

Welcome to the presentation of Himel Mushroom Cultivation Project



Grameen Telecom Trust

Building Social Business...

**PROJECT NAME:
HIMEL MUSHROOM CULTIVATION
PROJECT
DIRECTOR AND CONTACT PERSON:
MRS. MIRZA MORSHEDA AKHTAR LIPI**

Company Address:

**House # 01, Road # 05/1
Sector# 02, New Bus stand
Dewla, Tangail, Bangladesh
Ph: 01818220016;01191179747
email: mirza_lipi@yahoo.com**

PROJECT FOCUS



**Food Diversification through
Mushroom Products**

BACKGROUND

- ✘ Mrs. Morsheda Akter Lipi of Tangail once combating unemployment, has now taken the reins in her own hand by establishing her own little venture.
- ✘ She runs a small food processing factory, producing various delicious snacks with mushrooms.
- ✘ Many small mushroom growers in the area purchase mushroom spawns from her and sell the final produce to her as well.

BACKGROUND



BACKGROUND CONTINUED..

- ✘ She first began the initiative - Himel Mushroom Cultivation Project - to make mushroom seeds (spawn) in Tangail in 2005.
- ✘ Some of the items produced in her factory include: chips, nimki, chanachur, mushroom powder, biscuits, pickles all made of mushroom.

PROJECT AREA

Project Location:

**They are currently operating in Tangail.
They want to expand business in Dhaka.**

Factory Location:

LGED Moore(Corner), Dewla, Tangail, Bangladesh

BENEFITS OF MUSHROOM PRODUCTS

- ✘ Mushroom is a vegetable, which is highly nutritious, tasty and has medicinal qualities
- ✘ It boasts of protein, vitamins and minerals, with properties that strengthen the immune system of the human body.
- ✘ Also used to help control high blood pressure, diabetes, gastric, constipation, jaundice and heart ailments

COST OF THE PROJECT

SI No.	Particulars	Himel (Existing)	GTT (Proposed)	Total
1	Equipment (Note-1)	417,013	262,900	679,913
2	Furniture (Note-2)	62,780	164,000	226,780
3	Transportation (Note-3)	9,450	21,000	30,450
4	Security Deposit for Office & Factory	150,000	600,000	750,000
5	Machinaries (Note-4)	855,805	-	855,805
6	Foil Packet Cylinder	390,000	-	390,000
7	Accessories (Note-5)	27,807	-	27,807
8	Gas & Electric Connection Cost	-	50,000	50,000
9	Company Registration cost	-	60,000	60,000
10	Premises License Renewal	-	12,000	12,000
11	Other Legal Requirments/Documents	-	20,000	20,000
12	Working Capital (Note-)	250,000	778,964	1,028,964
	Total Cost of the Project	2,162,855	1,968,864	4,131,719

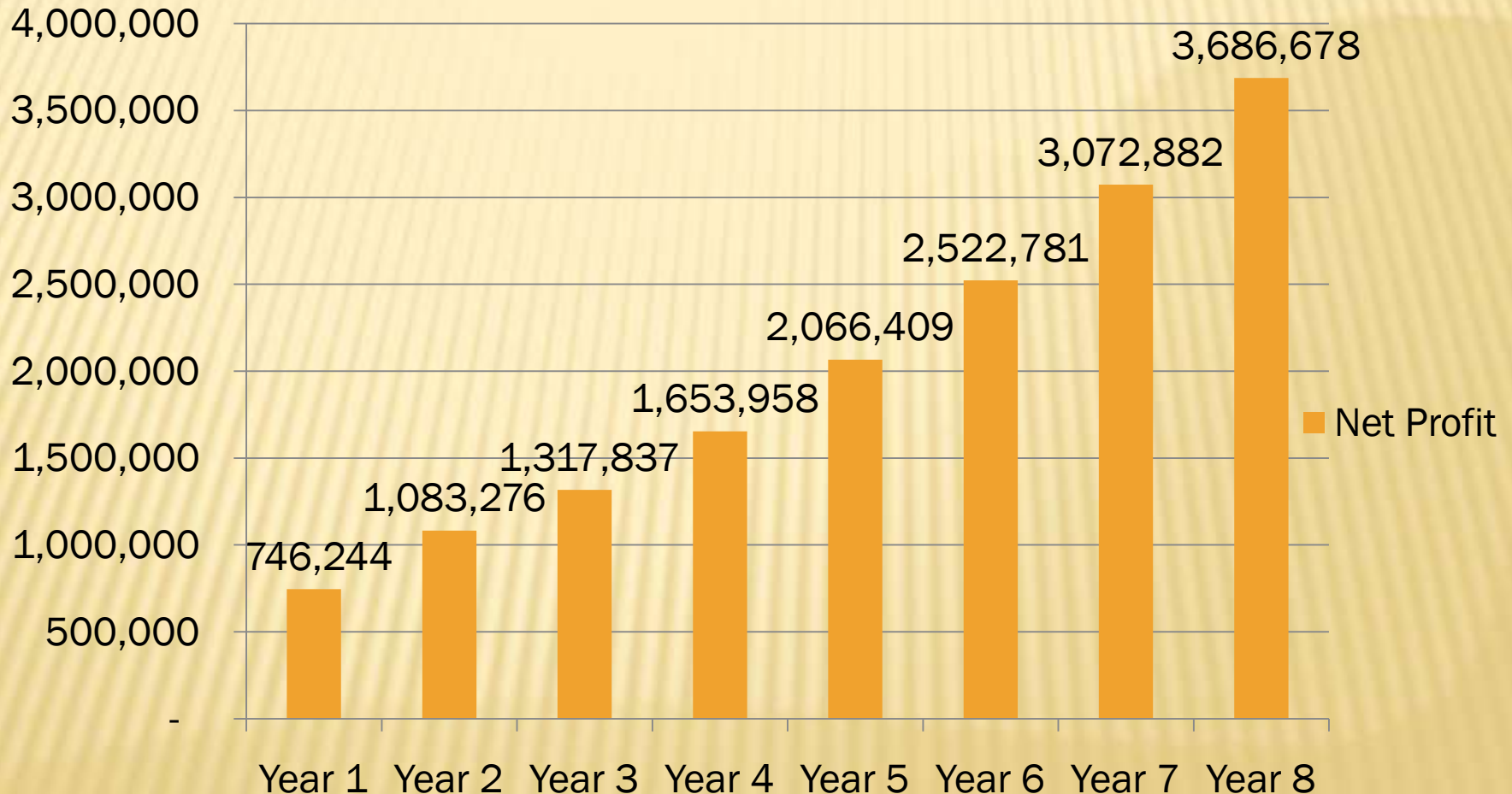
MEANS OF FINANCE

Particulars	Amount (Tk.)	%
Entrepreneur's Contribution (HMCP)	2,162,855	52%
Investor's Investment (GTT)	1,968,864	48%
Total	4,131,719	100%

NET PROFIT ANALYSIS

Break Even- 1Year

Pay Back Period- 6 Years



Details in Annex

VALUE ADDITIONS

- ✓ Improvements in quality of both fresh mushroom & spawn/ seeds production;
- ✓ Training opportunity for the interested small and marginal mushroom producers;
- ✓ Promotion, branding product and market development

FOOD DIVERSIFICATION THROUGH MUSHROOM PRODUCTS



হিমেল মাশরুম চাষ প্রকল্প

ময়মনসিংহ রোড (পাওয়ার হাউজের উত্তরে) টাঙ্গাইল।



মাশরুম পাউডার



মাশরুম ড্রাই ভেজিটেবল

FOOD DIVERSIFICATION THROUGH MUSHROOM PRODUCTS



হিমেল মাশরুম চাষ প্রকল্প

ময়মনসিংহ রোড (পাওয়ার হাউজের উত্তরে) টাঙ্গাইল।



সন্ডেট



সুইটেন্ট



টোস্ট

মাশরুম দ্বারা উৎপাদিত বিভিন্ন প্রকার বিস্কুট

FOOD DIVERSIFICATION THROUGH MUSHROOM PRODUCTS



হিমেল মাশরুম চাষ প্রকল্প

ময়মনসিংহ রোড (পাওয়ার হাউজের উত্তরে) ঢাকাইল।



মাশরুমের তৈরী ফাস্টফুড

FOOD DIVERSIFICATION THROUGH MUSHROOM PRODUCTS



হিমেল মাশরুম চাষ প্রকল্প

ময়মনসিংহ রোড (পাওয়ার হাউজের উত্তরে) টাঙ্গাইল।



মাশরুম দ্বারা উৎপাদিত বিভিন্ন ধরনের আচার



মাশরুমের তৈরী খাবার

SWOT ANALYSIS

× **Strengths :**

- ✓ Mushroom is highly nutritious, tasty and has medicinal qualities
- ✓ Practical experiences of mushroom seed production and food diversification
- ✓ Already developed infrastructures
- ✓ Ability to utilize skilled technical human resources

× **Weaknesses:**

- ✓ Mushroom cultivation has suffered severely due to lack of funds and marketing facilities
- ✓ Insufficient logistics/materials.

SWOT ANALYSIS CONTINUED..

× **Opportunities:**

- ✓ People's concept of mushrooms is changing
- ✓ Scope of large investment and marketing
- ✓ Available raw materials and natural resources

× **Threats:**

- ✓ Political instability
- ✓ Risk of assault by fungus in the phase of cultivation
- ✓ Natural Disaster
- ✓ Transportation



Thank You

ANNEX: 1 -

Financial Analysis

FINANCIAL PROJECTION

Particulars	1st year		2nd year		3rd year		4th year		5th year		6th Year		7th Year		8th Year	
	Monthly	Yearly	Monthly	Yearly	Monthly	Yearly	Monthly	Yearly	Monthly	Yearly	Monthly	Yearly	Monthly	Yearly	Monthly	Yearly
Sales (Note-1)	999,700	11,996,400	1,119,664	13,435,968	1,254,024	15,048,284	1,404,507	16,854,078	1,573,047	18,876,568	1,761,813	21,141,756	1,973,231	23,678,766	2,210,018	26,520,218
Less: VAT @ 3% (Trunover Tax)	29,991	359,892	33,590	403,079	37,621	451,449	42,135	505,622	47,191	566,297	52,854	634,253	59,197	710,363	66,301	795,607
Less: Sales Commission to PD & PM @8%	79,976	959,712	89,573	1,074,877	100,322	1,203,863	112,361	1,348,326	125,844	1,510,125	140,945	1,691,340	157,858	1,894,301	176,801	2,121,617
Net Sales	889,733	10,676,796	996,501	11,958,012	1,116,081	13,392,973	1,250,011	15,000,130	1,400,012	16,800,145	1,568,014	18,816,163	1,756,175	21,074,102	1,966,916	23,602,994
Less: Variable/Production Cost (Note-2)	645,588	7,747,054	710,147	8,521,759	781,161	9,373,935	859,277	10,311,328	945,205	11,342,461	1,039,726	12,476,707	1,143,698	13,724,378	1,258,068	15,096,816
Contribution Margin (CM)	244,145	2,929,742	286,354	3,436,253	334,920	4,019,038	390,733	4,688,801	454,807	5,457,684	528,288	6,339,455	612,477	7,349,724	708,848	8,506,179
Fixed Cost:																
Salary & Bonus	72,000	936,000	79,200	1,029,600	87,120	1,132,560	95,832	1,245,816	105,415	1,370,398	115,957	1,507,437	127,552	1,658,181	140,308	1,823,999
Shop Rent	25,000	300,000	26,250	315,000	27,563	330,750	28,941	347,288	30,388	364,652	31,907	382,884	33,502	402,029	35,178	422,130
Printing & Stationery	300	3,600	330	3,960	363	4,356	399	4,792	439	5,271	483	5,798	531	6,378	585	7,015
Advertisement	500	6,000	550	6,600	605	7,260	666	7,986	732	8,785	805	9,663	886	10,629	974	11,692
Postal & Curier	200	2,400	220	2,640	242	2,904	266	3,194	293	3,514	322	3,865	354	4,252	390	4,677
Electricity	4,000	48,000	4,400	52,800	4,840	58,080	5,324	63,888	5,856	70,277	6,442	77,304	7,086	85,035	7,795	93,538
Water	2,000	24,000	2,200	26,400	2,420	29,040	2,662	31,944	2,928	35,138	3,221	38,652	3,543	42,517	3,897	46,769
Gas	6,000	72,000	6,000	72,000	6,000	72,000	6,000	72,000	6,000	72,000	6,000	72,000	6,000	72,000	6,000	72,000
Telephone & Internet	1,500	18,000	1,650	19,800	1,815	21,780	1,997	23,958	2,196	26,354	2,416	28,989	2,657	31,888	2,923	35,077
Conveyance	4,500	54,000	4,950	59,400	13,001	156,012	14,301	171,613	13,002	156,024	14,302	171,626	13,003	156,036	14,303	171,640
Entertainment	1,500	18,000	1,650	19,800	1,815	21,780	1,997	23,958	2,196	26,354	2,416	28,989	2,657	31,888	2,923	35,077
Repair & maintenance	500	6,000	550	6,600	605	7,260	666	7,986	732	8,785	805	9,663	886	10,629	974	11,692
Depreciation	18,973	227,674	18,973	227,674	18,973	227,674	18,973	227,674	18,973	227,674	18,973	227,674	18,973	227,674	18,973	227,674
Other Expenses	500	6,000	550	6,600	605	7,260	666	7,986	732	8,785	805	9,663	886	10,629	974	11,692
Company registration cost		60,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Fixed Cost (FC):	137,473	1,781,674	147,473	1,848,874	165,966	2,078,716	178,688	2,240,083	189,883	2,384,009	204,854	2,574,210	218,518	2,749,766	236,197	2,974,674
Net Profit before Tax	106,672	1,148,068	138,882	1,666,578	168,953	2,027,442	212,046	2,544,550	264,924	3,179,090	323,434	3,881,202	393,959	4,727,510	472,651	5,671,812
Taxation @ 35%		401,824		583,302		709,605		890,593		1,112,682		1,358,421		1,654,629		1,985,134
Net Profit after Tax		746,244		1,083,276		1,317,837		1,653,958		2,066,409		2,522,781		3,072,882		3,686,678
Cumulative Net Profit:		746,244		1,829,520		3,147,357		4,801,315		6,867,723		9,390,504		12,463,386		16,150,064

STATEMENT OF CASH FLOWS –EIGHT YEARS PROJECTION AFTER FUNDING

<i>Particulars</i>	<i>Year-0</i>	<i>Year-1</i>	<i>Year-2</i>	<i>Year-3</i>	<i>Year-4</i>	<i>Year-5</i>	<i>Year-6</i>	<i>Year-7</i>	<i>Year-8</i>
Cash Inflow									
Entrepreneur Contribution (Existing Assets)	2,162,855	-	-	-	-	-	-	-	-
Investor's Investment	1,968,864	-	-	-	-	-	-	-	-
Non Cash item: Depreciation	-	227,674	227,674	59,400	59,400	156,012	156,012	171,613	171,613
Net Profit after Tax	-	746,244	1,083,276	1,317,837	1,653,958	2,066,409	2,522,781	3,072,882	3,686,678
Cash Inflow Each Year	4,131,719	973,919	1,310,950	1,377,237	1,713,358	2,222,421	2,678,793	3,244,495	3,858,291
Opening Balance of Cash Surplus	-	-	750,045	1,627,685	2,346,004	3,232,383	4,421,599	6,144,959	9,389,454
Total Cash Inflow	4,131,719	973,919	2,060,996	3,004,922	4,059,361	5,454,803	7,100,392	9,389,454	13,247,745
Cash Outflow									
Plant, Equipment & Working Capital	1,968,864	-	-	-	-	-	-	-	-
Existing assets from HMCP	2,162,855								
Investment Pay Back	-	223,873	433,310	658,919	826,979	1,033,204	955,433	-	-
Total Cash Outflow	4,131,719	223,873	433,310	658,919	826,979	1,033,204	955,433	-	-
Total Cash Surplus	-	750,045	1,627,685	2,346,004	3,232,383	4,421,599	6,144,959	9,389,454	13,247,745

PAY BACK PERIOD OF THE PROJECT

Year of Return	Amount	Cumilitive Amount
First Year	973,919	973,919
Second Year	1,310,950	2,284,869
Third Year	1,377,237	3,662,106
Fourth Year	1,713,358	5,375,463
Total	5,375,463	
Pay Back Period (with in)	4 Years	

Investors' plan to return back the Investment:

Particulars	Period
Entrepreneur (HMCP)	6 Years
Investor (GTT)	6 Years

NET ASSETS AT THE END OF THE PROJECT LIFE-8 YEARS

Particulars	Amount(BDT)
Cash & Bank	13,247,745
Working Capital recovery (Raw Materials)	297,964
Salvage Value of Machine	143,000
	13,688,708

Ownership Proportion:

Particulars	%	Amount
Entrepreneur's Portion	52%	7,165,709
Investor's Portion	48%	6,523,000
Total	100%	13,688,708