

Revised BUSINESS PLAN

INCOME GENERATING ACTIVITY –Food Processing (Turmeric Powder)

by

Manthan- Self Help Group



SHG/CIG Name	::	Manthan
VFDS Name	::	Been Padhechi
Range	::	Koti
Division	::	Shimla

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	::	Manthan SHG
2	VFDS	::	Been Padhechi
3	Range	::	Koti
4	Division	::	Shimla
5	Village	::	Padhechi
6	Block	::	Mashobra
7	District	::	Shimla
8	Total No. of Members in SHG	::	9-Female
9	Date of formation	::	June 2023
10	Bank a/c No.	::	45110108427
11	Bank Details	::	H.P. State Co-operative Bank Junga
12	SHG/CIG Monthly Saving	::	50
13	Total saving	::	10350/-
14	Total inter-loaning	::	50000
15	Cash Credit Limit		-
16	Repayment Status		Good

2. Beneficiaries Detail:

Sl. No	Name	Father/HusbName	Age	Category	Income Source	Address
1	Smt. Indira(President)	Sh. Bhoop Ram	45	SC	Agriculture	Vill. Sheel P. O. Koti
2	Smt. Geeta Devi (Secretary)	Sh. Ramesh Kumar	28	SC	Agriculture	Vill. Maled P. O. Koti
3	Smt. Rekha (Cashier)	Sh. Sanju	33	SC	Agriculture	Vill.Padhechi P. O. Koti
4	Smt. Lalita	Sh. Kamal Kishore	24	SC	Agriculture	Vill. Maled P. O. Koti
5	Smt. Rekha	Sh. Kamal	32	SC	Agriculture	Vill. Sheel P. O. Koti
6	Smt. Babita	Sh. Kamal Kumar	30	SC	Agriculture	Vill.Padhechi P. O. Koti
7	Smt. Reeta	Sh. Govind Ram	49	SC	Agriculture	Vill. Maled P. O. Koti
8	Smt. Ramta	Sh. Rakesh Kumar	37	SC	Agriculture	Vill.Padhechi P. O. Koti
9	Smt. Babita	Sh. Mohit Kumar	35	SC	Agriculture	Vill.Padhechi P. O. Koti

3. Geographical details of the Village

1	Distance from the District HQ	::	35 km
2	Distance from Main Road	::	6 Km
3	Name of local market & distance	::	Koti, 6 km, Junga 15km ,
4	Name of main market & distance	::	Chail 18 km, Shimla35km
5	Name of main cities & distance	::	Chail 18 km, Shimla35km
6	Name of main cities where product will be sold/ marketed	::	Koti, Junga, Chail, Shimla

4. Executive Summary

Food Processing (Turmeric Powder) income generation activity has been selected by this Self Help Group. This IGA will be carried out by all ladies of this SHG. Powder of turmeric will be made by this group initially. This business activity will be carried out yearly by group members. The process of making powder takes around 8-10 days. Production process includes process like cleaning, washing, drying, grading, grinding etc. Initially group will manufacture powder of raw turmeric 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.

5. Description of Product related to Income Generating Activity

1	Name of the Product	::	Turmeric Powder
2	Method of product identification	::	Has been decided by group members

3	Consent of SHG/ CIG / cluster members	::	Yes
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6. Description of Production Processes

The process of manufacture involves cleaning, drying, pulverizing, sieving, and packaging. The manufacturing process is very well established and does not involve technicalities. First of all, clean the unground spices manually to remove impurities like mud and stones. And then wash with water. After drying them in sunlight, they are graded and ground with the help of the grinding machine to convert them into powder form. The storage and proper distribution are important in getting long-term success in this business.

7. Description of Production Planning

1.	Production Cycle for Turmeric powder (in days)	::	8-10 days
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 month (Kg)	::	1000
8.	Expected production per month (Kg)	::	1000

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	Raw Turmeric	Kg	Monthly	1000	50	50000	1000

8. Description of Marketing/ Sale

1	Potential market places	::	Koti, Junga, Chail and Shimla
2	Distance from the unit	::	6km, 15km, 18 kmand 35 km respectively
3	Demand of the product in 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 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 .5 -1 Kg 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 Manthan SHG"

9. 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 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 consumption

❖ 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. 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.

11. Description of Economics:

A. CAPITAL COST				
Sr.No	Particulars	Quantity	Unit Price	Total Amount (Rs.)
1	Grinder Machine	1	25000	25000
2	Weighing machine	1	3000	3000
3	Hand Operated Sealing Machine	1	2000	2000
Total Capital Cost (A) =				30,000/-

B. RECURRING COST					
Sr.no	Particulars	Unit	Quantity	Price	Total Amount (Rs)
1	Raw material	Month	1000	50	50000
2	Room Rent	Month	1	1000	1000
3	Packaging material	Month	LS	2000	2000
4	Transportation	Month	1	1000	1000
5	Other (stationary, electricity, water bill, machine repair)	month	1	2000	2000
6	Labour cost	Month	1		15000
Recurring Cost					71000

Note – As raw turmeric will be produced by group members and labour work will be done by members themselves, therefore, these costs will be reduced from total recurring cost.

C Cost of Production		
Sr. No	Particulars	Amount (Rs)
1	Total recurring cost	71000
2	10% depreciation annually on capital cost	250
	Total	71250

D Selling Price calculation			
Sr.No	Particulars	Unit	Amount (Rs)
1	Cost of Production	Kg	100
2	current market price	Kg	200-300
3	Expected Selling Price	Rs	300

12. Analysis of Income and Expenditure (per Month):

Sr.No	Particulars	Amount (Rs)
1	10% depreciation annually on capital cost	250
2	Total Recurring Cost	71000
3	Total Production (Kg)	1000
4	Selling Price (per Kg)	300
5	Income generation (300*1000)	300000

6	Net profit (300000-71000)	229000
7	Gross profit = Net Profit + cost of raw material + Labor cost	2,94,000
8	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

13. Fund requirement:

Sr.No	Particulars	Total Amount (Rs)	Project Contribution	SHG Contribution
1	Total capital cost	30000	22,500	7500
2	Recurring Cost	71000	0	71000
3	Trainings/capacity building/ skill up-gradation	50,000	50,000	0
	Total	151,000/-	72,500/-	78,500

Note-

- **Capital Cost** - 75% of capital cost to be covered under the Project and 25% by the SHG themselves
- **Recurring Cost** - To be borne by the SHG/CIG.
- **Trainings/capacity building/ skill up-gradation** - To be borne by the Project

14. Sources of fund:

Project support	<ul style="list-style-type: none"> • 75% of capital cost will be provided by project • UptoRs1 lakh will be parked in the SHG bank account. • Trainings/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 machineries/equipment will be done by respective DMU/FCCU after following all codal formalities.
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SHG contribution	<ul style="list-style-type: none"> • 25% of capital cost to be borne by SHG • Recurring cost to be borne by SHG 	
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15. 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-gradation proposed/needed:

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

16. Computation of break-even Point

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

= 30000/(300-100)

=150 Kg

In this process breakeven will be achieved after selling 150kg Powder.

17. 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 installments of the Principal amount on regular basis

18. 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
- Quality of product

Group members Photos-



Resolution-cum-Group Consensus Form

it is decided in the General House meeting of the group Manthan held on 21-05-25
Padhechi. That our group will undertake the Turmeric Processing as Livelihood Income Generation
Activity under the Project for Improvement of Himachal Pradesh Forest Ecosystems
Management & Livelihoods (JICA Assisted).

इन्द्रा
Signature of Group Pradhan.
सचिव
मंडल स्वयं सहायता समूह
पंचायत, कालिका परगना
जिला, हिमाचल, पिन-171212

Signature of Group Secretary Greta
प्रधान, स्वयं सहायता समूह
मंडल स्वयं सहायता समूह
पंचायत, कालिका परगना
जिला, हिमाचल, पिन-171212

Business Plan Approval by VFDS

Manthan group will undertake the Turmeric Processing 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) 1.5 Lacs has been submitted by this group on dated 21-05-25 and this business plan has been approved by Been Padhechi VFDS.

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

Thank you


Signature of VFDS President
Village Forest Development Society
Been-Padhechi


Signature of VFDS Secretary
Village Forest Development Society
Been-Padhechi

Submitted to DMU through FTU


Name & Signature of FTU Officer
RANGE OFFICER
KOTI FOREST RANGE


Pratibha Sharma
Name & Signature of FTU Coordinator

Approved


Name & Signature of DMU Officer
DFO-cum-DMU OFFICER
JICA FORESTRY Project
SHIMLA