



Business Plan

On

Income Generation Activity

FOOD PROCESSING – Achar Chatney/ PICKLE MAKING

For

Self Help Group – Jai Nagar Koti Mata



SHG/CIG Name

Jai Nagar Koti Mata

VFDS Name

Jakhori Pujarli

Range

Saraswati Nagar

Division

Rohru

Prepared Under-

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

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| 25. | Approval | 16-17 |



1. Introduction-

Fruits and vegetables preserved in common salt, vinegar, oil or citrus fruit juices are called pickles. Pickles are usually made from a mixture of vegetables and fruits. They are eaten as a savoury, spicy accompaniment to a meal. Pickles are made by immersing the fruits or vegetables in the brine or vinegar solution and stored for a period of time during which the ingredients goes through the pickling process and acquire the desired taste. Pickles are usually weet or sour in taste and are often spicy. They acquire the taste of the key ingredient which is the vegetable or fruit of which the pickle is made. Mango, lime, carrot, bittergourd, beans, chillies, garlic, ginger, brinjal and onion are mainly processed for pickles.

The most lucrative aspect of the picklemaking 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 the product is liked by customers the business will flourish like anything.

After discussing about the market potential and different aspects very carefully before getting into this IGA (Income Generation Activity). The Jai Mata Nagar Koti SHG group has collectively decided of picklemaking as their Income Generation Activity (IGA). Jai Mata Nagar Koti SHG is formed under Project for Improvement of Himachal Pradesh Forest Ecosystems Management & Livelihoods (JICA Assisted), which fall under VFDS Jakhori Pujarli. This SHG consists of 13 females. These females already had the experience of making pickles and now with the help of this project funding, training and assistance, they will be able to manufacture pickles at a large scale and will become self independent and generate income. 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 | Jai Nagar Koti Mata |
| 2. | VFDS | Jakhor Pujarli |
| 3. | Range | Saraswati Nagar |
| 4. | Division | Rohru |
| 5. | Village | Jakhor |
| 6. | Block | Jubbal |
| 7. | District | Shimla |
| 8. | Total no. of members in SHG | 13 |
| 9. | Date of formation | 01-04-2923 |
| 10. | Bank a/c No. | 45410102862 |
| 11. | Bank details | HP State Cooporative Bank Mandal |
| 12. | SHG/CIG monthly savings | 100 |
| 13. | Total saving | 17667 |
| 14. | Total inter loaning | -- |
| 15. | Cash Credit Limit | -- |
| 16. | Repayment status | -- |

3. Beneficiaries Detail

| Sr. No. | Name | Father/Husband Name | Category | Income Source | Address |
|---------|-----------------------|-----------------------------|----------|---------------|--|
| 1 | Smt. Rajni Thakur | Sh. Dev Raj Thakur | General | Agriculture | Vill. Jakhori P.O. Mandal The. Jubbal Distt. Shimla |
| 2 | Smt. Satya Bhabta | Sh. Jagdish Bhabta | General | Agriculture | Vill. Jakhori P.O. Mandal The. Jubbal Distt. Shimla |
| 3 | Smt. Kamlesh Thakur | Sh. Kripal Thakur | General | Agriculture | Vill. Jakhori P.O. Mandal The. Jubbal Distt. Shimla |
| 4 | Smt. Sunita Shaktan | Sh. Kalyan Shaktan | General | Agriculture | Vill. Jakhori P.O. Mandal The. Jubbal Distt. Shimla |
| 5 | Smt. Kalpana Shaktan | Sh. Pradeep Shaktan | General | Agriculture | Vill. Jakhori P.O. Mandal The. Jubbal Distt. Shimla |
| 6 | Smt. Anjana Bhabta | Sh. Arun Bhabta | General | Agriculture | Vill. Jakhori P.O. Mandal The. Jubbal Distt. Shimla |
| 7 | Smt. Sunita Chauhan | Sh. Ramesh Chauhan | General | Agriculture | Vill. Jakhori P.O. Mandal The. Jubbal Distt. Shimla |
| 8 | Smt. Dropti Bhojta | Sh. Sohan Singh Bhojta | General | Agriculture | Vill. Jakhori P.O. Mandal The. Jubbal Distt. Shimla |
| 9 | Smt. Savita Verma | Sh. Prem Verma | General | Agriculture | Vill. Jakhori P.O. Mandal The. Jubbal Distt. Shimla |
| 10 | Smt. Sanju Bhabta | Lt. Sh. Trilok Chand Bhabta | General | Agriculture | Vill. Jakhori P.O. Mandal The. Jubbal Distt. Shimla |
| 11 | Smt. Champa Bhabta | Sh. Tek Chand Bhabta | General | Agriculture | Vill. Jakhori P.O. Mandal The. Jubbal Distt. Shimla |
| 12 | Smt. Narendera Thakur | Sh. Kamal Kishor Thakur | General | Agriculture | Vill. Jakhori P.O. Mandal The. Jubbal Distt. Shimla |
| 13 | Smt. Hem Lata Verma | Sh. Bhopinder Verma | General | Agriculture | Vill. Jakhori P.O. Mandal The. Jubbal Distt. Shimla |



4. Geographical details of the Village

| | | |
|---|---|--|
| 1 | Distance from the District HQ | 120 Km |
| 2 | Distance from Main Road | 0.5 KM |
| 3 | Name of local market & distance | Mandal - 1 Km |
| 4 | Name of main market & distance | Sawra - 18 Km, Rohru-30 Km |
| 5 | Name of places/locations where product will be sold/ marketed | Villages covered – Mandal, Jakhor, Pujarli, Ramnagri, Jhaktan. |
| 6 | Name of main cities where product will be sold/marketed | ◇ Rohru ◇ Khadapathar ◇ Theog ◇ Shimla |

4. Market Potential-

The market of pickles is on the ever increasing side both in domestic and export market. The popular variety of pickles are mango pickle, lime pickle, mix vegetable, red chilies pickle etc. Ginger, garlic mushrooms pickles have also gained popularity in the recent years. Pickles are one of the earliest commercial product appeared in the market a product of fruits and vegetable preservation. A large number of brands of pickles are available in the market still there exist good scale for new brands and of palatability.

5. Executive Summary-

Food Processing (Pickle making) income generation activity has been selected by this Self Help Group. This IGA will be carried out by all ladies of this SHG. This business activity will be carried out yearly by group members. The process of making pickle takes around 3-7 days. Production process includes process like washing, slicing of vegetables, adding brine, desalting, adding species, oil and add preservative and finally packing. Initially group will manufacture one type of pickle but in future, group will manufacture other pickle products increasing the varieties of pickle which follow same process. Product will be sold directly by group or indirectly through retailers and whole seller of near market initially.



6. Description of product related to Income Generating Activity-

| | | |
|---|------------------------------------|-----------------------------------|
| 1 | Name of the Product | Pickle making |
| 2 | Method of product identification | Has been decided by group members |
| 3 | Consent of SHG/CIG/cluster members | Yes |

7. Description of Production Processes-

Flow Sheet for the Preparation of Pickles

Fruit and Vegetables



Preparation of the fruit



Add salt or brine



Fermentation



Pickle



Add spices and oils



Fill



Pack/Seal add oil



8. Pickle making business compliance-

Pickle is a food item therefore different regulation of the state government need to be followed. Since IGA is being taken up initially on small scale therefore these legal issues will be addressed 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.

9. Production Planning-

| | | |
|---|--|---------------------------|
| 1 | Production cycle for pickle making (in days) | 3-7days |
| 2 | Man power 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 month (Kg) | 700kg |
| 6 | Expected production per month (Kg) | 1000Kg |

Requirement of raw material and expected production:

| Sr. No | Raw material | Unit | Time | Quantity (approx) | Amount per Kg (Rs) | Total amount | Expected production Per month(Kg) |
|--------|-----------------------|------|---------|-------------------|--------------------|--------------|-----------------------------------|
| 1 | Vegetables and fruits | Kg | Monthly | 700 | 50 | 35,000 | 1000 |

10. Description of Sale &Marketing-

| | | |
|---|---|---|
| 1 | Potential market places | Rohru , Khadaphathar, Theog , Shimla |
| 2 | Distance from the unit | ◇ Rohru-30Km ◇ Khadaphathar-32Km ◇ Theog-80Km ◇ Shimla-130Km |
| 3 | Demand of the production market place/s | Daily demand |

| | | |
|---|-------------------------------------|--|
| 4 | Process of identification of market | Group members ,according to their production potential and demand in market, will select list of retailer or 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 5 and 1Kg packaging. |
| 6 | Product branding | At CIG/SHG level product will be marketed by branding CIG/SHG. Later this IGA may required branding at cluster level |
| 7 | Product "slogan" | "A product of SHG" |

11. SWOT Analysis-

❖ Strength-

- ❖ 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 others 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 consumption. And consumption 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.



12. Description of management among members-

By mutual consent SHG group members will decide the role and responsibility to carry out the work. Work will be divided among members according to the 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.

13. Description of Economics-

| A. Capital Cost | | | | |
|---------------------------------------|--|----------|------------|------------|
| S.No. | Particulars | Quantity | Unit Price | Amount(Rs) |
| 1 | Mixer | 2 | 8,000 | 16,000 |
| 2 | Vegetable dehydrator | 1 | 17,000 | 17,000 |
| 3 | Finished product racks/almirah | 1 | 8,000 | 8,000 |
| 4 | Iron Racks | 2 | 10,000 | 10,000 |
| 5 | Kitchen tools:-Vessel 1 No (capacity 20 to 25 kg), Spice Jars 10 No., Ladle 5 No., Platter 3 No, Oil Funnel 2 No, Tub 9 No, Knife 17 No, Steel Jug 3 No. | | LS | 20,000 |
| 6 | Hand operated jar sealing machine | 1 | LS | 15,000 |
| 7 | Apron 13,gloves 13,Hair caps13.etc | | LS | 5,000 |
| 8 | Table | 2 | 3000 | 6000 |
| 9 | Small Stool (Patla) | 13 | 270 | 3510 |
| 10 | Mesh Basket | 9 | 250 | 2250 |
| 11 | Small Drum (Capacity 50 Kg-5 No,100kg- 2 No) | 7 | 800 | 5600 |
| 12 | Weight Machine(0 -500 grm, 0-50kg) | 2 | L | 6500 |
| 13 | Apple Coaring Machine | 2 | 2500 | 5000 |
| TotalCapitalCost(A)=Rs1,19,860 | | | | |

| B. Recurring Cost | | | | | |
|-------------------------------------|---|-------|----------|------------|-------------------|
| S.No. | Particulars | Unit | Quantity | Unit Price | Total Amount (Rs) |
| 1 | Raw material | Month | 700kg | 50 | 35,000 |
| 2 | Raw material masala | Month | 235kg | 120 | 28,200 |
| 3 | Packaging material | Month | LS | 16,000 | 16,000 |
| 4 | Transportation | Month | 1 | 2,000 | 2,000 |
| 5 | Other (Stationary, electricity bill etc.) | Month | 1 | 2,000 | 2,000 |
| TotalRecurringCost(B)=83,200 | | | | | |

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

| C. Cost of production | | |
|-----------------------|---|--------|
| S.No. | Particulars | Amount |
| 1 | Total recurring cost | 83,200 |
| 2 | 10% depreciation annually on capital cost | 11,986 |
| Total=1,03,400 | | |

| D. Selling price calculation | | | |
|------------------------------|------------------------|------|---------|
| S.No. | Particulars | Unit | Amount |
| 1 | Cost of production | Kg | 120 |
| 2 | Current market price | Kg | 150-300 |
| 3 | Expected selling price | Rs | 200 |

| E. Average income monthly by way of sale of pickle | | | | |
|--|-----------------|----------|------------|----------|
| S.No. | Particulars | Quantity | Cost(Rs.) | Amount |
| 1 | Sale of pickles | 1000 Kg | 200 per Kg | 2,00,000 |

14. Cost Benefit Analysis (Monthly)

| Cost benefit analysis (monthly) | | |
|---------------------------------|---|--|
| S. No. | Particulars | Amount |
| 1 | Total recurring cost | 83,200 |
| 2 | Total sale amount | 2,00,000 |
| 3 | Net profit (Sale amount-Recurring cost) | 1,16,800 |
| 4 | Distribution of net profit | <ul style="list-style-type: none"> ◇ Profit will be distributed equally among members monthly/yearly basis. ◇ Profit will be utilized to meet recurring cost. ◇ Profit will be used for further investment in IGA |



15. Fundflow arrangement in SHG-

| S.No. | Particulars | Total Amount (Rs) | Project Contribution | SHG contribution |
|-------|--|-------------------|----------------------|------------------|
| 1 | Total capital cost | 1,19,860 | 89,895 | 29,965 |
| 2 | Total Recurring Cost | 83,200 | 0 | 83,200 |
| 3 | Training/capacity building/skill up-gradation. | 50,000 | 50,000 | 0 |
| Total | | 2,53,060 | 1,39,895 | 1,13,165 |

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.

16. Sources of Fund-

| | | |
|------------------|---|--|
| Project support | <ul style="list-style-type: none"> ◇ 75% of capital cost will be provided by project if members be long to SC/ST/Poor women. If the members be long to general then 50% capital cost is will be borne by project. ◇ Upto Rs 1 lakhs will be parked in the SHG bank account. ◇ Training/capacity building/skill up -gradation cost. ◇ 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 installments of the Principal amount on regular basis. | Procurement of machines/equipment will be done by respective DMU/FCCU after Following all codal formalities. |
| SHG Contribution | <ul style="list-style-type: none"> ◇ 75% or 25% of capital cost to be borne by SHG for general category and other categories respectively. ◇ Recurring cost to be borne by SHG. | |

17. Training/ capacity building/ skill up-gradation-

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

Following are some training/ capacity building/ skill up -gradation proposed/needed:

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

18. Computation of break-even point-

=Capital Expenditure/(selling price (perkg)-cost of production (perkg))

=1,19,860 (200-120)

=1498 Kg

In this process break-even will be achieved after selling 1500kg of pickles.

19. 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 has to pay the installments of the Principal amount on regular basis.

20. 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



21. Remarks

The group consists of all women members which belong to low income group and they can contribute 25% and project has to be a remaining 75%.

Group Photograph:-



14

SHGname:JaiMataSimsa

VFDS:Gangoti

Range:LadBharol


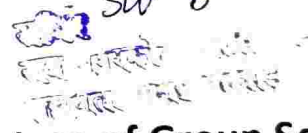
Division:JoginderNagar

Resolution-Cum-Group Consensus

It is decided in the General House Meeting of the Jai Nagar Koti Mata Self Help Group Jakhaz held on dated 11-08-2024 at Jakhaz that our group will undertake the Pickle Making as Livelihood Income Generation Activity under the Project for Improvement of Himachal Pradesh Forest Ecosystems Management & Livelihoods (JICA Assisted).




Signature of Group President

Signature of Group Secretary

Business Plan Approval by VFDS

Jai Nagar Koti Mata group will undertake the Pickle making as

Livelihood Income Generation Activity under the Project for Improvement of
Himachal Pradesh Forest Ecosystems Management & Livelihoods (JICA Assisted).

In this regard Business Plan of amount (Rs) 2,53,060-00 has been submitted
by this group on dated 24-09-2024 and this business plan has been
approved by VFDS Jakhaz Pujarli


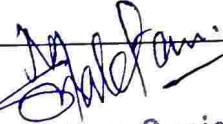
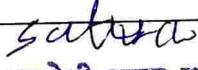
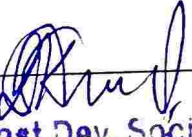
Business Plan with SHG resolution is being submitted to DMU through FTU
for further action Please.

Thank You

President
Village Forest Dev. Society
Signature of VFDS President
Teh. Jubbal Distt. Shimla H.P.

Secretary
Village Forest Dev. Society
Jakhaz-Pujarli G.P. Mandal
Signature of VFDS Secretary
Teh. Jubbal Distt. Shimla H.P.

Name and Signature of Authorize Signatories

| | |
|--|---|
| <p>प्रधान  जय नगरकोटी माता स्वयं सहायता समूह जखोड</p> | <p>President  Village Forest Dev. Society Jakhar-Pujarli G.P. Mandal Teh. Jubbal Distt. Shimla H.P.</p> |
| <p>सचिव  जय नगरकोटी माता स्वयं सहायता समूह जखोड</p> | <p>Secretary  Village Forest Dev. Society Jakhar-Pujarli G.P. Mandal Teh. Jubbal Distt. Shimla H.P.</p> |

Submitted to DMU through FTU

Name and Signature of FTU Officer

Name and Signature of FTU Coordinator

Approved


11/11/24.
Divisional Forest Officer
Rohru Forest Division,
Rohru

Name and Signature of DMU Officer