



Income generating activity  
business plan  
Making Earthworm compost  
2023-24



Name of VFDs	: Sangam
FTU/Range	: Jhanduta
DMU/Division	: Bilaspur
FCCU/Circle	: Bilaspur
sponsored by PIHP FEM &L	prepared by:- DMU Bilaspur , FTU Jhanduta and Jai Maa Kali SHG

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## **Introduction :-**

Himachal Pradesh is a majestic , mythical land and is famous for its beauty and serenity , rich culture and religious heritage. The state has diverse ecosystems , rivers and valleys , and has a population of 7.5 million and covers an area of 55,673 sq km ranging from the foothills of the Shivalik mountains to the middle hills ( 300 - 6816 m above MSL) , high hills and the cool arid regions of the Upper Himalayas . It is spread over valleys in which several perennial rivers flow. About 90% of the state's population lives in rural areas. Agriculture , horticulture , hydropower and tourism are important components of the state's economy. There are 12 districts in the state and Its population density is quite high .

The district is situated along the border of Punjab and is the gateway for its tourist destinations and Himalayan tours , the routes for Himalayan tours from Bilaspur district connects Mandi , Kullu, Shimla , Solan , Hamirpur and Kangra districts .

This district is famous for its ancient settlements and traditional agriculture , with the Sutlej river as its main lifeline. And after the construction of Bhakra Dam, most of the fertile land area of this district has become submerged .

Forests and forest ecosystems are repositories of rich biodiversity , and play a vital role in preserving fragile sloping lands and were the primary sources of livelihood for the rural population. Rural people are directly dependent on forest resources for their livelihood and socio-economic development. The harsh reality is that these resources are continuously depleting due to overexploitation such as for fodder , fuel , NTFP extraction, grazing , fire and drought etc.

self help groups have been formed to implement livelihood improvement activities under Sangam Gram Van Vikas Samiti . One of these is " Jai Maa Kali " self help group which is involved in construction of vermicompost pit . The group members belong to the weaker sections of the society and have small land holdings. To enhance his socio-economic status , he decided to make earthworm compost . Technical support for preparing business plan Team Which includes SMS , Narend Kumar Forest Guard Ghandir Beat and Shri Gyan Chand Forest Block Officer, Forest Block Gochar and FTU Co - ordinator Jhandutta Smt. Anita Sharma were present . Which included Ved Prakash Pathania Contributed in preparing the business plan under the constant supervision and guidance of retired H.P.V. Se .

## **Executive Summary**

### **Sangam Village Forest Development Committee:-**

Sangam Gram Van Vikas Samiti is located in Revenue Mohalla Malari and Ghandir. This Gramin Van Vikas Samiti has been formed in Gram Panchayat Ghandir . It is located in Jhanduta block of Bilaspur district in Himachal Pradesh. Sangam Gram Van Vikas Samiti Bilaspur Forest Division Management Unit (DMU) It falls under Ghandhir beat of Gochar forest block under Jhanduta forest range of ,

Number of families	247
BPL Families	51 = 20.64 %
total population	911

### Details of Self Help Group

Self Help Group was formed on 08/04/2023 under Sangam Forest Village Development Committee to provide livelihood improvement support by upgrading skills and capacities . The group consists of poor and marginal farmers. Jai Maa Kali Self Help Group ( 10 women ) consists of marginal and financially weak sections of the society with less land resources. Though all the members of the group grow seasonal vegetables etc. , but since the land holdings of these members are very small and irrigation facilities are less and the production level is nearing saturation , to meet their financial requirements they decided to move forward. Dairy farming and vermicomposting can increase their income . There are 10 members in this group out of which 9 members will prepare earthworm compost and their monthly contribution is Rs 50 /- per member . The details of the group members are as follows:-

फोटो के साथ स्वयं सहायता समूह सदस्यों का विवरण

क्र स	नाम	पद	वर्ग	उम्र	शैक्षणिक योग्यता	मोबाइल नंबर
1	Anita Kumari w/o Subash Chand	प्रधान	APL	35	12वीं	8894579918
2	Nisha Kumari w/o Subash Kumar	सचिव	APL	38	5वीं	9816020865
3	Kiran Kumari w/o Rajesh Kumar	कोषाध्यक्ष	TRDP	42	12वीं	8580731450
4	Amrita Devi w/o Kirpal Singh	सहस्र	GEN	40	12वीं	8894578265
5	Mandhu Devi w/o Ramesh Kumar	"	APL	41	5वीं	8894511247
6	Meena Devi w/o Kartar Singh	"	APL	49	5वीं	7018600425
7	Ramdevi w/o Ramesh Chand	"	APL	42	5वीं	9805733910
8	Rasmi Devi w/o Subash Chand	"	APL	45	8वीं	7018666070
9	Mandhu Kumari w/o Ashok Kumar	"	APL	32	B.A	858070664
9	Amrati Devi w/o Neelam	"	GEN	42	12वीं	9805915783
10.						
11.						
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18.						



# फौटी के साथ स्वयं सहायता समूह सदस्यों का विवरण:-



अंशिका कुमारी  
(प्रधान)



निशा कुमारी  
(सचिव)



किशन कुमारी  
(कोषाध्यक्ष)



अंशिका देवी  
(सदस्य)



मंजु देवी  
(सदस्य)



मीना देवी  
(सदस्य)



शर्मिला देवी  
(सदस्य)



रौशमी देवी  
(सदस्य)



अमरती देवी  
(सदस्य)

जय माँ काली स्वयं सहायता  
समूह मलारी

**Jai Maa self help Group :-**

Name of the SHG	:	jai maa kali self help group
SHG/CIG MIS Code Number	:	-
VFDS	:	Sangam
Range	:	Jhanduta
Forest Division	:	Bilaspur
Village	:	Malari
Block	:	Jhanduta
District	:	Bilaspur
Total number of members in the SHG	:	10
Date of formation	:	08 /0 4 / 202 3
Name and details of the bank	:	The Co-operative Bank Ltd Barthin
Bank account number	:	10410120869
SHG/Monthly Savings	:	Rs. 50/- per month
Total savings	:	5012/-
Total Inter-Loan	:	0
cash credit limit	:	10,000/-
Repayment Status		

**Geographical description of the village**

Distance from District Headquarter	:	35 Km
Distance from the main road	:	100 km (but 100 to 200 meters from the main road) approx
Name of Local market and distance.	:	Malari 0.1 km , Barthi 5 km , Bilaspur 35 km , approx .
Names and distances of major cities	:	Barthi, Balhsina 5 Km . , Bilaspur 35 Km . Approx .
Names of major cities where The products will be sold/marketed	:	Malari, Barthi, Balhsina , Bilaspur
Backward and Forward Linkage status	:	The back link lies in training ( Agricultural Science Centres ) and the front link lies in market suppliers etc.

**source of funds**

Project support	<ul style="list-style-type: none"> <li>7.5 % of the capital cost will be used for purchase of machinery including tools ,as described at Serial No. 8.</li> <li>Upto Rs 1lakh will be kept in the SHGbank account.</li> <li>Training /Capacity Building /Skill Upgradation Cost.</li> </ul>	/equipment will be procured by the respective DMU / FCCU after following the codal formalities .
SHG Contribution	<ul style="list-style-type: none"> <li>25 %of the capital cost will be borne by the self help group ,this includes the cost of machinery and other materials /equipment.</li> <li>Recurring costs borne by SHGs</li> </ul>	

### Training/Capacity Building/Skill Upgradation

The cost of training/capacity building/skill upgradation will be borne by the project.

Following are some of the training/capacity building/skill upgrading proposed/required:

- RawMaterialCostEffectiveProcurement
- Qualitycontrol
- packagingandmarketing
- FinancialManagement

### Bank Loan Repayment –

If loan is taken from bank it will be in the form of cash credit limit and there is no repayment schedule for CCL; however, monthly savings and repayment receipts from members should be sent through CCL.

- In CCL, the outstanding principal of the SHG should be paid in full to the banks once a year. Interest amount should be paid on monthly basis.
- In term loans, repayment should be done as per the repayment schedule in banks.

### Monitoring Method –

Beneficiaries of Base line Survey and annual Survey Did Will go.

## Business plan

## Income Generating Activity– Vermicomposting



# By

## Jai Maa Kali Self Help Group

### Introduction

Vermicomposting is gaining strong traction in the country due to its simple production techniques, ecological, economic and associated human health benefits. A significant number of vermicomposting units have been set up by entrepreneurs with government support and under the technical guidance of non-governmental organisations (NGOs), especially in the southern and central parts of the country.

Vermicomposting has direct environmental and economic benefits as it contributes significantly to sustainable agricultural production and farmers' income. There are many NGOs, Community Based Organizations (CBOs), Self Help Groups (SHGs), Trusts, etc. who are making concerted efforts to promote vermicomposting technology due to its established economic and environmental benefits.

### vermi compost

Production of compost by rearing/using earthworms is called vermicomposting technique. Under this technique, earthworms eat biomass and excrete it in digested form which is known as vermicomposting or vermicompost. It is one of the simplest and cost effective methods of production of compost for both small and large scale farmers. Vermicompost production unit can be set up in any land which is not under any economic use but is shady and free from water stagnation. The location should also be near water resources

Vermicomposting, popularly called "waste to gold", is one of the major inputs in organic agriculture production. Due to simple technology, many farmers are engaged in vermicompost production as it strengthens soil health, soil productivity reduces cost of farming. The demand of vermicompost is gradually increasing due to its high nutrient content.

### Description of the product related to the income generating activity

Product Name	:	Earthworm Compost
product identification method	:	This activity is already being done by some SHG members and is collectively

		decided by the group members
SHG /CIG /Cluster members	∴	Yes

### Description of production processes

phase		Description
Step -1	:	Processing includes collection of weeds , and storage of organic waste.
Step -2	:	Pre-digestion of organic waste by piling up the material with cattle dung slurry for twenty days. This process partially digests the material and is suitable for earthworm consumption. Cattle dung and biogas slurry can be used after drying. Wet dung should not be used for vermicompost production.
step 3	:	Preparing earthworm bed. To prepare vermicompost a solid base is required to put the waste. Loose soil will allow the worms to move into the soil and while watering, all the soluble nutrients go into the soil with water.
step 4	:	Vermicompost - Collection of worms after compost collection. Screen the composted material to separate the fully composted material. The partially composted material will then be placed in the vermicompost bed.
Step -5	:	- compost in a proper place to create moisture and allow growth of beneficial microorganisms .
Step -6		10X4X2 fit brick cooking pit shall be constructed and roof shall be provided to protect it from water

### Details of the production plan

Production cycle )in days (	∴	90days )three cycles in a year (
CountercycleRequiredManpower )ed ( .	∴	1
Source of raw material	∴	Home and own farms
Sources of other resources	∴	free market
Raw Material -Required quantity per cycle )kg (per member	∴	1800kg per cycle
Expected production per capita per cycle )kg .(	∴	900kgper cycle

### Marketing/Sales Details

Potential Marketplace	-	Himachal Pradesh Forests Department Local market
distance from unit	-	Our for use on the farm
/s of the product in the market	-	HOFF( Forest Department ) is buying vermi -compost in large quantity for their nurseries
Market Identification Process	-	PMU Himachal Pradesh Forest Department will provide facility for purchase of vermi - compost produced by self-help groups.
ProductivityMarketingStrategy	-	SHG members will explore additional marketing options around their villages for better selling price in future.
Product Branding	-	CIG /SHG level will be done by branding of the respective CIG SHG. This IGA may later / require branding at cluster level
Product "slogan "	-	"Nature of Friendly "

## SWOT Analysis

### ❖ Strength

- ➔ The activity is already being carried out by some SHG members
- ➔ Each SHG member has 2 to 8 cattle in each household
- ➔ The SHG member families are cultivating high value crops and vegetables which provide ample availability of raw material i.e. agro organic waste throughout the year.
- ➔ Raw materials easily available in their fields
- ➔ The manufacturing process is simple
- ➔ Proper packing and easy to transport
- ➔ Other family members will also assist the beneficiaries
- ➔ Product self-life is long

### ❖ weakness

- ➔ Effect of temperature, humidity, moisture on manufacturing process/product.
- ➔ Lack of technical knowledge

### ❖ opportunity

- ➔ Increasing demand for vermicompost due to awareness among farmers towards organic and natural farming
- ➔ Using Vermi-Compost on your farm will improve and increase soil health and produce quality agricultural produce that will offer better value.
- ➔ Best use of organic waste including household waste left outside the kitchen
- ➔ Possibility of marketing tie-up with HP Forest

### ❖ Threats/Risks

- ➔ Possibility of disruption of production cycle due to extreme weather

- ➔ competitive market
- ➔ Level of commitment among beneficiaries towards participation in training/capacity building and skills upgradation

### **Members of between management of Description**

- ➔ Production - this will be taken care of by individual members including purchasing of raw materials
- ➔ Quality Assurance - Collectively
- ➔ Cleaning and packaging - collectively
- ➔ Marketing - Collectively
- ➔ Unit Monitoring - Collectively

## Description of Economics

( in realistic currency )

Sl . No. 100/1	discussion	Units	Quantity / Number	Cost )Rs (.	Year 1	Year 2	Year 3	Year 4	Year 5
A.	Capital expenditure								
A. 1	construction of pits and sheds								
1	plus labor cost includingshed )size willbe 10 ftX4ftX2ft (	Per member	9	6000	54000	0	0	0	0
2	Construction of Iron Angle Covered Shed	Per member	9	4000	36000				
	Subtotal )A.1 (				90,000	0	0	0	0
.2	machinery and equipment								
3	Tools ,equipment ,weighing scales, etc.	Per member	9	2000	18000	0	0	0	0
	Subtotal )A.2 (				18000	0	0	0	0
	Total capital ) costA.1 + A.2 (				1,08,000	0	0	0	0
B	recurring cost								



4	Seed Earthworm	Per Kg	9	500	4500	0	0	0	0
5	slurry /dung /waste	Tonnes	43	900	38700	40635	42667	44800	47040
6	labour cost	per tonne	21	700	14700	15435	16207	17017	17868
7	Packing Material	No.	3600	2	7200	7560	7938	8335	8752
8	Other handling charges	per tonne	43	150	6450	6773	7111	7467	7840
C	other charges								
9	Insurance	L/S			0	0	0	0	0
10	interest on loan	Per annum		2 per cent					
	Total recurring cost				<b>71550</b>	<b>70403</b>	<b>73923</b>	<b>77619</b>	<b>81500</b>
	Total cost –capital and recurring				<b>179550</b>	<b>70403</b>	<b>73923</b>	<b>77619</b>	<b>81500</b>
D	Vermicompostingsay								
11	Vermi Sale of Compost	Tonnes	43	<b>6000</b>	<b>258000</b>	<b>270900</b>	<b>284445</b>	<b>298667</b>	<b>313601</b>
12	sale of earthworms					<b>4000</b>	<b>8000</b>	<b>8000</b>	<b>8000</b>
13	total revenue				<b>258000</b>	<b>274900</b>	<b>292445</b>	<b>306667</b>	<b>321601</b>
14	Net Return )DC (				<b>186450</b>	<b>204498</b>	<b>218522</b>	<b>229048</b>	<b>240101</b>

**Note** - Since the labour work will be done by the members of the self help group and the slurry/dung/waste and These The material is available with the group hence , recurring costs ( labour cost, cost of purchase of slurry/dung/waste) are deducted from the total recurring cost.

#### economic analysis

Description	year 1	Year 2	season 3	Year 4	Year 5
Capital Cost	108000	0	0	0	0
recurring cost	<b>71550</b>	<b>70403</b>	<b>73923</b>	<b>77619</b>	<b>81500</b>
Total Cost	<b>179550</b>	<b>70403</b>	<b>73923</b>	<b>77619</b>	<b>81500</b>
total profit	<b>258000</b>	<b>274900</b>	<b>292445</b>	<b>306667</b>	<b>321601</b>
Net profit	<b>186450</b>	<b>204498</b>	<b>218522</b>	<b>229048</b>	<b>240101</b>

Net Benefit of Distribution – Production In equity of According.

## Findings of economic analysis

- ➡ The size of the pit for each member is planned as 10X4X2 feet for one pit.
- ➡ Rs . 1.85 per kg .
- ➡ Vermi Compost ( Conservation Side) Rs. 6 per kg
- ➡ Net profit will be Rs 4.15 per kg
- ➡ It is proposed that each member will produce 3.3 tonnes of vermicompost per year resulting in production of 29.7 tonnes of vermicompost by all the 9 members of the self help group in a year.
- ➡ Earthworm price = Rs 500.00 per kg
- ➡ Vermi-composting is a profitable IGA and can be taken up by SHG members.

### Funds Requirement:

No.	Description	Total Amount ( Rs . )	Project support	SHG Contribution
1	total capital cost	108000	81000	27000
2	Total recurring cost	<b>71550</b>	0	<b>71550</b>
	<b>Total =</b>	<b>179550</b>	<b>81000</b>	<b>98550</b>

### Comment-

- **Capital Cost** – 75 % of the capital cost will be covered under the project
- **Recurring cost** – To be borne by SHG/CIG.
- **Training/Capacity building/Skill upgradation** – To be borne by the project

### FundsSource:

Project support ;	<ul style="list-style-type: none"> <li>• <b>75 %</b> of the cost of capital %will be used for purchase of weighing machines</li> <li>• Upto Rs <b>1lakh will be kept in the SHGbank account.</b></li> <li>• Training /Capacity Building /Skill Upgradation Cost.</li> </ul>
SHG Contribution	<ul style="list-style-type: none"> <li>• <b>75 %</b> of the capital cost will be borne by the self help group ,this includes purchase of weighing machines</li> <li>• Recurring costs borne by SHGs</li> </ul>

## Training/Capacity Building/Skill Upgradation

The cost of training/capacity building/skill upgradation will be borne by the project.

Following are some of the training/capacity building/skill upgrading proposed/required:

- ➡ / Reorganization of Project Orientation Groups
- ➡ Group concept and management
- ➡ Introduction to IGA ( General ).
- ➡ marketing and business plan development
- ➡ bank credit linkage and enterprise development
- ➡ SHGs / CIGs – within and outside the State

## surveillance system

- ➡ The Social Audit Committee of VFDS will monitor the progress and performance of the IGA and suggest corrective actions, if necessary, to ensure operation of the unit as per the projection.
- ➡ The SHG should review the progress and performance of each member's IGA and suggest corrective actions, if necessary, to ensure that the unit operates as per projection.

The cost of earthworm composting project is

Capital cost = 108000/-

Recurring cost = 71550/-

Total amount of the project = 179550/-

Serial Number	business plan	capital cost	recurring cost	Part of the project	Beneficiary Contribution	Total Cost
1.	Making earthworm compost	108000	71550	81000	27000	179550
2.	Training	-	-	-	-	
	<b>Total</b>	108000	71550	81000	27000	179550

### अनुसूचक

हम सब समूह सदस्य ने आईजीए गतिविधि में सक्रिय रूप से भाग लेने के लिए सहमति दी है एचपी पारिस्थितिकी तंत्र प्रबंधन और आजीविका में सुधार और वीएफडीएम के साथ समन्वय के लिए जेआईसीए परियोजना के दिशानिर्देश के अनुसार समूह ( कैपुआ खाद टी मार ) द्वारा चुना गया।

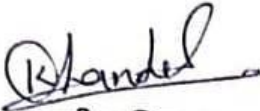
सदस्यों का विवरण इस प्रकार है

क्र.सं.	नाम	पद	वर्ग	उम्र	हस्ताक्षर
1	Anita Kumari w/o Subash Chand	प्रधान	APL	35	Anita Kumari
2	Nishakumari w/o Suresh Chand	सचिव	APL	38	Nishakumari
3	Kiran Kumari w/o Rajesh Kumar	कीषावृक्ष	IRDP	42	Kiran
4	Amrita Devi w/o Kirpal Singh	सदस्य	GEN	40	Amrita Devi
5	Manghu Devi w/o Rakesh Kumar	?	APL	41	Manghu Devi
6	Meena Devi w/o Kartar Singh	?	APL	49	Meena Devi
7	Ram Bai w/o Ramesh Chand	??	APL	42	Ram Bai
8	Roshni Devi w/o Subash Chand	?	APL	45	Roshni Devi
9	Mandhu Kumari w/o Ashok Kumar	?	APL	32	Mandhu Devi
10	Amrati Devi w/o Kirpal Singh	?	GEN	42	Amrati Devi
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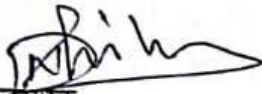


हस्ताक्षर  
सचिव स्वयं सहायता समूह  
निशा कुमारी


हस्ताक्षर  
प्रधान स्वयं सहायता समूह  
Anil Kumar

हस्ताक्षर   
सचिव, वन ग्रामीण विकास  
समिति

हस्ताक्षर   
सचिव  
प्रधान स्वयं सहायता समूह  
शिव कोलका घण्डीर व मलारी  
समिति  
तह. झण्डुता जिला बिलासपुर (हि.प्र.) 174029

हस्ताक्षर   
वन रक्षक

हस्ताक्षर   
Block Forest Officer  
Forest Block - Gocher  
वन खण्ड अधिकारी  
Forest Range - Shandil

  
R.F. Officer  
हस्ताक्षर  
वन परिक्षेत्र अधिकारी

डीएमयू द्वारा