

# BUSINESS PLAN

INCOME GENERATING ACTIVITY – (Papad & Badi)

by

**Chamunda -Self Help Group**



SHG/CIG Name	::	Chamunda
VFDS Name	::	Lingrunaag
Range	::	Shahpur
Division	::	Dharamshala

**Prepared Under–**



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

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## 1. Description of SHG/CIG

1	SHG/CIG Name	::	Chamunda
2	VFDS	::	Lingrunaag
3	Range	::	Shahpur
4	Division	::	Dharamshala
5	Village	::	Kanol
6	Block	::	Rirakmar
7	District	::	Kangra
8	Total No. of Members in SHG	::	11
9	Date of formation	::	November 2022
10	Bank a/c No.	::	50075976120
11	Bank Details	::	The Kangra Central CO-op Bank
12	SHG/CIG Monthly Saving	::	50rs
13	Total saving	::	7200
14	Total inter-loaning	::	-
15	Cash Credit Limit	::	Nil
16	Repayment Status	::	1%

## 2. Beneficiaries Detail:

वीणाडी स्वयं सहायता समूह

फोटो के साथ स्वयं सहायता समूह सदस्यों का विवरण

क्र स	नाम	पद	वर्ग	उम्र	शैक्षणिक योग्यता	मोबाइल नंबर
1.	वीणा देवी	प्रधान	अनारक्षित जाति	24	+2	7807398804
2.	हिमानी देवी	उ-प्रधान	दो	26	+2	8580459062
3.	संध्या देवी	सचिव	दो	28	B.A	6230054503
4.	निचा देवी	सदस्य	दो	30	-	7807397461
5.	लादमा देवी	सदस्य	दो	28	-	8894262242
6.	तनुजा देवी	सदस्य	दो	25	5th	8580933065
7.	माना देवी	सदस्य	दो	19	10th	7807193268
8.	डिंपी देवी	सदस्य	दो	28	5th	9015459215
9.	सुलक्षणा देवी	सदस्य	दो	30	-	6230442240
10.	चंद्रेश देवी	सदस्य	दो	36	5th	8626955264
11.	मुनीशा देवी	सदस्य	दो	22	+2	7807934297
12.						
13.						
14.						
15.						
16.						

### 3. Geographical details of the Village

1	Distance from the District HQ	::	55 km
2	Distance from Main Road	::	22 km
3	Name of local market & distance	::	Shahpur 22 Km
4	Name of main market & distance	::	Shahpur 22 Km, Dharamshala 46 Km
5	Name of main cities & distance	::	Shahpur 22 Km, Dharamshala 46 Km
6	Name of main cities where product will be sold/ marketed	::	Shahpur, Dharamshala, Gaggal, Kangra

#### 4.Executive Summary

Papad and Badi making income generation activity has been selected by Chamunda Self Help Group. This IGA will be carried out by all ladies of this SHG. Papad and Badi making is a traditional domestic activity of all the members of this group and they are well conversant with the method of preparing these food article for their household use. Now the group want to make this activity as their livelihood by using the modern equipment and manufacturing these articles in a large scale for commercial purpose so that they can enhance their income. This business activity will be carried out whole year by the group members. The process of making Papad takes around 2-3 days. Approximately 1 kg of Papad will be manufactured by 2 Kg of Pulses. Production process includes process like cleaning, washing, soaking, grinding, drying etc. Initially group will manufacture Papad, 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. Selling price of 1 Kg of Papad will be around 150 per Kg.

Papad (Udad Papad, Masala Papad, moong Papad, Cumin Papad, Garlic Papad, Appalam Papad, Rice Papad, plain Papad) & Badi of Moong, Maah, Masar, Danthal etc. will be made by this group initially. This activity is being already done by some ladies of this group. This business activity will be carried out whole year by group members. The process of making Badi takes around 5 to 7 days and Papad take 2-3 days. For preparation of 1kg Badi, approximately 1.25- 1.50 Kg of daal & For preparation of 1 kg Papad, approximately 2 kg of pulses. and around 150-200 gram of masala (Kaali mirch, Badi Elaichi, Ajwain, Jeera etc etc) are required. Production process includes process like cleaning, washing, soaking, grinding, mixing, drying etc. Initially group will manufacture Badi 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. Selling price of 1 Kg of Badi will be around 200-250 per Kg.

#### 5. Description of Product related to Income Generating Activity

1	Name of the Product	::	Papad & Badi,
2	Method of product identification	::	The group along with JICA staff held many meetings to identify the livelihood activity and discussed on some issues like availability of raw material in the locality , skill for preparation of product marketing status and then all SHG agreed to adopt Papad and Badi making initially and later on more product of similar process will be added.
3	Consent of SHG/ CIG / cluster members	::	All SHG members are agreed and passed resolution with all consent.

## 6. Description of Production Processes for Papad / chutney /Seviyan/Badi making business plan

### FOR PAPAD: -

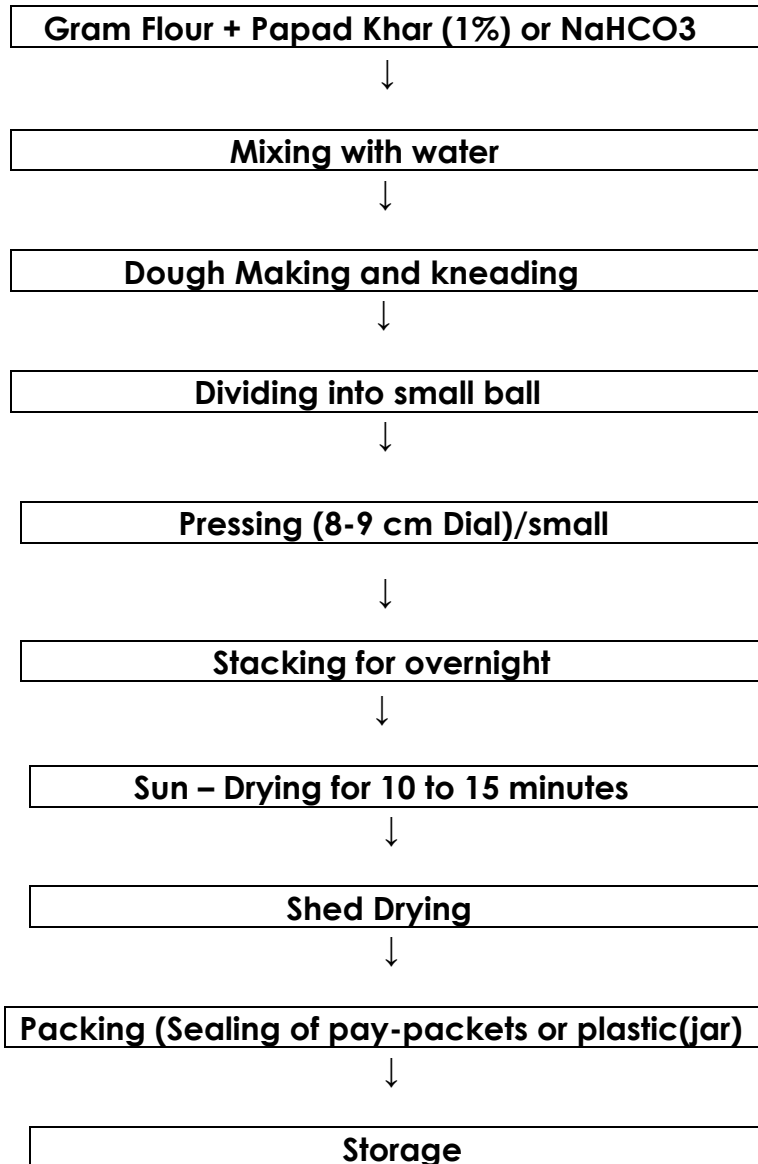
Before starting any IGA (Income generation activity) It is very essential to craft a customized business plan with detailed and structured discussion. The business plan helps to get the clear conception of investment, operational activities, marketing and net income / return. The scope of scale up the 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 Papad in their area and mainly the local market was kept as target. The members of SHG have shortlisted the IGA a carefully be making the study of nearby markets and the taste 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 nulla has. People of the small township around this group has inherent liking towards this Papad chutney Seviyan Badi otherwise is not available I open market.

### FOR BADI: -

- Group will make Badi of moong, Maah, Masar daal and Sepu Badi, soya Badi, Danthal (arbi pata) and other pulses. This business activity will be carried out whole year by group members.
- The process of making Badi takes around 5-7 days and 8-10 days for Papad making.
- Based on assumption/experience - 2 kg of Badi will be prepared by 1.25-1.50 Kg of daal and 10-15 kg of masala (Kaali mirch, Badi Elaichi, Ajwain, Jeera etc).
- Production process includes process like cleaning, washing, soaking, grinding, mixing, drying etc.
- Initially group will prepare 50 kg Badi and 150 kg of Papad month and in future, group will prepare as per demand and will also make other products which follow same production process.

**(Flow chart of the Papad & Badi Making Process)**





## 7. Description of Production Planning

1	Production Cycle (in days)	::	5-7 days for Badi and 8-10 days for Papad
2	Manpower 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 cycle (Kg)	::	200 kg daal and 10-15 Kg masala for Badi and Papad
6	Expected production per cycle (Kg)	::	150 Papad kg and 50 kg Badi

### Requirement of raw material and expected production

Sr.no	Raw material	unit	Time	Quantity	Amount per kg (Rs)	Total amount	Expected production Monthly (Kg)
1	Daal	Kg	Monthly	450	150	67500	350 Papad 140 kg Badi
2	Masala	Kg	Monthly	40	250	10000	

## 8. Description of Marketing/ Sale

1	Potential market places	::	Pathankot, Shahpur, Kangra
2	Distance from the unit	::	22km, 46km, 60km.
3	Demand of the product in market place/s	::	Daily demand and high demand at the time of festive and marriage occasions.
4	Process of identification of market	::	Group members, according to their production potential and demand in market, will select/list retailer/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 1 Kg packaging.
6	Product branding		At CIG/SHG level product will be marketed by branding CIG/SHG. Later this IGA may require branding at cluster level
7	Product "slogan"		"A product of SHG Chamunda"

## 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

### ❖ Weakness–

- Effect of temperature, humidity, moisture on manufacturing process/product.
- Highly labour-intensive work.
- In winter and rainy season product manufacturing cycle will increase

### ❖ Opportunity–

- High demand in festive and marriage occasion
- Location of markets
- 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

## 1. 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.

## 1. Description of Economics:

<b>A. CAPITAL COST</b>				
<b>Sr.no</b>	<b>Particulars</b>	<b>Quantity</b>	<b>Unit Price</b>	<b>Total Amount (Rs.)</b>
1	Wet Grinder Machine (2HP) with installation and Transportation up to site	1	22,000	22,000
2	Papad Making Machine	1	12000	12000
3	Dry Grinder / Mixture (Heavy duty) 1 kg capacity	1	6,000	6000
4	Cooking arrangement (Commercial Gas cylinder + Chullah)	LS	LS	12000
5	Water tub	2	500	1000
6	Cutting Roller	<b>LS</b>	<b>15000</b>	15000
7	Labelling Machine	1	<b>10000</b>	10000
8	Drum for storage- daal raw material etc-(80-100ltr) plastic	3	1200	3600
9	Plastic Mugs		LS	600
10	Kitchen tools		LS	2200
11	Finished product storage almirah/racks	4	LS	3200
12	Digital Weighing Scale Machine	2	1200	2400
13	Poly Sealing Table Top Heat Sealer Pouch Plastic Packaging Machines	1	2500	2500
14	Apron, cap, plastic hand gloves etc		LS	1200
15	Dough Maker and Mixer Machine	1	16000	16000
16	Packaging Material	LS	LS	3000
	<b>Total Capital Cost (A) =</b>			<b>112700</b>

<b>B. RECURRING COST</b>					
Sr.no	Particulars	Unit	Quantity	Price	Total Amount (Rs)
1	Raw material (daal)	Kg/month	450	160	72000
2	Raw material (masala)	Kg/month	40	250	10000
3	Rent	Month	1	3000	3000
4	Labour (will be done by SHG members)	5 hours	350	100	35000
5	Transportation	Month	1	2000	2000
6	Other (stationary, electricity, water bill, machine repair)	Month	1	2500	2500
Recurring Cost					124500
<b>Total Recurring Cost B = 124500</b> <b>(Recurring cost- Labour cost) as work/labour will be done by SHG members.</b> <b>= 89500</b>					

<b>C. Cost of Production (Monthly)</b>		
Sr. No	Particulars	Amount (Rs)
1	Total Recurring Cost	124500
2	10% depreciation Monthly on capital cost	1122
	<b>Total</b>	<b>125622</b>

<b>D. Selling Price calculation (per cycle)</b>					
Sr. No	Particulars	Unit	Quantity	Amount (Rs)	
1	Cost of Production	Kg	1	350+140=490	It will decrease as the quantity of Production Increase.
2	Current market price	Kg	1	200 for Papad and 180 for Badi	
3	Expected Selling Price by SHG	Rs	1	350 for Papad and 300 for Badi	

## 2. Analysis of Income and Expenditure (Monthly):

Sr. No	Particulars	Amount (Rs)
1	10% depreciation annually on capital cost	11270
2	Total Recurring Cost	124500
3	Total Production / Month (kg)	Papad 300 kg and Badi 90 kg
4	Selling Price (per Kg)	Papad 225 per kg Badi 135 per kg
5	Income generation Papad and for Badi	for Papad 200kg@350per= 70000, Badi 180@300 = 54000 Total = 124000
6	Net profit (124000- 89500)	34500/-
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>

### 3. Fund requirement:

Sr.no	Particulars	Total Amount (Rs)	Project Contribution	SHG Contribution
1	Total capital cost	112700	84525	28175
2	Total Recurring Cost	124500	0	124500
3	Trainings/capacity building/ skill up-gradation	50,000	50,000	0
	<b>Total</b>	287200	134525	152675

#### Note-

- **Capital Cost** - 75% of capital cost to be covered under the Project
- **Recurring Cost** - To be borne by the SHG/CIG.
- **Trainings/capacity building/ skill up-gradation** - To be borne by the Project

### 4. Sources of fund:

<b>Project support;</b>	<ul style="list-style-type: none"> <li>• 75% of capital cost will give by the project</li> <li>• UptoRs1 lakh will be parked in the SHG bank account (as Revolving Fund).</li> <li>• Trainings/capacity building/ skill up-gradation cost will be borne by the project.</li> <li>• In case SHG take loan from bank 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 instalments of the principal amount on regular basis.</li> </ul>	Procurement of machineries/equipment will be done by respective DMU/FCCU after following all codal formalities.
<b>SHG contribution</b>	<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>	

## **1. 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-gradations proposed/needed:

- Cost effective procurement of raw material
- Quality control
- Packaging and Marketing
- Financial Management

## **2. Computation of break-even Point**

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

In this process breakeven will be achieved after selling 1050 Kg of Papad and 554 kg Badi. Therefore, breakeven will be achieved in 4-5 months.

## **3. Other sources of income:**

Income from grinding Daal, wheat, maize etc of villagers/local people.

## **4. 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 instalments of the principal amount on regular basis



## **5. 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
- Production level
- Quality of product
- Quantity sold
- Market reach

Meeting with group Members

**Group members Photos-**



*Sandhya*  
हस्ताक्षर  
सचिव स्वयं सहायता समूह

veena devi  
हस्ताक्षर  
प्रधान स्वयं सहायता समूह

*Sandhya*  
हस्ताक्षर  
सचिव, वन ग्रामीण विकास  
समिति

*रमि*  
हस्ताक्षर  
प्रधान, वन ग्रामीण विकास  
समिति

*Ste Kanol*  
हस्ताक्षर  
वन रक्षक

*Meena*  
Block Forest Officer  
Block अधिकारी

*Disa Kanol*  
Range Forest Officer  
समिति अधिकारी  
(H.P.)

*1*  
Divisional Forest Officer  
Forest Division  
Dharamshala

