



6. PROJECT PROFILE FOR CULTIVATION OF BUTTON MUSHROOM

Category : Agriculture

Total Cost of Project : Rs. 121,500/-

BEP : 37 %

I. INTRODUCTION OF BUSINESS IDEA :

Mushroom cultivation started three hundred years ago, yet in India, it started only four decades ago. In the short span of forty years, this product has become so popular that it has also become export oriented with the help of foreign help and techniques to increase its production. Types of mushroom, which are considered suitable for production, are Button mushroom. Dingiri mushroom, paddy straw mushroom. All the above mention is having more consumption and demand.

II. PRODUCT AND ITS APPLICATIONS :

Button mushroom is having more Vitamins and Nutrients in it. It can be used as soup, vegetable, and one of the ingredients in pizza and in many eatables.

III. MARKET POTENTIAL :

Mushroom production can be started at any level from cottage or home level to godowns and large-scale level. As far as market is concerned, presently it is very wide and very promising and at a constant increase. Presently, there are many Hotel and Dhabas, which are having mushroom products (dishes) as their main menu, apart from this there are many shops in the city, which are selling Button mushroom.

IV. CAPACITY / REVENUE :(1ST YEAR)

Button mushrooms are grown i.e. from composting to growth of mushroom it takes 3 months. Hence, only 4 crops can be taken in a year. Each tree yield is four (4)Kgs average one time.

Sl. No.	Product	Qty	Rate	Sales amount
01	Button Mushrooms	6000 Kgs	100/-	600,000
	Total			600,000



V. PLANTING PROCESS & QUALITY :

First step is to prepare compost. There are many methods to prepare compost; any method can be adopted taking into consideration of the entrepreneur. Good compost is one, which is dark brown and totally ammonia free. It must not have much greasiness and the moisture level should be 65 to 70%. After preparation of compost, surface spewing is done i.e. in this process first 3 to 5 c.m. of compost is removed spawn are spread and again covered by compost. Newspaper sheets are spread over them and 2% formalin is sprinkled over them, the room temperature should be 20 to 25° C. After a week, the temperature of the room is brought to 18 ° C pinheads of mushroom start showing. Proper ventilation arrangement should be made. When mushroom take shape of button, they are cropped and packed. The entire process takes 3 months.

VI. COST OF PROJECT AND MEANS OF FINANCE, INCLUDING WORKING CAPITAL REQUIREMENTS :

A. COST OF PROJECT :

Particulars	Amount
Equipments	40000
Other Fixed Assets	10000
Preliminary and preoperative expenses	10000
Deposits	10000
Working Capital Requirements	51500
Total	121500

B. MEANS OF FINANCE:

Particulars	Amount
Loan @ 75%	91000
Equity	30500
Total	121500

C. WORKING CAPITAL REQUIREMENT :

Sl. No.	Particulars	Basis	Period	Amount (Rs.)
1	Raw-material	$114000 \times \frac{3}{12}$	3 month	29000
2	Bills Receivables	$600000 \times \frac{1}{48}$	$\frac{1}{4}$ month	12500
3	Working expenses		1 month	10000
	Total			51500



VII. MAIN INPUTS REQUIREMENT :

A. EQUIPMENTS :

Sl. No.	Particulars	Qty.	Rate	Total Cost
01.	Wooden Trays (2' X 3')	300 Nos.	50/-	15000
02.	Wooden Racks (5' X 25')	4 Nos.	3000/-	12000
03.	Spray Pumps	2 Nos.	1000/-	2000
04.	Cooler	1 Nos.	8000/-	8000
05.	Room heater/blower	1	1000/-	2000
06.	Thermometer and Other Equipments			1000
				40000

B. RAW-MATERIALS (FERTILIZERS AND MICRONUTRIENTS) :

Sl.No.	Particulars	Qty	Rate	Total cost
1	Compost	1200 Trays	50/-	60000
2	Spawn	1200 Trays	20/-	24000
3	Formeline & other chemicals	-	-	20000
4	Packing Materials	5000 nos.	2-	10000
	Total			114000

C. UTILITIES :

Sl. No.	Particulars	Monthly Charges (Rs.)	Annually Charges (Rs.)
1	Electricity and water	1500	18000
	Total		18000

D. MAN-POWER REQUIREMENT :

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Annual Salary (Rs.)
01	Skilled Worker/Owner	1	7500/-	90000
02	Unskilled Worker	2	5000/-	120000
	Total			210000

E. MAIN INFRASTRUCTURE REQUIREMENT :

Building	1000 Sq.ft. Rent 1500/- per month.
Power	General Lighting
Water	1 KL water per day is required



VIII. PROFITABILITY PROJECTION (ANNUAL) :

Particulars	Basis	Amount
Sales Revenue (Projected)	Ref : IV	600000
Raw Materials	Ref : VII B	114000
Man power expenses	Ref : VII D	210000
Utilities	Ref : VII C	18000
Interest	@ 12%	11000
Depreciation	20 % SLM	8000
Overheads (Rent)		80000
Total Expenses		441000
Profit		159000

IX. FINANCIAL INDICATOR :

Break Even Point FC ----- x 100 SR-VC	99000 ----- x 100 268800	37 %
Payback period COP ----- Profit + Deprn.	121500 ----- 167000	9 months

X. ADDRESSES :

SUPPLIERS OF EQUIPMENTS :

- Equipments are available locally.
- Raw materials are available locally and spawn is available at Horticulture Dept.

XI. SPECIAL NOTE :

Mushroom cultivation skill training is required for the entrepreneurs.