



BUSINESS PLAN

INCOME GENERATING ACTIVITY – (Mushroom Cultivation)

By

Bharmouri - Self Help Group



SHG Name	Bharmouri
VFDS Name	Thorat
Range	Urla
Division	Joginder Nagar

Prepared Under –

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





Table of Contents






Sr. No.	Particulars	Page/s
1	Description of SHG	3
2	Beneficiaries Detail	4,5
3	Geographical details of the Village	5
4	Executive Summary	6
5	Description of product related to Income Generating Activity	6
6	Production Processes	6
7	Production Planning	6-7
8	Sale & Marketing	7
9	SWOT Analysis	7-8
10	Description of Management among members	8
11	Description of Economics	8,9,10
12	Analysis of Income and Expenditure	10
13,14	Fund Requirement, Sources of Fund	11
15 to 19	Trainings/capacity building/ skill up gradation, other source of Income, Monitoring Method & Remarks	12
	SHG Group Photographs	13
	VFDS and SHG recommendation	14
	VFDS and DMU Approval	15

1. Description of SHG

1	SHG Name	Bharmouri
2	VFDS	Thorat
3	Range	Urla
4	Division	Joginder Nagar
5	Village	Thorat
6	Block	Padhar
7	District	Mandi
8	Total No. of Members in SHG	9(Male-3, Female-6)
9	Date of formation	May,25 th ,2021
10	Bank a/c No.	41008624710
11	Bank Details	SBI Gumma
12	SHG Monthly Saving	50/-
13	Total saving	5400/- Till June 2022
14	Total inter-loaning	--
15	Cash Credit Limit	--
16	Repayment Status	--

2. Beneficiaries Details:

Sr. No	Name of the SHG Members	Designation	Age	Gender	Category	Income Source	Photographs
1.	Mrs. Nirmla Devi W/o Sh. Krishan Kumar Vill. Thorat P.O. Gumma Teh. Joginder Nagar Distt. Mandi (H.P.) 94594-49506	President	52	Female	S	Agriculture	
2.	Mrs. Meera Devi W/o Sh. Ram Singh Vill. Thorat P.O. Gumma Teh. Joginder Nagar Distt. Mandi (H.P.) 82192-92798	Secretary	45	Female	S	-Do-	
3.	Mrs. Meera Devi W/o Sh. Nag Ram Vill. Thorat P.O. Gumma Teh. Joginder Nagar Distt. Mandi (H.P.) 96268-70758	Member	43	Female	S	-Do-	
4.	Mrs. Pooja Devi W/o Sh. Deepak Vill. Thorat P.O. Gumma Teh. Joginder Nagar Distt. Mandi (H.P.) 89884-12354	Member	23	Female	S	-Do-	

5.	Mrs. Deepa Devi W/o Sh. Ganesh Vill. Thorat P.O. Gumma Teh. Joginder Nagar Distt. Mandi (H.P.) 90152-74883	Member	20	Female	S	-Do-	
6.	Sh. Ram Singh S/o Sh. Sanehra Ram Vill. Thorat P.O. Gumma Teh. Joginder Nagar Distt. Mandi (H.P.) 82192-9279	Member	48	Male	S	-Do-	
7.	Sh. Kashmir Singh S/o Sh. Jyoti Prakash Vill. Thorat P.O. Gumma Teh. Joginder Nagar Distt. Mandi(H.P.) 94591-22172	Member	29	Male	S	-Do-	
8.	Sh. Ramesh Kumar S/o Sh. Biri Singh Vill. Thorat P.O. Gumma Teh. Joginder Nagar Distt. Mandi (H.P.) 96259-49727	Member	51	Male	S	-Do-	
9.	Mrs. Krishna Devi W/o Sh. Chet Ram Vill. Thorat P.O. Gumma Teh. Joginder Nagar Distt. Mandi (H.P.)	Member	53	Female	GEN	-Do-	

3. Geographical details of the Village

1	Distance from the District HQ	46 Km.
2	Distance from Main Road	5 Km.
3	Name of local market & distance	Ghatasni- 5 Km. Paddhar- 19 Km. Joginder Nagar-19 Km, Mandi-46 Km.
4	Name of main market & distance	JoginderNagar =19 Mandi =46Km.

5	Name of main cities & distance	
6	Name of main cities where product will be sold/ marketed	Joginder Nagar, Mandi

4. Executive Summary

Mushroom cultivation income generation activity has been selected by Bharmouri Self Help Group. This IGA will be carried out by 9 members of this SHG. This business activity will be carried out whole year by group members. The process of mushroom cultivation takes around 3 months 3 kg per bag (Button Mushroom/Dhingree Mushroom) in three months. Production process includes process like cleaning, provide water by spray pump to the bags and harvesting, packing of mushroom for market. Product will be sold directly by group or indirectly through retailers and whole sellers of near market initially. Selling price of 1 Kg of mushroom will be around 104/- per Kg.(200 grams packing of per packed)

5. Description of Product related to Income Generating Activity

1	Name of the Product	Mushroom cultivation
2	Method of product identification	High demand in festive and marriage occasion & SHG members identified mushroom demand in the market for the purpose of vegetable & pickle.
3	Consent of SHG members	Yes

6. Description of Production Processes

- Group will make cultivate mushroom. This business activity will be carried out whole year by group members.
- The process of mushroom cultivation takes around 3 to 4 months. Based on assumption/experience -3 kg of yield obtained from one bag. In the duration of 3 to 4 months. Production process includes process like cleaning, moistening, harvesting and packing.

7. Description of Production Planning

1	Production Cycle (in days)	4 months
2	Manpower required per cycle (No.)	9 Members

3	Source of raw materials	Local market/ Main market
4	Source of other resources	Local market/ Main market
5	Quantity required per cycle (Kg)	6 Qtl. per 200 bags in four months.
6	Expected production per cycle (Kg)	600 kg

Requirement of raw material and expected production

Sr.no	Raw material	Unit	Time	Quantity(3 Cycles)	Amount per kg (Rs)	Total Amount in three cycles
1	M. Bags	200 Kg	4 months	6qtls.	200	1,20,000

8. Description of Marketing/ Sale

1	Potential market places	Joginder Nagar 19 Km. Paddhar- 19, Mandi-46 Km.
2	Distance from the unit	
3	Demand of the product in market place/s	Daily demand and high demand at the time of festival and marriage occasions.
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 200 &500 grams packaging.
6	Product branding	At SHG level product will be marketed by branding SHG. Later this IGA may required branding at cluster level
7	Product “slogan”	“A product of SHG Bharmouri”

9. SWOT Analysis

❖ Strength –

- Activity is being already done by some SHG members for their domestic use.
- Raw material easily available
- Manufacturing process is simple
- Proper packing and easy to transport

- Product shelf life is long
- ❖ Weakness –
 - Effect of temperature, humidity, moisture on manufacturing process/product.
 - Highly labor intensive work.
 - In winter and rainy season product manufacturing cycle will increase
- ❖ Opportunity –
 - High demand in festive and marriage occasion
 - Location of markets
 - Daily/weekly consumption and consume by all buyers in all seasons
- ❖ 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, provide moisture to the bags, harvesting of mature mushroom, packing and sell in market. 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				
<u>Sr. No.</u>	<u>Particular</u>	<u>Qty.</u>	<u>Unit Price</u>	<u>Amount</u>
1	Water spray pump (Electric with solar Pannel)	1	3500	3500
2	Water tub (40-50 ltr)	2	500	1,000
3	Digital Weighing Scale Machine	2	1000	2,000
4	Poly Sealing Table Top Heat Sealer Pouch Plastic Packaging Machines	1	2000	2,000
5	Apron, cap, plastic hand gloves etc	5	LS	1,000
6	Chairs, Table		LS	3,000
7	Product storage Crates		LS	7,000
8	Racks		LS	10,000

9.	Mushroom Bags	200 (Bags)	200	40,000
10	Tower Air Cooler (15 ltr./-)	2	6000	12,000
<u>Total capital costs</u>				<u>81,500/-</u>

B. <u>RECURRING COST</u>					
<u>Sr.No</u>	<u>Particulars</u>	<u>Unit</u>	<u>Qty.</u>	<u>Price</u>	<u>Amount</u>
1	Hall Rent	1	12 (Month)	12,000	12,000
2	Labour (will be done by SHG members)	Work will be done by SHG members rotation bases for one cycle			24,000
3	Packaging material	P/Bags	3000	40 Kg	3,000
4	Transportation	Rs. 2500/- cycle		LS	7,500
5	Electricity exp.	1	12 Month	500	6,000
6	Mushroom Bags for next cycle	M. Bag	200	200	40,000
	Recurring Cost				92,500/-
<u>Total Recurring Cost B =92,500/-</u> (Recurring cost- Labour cost) as work/labour will be done by SHG members.					

C. <u>Cost of Production (Monthly)</u>		
<u>Sr. No</u>	<u>Particulars</u>	<u>Amount (Rs)</u>
1	Total Recurring Cost	92,500
2	10% depreciation annually on capital cost	8,150
		1,00,650

Total :-	
-----------------	--

D. <u>Selling Price calculation (per cycle)</u>					
<u>Sr.No</u>	<u>Particulars</u>	<u>Unit</u>	<u>Quantity</u>	<u>Amount</u>	
			-		
1	Cost of Production	3 Cycle	18qtls	1,87,200	It will decrease as the quantity of production Increase
2	Current market price	-	Per Kg	120	
3	Expected Selling Price by SHG	-	Per Kg	104	

12. Analysis of Income and Expenditure (Monthly)

<u>Sr.No</u>	<u>Particulars</u>	<u>Amount (Rs)</u>
1	10% depreciation annually on capital cost	8,150
2	Total Recurring Cost	92,500
3	Total Production every four month(qtl)	6 qtl (18 qtls. per year)
4	Selling Price (per Kg)	104
5	Income generation	1,87,200 annually
6	Net profit (1,87,200 -1,00,650)	86,550.00

7	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

<u>Sr.No</u>	<u>Particulars</u>	<u>Amount (Rs)</u>	<u>Project Contribution (75%)</u>	<u>SHG Contribution</u>
1	Total capital cost	81,500	61,125	20,375
2	Total Recurring Cost	92,500	0	92,500
3	Trainings/capacity building/ skill up-gradation	70,000	70,000	0
	Total	2,44,000/- 1,12,875/-		1,31,125/-

Note-

- **Capital Cost** - 75% of capital cost to be covered under the project as all the members except for one belongs to SC/ST category.
- **Recurring Cost** - To be borne by the SHG
- **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 utilized for purchase of machineries i.e. Machines including equipments. • Rs 1 lakh as revolving have parked in the SHG bank account. • Trainings/capacity building/ skill up-gradation cost. • 	Procurement of machineries/equipment will be done by respective DMU/FCCU after following all nodal formalities.
SHG contribution	<ul style="list-style-type: none"> • 25% of capital cost to be borne by SHG, this include cost of materials/tools other than 	

	<p>machineries.</p> <ul style="list-style-type: none"> • Recurring cost to be borne by SHG 	
--	---	--

15. Training's/capacity building/skill up-gradation

Training's/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. Other sources of income:

The group another approach is to increase their value addition in the form of pickles & dried mushrooms.

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.

18. Monitoring Method – At the initial stage baseline survey and yearly survey will be conducted of the beneficiaries.

Some key indicators for the monitoring are as:

- Size of the group
- Fund management
- Investment
- Income generation
- Production level
- Quality of product
- Quantity sold
- Market reach

19. Remarks

➤ **Health benefits of Mushroom –**

- Helps in prevention of prostate & breast cancer
- Makes bones healthy
- Boosts immunity
- Cures anemia
- Helps fight free radicals
- Helps lower cholesterol levels
- Strengthens teeth, nail & hair

- Lowers blood pressure



Group Photo of SHG Bharmouri Under VFDS Thorat



Group Name: Sharmoura Date: 25th June, 22 at Mehila Mandi, Pithoragarh
 that our group will undertake the Mushroom Cultivation as a livelihood income
 Generation Activity under the Project for Implementation of Himachal
 Pradesh Forest Ecosystem management and Livelihood (JICA assisted)

Signature Of group President
 secretary

प्रधान/ सचिव,
 भारतीय स्वयं सहायता समूह
 ग्रोव थोर्ट वड, जो. नगर जिला मण्डी (हि.प्र.)

निर्मला देवी
 -MeeraDevi

Signature of President VFDS

प्रधान राजेश कुमार
 ग्रोव थोर्ट वड, जो. नगर जिला मण्डी (हि.प्र.)
 पिन कोड - 247501B

Signature Of group

निर्मला देवी
 MeeraDevi

Rough. Kumar

परम सिंह

Peram Singh

केशमिर् सिंह

पूजा देवी

Pooja Devi

देवा

Bharmour

Mushroom Cultivation

Business Plan of Mushroom Cultivation (Cultivation of mushroom) submitted to DMU through FTB for further action please. The Business Plan of Amount Rs 244000 has been submitted by the group on 25th June 2022 and the Business Plan has been approved by VFDS Thorat

Business Plan is submitted to DMU through FTB for further action please

प्रधान/ सचिव निमला देवी Meeka Devi
परमौरी शंभू विकास समिति थोरट
मंत्रालय, जोगिंदर नगर (हि.प्र.)
Thank You

Signature of the SHG

प्रधान Ngy
शाम वन विकास समिति थोरट
शाम पंचायत कंधार
हडसील जोगिन्दर नगर
जिला मण्डी (हि.प्र.) 175015

Signature of the DMU

निमला देवी
Meeka Devi
मण्डी देवी
Rangh. Khur
Ran Singh
Keshm...
Pooja Devi
D.C.P.
जोगिन्दर देवी

DMU cum DFO Joginder Nagar
Sanctioned for...
D.M.U. Cum...
Divisional Forest Officer
Joginder Nagar
DMU-Cum-D.F.O.
Joginder Nagar