

**PROJECT REPORT
ON
MUSHROOM CULTIVATION**

PROJECT AT A GLANCE

1	Name of the Unit	Mushroom Cultivation	
2	Line of Activity	Mushroom	
3	Products	Mushroom	
4	New/Expansion/Modernization	New	
5	Constitution	Proprietorship	
6	Name of the Proprietor	P.Ravi Chandra	
7	Registered Address	P. Ravi Chandra, S/o Venkateswara Rao, RCM Church, Gorantla, Guntur, AP - 522034	
8	Site Location	P. Ravi Chandra, S/o Venkateswara Rao, RCM Church, Gorantla, Guntur, AP - 522034	0
9	Cost of the Project		5,00,000.00
10	Feciliites Required	Term Loan	
11	Promoters Contribution		50,000.00
12	Loan From Bank		4,50,000.00
13	Moratorium	6 Months	
14	Power	NA	
15	BEP	27.18%	
16	Average DSCR	4.47	

Mushroom Cultivation

Total Project Cost

S.No	Particulars	Amount
1		0 -
2	Shed Cost	-
	Area Required 240sft	70,000.00
	Cost of Const/sft @ 200	1,50,000.00
3	Chaff Cutter 3HP	50,000
4	Temp Checking	5,000
5	Tables	65,000
6	Motor 3HP	20,000
7	Electrical Wiring/Lights	30,000
8	Field Laese	60,000
9	Misc	50,000
	Total Cost	5,00,000

Means of Finance :Term Loan

S.NO	Particulars	Amount	%
1	Promoters Contribution	50,000	10%
2	Bank Finance	4,50,000	90%
	Total	5,00,000	100%

S.NO	Particulars	Amount	%
	Working Capital		
	Total Working Capital Required	2,01,800	16,586

Mushroom Cultivation

Yield Statement - Mushroom

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
1.Total Installed Capacity in Kgs	300	300	350	400	450
3.No of Production Months in year	12	12	12	12	12
4.Total Installed Capacity	3600	3600	4200	4800	5400
5.Capacity Utilization	80.00%	80.00%	80.00%	80.00%	80.00%
5.Actual Capacity in Kgs	2880	2880	3360	3840	4320
6.Selling Price per Kg	200	200	250	250	250
7.Total Revenue /Year	5,76,000	5,76,000	8,40,000	9,60,000	10,80,000

Cost

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
a) Feed Cost					
1.Mushroom Spam	396	396	450	450	450
3.No of Days in a year	300	300	300	300	300
Total Feed Cost	1,18,800	1,18,800	1,35,000	1,35,000	1,35,000

Cost

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
a) Labour Cost					
1.Manpower Required	1	1	1	1	1
2.Salary/Month	6,000	6,000	7,000	7,000	8,000
Total Salary	72,000	72,000	84,000	84,000	96,000
b) Medicines/ Year	6000	6600	7260	7986	8784.6
d) Insurance @2% on Cost	-	-	-	-	-
e) Electrical Cost/ Year	5,000	5,500	6,050	6,655	7,321

Mushroom Cultivation

Projected Profitability Statement

Particulars	Projected Year 1	Projected Year 2	Projected Year 3	Projected Year 4	Projected Year 5
Income					
Sales Revenue	5,76,000	5,76,000	8,40,000	9,60,000	10,80,000
Other Income	-	-	-	-	-
Total	5,76,000	5,76,000	8,40,000	9,60,000	10,80,000
Expenditure					
Mushroom Spam	1,18,800	1,18,800	1,35,000	1,35,000	1,35,000
Salaries & Wages	72,000	72,000	84,000	84,000	96,000
Medicine Cost	6,000	6,600	7,260	7,986	8,785
Electricity Charges	5,000	5,500	6,050	6,655	7,321
Misc Exp	-	-	-	-	-
Finance Charges	59,625	31,875	22,875	13,875	4,875
Depriciation	50,000	50,000	50,000	50,000	50,000
Profit Before Tax	2,64,575	2,91,225	5,34,815	6,62,484	7,78,020
Provision for Tax	-	-	-	1,98,745	2,33,406
Profit After Tax	2,64,575	2,91,225	5,34,815	4,63,739	5,44,614
Net Profit Ratio	45.93%	50.56%	63.67%	48.31%	50.43%

BALANCE SHEET

	Projected	Projected	Projected	Projected	Projected
Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
Liabilities					
Proprietors Capital					
Capital	50,000	3,14,575	6,05,800	11,40,615	16,04,354
Reserves & Surplus	2,64,575	2,91,225	5,34,815	4,63,739	5,44,614
Less: Drawings	-	-	-	-	-
Total	3,14,575	6,05,800	11,40,615	16,04,354	21,48,968
Secured Loans					
Term Loan	3,60,000	2,70,000	1,80,000	90,000	-
Unsecured Loans					
	-	-	-	-	-
Current Liabilities					
Advances From Customers	-	-	-	-	-
Sundry Creditors	-	-	-	-	-
Other Provisions	-	-	-	-	-
Total	6,74,575	8,75,800	13,20,615	16,94,354	21,48,968
Assets					
Fixed Assets					
Fixed Assets	4,50,000	4,00,000	3,50,000	3,00,000	2,50,000
Non Current Assets	-	-	-	-	-
Current Assets					
Sundry Debtors	11,200	11,200	16,333	18,667	21,000
Loans & Advances	-	-	-	-	-
Cash & Bank Balances	2,13,375	4,64,600	9,54,282	13,75,687	18,77,968
Total	6,74,575	8,75,800	13,20,615	16,94,354	21,48,968

Mushroom Cultivation

Term Loan 4,50,000.00
 Rate 10.00%
 Intallments Monthly 60
 Insatallament Amount 7,500.00

Installment No	Opening Balance	Installment Amount	Interest	Closing Balance	Yearly Interest
-	4,50,000.00	-	3,750	4,50,000	
-	4,50,000.00	-	3,750	4,50,000	
-	4,50,000.00	-	3,750	4,50,000	
-	4,50,000.00	-	3,750	4,50,000	
-	4,50,000.00	-	3,750	4,50,000	18,750
1	4,50,000.00	7,500.00	3,750	4,42,500	
2	4,42,500.00	7,500.00	3,688	4,35,000	
3	4,35,000.00	7,500.00	3,625	4,27,500	
4	4,27,500.00	7,500.00	3,563	4,20,000	
5	4,20,000.00	7,500.00	3,500	4,12,500	
6	4,12,500.00	7,500.00	3,438	4,05,000	
7	4,05,000.00	7,500.00	3,375	3,97,500	
8	3,97,500.00	7,500.00	3,313	3,90,000	
9	3,90,000.00	7,500.00	3,250	3,82,500	
10	3,82,500.00	7,500.00	3,188	3,75,000	
11	3,75,000.00	7,500.00	3,125	3,67,500	
12	3,67,500.00	7,500.00	3,063	3,60,000	40,875
13	3,60,000.00	7,500.00	3,000	3,52,500	
14	3,52,500.00	7,500.00	2,938	3,45,000	
15	3,45,000.00	7,500.00	2,875	3,37,500	
16	3,37,500.00	7,500.00	2,813	3,30,000	
17	3,30,000.00	7,500.00	2,750	3,22,500	
18	3,22,500.00	7,500.00	2,688	3,15,000	
19	3,15,000.00	7,500.00	2,625	3,07,500	
20	3,07,500.00	7,500.00	2,563	3,00,000	
21	3,00,000.00	7,500.00	2,500	2,92,500	
22	2,92,500.00	7,500.00	2,438	2,85,000	
23	2,85,000.00	7,500.00	2,375	2,77,500	
24	2,77,500.00	7,500.00	2,313	2,70,000	31,875
25	2,70,000.00	7,500.00	2,250	2,62,500	
26	2,62,500.00	7,500.00	2,188	2,55,000	
27	2,55,000.00	7,500.00	2,125	2,47,500	
28	2,47,500.00	7,500.00	2,063	2,40,000	
29	2,40,000.00	7,500.00	2,000	2,32,500	
30	2,32,500.00	7,500.00	1,938	2,25,000	
31	2,25,000.00	7,500.00	1,875	2,17,500	
32	2,17,500.00	7,500.00	1,813	2,10,000	
33	2,10,000.00	7,500.00	1,750	2,02,500	
34	2,02,500.00	7,500.00	1,688	1,95,000	
35	1,95,000.00	7,500.00	1,625	1,87,500	
36	1,87,500.00	7,500.00	1,563	1,80,000	22,875
37	1,80,000.00	7,500.00	1,500	1,72,500	
38	1,72,500.00	7,500.00	1,438	1,65,000	
39	1,65,000.00	7,500.00	1,375	1,57,500	
40	1,57,500.00	7,500.00	1,313	1,50,000	
41	1,50,000.00	7,500.00	1,250	1,42,500	
42	1,42,500.00	7,500.00	1,188	1,35,000	
43	1,35,000.00	7,500.00	1,125	1,27,500	
44	1,27,500.00	7,500.00	1,063	1,20,000	
45	1,20,000.00	7,500.00	1,000	1,12,500	
46	1,12,500.00	7,500.00	938	1,05,000	
47	1,05,000.00	7,500.00	875	97,500	
48	97,500.00	7,500.00	813	90,000	13,875
49	90,000.00	7,500.00	750	82,500	
50	82,500.00	7,500.00	688	75,000	
51	75,000.00	7,500.00	625	67,500	
52	67,500.00	7,500.00	563	60,000	
53	60,000.00	7,500.00	500	52,500	
54	52,500.00	7,500.00	438	45,000	

Installment No	Opening Balance	Installment Amount	Interest	Closing Balance	Yearly Interest
55	45,000.00	7,500.00	375	37,500	
56	37,500.00	7,500.00	313	30,000	
57	30,000.00	7,500.00	250	22,500	
58	22,500.00	7,500.00	188	15,000	
59	15,000.00	7,500.00	125	7,500	
60	7,500.00	7,500.00	63	-	4,875

Debt Service Coverage Ratio

Particulars	Projected Year 1	Projected Year 2	Projected Year 3	Projected Year 4	Projected Year 5
Profit After tax	2,64,575	2,91,225	5,34,815	4,63,739	5,44,614
Depreciation	50,000	50,000	50,000	50,000	50,000
Interest on term Loan	59,625	31,875	22,875	13,875	4,875
Total	3,74,200	3,73,100	6,07,690	5,27,614	5,99,489
Payment Obligation					
TL Installments	90,000	90,000	90,000	90,000	90,000
Interest	59,625	31,875	22,875	13,875	4,875
Total	1,49,625	1,21,875	1,12,875	1,03,875	94,875
DSCR	2.50	3.06	5.38	5.08	6.32
Avg DSCR	4.47				

Break Even Point

Particulars	Projected	Projected	Projected	Projected	Projected
	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	5,76,000	5,76,000	8,40,000	9,60,000	10,80,000
Variable Costs					
Mushroom Spam	1,18,800	1,18,800	1,35,000	1,35,000	1,35,000
Medicine Cost	6,000	6,600	7,260	7,986	8,785
Total	1,24,800	1,25,400	1,42,260	1,42,986	1,43,785
Contribution	4,51,200	4,50,600	6,97,740	8,17,014	9,36,215
Fixed Costs					
Salaries	72,000	72,000	84,000	84,000	96,000
Electricity Charges	5,000	5,500	6,050	6,655	7,321
Interest	59,625	31,875	22,875	13,875	4,875
Depriciation	50,000	50,000	50,000	50,000	50,000
Total	1,86,625	1,59,375	1,62,925	1,54,530	1,58,196
Break even Point	41.36%	35.37%	23.35%	18.91%	16.90%
Break even Sales	2,38,245	2,03,728	1,96,143	1,81,574	1,82,491
Margin of Safety Sales	3,37,755	3,72,272	6,43,857	7,78,426	8,97,509
Average BEP	27.18%				