



**BUSINESS PLAN**

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

By

**Raadhe - Raadhe - Self Help Group**



<b>SHG Name</b>	<b>Raadhe - Raadhe</b>
<b>VFDS Name</b>	<b>Baleer</b>
<b>Range</b>	<b>Indora</b>
<b>Division</b>	<b>Nurpur Divison</b>

**Prepared Under –**

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

## Table of Contents

<b>Sr. No.</b>	<b>Particulars</b>	<b>Page/s</b>
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	Raadhe - Raadhe
2	VFDS	Baleer
3	Range	Indora
4	Division	Nurpur Divison
5	Village	Baleer
6	Block	Damtal
7	District	Kangra
8	Total No. of Members in SHG	18 females
9	Date of formation	29-05-2023
10	Bank a/c No.	50076185015
11	Bank Details	KCC Bank
12	SHG Monthly Saving	20/-
13	Total saving	
14	Total inter-loaning	1%
15	Cash Credit Limit	--
16	Repayment Status	--

2. **Beneficiaries Details:**

Sr. No.	Name Of SHG Members	Husband/Father name	Gender	Category	Income source
1	Manjana devi	Pratap singh	Female		Agriculture
2	Baby Devi	Hardesh singh	Female		Agriculture
3	Ritu Devi	Naresh singh	Female		Agriculture
4	Neha Devi	Shashi Pal Singh	Female		Agriculture
5	Neelam kumari	Naresh Kumar	Female		Agriculture
6	Muktesh Bala	Rajinder singh	Female		Agriculture
7	Anu Bala	Hardev Singh	Female		Agriculture
8	Anjana devi	Varinder singh	Female		Agriculture
9	Neelam devi	Harjinder singh	Female		Agriculture
10	Nirmla Devi	Govind Singh	Female		Agriculture
11	Rajni Devi	Dalwinder Singh	Female		Agriculture
12	Rani Devi	Madan singh	Female		Agriculture
13	Lakshmi devi	Anil Kumar	Female		Agriculture
14	Raadha Devi	Surinder Kumar	Female		Agriculture
15	Kaanta Devi	Praveen Kumar	Female		Agriculture
16	Sarla Devi	Swroop singh	Female		Agriculture
17	Nisha Guleria	Sunil Kumar	Female		Agriculture
18	Subha Kumari		Female		

3. **Geographical details of the Village**

1	Distance from the District HQ	115Km
2	Distance from Main Road	1Km
3	Name of local market & distance	Pathankot-10Km,Indora-12 Km
4	Name of main market & distance	Pathankot-10Km
5	Name of main cities & distance	
6	Name of main cities where product will be sold/ marketed	Rehan-12Km,Indora-25 Km

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

Mushroom cultivation income generation activity has been selected by Raadhe - Raadhe Self Help Group. This IGA will be carried out by 18 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 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 K g 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	Raadhe - Raadhe 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.)	18Members
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 Qtl. per 200 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	220 Kg	4 months	6.5 qtls.	150	97,500

### **8. Description of Marketing/ Sale**

1	Potential market places	Pathankot-10Km and Indora-12 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 Raadhe - Raadhe”

### **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. <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>
1	Water spray pump (Electric with solar Pannel)	2	1800	3600
2	Water tub (40-50 ltr)	2	700	1400
3	Digital Weighing Scale Machine	2	1200	2400
4	Poly Sealing Table Top Heat Sealer Pouch Plastic Packaging Machines	1	3000	3000
5	Apron, cap, plastic hand gloves etc	5	LS	1,500
6	Product storage Crates		LS	7,000
7	Racks , Bench , Stairs		LS	15,000
8	Tower Air Cooler (15 ltr./-)	2	8000	16,000
9	Knives		LS	2000
<b><u>Total capital costs</u></b>				<b><u>51900 /-</u></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)	3,000	36,000
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	-	3300
4	Transportation	Rs. 2500/- cycle		LS	8000
5	Electricity exp.	1	12 Month	1000	12000
6	Mushroom Bags for next cycle	M. Bag	220	200	44000
	Recurring Cost				137250/-
<b><u>Total Recurring Cost B =137,250/-</u></b> (Recurring cost- Labour cost) as work/labour will be done by SHG members.					

<b>C. <u>Cost of Production (Monthly)</u></b>		
<b><u>Sr. No</u></b>	<b><u>Particulars</u></b>	<b><u>Amount (Rs)</u></b>
1	Total Recurring Cost	137250
2	10% depreciation annually on capital cost	5190
	<b>Total :-</b>	142440

<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 Qtls	142440	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)

<b><u>Sr.no.</u></b>	<b><u>Particulars</u></b>	<b><u>Amount (Rs)</u></b>
1	10% depreciation annually on capital cost	5190
2	Total Recurring Cost	137250/-
3	Total Production every four month( qtl)	6.5 qtls (19 qtls. per year)
4	Selling Price (per Kg)	150
5	Income generation (150*18*100)	2,70,000 annually
6	Net profit (2,70,000 -137250) (Income generation- Total Recurring cost)	132750/-
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</u></b>
1	Total capital cost	51900	38925	12975
2	Total Recurring Cost	137250	0	137250
3	Trainings/capacity building/ skill up-gradation	70,000	70,000	0
	<b>Total</b>	259150/-	108925/-	150225/-

**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"> <li>• 75% of capital cost will be utilized for purchase of machineries i.e. Machines including equipments.</li> <li>• Rs 1 lakh as revolving have parked in the SHG bank account.</li> <li>• Trainings/capacity building/ skill up-gradation cost.</li> <li>•</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 include 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 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

Photo's of SHG Raadhe - Raadhe Under VFDS baleer

VFDS - Baleer      SHG - Raadhe - Raadhe      (Ward No. - 3)

			
Manjna Devi Pradhan	Baby devi Secretary	Muktesh Bala Treasurer	Neelam Kumari
			
Rajni Devi	Anjana Devi	Ritu Devi	Neha Devi
			
Raani Devi	Subha Devi	Anubala	Kanta Devi
			
Laxmi devi	Nisha guleria	Neelam Devi	Nirmala Devi



Veena Devi



Radha Devi



Sarla Devi

## Resolution cum Group Consensus Form

It is decided in the general house meeting of the group Raadhe-Raadhe held on 16-9-2023 at Bales that our group will undertake the mushroom farming livelihood income generation activity Under the project for implementation of Himachal Pradesh forest ecosystem Management and livelihood (JICA assisted).

manjira Devi

प्रधान ~~सचिव~~ ~~कोषाध्यक्ष~~  
रखे रहे SHG कृषि वि० ख० इंदौर

Signature of Group President

Baby Devi

प्रधान ~~सचिव~~ ~~कोषाध्यक्ष~~  
रखे रहे SHG कृषि वि० ख० इंदौर

Signature of Group Secretary

## Business Plan Approval by VFDS & DMU

Raadhe-Raadhe Group will undertake the mashroom farming 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. 259150 has been submitted by group on 16/09/2023 and the business plan has been approved by the VFDS Baleer

Business plan is submitted through FTU for further action please.

Thank you

Signature of Group President

प्रधान Indira Devi  
Signature of Group President VFDS  
ग्राम पंचायत बलीर तह. डबौरा  
जिला काशी (हि.प्र.)

Signature of Group Secretary

Approved

DMU cum Nurpur



