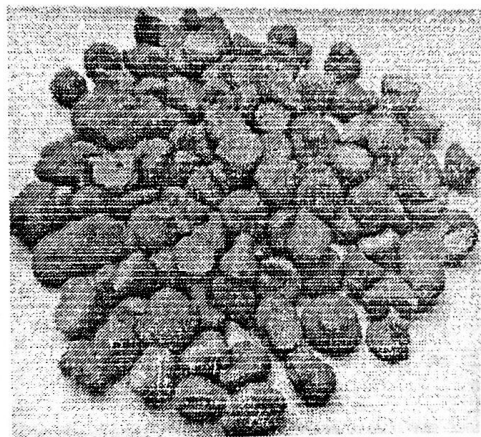


INCOME GENERATING ACTIVITY – (Mashroom cultivation)original

by

Jagruti - Self Help Group



SHG Name	::	Jagruti
VFDS Name	::	Dari
Range	::	Nachan
Division	::	Nachan

Prepared Under –



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

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1. Description of SHG/CIG

1	SHG Name	::	Jagriti
2	VFDS	::	Dari
3	Range	::	Nachan
4	Division	::	Nachan
5	Village	::	Dari
6	Block	::	Gohar
7	District	::	Mandi
8	Total No. of Members in SHG	::	10- females
9	Date of formation	::	-
10	Bank a/c No.	::	33510115375
11	Bank Details	::	Co-op- Bank Chail Chowk
12	SHG Monthly Saving	::	500
13	Total saving		2000 (till Sept. 2021)
14	Total inter-loaning		--
15	Cash Credit Limit		--
16	Repayment Status		--

2. Beneficiaries Detail:

Sr. No	Name	Father/Husb and Name	Age	Category	Income Source	Address
1	Dharmi Devi	Mani Ram	43	S.C.	Agriculture	Vill Dari P.O. Shalla
2	Indra Devi	Yog Raj	39	S.C.	Agriculture	Vill Dari P.O. Shalla.
3	Retta Devi	Govind Singh	43	S.C.	Agriculture	Vill Dari P.O. Shalla.
4	Lalita Devi	Bhadar Singh	38	S.C.	Agriculture	Vill Dari P.O. Shalla.
5	Khimi Devi	Roshan Lal	43	S.C.	Agriculture	Vill Dari P.O. Shalla.
6	Bharti Devi	Duni Chand	37	S.C.	Agriculture	Vill Dari P.O. Shalla.
7	Narvada Devi	Sunder	36	S.C.	Agriculture	Vill Dari P.O. Shalla.
8	Parwati Devi	Chander mani	41	S.C.	Agriculture	Vill Dari P.O. Shalla.
9	Hima Devi	Moti Ram	36	S.C.	Agriculture	Vill Dari P.O. Shalla.
10	Nirmala Devi	Yado pati	38	S.C.	Agriculture	Vill Dari P.O. Shalla.

3. Geographical details of the Village

1	Distance from the District HQ	::	50 Km
2	Distance from Main Road	::	2 Km
3	Name of local market & distance	::	Chailchowk- 21 Km Sundernagar=48, Mandi=50 Km
4	Name of main market & distance	::	Sundernagar- 48 Km, Mandi- 50 Km
5	Name of main cities & distance	::	
6	Name of main cities where product will be sold/ marketed	::	Sundernagar, Mandi,

4. Executive Summary

Mashroom cultivation income generation activity has been selected by Jagrti Self Help Group. This IGA will be carried out by 10 ladies of this SHG. This activity is being already done by some ladies of this group. 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 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 100/- 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	::	This activity is being already done by some SHG ladies for their domestic use. Has been decided by group members
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 , moistering, harvesting and packing.

7. Description of Production Planning

1	Production Cycle (in days)	::	4 months
2	Manpower required per cycle (No.)	::	10 Ladies
3	Source of raw materials	::	Local market/ Main market
4	Source of other resources	::	Local market/ Main market
5	Quantity required per cycle (Kg)	::	9 Qtl.per 300 bags in four months.
6	Expected production per cycle (Kg)	::	25 kg

Requirement of raw material and expected production

Sr.no	Raw material	unit	Time	Quantity	Amount per kg (Rs)	Total amount	Expected production in 4 months
1	Bags	300 Kg	4 months	9 qtls.	100	81000	-

8. Description of Marketing/ Sale

1	Potential market places	::	Chail Chowk 21 KM Sundernagar-48, Mandi- 50 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"

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					
Sr.No	Particulars	Quantity	Unit Price	Total	Amount
				(Rs.)	
1	Water spray pump	1	3500		3500
2	Water tub (40-50 ltr)	2	500		1000
3	Digital Weighing Scale Machine	2	1000		2000
4	Poly Sealing Table Top Heat Sealer Pouch Plastic Packaging Machines	1	2000		2000
5	Apron, cap, plastic hand gloves etc	5	LS		1000
6	Chairs, Table		LS		3000
7	Finished product storage Almirah rack		LS		5000
8	Racks		LS		10000
	Total capital costs				27,500

B. RECURRING COST					
Sr.no	Particulars	Unit	Quantity	Price	Total Amount (Rs)
1	Raw material (Mushroom Bags)	Mushroom Bags	300	100	30,000
3	Rent	Per year	-	12,000	12,000
4	Labour (will be done by SHG members)	3 hour	-	-	-

5	Packaging material	P/Bags	4500	60 Kg	3000
6	Transportation	-	-	LS	1,000
	Recurring Cost				46,000
Total Recurring Cost B =					4,6000
(Recurring cost- Labour cost) as work/labour will be done by SHG members.					

C. Cost of Production (Monthly)		
Sr. No	Particulars	Amount (Rs)
1	Total Recurring Cost	46,000
2	10% depreciation annually on capital cost	2750
	Total	48750

D. Selling Price calculation (per cycle)					
Sr.No	Particulars	Unit	Quantity	Amount (Rs)	
1	Cost of Production	Qtls 3 to4 month	27qtls	10,80,000	It will decrease as the quantity of production Increase
2	Current market price	Kg	Per Kg	2750	
3	Expected Selling Price by SHG	Rs	Per Kg	400	

12. Analysis of Income and Expenditure (Monthly):

Sr.No	Particulars	Amount (Rs)
1	10% depreciation annually on capital cost	2750

2	Total Recurring Cost	48750
3	Total Production every four month(qtl)	9 qtl(27 qtls. per year)
4	Selling Price (per Kg)	400
5	Income generation	1080000 annually
6	Net profit (10800-48750)	10,31,250
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:

Sr.No	Particulars	Total Amount (Rs)	Project Contribution	SHG Contribution
1	Total capital cost	27500	75%20625	6875
2	Total Recurring Cost	48750	0	48750
3	Trainings/capacity building/ skill up-gradation	0	0	0
	Total	76250	20625	55625

Note-

- **Capital Cost** - 50% of capital cost to be covered under the Project
- **Recurring Cost** - To be borne by the SHG/CIG.
- **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. 2 Grinder Machines including equipments. • Rs 1 lakh as revolving will be 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 codal formalities.
SHG contribution	<ul style="list-style-type: none"> • 50% of capital cost to be borne by SHG, this include cost of materials/tools other than machineries. • Recurring cost to be borne by SHG 	

15. Trainings/capacity building/skill up-gradation

Trainings/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. Computation of break-even Point

In this process breakeven will be achieved after one year selling wool, FYM and mature sheep. *By Selling dried mushroom and by making Pickle of mushroom.*

17. Other sources of income: Nil

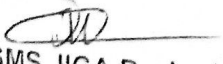
18. Bank Loan Repayment - If the loan is availed from bank it will be in the form of cash credit limit and for CCL there is not repayment schedule; however, the monthly saving and repayment receipt from members should be routed through CCL.


- 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.


19. 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


SMS JICA Project
Nachan Forest Division.


FTU-cum-R.O. Nachan
Range Forest Office
Nachan Range
Passa Dist. Mandi (H.P.)


DMU-cum
Divisional Forest Officer
Nachan Forest Division,
Gohar. 