

Business Plan

INCOMEGENERATINGACTIVITY- PickleMaking
by
Self Help Group Nari Shakti Shillal



SHG/CIGName	::	SHG Nari Shakti Shillal
VFDSName	::	Shillal
Range	::	Kanda
Division	::	Chopal

Prepared Under-



**ProjectforImprovementofHimachalPradeshForestEcosystemsManagement
&Livelihoods(JICAAssisted)**

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1. Introduction

Achar/Pickles are very important ingredient of dining table across the globe and moreoftenly 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	::	SHG Nari Shakti Shillal
2	VFDS	::	Shillal
3	Range	::	Kanda
4	Division	::	Chopal
5	Village	::	Shillal
6	Block	::	Kupvi
7	District	::	Shimla
8	Total No. of Members in SHG	::	10
9	Date of formation	::	07-09-2020
10	Bank a/c No.	::	46210104322
11	Bank Details	::	HP Co-operative Bank Kupvi
12	SHG/CIG Monthly Saving	::	100/-
13	Total saving	::	-
14	Total inter-loaning	::	-
15	Cash Credit Limit	::	-
16	Repayment Status	::	-
17	Interest rate	::	-

3. Beneficiaries Detail:

Sr. No	Name	Father/Husband Name	Age	Education	Category	Income Source	Address	Contact no.
1	Kamla Devi	Mehar Singh	43	5th	General	Agriculture	Vill.- Shillal	7649970095
2	Saina Devi	Sita Ram	49	5th	General	Agriculture	Vill.- Shillal	8219564776
3	Bitee Devi	Virender Singh	39	MA	General	Agriculture	Vill.- Shillal	8580926250
4	Kanta Devi	Dilam Singh	53	5th	General	Agriculture	Vill.- Shillal	8894180190
5	Neelam Devi	Balbir Singh	31	12th	General	Agriculture	Vill.- Shillal	9805977810
6	Meera Devi	Rajender Singh	39	12th	General	Agriculture	Vill.- Shillal	8894595049
7	Shyama Devi	Narayan	35	12th	General	Agriculture	Vill.- Shillal	9805894226
8	Reena Devi	Rai Singh	39	5th	General	Agriculture	Vill.- Shillal	8627021930
9	Geeta Devi	Rati Ram	29	12th	General	Agriculture	Vill.- Shillal	8219908848
10	Gangti Devi	Relu Ram	65	5th	General	Agriculture	Vill.- Shillal	9805032313

4. Geographical details of the Village

1	Distance from the District HQ	::	200 Km
2	Distance from Main Road	::	2 Km.
3	Name of local market & distance	::	Kupvi 5 km
4	Name of main market & distance	::	Kupvi 5 Km, Nerwa 60 Km, Haripurdhar 40 Km
5	Name of main cities & distance	::	Shimla 200 km
6	Name of main cities where product will be sold/marketed	::	Kupvi, Nerwa, Haripurdhar

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 serves as a taste enhancer. Pickles are also used as toppings for foods such as sandwiches, hamburgers, hotdogs, parathas and pulavetc.

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 Chopal,

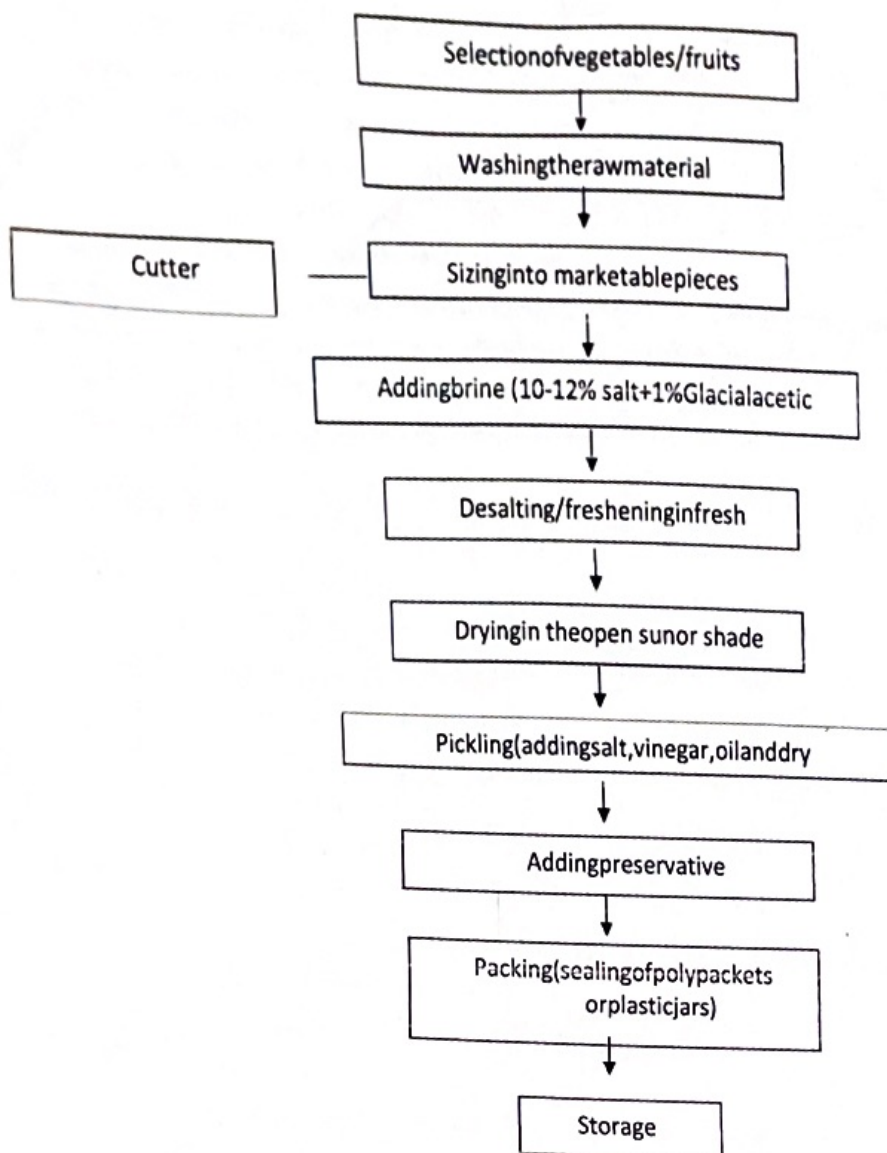
Nerwa and TheogcanselltheirpicklesincommandareathenthisSHGcandoitmorevigorouslyand briskly and competewith such outsiders.

6. **Acharchutney/picklemakingbusinessplan**

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 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 nullahs. People of the small townships around this group have inherent liking towards this lingad pickle which otherwise is not available in the open markets.

Flowchart 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 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.

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 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, 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 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/weekly consumption and consumed by all buyers in all seasons

❖ Threats/Risks-

- Effect of temperature, moisture at time of manufacturing and packaging particularly in winter and rainy season.
- Sudden increase in price of raw material
- Competitive market

10. Acharchutney/Picklemaking 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	Approximate cost
1.	Grinder machine	16000/-
2.	Vegetable dehydrator	28000/-
3.	Cooking arrangement (commercial Gas cylinder with chullah)	5500/-
4.	Pickle mixer	10000/-
5.	Weighing scale (2 no.'s)	10000/-
6.	Packaging/sealing unit	12700/-
7.	Labelling machine	12500/-
8.	Refractometers 0-32	2500/-
9.	Refractometers 28-62	2500/-
10.	Refractometers 58-93	2500/-
11.	Pulper 16* Size with 0.5 hp motor S/S touching parts with nylon brush and SS sieve. Two outlets one for paste and other for wastage Ms body Frame	35600/-
12.	RT- 510 TEST SIEVE BSS Mesh No. 10 ASTN No. 12 ISS No. 170 Width of Aperture 1.70 mm	2000/-
13	Small drum Plastic (Capacity 50 KG) Quantity 7	4900/-
Total		1,44,700/-

Sr.No.	Utensils	Quantity	Unit price	Total amount
1.	Pattila	2	5000	10400/-
2.	Cardboard	8	150	1200/-
3.	Cutter with stand	8	650	5200/-
4.	Knife	15	100	1500/-
Total				18300/-
Total capital cost				163000/-

11. Acharchutney 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 500g, 1kg and 2kg 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	Unit cost	Total amount
1.	Room rent	Per month	1	2000	2000/-
2.	Water & electricity charges	Per month	1	1000	1000/-
3.	Raw material	kg	800	50	42500/-
4.	Spices etc.	kg	100	200	20000/-
5.	Sarson (mustard) oil	kg	75	250	18750/-
6.	Packaging material	kg	15	150	2250/-
7.	Transportation charges	month	L/S	4500	4500/-
8.	Clinical gloves, head cover and aprons etc.	month	L/S	5000	5000/-
Total recurring cost					96000/-

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	96000/-
2.	10% depreciation monthly on capital cost (163000)	1358/-
	Total	97358/-

Average income monthly by way of sale of achar/pickle

Sr. No.	Particulars	Quantity	Cost	Amount
1.	Sale of pickles	800kg	200/Kg	160000

13. Cost benefit analysis (monthly)

Sr. No.	Particulars	Amount
1.	Total recurring cost	96000/-
2.	Total sale amount	160000/-
3.	Net profit	64000/-
4.	Distribution of net profit	1. Out of total sale of Rs. 200000 in 1 st month one lakh rupees will be kept for further investment in IGA 2. Rs. 100000 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	163000/-	122250/-	40750/-
2.	Total recurring cost	96000/-	-	96000/-
3.	Training/ capacity building, skill upgradation	40000/-	40000/-	-
Total		299000/-	162250/-	136750/-

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 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. Othersources ofincome

Other sources of income can also be explored by the SHG such as grinding mango,alma, pulses, wheat, maize, etc. of the villagers and the local people in the vicinity. It willbeadditionally in theIGA and lateron thesame can bescaledup.

17. Monitoringmethod

- Social Audit Committee of the VFDS will monitor the progress and performanceof the IGA and suggest corrective action if needed to ensure operation of the unitasper projection.
 - SHGshouldalsoreviewthepressandperformanceoftheIGAofeachmember and suggest corrective action if needed to ensure operation of the unit asperprojection.
- Somekeyindicatorsforthemonitoringareas:
- Sizeof thegroup
 - Fundmanagement
 - Investment
 - Incomegeneration
 - Qualityofproduct

18. Remarks

Group Members Photos:



Kamla Devi
President



Saina Devi
Vice President



Batee Devi
Secretary



Kanta Devi
Treasurer



Reena Devi
Member



Meera Sharma
Member



Gangti Devi
Member



Neelam Devi
Member



Shyama Devi
Member



Geeta Devi
Member

Certificate

The Business plan of Self Help Group Nari Shakti Shillal for the IGA of Pickle Making was presented before the general house of VFDS Shillal for approval . After long discussion and thoughtful deliberations by the different members. The business plan was approved for adoption in the SHG and further implementation by the members of the SHG.

Dated:-

Place:-

[Signature]
President SHG

[Signature]
President VFDS

[Signature]
President - Treasurer
Village Forest Development Society
Shillal
Range Kanda
Treasure VFDS

[Signature]
Range Forest Officer
Range Kanda
FTU Officer Kanda

[Signature]
D.M.U.-CUM-Divisional Forest Officer
Chopal
District Shimla H.P.
Chopal Forest Division, Chopal

आज दिनांक 25-05-2024 को जरी शक्ति शिलाल (SHD) की बैठक अध्यक्ष कमला ठाकुर की अध्यक्षता में सम्पन्न हुई।
 इसमें निम्न कार्रवाई को अमल में लाया गया है। यह है

कि आज की बैठक में विचार विमर्श किया है कि (SHD) शिलाल को धनराशि 25% रुप से और 75% प्रोजेक्ट धनराशि को सुचारु रूप से चलाने के लिए प्रयाप्त नहीं है इसलिये व्यवसाय को बढ़ाती है जिससे हमारा व्यवसाय सुचारु रूप से चल सके। प्रस्ताव सर्व सहमति से पास होकर स्वीकृत है।

सदस्यों नाम

- 1 कमला देवी प्रधान
- 2 बीबी सचिव
- 3 फान्ता देवी कोषाध्यक्ष
- 4 नीलम
- 5 रीना देवी
- 6 संपना देवी
- 7 गीता देवी
- 8 गंगाली देवी
- 9 शामा देवी
- 10 मीरा देवी

हस्ताक्षर
 कमला
 कमला देवी
 Neelam
 रीना देवी
 संपना देवी
 गीता देवी
 गंगाली देवी
 शामा देवी
 मीरा देवी