



BUSINESS PLAN

INCOME GENERATING ACTIVITY – (Mushroom Cultivation)

By

Ghallian Balla - Self Help Group



SHG Name	Ghallian Balla
VFDS Name	Ghallian
Range	Jawalamukhi
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	Ghallian Balla
2	VFDS	Ghallian
3	Range	Jawalamukhi
4	Division	Dehra Divison
5	Village	Ghallian
6	Block	Jawalamukhi
7	District	Kangra
8	Total No. of Members in SHG	16(Male-6, Female-10)
9	Date of formation	02/09/2022
10	Bank a/c No.	50100530477071
11	Bank Details	HDFC Dehra
12	SHG Monthly Saving	50rs
13	Total saving	800rs
14	Total inter-loaning	1000rs
15	Cash Credit Limit	1%
16	Repayment Status	--

2. **Beneficiaries Details:**

Sr. No	Name of the SHG Members	Designation	Age	Gender	Category	Income Source	Photographs
1.	Shushma Devi W/O Sudheer Kumar Vill-Ghallian Contact No-6230793194	President	44	Female	SC	Agricilture	
2.	Seema Devi W/O Suresh Kumar Village –Ghallian Contact no.- 9719028194	Secretary	31	Female	SC	-Do-	
3.	Geeta Devi W/O Rakesh Kumar Vill. -Ghallian Contact No.-7876316489	Treasurer	44	Female	SC	-Do-	
4.	Shashi Kumari W/o Sanjeev Kumar Vill. -Ghallian Contact no.-7876074943	Member	32	Female	SC	-Do-	

5.	Kamla Devi W/O Balwant Singh Vill.-Ghallian Contact no.-8894376516	Member	69	Female	SC	-Do-	
6.	Kuldeep chand S/O Bangwan Das Vill. -Ghallian Contact no.-9818945031	Member	54	Male	SC	-Do-	
7.	Swarna Devi W/o Jaswant Singh Vill. -Ghallian Contact no- 9805386085	Member	59	Female	SC	-Do-	
8.	Fulaa Devi W/O Sher Singh Vill. -Ghallian Contact No.-6230955429	Member	60	Female	SC	-Do-	
9.	Amar Singh S/O Gyan Chand Vill-Ghallian Contact No-8650518161	Member	64	Male	GEN	-Do-	

10.	Susheela Devi W/O Jagdish Vill-Ghallian Contact No-7807656158	Member	45	Female	SC	-Do-	
11.	Vikesh Kumar S/O Beerval Vill-Ghallian Contact No.-8219327220	Member	29	Male	SC	-Do-	
12.	Neelam kumari W/O Ajay kumar Contact no-.8629090094	Member	30	female	SC	-Do-	
13.	Vishal S/O Pawan kumar Contact no.-7876331438	Member	24	Male	SC	-Do-	
14.	Raj kumar S/O Roshan lal Contact No.-7876441533	Member	50	Male	SC	-Do-	
15.	Sunita Devi W/O Sanju Kumar Contact No.-9805572283	Member	32	Female	SC	-Do-	

16.	Mangal Das S/O Bakshi Ram Contact No.-9015154571	Member	37	Male	SC	-Do-	
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3. Geographical details of the Village

1	Distance from the District HQ	65Km.
2	Distance from Main Road	400Km.
3	Name of local market & distance	Ghallour & 2km
4	Name of main market & distance	Jawalamukhi & 8km
5	Name of main cities & distance	Jawalamukhi & 8km
6	Name of main cities where product will be sold/ marketed	Naduan , Kangra, Jawalamukhi, Dehra

4. Executive Summary

Mushroom cultivation income generation activity has been selected by Ghallian Balla Self Help Group. This IGA will be carried out by 16 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
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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.)	16 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)	9.5 Qtl. 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	9.5qtls.	150	1,42500

8. Description of Marketing/ Sale

1	Potential market places	Kangra , Naduan , Dehra, Jawalamukhi &50, 15 , 12,7
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 Ghallian Balla”

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 Panel)	2	1800	3600
2	Water tub (40-50 ltr)	3	700	2100
3	Digital Weighing Scale Machine	2	1200	2,400
4	Poly Sealing Table Top Heat Sealer Pouch Plastic Packaging Machines	2	3000	6,000
5	Apron, cap, plastic hand gloves etc.		LS	3,000
6	Knives		LS	2,000
7	Product storage Crates		LS	12,000
8	Racks		LS	15,000
9	Tower Air Cooler (15 ltr./-)	2	8000	16,000
<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*350 wage rate)			51,100
3	Packaging material	P/Bags	LS	-	5,000
4	Transportation	Rs. 2500/- cycle		LS	12,500
5	Electricity exp.	1	12 Month	1000	12,000
6	Mushroom Bags for next cycle	M. Bag	330	200	66,000
Recurring Cost					182600/-
Total Recurring Cost B =92,500/- (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	182600
2	10% depreciation annually on capital cost	6210
Total :-		188810/-

D. <u>Selling Price calculation (per cycle)</u>	
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<u>Sr.no</u>	<u>Particulars</u>	<u>Unit</u>	<u>Quantity</u>	<u>Amount (Rs)</u>	
1	Cost of Production	3 Cycle	28.5qtls	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 (Monthly)

<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 (28.5 Qtl. 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 equipment's. • 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

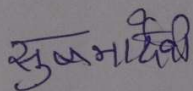
19. Remarks

➤ 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

Resolution –CUM-Group Consensus Form

It is decided in the General House meeting of the group.....Ghallian..Bala
held on 07-09-2022 at Ghallian.....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 President



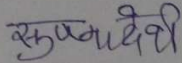
Signature of Group Secretary

Business Plan Approval By VFDS & DMU

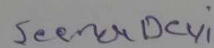
Ghallian Balla Group will undertake the Mushroom as livelihood income Generation Activity under the project for implementation of Himachal Pradesh forest ecosystem Management and livelihood (JICA assisted). In this regard business plan of amount Rs. 314700/- has been submitted by group on 22/12/2022 and the business plan has been approved by the VFDS Ghallian.

Business plan is submitted through FTU for further action please.

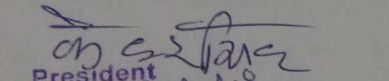
Thank you



Signature of Group President



Signature of Group Secretary



President
VFDS Ghallian
Signature of President VFDS

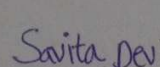


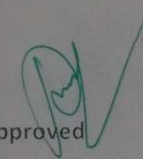
Approved

DMU-CUM-Dehra

Submitted to DMU through FTU


Forest Officer
Name & Signature of FTU Officer

 Savita Devi
Name & Signature of FTU Coordinator


Approved

Name & Signature of DMU Officer

Prepared by:

Mr. Madan Lal Sharma (Retd. HPFS)

Ms. Deeksha (SMS)

Ms. Savita (FTU Co-Ordinator)