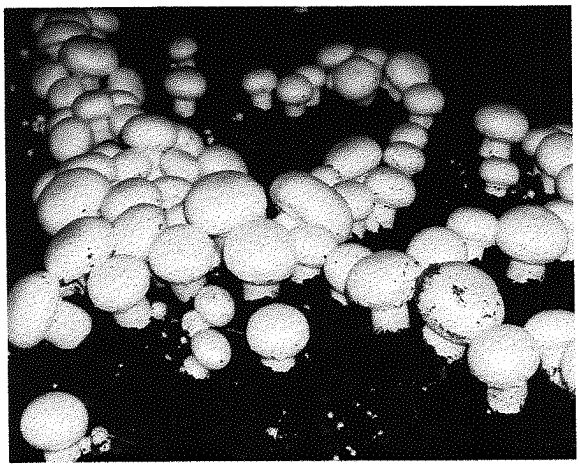
Himachal Pradesh
Forest Department

Income Generation Activity
Business Plan Mushroom Cultivation
2021



Lakshmi Narayan Self Help Group of VFDS Kalas Kharot

SHG/Name	**:**	**Lakshmi Narayan SHG**
VFDSName	**:**	**Kalas Kharot**
FTU/Range	**:**	**Sarkaghat**
DMU/Division	**:**	**Suket**
FCCU/Circle	**:**	**Mandi**

Sponsored by
PIHPFEM&L

Prepared by:-
DMU Suket, FTU Sarkaghat & SHG lakshami Narayan

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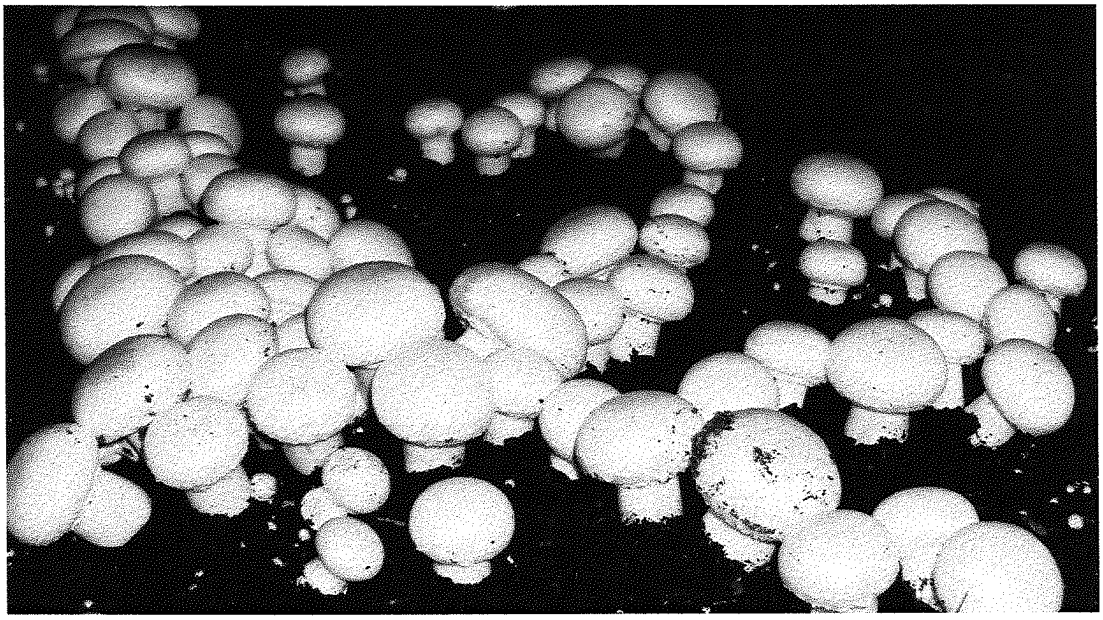


1. Introduction

Himachal Pradesh is majestic, almost mythic terrain and famous for its beauty and serenity, its rich culture and religious heritage. The state has diverse ecosystem, rivers and valleys, and has a population of 7.5 million and covers 55,673 sq. km ranging from foothills of Shivalik to the mid hills (300 - 6816 mts above MSL), high hills and cold dry zones of the upper Himalayas. It is spread across valleys with many perennial rivers flowing through them. Almost 90% of the state's population lives in rural areas. Agriculture, horticulture, hydropower and tourism are important constituents of the state's economy. The state has12 districts and Mandi is 2nd district in population wise having14.58%.

The district lies in central Himachal and is famous for its tourist stations and Himalayan Treks connecting the trails with far remote regions between the adjacent districts of Kullu Shimla, Bilaspur, Solan, Hamirpur and Kangra districts which are bordered at North-North East, East, West and South of Mandi respectively. The District is also a home to some of the Ancient settlements, Traditional Handloom and Apple Cultivation Fields & Beas and Setluj River are the life line and main drain.

The largest valley in the district is called the Balh Valley, though other valleys such Karsog and Hatli valleys are also known for the production of food grains.which is also known as the Valley of the Gods. There is also a town called Mandi which situated on the banks of the Beas River in the northern part of the Balh valley, where people are hard working.

Forests and Forest eco systems are the storehouse of rich biodiversity and play a vital role in preserving the fragile sloppy landsand were primary sources of livelihood for rural population. The rural peoples are directly dependent on the forest resources for their livelihoods and socio-economic development. The Harsh reality is this that these resources are constantly depleting due to over exploitation, such as Fodder, fuel, NTFP extraction Grazing, Fires, and droughts etc.

Under Kalas Khrot VFDS two SHGs have been formed for implementing livelihood Improvement activities. One of these is, "Lakshmi Narayan" concerned with Mushroom Cultivation. Group members belong to a weaker section of society and have less land holdings. To raise their socio-economic conditions, they decided to cultivate Button and Dhingri Mushrooms. Technical inputs for preparing Business Plan was provided by Dr. Pankaj Sood, Principle Scientist & Head Dr. Kavita Sharma & D S Yadav, KVK Mandi at Sunder Nagar. Team consisting of Sh. Vijay Kumar, Subject Matter Specialist, o/o DMU Sunder Nagar, Monika Kumari, FTU Co-coordinator Sarkaghat Range of Suket Forest Division, Mr. Nek Ram, Forest Guard Jamdhwar Beat and Vijay Kumar D/R B.O Thauna prepared the business plan under the constant supervision and guidance of V. P. Pathania, Rtd. DFO.

2. Executive summary

Kalas Khrot VFDS: -

Kalash Kharot VFDS is part of Ambi Kalash revenue mohal and the VFDS is constituted of Gram Panchayat Chouri. It is located in Gopalpur block of Mandi district in Himachal Pradesh and lies between 31.714277°N latitude- 76.791272°E longitudes. The Kalash Kharot VFDS falls under Jamadwar beat of Sarkaghat Range in Suket forest Divisional Management Unit (DMU)

Important features of VFDS: -

The area is famous for Baba Kamlahiya Temple and Sheetla Mata temple located in the VFDS and the local people visit for worship and taking blessing of the local deity.

No. of Households	81
BPL families	10=12.35%
Total population	309
Total Cattle	80

3. Description of SHG

The informal Lakshmi Narayan SHG group was formed in Jan 2021 under Veh VFDS to provide Livelihoods Improvement Support by up gradating skill and capacities. The group

consists of poor and marginal farmers.

Lakshmi Narayan SHG group is male group consist of (10 male) marginal and financial weaker section of the society having less land resources. Though all Group member grow seasonal seasonal and traditional crops etc. but as the land holding of these members is very small and irrigation facility are less and the production level has reached near saturation, so inorder to meet out their financial requirements and to contribute to the nation production' they decided to go ahead with Mushroom cultivation which can enhance their income. There are 10 members in this group and their monthly contribution is Rs 100 /- per month. The detail of Group members is as under:-

Detail of SHG Members along with Photos

Sr. No.	Name	Designation	Category	Age	Qualification	Cont.No.
1.	Prakash Chand Saroch s/o Sh. Gangadhar	President	General	68	10th	94186 15093
2.	Kanshi Ram s/o Sh. Rikhi Ram	Member Secretary	General	66	10th	94592 73980
3.	Inder Dev s/o Sh. Sangaru Ram	Member	General	62	10th	70182 55405
4.	Kesar Singh s/o Sh. Damodar	Member	General	57	10th	86288 24892
5.	Shali Ram s/o Sh. Bhagt Ram	Member	General	63	8th	94189 55449
6.	Kali Das s/o Sh. Sh. Vishavmitar	Member	General	60	5th	98173 47168
7.	Baldev s/o Sh. Dutt Ram	Member	General	62	10th	98162 64771
8.	Amar Chand s/o Sh. Mast Ram	Member	General	64	10th	98576 67641
9.	Santosh Kumar s/o Sh. Mohan Lal	Member	General	36	12th	70182 50568
10.	Viri Chand s/o Sh. Bhagt Ram	Member	General	59	10th	76499 61450

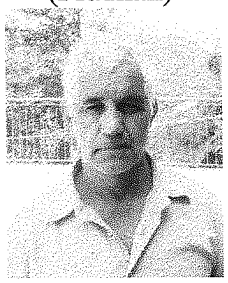
Photograph of Self Help Group members

Prakash Chand
Saroch
(Pradhan)

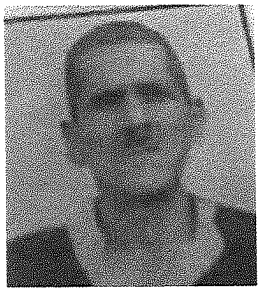
Kanshi Ram
(Secretary)

Inder Dev
(Member)

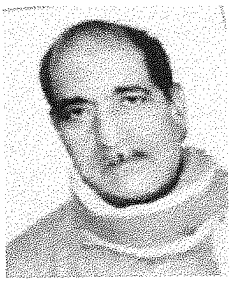
Kesar Singh
(Member)



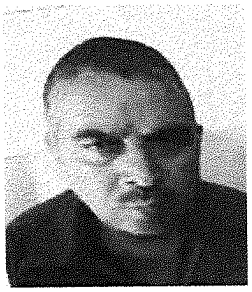
Shali Ram
(Member)



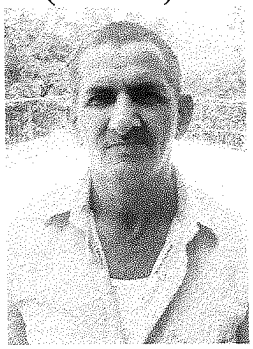
Kali Das
(Member)



Barfi Devi
(Member)



Amar Chand
(Member)



Viri Chand
(Member)
Sunita
(Member)

Lakshmi Narayan Self Help Group

2.1.	Name of SHG	::	**lakshami Narayan**
2.2	SHG/CIG MIS Code No	::	-
2.3	VFDS	::	Kalas kharot
2.4	Range	::	Sarkaghat
2.5	Division	::	Suket
2.6	Village	::	Kalas kharot
2.7	Block	::	Gopalpur
2.8	District	::	Mandi
2.9	Total no of members in SHG	::	10
2.10	Date of formation	::	December 2020
2.11	Bank Name and details	::	PNB, Thona IFSC CODE PUNB 0299500
2.12	Bank A/C No.	::	29950001010337456
2.13	SHG/monthly saving	::	Rs.1000/-Month
2.14	Total Saving	::	6000
2.15	Total inter-loaning	::	Yes
2.16	Cash Credit limit	::	-
2.17	Repayment status		Quarterly Bases

3.1. Geographical detail of the Village

3.1	Distant from District HQ	:	45 km
3.2	Distant from Main Road	: : :	0 Km (But from main road 100 to 200 mts) approximately
3.3	Name of Local Market and distant	:	Sarkaghat 20 KM Rewalsar 31 kms, Mandi 55 kms app.
3.4	Name of main Cities and distant	: : :	Sarkaghat 20 k m Sunder nagar, 55 kms, Mandi 55 kms app.
3.5	Name of the main cities where Products will be sold/ marketed	: : :	Sundernagar, Rewalsar Sarkaghat and Mandi.
3.6	Status of backward and forward linkages	: : :	Backward linkages Training, (KVK)compost bags span added (Horticulture dept.) and Forward linkages Markets exits suppliers etc.

4. Description of product related to Income Generating Activity.

4.1	Name of the Product	::	The Group will be involved in production of Button Mushrooms and Dhingri in controlled environment.
4.2	Method of Product Identification	::	Though the entire Group member grows seasonal vegetable crops. As their land holding is very small, has reached in saturation point of production, so they are not able to meet out their financial requirements' therefore it has been decided by the group member that Mushroom cultivation will enhance their income. Further they usually go to sell their vegetable crops in Sunder nagar Market. Market linkages are already in place. They do not have to spend extra time and money for marketing Mushrooms.
4.3	Consent of SHG /CIG/ Cluster	::	Consent is attached as an Annexure.

5. Production Processes

The training of Mushroom cultivation has been arranged by JICA project at KVK Sundernagar. The full cost of training with spot demonstration is born by the JICA Project.

The Group decided initially to start with Dhingri Mushroom Production, as training has been completed during February and the following months of march April/May, June July are more suitable for cultivating this mushroom. 250 Compost spawn added Bags will be purchased and fixed in hired/ rented room.

Three tier wooden /Bamboo racks fitting, along with two Exhaust fans one for fresh air andother at the bottom to expel out the inner air will be installed. one ceiling Fan to lower the room temperature and other (heat blower) to increase the room temperatures, one Dry and wet thermometers will be installed in the hall to maintain the required room temperature. The room will be washed and sanitized with formalin (5ml/liter) twice to thrice before loading the Bags. The business plan with two crops of Button Mushrooms and two crop of Dhingri (70 to75 days cycle for each). (August to Feb are best months for Button Mushroom and March to July for Dhingri) has been prepared after having through discussions with the group.

The Group members will work 1hrs daily, half an hour in the morning and half an hour in the evening.

6. Description of Production Planning:

6.1	Production Cycle(75 days)	::	In Mandi district Button Mushroom can be grown from September to March. After adding spawn in the compost bag, mushroom takes 30 to 40 days to pinup. There after three flushes can be taken .In total 75 days are required to take the three flushes of mushroom crop. The production cycle of one crop will be 75days.In a year four cycles of crop will be repeated as per detailbelow:- 1st crop of Dhingri Mushroom (May to end of July). 2nd crop of Button Mushroom (Sept to November = 75days) 3rd crop of Button Mushroom, (Nov to January =75 days) 4th crop of Dhingri Mushroom (February to April= 75 days)
6.2	Manpower required (No)	::	Initially whole group will work together to install/ construct theracks, clean the room andcarry compost bags from the road toproduction sites. Thereafter for first 30 days2 persons for 1hours (1/2 an Hour Morning and ½ an hour evening) on rotation bases will work for cleaning, moistening, temperature regulation etc. For next 31 to 75 days 4-person 3hours for harvesting, caging soil, cleaning, weighing and packing. Marketing hours are not included as one of the members will sell mushrooms along with vegetables in the market regularly. Compost making 4 persons will work for 2hours for 2 days. Labour work will be for total 706 hrs, if we divide it by 8 (hours) it will be 88 days and multiply it by wages rate of Rs 275/day then the cost of labour comes out to be Rs **24200/-**
6.3	Source of raw material	::	Horticulture Department, Palampur and Solan district of Himachal Pradesh. Generally, all materials are available in Sundernagar KVK.
6.4	Source of other	::	-do-

	Resources.		
6.5	(i) Quantity required for Button Mushroom (75days) (ii) Quantity required for one cycle of Dhingri i.e75days	::	250 Compost Spawn added Bags, Formalin, 200ml, Bavistin 100 g, packing material (polythene sleeves) 3kg. For Dhingri Spawn: 25 kg, Wheat or other crop straw: 500 kg, Formaline: 2 liter, Bavisitn: 100 g, Polysheet: 1 300 transparent Polythene Bags for Dhingri compost, Polythene sleeves 5 kg (3kg for fresh and 2 kg for replacement of torn bags)
6.6	Expected production in 75days	::	**Dhingri**:-The average production of Dhingri from one bag of compost is around 1.6 kg. For250bagstheyieldwillbe **400 kg** of Dhingri. **ButtonMushrooms**:- The average production of Mushroom from one Bag is 2.0 kg /1Bag = 2.0 kg 250 Bagsx 2.0kg.=**500kg.**

7. Description of Marketing /Sale

7.1	Potential Market Places	::	Durgapur, Rewalsar, Mandi, Sundernagar.
7.2	Distance from unit	::	Durgapur 10 Km, Rewalsar 21 Km, Mandi 45 Km, Sundernagar 55 Km.
7.3	Demand of the Product in Market		Mushrooms are always in demand throughout the year.
7.4	Process of Identification of Market	::	The market for vegetable selling is well established in Sundernagar town.
7.5	Impact of seasonality on Market.	::	Mushrooms are all weather delicacy and are in high demand throughout the year. However, during summer, and marriage ceremonies demand rises high.
7.6	Potential buyers of the Product.	::	Potential Market Buyers are Hospitals, Hotels, Hostels, Shops, Local residents/ Marriage and other ceremonialoccasions etc.
7.7	Potential consumers in the area.	::	All Health-conscious citizens /Households.

7.8	Marketing mechanism of the Product.	::	Daily supply of the Mushrooms to the Market on Demand Basis and group will also sell these in open Market of R e w a l s a r and Durgapur Bazar along with local vegetables.
7.9	Marketing strategy of the Product.	::	Initially group will contact all the vegetable retail sellers of Sundernagar town, thereafter on increase of production, the retail sellers of Mandi market will also be contacted to sell their product on net rate or commission basis.
7.10	Product Branding.	::	"Kathogan Fresh Mushrooms".
7.11.	Product Slogan	::	**"Mushroom Khao Sehat Banao."**

8. Description of Management among the Members

All Members will take training and divide themselves for daily work operations, Marketing, Linkages with department and with VFDS.

9. SWOT Analyses

Sl.no	**Detail/Items**	**:**	**Description**
1.	Strength	::	All Group members are like minded, well adapted to local and social environment. Production cost is less, Produce is of high quality and Demand, growing cycles are short, production will be throughout the year. Readymade Compost bag are available with Horticulture department at Palampur and Solan. For SHG Financial support Trainings and exposures will be organized by JICA Forestry Project.
2.	Weakness	::	New elf- help Group, lack of experience in Mushroom production /cultivation.
3.	Opportunity	::	Demand is high and return is high.
4.	Threats	::	Internal Conflict in Group, lack of Transparency, and lack high Risk bearing capacity

10. Description of Potential risks and measures to mitigate them

SI.no	Potential risks	:	Measures to mitigate them.
1.	1. At times Harmful infection can destroy the crop. 2. Temperature maintenanceand regulations 3.Market saturation	: : : :	First of all, cleanness is to be maintained by washing hands And feet with soap and dip in formalin solution before Entering into the room. Only 2 to 3 persons will enter the room with full kit (cap, Gloves, apron etc.). Regular sprays to avoid fungal attack. With the help of thermo meters, the required temperatures will be maintained with given devices. To do Value addition or dry mushrooms for making Mushroom Pickles, soups and other products etc. in the later Years of production.
2.	Internal Conflict in Group, Transparency	: :	Conflicts to be dealt within the initial stage, to eradicate the cause. Equal exposure to all Group members, equal benefit sharing needed Give Respect, and honour to every member.
3.	Market		Market is always fluctuating; Demand and supply are alwaysat variance. So members to keep on searching new markets and buyers.
4.	Production	: :	Production will be increased slowly as per the market Demand and members' experience.

11. Description of Economics of the Project.

1st Cycle

S.No	PROJECT COST	Amount in Rs.
A	**Capital cost**	
A.1	Construction of three tire wooden/Bamboo racks fitting	15,000
a	Ceiling Fan(1No)	2500
b	Exhaust fans (2)	3000
c	Room heat/blower/	1500
d	Dry and wet thermometer (1set)	1000
e	Weighing electronic machine (1no)	900
f	Hot plastic ceiling rod (1no)	800
g	Medium spray pumps (1no)	1800
h	Set of sharp knives no (1set)	75
i	Scissor, (2no)	400
j	Trays/Basket (6no)	600
k	Crate (4no).	2400
l	Water tanks 1000 litre 1no including carriage	8000

m	Water and electricity fitting material & Charges	4000
n	Miscellaneous expenditure	3000
	Total Capital Cost	**44975**
B.	**RECURRING COST of First Cycle (75 days)**	
B.1	Cost of Rented Room 1 Hall (mushroom growing Unit) @ Rs. 1000/ Month. (3month) =	3,000
B.2	Formalin	600
B.3	Labour wages 88 day=(@Rs 275/day)= Rs 24200	24200
B.4	Dhingri Compost Bags 250 no @Rs 40 per bag and other raw Material including carriage	10000
B.5	Packaging (packaging material etc.)	3000
B.6	Transportation	1000
B.7	Electricity and water usage charges @ Rs1000 per month	3000
B.8	Miscellaneous expenditure (stationery, Bill book, receipt etc.)	1500
	Recurring Cost of one cycle=B1+B2+B3+B4+B5+B6+B7+B8	**46300**
	Total Project cost (A+B)=44975+ 46300=91275	**91275**

Cost Benefit Analysis First Cycle:-

Sr. No	Particular	Unit	Quantity/no	Rate	Amountin (Rs)
A	**Depreciation 10% on Capital Cost**	Month	3	10%	**1125**
B	Recurring Cost for 3Months				
1.	Cost of Rented room 1 Hall (mushroom growing Unit) @Rs1000/ Month.(3month)	Month	3	1000	3,000
2.	Formalin containing 250 in each Bottle.	No	2 bottle	300	600
3.	Labour wages 88 days=(@ Rs 275/day) = Rs. 24200	Days	88	275	24200
4.	Dhingri Compost Bags 250 no @ Rs. 40 per bag and other raw material including carriage	No	250	40	10000
5.	Packaging (Packaging material etc.)	Kg	5	600	3000
6.	Transportation Charges	-	-	-	1000
7.	Electricity and water usage charges @Rs 1000 per month	Month	3	1000	3000
8.	Miscellaneous expenditure (stationery, Bill book, receipt etc.)		L/S	-	1500

	Total				**46300**
9.	Total Production in Kg.	Dhingri Compost			400 kg 500 kg
10.	Sale of Production in Kg.	Dhingri 400 kg @ Rs 150 Compost 500 kg @ 5			60000 2500
				Total	**62500**
11.	Total Benefit	62500-(1125+46300)			15075
12.	Grossprofit	Total Profit + Labour wages+ Room Rent 15075+(24200+3000)=			42275
13	Net amount out of benefit to be reserved for Returned of 2nd and 3rd installment				14494
14.	**Amount available for Distribution of benefit among members in 1st cycle=Sale of product– (Principal amount + interest +recurring cost +Remaining amount of 2nd and 3rd installment) 62500–(18563+1437+46300+14494)**				**-18294**

Note: - Out of amount Rs 14494 will be kept reserve for payment of remaining amount of loan of 2nd and 3rd installment.

Cost Benefit Analysis Second Cycle

Sr. no	Particular	Unit	Quantity/no	Rate	Amountin (Rs)
A	**Depreciation10%on Capital Cost**	Month	3	10%	**1125**
B	Recurring Cost for 3 Months				
1.	Cost of Rented room 1 Hall (mushroom growing Unit) @ Rs1000/Month. (3 month)	Month	3	1000	3,000
2.	Formalin containing 250 in each Bottle.	No	2 bottle	300	600
3.	Labour wages 88 days=(@ Rs 275/day) =Rs24200	Days	88	275	24200
4.	Button Mushroom Compost Bags 250 no@ Rs 90 per bag and other raw material Including carriage	No	250	90	22,500
5.	Packaging (packaging material etc.)	Kg	2.5	600	1500
6.	Transportation Charges	-	-	-	1000
7.	Electricity and water usage charges @Rs 1000 per month	Month	3	1000	3000
8.	Miscellaneous expenditure (stationery, Bill book, receipt etc.)		L/S	-	1500
	Total				**57300**

9.	**Total Production in Kg.**	Button Mushroom Compost	500**kg** **750kg**
10.	**Sale of Production in Kg.**	**500 kg @ Rs150** Compost **750 kg @ Rs10**	75000 7500
		Total	**82500**
11.	**Total Profit**	**82500 -(1125+57300)**	**24075**
12.	**Gross profit**	**Total Profit + Labour wages+ Room Rent 24075+(24200+3000) =**	**51275**
13.	**Amount available for Distribution of benefit among members in second cycle= Sale of product – (Principal amount + interest + recurring cost) 82500–(19032 + 968 + 57300)**		**5200**

Note: - Out of amount Rs. 14494 kept reserve in first cycle the above amount Rs. 7300 will be paid for second installment of loan and remaining amount Rs. 7194 will be kept reserve for third installment.

Cost Benefit Analysis Third Cycle

Sr. No	**Particular**	**Unit**	**Quantity/no**	**Rate**	**Amountin (Rs)**
A	**Depreciation10%on Capital Cost**	Month	3	10%	**1125**
B	Recurring Cost for 3 Months				
1.	Cost of Rented room 1 Hall (mushroom growing Unit) @Rs1000/Month.(3month)	Month	3	1000	3,000
2.	Formalin containing 250 in each Bottle.	No	2 bottle	300	600
3.	Labour wages 88 days=(@ Rs 275/day) =Rs.24200	Days	88	275	24200
4.	Button Mushroom Compost Bags 250 no @ Rs 90 per bag and other raw material including carriage	No	250	90	22,500
5.	Packaging (packaging material etc.)	Kg	2.5	600	1500
6.	Transportation Charges	-	-	-	1000
7.	Electricity and water usage charges @ Rs 1000 per month	Month	3	1000	3000
	Total				**55800**
8.	**Total Production in Kg.**	Button Mushroom Compost			500kg 750kg
9.	**Sale of Production in Kg.**	500 kg @ Rs 150 Compost 750 kg @ Rs 10			75000 7500
		Total			**82500**
10.	**TotalProfit**	82500 - (1125 +55800)			25575

11.	**Grossprofit**	Total Profit + Labour wages+ Room rent 25575 +(24200 + 3000)=	52775
13.	**Amount available for Distribution of benefit among members in third cycle= Sale of product– (Principal amount + interest + recurring cost)** **82500 –(19405+489+55800)**		**6806**

Note:-Out of remaining amount Rs.7194 kept reserve in second cycle the above amount will be paid third installment of loan.

Cost Benefit Analysis Fourth Cycle

Sr. no	Particular	Unit	Quantity/no	Rate	Amountin (Rs)
A	**Depreciation 10% on Capital Cost**	Month	3	10%	**1125**
B	Recurring Cost for 3 Months				
1.	Cost of Rented room 1 Hall (mushroom growing Unit) @Rs1000/Month.(3 month)=	Month	3	1000	3,000
2.	Formalin containing 250 in each Bottle	No	2 bottle	300	600
3.	Labour wages 88 days=(@ Rs 275/day) =Rs24200	Days	88	275	24200
4.	Dhingri Compost Bags 250 no @ Rs. 40 per bag and other raw material including carriage	No	250	40	10000
5.	Packaging (packaging material etc.)	Kg	5	600	3000
6.	Transportation Charges	-	-	-	1000
7.	Electricity and water usage charges @ Rs 1000 per month	Month	3	1000	3000
	Total				**44800**

9.	Total Production inKg.	Dhingri Mushroom Compost	400kg 500kg
10.	Sale of Production in Kg.	Dhingri 400 kg @ Rs 150 Compost 500 kg @ 5	60000 2500
		Total	**62500**
11.	**Total Profit**	**62500 -(1125+44800)**	**16575**
12.	**Gross profit**	**Total Profit + Labour wages + Room rent** **16575 +(24200+3000) =**	**43775**
13.	**Amount available for Distribution of benefit among members in fourth cycle= Sale of product -(Principal Amount +Interest + recurring cost for nextcycle)** **=43775–(0+0+44800)**		**(-)1025**

C.	**INCOME**	
C.1	**Direct income**	
	(i) First Cycle Dhingri	(-)18294
	(ii) Second Cycle Button Mashroom	5200
	(iii) Third Cycle Button Mashroom	6806
	(iv) Fourth Cycle Button Mashroom	(-)1025
	Total Direct Income	**0**
C.2	**Indirect Income**	
	Labour wages	
	(i) First Cycle	24200
	(ii) Second Cycle	24200
	(iii) Third Cycle	24200
	(iv) Fourth Cycle	24200
	Total	**96800**
	RoomRent	
	(i) First Cycle	3000
	(ii) Second Cycle	3000
	(iii) Third Cycle	3000
	(iv) Fourth Cycle	3000
	Total	**12000**
	Total Indirect Income	**108800**
	Gross Income	**108800**

12. Summary of Economics

(a) Cost of Production in Four Circle

Sr. No.	Particular	Amount in Rs.
1	Total Recurring Cost	
	(i) First Cycle Dhingri	46300
	(ii) Second Cycle Button Mashroom	57300
	(iii) Third Cycle Button Mashroom	55800
	(iv) Fourth Cycle Dhingri	44800
	Total	**204200**

2	10% Depreciation values on Capital Cost (Annually).	4498
3	10% Interest on Loan	2894
	Total	**211592**

(b) Abstract of Production Cost

Sr.No	Details	Amount (Rs)
1	Recurring cost	**204200**
2	10% depreciation value on capital cost	4498
3	10% Interest on loan	2894
	Total	**211592**

(c) Assessment of sale value

Sr.No	**Details**	**Unit**	**Amount(Rs)**
1	Recurring cost (204200/1800)	Kg	114
2	Profit Fixed 32%	Kg	36
	Total		**150**
3.	**Market Price**	**Kg**	**150**

13. Benefit Cost Analysis (Yearly)

Sr.No	**Particulars**	**Amount(Rs)**
1	**10% depreciation on capital cost (a)**	**4498**
2	**Recurring cost (b)**	
2.1	Room Rent	12000
2.2	Labour	96800
2.3	Cost of compost bag	65000
2.4	Formalin	2400
2.5	Packaging (packaging material etc.)	9000
2.6	Transportation Charges	4000
2.7	Electricity and water usage	12000
2.8	Miscellaneous expenditure (stationery, Bill book, Receipt etc.)	3000
	Total	**204200**
3	Total Production of Dhingri and Button Mushroom	1800Kg
4	Sale value of Dhingri and Button Mushroom	270000
5	Sale value of compost	20000
	Total	**290000**
6	Total Profit = Sale value-(Capital cost + Recurring cost) =290000-(44975+204200)	40825

7	Gross Profit= Total profit + Labour wages + Room rent =40825+96800+12000	149625
8	Distribution of profit among the members of group after four cycle = Total Profit – (Principal amount +Interest+ Recurring cost for fifth cycle) =40825-(0+0+44800)	-3975

Note:-This amount is excluding Labour wages and room rent.

From the above it is clear that each member will get no additional income after completion of four cycles of 75 days. The overall benefit of 40825 is in the form of the recurring cost of fifth cycle stand invested.

14. Resources of Funds and Fund Requirement

Sr. No	Detail of Resources	Amount in Rs.
1	Project share on Capital cost of 44975 (50%)	22488
2.	Monthly contribution till date	6000
3.	Loan from bank	57000
	Total	**85488**

- Rs. one lac will be provided to self help Group as a revolving fund to take the loan from bank.

- 50% of Capital cost will be borne by Project.

15. Computation of Break – even Point

Break-even Point=Capital Cost/Sale/kg.-Recurring Cost/Kg.

=44975/150 –114

=44975/36=1249Kg

After sales of 1249 kg Dhingri and Button mushroom breakeven point can be achieved after three months.

16. Loan Repayment Schedule on (10%Interest)

S.no	Month	Loan Return			Cumulative Loan Return	Loan Remains		
		Principal Amount	Interest	Total		Principal Amount	Interest	Total
	Month-1	0	0	0	0	57000	475	57475
2	Month-2	0	0	0	0	57475	479	57954
3	Month-3	0	0		0	57954	483	58437
4	Month-4	18563	1437	20000	20000	38437	320	38757
5	Month-5	0	0	0	0	38757	322	39057
6	Month-6	0	0	0	0	39057	326	39383
7	Month-7	19032	968	20000	20000	19405	162	19567
8	Month-8	0	0	0	0	19567	163	19730
9	Month-9	0	0	0	0	19730	164	19894
10	Month-10	19405	489	19894	19894	0	0	0
11	Total	**57000**	**2894**	**59894**	**59894**		**2894**	

17. Remarks:

The forth coming vision of the Group is to enhance their income by value addition in the form of Pickles, readymade soups, dried mushrooms etc.

Surprising Mushroom Health Benefits for Your Skin, Brain, and Bones

"They contain many minerals, like selenium, potassium, copper, iron and phosphorus that are not often found in plant-derived foods."

1. Mushrooms may help keep you young.
2. Mushrooms can protect your brain as you age.
3. Mushrooms may boost your memory.
4. Mushrooms can help your heart health.
5. Mushrooms can assist in strengthening your bones.
6. Mushrooms will help give you energy
7. Mushrooms helps infighting many diseases specially CANCER.

Delicacy of Mushrooms is special Dish, Tasty, Healthy and affordable.

Annexure

We the member group here by consented to actively participate in the IGA activity Opted by the group (Mushroom cultivation activity) as per the guideline of JICA project For Improvement of HP Ecosystems management and livelihood and coordination with the VFDS.

The detail of members is as under

Sr. No.	Name	Designation	Category	Signature
1.	Prakash Chand Saroch s/o Sh. Gangadhar	President	Gen	
2.	Kanshi Ram s/o Sh. Rikhi Ram	Member Secretary	-do	
3.	Inder Dev s/o Sh. Sangaru Ram	Member	-do	Inder Dev
4.	Kesar Singh s/o Sh. Damodar	Member	-do	Kesar singh
5.	Shali Ram s/o Sh. Bhagt Ram	Member	-do	
6.	Kali Das s/o Sh. Sh. Vishavmitar	Member	-do	
7.	Baldev s/o Sh. Dutt Ram	Member	-do	
8.	Amar Chand s/o Sh. Mast Ram	Member	-do	Amar Chand
9.	Santosh Kumar s/o Sh. Mohan Lal	Member	-do	Santosh
10.	Viri Chand s/o Sh. Bhagt Ram	Member	-do-	Birichand

Signature of secretary

Signature of Pradhan

प्रधान / सचिव
लक्ष्मी नारायण सम्मान रूचि समूह
कलश खरौट, पंचायत चौरी
त0 सरकाघाट जिला मण्डी (हि.प्र.)

Signature of VFDS Secretary

Signature of VFDS Pradhan

ग्रामीण विकास समिति कलस–खरौट
ख. औन, त. सरकाघाट मण्डी (हि.प्र.)

Signature of Fgd

Signature of Block Officer

Signature of RFO

Approved by DMU

Divisional Forest Officer
Sukeit Forest Division
Sunder Nagar (HP)