

Name of the Firm/Promoter:

## **FEASIBILITY REPORT**

### **INTRODUCTION**

The promoter is..... The total capital out lay is Rs. 2.10 lakhs. The registered office address is .....

### **SECTOR BACKGROUND**

Mushrooms have been identified as priority item in government's recent programme of promoting production of vegetables and fruits in the country. Though there are many types of mushrooms produced and marketed worldwide and the white button mushroom (*Agaricus bisporus*) contributes 15% of the total world production and more than 70% of Indian production is of this mushroom. Cultivation of mushrooms in India is of recent origin and it started in the year 1962 in the state of HP. Since then country has progressed tremendously at this front, and today we are producing around 1,81,000 tons of mushrooms per annum. However, this much production does not stand anywhere compared to China that is producing around 33 million tons of this mushroom. Mushrooms are very good source of proteins and are having many medicinal values. In India this sector is growing at the rate of 10% per annum.

## **PROJECT REPORT FOR SETTING UP OF INTEGRATED MUSHROOM CULTIVATION UNIT**

### **BROAD OUT LINE OF THE PROJECT**

1.	<b>Name of the company</b>	:	--
2.	<b>Registered office and address</b>	:	.....
3.	<b>Proposed location</b>	:	.....
4.	<b>Promoter(s)</b>	:	.....
5.	<b>Cost of the project</b>	:	Rs. 2.10 lakhs
6.	<b>Proposed capacity</b>	:	Around 3.00 tons of white button mushroom production
7.	<b>Future planning</b>	:	
	The capacity will be doubled to 6 tons in the 5 <sup>th</sup> year of operation by extending the composting yard and adding pasteurization tunnels, phase one bunkers and growing rooms.		
8.	<b>Raw materials</b>	:	
	Main raw materials for cultivation of mushrooms and spawn production i.e. wheat straw, paddy straw, chicken manure, urea, gypsum, wheat/paddy grain, calcium carbonates, etc are available throughout the year in the region where project is proposed to be setup. Raw materials needed for canning of mushrooms, tin cans and corrugated boxes are available in the market.		
9.	<b>Marketing</b>	:	
	During the past 5 years, the consumption of mushrooms has grown 15 times. Besides the sizable domestic market, which is underfed, there is great demand for mushrooms in USA, France, Germany, Canada, Italy and UK. Besides this, fresh market in the gulf remains untapped. China which is the largest exporter of mushrooms to the American and European countries is facing anti dumping duties on its products. Further Chinese mushrooms are not available throughout the year, and hence it is the right time that India enters billion-dollar global mushroom market to earn valuable foreign exchange for the country. Since the promoters are already in the processing business including canning, they are seeing tremendous potential in this field. They are unable to meet the demand of canned		

Name of the Firm/Promoter:

	<p>mushrooms as the fresh mushrooms are not available easily and if available they have to pay very heavy price for the same there by eroding the profits. The demand for mushrooms, domestic as well as international is rising at a phenomenal speed. World production of mushrooms was about 12.2 million tons in the year 2002 and China remains the main producer and exporter of mushrooms. India is roughly producing around 1,81,000 tons of mushrooms annually of which 60,000 tons is produced by a single unit the Agro Dutch Foods Lalru, Punjab, which boasts of the single largest producer and exporter of mushrooms in the world. Besides this very big unit there are many other small white button mushroom units in Punjab, Haryana, Uttarakhand, Maharashtra, Gujrat, etc cultivating this mushroom all the year round and are running successfully. These units are located in Phagwara, Jullandhar, Bhatinda, Banga, Bannore, Haridwar, Dehradun, Pune, Nasik, Badnagar, etc. In the state of HP, units located at Poanta sahib and Nalagrah are doing exceedingly well and are in for expansion. In Uttarakhand Ms Flex Foods is doing very good and producing around 2000 tons of this mushroom. The promoters don't foresee any problem in marketing their produce.</p> <p>Now with adoption of latest technology of mushroom production under controlled environmental conditions, it is possible to grow high qualities of mushrooms throughout the year to meet the domestic and international demand. The promoters have under taken the market surveys and made inquiries regarding the demand for mushrooms. Besides the big demand in the countries mentioned above there is a fast mushroom market developing in the gulf countries. Domestic market is also expanding at phenomenal rate, which is reflected in the increase in the production. Most important of all for this project is ever increasing demand and lucrative prices for canned mushrooms in India and abroad. Our per capita of mushrooms consumption of the mushrooms is the lowest in the world, which is 60-80 g against the 3 kg in the developed countries. This poor consumption is mainly due to non-availability of mushrooms in most part of the country for most of the year. As such no difficulty in marketing of mushrooms will be experienced.</p>	
10.	<b>Employment</b>	: 1 person
11.	<b>Power</b>	: Rounded Power requirement 2KW
12.	<b>Sales</b>	: Rs. 3,60,000/-
13.	<b>Profit</b>	: Rs. 83100/-

### **WHY MUSHROOM CULTIVATION**

1. Excellent source of good quality proteins to fight protein malnutrition in the Indian masses. Highest producer of protein per unit area and time.
2. Profitable and environmentally sustainable way of recycling abundant agro wastes for food.
3. To reduce pressure on arable land (grown indoors utilizing space also)
4. Excellent medicinal value (diabetes, cardiac diseases anticancer etc.)
5. Labour intensive providing gainful employment.
6. Foreign exchange earner through exports.

### **TECHNOLOGY ENVISAGED**

Various levels of technologies are available for production of button mushroom- right from cottage industry of China to automated and mechanized technology of the developed countries. The present project proposes to adopt the modern technology of mushroom growing under controlled growing rooms with necessary mechanization and automation owing mainly due to large size of the project and handling of the raw materials in bulk on regular basis to achieve uniform and constant production. This shall cut down the cost of production and improve the quality of mushrooms. Low cost of production will boost competitiveness in the national and international market.

### **MANUFACTURING PROCESS AND DETAIL OF PRODUCTION**

The project will have capacity of producing around 3.00 TPA of button mushroom of which will be sold 100% fresh. Stages of growing and manufacturing details are given below.

### **PRODUCTION TECHNOLOGY OF *AGARICUS BISPORUS***

Unlike other crops, cultivation of white button mushroom is a complex process and requires special technical skill for raising a successful crop. *A. bisporus* for its growth requires 22-28°C temperature for spawn run and 15-18°C for its fructification. Besides this it requires 85-90% RH and enough of ventilation. Due to low temperature requirement the cultivation is more popular in hilly region. However, due to advancement of the cultivation technology and advent of the controlled facilities its cultivation is now successfully extended to the plains. Cultivation of white button mushroom requires three basic steps

1. **Production or procurement of spawn**
2. **Preparation of selective medium (compost)**
3. **Production of Crop.**

#### **1. Spawn (mushroom seed) production:**

In the first phase of implementation of the project, the spawn (seed) will be procured from a reliable source/ laboratory situated nearby or directly from ICAR-DMR, Solan (HP). In the second phase of increasing the capacity of the unit it will be produced in-house.

To get improved yields and quality latest hybrids like S -130, S- 140, A-15, NBS-5 etc. which give optimum production in 30 days of cropping will be used to ensure minimum 6-7 crops per room per year.

#### **2. Preparation of selective medium (compost):**

Like other fungi *Agaricus bisporus* is a heterotrophic organism. It required carbon compounds that have already been formed by green plants. Besides carbon it requires nitrogen, essential elements such as phosphorus, sulfur, potassium and iron vitamins such as thiamine and biotin. All the ingredients that contain these compounds when fermented in a set pattern form a substrate, which is very selective in nature. On this selective substrate *A. bisporus* mycelium grows successfully at the practical exclusion of other competing micro-organisms.

**In this case, compost can be purchased from a reliable govt/private source.**

### **3. Crop Production**

#### **Design of cropping Rooms**

Since mushrooms are grown indoors under simulated environment specially created for mushroom growth, the cropping rooms are required to be built specially for the purpose. Two types of cropping rooms are built suiting to particular requirement - those required for seasonal growing and those for environment controlled growing round the year.

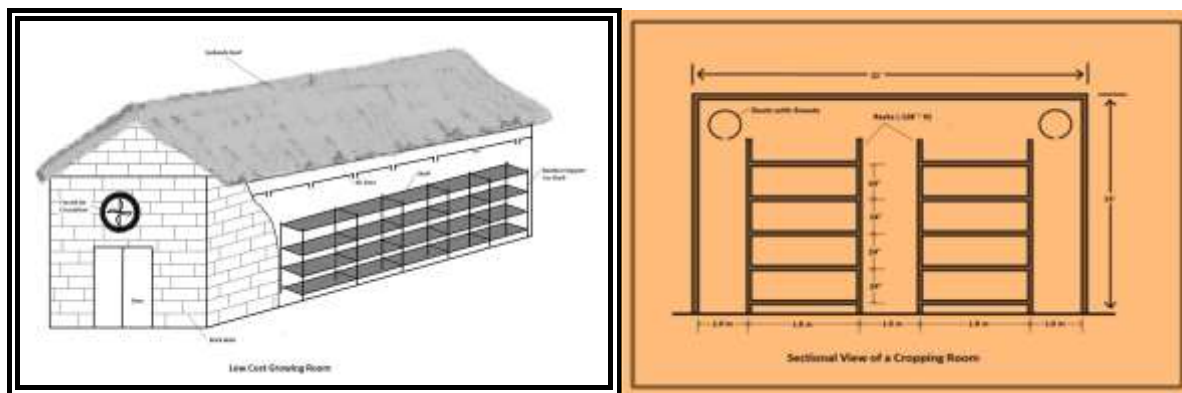
#### **Low cost cropping rooms**

Seasonal cropping rooms are simple rooms with modifications for maintaining various growth parameters. These cropping rooms will have a cemented floor, cemented walls, cemented ceiling or a false ceiling with arrangement for forced air circulation inside. The seasonal cropping rooms are built of simple brick walls with roof made of asbestos sheets and a false ceiling. The room is more or less made air tight to make the air handling system work effectively for obtaining necessary air changes during growing. No insulation is required for seasonal growing rooms, as it will not allow heat dissipation from the room efficiently. These simple rooms are used for seasonal mushroom growing, coinciding various phases of growth with prevailing outside temperatures. No energy is generally used for heating/cooling of

Name of the Firm/Promoter:

the rooms under seasonal growing conditions. However, few units in plains have installed heavy-duty coolers/Air-conditioners to bring down the temperature in summer conditions.

The cropping rooms for seasonal growing can also be made with a thatched roof and a false polythene ceiling. The door is installed on one end and the exhaust vents on the opposite end of the door. The mushrooms are grown on beds made out of bamboo sticks and sarkanda stems (a plant abundantly growing as a weed in North western plains of India). These growing rooms can also be built as low cost structure, steel pipe frame with high density polythene covering from outside. The real low cost growing houses built in rural areas are made of walls, roof and door of sarkanda. The mushroom houses made with bamboo frame and paddy straw have given good results conditions for seasonal growing.



#### **j. Structural details special to cropping rooms**

##### **i. Floor**

The floor must be well laid out concrete/brick soling. The floor should have slight slope towards the entry point for discharge of cleaning water and placement of formalin trough for foot wash. The trough is connected near the wall to an exhaust drain to carry washings from the room. The water discharge hole is protected at this point to prevent leakage of air from the growing room.

##### **ii. Walls**

The walls are made of brick with cemented plaster or with puff panels. In case of brick walls, insulation sheets are fixed on the walls (5 cm thick thermocol), with the use of hot coal tar. Holes are drilled on four corners of the sheet/inside the cement wall for expansion fasteners which are fixed by screwing in the nail with 4"-5" long steel wire tied on its head. The layer of cement plaster is then applied (2 cm) on top of this and given a smooth finish.

##### **iii. Roof**

The roof is made of RCC (1 : 2 : 4) 12-15 cm thick. Alternatively, roofs of the cropping rooms can be insulated with thermocol/puff panel.

##### **iv. Water connection and sewers**

One clean water pipe line (1" or 1.25") with tullu pump should be installed to it for delivering clean water for spraying should be provided in each room. Underground drainage line for carrying the washings from the room and wash basin discharge should be laid before construction of the building. This waste water line should be connected to the common sewer. In H.D. polythene cropping rooms, sunkun traps on the floor for fresh water and drainage water are provided inside the growing house with each trap of 1' x 1' x 1' dimension fitted with an iron lid on top. It is desirable to lay underground drainage in the central gallery in advance of erecting the structure for carrying away the waste water/ washings from the cropping rooms.

Name of the Firm/Promoter:

#### **viii. Racks**

Racks are made up of the **bamboo/** angle iron for horizontal and vertical support with iron mesh strips used for the shelves for housing compost. Width of the each shelf on the racks should not be more than 135 cm in any case as width more than that creates hindrance in performing various operations during cropping and most important of that is harvesting. Cultivation can be done in bags or in shelved beds. Four to seven shelves (depending on height of the room) can be provided one above the other in the racks keeping a minimum distance of 60 cm in between. This distance can slightly be narrowed down if cultivation is employed in shelved beds. Depth of the compost in shelves is generally kept at 15-20 cm while bags can be filled up to the maximum height of 30 cm.



#### **ix. Air handling unit**

In a small unit of size 20 x10 ft, a simple exhaust fan may be provided at the top of the door in reverse direction so that the fresh air can be sucked in to the room. For cooling requirement an AC of 1 ton capacity can be provided in the room. This unit is employed for creating proper weather inside the growing room specific to white button mushroom. Mushroom generally requires 225 m<sup>3</sup> of air per hour per ton of compost. To meet this requirement, a high-speed centrifugal fan of required capacity having working pressure around 50 mm WG is required. A plastic duct is fitted at the mouth of centrifugal fan and has ports (5 cm dia) facing downward at a distance of around 50 cm each. When the air is blown inside the room via fan a positive pressure is created and CO<sub>2</sub> laden air of the growing room is expelled in the atmosphere through an outlet. In such cases back vents are provided in the growing rooms through which CO<sub>2</sub> laden air is vented through an out let. Back vents are provided in the growing rooms on the opposite wall of the door near ground level.

#### **Crop Management**

Button mushroom cultivation has two major components, composting (preparation of substrate/compost), and the crop management, (raising of mushroom crop). The substrate preparation has undergone scores of innovations/improvements suiting environment protection laws in many developed countries. At the same time, casing medium has also been standardized with use of peat and its alternative materials (FYM, Spent Mushroom Compost and Coir Pith) with prime objective to improve



Name of the Firm/Promoter:

productivity and quality of mushrooms. Similarly, the crop management techniques have also been improved upon to harvest highest possible mushroom yield over a shortest period of time. All the operations/applications done after completion of composting are handled under the head crop management. These include:

- A. Agronomic crop management
- B. Environmental crop management

### **A. Agronomic Crop Management**

Agronomic crop management deals with the compost quantity to be filled per m<sup>2</sup> bed area, moisture content of compost, spawning method employed, compost thickness in a bed or bag, casing application and thickness, watering regimes employed, harvesting of crop and after care, pest management, hygiene maintenance and so on. However, more important among these are

1. Spawning and spawn run
2. Casing materials, casing treatments, casing application, case run and pinhead formation

#### **1. Spawning and spawn run** The steps involved are

- Good quality compost with temperature of 25°C
- Mixing of grain based spawn (@ 0.5-0.7% of wet compost weight) under clean conditions (i.e. with clean hands and pre-sterilized area)
- Filling of spawned compost into polythene bags (12-15" depth) or beds (6-8" depth)
- Little compressing and levelling of spawned compost
- Loosely closing the mouth of polythene bags filled with spawned compost (Covering with a clean newspaper / plastic sheet if filled in trays/shelves)
- Shifting the compost filled bags in cropping rooms with a temperature of  $23 \pm 1^\circ\text{C}$  (air temp.), RH of 95% and high CO<sub>2</sub> conc. (1.0-1.5% strain dependent), and keeping the bags under above conditions for 12-14 days
- Completion of spawn run (change of dark brown compost mass in to light brown colour)

#### **Precautions**

- Use of fresh pure culture spawn
- Spawning under clean conditions (preferably under positive pressure created using bacterial filters before inlet fans and air curtains at doors)
- Proper treatment of spawning area and tools with formalin, and cleaning of hands with dettol
- Maintaining good hygienic conditions during spawning by keeping all the doors/ windows closed

**2. Casing and case run** Casing is a 3-4 cm thick layer of soil applied on top of spawn run compost and is a pre-requisite for fructification in *A. bisporus*.

**a. Casing materials** Earlier sub-soil material or organic matter rich soils were used as casing in button mushroom cultivation. Presently peat is the most desirable casing material used world wide with excellent mushroom yields and superior fruit body quality. However, peat is not available in India. The other alternative recommended materials are,

- Well decomposed Farm Yard Manure (FYM) preferably two years old
- Well decomposed Spent Mushroom Compost (SMC) (two years old anaerobically decomposed)
- Composted coir pith (coir industry waste) (well decomposed & water leached)
- 1:1, 2:1 and 1:2, v/v of well decomposed FYM and SMC
- 1:1, v/v of decomposed FYM or SMC with composted coir pith
- Decomposed powdered bark of some forest trees
- Paper industry waste

Name of the Firm/Promoter:

- Burnt rice husk is also in use along with decomposed FYM (2:1, v/v) in seasonal cultivation of button mushroom in Hayrana and Punjab with reasonable success

**b. Quality of casing materials**

- Soft texture
- Light weight
- High water holding capacity
- High porosity
- Deficient in available form of C and N
- Neutral pH (7.0 – 7.5)
- Low conductivity (400-600  $\mu$  moh)

**c. Casing treatment** Casing material should be treated properly before its application on the spawn run compost and the steps involved are:

- Make a heap of casing material
- Wet it up to 50-60% water holding capacity
- Fill in trays and shift them to pasteurization chamber
- Steam pasteurization at 60-65°C for 6-8 hours
- Auto-Cooling

**Alternatively,**

- Make a heap of casing material on a cemented platform
- Wet it up to 50-60% water holding capacity
- Drench the wet casing with formalin @ 1 litre/m<sup>3</sup> (40% formaldehyde) by mixing with shovel
- Cover it with polythene sheet and seal the outer periphery thereafter by pouring sand/soil on outside margin
- Keep the material for 24-48 hours in sun for fumigation effect
- Remove the cover after 48 h and expose the material to open air and sunlight by spreading over with clean tools and permitting the formalin fumes to escape in to air for 2-3 days before it is used as casing (formalin treatment effect decreases at low temperature due to inadequate fumigation)

**d. Casing application**

- Unfold the fully spawn run bag and make the top surface even by gentle pressing with hands  
Light spray of water on spawn run compost
- Application of 4-5 cm thick layer of casing uniformly using iron rings of 4 cm height or wooden blocks
- Water spray in instalments immediately after casing application

**Precautions**

- Casing material should not be sieved but used as such with clumps, which permits more air spaces in casing
- Top casing surface should have small mounts and valleys
- Care should be taken to prevent re-infection of the casing materials
- Store casing material in a sterilized /clean room before use in polythene bags or synthetic cloth bags
- Apply water to casing in a few installments so that water does not run into spawn run compost

#### **e. Case run and pinhead formation**

Case run is done at a temperature of  $24 \pm 1^\circ\text{C}$ , RH-95% and  $\text{CO}_2 > 7500$  ppm (strain dependent) for about one week. There is no requirement for fresh air introduction during case run. It is considered complete when mycelia come in the valleys of casing layer. After case run, the environmental conditions are changed by bringing down the temperature to  $15-17^\circ\text{C}$  (air), RH to 85% and  $\text{CO}_2$  to 800-1000 ppm (strain dependent) by opening of the fresh air ventilation and exhausting  $\text{CO}_2$ . This change in environmental parameters induces pinhead formation in 3-4 days (strain dependent) time. The pinheads develop into solid button sized mushrooms in another 3-4 days. At this stage, the air inside the cropping room is changed 4-6 times in an hour to maintain appropriate  $\text{CO}_2$  conc. as  $\text{CO}_2$  production is at its peak during first flush (actually peaks at case run).

#### **3. Supplementation**

Supplementation with protein rich supplements such as cotton seed meal, soybean meal, alfa-alfa meal, feather meal, etc. has been found to increase the mushroom yield. Supplementation can either be done at spawning or after spawn run before casing. The later is more useful. Supplement is first grounded coarsely and denatured by treating with 5000 ppm formalin and before its mixing in compost. The practice normally increases the temperature of compost by  $4-5^\circ\text{C}$  and if done at the time of spawning or in poor quality compost, it results in killing of mushroom mycelium or increased incidence of moulds. If these problems are overcome supplementation can give 20-25% enhanced yield. Supplementation at casing in spawn run compost also helps in early and higher mushroom yield.

#### **4. Ruffling**

Ruffling of compost on completion of spawn run is done just before casing. This practice is particularly useful for round the year cropping when 5-6 crops are taken per year and cropping period is reduced to about 4 weeks, as this practice helps in exhaustion of compost earlier than normal. Ruffling of casing after a 3-4 days or so after casing is done by some growers to get uniform pinning.

#### **5. Watering**

Mushroom contains nearly 90% water and that gives us an idea how water is important for the crop. Mycelium gets water from compost during spawn run and compost + casing during case run and from casing during fruit body formation. Water level in casing is maintained in 2 ways. One way is by its regular spray when pinheads are pea sized and then by maintaining RH at 80-85% during cropping. If one of the factors, (water spraying and RH) during cropping is disturbed, it will affect crop productivity. Low RH during cropping will result in drying of beds, lightweight mushrooms, discoloration of mushrooms and crop losses. Drying of casing will seal the casing medium resulting in mat formation, which becomes impervious to water, and results in tremendous crop losses. Water has to be replenished in casing to accommodate the water losses from casing due to mushroom growth and evaporation. Lesser the water loss to room air, better it is. Bed moisture and RH are although two different factors, but are interdependent. Water spraying on mushroom beds at pin breaks should be avoided. The casing should be wet enough when fresh air is brought in and room temperature lowered. The wetness should be sustained till pin heads become pea sized, and that is the stage when bed will require additional watering to allow pea-sized pins to develop into button sized mushrooms. Watering to beds requires monitoring at each stage. RH in the cropping room is monitored by using dry & wet bulb thermometers. Two ordinary stem thermometers are put in the cropping room, placing one in the casing/compost bed and one hanging in the air nearby (few cm apart). Bed temperature is  $1-2^\circ\text{C}$  higher than air temperature. Computer control of AHU ensures application of cropping parameters with precision during spawn run, case run and cropping. The water used for irrigation (spraying) on mushroom beds should be clean, neutral in pH and free from salts, heavy metals and other impurities. Water good enough for drinking/watering for vegetables/field crops is also good for mushroom cultivation. It is desirable to test the quality of water before the mushroom growing is started at a particular site.

### ***6. Harvesting and after care***

Mushrooms with 4-5 cm dia., with hard pileus and closed veil are ready for the harvest. Mushrooms are harvested by holding them between forefinger and thumb, and rotating in clockwise/anticlockwise direction. The soiled stem portion is cut with sharp edged knife and mushrooms are collected grade-wise in baskets. Dropping of the stem cuttings on the floor or the bed should be avoided, as these will promote the growth of undesirable microorganisms. Cleaning of mushroom beds and floor is recommended after each crop harvest. Fresh casing is applied at places from where mushrooms have been removed. Water is sprayed at the rate the mushrooms have been harvested, i.e. for every kg of mushroom harvested 1 litre of water is added after harvesting. Damaged pins/ mushrooms, if any, are also to be removed from the bed manually. If bunching of mushrooms is observed, then there is a need to address the climate controls for creation of optimal environmental conditions during pinhead formation. Mushrooms after harvest are graded, packed in PP bags/card board boxes and preferably chilled at 4°C for 6-8 hours before sending to the market. The pre-market chilling enhances the shelf life of mushrooms. While harvesting care should be taken to keep the pileus free from casing soil, as it stains the mushrooms. Washing of mushrooms to make them extra white for increased acceptability in the market is undesirable, especially with Potassium metabisulphite solution. Unwashed mushrooms stay fresh for a longer period. Mushrooms should be handled carefully, and not bruised during the harvesting operation. Bruising will damage the mushroom tissue, which will turn the pileus dark/ pink on exposure to air. While packaging mushrooms in PP bag one should not forget to make a small hole (0.2 mm), as it will prevent the development of aflatoxins in transit or storage. Button mushroom can be stored at 4°C for a few days without any deterioration in its quality but it is desirable to consume/market fresh mushrooms. Since button mushroom has a very short shelf life and it cannot be stored for longer periods, hence it requires processing for long storage. Mushrooms are best preserved in brine solution after blanching, either in cans or jars. The properly processed mushrooms stay in good condition for over a period of 1 year. It is possible to transport canned mushrooms over longer distances without any deterioration in their quality. But fresh mushrooms can only be transported short distances in refrigerated vans/by air to reach up to a remunerative market.

### **B. Environmental Crop Management**

Mushroom is an indoor crop, raised in cropping rooms with simulated environmental conditions suiting to a particular mushroom. Hence management of crop environment becomes utmost important. It includes the temperature, RH, CO<sub>2</sub> concentration, air speed/ evaporation rate over crop beds, air changes in the room/oxygen availability and other such factors, which directly influence crop productivity. The environment management in the cropping room includes addressing of the following factors: 1. Temperature, 2. Relative humidity (RH), 3. CO<sub>2</sub> concentration

#### ***1. Temperature***

Temperature in the room has two areas for monitoring i.e., air temperature and bed temperature. Temperature has direct bearing on crop productivity in synergy with other factors like RH and CO<sub>2</sub> /O<sub>2</sub> conc. in the cropping room. The bed temperature in the cropping room is directly influenced by the air temperature, so it is the air temperature that has to be addressed. The air temperature inside the room can be manipulated with use of cooling/heating coils in an Air Handling Unit (AHU) installed inside or outside the cropping room for climate control. An independent AHU is desirable for each cropping room. The AHU inside contains a set of cooling coils, heating coils, RH fogging jets and a centrifugal blower fan for blowing the conditioned air into the cropping room. The AHU is generally installed on top of the entry door and is joined with a recirculating duct from inside the cropping room. The cooling coils are fed with chilled water from the chiller, while the heating coils are fed with steam from boiler and fogging jets get water from trough placed at the bottom of the AHU by a small pump. The cooling requirement will depend upon compost quantity fed inside the room, outside prevailing temperature, insulation on the walls, etc. The blower fan blows the conditioned air into the room. The fresh air into the room goes in via AHU through a control valve, and during most of the crop raising period fresh air valve is placed at 20-

Name of the Firm/Promoter:

30% and re-circulating at 70-80%. During spawn run the entire air is re-circulated (100%) and no fresh air entry is required.

#### **a. Spawn run**

For spawn run air temperature of  $23 \pm 1^{\circ}\text{C}$  is maintained inside the cropping room, which corresponds to bed temperature of  $24-25^{\circ}\text{C}$  ( $1-2^{\circ}\text{C}$  higher than air temperature). During this phase, the fresh air valve is closed and entire air is recirculated, allowing the carbon dioxide to accumulate to the level of 15000 ppm, desirable for quick spawn run. Higher concentration of  $\text{CO}_2$  accelerates the spawn run/vegetative growth of the mushroom. Any increase or decrease in temperature effects the  $\text{CO}_2$  production of the compost and the RH of the room. With increase in temperature, RH will tend to fall, and just vice versa with decrease in temperature. The properly insulated room will ensure uniform temperature inside the cropping room at every stage of crop growth. The heat from the cropping room is removed via cooling coils fitted inside the AHU.

#### **b. Case run**

The environmental conditions suitable for spawn run, are suitable for case run as well. The same conditions, as for spawn run will be continued for next 7 days for case run, i.e., temperature of  $23 \pm 1^{\circ}\text{C}$  in the air and  $24-25^{\circ}\text{C}$  in the bed. The RH/ $\text{CO}_2$  will also be same as for spawn run. Under aforesaid conditions the case run will be completed within one week, and at the same time the mycelium is observed in the casing valleys. Valleys are the areas between the peaks as can be seen on top of casing. The  $\text{CO}_2$  conc. and RH should also be maintained within the optimum range for quick and effective case run.

#### **c. Cropping**

After completion of case run, cooling inside the room is enhanced to bring the air temp. down to  $15-17^{\circ}\text{C}$  in the room within 2-3 days time. Simultaneously, the fresh air vent is opened to 30% and rest of the air is recirculated (70%). This brings down the  $\text{CO}_2$  conc. inside the room to 800 to 1000 ppm, desired for pinhead formation. Likewise, the RH is also reduced to 85% from 95%. This facilitates pinhead formation on the casing within a week's time. The pinheads grow into full button sized mushrooms in another 3- 4 days. At this stage fresh air can be slightly reduced to achieve 1000-1500 ppm  $\text{CO}_2$  concentration. The environment parameters are maintained as above during entire period of cropping. Since the temperature has influence on RH and  $\text{CO}_2$  production from compost hence should be manipulated, keeping in mind its effect on other two factors. All the three parameters work in synergy with each other to induce pinning. The pinning will be affected adversely if any of these factors is not in its optimal range. High temperature for a long period of time during cropping will lead to sealing of casing, and will result in stopping of pinhead formation. The mycelium will continue growing in vegetative phase and will seal the casing, making it impervious to water, thus resulting in serious yield losses. The desired temperature in cropping room can be maintained with good precision by the use of sensors and controlling devices attached to cooling/heating coil inlets fitted inside the AHU. These devices are easily available and are effective in temperature control in the cropping room.

### **2. Relative humidity**

Relative Humidity (RH) is the ratio/proportion between absolute humidity (AH) and saturation point of humidity (SPH) at a given temperature, expressed in percentage. Absolute humidity is number of grams of water vapours contained in a cubic meter of air Crop at a given temperature. Saturation point of humidity is the maximum number of grams of water vapours feasible in a cubic meter of air at a given temperature. Relative humidity (RH) of 85% is necessary for obtaining highest pin head formation in synergy with other factors like temperature and  $\text{CO}_2$  concentration. RH of 85% permits slow evaporation of water from the crop bed to air in the cropping room and thereby facilitating the upward movement of nutrients in the compost. This exchange of air facilitates loss of  $\text{CO}_2$  + heat into the air, necessary for healthy pin head development and crop productivity. In the event of RH falling below 85% inside the

cropping room, more moisture from the crop bed will be withdrawn resulting in drying of the casing layer. This will seal the casing and result in crop losses. Lower RH in the room will be indicated by bed temperature falling below the air temperature, an undesirable situation to be avoided at any cost. Under normal circumstances the bed temperature is always higher by 1-2°C than air temperature for development of a healthy crop of mushrooms. For round the clock monitoring of RH, monitoring of the bed and air temperature inside the room is desirable. The incoming air should be humidified enough to prevent loss of moisture from the crop beds. Evaporation of moisture from crop beds has to be taken into consideration for calculating the g of water vapours required per m<sup>3</sup> air in a room for maintaining the required RH for cropping. Air in a cropping room contains 9.6 g water vapours per m<sup>3</sup> of air at 14°C (A), the saturation point of humidity at 14°C is 12 g/m<sup>3</sup> (S). The RH of the room air will be  $A/S \times 100 = 9.6/12 \times 100 = 80\%$ . The ultimate expression is the quantity of water vapours contained per m<sup>3</sup> of the air space of the room at a given temperature. 31 g of water vapours gets evaporated from 1 m<sup>2</sup> bed area at 17°C/85% RH/hour. The change in room temperature will alter the RH in the room. Use of RH sensors with cut off/starting devices for recording and maintenance of RH in a cropping room is very useful. The sensors will control the fogging jets in the AHU as per the requirement in the room. For obtaining a temperature of 17°C and RH of 85% in the cropping room, air temperature is brought down to 14°C at exit point of AHU with 100% RH. The air on reaching the crop bed will receive some heat from crop bed and raise the air temperature to 17°C with RH automatically falling to 85%.

### **3. Carbon dioxide**

Carbon dioxide concentration is the third important factor in management of environment inside the cropping room. CO<sub>2</sub> is produced by actively growing microorganisms in compost during spawn run, case run and by mushroom mycelia and mushrooms during entire cropping cycle. During spawn run, higher concentration of CO<sub>2</sub> is desirable, which helps in quick and quality spawn run. For spawn run, CO<sub>2</sub> concentration between 10000-15000 ppm is desirable (strain dependent) and it helps in quick spawn run in compost. Higher concentration of CO<sub>2</sub> is also desirable during case run. For pinning and cropping, the CO<sub>2</sub> concentration is lowered around ambient (800-1000 ppm). CO<sub>2</sub> concentration up to 1500 ppm is maintained during pinning & cropping, and this is done by venting/opening of fresh air duct to bring in oxygen and exhaust of CO<sub>2</sub> from exhaust vents under positive pressure. The opening of vent will bring in fresh air, which is conditioned in AHU (heated or cooled/humidified) and then blown into the cropping room via ducts. The CO<sub>2</sub> gets mixed up with the fresh air and is carried under positive pressure towards the exhaust vent and finally exhausted. This also facilitates the exhaust of heat alongwith the CO<sub>2</sub> from the room air. The heat is removed via cooling coils after the room air gets into the AHU via recirculating duct. During air circulation, recommended air speed over the crop beds is 15cm/sec. Ensure that the desired air movement is there in the central shelf in the middle row. This can be checked with the help of a burning incense stick, which will indicate the direction of air movement in the cropping room. Higher concentration of CO<sub>2</sub> during pinning can seal the casing or produce onion shaped mushrooms with a bulbous base & a small cap. During development from pinhead to button sized mushroom, higher concentration of CO<sub>2</sub> will lead to long stiped mushrooms with a small cap (opened), which reduces the crop yields. By gentle movement of air over the crop beds, the CO<sub>2</sub> is carried away from the crop canopy, thus saving the bad effect of CO<sub>2</sub> trapped between the mushrooms in the crop canopy. To ensure healthy crop production, about 6 air changes per hour are recommended from the venting time to completion of first 2 flushes. During this period, CO<sub>2</sub> production is highest (10 g/h/m<sup>2</sup>) and it requires to be removed at a faster rate. Along with CO<sub>2</sub>, heat is also produced @ 10W per hour from one m<sup>2</sup> bed area at 17°C and 88% RH. In subsequent flushes, 4 air changes per hour are sufficient to maintain right O<sub>2</sub> content in the cropping room (about 16%). During first two flushes fresh air vent is opened to 30% entry and 70% recirculation, and in subsequent flushes the fresh air vent is put at 20% and recirculation at 80%. Use 2 µm mesh filters on fresh air entry points into the cropping room to restrict the entry of diseases/competitor mould spores. The CO<sub>2</sub> after mixing with the room air, gets exhausted under positive pressure from exhaust vents, thereby helping in heat + CO<sub>2</sub> removal from the room. Maintenance of right combination of casing moisture (about 50 ± 2%), CO<sub>2</sub> concentration, RH and temperature at pinning stage

Name of the Firm/Promoter:

of crop growth helps in obtaining a heavy pin set, thus resulting in a luxurious crop growth and excellent yield of mushrooms. If onion sized mushrooms/drum sticks are observed, correct air circulation for effective CO<sub>2</sub> removal from crop beds is required. Lack of air movement and accumulation of CO<sub>2</sub> creates this type of situation. Long stemmed mushrooms are again the outcome of CO<sub>2</sub> accumulation in the air around crop canopy due to faulty air movement/air circulation inside the cropping room.

**C. Airing Procedure for Fruiting** Venting or opening of fresh air for induction of fruiting after case run is a critical phase in mushroom growing. Whether to cool first or bring in fresh air first is a question bothering commercial mushroom growers. The airing is done suiting a particular situation, whether one wants to have a heavy first flush followed by moderate flushes later or equally spaced flushes. The airing accordingly is handled under 3 heads: 1. Soft airing 2. Moderate airing 3. Severe airing

### ***1. Soft airing***

Soft airing means that we will have severe restriction on venting to get smaller flushes suiting to market demand and the air is opened slowly. The growing parameters to be manipulated for soft airing are listed below: Air temperature : 19°C in 48 hours, 17°C in 72 hours, Compost temperature : 21°C in 96 hours, CO<sub>2</sub> concentration 4000 ppm in 48 hours, 2000 ppm next 24 hours, 1000 ppm after 72 hours, RH 98% to 92% in 48 hours.

### ***2. Moderate airing***

Moderate airing means that we will have some restriction on airing/venting to get well spaced flushes of moderate levels. The growing parameters to be manipulated for moderate airing are listed as under: Air temperature 17°C in 24 hours 20°C in 72 hours, Compost temperature 20°C in 72 hours, CO<sub>2</sub> concentration 2000-2500 ppm in 24 hours, Less than 1000 ppm in 48 hours, RH 98% to 92% in 24 hours.

### ***3. Severe airing***

Severe airing is done to obtain a heavy first flush and no restriction is put on airing. This results in heavy pin set and large first flush, followed by smaller subsequent flushes. The growing parameters to be manipulated for severe airing are listed below: Air temperature 15°C as soon as possible, Compost temperature 20°C in 48 hours, CO<sub>2</sub> concentration, Less than 1000 ppm in 12 hours, RH 98% to 90% in 12 hours.

### **Action Points**

- a. Observe strict hygiene throughout the farm
- b. Ensure that the temperature during peak heat is satisfactory
- c. Make sure that casing ingredients are stored and mixed in clean area and casing is properly pasteurized
- d. Make sure that all spent compost is removed from the farm
- e. Properly clean the cropping rooms after every crop

Name of the Firm/Promoter:

### DESIGN AND DETAIL OF MUSHROOM UNIT

The unit has been designed as per the latest technology of mushroom growing. The following main structures are proposed.

Infrastructure	No.	Length	Width	Height	Area (Sq Ft)
Cropping Rooms (Including Insulation)	1	20	10	11	200
Total	-	-	-	-	200

#### Technical details of the AHU in the cropping rooms

<b>Cropping Rooms</b>		
Number of rows	2	
<b>Air circulation in Cropping room</b>		
Number of main duct	1	
Number of sub ducts	2	
Number of holes per sub ducts	12	
Number of racks	2	
Dimensions of racks	2 racks of 15x3 ft	
Number of tiers	4	
Air-conditioning required	1 ton	

### COST OF PROJECT

1	Land Cost	Nil. (The promoter possesses the own land for the plant)
2	Building	1.60
3	Plant and Machinery	0.40
4	Miscellaneous	0.10
	Total	2.10

1. **Land and site development** A piece of land measuring 200 sq ft will be required. Land will be leveled and developed including boundary wall/barbed wire making the total cost of Rs. 0.00 lakhs. (Annexure –A)
2. **Buildings**: Design and layout of the buildings to be constructed are given in the figures enclosed and annexure –B (Rs. 1.60 lakhs)
3. **Plant and machinery**: Cost Rs. 0.40 lakhs (Annexure – C)
4. **Miscellaneous fixed assets**: Rs 0.10 lakhs (Annexure –D)

Name of the Firm/Promoter:

**Raw materials:**

Main raw materials needed in the project are Pasteurized Compost, Spawn, Pasteurized Casing material, Chemicals such as (formaldehyde, Carbendazim, Malathion, etc), (Annexure –E). Annual requirement of the project are:

Raw material	1 crop x 1room (Tons )	Annual requirement (Tons)
Pasteurized Compost	3.00	15.00
Spawn	0.021	0.105
Pasteurized Casing material	0.6	3.00
Chemicals		
Miscellaneous		

As may be evident that availability of raw materials will not pose any problem, as majority of them are available in plenty in the area or nearby markets where project is to be located at reasonable rates.

**Management and consultancy:**

The project will be supervised personally by the promoters from the very beginning who will be trained at DMR, Chambaghat, Solan (HP) which is the apex body in the country on mushrooms. Further they will also be guided by the part time contact consultant who will be responsible to give overall guidance on all facets of commercial mushroom cultivation at all stages of crop.

**Manpower:**

As per annexure E, competent persons are available and shall be employed. Manual laborer at reasonable rates are available in the project area.

**Power and fuel:**

Power load of Rounded Power requirement 2 KW is required at the unit including composting and cultivation of mushroom, which will be obtained from State Electricity board. Details are given in the annexure G.

**Marketing:**

Earlier the consumption of mushrooms was low as many were not aware of food and medicinal values of mushrooms. Mushrooms contain about 90% moisture and are a low calorie food highly suited to those with obesity. They contain about 2.5-3.5 % protein which is of very good quality, contains all the essential amino acids and is essentially rich in lysine. Mushrooms are low in fat but the fat is rich in linoleic acid (PUFA). Cholesterol, the dreaded sterol, is absent which make the choice of the dieticians for heart patients. Due to nil starch and low sugars, these are the delight of the diabetic patients. Mushrooms are highly suited to those suffering from hypertension, hyperacidity and constipation. These are especially rich in vitamin B complex. and vitamin B12 also. Besides, mushrooms have many medicinal properties like anti cancer, hypocholesterolemic and hypolipidemic effects. Justifiably mushrooms are called the “ ultimate health food”, the nutraceuticals.

The demand for mushrooms, domestic as well as international is rising at a phenomenal speed. The present world production of mushrooms is about 28 million tons and China remains the main producer and exporter of mushrooms. India is roughly producing around 1,29,000 tons of mushrooms annually of which 85% is of button mushroom. Agro Dutch Foods Lalru, Punjab boasts the single largest producer and exporter of mushrooms in India. Besides this very big unit there are many other small white button mushroom units in HP, Punjab, Maharashtra and Gujarat cultivating this mushroom all the year round and are running successfully. These units are located in Phagwara, Jullandhar, Bhatinda,

Name of the Firm/Promoter:

Banga, Bannore etc. In west Begnal, only a few units of button mushroom are operating producing a meager quantity of mushroom of about 700 tons per anum. However, the demand of mushrooms in the state is quite high and the mushroom is being supplied to the state mainly from Maharashtra. The prevailing retail rates of mushroom in the state range between Rs 150 to Rs 250/kg.

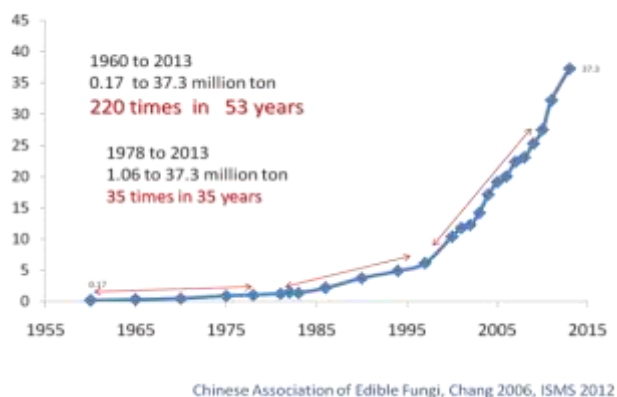
Leading producers of mushrooms are European, American and East Asian countries. The so called G-6 (USA, Germany, France UK, Italy and Canada) are major consumers of mushrooms. China is the leading producer and exporter of the mushrooms to the American, European and Asian countries. China's mushroom production is on seasonal basis employing temporary structures. Mushroom cultivation is not organized on scientific footings in China. In China cultivation is dominated by small scale farmers and they have competitive advantage due to lower production costs. The Chinese Edible Fungi Association estimated that about 95% of mushroom production was grown by small-scale households in the early 1990s. Even in the year 2011, 2012 and 2013 Chinese domestic output by small-scale farmers accounted for 96.15%, 94.63% and 93.49% of the production. Due to its special demand for climate, mushroom cultivation was geographically concentrated in a few places, particularly in the warm humid South and, thus, so is the culture of mushroom consumption. Although most mushrooms are grown seasonally, modernization of mushroom industry is taking place. Technology and equipment from Japan and Korea are spreading rapidly in China, and it is believed that modern farming of *Agaricus bisporus* will be the trend for the next 5-10 years. At present China is leader in the total production and tops the world in growing straw mushrooms, tuckahoe, shiitake, agaric, wood ear, black fungus, white jelly fungus, enoki mushroom, oyster mushroom, King trumpet mushroom and hedgehog fungus. The expanding domestic demand in recent years took a larger share of the market and made China itself the chief mushroom consumption market. More consumers are substituting meat products with mushrooms. In 1980s over 80% of mushroom production in China was exported. In the early 2000s, over 80% of China's mushroom production was consumed domestically and less than 20% was exported. Currently, mushroom export accounts for less than 5% of China's total domestic production. Considering that China is the major producer of specialty mushroom which are consumed more in East Asia, major export destinations from China are Japan, Thailand. South Korea and Malaysia and also Hong Kong and Singapore.

It is the right time that India, with its relatively cheap labour and raw materials, which had made Chinese mushrooms competitive, should enter the billion dollar mushroom market. But as indicated above our annual production is very low because mushrooms are being grown by small farmers seasonally during the winters only and the venture is being taken up by a very few players as a modern technical industry. Now with adoption of latest technology of mushroom production under controlled environmental conditions, it is possible to grow high quality mushrooms throughout the year to meet the domestic and international demand. The promoters have under taken the market surveys and made inquiries regarding the demand for mushrooms. Besides the big demand in the countries mentioned above there is a fast developing mushroom market in the gulf countries. Domestic market is also expanding at phenomenal rate, which is reflected in the increase in the production. Our per capita of mushrooms consumption is the lowest in the world which is 40-50 g against the 3 kg in the developed countries. This poor consumption is mainly due to non-availability of mushrooms in most part of the country for most of the year. The global mushroom production in last 5 decades (FAO STAT) and in India in last 3 decades is as below.

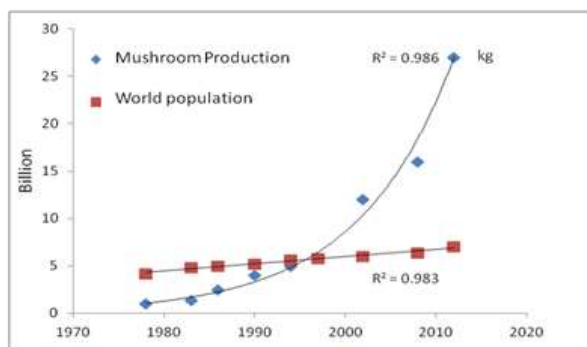
Name of the Firm/Promoter:

## MUSHROOM PRODUCTION IN CHINA AND WORLD (Unit 1000 tons)

Global Mushroom Production (1960-2014)



## World population vs mushroom production in last four decades



16 times increase in mushroom consumption  
in last four decades

Growth in world mushroom production (all cultivated mushrooms) vis-à-vis world human population

## MUSHROOMS PRODUCTION IN INDIA

Year	Production ('000 tons)
1980	3
1985	5
1990	8
1992	15
1995	30
2000	70
2007	100
2016	129
2018	181
2019	201
2020	242
2021	280
2022	315
2023	349
2024	399

### **Brief note on the product, their possible uses and possible competition**

Mushrooms have been devoured as food by mankind since time immemorial after collecting from the forests. Though Chinese were the first to do the artificial cultivation of the tropical and subtropical mushrooms about thousand years ago real commercial ventures started when Europeans started cultivation of button mushroom in green houses and caves during 16<sup>th</sup> and 17<sup>th</sup> century. The success to isolate pure culture through tissues and spores was the turning point in the process of commercial mushroom production in world. Mushrooms are now getting significant importance due to their nutritive and medicinal values and income generating venture in about 100 countries. At present, world mushroom production is estimated to be around 7 million tons/annum and is increasing @ 7% per annum. In developed countries, particularly in Europe and America mushroom farming is a Hitech industry. The Dutch, Irish and Italian technologies in button mushroom production are worth noticing. These countries, in spite of high wages, could succeed due to large scale production units with 10,000-20,000 tons production/annum. These units are highly mechanized and with computer controlled environmental system. Besides, there are decentralized activities viz, compost producing units, spawn producing units and the processing units. This has resulted in higher productivity with consistency. In recent years, in spite of these factors, cost of mushroom production in these countries and in USA has gone up resulting into stagnation of mushroom production which has opened opportunities for the third world countries to capitalize due to widening gap between demand and supply. It is estimated that in 2006 the demand supply gap was 2,73,971 MT.

Mushrooms are known to have all essential components of a balance food. Besides being rich in highly digestible lysine rich proteins, vitamins and minerals, mushrooms lack fats and are low in carbohydrate (Low calorie food). They are rich in folic acid, phosphorus, potassium, calcium, copper, iron, selenium and vitamin B-complex. In place of starch, mushroom contains sorbitol and linolenic acid (a poly-unsaturated fatty acid). They are excellent source of thiamine, riboflavin, niacin, pantothenic acid, biotin, folic acid and vitamin B<sub>12</sub>.

Mushrooms are used extensively in cooking, in many cuisines (notably Chinese, European, and Japanese). The most popular amongst edible mushrooms is the white button mushroom the *Agaricus bisporus* though some individuals do not tolerate it well. Several varieties of *A. bisporus* are grown commercially, including whites, crimini, and portabello. Other cultivated species are also now available at many grocers include shiitake, maitake, oyster, enoki etc.

Edible mushrooms show wide variation in protein content. Even varietal and strainal variation in protein contents has been reported. However, their value as good source of protein is never disputed. They are considered as a potential substitute of muscle protein on account of their (i) high digestibility (Digestibility coefficient around 89%), (ii) good amino acid content and (iii) about 1000 times higher production of mushroom protein per unit area. As mushrooms are grown on agricultural waste, hence the cost of production of mushroom protein is also lower than muscle protein. According to an estimate 35000 kg (dry weight) of mushroom protein can be produced from an acre of land during one year. Mushroom protein is not only cheaper but is almost as nutritious as muscle protein. It also contains most of the essential amino acid in sufficient quantity and can prove a good supplement to those cereal diets which lack in some essential amino acids.

In India, per capita consumption is the lowest in the world which is 50-70 g against the 3 kg in the developed countries and 20-22 kg in China. This poor consumption is mainly due to non-availability of mushrooms in most part of the country for most of the year. Thus there is no competition for the product as such in India.

### **Special Feature of the product (Price, quality) compared to competitive products**

There is no competition in the product in respect of price and quality as the supply of the product is limited and there is a huge demand of the product in the market for the want its nutritional quality and flavor.

Name of the Firm/Promoter:

### **Assessment of likely competition in future**

With urbanization and increased production of agro-waste along with increased food production, there will be need to radically change the way we look at agriculture. High-tech agriculture including mushroom production is going to gain importance in coming decades. Mushroom production in the world has increased rapidly in the last few decades and the trend is likely to pickup in our country as well. Thus, there is no competition in the product is visible in near future as the supply of the product is limited and there is a huge demand of the product in the market for the want its nutritional quality and flavor.

### **Export possibilities and Export commitments**

Now with adoption of latest technology of mushroom production under controlled environmental conditions, it is possible to grow high quality mushrooms throughout the year to meet the domestic and international demand. Besides, the big demand in the European, American countries, there is a fast developing mushroom market in the gulf countries also. Thus the product has a huge export potential. Domestic market is also expanding at phenomenal rate, which is reflected in the increase in the production. As the consumption of mushroom in India is still at minimal level due to non-availability/less availability of the product, we intend to tap the domestic market and there is no commitment for export in this project.

### **List of principal customers and selling arrangement/agreement**

The product is in huge demand in the super markets besides the regular domestic vegetable markets, hence there is no such agreement or selling arrangement has been made. If required we can make agreements with the super markets for the same.

### **PROFITABILITY PROJECTIONS:**

As would be evident from the annexure H, the project is highly profitable, economically viable and bankable.

### **ASSUMPTINS FOR PRODUCTION AND PROFITABILITY**

1. 1 cropping rooms of 3.00 tons compost handling capacity
2. 5 crops taken as per standard Dutch plan using cultivation of advanced hybrids which gives 18-22 kg mushrooms / 100 kg compost in 60 days duration.
3. Yield of mushrooms 20 kg / 100 kg compost (though yields of 20 -25 kg are achievable)
4. Annual production = 3.00 tons x 1 rooms x 5 crops x 0.20 ton = 3 tons  
**Accepted = 3 tons**  
**(At 20% conversion)**
5. Rate of interest on term loan 10.50 % and on working capital 11%
6. Depreciation: 5 % on buildings, 10 % on machinery and miscellaneous fixed assets.

### **SALES PROJECTIONS**

Installed capacity	3.00 TPA
Sales	3.00 TPA fresh
Sale of 3.00 Tons fresh @Rs 120/kg	3.00 Lakh

Name of the Firm/Promoter:

## ANNEXURE –A

### **LAND AND SITE DEVELOPMENT**

**A total of 200 sq ft land will be required to host this project**

	<b>Item</b>	<b>Cost (Rs in Lakhs)</b>
1	200 sq ft of land (Cost not included in project)	-
2	Land leveling and site development	0.00
3	Gate and boundary wall	0.00
	<b>Total</b>	<b>0.00</b>

## ANNEXURE –B

### **BUILDINGS**

<b>Infrastructure</b>	<b>Area (Sq Ft)</b>	<b>Unit Cost (Rs)</b>	<b>Total cost (Rs in Lakhs)</b>
Cropping Room (Including Insulation)	200	800.00	1.60
<b>Total</b>	<b>200</b>		<b>1.60</b>

## ANNEXURE – C

### **PLANT AND MACHINERY**

<b>Plant and Machinery</b>	<b>Number</b>	<b>Total Capacity</b>	<b>Price (in Lakhs)</b>
Air-conditioning system (tons)	1	1	0.25
Bamboo racks for the growing rooms	1		0.12
Exhaust fan	1		0.03
Miscellaneous	1		0.10
<b>Total</b>			<b>0.50</b>

## ANNEXURE – E

### **RAW MATERIALS (For one crop for one cropping room)**

<b>S.No</b>	<b>Ingredients</b>	<b>Quantity in Tons</b>	<b>Rate</b>	<b>Amount (Rs in Lakhs)</b>
1	Pasteurized Compost	3.00	8000.00	0.24
2	Spawn	0.021	80000.00	0.0168
3	Pasteurized Casing material	0.6	10000	0.06
4	Chemicals		500.00	0.005
	<b>Total (in Lakhs)</b>			<b>0.3218</b>
			<b>No. of crops</b>	<b>Total cost</b>
	<b>Total cost of raw materials required for crops</b>		<b>5</b>	<b>1.609</b>

Name of the Firm/Promoter:

## ANNEXURE – F

### WAGES AND PERKS

Particulars	Number	Monthly Salary	Total/year
Labourers	1	8000	80000
Total	1		80000
		<b>Total salary in Lakhs</b>	<b>0.80</b>

## ANNEXURE – G

### ENERGY, FUEL, AND OTHER OVERHEADS (PER MONTH)

	Unit/month	Rs in Lakhs
Energy	720	0.036
	Total	0.036
	Annual Cost (10 months)	0.36

## ANNEXURE – H

### PROFITABILITY PROJECTIONS

Items	Cost (Rs. In Lakhs)	Rs in Lakhs
Raw materials		1.609
Power and fuel		0.36
Salary and wages		0.80
Total		2.769
Sale	3.00	3.60
Profit	(B-C)	0.831

\* Project would be generating around 15 tons of spent compost annually, which is very good manure for field crops and can be sold @ Rs. 5 per kg. An additional profit of Rs. 0.75 lakhs is envisaged on its sale to the growers.