



## SYNOPSIS

### BUTTON MUSHROOM PROCESSING PLANT

#### **POTENTIAL AND MARKETS:**

While India's production is meagre, world production was 6.0 million tonnes of mushrooms, of which the share of button mushroom was 65%. The major producers of button mushroom are USA, China, France, Holland, UK, Taiwan, Italy, Spain and Germany.

The per capita consumption of mushrooms in the developed countries varies from 2.9 kg/annum (Germany) to 1.8 kg/per annum (USA), Six countries share 85% of the total consumption of button mushrooms, USA (30%), Germany (17%), UK and France (11%) each, Italy (10%) and Canada (6%). The major importers of canned button mushroom are Germany, USA, France, Belgium, Sweden, Norway and UK.

The major exporters are Holland, China, France, Spain, Hong Kong, Taiwan, Indonesia and South Korea. According to a recent projection, the growth in the consumption of button mushroom is expected to rise by 4% - 5% over the decade.

The future potential of developing countries like India is high in view of the following reasons: -

- Availability of cheap and abundant raw materials and labour.
- Demand supply gap in the world trade of mushroom
- Fall in the production in Taiwan and South Korea due to high labour cost.
- Proximity to middle east, where market is growing.
- The growing Indian domestic market.

#### **UNIT SIZE:**

The size of the units that are being set up have production capacities ranging from 250 to 3500 tonnes of fresh button mushrooms per year. The model has been prepared for an installed capacity of 360 tonnes (1 MT per day) of fresh mushroom production per year. Assuming 90% utilization of the capacity, 324 tonnes of fresh button mushroom may be produced of which 88% may be processed to produce about 285 tonnes of canned mushroom.

**LAND AREA:**

3 acre – 5 acres.

**RAW MATERIAL:**

The following raw material is expected to be used in the production of button Mushrooms :-

1. Paddy / Rice Straw
2. Chicken Manure
3. Urea
4. Gypsum
5. Rice Bran

**PACKAGING:**

Button Mushroom will be packed in A3 size Aluminum Cans.

**PROJECT FINANCIALS:**

Project cost would be US \$ 1.0 – US \$1.25 million.

**IMPLEMENTATION SCHEDULE:**

The implementation schedule is worked out for 12 months specifying the major activities are carried out smoothly and associated formalities are completed in a reasonably short time.

**FINANCIALS:**

Break Even Capacity – 35%

Payback Period – 4 years

ROI – 28%

**IT SHOULD BE NOTED THAT THE ATTACHED SYNOPSIS ONLY GIVES A PERSPECTIVE ON THE PROJECT AND SHOULD NOT BE USED AS A BASIS FOR PROJECT EXECUTION. TECHNO-ECONOMIC FEASIBILITY STUDY IS RECOMMENDED BEFORE UNDERTAKING PROJECT IMPLEMENTATION.**



**FOR FURTHER DETAILS PLEASE CONTACT.**

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