



Business Plan

IGA - Fruit Vinegar Processing and By-products manufacturing



Village Forest Development Society	Sheetla Mata Jarad
Gram Panchayat	Bashona
Forest Range	Hurla
Forest Division	Parvati

**Project for improvement of Himachal Pradesh
Forest Ecosystem Management and Livelihoods**

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1. Executive Summary

Himachal Pradesh is located in the western Himalayas and is known for its rich natural beauty, diverse ecosystem, and favorable climatic conditions for horticulture. The state has a significant contribution in fruit production, especially apple, pomegranate, plum, and apricot. The main occupation of the people in rural areas is agriculture and horticulture.

Under the Project for Improvement of Himachal Pradesh Forest Ecosystem Management and Livelihood, a micro-plan of VFDS Sheetla Mata Jarad has been prepared. The people of this area mainly dependent on agriculture and horticulture, but due to limited irrigation facilities and small land holdings, their income is not sufficient. A large quantity of fruits like apple and pomegranate is produced, but due to lack of processing facilities, a major portion gets wasted or sold at low prices.

To overcome this problem, a Self Help Group named Atam Nirbhar SHG has been formed under VFDS Sheetla Mata Jarad. The group aims to establish a small-scale fruit processing unit to convert raw produce into value-added products such as juice, vinegar, candy, dried products, pomegranate seed oil, powder, and other food products.

The unit will be equipped with essential machinery like vegetable cutter, tray dryer, fermentation tank, liquid filling machine, micro pulverizer, oil press machine, ozone washer, bottle washing machine, cap sealing machine, and freeze dryer to ensure hygienic and efficient production.

This project will help in reducing post-harvest losses, generating employment, and increasing the income of SHG members. It will also promote local entrepreneurship and strengthen the rural economy.

Initially, training will be provided to the SHG members for operating machines and processing techniques. The group members will work collectively and divide responsibilities among themselves. The finished products will be marketed through local markets, retailers, and nearby towns.

Mr. Padam Singh Chauhan (Retd. HPFS), Mr. Rahul Verma (SMS Parvati), Mrs. Pawna Devi (FTU coordinator, Hurla), have prepared this business plan after discussion and meeting with SHG members repeatedly. The project is expected to provide sustainable livelihood opportunities and improve the economic condition of the members of Atam Nirbhar SHG.

2. SHG Detail List

	Name of beneficiary	Designation	Village	Age	Sex	Qual.	Category	Cont. No.
1	Smt. Asha Thakur	President	Bagicha	46	Female	+2	General	9816691622
2	Smt. Sheetal Walia	Secretary	Bagicha	38	Female	+2	General	8219486308
3	Smt. Chinta Devi	Treasurer	Bagicha	55	Female	8th	SC	9459781987
4	Smt. Durga Devi	Member	Bagicha	43	Female	5th	SC	8219375125
5	Smt. Ruma Devi	Member	Bagicha	46	Female	5th	SC	8894605092
6	Smt. Pooja Devi	Member	Bagicha	39	Female	10th	SC	8219444370
7	Smt. Prem Vati	Member	Bagicha	22	Female	+2	SC	8988050204
8	Sarla Devi	Member	Bagicha	51	Female	5th	SC	8091030433
9	Savita Devi	Member	Bagicha	53	Female	5th	SC	7807679943
10	Smt. Ruma	Members	Bagicha	40	Female	+2	General	9817356656



Members of SHG Atam Nirbhar

3. Detail of SHG

Sr. No.	Description	Value
2.1	Name of Self Help Group	Atam Nirbhar
2.2	Village Forest Development Society	Sheetla Mata Jarad
2.3	Forest Range	Hurla
2.4	Forest Division	Parvati
2.5	Village	Bageecha
2.6	Development Block	Bhuin
2.7	District	Kullu
2.8	Total Number of members in SHG	10
2.9	Date of Formation of Group	13/04/2026
2.10	Monthly savings of SHG member	100
2.11	Name of Bank and branch of saving account	Kangra Cooperative bank, Parla Bhuntar
2.12	Bank account no. and IFSC code	50079477026, KACE0000151

4. Geographical Detail of Village

3.1	Distance of District Headquarters	14 kms
3.2	Distance from main road	1 km
3.3	Name and distance of local market	Bhuntar, 4 km
3.4	Name & distance from main market	Kullu, 10 km, Manali 50 km, Bhuntar 4 km
3.5	Distance from other cities and towns	Kullu 10 kms, Manali 50 kms, Bhuntar 5 km
3.6	Distance from the market where the products will be sold	Kullu 10 kms, Manali 50 kms, Bhuntar 5 km, Kasol 38 kms

Why is business plan necessary

In the Gram Van Vikas Samiti of Sheetla Mata Jarad, there was a demand for the formation of a new self help group. So after the meeting and approval from PMU a new group is formed called Atam Nirbhar which will be the 3rd group in VFDS Sheetla Mata Jarad under PIHPFEM&L funded by JICA. As a result, the members of SHG will be working on the Fruit vinegar processing and other by products.

B. Objectives of the Business Plan

- Build the capacity of all group members
- Ensure a sustainable income source for the group.
- Link products to appropriate markets
- Motivate all members to work collectively within the group
- Promote the latest and advanced techniques in knitting businesses.
- Enhance livelihood opportunities

Activities included in the business plan:

Objectives of the Business Plan

- Build the capacity of all group members in fruit processing and value addition.
- Ensure a sustainable source of income for the group through fruit-based products.
- Identify and promote suitable products such as vinegar, candy, dried fruits, oil, and powder.
- Motivate all members to work collectively within the group.
- Promote latest and advanced techniques in food processing and packaging.
- Enhance livelihood opportunities for SHG members and improve their economic condition.

4. Activities Included in the Business Plan: Fruit Processing Unit

- Fruit Vinegar Production (Apple & Pomegranate Vinegar)
- Fruit Candy Preparation
- Dried Fruit Products (Apple Chips, Anardana)
- Pomegranate Seed Oil Extraction
- Fruit Peel Powder Production

5. Required Support and Resources:

Financial Management:

75% of the capital expenditure will be provided under the project, while the remaining 25% will be contributed by the SHG members. For recurring expenses, a part of the amount will be arranged from group savings, and the remaining amount will be taken as a loan from the bank.

Human Resources: The group consists of 10 members who will be actively involved in production, packaging, and marketing activities.

Technical Support:

The project will provide technical guidance and proper training through experts for fruit processing activities such as vinegar making, drying, oil extraction, and packaging.

Estimated Benefits:

- (I) Women will gain access to home-based employment opportunities.
- (II) The group will have a long-term and sustainable source of livelihood.
- (III) Members can utilize their spare time productively.
- (IV) Increase in income of SHG members through value-added products.
- (V) Reduction in wastage of fruits like apple and pomegranate

6. Product Details Related to the Production Process

Name of the Products

Apple Vinegar, Pomegranate Vinegar, Fruit Candy, Apple Chips, Anardana, Pomegranate Seed Oil, Peel Powder

Method of Product Identification:

Group discussions and market demand analysis

Consent of the SHG / Equal Participation of Members

Yes (Consent letter is attached)

Details of the Production Process:

Initially, all members of the Self-Help Group (SHG) will be trained in fruit processing activities such as vinegar production, drying, candy making, oil extraction, and packaging.

The 10 members of Aatma Nirbhar SHG will undertake this activity.

After training, the production process will be carried out as follows:

Fruit Processing (Crushing & Extraction):

Two members will be responsible for washing, cutting, and crushing fruits using crusher and cutter machines.

Juice Extraction & Fermentation:

Two members will handle juice extraction using a hydraulic press and will manage fermentation in tanks for vinegar production.

Drying & Value Addition:

Two members will work on tray dryer and freeze dryer for producing apple chips, Anardana, and other dried products.

Oil Extraction:

One member will operate the oil press machine for extracting pomegranate seed oil.

Powder Preparation:

One member will use the pulverizer machine to prepare peel powder and other powdered products.

Filling & Packaging:

Two members will handle liquid filling, bottle washing, cap sealing, labeling, and packaging of finished products.

Marketing & Sales:

All members will collectively participate in selling products in local markets and nearby areas.

7. SWOT Analysis (Strengths, Weaknesses, Opportunities, Threats)

Strengths:

All group members share a positive and cooperative mindset. The group has access to locally available raw materials like apple and pomegranate. Availability of machinery and support from the project ensures efficient production.

Weaknesses:

It is a newly formed Self-Help Group. Members have limited experience in large-scale food processing and marketing.

Opportunities:

There is a high demand for natural and organic products such as vinegar, dried fruits, and herbal products. The area has strong tourism potential, which increases the market for value-added products. The project provides financial and technical support for establishing the unit.

Estimated Cost and Product Selling Price Calculation for the Enterprise

(a) Capital Cost Demand

Sr. No.	Activity	Qty	Rate (₹)	Expense Total (₹)	Project Share 75%	Beneficiary Share 25%	Lowest quotation
1	Fruit Mill/crusher 300kg/hour	1	47,000	47,000	35250	11750	Universal engineers
2	Fruit & vegetable slicer 150 kg/hour	1	52000	52000	39000	13000	Universal Engineers
3	Hydraulic Juice Press machine (2 HP 3 phase motor – 200kg/hour)	1	150000	150000	112500	37,500	Universal Engineers
4	Storage/fermentation tank – 500 ltrs SS 316	1	110920	110920	83190	27730	SPEA Industries
5	Ozone fruit & vegetable bubble washing system	1	135025	135025	101269	33756	Ozone Technology
6	Piston filler (pneumatic) – 50 ltr Filler range – 100-1000 ml with air compressor 2 HP	1	105000	105000	78750	26250	Universal Engineers
7	Brushing unit with 4 brishes and ½ HP 1 PH mptpr with SS cover & rinser with 12 cups .	1	59000	59000	44250	14750	Advance Machinery
8	PP/RO cap sealing machine	1	20,000	20,000	15000	5000	Universal engineers
9	Fruits/Vegetable/ herbs dryer	1	65000	65000	48750	16250	Universal engineers
10	Freeze Dryer – drying capacity 4-6 kg, Min temp/ - -40°C, Net Wt. 79 kg	1	359310	359310	269482	89827.5	Emtex machinery
11	Sonar cold press oil machine SA – 2015	1	55000	55000	41250	13750	Sonar Appliances
12	5 HP SS Pulverizer machine	1	63,720	63720	47790	15930	Power Ma Industries
13	Transportation	1	65000	65000	48750	16250	
	Total		1286975	1286975	965231.25	321743.75	

Total Cost	
Project Share (75%)	₹1286975
Beneficiary Share (25%)	₹965231.25
	₹321743.75

Planning for Production

6.1 Monthly Working Days : 30 days

6.2 Monthly Workforce : 10 members

6.3 Source of Raw Materials : Local areas of Kullu district (Jarad, nearby villages), and nearby markets

6.4 Source of Other Resources: Kullu, local towns and nearby markets

Production Cycle (Monthly)	Vinegar: 400–500 litres, Candy: 100–150 kg, Dried Products: 100 kg, Oil: 10–20 litres
Workforce Allocation (Per Production Cycle)	Processing: 2 members, Fermentation: 2 members, Drying: 2 members, Packaging: 2 members, Marketing: 2 members (Total: 10 members)
Source of Raw Materials	Local farmers (Apple, Pomegranate)
Source of Other Resources	Shimla, local suppliers

Details of Marketing and Sales

Expected Markets / Locations	Shimla, local markets, nearby towns, tourist areas
Distance from Village to Markets	Shimla: ~20–30 km (approx), Nearby towns: 5–15 km
Estimated Demand in the Markets	Vinegar, dried fruits, candy, oil, powder
Strategy for Identifying Markets	Local markets, tourist areas, and retail shops identified as target markets
Demand Based on Seasonal Changes	Production will be adjusted according to seasonal availability of fruits
Potential Buyers	Local residents, shopkeepers, tourists
Target Consumers in the Region	Men and women from villages, towns, and tourists
Distribution Model	Direct sale to shopkeepers, local markets, and retail outlets
Marketing Strategy	Promote natural and organic products, focus on quality packaging and local branding

8. Entrepreneurship Management Among Group Members

The group members will divide work among themselves through mutual understanding and agreement. Each member will be assigned specific responsibilities such as processing, packaging, and marketing. Income will be distributed among members based on their contribution and work done. All members will actively participate in the functioning of the enterprise. Proper records of production, sales, and income will be maintained by the group. Regular meetings will be conducted to monitor progress and improve performance.

Production cost (for one cycle – 1 month)

Vinegar production

Sr. No.	Description	Unit	Qty	Unit Price	Amount
		Kg	1200	35	42000
1	Raw Material (Apple + Pomegranate)	Kg	100	40	4000
2	Sugar / Additives	Hours	720	53.125	38,250
3	Labor cost of 10 members	L/S	-	-	8000
4	Other expenses Packaging, electricity, water, transport (bottles, labels)				92,250
	Total				

Dried Products (Apple Chips / Anardana/candy)

Sr. No.	Description	Unit	Qty	Unit Price	Amount
1	Raw material (apple/pomegranate)	kg	200	30	6000
2	Labor cost of 10 members	hours	240	53.125	10,625
3	Other expenses	L/s	-	-	3000
	Total				19,625

Oil & Powder Production

Sr. No.	Description	Unit	Qty	Unit Price	Amount
1	Raw material(seeds/peels)	kg	100	20	2000
2	Labor cost of 10 members	hours	240	53.125	10,625
3	Other expenses	L/s	-	-	2000
	Total				14625

- The members will work for 3 hours per day so considering 53.125 rupees as labour cost per hour because as per govt. norms labour charges/day is 425 as of 2026.

Grand total (Recurring cost) : -

Total Production cost including fixed cost

Sr. No.	Description	Amount
1	Total recurring expenses	
2	Annual depreciation on machinery (10 %) of beneficiary share	1,26,500
	Total	1,9975
		1,46,475

Sales price calculation/ Assessment (per cycle)

Sr. No.	Description	Units	Qty	Rate	Amount
1	Apple Vinegar	Ltrs	400	200	80000
2	Pomegranate vinegar	Ltrs	200	300	60000
3	Dried products	kg	100	300	30000
4	Fruit candy	kg	100	250	25000
5	Pomegranate seed oil	Ltrs	10	2500	25000
	Total				2,20,000

Total sales :

Total sales : 2,20,000

Total cost : 1,46,575

Net Profit : 73,425

Financial Requirements

Sr. No.	Description	Amount
1	Capital expenditure	1,99,750
2	Recurring expenses	1,46,575
	Total	346325

The beneficiary share of the above capital expenditure share of the above capital expenditure will be borne by the SHG members. A part of recurring expenses will be managed through group savings and the remaining through bank loan.

Financial Resources of group

Sr. No.	Resource details	Amount
1	Project support fund in capital cost	₹965231.25
2	Beneficiary contribution	₹321743.75
	Total	₹1286975

An additional amount of 1 lakh as revolving fund may be provided under the project for working capital support.

Break even point calculation :

Break even point = Capital expenditure/ (sales- recurring cost)

$$= 321743.75 / (220000 - 146575) = 321743.75 / 73425 \quad \text{i.e. equal to 4.4 months}$$

Group work and income details

Production :

The group will engage in fruit processing activities such as vinegar production, dried products, candy, oil extraction, and powder making. Monthly production will generate value added products for market sale.

Income distribution

- Wages will be distributed among group members based on work contribution
- Remaining profit will be saved and distributed as dividends.

Average members income:

Each member can earn additional income by working 2-3 hours daily through production and marketing activities.

Interest and savings:

The group will maintain internal savings and may utilize bank loans. Proper financial records will be maintained.

Conclusion

This business model will provide sustainable income to SHG members and improve their financial condition through regular earnings and savings. It will also promote self-reliance and group based entrepreneurship.

Expected training expenses

Sr. no.	Description	No. of members	Duration	Rate (Rs.)	Amount
1	Honorarium of trainer	10	3 days	1500/day	4500
2	Raw material	10	3 days	2000/day	6000
3	Room rent	10	3 days	1000/day	3000
4	Refreshment	10	3 days	50/person	1500
Total amount					15000

- The above training expenses are tentative estimates prepared for planning purposes only. The actual expenditure may vary depending upon prevailing rates, availability of resources and training requirements.

Self-Help Group (SHG) By-laws

1. Group Work: The group will engage in knitting activities.
2. Group Address: Village: Bashona, Post Office: Pipla-age, Tehsil: Bhuntar, District: Kullu, Himachal Pradesh.
3. Number of Members: The group will consist of 10 members.
4. Date of Establishment:
5. Interest Rate: A 2% interest will be applied to every ₹100.
6. Meeting Schedule: The group's monthly meeting will be held on the 5th of every month.
7. Member Contribution: All members will deposit their monthly savings into the group.
8. Meeting Participation: Attendance at group meetings is mandatory for all members.
9. Group Account Details: Bank: Kangra Central Cooperative Bank, Branch: Parla Bhuntar, Account Number:
10. Absence Notification: If a member is absent from a meeting, they must seek permission from the President and Secretary.
11. Group Expulsion Rules: A member who fails to deposit their savings for 3 consecutive meetings or remains absent will be expelled from the group.
12. Home Meeting Rule: If a member does not attend a meeting, the next meeting will be conducted at their home, and the related savings will be collected.
13. Decision-Making Process: All group decisions will be made unanimously through the President and Secretary.
14. Tenure of President and Secretary: The tenure of the President and Secretary will be 1 year.
15. Utilization of Group Funds: Group funds will only be used for the welfare of the members.
16. Rules for Leaving the Group: If a member wishes to leave the group and has an outstanding loan, they must repay the loan first.
17. Loan Process: Loan distribution, repayment, and interest rate determination will be decided during meetings.
18. Emergency Fund: The group should maintain a minimum fund of ₹1,000 for emergencies.
19. Record-Keeping: The group's register will be read and signed in front of all members.
20. Large Loan Notification: For large loan requirements, a notice must be given one week in advance.
21. Transparency Among Members: Attendance of all members is mandatory during loan processes.
22. Membership Termination: If a member leaves the group without valid reason, their deposited amount will be forfeited.
23. Monthly Reporting: The group must submit its monthly report to the Field Technical Unit (FTU).

Photograph of SHG members



Asha Devi
President



Sheetal Walia
Secretary



Chinta Devi
Treasurer



Rooma Devi



Ruma Devi



Prempati



Sarla Devi



Pooja Devi



Durga Devi



Savitri Devi

समूह का सहमति पत्र

आज दिनांक 5 / 06 / 2026 को आत्म निर्भर स्वयं सहायता समूह की बैठक आयोजित की गई। बैठक की अध्यक्षता समूह प्रधान श्रीमती आशा ठाकुर द्वारा की गई। बैठक में उपस्थित सभी सदस्यों ने सर्वसम्मति से यह निर्णय लिया कि समूह आत्मनिर्भरता एवं आजीविका संवर्धन हेतु **फल सिरका प्रसंस्करण एवं उप-उत्पाद उत्पादन (Fruit vinegar processing and by products production)** गतिविधि चलाने के लिए सहमति प्रदान करता है।

समूह के सभी सदस्य इस कार्य को पूर्ण जिम्मेदारी एवं सहयोग की भावना से संचालित करेंगे तथा परियोजना के दिशा-निर्देशों का पालन करेंगे। समूह यह भी सुनिश्चित करेगा कि कार्य पारदर्शिता एवं सामूहिक सहभागिता के साथ किया जाएगा ताकि समूह की आर्थिक स्थिति में सुधार हो सके।

अतः समूह द्वारा यह सहमति पत्र स्वेच्छा से प्रदान किया जाता है।

प्रधान Asnu सचिव
आत्मनिर्भर स्वयं सहायता समूह
समूह प्रधान के हस्ताक्षर

प्रधान Murli Doshi
वन विकास समिति
शितला माता (जंरड)

प्रधान Seetha
आत्मनिर्भर स्वयं सहायता समूह
सचिव पिपलागे
जिला कुल्लू (हि० प्र०) के हस्ताक्षर

Ch Nandish Beat

B.0 Bhavin

Range Forest Officer
Forest Rang
at Bhavin

Deputy Conservator of Forest,
Parvati Forest Division, Shamshi