



## **BUSINESS PLAN**

**INCOME GENERATING ACTIVITY – (Mushroom Cultivation)**

By

**Shiva- Self Help Group**



<b>SHG Name</b>	<b>Shiva</b>
<b>VFDS Name</b>	<b>Balh</b>
<b>Range</b>	<b>Dharamshala</b>
<b>Division</b>	<b>Dharamshala Division</b>

**Prepared Under –**

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

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## 1. Description of SHG

<b>1</b>	SHG Name	Shiva
<b>2</b>	VFDS	Balh
<b>3</b>	Range	Dharamshala
<b>4</b>	Division	Dharamshala Division
<b>5</b>	Village	Rawa
<b>6</b>	Block	McLeod Ganj
<b>7</b>	District	Kangra
<b>8</b>	Total No. of Members in SHG	15
<b>9</b>	Date of formation	28/01/25
<b>10</b>	Bank a/c No.	4478000100259864
<b>11</b>	Bank Details	PNB Bank Dal Lake
<b>12</b>	SHG Monthly Saving	100
<b>13</b>	Total saving	-
<b>14</b>	Total inter-loaning	-
<b>15</b>	Cash Credit Limit	--
<b>16</b>	Repayment Status	1%

## 2. Beneficiaries Details:

Sr. No	Name of the Members	Desig.	Age	Qualification	Contact	Category
1	Shakti Kumar	President	27	B.A	7833980480	S.T
2	Pyare Lal	Secretary	40	B.A	9736385824	S.T
3	Ranjeet singh	Vice president	32	B.A	8894187613	S.T
4	Shammi	Treasurer	37	12 <sup>th</sup>	8894854996	S.T
5	Kishori Lal	Member	49	8 <sup>th</sup>	9816028916	S.T
6	Manoj Kumar	Member	45	8 <sup>th</sup>	9816555997	S.T
7	Jagdeesh	Member	50	5 <sup>th</sup>	7807575603	S.T
8	Lucky	Member	28	12 <sup>th</sup>	7018157624	S.T
9	Sanjay	Member	25	B.A	7018069815	S.T
10	Teju	Member	45	5 <sup>th</sup>	8894882312	S.T
11	shirghr	Member	60	8 <sup>th</sup>	9816144471	S.T
12	Milap	Member	60	8 <sup>th</sup>	8219211926	S.T
13	kernail	Member	35	8 <sup>th</sup>	8219171356	S.T
14	Anil kumar	Member	36	12 <sup>th</sup>	9816028916	S.T
15	Rinku	Member	37	B.A	7018030710	S.T

## 3. Geographical details of the Village

1	Distance from the District HQ	32 Km.
2	Distance from Main Road	3 Km.
3	Name of local market & distance	Dharamshala & 30km
4	Name of main market & distance	Dharamshala & 30km
5	Name of main cities where product will be sold/ marketed	Dharamshala

#### **4. Executive Summary**

Mushroom cultivation income generation activity has been selected by Shiva 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	Shiva 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.)	14 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)	6.5 Qtl. per 250 bags in four months.
6	Expected production per cycle (Kg)	400 kg

## **Requirement of raw material and expected production**

<b>Sr.no</b>	<b>Raw material</b>	<b>Unit</b>	<b>Time</b>	<b>Quantity (3 Cycles)</b>	<b>Amount per kg (Rs)</b>	<b>Total Amount in three cycles</b>
1	M. Bags	200 Kg	4 months	6.5 Qtrs.	150	Rs. 97,500/-

## 8 Description of Marketing/ Sale

1	Potential market places	Kangra & Dharamshala 32 & 30
2	Demand of the product in market place/s	Daily demand and high demand at the time of festival and marriage occasions.
3	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.
4	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.
5	Product branding	At SHG level product will be marketed by branding SHG. Later this IGA may require branding at cluster level
6	Product “slogan”	“A product of SHG Shiva”

## **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:**

<b>A.</b>	<b><u>CAPITAL COST</u></b>			
<b><u>Sr. No.</u></b>	<b><u>Particular</u></b>	<b><u>Qty.</u></b>	<b><u>Unit Price</u></b>	<b><u>Amount</u></b>
<b>1</b>	Water spray pump (Electric with solar Panels)	3	300	900
<b>2</b>	Digital Weighing Scale Machine	2	2500	5000
<b>3</b>	Packaging machine	1	3000	3000
<b>4</b>	Apron, cap, plastic band gloves etc.	15	LS	2000
<b>5</b>	Knives	10	50	500
<b>7</b>	Heater	2	2500	5000
<b>8</b>	Mushroom Bags	200	200	40000
<b>9</b>	Other Material	10	LS	1000
<b>10</b>	Transport	LS	-	3000
	<b>Total</b>			<b>Rs. 60400/-</b>

<b>B. <u>RECURRING COST</u></b>					
<b><u>Sr.no</u></b>	<b><u>Particulars</u></b>	<b><u>Unit</u></b>	<b><u>Qty.</u></b>	<b><u>Price</u></b>	<b><u>Amount</u></b>
1	Hall Rent	1	12 (Month)	1000	12000
2	Labour (will be done by SHG members)	Work will be done by SHG members rotation bases for one cycle (97 days*wages rate 350)			33,950
3	Packaging material	P/Bags	LS	-	3500
4	Transportation	Rs. 2500/- cycle		LS	7000
5	Electricity exp.	1	12 Month	1000	12000
6	Mushroom Bags	M. Bag	200	200	40000
	Recurring Cost				108450
<b><u>Total Recurring Cost B =108450/-</u></b>					

<b>C. <u>Cost of Production (per cycle)</u></b>		
<b><u>Sr. No</u></b>	<b><u>Particulars</u></b>	<b><u>Amount (Rs)</u></b>
1	Total Recurring Cost	108450/-
2	10% depreciation annually on capital cost	6040/-
	<b>Total: -</b>	<b>Rs. 114490/-</b>

<b>D. <u>Selling Price calculation (per cycle)</u></b>					
<b><u>Sr.no</u></b>	<b><u>Particulars</u></b>	<b><u>Unit</u></b>	<b><u>Quantity</u></b>	<b><u>Amount (Rs)</u></b>	
1	Cost of Production	3 Cycle	19 Qtl	114490/-	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**

<b><u>Sr.no.</u></b>	<b><u>Particulars</u></b>	<b><u>Amount (Rs)</u></b>
1	10% depreciation annually on capital cost	114490/-
2	Total Recurring Cost	108450/-
3	Total Production every four month (Qtl)	Approx 6.5 Qtl (19 Qtl. per year)
4	Selling Price (per Kg)	150
5	Income generation (150*19*100)	Rs. 2,85,000/- annually
6	Net profit (285000-108450) (Income Generation – Recurring cost)	Rs. 176550/-
7	Distribution of net profit	<ul style="list-style-type: none"><li>• Profit will be distributed equally among members monthly/yearly basis.</li><li>• Profit will be utilized to meet recurring cost.</li><li>• Profit will be used for further investment in IGA</li></ul>

### **13. Fund requirement**

<b><u>Sr.no</u></b>	<b><u>Particulars</u></b>	<b><u>Amount (Rs)</u></b>	<b><u>Project Contribution (75%)</u></b>	<b><u>SHG Contribution (25%)</u></b>
1	Total capital cost	60400	45300	15100
2	Total Recurring Cost	108450	0	108450
3	Trainings/capacity building/ skill up-gradation	28375	28375	0
	<b>Total</b>	<b>Rs. 197225/-</b>	<b>Rs. 73675/-</b>	<b>Rs. 123550/-</b>

**Note-**

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

#### **15. Trainings/capacity building/skill up-gradation**

Trainings/capacity building/ skill up-gradation cost will be borne by project.

Following is 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

**20. Group Photo**



**Prepared by: -**

Miss. Babita (SMS)

GROUP CONSENT LETTER

The Meeting of Shiv Self Help Group was held under the Chairmanship of the Pradhan Sh. Vishwanath on dated 28/02/2020 in which the member of group collectively decided to do the work of Mulberry Cultivation to increase the income with the association, project for improvement of Himachal Pradesh Forest ecosystem Management and livelihoods (JICA).

The detail description of the members of the group is given below:-

Sr.No.	Name	Father's Name	Designation	Qualification	Age	Phone Number	Category	Signature
1	शक्ति कुमार्	फौज राम	प्रधान	B.A.	27	78339 80480	ST	Shakti
2	सुरेन्द्र लाल	गुण राम	सचिव	B.A	40	97362 85824	4	Surinder
3	रुणजीत	वैशम्पैराम	उप प्रधान	B.A	32	88941 87610	4	Ranjit
4	शशि	ठाणु राम	कोषाध्यक्ष	+2	37	88948 54996	4	Shashi
5	मिश्री लाल	दसूराम	सदस्य	8th	49	98160 28916	4	Mishra
6	मनीष	गुदी राम	4	8th	45	98165 55999	4	Manish
7	जगदीश	हरम राम	4	5th	50	75603 70181	4	Jagdish
8	लक्ष्मी	विक्रम सिंह	4	+2	28	57629 70181	4	Lakshmi
9	अजय	सोनी राम	4	B.A	25	70180 69815	4	Ajay
10	तेज	ठाणु राम	4	5th.	45	88948 82312	4	Tej
11	श्रीधर	ठाणु राम	4	8th.	60	98161 44471	4	Shrihar
12	मिनाप	ठाणु राम	4	8th.	40	82192 11926	4	Minapal
13	अरुण	वृद्धी राम	4	8th.	35	82191 78356	4	Arun
14	अमित कुमार	जोशी राम	11	+2	36	98160 28916	11	Amit
15	रवि	राम	11	B.A.	37	70180 30710	4	Ravi



Signature of VFDs Pradhan

*S. D.*

*Varekhar*  
Signature of VFDs Secretary

Signature of SHG Pradhan

*Shubhraj*

Signature of SHG Secretary

*Ami*

*Deep*  
Signature of Forest Guard

*[Signature]*  
Signature of B.O.

*[Signature]*  
Signature of R.O.

*Approval*

*[Signature]*  
DFO-cum-BMU Officer  
Dharamshala Division  
Dharamshala

