resolution cum Group Consensus Form

It is decided in the general house meeting of the group Hari Krishna held on 17-10-2022 at Baduhi that our group will undertake the Routary farming as livelihood income generation activity Under the project for implementation of Himachal Pradesh forest ecosystem Management and livelihood (JICA assisted).

Signature of Group President

Kanchan Kumari  
तत्पश्चात्  
श्री. कंचन स्वयं सहायता समूह  
कार्ड नं० 1, ग्राम पंचायत बडूही  
शहर, नूतपुर, (कांगड़ा) हि.प्र.

Signature of Group Secretary

Nandya  
तत्पश्चात्  
श्री. नंद्या स्वयं सहायता समूह  
कार्ड नं० 1, ग्राम पंचायत बडूही  
शहर, नूतपुर, (कांगड़ा) हि.प्र.



## Business Plan Approval By VFDS & DMU

### Business Plan Approval by VFDS & DMU

Havde Krishna Group will undertake the poultry farming 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. 499640/- has been submitted by group on 17/10/2022 and the business plan has been approved by the VFDS Baduhi

Business plan is submitted through FTU for further action please.

Thank you

Signature of Group President

Kanchan Kumari सचिव  
श्री. श्री. शक्ति स्वयं सहायता समूह  
वार्ड नं० 1, ग्राम पंचायत बदुही  
तह. तह. नूरपुर, (कांगड़ा) हि.प्र.

Signature of Group Secretary

Nancy

Signature of President VFDS

Suman Khera सचिव  
ग्राम वन सु (एफ.डी.एस.)  
ग्राम पंचायत, तह. नूरपुर  
जिला कांगड़ा (हि.प्र.)

[Signature] Approved  
DMU cum Nurpur

