KALVEE BUSINESS SOLUTIONS / BUSINESS PROJECT PROPOSAL

OYSTER MUSHROOM FARMING

Detailed Project Report • Bank Loan Application Support

INDIA | ILLUSTRATIVE MODEL | NOVEMBER 2026

PROJECT COST	ILLUSTRATIVE BANK FACILITY
₹1,95,000	₹1,50,000

APPLICANT & LENDER DETAILS

Item	Applicant to complete
Proposed firm / proprietor	_____
Location / proposed premises	_____
Bank and branch	_____
Proposal date	_____

DOCUMENT STATUS A planning model, not an approved loan or certified valuation. Replace borrower blanks and verify the financial figures, actual quotations, orders, licences and bank credit terms before submission.

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OFFICIAL PORTALS

Ministry of Agriculture and Farmers Welfare

PMFME - MoFPI

FSSAI licensing portal

Kalvee Business Solutions

IMPORTANT The report contains illustrative operating profit, not audited results. Financial sanction, subsidy eligibility, debt service and compliance are subject to independent lender / authority verification.

01 | Covering letter & borrower profile

To: The Branch Manager Branch: _____ Date: _____

Subject: Request for business financing of ₹1,50,000 for Oyster Mushroom Farming

Dear Sir / Madam,

I / We propose to establish the above business at the location stated in this proposal. The illustrative project cost is ₹1,95,000, comprising promoter contribution of ₹45,000 and proposed bank finance of ₹1,50,000. I / We request consideration of an appropriate lending facility, subject to bank appraisal and approval.

The enclosed DPR provides startup costs, proposed market, working arrangements, illustrative sales and expenditure, possible financial-product routes, expected risks and a repayment illustration. All model data must be updated with locality-specific research, actual offers, applicant records and lender-approved terms.

Yours faithfully, Applicant signature: _____ Place: _____

Borrower / enterprise profile

Borrower information	Value
Applicant / proprietor name	_____
Proposed firm, constitution and PAN	_____
Address / project district	_____
Contact details (mobile and email)	_____
Experience / technical qualification	_____
Current registration / Udyam, if any	_____
Proposed launch / financing date	_____

02 | Executive project summary

Business category: Horticulture and agricultural allied venture. Operating model: Clean straw and pasteurise → cool → inoculate with quality spawn → incubate → control fruiting humidity/temperature → harvest, grade and dispatch promptly.

Parameter	Illustrative planning assumption
Total project cost	₹1,95,000
Promoter contribution	₹45,000
Bank finance requested	₹1,50,000
Target output / bookings	700 kg/month saleable fresh oyster mushrooms, after yield validation
Monthly sales	₹1,29,500
Model monthly cost including	₹1,10,000

allowances	
Model monthly remainder	₹19,500

03 | Capital investment & means of finance

The capital items below reproduce the current Kalvee business-plan model. Obtain at least three written supplier quotations, confirm taxes and installation requirements and identify what the bank will classify as fixed assets versus working capital.

Investment component	Amount
Racks, shelves and growing-bag supports	₹45,000
Humidity and ventilation equipment	₹35,000
Clean room repair, washable floors and screens	₹25,000
Starter spawn/substrate and hygiene inputs	₹20,000
Crates, weighing, packaging and labels	₹10,000
Short-term chilled transport and handling equipment	₹25,000
Operating working capital and crop-loss buffer	₹35,000
TOTAL PROJECT COST	**₹1,95,000**

Proposed financing mix

Funding source	Amount
Promoter contribution	₹45,000
Proposed bank term / working-capital financing	₹1,50,000
TOTAL	**₹1,95,000**
PLAN THIS SCALE Trial batch ₹35,000–₹65,000; managed 200–350 sq. ft. grow room around ₹1.95 lakh.	

Requested bank facility: amount and split are illustrative and must be revised with lender, based on quotations, margin requirements, collateral policies, cash-flow assumptions and borrowing need.

04 | Operations, customers & staffing

Production / service workflow

Clean straw and pasteurise → cool → inoculate with quality spawn → incubate → control fruiting humidity/temperature → harvest, grade and dispatch promptly.

Materials and quality controls

Reliable oyster spawn, clean straw, washed growing bags, thermometer, hygrometer, approved sanitation materials and breathable food-safe packs.

People and premises

- Owner cultivator with one part-time helper; add labour at peak harvest.
- 200–350 sq. ft. controlled room/shaded structure with washing, ventilation, drainage, water and backup power.

Buyer segments and sales channels

- Restaurants, grocers, caterers, premium produce sellers and small dryers/processors with frequent replenishment.
- Chef sampling, pre-committed weekly buyers, harvest notification system and refrigerated delivery; introduce dried products only after testing and compliance.

05 | Monthly profit and loss

The monthly income and cost values reproduce the published Kalvee business idea, and are educational examples rather than observed transactions. Owner labour allowance and other non-cash accounting estimates are included; income-tax reserve is not a statutory computation.

Sales model: 700 kg of saleable fresh oyster mushrooms × ₹185 average realised price/kg = ₹1,29,500 monthly sales

Expense / revenue item	Monthly amount
Straw, spawn, supplements and disinfectants	₹30,000
Food-safe packs, labels and trays	₹8,000
Helper wages	₹15,000
Owner labour allowance	₹18,000
Growing-room rent/allocation	₹8,000
Humidification, electricity and water	₹8,000
Chilled dispatch and collection	₹8,000
Contamination and discarded-bag allowance	₹7,000
Cleaning and upkeep	₹2,500
Illustrative loan interest	₹2,000
Racks/plant depreciation	₹2,500
Illustrative income-tax reserve	₹1,000
TOTAL MONTHLY MODEL COST	**₹1,10,000**
MONTHLY SALES REVENUE	₹1,29,500
MODEL REMAINDER (SALES LESS MODEL COSTS)	**₹19,500**

INTERPRETATION This is a model remainder after included allowances, not guaranteed net income or available bank cash flow. No customer survey or invoice verification is implied.

06 | Proposed bank facility & repayment

Illustrative lending assumptions only: ₹1,50,000 term-equivalent facility, 12% annual nominal interest, reducing monthly balance, 60 monthly instalments, no grace period or charges. The lender must independently determine facility type, term, rate and EMI.

Loan measure	Value
Proposed loan amount	₹1,50,000
Promoter margin	₹45,000
Illustrative annual rate	12.0%
Illustrative tenor	60 months
Estimated EMI	₹3,337
Monthly remainder per webpage	₹19,500
Illustrative depreciation and interest add-backs	₹4,500
Indicative cash after EMI, before working-capital change	₹20,663

CASH-SERVICE CAVEAT The business-page P&L already includes illustrative loan interest. For a simple cash comparison, its net is increased by included interest and depreciation then reduced by the illustrative full EMI. Actual bank cash-flow / DSCR analysis must also incorporate tax, stock, debtors, repayments, owner drawings and verified operations.

Illustrative loan amortisation by year

Period	Interest	Principal repaid	Debt service	Closing debt
Year 1	₹16,746	₹23,294	₹40,040	₹1,26,706
Year 2	₹13,792	₹26,248	₹40,040	₹1,00,459
Year 3	₹10,463	₹29,577	₹40,040	₹70,882
Year 4	₹6,712	₹33,328	₹40,040	₹37,554
Year 5	₹2,486	₹37,554	₹40,040	₹0

07 | Five-year projections & sensitivity

The following is only a mathematical planning scenario. It assumes monthly revenue grows 6% per year and the monthly cost model grows 5% per year; it is not the site's underlying forecast, bank-approved projection or evidence of future demand.

Year	Illustrative annual sales	Illustrative annual costs	Model annual remainder
1	₹15,54,000	₹13,20,000	₹2,34,000
2	₹16,47,240	₹13,86,000	₹2,61,240
3	₹17,46,074	₹14,55,300	₹2,90,774
4	₹18,50,839	₹15,28,065	₹3,22,774
5	₹19,61,889	₹16,04,468	₹3,57,421

Demand sensitivity using business-page baseline

Volume scenario	Monthly sales	Model monthly remainder
75% of model volume	₹97,125	₹375
100% baseline	₹1,29,500	₹19,500
125% of model volume	₹1,61,875	₹38,625

Stress-test warning: demand below the model is material, and available cash after EMI may be lower than the tabulated model remainder. Attach evidence of local demand, quotations, seasonal cash cycles and repayment reserves before seeking finance.

08 | Compliance, finance programmes & risk

Registration and approvals to verify

- Check applicable agricultural/horticultural activity permissions and financing products
- Fresh cultivation and separate processing may be regulated differently; verify with FSSAI/FoSCoS as relevant
- Food packaging, labelling, processing and GST rules may apply to dried/processed products

Government financing routes to investigate

- Mushroom cultivation support may be available under relevant horticulture programmes subject to state implementation and allocation; no automatic benefit.
- PMFME is relevant only to a separately qualifying micro food-processing activity such as mushroom drying/processing, not cultivation alone.
- Agriculture or allied-activity credit terms depend on bank product and business model; do not assume a MUDRA or PMEGP eligibility category.

Scheme information is provided for discovery only; inclusion does not mean the business qualifies, applications are open or a grant will be sanctioned.

Ministry of Agriculture and Farmers Welfare

PMFME - MoFPI

FSSAI licensing portal

Material business risks and mitigants

Material risk	Risk-control action
Temperature and humidity variation	Complete training batches and maintain yield/contamination logs
Contamination or poor-quality spawn	Secure reliable spawn and validated cultivation methods
Very short fresh shelf life	Prebook fresh buyers and protect cold chain
Unproven yields and low realisation at harvest	Treat 700 kg/month as aspirational until demonstrated

09 | Implementation & bank document checklist

Period	Key activities
Days 1–7	Interview at least 15 potential buyers, verify local demand and gather three supplier quotations.
Days 8–14	Validate technical competencies, suitable premises, applicable licences and operating constraints.
Days 15–21	Finalize lender-specific DPR, test small service/batch and approach bank or financing programme.
Days 22–30	Confirm buyer orders, bookkeeping, QC, margin testing and first-month working-capital controls.

Annexures normally requested by lenders

- ☐ Completed bank loan application and KYC
- ☐ Aadhaar/PAN and contact/address evidence
- ☐ Entity registration, Udyam and relevant activity licence, if applicable
- ☐ Lease/title permission for premises and site plan
- ☐ Three machinery/supplier quotations and cost breakdown
- ☐ Proof of promoter contribution / equity source
- ☐ Business plan, sales assumptions and customer enquiries / orders
- ☐ Available bank statements and income/ITR evidence
- ☐ Collateral / guarantor details only if required by selected bank product
- ☐ Applicant experience, training records and certificates
- ☐ 12-month cash-flow, repayment assessment and credit bureau consent

10 | Declaration, assumptions & official sources

Applicant declaration (sign after all blanks and evidence have been reviewed):

I / We declare that the details to be submitted with this proposal will be true and complete to the best of my / our knowledge. I / We understand the sample commercial and financial assumptions are not audited transactions or promised profit, that loan approval and subsidies depend on government and bank rules, and that the bank may require additional reports, securities, statements and revisions.

Completion field	Applicant to fill
Applicant / authorised signatory	_____
Place and date	_____
Bank branch / application reference	_____
Revised loan / equity proposal	_____
Verified monthly demand / quotation basis	_____
Actual scheme applied for (if any)	_____

Primary planning assumptions

- Finance, unit costs and sales are based on the site's illustrative model, updated 16 November 2026; not independently audited.
- No promised subsidy or tax concession is included as operating sales.
- EMI assumes a 12% nominal annual reducing-balance rate and 60 months solely to illustrate repayment.
- Five-year sensitivity projection is a new mathematical scenario and must be replaced by bank-approved assumptions.
- Independent accountant / bank officer review and applicant documentation are necessary before using this DPR for formal credit decisions.

Official references and project website

Ministry of Agriculture and Farmers Welfare

PMFME - MoFPI

FSSAI licensing portal

Government scheme finder

Kalvee business plan

Kalvee Business Solutions

PREPARED BY KALVEE BUSINESS SOLUTIONS www.kalveebsolutions.com | Generic model proposal for borrower customisation, not an appraisal certificate, official sanction or warranty of financial performance.