



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 Division

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	6
4	Executive Summary	6
5	Description of product related to Income Generating Activity	6
6	Production Processes	6
7	Production Planning	7
8	Sale & Marketing	7
9	SWOT Analysis	8
10	Description of Management among members	8
11	Description of Economics	9,10,11
12	Analysis of Income and Expenditure	11
13,14	Fund Requirement, Sources of Fund	12
15 to 19	Trainings/capacity building/ skill up gradation, other source of Income, Monitoring Method & Remarks	13
	SHG Group Photographs	

1. Description of SHG

1	SHG Name	Baba Balak Nath
2	VFDS	Chaplah Jhikla
3	Range	Dehra
4	Division	Dehra Division
5	Village	Chaplah Jhikla
6	Block	Pragpur
7	District	Kangra
8	Total No. of Members in SHG	09
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 Members	W/o Sh.	Age	Qualification	Contact No.	Source of Income
1	Anjana Devi	Vipan Kumar	62	10 th	8219850544	Agriculture
2	Amita Devi	Ashok Kumar	50	10 th	9805649881	Agriculture
3	Swarana Devi	Ramesh Kumar	61	8 th	6230663977	Agriculture
4	Shashi Bala	Pritam Lal	61	10 th	8544768176	Agriculture
5	Suman Kumari	Malkit Singh	52	10 th	8894129378	Agriculture
6	Sarita	Sunil Kumar	52	8 th	9015003774	Agriculture
7	Anjana Kumari	Kashmir Singh	49	10 th	9805544769	Agriculture
8	Sonu Devi	Sanjeev Kumar	46	12 th	9015239386	Agriculture
9	Kiran Kumari	Pardeep Kumar	50	8 th	9816955666	

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 09 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.)	09 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)	3.5 Qtl. per 120 bags in four months.
6	Expected production per cycle (Kg)	220 kg

8. Requirement of raw material and expected production

Sr.no	Raw material	Unit	Time	Quantity (1 Cycles)	Amount per kg (Rs)	Total Amount in three cycles
1.	M. Bags	120 Kg	4 months	3.5 Qtl.	150	52500/-

9. 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 require branding at cluster level
7	Product “slogan”	“A product of SHG Baba Balak Nath”

10. **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

11. 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.

- a. 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.)
- b. Some group members will involve in Production process.
- c. Some group members will involve in Packaging and Marketing.

12. **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	Mushroom Bags	153	120	18360
2	Packaging Sealing Machine	02	2500	5000
3	Mushroom packaging container	LS	LS	2000
4	Transporting M. Bags to the site	LS	LS	3000
5	Other material	LS	LS	1640
<u>Total capital costs</u>				Rs. 30000/-

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	Packaging material	P/Bags	LS	-	5000
2	Mushroom Bags	M. Bag	150	120	18000
3	Miscellaneous	LS	LS	LS	3000
4	Recurring Cost				26000/-
<u>Total Recurring Cost B =26000/-</u> (Recurring cost- Labour cost) as work/labour will be done by SHG members.					

13. Cost of Production

C.	<u>Cost of Production (per cycle)</u>	
<u>Sr. No</u>	<u>Particulars</u>	<u>Amount (Rs)</u>
1	Total Recurring Cost	26000/-
2	10% depreciation annually on capital cost	3000/-
	Total: -	29000/-

D.	<u>Selling Price calculation (two 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	2 Cycle	7 Qtl	105000/-	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	

14. 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	3000/-
2	Total Recurring Cost	26000/-
3	Total Production every four month (Qtl)	3.5 Qtl (7 Qtl. per year)
4	Selling Price (per Kg)	150
5	Income generation (150*7*100)	105000 annually
6	Net profit (105000-26000) (Income Generation – Recurring cost)	79000/-
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

15. 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	Rs. 30000/-	Rs. 22500/-	Rs. 7500/-
2	Total Recurring Cost	Rs. 26000/-	0	Rs. 26000/-
3	Trainings/capacity building/ skill up-gradation	Rs. 28375	Rs. 28375	0
	Total	Rs. 84375/-	Rs. 50875/-	Rs. 33500/-

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

16. 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 includes cost of materials/tools other than machineries.Recurring cost to be borne by SHG	

17. 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-gradations proposed/needed:

- a. Cost effective procurement of raw material
- b. Quality control
- c. Packaging and Marketing
- d. Financial Management

18. Other sources of income:

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

19. 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.

- a In CCL, the principal loan outstanding of the SHG must be fully paid to the banks once Year. The interest amount should be paid on a monthly basis.
- b In term loans, the repayment must be made as per the repayment schedule in the banks.

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

- a. Size of the group
- b. Fund management
- c. Investment
- d. Income generation
- e. Production level
- f. Quality of product
- g. Quantity sold
- h. Market reach

21.

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

Photos of Group Members



Prepared by: -

Mr. Madan Lal Sharma (Retd. HPFS)

Ms. Deeksha (SMS)

Ms. Shivani (FTU Co-Ordinator)

BUSINESS PLAN APPROVAL BY VFDS & DMU

Baba Balak Nath.....Group will undertaken the *Mushroom Cultivation* livelihood Income Generation Activity under the project for implementation of Himachal Pradesh Forest Ecosystem Management & livelihood (JICA assisted). In this regard business plan of amount Rs. *30,000/-*.....has been submitted by group on..... And the business plan has been approved by the VFDS..... *Chapla Thikla*

Business plan submitted through FTU for further action please.
Thank you

Sonu Devi
Signature of Group President

शशी वाला
Signature of Group Secretary

HCHTICA
3/1/25

[Signature]
Approved
DMU – CUM - Dehra

Resolution - cum - Group Consensus Form

It is decided in the General House meeting of the group ^{Baba Balak} ~~Nath~~ at ~~Chakla Thikla~~ that our group will undertake the ... ^{Museum} ~~cultivation~~ ... as Livelihood Income Generation Activity under the Project for improvement of Himachal- Pradesh Forest Ecosystem Management & Livelihoods (JICA Assisted).


Sonu Devi
Signature's of Group Pradhan

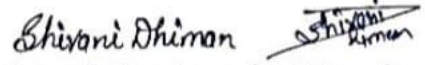
शशी वाला
Signature's of Group Secretary

Submitted to DMU through FTU

Name & Signature of FTU Officer

Range Forest Office,
Kangra (H.P.)


Range Forest Officer
Dehra Forest Range
Dehra (H.P.)


Name & Signature of FTU Coordinator

Approved


Name & Signature of DMU officer

