



BUSINESS PLAN

INCOME GENERATING ACTIVITY – (Mushroom Cultivation)

By

Baba Balak Nath - Self Help Group



SHG Name	Baba Balak Nath
VFDS Name	Chaplah Jhikla
Range	Dehra
Division	Dehra Divison

Prepared Under –

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






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1. Description of SHG

1	SHG Name	Baba Balak Nath
2	VFDS	Chaplah Jhikla
3	Range	Dehra
4	Division	Dehra Divison
5	Village	Chaplah Jhikla
6	Block	Paragpur
7	District	Kangra
8	Total No. of Members in SHG	15
9	Date of formation	06/09/22
10	Bank a/c No.	50100590483652
11	Bank Details	HDFC Dehra
12	SHG Monthly Saving	100rs
13	Total saving	1500rs
14	Total inter-loaning	1500rs
15	Cash Credit Limit	--
16	Repayment Status	1%

2. Beneficiaries Details:

Sr. No	Name of the SHG Members	Designation	Age	Gender	Category	Income Source	Photographs
1.	Tilak Raj S/O Roshan Lal Vill – Chaplah Jhikla Contact no. - 9816993629	President	60	Male	GEN	Agriculture	
2.	Pritam Lal Dhiman S/O Roshan Lal Dhiman Vill – Chaplah Jhikla Contact No. - 9418311328	Secretary	66	Male	GEN	-Do-	
3.	Ramesh Chand S/O Bhandari Ram Vill – Chaplah Jhikla Contact No. - 9805035197	Treasurer	68	Male	GEN	-Do-	
4.	Amar Singh S/O Babu Ram Vill – Chaplah Jhikla Contact No. - 9816142563	Member	66	Male	GEN	-Do-	
5.	Suman Kumari W/O Anil Kumar Vill – Chaplah Jhikla Contact No. – 7018855671	Member	48	Female	GEN	-Do-	

6.	Sonu Devi W/O Sanjeev Kumar Vill – Chaplah Jhikla Contact No. - 9015239386	Member	41	Female	GEN	-Do-	
7.	Anita Devi W/O Mathura Das Vill – Chaplah Jhikla Contact no. - 9805649881	Member	73	Female	GEN	-Do-	
8.	Kiran Kumari W/O Pardeep Kumar Vill- Chaplah Jhikla Contact no. - 9816955666	Member	45	Female	GEN	-Do-	
9.	Kiran Bala W/O Pardeep Kumar Vill – Chaplah Jhikla Contact no.- 8544722962	Member	48	Female	GEN	-Do-	
10	Anjana Devi W/O Vipan Kumar Vill – Chaplah Jhikla Contact no. - 9816379411	Member	51	Female	GEN	-Do-	
11	Sarita W/O Sunil Kumar Vill – Chaplah Jhikla Contact No. -	Member	51	Female	GEN	Do-	

12	Shashi Bala W/O Pritam Lal Vill – Chaplah jhikla Contact no. - 9805011328	Member	50	female	OBC	-Do-	
13	Suman W/O Malkiyat Vill – Chaplah jhikla Contact no. - 7018855671	Member	48	female	OBC	-Do-	
14	Anjana Devi W/O Kasmir Vill – Chaplah jhikla	Member	47	female	OBC	-Do-	
15	Akshay Kumar S/O Satish Kumar Vill-Chaplah Jhikla Contact No.- 8307112103	Member	25	Male	Gen	-Do-	

3. Geographical details of the Village

1	Distance from the District HQ	75 Km.
2	Distance from Main Road	1 Km.
3	Name of local market & distance	Rakkar & 18km
4	Name of main market & distance	Nadaun &20km
5	Name of main cities & distance	
6	Name of main cities where product will be sold/ marketed	Naduan , Kangra, Dehra

4. Executive Summary

Mushroom cultivation income generation activity has been selected by Baba Balak Nath Self Help Group. This IGA will be carried out by 15 members of this SHG. This business activity will be carried out whole year by group members. The process of mushroom cultivation takes around 4 months 3 kg per bag (Button Mushroom/Dhingree Mushroom) in four 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 150/- per Kg. (200 grams packing of per packed)

5. Description of Product related to Income Generating Activity

1	Name of the Product	Baba Balak Nath Mushroom
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.)	15Members
3	Source of raw materials	Local market/ Main market
4	Source of other resources	Local market/ Main market
5	Quantity required per cycle (Kg)	9.5 Qtls. per 330 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	330 Kg	4 months	9.5 Qtls.	150	142500

8.Description of Marketing/ Sale

1	Potential market places	Kangra , Naduan , Dehra &64 , 20, 40
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 Baba Balak Nath”

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. <u>CAPITAL COST</u>				
<u>Sr. No.</u>	<u>Particular</u>	<u>Qty.</u>	<u>Unit Price</u>	<u>Amount</u>
1	Water spray pump (Electric with solar Panels)	2	1800	3600
2	Water tub (40-50 ltr)	3	700	2100
3	Digital Weighing Scale Machine	2	1200	2400
4	Poly Sealing Table Top Heat Sealer Pouch Plastic Packaging Machines	2	3000	6000
5	Apron, cap, plastic hand gloves etc	10	LS	3,000
6	Knives		LS	2000
7	Product storage Crates		LS	12000
8	Racks , Bench , Stair		LS	15000
9	Tower Air Cooler (15 ltr. /-)	2	8000	16000
<u>Total capital costs</u>				<u>62100./</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)	3,000	36,000
2	Labour (will be done by SHG members)	Work will be done by SHG members rotation bases for one cycle (146 days* wage rate 350)			51,100
3	Packaging material	P/Bags	LS	-	5000
4	Transportation	Rs. 2500/- cycle		LS	12500
5	Electricity exp.	1	12 Month	1000	12000
6	Mushroom Bags	M. Bag	330	200	66000
	Recurring Cost				182600
<u>Total Recurring Cost B =182500/-</u> (Recurring cost- Labour cost) as work/labour will be done by SHG members.					

C. <u>Cost of Production (per cycle)</u>		
<u>Sr. No</u>	<u>Particulars</u>	<u>Amount (Rs)</u>
1	Total Recurring Cost	182600/-
2	10% depreciation annually on capital cost	6210/-
	Total :-	188810/-

D. <u>Selling Price calculation (per cycle)</u>	

<u>Sr.no</u>	<u>Particulars</u>	<u>Unit</u>	<u>Quantity</u>	<u>Amount (Rs)</u>	
1	Cost of Production	3 Cycle	28.5 Qtl	188810/-	It will decrease as the quantity of production Increase
2	Current market price	-	Per Kg	150-200	
3	Expected Selling Price by SHG	-	Per Kg	150	

12. Analysis of Income and Expenditure per cycle

<u>Sr.no.</u>	<u>Particulars</u>	<u>Amount (Rs)</u>
1	10% depreciation annually on capital cost	6210/-
2	Total Recurring Cost	182600/-
3	Total Production every four month(Qtl)	9.5 Qtl (28.5Qtl. per year)
4	Selling Price (per Kg)	150
5	Income generation (150*28.5*100)	427500 annually
6	Net profit (427500 -182600) (Income Generation – Recurring cost)	244900/-
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	62100	46575	15525
2	Total Recurring Cost	182600	0	182600
3	Trainings/capacity building/ skill up-gradation	70,000	70,000	0
	Total	314700/-	116575 /-	198125 /-

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 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. 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



Prepared by:-

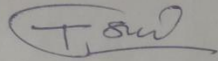
Mr. Madan Lal Sharma (Retd. HPFS)

Ms. Deeksha (SMS)

Ms. Shivani (FTU Co-Ordinator)

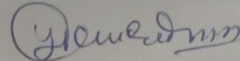
Resolution - cum - Group Consensus Form

It is decided in the General House meeting of the groupBaba Balak Nath held on 06/09/2022 at Chaplah Jhikla that our group will undertake the mushroom as Livelihood Income Generation Activity under the Project for Improvement of Himachal Pradesh Forest Ecosystems Management & Livelihoods (JICA Assisted) .



Signature of Group Pradhan

Forest Dev. Soci...
Chaplah Jhikla
S.N. 7. Baba Balak
Nath



Signature of Group secretary

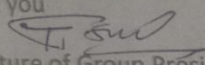
~~Signature of Group Secretary~~
Baba Balak Nath

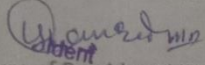
Business Plan Approval by VFDS & DMU

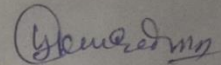
Baba Balak Nath Group will undertake the Mushroom as livelihood income Generation Activity under the project for implementation of Himachal Pradesh forest ecosystem Management and livelihood (JICA assisted). In this regard business plan of amount Rs. 314700/- has been submitted by group on 21/12/2022 and the business plan has been approved by the VFDS...Chaplan Jhikla

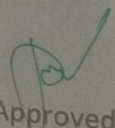
Business plan is submitted through FTU for further action please.

Thank you


Signature of Group President
S. N. J. Baba Balak Nath

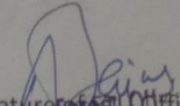

Signature of President VFDS
Forest Dev. Soc.,
Chaplan Jhikla

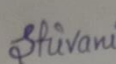
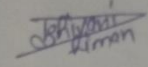

Signature of Member of Secret
S. N. J. Baba Balak Nath


Approved

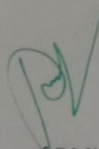
DMU - CUM-Dehra
DFO

Submitted to DMU through FTU


Name & Signature of Range Forest Officer
Range Forest Officer
DEHRA, Kangra

 
Name & Signature of FTU Coordinator

Approved


Name & Signature of DMU Officer