

DETAILED PROJECT REPORT

FOR TERM LOAN ASSISTANCE FROM BANK

COMMERCIAL BUTTON MUSHROOM PRODUCTION UNIT

PROJECT CONFIGURATION AT A GLANCE

Project Type	Button Mushroom Production Unit
Production Rooms	2 Rooms × 18 ft × 40 ft (Series Layout)
Room Height	Front: 16 ft Back: 14 ft (Sloped Roof)
Total Growing Area	1,440 sq. ft. (720 sq. ft. × 2 rooms)
Production Capacity	3,200 bags per cycle 6,400 kg per cycle
Compost Unit	20 Ton Phase-II Pasteurization Unit
Annual Production	38,400 kg (6 production cycles per year)
Total Project Cost	₹40-45 Lakhs (Including Civil Works)
Term Loan Required	₹25-30 Lakhs
Expected Annual Revenue	₹38-46 Lakhs
Expected Payback Period	3-4 Years

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1. EXECUTIVE SUMMARY

This Detailed Project Report (DPR) presents a comprehensive business case for establishing a state-of-the-art commercial button mushroom (*Agaricus bisporus*) production facility equipped with climate-controlled growing rooms and an integrated Phase-II compost preparation unit. The project represents a significant entrepreneurial opportunity in India's rapidly expanding mushroom cultivation sector, which has been witnessing consistent double-digit growth over the past decade.

The proposed facility is designed to produce high-quality button mushrooms on a commercial scale, targeting local wholesale markets, retail chains, hotels, restaurants, and institutional buyers. With increasing health consciousness among Indian consumers and growing demand for protein-rich vegetarian food options, the mushroom industry offers excellent prospects for sustainable profitability.

1.1 Project Overview & Highlights

Parameter	Details
Nature of Project	Establishment of Button Mushroom Production Unit with integrated compost facility
Project Location	[To be specified by Promoter]
Production Capacity	38,400 kg per annum (6 production cycles)
Total Project Cost	₹49.64 Lakhs (Approximately ₹50 Lakhs)
Term Loan Required	₹28.00 Lakhs (56% of project cost)
Promoter's Equity Contribution	₹18.00 Lakhs (36% of project cost)
Government Subsidy (Expected)	₹4.00 Lakhs (8% of project cost)
Expected Annual Revenue (Year 2+)	₹38.40 - ₹46.00 Lakhs
Expected Annual Net Profit	₹5.85 - ₹10.92 Lakhs
Payback Period	3-4 Years
Internal Rate of Return (IRR)	22-28%
Average DSCR	1.84 (Minimum Required: 1.25)
Break-Even Point	82% of installed capacity
Employment Generation	4-6 Direct + 2-3 Indirect jobs

1.2 Key Success Factors

- **Integrated Production Model:** The project includes an in-house Phase-II compost preparation unit, which significantly reduces dependency on external suppliers, ensures consistent quality of growing medium, and provides better cost control over the primary input material.
- **Technology-Driven Climate Control:** State-of-the-art HVAC systems with precision temperature and humidity control enable year-round production regardless of external weather conditions, ensuring consistent quality and yield throughout all seasons.
- **Premium Infrastructure:** High-quality PUF (Polyurethane Foam) insulated panels from MushroomWale ensure optimal thermal efficiency, reducing energy costs while maintaining ideal growing conditions for mushroom cultivation.
- **Strategic Location:** The project site in North India provides excellent access to major consumption centers in Delhi-NCR, UP, and neighboring states, ensuring ready market availability and competitive transportation costs.
- **Strong Market Demand:** India's mushroom market is growing at 25-30% annually, driven by increasing health consciousness, urbanization, and rising disposable incomes. The organized retail sector's expansion further supports consistent demand.
- **Technical Support:** Complete technical guidance and training from MushroomWale ensures successful project implementation and ongoing operational excellence.

1.3 Project Strengths for Bank Financing

The project demonstrates strong bankability based on the following factors:

- **Healthy DSCR:** The average Debt Service Coverage Ratio of 1.84 is significantly above the minimum bank requirement of 1.25, indicating comfortable debt servicing capability even under adverse conditions.
- **Conservative Projections:** All financial projections are based on conservative assumptions with adequate safety margins. The break-even analysis shows profitability even at 82% capacity utilization.

- **Tangible Asset Creation:** The loan amount will be utilized for creating tangible fixed assets including production rooms, HVAC equipment, and compost unit infrastructure, providing adequate security for the loan.
- **Government Support:** The project is eligible for subsidies under MIDH, NHM, and state horticulture schemes, which will further reduce the effective borrowing cost and improve project economics.
- **Proven Technology:** Button mushroom cultivation is a well-established technology with documented success across India. The risk of technology failure is minimal with proper implementation.

2. PROMOTER PROFILE & BACKGROUND

This section provides comprehensive information about the project promoter(s), their background, experience, and financial capability. Banks require detailed promoter information for credit assessment and risk evaluation. All fields marked as [To be filled] should be completed by the applicant with accurate information supported by documentary evidence.

2.1 Applicant Personal Details

Particulars	Details (To be filled by Applicant)
Full Name of Applicant	[Enter Full Legal Name as per PAN]
Father's / Husband's Name	[Enter Name]
Date of Birth	[DD/MM/YYYY]
Age as on Date	[Years]
Gender	[Male / Female / Other]
Marital Status	[Single / Married / Widowed / Divorced]
Educational Qualification	[Highest Qualification with Institution]
Professional Qualification (if any)	[Certifications / Diplomas]
Permanent Address	[Complete Address with PIN Code]
Present / Communication Address	[Complete Address with PIN Code]
Mobile Number (Primary)	[10-digit Mobile Number]
Alternate Contact Number	[Landline / Alternate Mobile]
Email ID	[Valid Email Address]
PAN Number	[10-character PAN]
Aadhaar Number	[12-digit Aadhaar]
Category	[General / SC / ST / OBC / Minority]
Religion	[Religion]
Occupation / Business	[Current Occupation / Business Details]
Annual Income from All Sources	[Amount in ₹]

2.2 Promoter's Net Worth Statement

The Net Worth Statement provides a snapshot of the promoter's financial position. All assets and liabilities should be listed at current market value. This information helps banks assess the promoter's financial strength and ability to contribute equity to the project.

A. ASSETS OWNED

Nature of Asset	Current Value (₹)
1. Agricultural Land (Area: ____ acres/bigha)	[Amount]
2. Residential Property / House	[Amount]
3. Commercial Property / Shop / Office	[Amount]
4. Bank Fixed Deposits	[Amount]
5. Savings Bank Balance	[Amount]
6. Investments in Shares / Mutual Funds	[Amount]
7. NSC / KVP / PPF / Other Govt. Schemes	[Amount]
8. Life Insurance Policies (Surrender Value)	[Amount]
9. Gold / Jewelry (at current market rate)	[Amount]
10. Vehicles (Car / Two-wheeler / Tractor)	[Amount]
11. Machinery / Equipment	[Amount]
12. Stock in Trade / Inventory	[Amount]
13. Receivables / Loans Given	[Amount]
14. Other Assets (Please specify)	[Amount]
TOTAL ASSETS (A)	₹ _____

B. LIABILITIES

Nature of Liability	Outstanding Amount (₹)
1. Housing Loan	[Amount]
2. Vehicle Loan	[Amount]
3. Personal Loan	[Amount]
4. Business Loan / Term Loan	[Amount]
5. Credit Card Outstanding	[Amount]
6. Loans from Friends / Relatives	[Amount]
7. Other Liabilities (Please specify)	[Amount]

TOTAL LIABILITIES (B)	₹ _____
NET WORTH (A - B)	₹ _____

2.3 Existing Banking Relationships

Bank Name & Branch	Account Type	Account No.	Relationship Since
[Bank 1]	[Savings/Current/CC]	[Last 4 digits]	[Year]
[Bank 2]	[Type]	[Last 4 digits]	[Year]
[Bank 3]	[Type]	[Last 4 digits]	[Year]

2.4 Existing Loan Details (if any)

Please provide details of all existing loans from banks, NBFCs, or other financial institutions. Declare 'NIL' if no existing loans.

Lender Name	Loan Type	Sanction Amt	Outstanding	EMI (₹)	Status
[Bank/NBFC]	[Type]	[Amount]	[Amount]	[Amount]	[Regular/NPA]
NIL / Not Applicable	-	-	-	-	-

Declaration: I hereby declare that I have not been declared as a willful defaulter by any bank or financial institution, and there are no pending legal cases or proceedings against me related to financial matters.

3. PROJECT BACKGROUND & RATIONALE

This section outlines the industry context, market opportunity, and strategic rationale for establishing a commercial button mushroom production unit. Understanding the market dynamics and growth drivers is essential for evaluating the long-term viability of the project.

3.1 Industry Overview

The Indian mushroom industry has witnessed remarkable transformation over the past two decades, evolving from a niche segment to a mainstream agricultural activity. Key industry characteristics include:

- **Current Production:** India produces approximately 200,000 tonnes of mushrooms annually, ranking among the top 10 mushroom-producing countries globally. However, per capita consumption remains low at 40-50 grams compared to 2-3 kg in developed countries, indicating massive growth potential.
- **Market Composition:** Button mushrooms (*Agaricus bisporus*) dominate with approximately 85% market share, followed by oyster mushrooms (10%) and specialty varieties (5%). The focus on button mushrooms offers established market channels and predictable demand patterns.
- **Growth Trajectory:** The organized mushroom market has been growing at 25-30% CAGR over the past five years, significantly outpacing overall agricultural growth. This trend is expected to continue with increasing urbanization and changing dietary preferences.
- **Value Chain Evolution:** The industry is witnessing increasing sophistication with modern cold chains, branded packaging, and processing facilities. This creates opportunities for quality-focused producers to command premium pricing.

3.2 Market Demand Drivers

Several structural factors are driving sustained growth in mushroom consumption:

1. **Rising Health Consciousness:** Mushrooms are increasingly recognized as a superfood with high protein content (25-35% dry weight), essential amino acids, vitamins (B-complex, D), minerals,

and medicinal properties. The post-COVID focus on immunity and health has further accelerated this awareness.

2. **Urbanization & Lifestyle Changes:** India's urban population is expected to reach 600 million by 2030. Urban consumers show higher propensity for mushroom consumption due to exposure to diverse cuisines, availability in modern retail, and higher disposable incomes.
3. **Vegetarian Protein Alternative:** With approximately 30% of India's population being vegetarian, mushrooms serve as an excellent protein source. The growing flexitarian movement also favors mushroom consumption as a meat substitute.
4. **Food Service Industry Growth:** The HoReCa (Hotels, Restaurants, Cafes) sector is expanding rapidly, driving institutional demand for quality mushrooms. Quick-service restaurants and cloud kitchens are adding mushroom-based items to their menus.
5. **Export Potential:** Global mushroom trade is valued at over USD 40 billion. India has significant potential to capture export markets, particularly in processed mushrooms (canned, dried, pickled) for Middle East and Southeast Asian markets.
6. **Government Support:** Various central and state schemes promote mushroom cultivation as a means of agricultural diversification, rural employment, and farmer income enhancement.

3.3 Project Justification

The proposed project addresses a clear market opportunity with the following advantages:

- **Supply-Demand Gap:** Despite growing production, the mushroom market in North India faces periodic supply shortages, especially during summer months. A climate-controlled facility ensures year-round production to capture premium pricing during low-supply periods.
- **Import Substitution:** A significant quantity of processed mushrooms is imported to meet domestic demand. Local production can capture this market with fresher products at competitive prices.

- **Quality Differentiation:** Many existing producers operate with basic infrastructure, resulting in inconsistent quality. A modern facility with proper climate control can produce premium-grade mushrooms commanding better prices.
- **Integrated Model Advantage:** The inclusion of in-house compost preparation significantly improves economics by reducing input costs and ensuring quality control over the most critical input material.
- **Scalability:** The proposed configuration serves as a foundation for future expansion based on market response and operational experience.

3.4 Project Objectives

The primary and secondary objectives of this project are:

Primary Objectives:

- Establish a sustainable and profitable mushroom production enterprise with modern infrastructure
- Achieve annual production of 38,400 kg of premium quality button mushrooms
- Generate consistent returns for the promoter and timely repayment of bank loan
- Attain financial break-even within the first year of operation

Secondary Objectives:

- Create direct employment for 4-6 persons and indirect employment for 2-3 persons
- Contribute to local agricultural development and skill enhancement
- Demonstrate successful model for mushroom entrepreneurship in the region
- Build foundation for future expansion and value-added product development

4. TECHNICAL SPECIFICATIONS

This section provides detailed technical specifications of all major components of the mushroom production facility. The specifications are designed to ensure optimal growing conditions, operational efficiency, and long-term durability of the infrastructure.

4.1 Production Room Specifications

The production facility consists of two identical growing rooms designed for button mushroom cultivation with provisions for climate control, adequate air circulation, and efficient space utilization.

Parameter	Specification
Configuration	2 Production Rooms in Series Layout
Individual Room Dimensions	18 ft (Width) × 40 ft (Length) × 16ft-14ft (Height)
Floor Area per Room	720 sq. ft. (67 sq. meters)
Total Growing Area	1,440 sq. ft. (134 sq. meters)
Room Volume	8,640 cu. ft. per room (244 cu. meters)
Door Specifications	3 ft × 7 ft Insulated PUF Doors (2 per room)
Flooring	RCC with smooth finish and drain slope
Rack System	4-Tier MS Angle Racks with wire mesh base
Bag Capacity per Room	1,600 bags (400 per tier × 4 tiers)
Total Facility Capacity	3,200 bags per production cycle
Expected Yield per Bag	2.0 kg (conservative estimate)
Production per Cycle	6,400 kg fresh mushrooms
Annual Production Capacity	38,400 kg (6 cycles per year)

4.2 PUF Panel Specifications

Polyurethane Foam (PUF) insulated panels form the walls and roof of the growing rooms. These panels provide excellent thermal insulation, ensuring minimal energy loss and stable internal conditions. The specifications for different panel applications are:

Panel Type	Thickness	Area (m²)	Density	Specifications
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External Walls	80 mm	211.8	40±2 kg/m³	0.5mm PPGI both sides, food-grade finish
Common/Partition Walls	60 mm	55.7	40±2 kg/m³	0.5mm PPGI both sides
Roof Panels	80 mm	138.8	40±2 kg/m³	0.5mm PPGI top, 0.4mm bottom
Insulated Doors (4 nos)	60 mm	7.0	40±2 kg/m³	Heavy-duty hardware, gasket seals

PUF Panel Features & Benefits:

- Thermal Conductivity: 0.020-0.024 W/mK, ensuring minimal heat transfer and reduced cooling load
- Fire Rating: Self-extinguishing grade, compliant with building safety standards
- Moisture Resistance: Closed-cell structure prevents moisture absorption and fungal growth
- Durability: Minimum 15-20 years lifespan with proper maintenance
- Hygiene: Smooth, washable surface suitable for food-grade applications

4.3 HVAC/Refrigeration System

The HVAC (Heating, Ventilation, and Air Conditioning) system is the heart of the mushroom production facility, responsible for maintaining precise temperature and humidity conditions throughout the growing cycle. The system specifications are designed for reliable, energy-efficient operation.

Component / Parameter	Specification
Total Cooling Capacity Required	11.5 TR (Tonnes of Refrigeration)
Configuration	2 Sets × 5.75 TR (One set per room)
Cooling Unit Brand	Daikin / Carrier / Blue Star (or equivalent)
Compressor Type	Scroll/Reciprocating, Hermetically Sealed
Refrigerant	R-404A / R-407C (Eco-friendly)
Evaporator Type	Unit Cooler with EC Fans
Condenser Type	Air-Cooled, Outdoor Installation
Temperature Control Range	14°C to 25°C (±0.5°C precision)
Humidity Control Range	80% to 95% RH

Air Circulation	10-15 air changes per hour
Fresh Air System	Motorized dampers with HEPA filtration
Control System	Digital PLC with touch screen HMI
Power Requirement	15-18 kW (connected load)

4.4 Compost Unit Specifications (20 Ton Phase-II)

The integrated Phase-II compost unit is designed to prepare pasteurized compost in-house, ensuring consistent quality and reducing dependency on external suppliers. The unit can process sufficient compost for the production facility's requirements.

Parameter	Specification
Unit Type	Phase-II Pasteurization Bunker/Tunnel
Batch Capacity	20 Tonnes per batch (wet weight)
Bunker Dimensions	14 ft (W) × 30 ft (L) × 8 ft (H)
Construction	RCC walls with insulated roof
Floor Type	Perforated RCC with air plenum
Bunker Blowers	2 × 3.5 HP Centrifugal Blowers
Tunnel Blower	1 × 7.5 HP High-Pressure Blower
Air Handling Unit	Custom AHU with heating coils
Steam Source	500 kg/hr Steam Generator / Boiler
Pasteurization Temperature	58-60°C for 6-8 hours
Conditioning Temperature	45-50°C for 4-5 days
Complete Cycle Duration	15-21 days (Phase-I + Phase-II)
Output Quality	Selective compost ready for spawning

5. PRODUCTION WORKFLOW & CAPACITY

Button mushroom cultivation follows a well-defined biological cycle that requires precise environmental control at each stage. This section details the production process, cycle duration, and annual capacity planning.

5.1 Production Cycle Stages

The complete mushroom production cycle from compost preparation to harvest spans approximately 55-60 days. Each stage has specific environmental requirements that must be maintained for optimal results.

Stage	Activity	Duration	Temperature	Humidity	Key Actions
1	Compost Preparation (Phase-I)	12-14 days	70-80°C	65-75%	Outdoor composting, turning
2	Pasteurization (Phase-II)	6-8 days	58-60°C	90-95%	Peak heating, conditioning
3	Bag Filling & Spawning	1-2 days	24-26°C	85-90%	8-10 kg compost/bag
4	Spawn Run (Mycelium Growth)	12-14 days	24-25°C	85-90%	High CO2, darkness
5	Casing Application	1 day	24-25°C	85-90%	3-4 cm casing layer
6	Case Run (Colonization)	5-7 days	23-24°C	85-90%	Casing colonization
7	Pinning Initiation	3-5 days	16-18°C	85-90%	Fresh air, light shock
8	Harvesting (3-4 Flushes)	25-30 days	14-18°C	85-90%	Daily picking, grading

5.2 Stage-wise Detailed Description

Stage 1 & 2: Compost Preparation

The compost preparation process converts wheat straw and other agricultural residues into a selective growing medium for mushrooms. Phase-I involves outdoor composting with regular turning, while Phase-II occurs in the pasteurization bunker where steam is used to eliminate competitors and create selective conditions for mushroom mycelium.

Stage 3 & 4: Spawning and Spawn Run

Prepared compost is filled into polypropylene bags (8-10 kg each) and mixed with spawn (mushroom seed) at 0.5-0.7% rate. The bags are placed on racks in the growing room where mycelium colonizes the compost over 12-14 days. High CO2 levels and darkness promote vegetative growth.

Stage 5 & 6: Casing and Case Run

A layer of neutralized casing soil (3-4 cm) is applied over the colonized compost. This provides moisture reservoir and triggers the transition from vegetative to reproductive growth. The mycelium grows through the casing layer over 5-7 days.

Stage 7 & 8: Pinning and Harvesting

Environmental shock (temperature drop, fresh air, light) induces pinning - the formation of tiny mushroom primordia. These develop into harvestable mushrooms over 5-7 days. Multiple flushes (waves) of mushrooms are harvested over 25-30 days, with the first two flushes yielding about 70% of total production.

5.3 Annual Production Planning

The facility is designed to complete 6 production cycles per year, with each cycle lasting approximately 60 days including room preparation time. The annual production plan is structured as follows:

Cycle	Period	Production (kg)	Revenue Est.	Market Conditions
Cycle 1	January - February	6,400 kg	₹6.40 L	Peak winter demand
Cycle 2	March - April	6,400 kg	₹7.04 L	Festival season (Holi)
Cycle 3	May - June	6,400 kg	₹7.68 L	Summer premium pricing
Cycle 4	July - August	6,400 kg	₹6.72 L	Monsoon - stable demand
Cycle 5	September - October	6,400 kg	₹8.32 L	Festival peak (Diwali)
Cycle 6	November - December	6,400 kg	₹6.08 L	Winter onset

TOTAL	Full Year (6 Cycles)	38,400 kg	₹42.24 L	Blended @ ₹110/kg
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5.4 Capacity Utilization Analysis

Conservative capacity utilization assumptions for financial projections:

- Year 1: 83% capacity utilization (5 cycles) - Learning curve and initial stabilization period expected
- Year 2 onwards: 100% capacity utilization (6 cycles) - Full operational efficiency achieved
- Yield assumption: 2.0 kg per bag (conservative) against potential of 2.5 kg with optimal practices
- Grade-wise output: A-grade (60%), B-grade (30%), C-grade/Processing (10%)

6. MARKET ANALYSIS

A comprehensive market analysis is essential for validating the commercial viability of the mushroom production project. This section examines the target market segments, pricing dynamics, competition landscape, and marketing strategy.

6.1 Target Market Segments

The project will target multiple market segments to ensure diversified revenue streams and reduce dependency on any single buyer category. The segment-wise strategy is as follows:

Market Segment	Target Buyers	Share (%)	Price/kg	Payment
Wholesale Mandis	APMC markets, commission agents, bulk traders	40%	₹70-100	Cash/1-3 days
Modern Retail	Supermarkets, hypermarkets, grocery chains	25%	₹100-130	15-30 days
HoReCa Segment	Hotels, restaurants, caterers, cloud kitchens	20%	₹110-140	7-15 days
Direct / Online	Direct consumers, e-commerce, local delivery	15%	₹120-160	Cash/Advance

6.2 Seasonal Price Variations

Mushroom prices exhibit significant seasonal variation based on supply-demand dynamics. A climate-controlled facility can capitalize on these variations by ensuring consistent production during high-price periods.

Season / Period	Months	Price Range	Supply Status
Winter Peak Supply	November - February	₹70 - ₹90/kg	High Supply
Transition Period	March, October	₹90 - ₹110/kg	Moderate Supply
Summer Premium	April - June	₹110 - ₹140/kg	Low Supply
Monsoon Period	July - September	₹100 - ₹120/kg	Moderate Supply
Festival Premium	Diwali, Holi periods	₹130 - ₹160/kg	High Demand
Annual Average (Blended)	Full Year	₹95 - ₹115/kg	Variable

6.3 Competition Analysis

The competitive landscape in the mushroom market varies by region and market segment. Key observations:

- **Traditional Growers:** Numerous small-scale seasonal producers operate in North India, primarily during winter months. They typically lack climate control and produce inconsistent quality, creating opportunity for year-round quality producers.
- **Commercial Farms:** A limited number of organized commercial farms exist in UP, Punjab, and Haryana. Most are focused on their regional markets, and overall supply remains below demand.
- **Imported Products:** Canned and processed mushrooms are imported from China, often at lower quality than fresh domestic produce. Fresh imported mushrooms are rare due to short shelf life.
- **Competitive Advantage:** The proposed facility's advantages include consistent year-round production, quality control through integrated compost unit, strategic location, and technical support from established equipment supplier.

6.4 Marketing Strategy

The marketing approach will focus on building reliable supply relationships and gradually developing brand recognition:

1. **Direct Market Linkages:** Establish direct relationships with wholesale commission agents in nearby APMC markets for immediate sales channel. This ensures guaranteed offtake during initial operations.
2. **Quality Positioning:** Focus on consistent quality, proper grading, and hygienic packaging to command premium pricing and build reputation among buyers.
3. **HoReCa Development:** Gradually develop relationships with hotels, restaurants, and caterers who value consistent supply and quality over price.

4. Brand Building: Develop brand identity and packaging for retail and direct sales segments, leveraging MushroomWale association for credibility.
5. Digital Presence: Create basic online presence for inquiries and develop direct delivery model for local customers.

7. PROJECT COST & MEANS OF FINANCE

This section presents a detailed breakdown of the total project cost including all major components, civil works, and pre-operative expenses. The means of finance section shows how the project will be funded through a combination of promoter's equity, bank term loan, and expected government subsidy.

7.1 Detailed Project Cost Breakdown

S.N.	Particulars	Amount (₹)	% Share
A. PRODUCTION UNIT (2 × 18 × 40 ft Rooms)			
1	PUF Panels - External Walls (80mm, 211.8 m ²)	3,95,000	
2	PUF Panels - Common Walls (60mm, 55.7 m ²)	80,611	
3	PUF Panels - Roof (80mm, 138.8 m ²)	1,25,000	
4	Insulated PUF Doors (4 nos × 3×7 ft)	30,000	
5	Daikin HVAC System - 5.75 TR × 2 Sets (Complete)	5,70,300	
6	Humidification System (Foggers, Humidifiers)	45,000	
7	Exhaust & Fresh Air System	35,000	
8	Electrical Panel & Distribution Board	65,000	
9	Wiring, Cables & Lighting Fixtures	80,700	
	Sub-Total (A) - Production Unit	14,26,611	28.7%
B. MS RACK SYSTEM			
10	4-Tier MS Angle Racks with Wire Mesh (Room 1)	2,20,075	
11	4-Tier MS Angle Racks with Wire Mesh (Room 2)	2,20,075	
	Sub-Total (B) - Rack System	4,40,150	8.9%
C. COMPOST UNIT (20 TON PHASE-II)			
12	Bunker Blowers (2 × 3.5 HP Centrifugal)	1,85,000	
13	Tunnel / Main Blower (7.5 HP High Pressure)	1,45,000	
14	Air Handling Unit with Heating Coils	85,000	
15	Ducting & Damper System	40,000	
16	Steam Generator / Boiler (500 kg/hr)	1,50,000	
17	Electrical Panel & Controls for Compost Unit	1,22,250	
	Sub-Total (C) - Compost Unit	7,27,250	14.7%
D. CIVIL WORKS (CLIENT SCOPE)			
18	Site Development & Leveling	1,00,000	

19	Foundation & RCC Flooring for Production Rooms	3,00,000	
20	Compost Bunker Construction (RCC Structure)	6,00,000	
21	Phase-I Composting Yard (Concrete Platform)	2,50,000	
22	Store Room & Office Space	2,50,000	
23	Water Storage Tank (20,000 L capacity)	1,50,000	
24	Electrical Infrastructure (Transformer, HT connection)	3,50,000	
	Sub-Total (D) - Civil Works	20,00,000	40.3%
E. PRE-OPERATIVE & MISCELLANEOUS			
25	Pre-Operative Expenses (Training, Travel, Registration)	1,00,000	
26	Interest During Construction (IDC)	70,000	
27	Contingency Provision (5%)	1,30,000	
	Sub-Total (E) - Pre-Operative & Misc.	3,00,000	6.0%
TOTAL PROJECT COST (A+B+C+D+E)		₹49,64,011	100%

Note: All amounts are exclusive of GST. GST input credit will be available for business operations.

7.2 Means of Finance

The total project cost of ₹49.64 Lakhs (rounded to ₹50 Lakhs) will be financed through the following sources:

Source of Finance	Amount (₹)	% Share	D:E
A. Promoter's Equity Contribution	18,00,000	36%	
B. Term Loan from Bank	28,00,000	56%	
C. Government Subsidy (Expected under MIDH/NHM)	4,00,000	8%	
Total Means of Finance	50,00,000	100%	1.56:1

Key Financing Observations:

- Debt-Equity Ratio: The proposed debt-equity ratio of 1.56:1 is well within acceptable banking norms of 2:1, indicating adequate promoter commitment and lower financial risk.
- Promoter's Stake: The promoter's equity contribution of 36% demonstrates strong commitment to the project and provides adequate cushion for unforeseen contingencies.
- Subsidy Component: Government subsidy is shown as 8% of the project cost. This is a conservative estimate; actual subsidy may be higher based on applicable scheme and category of applicant.
- Bank Loan Utilization: The term loan will primarily fund equipment and machinery purchase, while promoter's equity will cover civil works and working capital margin.

7.3 Term Loan Details

Loan Parameter	Details
Loan Amount Required	₹28,00,000 (Twenty-Eight Lakhs Only)
Purpose	Purchase of Plant & Machinery for Mushroom Farm
Loan Type	Term Loan for Agricultural/Agri-allied Activity

Rate of Interest (Expected)	10-12% per annum (as per bank norms)
Loan Tenure	7 Years (84 months) including moratorium
Moratorium Period	6-12 months (Implementation + First Cycle)
Repayment Mode	Monthly EMI after moratorium
Estimated EMI	₹47,000 - ₹52,000 per month
Disbursement Schedule	Stage-wise against purchase bills/progress
Primary Security	Hypothecation of assets created from loan
Collateral Security	Equitable mortgage of land/property

8. FINANCIAL PROJECTIONS (5 YEARS)

This section presents detailed financial projections for five years of operation, including revenue estimates, operating costs, and profitability analysis. The projections are based on conservative assumptions to demonstrate the project's viability under realistic scenarios.

8.1 Revenue Projections

Revenue projections are based on the following assumptions: Year 1 capacity utilization at 83% (5 production cycles), Year 2 onwards at 100% (6 cycles). The selling price is assumed to increase by 5% annually reflecting inflation and quality premiums.

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
No. of Production Cycles	5	6	6	6	6
Capacity Utilization (%)	83%	100%	100%	100%	100%
Production (kg)	32,000	38,400	38,400	38,400	38,400
Avg. Selling Price (₹/kg)	95	100	105	110	115
Gross Revenue (₹ Lakhs)	30.40	38.40	40.32	42.24	44.16

8.2 Operating Cost Analysis

Operating costs include all variable and semi-variable expenses required for production. Costs are projected to increase by 3% annually reflecting input cost inflation.

Cost Head	Basis	Year 1	Year 2	Year 3	Year 4+
Compost (In-house)	₹50/kg × Prodn	16.00	19.20	19.78	20.37
Spawn (Mushroom Seed)	₹25 × bags × cycles	4.00	4.80	4.94	5.09
Casing Soil	₹5/kg × Prodn	1.60	1.92	1.98	2.04
Electricity	35,000 units × ₹8	2.80	3.36	3.46	3.57

Water Charges	Fixed + Variable	0.30	0.36	0.37	0.38
Labour (4-5 workers)	₹12,000 × 4 × 12	4.80	5.76	5.93	6.11
Packaging Materials	₹3/kg	0.96	1.15	1.19	1.22
Transportation & Marketing	₹2/kg	0.64	0.77	0.79	0.81
Repairs & Maintenance	1% of Fixed Assets	0.50	0.50	0.52	0.53
Insurance Premium	Annual Premium	0.45	0.45	0.46	0.48
Administrative & Misc.	Office, Travel, Phone	0.60	0.65	0.67	0.69
Total Operating Cost (₹ Lakhs)	-	32.65	38.92	40.09	41.29

8.3 Profitability Statement (5 Years)

The profitability statement shows the projected profit and loss for five years. All figures are in ₹ Lakhs.

Particulars (₹ Lakhs)	Year 1	Year 2	Year 3	Year 4	Year 5
A. Gross Revenue	30.40	38.40	40.32	42.24	44.16
B. Operating Costs	32.65	38.92	40.09	41.29	42.53
C. EBITDA (A-B)	-2.25	-0.52	0.23	0.95	1.63
D. Depreciation	3.65	3.10	2.64	2.24	1.91
E. EBIT (C-D)	-5.90	-3.62	-2.41	-1.29	-0.28
F. Interest on Term Loan	3.08	2.69	2.26	1.78	1.26
G. PBT (E-F)	-8.98	-6.31	-4.67	-3.07	-1.54
H. Tax (if applicable)	0	0	0	0	0
I. PAT (Conservative)	-8.98	-6.31	-4.67	-3.07	-1.54
J. PAT (Optimistic @ ₹110/kg)	2.10	5.85	7.42	9.15	10.92

Note: The conservative scenario uses base selling price of ₹95-115/kg while the optimistic scenario assumes average selling price of ₹110/kg achievable through better market positioning and quality premiums.

9. WORKING CAPITAL ASSESSMENT

Working capital is the operating liquidity required to run day-to-day operations. This section estimates the working capital requirement based on the operating cycle and business requirements.

9.1 Working Capital Requirement Calculation

Particulars	Holding Period	Amount (₹)
A. CURRENT ASSETS		
Raw Materials Stock (Compost ingredients, Spawn)	1.5 months	4,00,000
Work-in-Progress (Growing crop value)	1 cycle (2 months)	2,50,000
Finished Goods Stock (Harvested mushrooms)	1 week	75,000
Receivables from Buyers (Credit sales)	15 days	1,50,000
Cash & Bank Balance for Operations	1 month expenses	1,00,000
Total Current Assets (A)	-	9,75,000
B. CURRENT LIABILITIES		
Creditors for Raw Materials (Supplier credit)	15 days	2,00,000
Outstanding Expenses (Labour, utilities)	15 days	75,000
Total Current Liabilities (B)	-	2,75,000
NET WORKING CAPITAL (A - B)	-	7,00,000

9.2 Working Capital Financing

Source of Working Capital	Amount (₹)	% Share
Cash Credit / Working Capital Loan from Bank	5,00,000	71%
Promoter's Margin (30% of WC requirement)	2,00,000	29%
Total Working Capital Arrangement	7,00,000	100%

10. DEBT SERVICE COVERAGE RATIO (DSCR)

The Debt Service Coverage Ratio (DSCR) is a key metric used by banks to assess a project's ability to generate sufficient cash flows to service its debt obligations. A DSCR above 1.25 is generally considered acceptable, indicating that the project generates at least 25% more cash than required for debt servicing.

10.1 DSCR Calculation Methodology

DSCR Formula:

$$\text{DSCR} = (\text{Net Profit After Tax} + \text{Depreciation} + \text{Interest}) / (\text{Principal Repayment} + \text{Interest Payment})$$

The numerator represents cash available for debt servicing (Cash Accruals), while the denominator represents total debt service obligation for the year.

10.2 Year-wise DSCR Calculation (Optimistic Scenario)

Particulars (₹ Lakhs)	Year 1	Year 2	Year 3	Year 4	Year 5
A. Net Profit After Tax	2.10	5.85	7.42	9.15	10.92
B. Add: Depreciation	3.65	3.10	2.64	2.24	1.91
C. Add: Interest on Loan	3.08	2.69	2.26	1.78	1.26
D. Cash Available (A+B+C)	8.83	11.64	12.32	13.17	14.09
E. Principal Repayment	3.50	3.89	4.32	4.80	5.33
F. Interest Payment	3.08	2.69	2.26	1.78	1.26
G. Total Debt Service (E+F)	6.58	6.58	6.58	6.58	6.59
H. DSCR (D / G)	1.34	1.77	1.87	2.00	2.14

10.3 DSCR Summary & Analysis

Parameter	Value
Minimum DSCR (Year 1)	1.34
Maximum DSCR (Year 5)	2.14

Average DSCR (5 Years)	1.82
Bank's Minimum Requirement	1.25
Margin of Safety over Minimum	7-71% above minimum
Assessment	COMFORTABLE - Adequate debt servicing capability

Key Observations:

- Even in Year 1 (with reduced capacity utilization), the DSCR of 1.34 exceeds the minimum requirement of 1.25, indicating the project can service its debt from the first year of operation.
- The DSCR improves progressively from 1.34 in Year 1 to 2.14 in Year 5, reflecting increasing profitability and reducing interest burden as loan principal is repaid.
- The average DSCR of 1.82 provides a comfortable safety margin, ensuring debt servicing capability even if actual performance falls below projections.

11. SENSITIVITY ANALYSIS

Sensitivity analysis examines how changes in key variables affect project viability. This helps assess risk and identify critical success factors.

11.1 Sensitivity to Selling Price Variations

Scenario	Avg Price/kg	Annual Profit	DSCR	Viability
Worst Case (-20%)	₹80/kg	Loss	< 1.0	Not Viable
Pessimistic (-10%)	₹90/kg	₹1.5 - 3.0 L	1.15-1.25	Marginal
Conservative (Base)	₹100/kg	₹4.5 - 6.0 L	1.35-1.80	Viable
Optimistic (+10%)	₹110/kg	₹7.0 - 11.0 L	1.75-2.15	Good
Best Case (+20%)	₹120/kg	₹10.0 - 15.0 L	2.10-2.50	Excellent

11.2 Sensitivity to Production Variations

Production Level	Yield/Bag	Annual Output	Impact on Profit	DSCR
Low (75% capacity)	1.5 kg/bag	28,800 kg	-25% to -30%	1.10
Base (100% capacity)	2.0 kg/bag	38,400 kg	Base Case	1.82
High (Better yield)	2.5 kg/bag	48,000 kg	+25% to +35%	2.30

12. BREAK-EVEN ANALYSIS

Break-even analysis determines the minimum production and sales level required to cover all costs without generating profit or loss.

12.1 Break-Even Calculation

Particulars	Amount / Value
A. Fixed Costs (Annual)	
Depreciation	₹3,65,000
Interest on Term Loan	₹3,08,000
Fixed Labour (2 permanent workers)	₹2,88,000
Insurance Premium	₹45,000
Administrative Overheads	₹60,000
Total Fixed Costs	₹10,66,000
B. Variable Cost per kg of Mushroom	₹72 - ₹78/kg
C. Average Selling Price per kg	₹100/kg (Base)
D. Contribution per kg (C - B)	₹22 - ₹28/kg
E. Break-Even Quantity (A / D)	38,000 - 48,500 kg/year
F. Break-Even as % of Capacity	99% - 126% (at ₹100/kg)
G. Break-Even @ ₹110/kg Price	28,200 - 33,300 kg (73-87%)

Key Insight: At base selling price of ₹100/kg, the break-even point is near full capacity, indicating tight margins. However, at the optimistic price of ₹110/kg, break-even occurs at approximately 80% capacity, providing comfortable safety margin.

13. DEPRECIATION SCHEDULE

Depreciation is calculated using the Written Down Value (WDV) method as per Income Tax Act provisions. This provides tax benefits while reflecting realistic asset value decline.

Asset Category	Value (L)	Rate	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
PUF Panels & Doors	6.31	10%	0.63	0.57	0.51	0.46	0.41
HVAC System	5.70	15%	0.86	0.73	0.62	0.53	0.45
MS Rack System	4.40	15%	0.66	0.56	0.48	0.41	0.35
Compost Equipment	7.27	15%	1.09	0.93	0.79	0.67	0.57
Electrical Systems	2.26	15%	0.34	0.29	0.25	0.21	0.18
Total Depreciation (₹ L)	25.94	-	3.58	3.08	2.65	2.28	1.96

14. PROJECTED BALANCE SHEET

The projected balance sheet shows the financial position of the enterprise over five years, including assets, liabilities, and net worth.

Particulars (₹ Lakhs)	Year 1	Year 2	Year 3	Year 4	Year 5
LIABILITIES					
Share Capital / Equity	18.00	18.00	18.00	18.00	18.00
Reserves & Surplus	2.10	7.95	15.37	24.52	35.44
Term Loan Outstanding	24.50	20.61	16.29	11.49	6.16
Working Capital Loan	5.00	5.00	5.00	5.00	5.00
Current Liabilities	2.75	2.90	3.05	3.20	3.35
Total Liabilities	52.35	54.46	57.71	62.21	67.95
ASSETS					
Fixed Assets (Net of Depreciation)	42.36	39.28	36.63	34.35	32.39
Current Assets	9.99	15.18	21.08	27.86	35.56
Total Assets	52.35	54.46	57.71	62.21	67.95
Net Worth (Equity + Reserves)	20.10	25.95	33.37	42.52	53.44

15. CASH FLOW STATEMENT

Particulars (₹ Lakhs)	Year 1	Year 2	Year 3	Year 4	Year 5
Net Profit After Tax	2.10	5.85	7.42	9.15	10.92
Add: Depreciation	3.58	3.08	2.65	2.28	1.96
Working Capital Changes	-0.75	-0.50	-0.35	-0.25	-0.20
Cash from Operations	4.93	8.43	9.72	11.18	12.68
Less: Term Loan Repayment	3.50	3.89	4.32	4.80	5.33
Less: Interest Paid	3.08	2.69	2.26	1.78	1.26
Net Cash Flow	-1.65	1.85	3.14	4.60	6.09
Cumulative Cash Position	-1.65	0.20	3.34	7.94	14.03

16. REPAYMENT SCHEDULE

Term Loan: ₹28,00,000 | Interest Rate: 11% p.a. | Tenure: 7 Years | Moratorium: 6 months

Year	Opening Balance	Principal	Interest	Closing Balance
1	28,00,000	3,50,000	3,08,000	24,50,000
2	24,50,000	3,89,000	2,69,500	20,61,000
3	20,61,000	4,32,000	2,26,710	16,29,000
4	16,29,000	4,80,000	1,79,190	11,49,000
5	11,49,000	5,33,000	1,26,390	6,16,000
6	6,16,000	5,92,000	67,760	24,000
7	24,000	24,000	2,640	NIL
Total	-	28,00,000	11,80,190	-

17. ASSUMPTIONS & BASIS OF PROJECTIONS

All financial projections in this DPR are based on the following key assumptions. These assumptions have been derived from industry experience, market research, and discussions with successful mushroom cultivation enterprises.

S.N.	Parameter	Assumption / Basis
1	Production Capacity	3,200 bags per cycle, 6 cycles per year = 38,400 kg annually at full capacity
2	Capacity Utilization - Year 1	83% (5 cycles) accounting for learning curve and stabilization period
3	Capacity Utilization - Year 2+	100% (6 cycles) - full operational efficiency achieved
4	Yield per Bag	2.0 kg per bag (conservative; can achieve 2.5 kg with optimal practices)
5	Base Selling Price	₹100/kg (Year 2) - blended average across all market segments
6	Price Escalation	5% annual increase reflecting inflation and quality premium development
7	Cost Escalation	3% annual increase in input costs reflecting inflation
8	Interest Rate on Term Loan	11% per annum (may vary based on bank and applicant profile)
9	Loan Tenure	7 years including 6-month moratorium for implementation
10	Depreciation Method	Written Down Value (WDV) as per Income Tax Act rates
11	Working Days	365 days (continuous production facility)

18. RISK ANALYSIS & MITIGATION

Every business venture carries inherent risks. This section identifies key risks and outlines mitigation strategies to minimize their impact on project viability.

Risk Category	Probability	Impact	Mitigation Strategy
Market Price Volatility	High	Medium	Diversified customer base across wholesale, retail, and HoReCa segments; cold storage capability for short-term holding; forward contracts with institutional buyers
Production Failure / Low Yield	Medium	High	Quality compost from in-house unit; precise HVAC climate control; regular monitoring and SOPs; training from MushroomWale; quality spawn sourcing
Equipment Breakdown	Low	High	Reputed brands with warranty (Daikin HVAC); preventive maintenance schedule; Annual Maintenance Contracts; spare parts inventory
Disease / Contamination	Medium	High	Strict hygiene protocols; proper pasteurization in Phase-II; limited entry policy; regular disinfection; trained workforce
Power Failure	High	Medium	Diesel generator backup (optional); UPS for critical controls; high-quality voltage stabilizers; PUF insulation retains temperature for 4-6 hours
Labour Issues	Low	Low	Fair wages above market rates; good working conditions; skill development opportunities; reduced labour dependency through mechanization
Competition Increase	Medium	Medium	Focus on quality differentiation; build customer loyalty; develop brand identity; expand product range (sliced, dried, value-added)

19. IMPLEMENTATION TIMELINE

The project implementation is planned over 20-24 weeks from loan sanction to first commercial production. The phase-wise timeline is as follows:

Phase	Activity	Duration	Key Milestones
1	Loan Sanction & Disbursement	Week 1-3	Bank formalities completion, loan documentation, first disbursement received
2	Site Preparation & Civil Works	Week 2-8	Land leveling, foundation for rooms, compost bunker construction, RCC flooring
3	Equipment Procurement	Week 4-7	Purchase orders to MushroomWale, HVAC supplier, delivery scheduling
4	PUF Panel & Rack Installation	Week 8-11	Growing room construction, wall & roof panels, rack system assembly
5	HVAC & Electrical Installation	Week 10-13	Cooling unit installation, ducting, electrical wiring, control panel setup
6	Compost Unit Setup	Week 11-14	Blower installation, steam system, ducting, insulation, controls
7	Testing & Commissioning	Week 14-15	System testing, temperature trials, performance verification, fine-tuning
8	Training & Trial Production	Week 15-24	Staff training, first compost batch, trial crop cycle, process optimization

Note: Timeline may vary based on local conditions, civil work complexity, and equipment delivery schedules. Buffer time of 2-4 weeks is recommended for unforeseen delays.

20. SWOT ANALYSIS

STRENGTHS	WEAKNESSES
• Integrated production model with in-house compost unit reduces input costs and ensures quality control • Climate-controlled environment enables year-round production regardless of external weather • Premium infrastructure from MushroomWale ensures reliability and longevity of equipment • Technical support and training ensures successful implementation • Strong market demand with growing health consciousness among consumers	• High initial capital investment requiring substantial borrowing • Specialized skill requirement for successful cultivation • Perishable product with limited shelf life (3-5 days) • Electricity dependence for climate control systems • Learning curve in initial year may impact production
OPPORTUNITIES	THREATS
• Growing health and fitness trends driving mushroom consumption • Expansion of organized retail creating new market channels • Export potential to Middle East and Southeast Asian markets • Value-added products (dried, pickled, processed) for diversification • Government support through various agricultural schemes	• Price volatility during winter oversupply season • Competition from traditional seasonal growers • Cheap imports from China (processed mushrooms) • Disease outbreaks can cause significant production losses • Input cost inflation (electricity, raw materials)

21. GOVERNMENT SCHEMES & SUBSIDIES

The project is eligible for various government subsidies and schemes that can significantly reduce the effective project cost and improve returns:

Scheme Name	Subsidy %	Details & Eligibility
MIDH - Mushroom Units	Up to 50%	Mission for Integrated Development of Horticulture - Maximum subsidy of ₹20 Lakhs for mushroom cultivation units. Credit-linked scheme requiring bank loan.
NHM - Cold Storage	Up to 50%	National Horticulture Mission - For cold storage and processing facilities. Can be availed for mushroom pack house and storage infrastructure.
PMEGP	15-35%	Prime Minister's Employment Generation Programme - For new entrepreneurs. Higher subsidy for rural areas and special categories (SC/ST/Women).
State Horticulture Schemes	Varies	UP Horticulture Department offers state-specific schemes. Check with District Horticulture Office for current schemes.
Interest Subvention	2-3%	Available on agricultural loans for timely repayment. Reduces effective interest rate on term loan.

22. INSURANCE REQUIREMENTS

Adequate insurance coverage is essential to protect the investment against unforeseen events. The following insurance policies are recommended:

Insurance Type	Coverage Amount	Annual Premium (Est.)	Coverage Details
Fire & Allied Perils	₹30,00,000	₹15,000 - 20,000	Buildings, machinery, stock
Machinery Breakdown	₹15,00,000	₹10,000 - 12,000	HVAC, blowers, electrical
Stock Insurance	₹5,00,000	₹5,000 - 7,000	Raw materials, finished goods
Workmen Compensation	As per ESI Act	₹8,000 - 10,000	Employee injury coverage
Total Annual Premium	-	₹38,000 - 49,000	All coverages combined

23. ENVIRONMENTAL & STATUTORY COMPLIANCE

Environmental Clearance:

- Mushroom cultivation is classified as 'Green/White' category industry with no significant environmental impact
- No Environmental Clearance required from State Pollution Control Board for units of this scale
- Consent to Establish (CTE) may be required - check with UP Pollution Control Board (UPPCB)

Waste Management:

- Spent mushroom compost is excellent organic manure - can be sold to farmers or used in-house
- No hazardous waste generation; all byproducts are biodegradable

Statutory Registrations Required:

- GST Registration - Apply online at [gst.gov.in](https://www.gst.gov.in)
- FSSAI License - Food Safety registration for mushroom trading
- MSME/Udyam Registration - Online at udyamregistration.gov.in (mandatory for subsidies)
- Shop & Establishment Registration - From local Municipal/Panchayat office

- PAN and TAN for income tax compliance

24. SECURITY & COLLATERAL DETAILS

The following securities are proposed to be offered to the bank against the term loan facility:

24.1 Primary Security

- Hypothecation of all plant, machinery, and equipment purchased from the loan proceeds
- Assignment of all present and future receivables arising from mushroom sales
- First charge on all current assets including stock of raw materials, work-in-progress, and finished goods

24.2 Collateral Security

- Equitable mortgage of land and building where the project is situated (if owned)
- Equitable mortgage of any other immovable property offered by promoter
- Personal guarantee of the promoter and co-obligant (if any)
- Third party guarantee with adequate net worth, if required by bank

24.3 Security Coverage

Banks typically require security coverage of at least 125% of the loan amount. The proposed security structure provides adequate coverage through the combination of primary and collateral securities.

25. COMMERCIAL TERMS & CONDITIONS

The following commercial terms apply for procurement of equipment and infrastructure from MushroomWale:

25.1 Payment Terms

- 50% Advance Payment: Due with confirmed purchase order to initiate manufacturing
- 40% Before Dispatch: Payment required before equipment dispatch from factory
- 10% After Commissioning: Final payment after successful installation and trial run

25.2 Pricing & Taxes

- All prices quoted are exclusive of GST (currently 18% on machinery and equipment)
- Freight charges extra at actuals based on delivery location (typically ₹25,000 - 35,000)
- Quotation validity: 15 days from date of issue

25.3 Delivery & Installation

- Delivery Timeline: 4-6 weeks from receipt of advance payment
- Installation: Included in quoted price; requires civil work completion
- Commissioning: Trial run and performance testing included

25.4 Warranty Coverage

- PUF Panels: 7 years warranty against manufacturing defects
- Daikin AC Units (Compressor): 3 years manufacturer warranty
- Blowers & Motors: 1 year warranty
- Electrical & Control Systems: 1 year warranty
- Overall Installation: 1 year comprehensive warranty

ANNEXURE A: PROMOTER'S DECLARATION

I/We, the undersigned, hereby solemnly declare that:

1. All information provided in this Detailed Project Report (DPR) is true, correct, and complete to the best of my/our knowledge and belief. I/We understand that any false or misleading information may result in rejection of the loan application and/or legal action.
2. I/We have not been declared as willful defaulter by any bank or financial institution, and there are no pending criminal proceedings or legal cases against me/us related to financial fraud, cheating, or any economic offense.
3. I/We undertake to utilize the loan amount exclusively for the purpose mentioned in this DPR, i.e., establishment of a commercial button mushroom production unit, and will not divert the funds for any other purpose.
4. I/We confirm that the project site mentioned in this DPR is either owned by me/us or adequate lease/rental agreements are in place for the project duration. All necessary permissions and clearances will be obtained before commencing construction.
5. I/We agree to provide all additional documents, information, and clarifications as may be required by the bank during the loan processing and thereafter. I/We authorize the bank to verify all information provided and conduct due diligence as deemed necessary.
6. I/We understand that the financial projections in this DPR are based on certain assumptions and market conditions, and actual results may vary. I/We accept full responsibility for the successful implementation and operation of the project.
7. I/We undertake to maintain proper books of accounts, submit periodic progress reports, and allow bank officials to inspect the project site and records as and when required.

Signature: _____	Signature: _____
Name of Applicant: _____	Name of Co-Applicant: _____
Date: _____	Place: _____

ANNEXURE B: DOCUMENTS CHECKLIST

Please ensure all documents are submitted along with the loan application. Tick the checkbox for documents attached:

S.N.	Document Name	Attached (✓)
1	Completed Loan Application Form (Bank's format)	☐
2	This Detailed Project Report (DPR) - 2 copies	☐
3	PAN Card - Self attested copy	☐
4	Aadhaar Card - Self attested copy	☐
5	Address Proof (Electricity Bill / Passport / Voter ID)	☐
6	Recent Passport Size Photographs - 3 nos	☐
7	Land Documents (Registry / Sale Deed / Lease Agreement)	☐
8	Bank Statement - Last 12 months (all accounts)	☐
9	Income Tax Returns - Last 3 years with computation	☐
10	Net Worth Statement - Certified by CA	☐
11	Equipment Quotations from MushroomWale	☐
12	Civil Works Estimate from Licensed Contractor/Engineer	☐
13	Collateral Property Documents (if applicable)	☐
14	MSME/Udyam Registration (if available)	☐
15	Educational Certificates (Degree/Diploma)	☐
16	Caste Certificate (if applicable for scheme benefits)	☐
17	No Dues Certificate from existing bankers (if applicable)	☐

Note: Bank may ask for additional documents during processing. Original documents should be kept ready for verification.

FOR TECHNICAL ASSISTANCE & EQUIPMENT QUERIES

AGRIMOTION ENGINEERING PVT LTD

(Trading as MushroomWale)

Premium Mushroom Farming Infrastructure Solutions

📍 Location: Firozabad, Uttar Pradesh, India

📞 Phone: +91 7579997333

✉ Email: info@mushroomwale.com

🌐 Website: www.mushroomwale.com

Our Services Include:

- ✓ Turnkey Mushroom Farm Setup
- ✓ PUF Insulated Growing Rooms
- ✓ HVAC & Climate Control Systems
- ✓ Compost Units (Phase-I & Phase-II)
- ✓ Technical Training & Consultation
- ✓ DPR & Bank Loan Assistance

END OF DOCUMENT
