

BUSINESS PLAN

INCOME GENERATING ACTIVITY –Achar Chutney/Pickle Making

by

jai Shankar - Self Help Group



SHG/CIG Name	::	Jai Shankar
VFDS Name	::	Giora
Range	::	Indora
Division	::	Nurpur

Prepared Under–



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

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1. Introduction

Achar/Pickles are very important ingredient of dining table across the globe and more often used in the Asia Pacific region. A wide range of variety is used in achar/pickle and varies from region to region depending upon the locally available raw material, taste and food habit of the people.

The most lucrative aspect of the pickle 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 your product and Its taste is liked by the customers the business will flourish like anything. However, the SHG has considered different aspects very carefully before getting into this IGA (income generation activity). 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	::	Jai Shankar
2	VFDS	::	Giora
3	Range	::	Indora
4	Division	::	Nurpur
5	Village	::	Giora
6	Block	::	Gangath
7	District	::	Kangra
8	Total No. of Members in SHG	::	12-Females
9	Date of formation	::	21-08-2022
10	Bank a/c No.	::	21180110081457
11	Bank Details	::	UCO Bank
12	SHG/CIG Monthly Saving	::	20/-
13	Total saving	::	
14	Total inter-loaning	::	/-
15	Cash Credit Limit	::	/-
16	Repayment Status	::	/-
17	Interest rate	::	1%

3. Beneficiaries Detail:

Sr. No	Name (Smt.)	Father / Husband Name (Sh.)	Category	Income Source	Address
1	Jyoti devi	Vijay Singh	Gen	Agriculture	VPO Khanni Upperli Tehsil Nurpur Distt. Kangra HP
2	Priya	Kirpal singh	Gen	Agriculture	VPO Khanni Upperli Tehsil Nurpur Distt. Kangra HP
3	Kavita Devi	Suraj Singh	Gen	Agriculture	VPO Khanni Upperli Tehsil Nurpur Distt. Kangra HP
4	Kusham Devi	Mahinder Singh	Gen	Agriculture	VPO Khanni Upperli Tehsil Nurpur Distt. Kangra HP
5	Rekha Devi	Bhishan Singh	Gen	Agriculture	VPO Khanni Upperli Tehsil Nurpur Distt. Kangra HP
6	Meena Devi	Chuhad singh	Gen	Agriculture	VPO Khanni Upperli Tehsil Nurpur Distt. Kangra HP
7	Suman Lata	Arjun singh	Gen	Agriculture	VPO Khanni Upperli Tehsil Nurpur Distt. Kangra HP
8	Sunita Devi	Jagdish singh	Gen	Agriculture	VPO Khanni Upperli Tehsil Nurpur Distt. Kangra HP
9	Poonam Devi	Balwinder singh	Gen	Agriculture	VPO Khanni Upperli Tehsil Nurpur Distt. Kangra HP
10	Soma Devi	Budhi singh	Gen	Agriculture	VPO Khanni Upperli Tehsil Nurpur Distt. Kangra HP
11	Reena Devi	Rakesh Kumar	Gen	Agriculture	VPO Khanni Upperli Tehsil Nurpur Distt. Kangra HP
12	Jeewan Kumari	Ranjeet singh	Gen	Agriculture	VPO Khanni Upperli Tehsil Nurpur Distt. Kangra HP

4. Geographical details of the Village

1	Distance from the District HQ	::	85Km
2	Distance from Main Road	::	2Km
3	Name of local market & distance	::	Nurpur 7Km
4	Name of main market & distance	::	Nurpur 7Km
5	Name of main cities & distance	::	Kangra 70Km & Pathankot 36 km
6	Name of main cities where product will be sold/ marketed	::	Kangra 70Km & Pathankot 36 km

5. Selection of raw material and market potential

The members of SHG after detailed discussion and thoughtful process were of the consensus that this IGA of achar chutney/pickle making will be suitable for them. People consume different pickles with meal and it serve as taste enhancer. Pickles are also used as toppings for food such as sandwiches, hamburgers, hotdogs, parathas and pulav etc.

Mango and lemon pickles are the most popular variety across the globe. Here particularly in this SHG we will focus mainly on the locally and easily available raw materials such as garlic, ginger, Gal-Gal (hill lemon), lingad, mango, lemon, mushroom, green chillies, fish, chicken and mutton etc.

The pickle market is highly fragmented because of the presence of several large and small vendors and the competition is on the basis of factors such as price, quality, innovation, reputation, service, distribution and promotion to grab lion share in the market. Pickle making is an ideal business on the small scale and mainly for the housewives and other women workforce. In this case it was felt when the sellers of pickles from Khanni Upperli ,

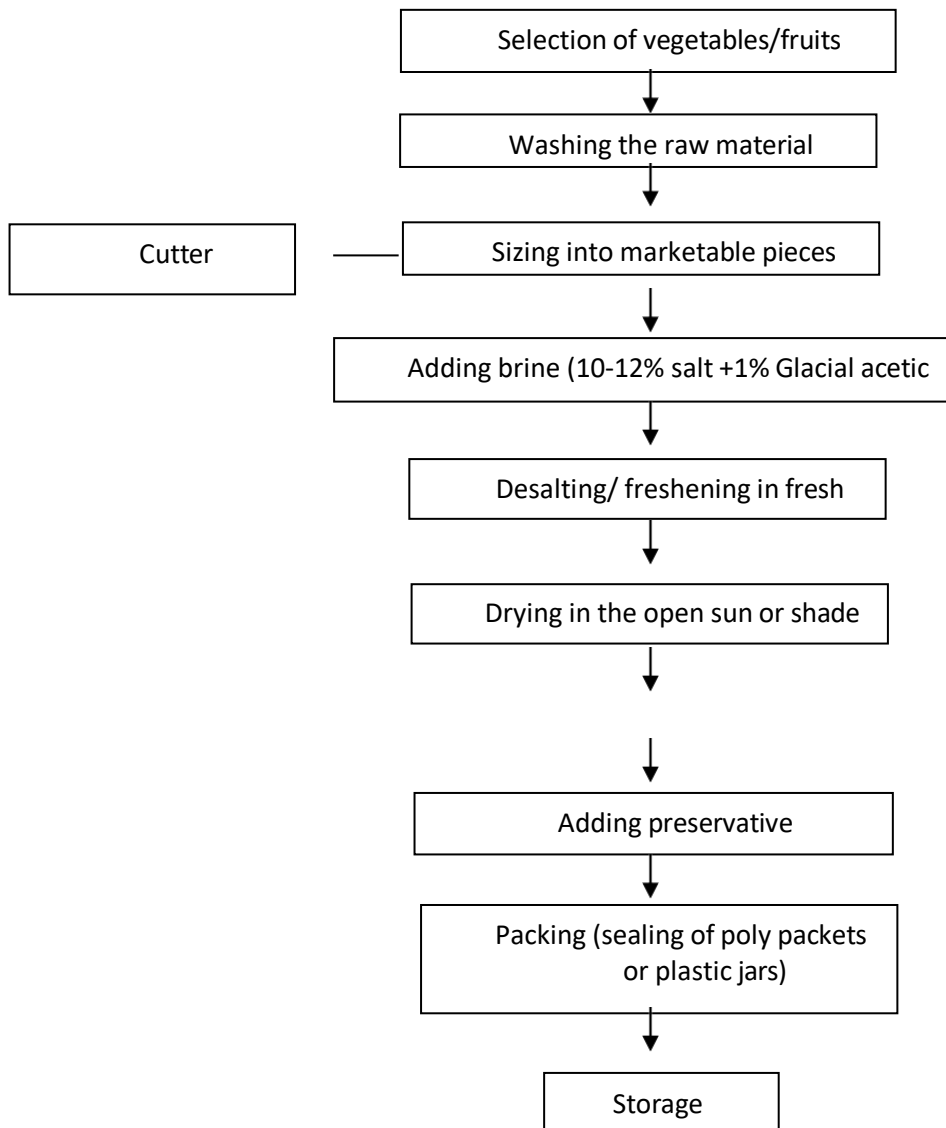
Nurpur and Kangra can sell their pickles in command area then this SHG can do it more vigorously and briskly and compete with such outsiders.

6. Achar chutney/ pickle making business plan

Before starting any IGA (Income generation activity) it is very essential to craft a customized business plan with detailed and structured discussion. The business plan helps to get the clear conception of investment, operational activities, marketing and net income/return. The scope of scale up the business is also envisaged clearly and in addition it helps in arranging finance from the banks. It is advisable to have market survey prior to returning upon the business and plus point is that the group members of this SHG are well aware of the market study. Primarily the SHG studied the demand for the specific type of pickles in their area and mainly the local market was kept as target. The members of SHG has shortlisted the IGA a carefully by making the study of nearby markets and the taste of the people at large and have seen potential to venture upon this activity as IGA.

Most of the raw material is locally available and lingad is naturally growing fern spp. free of cost in the nearby moist areas and nullahas. People of the small townships around this group has inherent liking towards this lingad pickle which otherwise is not available in the open markets.

Flow chart of the Achar chutney making process



7. Achar chutney/pickle making business compliance

Pickle is a food item therefore different regulations of the state government need to be followed. Since the 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.

8. Different types of Achar/pickles

As discussed in earlier chapter mostly the locally and easily available raw material for pickle making will be used. Pickles are of numerous tastes and flavours whereas, the SHG will focus mainly on the traditional and more commonly used pickle in the area and market for which this SHG intends to cater for. Once the business of the SHG picks up the demand driven quality pickle will be prepared and customized as per the taste of the customers.

Some of the most popular and commonly used pickles are mango, bamboo shoot, mushroom, garlic, ginger, lingad, fish and chicken etc. Sometimes the mixed pickles such as garlic - arbi (Ghindyali) mango - green chillies, mix veg. etc. will also be prepared as per the taste and demand of the targeted customers.

9. SWOT Analysis

❖ Strength–

- Activity is being already done by some SHG members
- 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 labour-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
- There are opportunities of expansion with production at a larger scale.
- Daily/weekly consumption and consume 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

10. Achar chutney/ Pickle making equipments

The requirement of equipment or machinery basically depends upon our mode of operation and size of the plan. In this case the SHG will start initially on small and manageable scale. Therefore, the appliances and accessories used in kitchen are enough to meet the demand apart from this some of the machinery will have to be purchased to make the plan viable and therefore some of the basic equipments will also be included for procurement which will help the SHG to scale of its activities at larger level. The following equipments will be procured initially to start the plan:

A. CAPITAL COST		
Sr. No.	Equipment	Approximately cost
1.	Grinder machine	25000
2.	Vegetable dehydrator	10000
3.	Cooking arrangement (commercial Gas cylinder with chullah)	7000
4.	Weighing scale (2 no.'s)	3000
5.	Packaging/ sealing unit	5000
	Total	50000

Sr. No.	Utensils	Quantity	Unit price	Total amount
1.	Pattila	2	2000	4000
2.	Card board	2	150	300
3.	Knife	5	100	500
	Total			4800
	Total capital cost			54800

11. Achar chutney pickle making raw material

The detail of raw material will depend upon the essential availability of different fruits, vegetables and non veg. articles. However, the main raw material will remain mango, ginger, garlic, chilli, lingad, fish, mutton, mushroom, gal-gal, lemon, pear, apricot etc. In addition to these different spices, salt, cooking oil, vinegar etc. will be procured. Apart from this packaging material such as plastic jars, pouches, labels and cartons will be procured. As per the market demand the packaging will be done in 500 g, 1 kg and 2 kg containers/pouches.

In addition to this SHG will hire a spacious room which will be use for operational activities, temporary storage and the command area being in village. The rent per month is presumed to be Rs. 3000 per month. Electricity and water charges have been estimated Rs. 1000 per month. The cost of fruits and vegetables on an average have been estimated at the Rs. 50 per kg and keeping in view the manpower available at our disposal at least 200 kg of achar will be produced in one week and it amounts to be 800 kg in one month. Accordingly, therefore recurring cost for 800kg of achar is calculated as under:

B. RECURRING COST					
Sr. No.	Particulars	Unit	Quantity	Unitcost	Total amount
1.	Room rent	Per month	1	2000	2000
2.	Water & electricity charges	Per month	1	1500	1500
3.	Raw material	kg	700	150	105000
4.	Spices etc.	kg	70	250	17500
5.	Sarson (mustard) oil	kg	80	250	20000
6.	Packaging material	kg	18	250	4500
7.	Transportation charges	month	L/S	8000	8000
8.	Clinical gloves, head cover and aprons etc.	month	L/S	6000	6000
Total recurring cost					164500

Note: The group members will do the work themselves and therefore labour cost has not been included and the members will manage between them the working schedule to be followed.

12. Cost of production (monthly)

Sr.No.	Particulars	Amount
1.	Total recurring cost	164500
2.	10% depreciation monthly on capital cost (54800)	456
	Total	164956

Average income monthly by way of sale of achar/pickle

Sr. No.	Particulars	Quantity	Cost	Amount
1.	Sale of pickles	700 kg	280/Kg	196000

13. Cost benefit analysis (monthly)

Sr. No.	Particulars	Amount
1.	Total recurring cost	164500
2.	Total sale amount	196000
3.	Net profit	31500
4.	Distribution of net profit	1. Out of total sale of Rs. 196000 in 1 st month three lakh rupees will be kept for further investment in IGA 2. The remaining out of total sale will be kept as emergency fund in the SHG account for the 1 st month

14. Fund flow arrangement in the SHG

Sr. No.	Particulars	Total amount	Project contribution	SHG contribution
1.	Total capital cost	54800	41100	13700
2.	Total recurring cost	164500	0	164500
3.	Training/ capacity building, skill upgradation	28000	28000	0
Total		247300	69100	178200

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 upgradation to be borne by the project

15. Training capacity building skill upgradation

The cost of training/ capacity building and skill up-gradation will entirely borne by the project. These are some of the areas which are proposed to be taken care of under this component:

- i) Cost effective procurement of raw material
- ii) Quality control
- iii) Packaging and marketing practices
- iv) Financial management and resource mobilization

16. Other sources of income

Other sources of income can also be explored by the SHG such as grinding mango, amla, pulses, wheat, maize, etc. of the villagers and the local people in the vicinity. It will be additionality in the IGA and later on the same can be scaled up.

17. 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

Group members Photos-

Jai Shankar (SHG) (Gora)



Jeevan Kumari



Reena Devi



Sumanlata



Jyoti



Sunita



Meena Devi



Rekha



Kusum



Kavita



Priya



44 अकर जायका SHG समारोपना नमना

ward

Resolution cum Group Consensus Form

It is decided in the general house meeting of the group Taishankar held on 23-09-2023 at Chola that our group will undertake the Picker making as livelihood income generation activity Under the project for implementation of Himachal Pradesh forest ecosystem Management and livelihood (JICA assisted).

मनीत देवी

प्रधान सचिव कोषाध्यक्ष
रुप शंकर जायका SHG
पंचायत गरोरा

Signature of Group President

Rama Devi

प्रधान सचिव कोषाध्यक्ष
रुप शंकर जायका SHG
पंचायत गरोरा

Signature of Group Secretary

Business Plan Approval by VFDS & DMU

Jai Shankar Group will undertake the Pickle making 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. 247300 has been submitted by group on 23/09/2023 and the business plan has been approved by the VFDS Giora

Business plan is submitted through FTU for further action please.

Thank you

सुनीता देवी
Signature of Group President
शुभ शंकर जायका SHG
पंचायत ग्योरा

Signature of Group Secretary
Reena Devi
प्रधान सचिव कोषाध्यक्ष
शुभ शंकर जायका SHG
पंचायत ग्योरा

Signature of President VFDS

Sonubala
प्रधान सचिव
ग्राम वन सुधार समिति (वी.एफ.डी.एस.)
ग्राम पंचायत ग्योरा, तह. नूरपुर
जिला हरियाणा (हि.प्र.)

Approve
(Amit Sharma) JICA
Divisional Forest Officer
Nurpur Forest Division
Nurpur