



Business Plan

On

Income Generation Activity

FOODP ROCESSING–PICKLE MAKING

For

Self Help Group–Sabharsu Maharaj



SHG/CIG name

Sabharsu Mharaj

VFDS name

Sansog Dhakrantu

Range

Saraswati Nagar

Division

Rohru

Prepared Under-

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

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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 sweet 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, bitter gourd, beans, chillies, garlic, ginger, brinjal and onion are mainly processed for pickles.

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 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 Sabharsu Maharaj SHG group has collectively decided of pickle making as their Income Generation Activity (IGA). Sabharsu Maharaj SHG is formed under Project for Improvement of Himachal Pradesh Forest Ecosystems Management & Livelihoods (JICA Assisted), which fall under VFDS Sansog Dhakrantu. This SHG consists of 17 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 hereunder:

2. Description of SHG/CIG

1.	SHG/CIG Name	Sabharsu Maharaj
2.	VFDS	Sansog Dhakrantu
3.	Range	Saraswati Nagar
4.	Division	Rohru
5.	Village	Chhikli
6.	Block	Jubbal
7.	District	Shimla
8.	Total no. of members in SHG	17
9.	Date of formation	06-01-2023
10.	Bank a/c No.	13810110034835
11.	Bank details	Uco Bank Anti
12.	SHG/CIG monthly savings	100
13.	Total saving	13,600/-
14.	Total inter loaning	-
15.	Cash Credit Limit	-
16.	Repayment status	-

3. Beneficiaries Detail

Sr. No.	Name	M/ F	Father/Husband name	Age	Category	Designation	Income Source	Address
1	Kala Vati	F	Pradeep Kumar	29	SC	President	Agriculture	Chhikli
2	Savita	F	KuldeepKumar	30	SC	Secretary	Agriculture	Chhikli
3	Kanta	F	Ram Prakash	42	SC	Cashier	Agriculture	Chhikli
4	Satya	F	Krishan Lal	40	SC	Member	Agriculture	Chhikli
5	Aruna	F	Satish Kumar	37	SC	Member	Agriculture	Chhikli
6	Asha	F	Maan Dass	43	SC	Member	Agriculture	Chhikli
7	Seema	F	Pratap	31	SC	Member	Agriculture	Chhikli
8	Indira	F	Mangat Ram	37	SC	Member	Agriculture	Chhikli
9	Ruma-I	F	Jagat Ram	36	SC	Member	Agriculture	Chhikli
10	Jayawanti	F	Suresh Kumar	46	SC	Member	Agriculture	Chhikli
11	Debku	F	Bishan Singh	56	SC	Member	Agriculture	Chhikli
12	Ruma-II	F	Kahan Chand	41	SC	Member	Agriculture	Chhikli
13	Usha	F	Jai Pal	43	SC	Member	Agriculture	Chhikli
14	Geeta	F	Pritam Singh	42	SC	Member	Agriculture	Chhikli
15	Nisha	F	Krishan Chand	38	SC	Member	Agriculture	Chhikli
16	Krishana	F	Rattan Dass	48	SC	Member	Agriculture	Chhikli
17	Damyanti	F	Bansi Lal	40	SC	Member	Agriculture	Chhikli

4. Geographical details of the Village

1	Distance from the District HQ	119 Km
2	Distance from Main Road	10 Mtrs.
3	Name of local market & distance	Anti-Sarswatinagar-Rohru—14 km
4	Name of main market & distance	Anti 9 Km, Rohru—24 Km
5	Name of main cities & distance	✧ Rohru-24Km ✧ Theog-53Km ✧ Shimla-119 Km
6	Name of main cities where product will be sold/marketed	✧ Rohru ✧ Theog ✧ Shimla

5. 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.

6. Executive Summary-

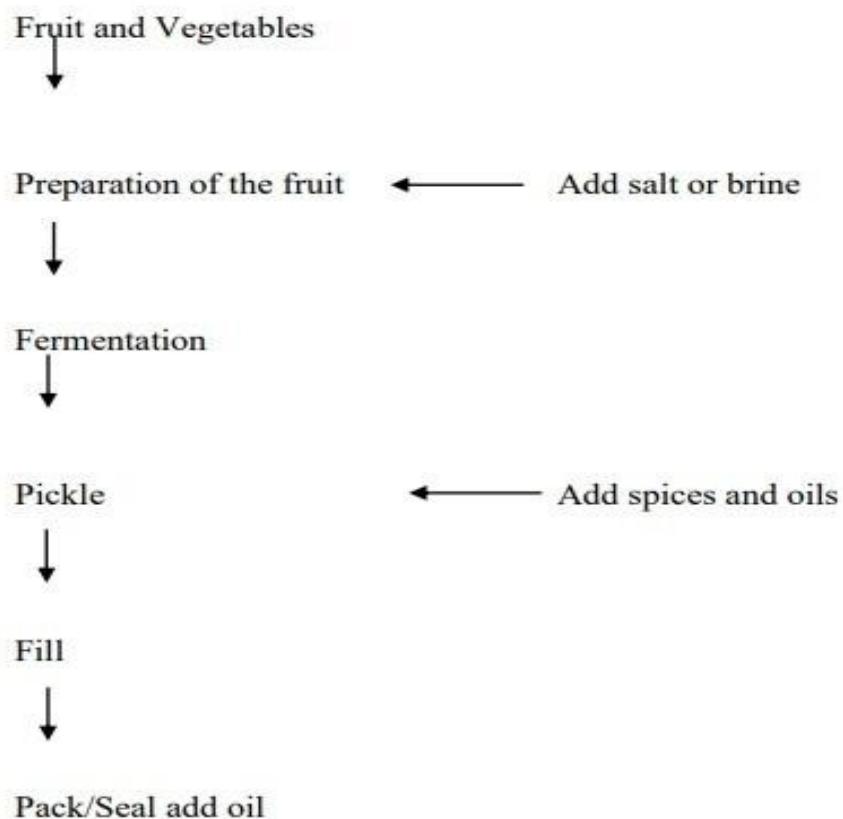
Food Processing (Pickle making) income generation activity has been selected by this Self Help Group. This IGA will be carried out by all ladies of this SHG. This business activity will be carried out yearly by group members. The process of making pickle takes around 4-5 days. Production process includes process like washing, slicing of vegetables, adding brine, desalting, add in 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 sellers of near market initially.

7. 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

8. Description of Production Processes-

Flow Sheet for the Preparation of Pickles



9. 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.

10. Production Planning-

1	Production cycle for pickle making (in days)	4-5 days
2	Man power required per cycle (No.)	All Ladies (17 No.)
3	Source of raw materials	Local market/Main market
4	Source of other resources	Local market/Main market
5	Quantity required per month (Kg)	700 kg
6	Expected production per month (Kg)	900 Kg

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	900

11. Description of Sale & Marketing-

1	Potential market places	Rohru, Saraawati Nagar,Anti, Jubbal, Chirgaon Theog and Shimla
2	Distance from the unit	✧ Rohru-24 Km, Saraswati Nagar-12 Km, Anti- 9 Km, Jubbal-24 Km, Chirgaon-58 Km ✧ Theog-53 Km ✧ Shimla-119 Km
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 0.5 and 1Kg packaging.
6	Product branding	At CIG/SHG level product will be marketed by branding CIG/SHG. Later this IGA may require branding at cluster level.
7	Product“slogan”	“A product of SHG”

12. 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.
- ✧ Local demand is good.
- ✧

❖ Weakness–

- ✧ Highly labour intensive work.
- ✧ Competition 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 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.

13. 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.

14. Description of Economics-

A. Capital Cost				
S.No.	Particulars	Quantity	UnitPrice	AmountRs)
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 17,gloves 17,Hair caps17.etc		LS	5,000
8	Table	2	3000	6000
9	Small Stool (Patla)	17	270	4590
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
Total Capital Cost (A) = Rs 1,20,940				

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
Total Recurring Cost (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 them 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	12094 / Year
Total=98,392		

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	900Kg	200 per Kg	1,80,000

15. Cost Benefit Analysis (Monthly)

Cost benefit analysis (monthly)		
S. No.	Particulars	Amount
1	Total recurring cost	83,200
2	Total sale amount	1,80,000
3	Net profit (Sale amount- Recurring cost)	96,800
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

16. Fund flow arrangement in SHG-

S.No.	Particulars	Total Amount (Rs)	Project Contribution	SHG contribution
1	Total capital cost	1,20,940	90,705	30,235
2	Total Recurring Cost	83,200	0	83,200
3	Training/capacity building/skill up-gradation.	50,000	50,000	0
Total		2,54,140	1,40,705	1,13,435

Note:

- Capital cost-75% capital cost will be borne by the project and 25% by the SHG.
- Recurring cost-to be borne by the SHG.
- Training and capacity building /skill up gradation to be borne by the project.

17. Sources of Fund-

Project support	<ul style="list-style-type: none"> ✧ 75% of capital cost will be provided by project if members belong to SC/ST/Poor women. If the members belong to general then 50% capital cost is will be borne by project. ✧ Up to Rs11lakhs 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 b 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"> ✧ 50% or 25% of capital cost to be borne by SHG for general category and other categories respectively. ✧ Recurring cost to be borne by SHG. 	

18. 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

19. Computation of break-even point-

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

= 1,20,940 / (200-120)

= 1512 Kg

In this process break-even will be achieved after selling 1512 kg of pickles.

20. 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.

21. 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 are as:

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

22. Remarks

The group consists of all women members which belong to low income group and they can contribute 25% and project has to be arremaining75%.

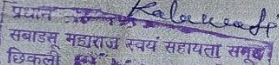
Group Photograph:-

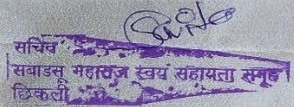


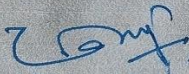
Resolution-Com-Group Consensus

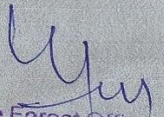
Resolution-Cum-Group Consensus

It is decided in the General House Meeting of the group SHG Sabharsu Maharaj
held on 01-08-2023 at Chhikuli 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


President
Village Forest Development
Society Sansog, Dhakrantu
G.P. Anti Distt. Shimla H.P.


Range Forest Officer
Saraswati Nagar

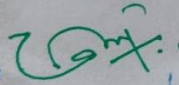
Business Plan Approval by VFDS

Business Plan Approval by VFDS


Sabharsu Maharaj S.H. 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) 2,54,140/- has been submitted
by this group on dated 4-08-2023 and this business plan has been
approved by VFDS Sansog Dhakrantu,

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

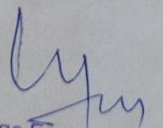
Thank You


President
Village Forest Development
Society Sansog, Dhakrantu
G.P. Anti Distt. Shimla H.P.

Signature of VFDS President


Secretary
Village Forest Development
Society Sansog, Dhakrantu
G.P. Anti Distt. Shimla H.P.

Signature of VFDS Secretary


Range Forest Officer
Saraswati Nagar

Name and Signature of Authorize Signatories

Name and Signature of Authorize Signatories	
<p>प्रधान <u>Kalauwadi</u> सबाडसु महाराज स्वयं सहायता समूह डिकली</p>	<p>President <u>[Signature]</u> Village Forest Development Society Sansog Dhakrantu G.P. Anti Distt. Shimla H.P.</p>
<p>सचिव <u>[Signature]</u> सबाडसु महाराज स्वयं सहायता समूह डिकली</p>	<p>Secretary <u>[Signature]</u> Village Forest Development Society Sansog Dhakrantu G.P. Anti Distt. Shimla H.P.</p>
<p>सभासद महाराज स्वयं सहायता समूह डिकली</p>	

Submitted to DMU through FTU

<p>Name and Signature of FTU Officer <u>[Signature]</u> Range Forest Officer Saraswati Nagar</p>	<p>Name and Signature of FTU Coordinator <u>[Signature]</u> Prem Kanta F.T.U. Coordinator F.T.U./Range S. Nagar D. M. U. Rohru</p>
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Approved

[Signature]
Divisional Forest Officer
Rohru Forest Division Rohru

Name and Signature of DMU Officer