

BUSINESS - PLAN

INCOME GENERATING ACTIVITY-Achar Chutney / Pickle Making

By

SHG Shree Shree –Self Help Group



SHG/CIG Name	::	Shree Shree
VFDS Name	::	Tikkar
Range	::	Dehra
Division	::	Dehra Division

Prepared Under–



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

Table of Contents

Sr.No.	Particulars	Page/s
1	Introduction	3
2	Description of SHG/CIG	3
3	Beneficiaries Detail	4
4	Geographical details of the Villages	4
5	Selection of raw material and market potential	4
6	Achar chutney/ pickle making business plan	5
7	Achar chutney/ pickle making business compliance	6
8	Different types of Achar /pickles	7
9	SWOT Analysis	7
10	Achar chutney /Pickle making equipment's	8
11	Achar chutney/pickle making raw material	8
12	Cost of production (monthly)	9
13	Cost benefit analysis (monthly)	10
14	Fund flow arrangement in the SHG	10
15	Training capacity building skill up gradation	10
16	Other sources of income	11
17	Monitoring method	11
18	Remarks	11
	Group members Photos	

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 here under:

2. Description of SHG/CIG

1	SHG/CIG Name	::	SHG Shree Shree
2	VFDS	::	Tikkar
3	Range	::	Dehra
4	Division	::	Dehra Division
5	Village	::	Tikkar
6	Block	::	Pir Saluhi
7	District	::	Kangra (H.P)
8	Total No. of Members in SHG	::	08
9	Date of formation	::	15-09-2022
10	Bank a/c No.	::	50100603770061
11	Bank Details	::	HDFC Bank
12	SHG/CIG Monthly Saving	::	50rs
13	Total saving	::	550rs
14	Total inter-loaning	::	1500rs
15	Cash Credit Limit	::	-
16	Repayment Status	::	-
17	Interest rate	::	1%

3. Beneficiaries Detail:

Sr No.	Name	Father/Husband Name	Age	Education	Category	Income Source	Address
1	Anjali	W/O Mandeep Kumar Dogra	34	MA	GEN	Agriculture	Vill-Tikkar
2	Seema Devi	W/O Yashpal	44	8th	GEN	Agriculture	Vill-Tikkar
3	Rekha Rani	W/O Kamal Kishore	50	+2	GEN	Agriculture	Vill-Tikkar
4	Neetu	W/o Ashwani	50	10th	OBC	Agriculture	Vill-Tikkar
5	Sapna Devi	W/O Ashok Kumar Rana	32	illiterate	GEN	Agriculture	Vill-Tikkar
6	Kanta Devi	W/O Late Jaswant Singh	69	5th	GEN	Agriculture	Vill-Tikkar
7	Gaytari Devi	W/O Jagat Ram	75	5th	SC	Agriculture	Vill-Tikkar
8	Raj Dulari Dogra	W/O Late JagdishPaul Dogra	67	10th	GEN	Agriculture	Vill-Tikkar

4. Geographical details of the Village

1	Distance from the District HQ	::	85 km
2	Distance from Main Road	::	400 mtr
3	Name of local market & distance	::	Shantla & 3 km
4	Name of main market & distance	::	Naduan & 17 km
5	Name of main cities & distance	::	Kangra, Hamirpur, Naduan & 70km, 40 & 17
6	Name of main cities where product will be sold/marketed	::	Rakkar, Kangra, Naduan

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 a stopping for food such as sandwiches, hamburgers, hot dogs, parathas and pulao 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), ligand, mango, lemon, mushroom, green chilies, fish, chicken and mutton etc.

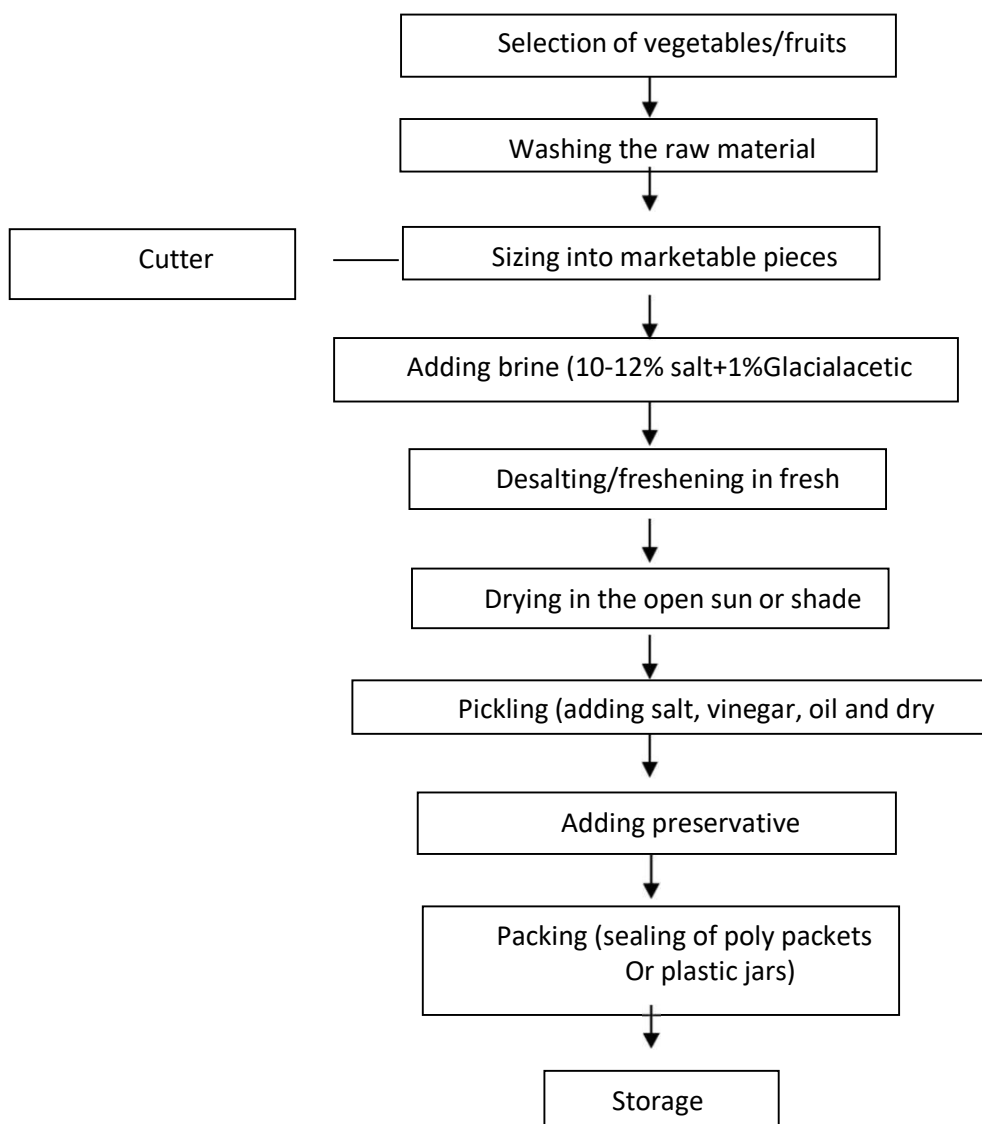
The pickle market is highly fragmented because of the presence of several large and small vendors and the competition is on the basis of factors such as price, quality, innovation, reputation, service, distribution and promotion to grab lion share in the market. Pickle making is an ideal business on the small scale and mainly for the housewives and other women workforce. In this case it was felt when the sellers of pickles from Tikkar, Palampur, Kangra, Naduan, Rakkar, Dehra, Jawalamukhi 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 have 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 ligand is naturally growing fern spp. free of cost in the nearby moist area sand nulla has. 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 regulation 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 taste and flavors 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, ligand, fish and chicken etc. Sometimes the mixed pickles such as garlic - Arbi (Ghindyali) mango - green chilies, 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 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–Fastfoodstalls–Retailers–Wholesalers–
Canteen - Restaurants → Chef sand cooks– House wives
- 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 equipment's

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 equipment's will also be included for procurement which will help the SHG to scale of its activities at larger level. The following equipment's will be procured initially to start the plan:

Sr.No.	Equipment	Quantity	Unit Cost	Total Amount
1	Grinder machine	1	5000	5000
2	Commercial Gas & Cylinder with Chullah	1	4000	4000
3	Clinical Gloves, Head Cover, Apron	LS	2500	2500
4	Weighing Scale/Machine	1	2500	2500
5	Packaging & sealing Unit	1	13000	13000
6	Transportation charges	LS	2000	2000
7	Pattila & Kadahi	LS	4500	4500
8	Chopping Board	2	300	600
9	Knife	3	50	150
10	Other Kitchen Tools (Vegetable Peeler, Ladle, Whisk, Plastic Tub, Mug)	LS	2000	2000
11	Mat	2	1500	3000
12	Solar Dryer	1	LS	21000
	Total Capital cost = 60250/-			

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, chili, ligand, 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 500g, 1 kg and 2 kg containers/pouches.

In addition to this SHG will hire a spacious room which will be used for operational activities, temporary storage and the command area being in village. The rent per month is presumed to be Rs. 1500 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 150 kg of Achar will be produced in one week and it amounts to be 600 kg in one month. Accordingly, therefore recurring cost for 600 kg of Achar is calculated as under:

B. RECURRING COST					
Sr. No.	Particulars	Unit	Quantity	Unit cost	Total amount
1.	Room rent	Per month	1	1500	1500
2.	Water & electricity charges	Per month	1	1000	1000
3.	Raw material	kg	600	50	30000
4.	Spices etc.	kg	50	250	12500
5.	Sarson (mustard)oil	kg	50	200	10000
Total recurring cost = 55000/-					

Note: The group members will do the work themselves and therefore labor 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	55000
2.	10% depreciation monthly on capital cost	6025
	Total	61025/-

Average income monthly by way of sale of achar/pickle

Sr. No.	Particulars	Quantity	Cost	Amount
1.	Sale of pickles	600 kg	200Kg	120000

13. Cost benefit analysis (monthly)

Sr. No.	Particulars	Amount
1.	Total recurring cost	55000
2.	Total sale amount	120000
3.	Net profit (Cost of production – Total sale)	58975/-
4.	Distribution of net profit	1. Out of total sale of Rs120000 in 1 st month one lakh rupees will be kept for further investment in IGA 2. Rs. 80000 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 75%	SHG contribution 25%
1.	Total capital cost	60250	45187	15063
2	Recurring cost	55000	0	55000
	Training	20800	20800	-
	Total Amount	136050/-	65987	70063

*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 up gradation to be borne by the project*

15. Training capacity building skill up gradation

The cost of training/ capacity building and skill up-gradation will entirely be 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 areas:

- Size of the group
- Fund management
- Investment
- Income generation
- Quality of product

GROUP MEMBER PHOTO'S



RESOLUTION - CUM - GROUP CONSENT

Resolution - cum - Group Consensus Form

It is decided in the General House meeting of the group ...~~V.P.S. T.D. K.P.~~ *Shree..shree* that our group will undertake the *Ashar..chabrey* Livelihood Income Generation Activity under the Project for improvement of Himachal-Pradesh Forest Ecosystem Management & Livelihoods (JICA Assisted).

Raj'ulu'

Signature's of Group Pradhan

श्रीमा देवी

Signature's of Group Secretary



BUSINESS PLAN APPROVAL BY VFDS & DMU

Shree..shree..Group will undertaken the *Rihar..chhatrey*, livelihood Income Generation Activity under the project for implementation of Himachal Pradesh Forest Ecosystem Management & livelihood (JICA assisted). In this regard business plan of amount Rs. *60,250/-* has been submitted by group on *05/09/2024* And the business plan has been approved by the VFDS...*Tikkar..*

Business plan submitted through FTU for further action please.

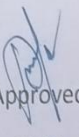
Thank you

Rajeshwari

Signature of Group President

सीमा देवी



Signature of Group Secretary


Approved

DMU – CUM - Dehra

Submitted to DMU through FTU


Name & Signature of FTU Officer
Range Forest Office,
Kangra (H.P)

 
Name & Signature of FTU Coordinator

Approved


Name & Signature of DMU officer

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Prepared by:

Mr. Madan Lal Sharma (Retd. HPFS)

Miss Deeksha Devi (SMS)

Miss Shivani (FTU Co-Ordinator)