



## **BUSINESS PLAN**

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

By

**- Self Help Group**



<b>SHG Name</b>	<b>Bhagya Laxmi</b>
<b>VFDS Name</b>	<b>Ropari</b>
<b>Range</b>	<b>Joginder Nagar</b>
<b>Division</b>	<b>Joginder Nagar</b>

**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	Bhagya Laxmi
2	VFDS	Ropari
3	Range	Joginder Nagar
4	Division	Joginder Nagar
5	Village	Ropari
6	Block	Chauntra
7	District	Mandi
8	Total No. of Members in SHG	7 Female
9	Date of formation	01-01-2021
10	Bank a/c No.	87571300002924
11	Bank Details	HP Gramin Bank Joginder Nagar
12	SHG Monthly Saving	100
13	Total saving	29500
14	Total inter-loaning	--
15	Cash Credit Limit	--
16	Repayment Status	--

## 2. Beneficiaries Details:

Sr. No.	Name of the SHG Members	Designation	Age	Gender	Category	Income Source	Photographs
1.	Mrs. Sunita Devi W/o Sh. Puran Chand Vill. Ropari P.O. Ropari Kalehru Teh. Joginder Nagar Distt. Mandi (H.P.) Ph. No. 82194326502	President	40	Female	UR	Agri.	
2.	Mrs. Deepa Devi W/o Late.Sh. Dinesh Kumar Vill. Ropari P.O. Ropari Kalehru Teh. Joginder Nagar Distt. Mandi (H.P.)Ph No 8628023254	Secretary	58	Female	UR	Agri.	
3.	Mrs. Jyoti Kumari W/o Sh. Ajay Barwal Vill. Ropari P.O. Ropari Kalehru Teh. Joginder Nagar Distt. Mandi (H.P.)Ph No 9418360599	Treasure	42	Female	UR	Agri.	
4.	Mrs. Lohki Devi W/o Sh. Tara Chand Vill. Ropari P.O. Ropari Kalehru Teh. Joginder Nagar Distt. Mandi (H.P.)	Member	55	Female	UR	Agri.	
5.	Mrs. Laxmi Devi W/o Sh. Suresh Kumar Vill. Ropari P.O. Ropari Kalehru Teh. Joginder Nagar Distt. Mandi (H.P.)	Member	20	Female	UR	Agri.	
6.	Mrs. Beena Devi W/o Sh. Ravinder Kumar Vill. Ropari P.O. Ropari Kalehru Teh. Joginder Nagar Distt. Mandi (H.P.)	Member	45	Female	UR	Agri.	
7.	Mrs. Vandana Thakur W/o Sh.Sumit Barwal Vill. Ropari P.O. Ropari Kalehru Teh. Joginder Nagar Distt. Mandi (H.P.)	Member	31	Female	UR	Agri.	

### 3. Geographical details of the Village

1	Distance from the District HQ	70 Km.
2	Distance from Main Road	50 Mtr.
3	Name of local market & distance	Joginder Nagar-13 Km, Chauntra-16 Km. Bajjnath-18
4	Name of main market & distance	JoginderNagar =13 Mandi =70Km.
5	Name of main cities & distance	
6	Name of main cities where product will be sold/ marketed	Joginder Nagar, Mandi. Bajjnath, Palampur

### 4. Executive Summary

Mushroom cultivation income generation activity has been selected by Bhagya Laxmi Self Help Group. This IGA will be carried out by 7 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 150 Bag per Cycle (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 120/- per Kg. (200 grams packing of per packed)

### 5. Description of Product related to Income Generating Activity

1	Name of the Product	Mushroom cultivation
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 -2 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)	3 months
2	Manpower required per cycle (No.)	7 Members (Rotation bases)
3	Source of raw materials	Local market/ Main market
4	Source of other resources	Local market/ Main market
5	Quantity required per cycle	150 Bag
6	Expected production per cycle (Kg)	300 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	150 Bag	3 months	450 Bag.	120	54,000/-

## 8. Description of Marketing/ Sale

1	Potential market places	Joginder Nagar 13 Km. Chauntra- 17, Mandi- 70 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”	

## 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>
1	Water spray pump (Electric with solar Panel 20 kg )	1	4000	4000
2	Water tub (40-50 Ltr.)	2	800	1,600
3	Digital Weighing Scale Machine	1	1500	1,500
4	Plastic Packaging Machines	1	2500	2,500
5	Apron, cap, plastic hand gloves etc		700	700
6	Temperature. measurement equipment's	1	-	1,500
7	Product storage Crates	3	800	2,400
8	GI Racks fitting			56,300
9	Mushroom Bags	150	120	18000
10	electric bolwer	2	6000	6,000
11	Tower Air Cooler (35 ltr./-)	1	8000	5,000
	<b><u>Total capital cost</u></b>			99,500



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)	2,000	24,000
2	Labor (will be done by SHG members)	Work will be done by SHG members rotation bases for one cycle two ladies engaged per day for three hours)			6,000
3	Packaging material	P/Bags	10Kg	300	3,000
4	Transportation	Rs. 2500/- cycle		LS	7,500
5	Electricity exp.	1	12 Month	500	6,000
6	Mushroom Bags Transportation from farm to SHG production Hall	M. Bag			5,000
5	Recurring Cost				51,500
<u>Total Recurring Cost B =51,500/-</u>					<b>51,500</b>
C.	<u>Cost of Production (Monthly)</u>				
<u>Sr. No.</u>	<u>Particulars</u>				<u>Amount (Rs)</u>
1	Total Recurring Cost				51,500
2	10% depreciation annually on capital cost				5150
	<b>Total :-</b>				56,650

<b>D.</b>	<b><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	450 (Bag)	54000/-	It will decrease as the quantity of production Increase
2	Current market price	-	Per Kg	120	
3	Expected Selling Price by SHG	-	Per Kg	120	

## 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	5150
2	Total Recurring Cost	51500
3	Total Production every Three month	900 Kg.per year
4	Selling Price (per Kg)	120/- Kg
5	Income generation	1,08,000 annually
6	Net profit (108000 - 51500)	56,500/-
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

<u>Sr.No.</u>	<u>Particulars</u>	<u>Amount (Rs)</u>	<u>Project Contribution (75%)</u>	<u>SHG Contribution</u>
1	Total capital cost	99,500	74,625	24,875
2	Total Recurring Cost	51500	0	51,500
3	Trainings/capacity building/ skill up-gradation	35,000	35,000	0
	<b>Total</b>	1,86,000	1,09,625	76,375

**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 equipment's.</li> <li>• Rs. 1.00 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 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

**20. Group Photo of SHG Bhagya Laxmi Under VFDS Ropari**



Business Plan Approval by VFDS and DMU.

Bhagya Laxmi Group will undertake the Mushroom Cultivation 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. 1,86,000/- has been submitted by the group on 01/04/2025 and the Business Plan has been approved by VFDS Ropari.

Business Plan is submitted to DMU through FTU for further action please.

प्रधान विद्या देवी सचिव  
भाग्य लक्ष्मी स्वयं सहायता समूह  
रोपड़ी, डाक. रोपड़ी कलेहड़  
तह. जोगी नगर जिला मण्डली (हि.प्र.)

Signature Of group President

Thank You.

प्रधान विद्या देवी सचिव  
भाग्य लक्ष्मी स्वयं सहायता समूह  
रोपड़ी, डाक. रोपड़ी कलेहड़  
तह. जोगी नगर जिला मण्डली (हि.प्र.)

Signature Of group secretary

[Signature]  
Signature of President VFDS

[Signature] Approved  
D.M.U.-CL  
Divisional Forest Officer  
Joginder Nagar  
DMU cum DFO Joginder Nagar

Resolution-cum-Group-consensus Form

It is decided in the General house meeting of the group Bhagya Laxmi held on 01/04/2025 at Ro pari that our group will undertake the Mashroom Cultivation as Livelihood Income Generation Activity under the Project for Implementation of Himachal Pradesh Forest Ecosystem management and Livelihood (IICA assisted).

प्रधान Bhagya सचिव दिपा देवी  
भाग्य लक्ष्मी स्वयं सहायता समूह  
रोपड़ी, डाक. रोपड़ी कलेहड़  
तह. जोगी नगर जिला मण्डो (हि.प्र.)  
Signature Of group President

प्रधान Bhagya सचिव दिपा देवी  
भाग्य लक्ष्मी स्वयं सहायता समूह  
रोपड़ी, डाक. रोपड़ी कलेहड़  
तह. जोगी नगर जिला मण्डो (हि.प्र.)  
Signature Of group secretary

Bhagya  
Signature of President VFDS

