



# Mycopath

Mushroom Farming + Mycelium Innovation Lab



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# INTRODUCTION

This business plan outlines the vision, strategy, and growth roadmap for **Mycopath - Mushroom Farming + Mycelium Innovation Lab**, a sustainable Agri-tech startup based in Nepal. Designed for co-founders, investors, and grant providers, it provides clarity on how we will launch, scale, and measure success.

## What Will Make Mycopath Successful

Mycopath combines mushroom farming with mycelium-based innovation using a **circular economy model**:

- **Sustainable Inputs:** We grow mushrooms using agricultural waste (rice straw, sawdust).
- **Value Addition:** Spent substrate becomes raw material for biodegradable products – packaging, plant pots, fashion accessories.
- **Lean & Agile Team:** Three co-founders with distinct roles in farming, tech, and global advisory.
- **Digital Tools:** Google Sheets, WhatsApp, Trello for remote coordination and tracking.
- **Export Vision:** Targeting international markets via Etsy, Amazon Handmade, and local exporters.

## How Success Will Be Achieved

We follow a **step-by-step, milestone-driven approach**:

**Phase 1:** Start small with oyster mushroom farming using low-cost infrastructure.

**Phase 2:** Reinvest early profits; begin online sales and mycelium product development.

**Phase 3:** Launch a bonus system post break-even to boost performance.

**Phase 4:** Expand revenue streams through mushroom powder, pickles, and packaging inserts.

**Phase 5:** Upgrade to Pvt. Ltd. status after Year 1 for formal access to grants and export licenses.

### How Success Will Be Measured

We track progress using clear KPIs:

KPI	Target	Description
Break-even Point (BEP)	Month 6	The point at which total revenue equals total costs, marking the beginning of profitability. Achieved through optimized production and early market reach.
Monthly Yield Increase	20%+ per batch	A measure of farming efficiency, tracking the increase in mushroom output per batch through process improvements and substrate optimization.
Product Innovation	1 new product every 3-4 months	Reflects ongoing R&D efforts to diversify offerings – such as mycelium packaging or mushroom powder – to add value and expand revenue streams.
Social Media Reach	500+ followers by Month 4	Tracks brand awareness and marketing success on platforms like Instagram and Facebook to build community and attract buyers.
First Export Sale	Month 6-8	Indicates successful market expansion and international interest in products, supported by Nishant Silwal's global network.
Worker Efficiency	<5% contamination rate	Measures the quality and hygiene practices of the local worker; lower contamination ensures higher yield and product consistency.

Website Launch	By Month 5	Marks the completion of an online presence for sales, storytelling, and customer engagement, enabling e-commerce and visibility.
Bonus Milestones	At least 3 achieved in Year 1	Ensures motivation and performance tracking among founders and workers via milestone-based bonuses tied to growth, innovation, and sales.

These metrics ensure accountability, sustainability, and continuous growth.

## EXECUTIVE SUMMARY

Section	Details
Business Name	Mycopath
Tagline	"Crazy Innovative Things Using Mushrooms"
Location	Nepal (flexible setup - rural or urban)
Startup Type	Partnership Firm → Pvt. Ltd. later
Founders	Akash Rai (Nepal), Haris Gurung (Nepal), Nishant Silwal (Australia)
Initial Investment	NPR 300,000 (NPR 100,000 each)
Products	Oyster mushrooms, mushroom powder, mycelium packaging
Break-even Point	Month 8-9

Year 1 Net Profit Estimate	~NPR 450,000
Profit Sharing	Equal shares after BEP + milestone-based bonus pool

## COMPANY OVERVIEW

**Mycopath** is a small-scale mushroom farming and biodegradable materials lab based in Nepal. It uses agricultural waste like rice straw and sawdust to grow edible oyster mushrooms and make sustainable products from spent substrate.

Founded by **Akash Rai, Haris Gurung, and Nishant Silwal**, this company blends local farming with global market insights to build something scalable, eco-friendly, and profitable.

### Mission Statement

"To turn waste into wonder using mushrooms and mycelium."

We believe in circular economy principles – using one process to fuel another.

### Company History

- Founded in 2025 by Akash Rai, Haris Gurung, and Nishant Silwal
- Initial investment: NPR 300,000 (NPR 100,000 per founder)
- Started with bamboo farming shed and one worker
- Plans to expand into international markets and export-ready mycelium products

### Markets and Services

Service	Target Market
Fresh Oyster Mushrooms	Restaurants, hotels, organic shops

Mushroom Powder / Pickles	Health-conscious buyers
Mycelium Packaging	Tea/coffee exporters, e-commerce sellers
Fashion Accessories	Eco-fashion lovers, online shoppers

#### Operational Structure

Role	Founder	Location
Founder / CEO	Akash Rai	Nepal
IT & Systems Lead	Haris Gurung	Nepal
Global Advisor	Nishant Silwal	Australia
Local Worker	Hired locally	Nepal

#### Financial Goals

Goal	Detail
Start-up Budget	NPR 300,000
Break-even Point	Month 6
Year 1 Net Profit	NPR 450,000
Upgrade to Pvt. Ltd.	Year 2-3

# BUSINESS DESCRIPTION

## Opportunity

In Nepal, millions of kilograms of **agricultural waste** are burned every year. We see this as an opportunity to grow food and sustainable materials.

There is growing demand for:

- Organic mushrooms
- Biodegradable packaging
- Locally made sustainable goods

## Mission

"To grow food and materials using mushrooms, empowering rural communities and reducing plastic usage."

We aim to solve problems related to:

- Agricultural waste burning
- Low-income rural jobs
- Plastic packaging waste
- Limited market access for farmers

## Solution

We grow **oyster mushrooms** using rice straw, sawdust, and cotton waste. After harvesting, we reuse the spent substrate to grow **mycelium-based materials** for packaging, plant pots, and fashion items. This process reduces costs, improves sustainability, and creates multiple revenue streams.

## Market Focus

Market Segment	Target Customers
Local	Organic shops, restaurants, tea houses

Regional	Export-ready Nepali brands
International	Etsy, Amazon Handmade, eco-shops
Tech	Online sales, WhatsApp bot, website

### Competitive Advantage

Strength	Why It Matters
Waste-to-value model	Uses free or low-cost substrate
Multi-product line	Mushrooms + packaging + fashion
Digital-first approach	Google Sheets, Trello, WhatsApp
Remote global advisor	Nishant brings international experience
Bonus system	Encourages fast growth and innovation

### Ownership

All three founders share equal ownership and responsibilities:

- **Akash Rai:** Process design, operations, overall management
- **Haris Gurung:** IT systems, tracking, business reengineering
- **Nishant Silwal:** Advisory role, export strategy

# MARKET ANALYSIS

## Industry Type

- Agri-tech
- Circular economy
- Sustainable materials sector

The market for organic food and eco-products in Nepal is growing rapidly. The government promotes mushroom farming as part of its green initiative.

## Market Segmentation

Segment	Target Customers
Food	Hotels, restaurants, organic stores
Packaging	Tea exporters, e-commerce startups
Fashion	Eco-conscious buyers, designers
Art	Artists, exhibition organizers

Market trends show increasing demand for sustainable alternatives to plastic packaging and locally grown organic food

## Competition

Competitor	Product	Price	Our Edge
Local mushroom farms	Edible mushrooms	NPR 120/kg	Value-added products

Plastic packaging suppliers	Inserts/trays	NPR 250/kg	Biodegradable, cheaper
Foreign mushroom farms	Mushroom powder	High import price	Locally made, fresh
Export companies	Packaging needs	Outsourced	We offer local supply chain

## SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>Waste to Value Model</li> <li>Strong Founding Team</li> <li>Low-Cost Production</li> <li>High Export Potential</li> <li>Price, value, quality</li> </ul>	<ul style="list-style-type: none"> <li>Startup phase</li> <li>Limited initial capacity</li> <li>Brand awareness low</li> <li>Learning Curve</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>Growing eco-packaging demand</li> <li>Government grants for youth/farming</li> <li>Online marketplaces (Daraz, Online Organic websites)</li> <li>Collaborations with artists/designers</li> </ul>	<ul style="list-style-type: none"> <li>Seasonal yield variations</li> <li>Contamination risk</li> <li>Market entry challenges</li> <li>Limited infrastructure</li> </ul>

## OPERATING PLAN

### Order Fulfillment

- Mushrooms grown on local land (~6 anna)
- Mycelium-based products made from spent substrate
- Orders managed via WhatsApp, Google Sheets, mobile apps
- Founders manage logistics, quality, and customer communication

## Payment Terms

Product	Pricing Model
Fresh Mushrooms	NPR 120-150/kg
Mushroom Powder	NPR 600-1,000/100g
Mycelium Packaging	NPR 200-400/kg
Custom Products	On quote basis

## Technology

- Google Sheets for daily logs
- Trello for task management
- WhatsApp group for updates
- Website launch in Year 1
- App development in Year 2
- Social media presence (Instagram, Facebook)

## Key Employees

Role	Person	Responsibilities
Founder / CEO	Akash Rai	Strategy, training, investor relations, marketing, overall operations
IT & Systems Lead	Haris Gurung	Tech tools, digital presence, data tracking

Global Advisor	Nishant Silwal	Export strategy, remote coordination
Local Worker	To Be Hired	Mushroom farming, basic mycelium making

**Facilities**

- Bamboo room or rented shed for mushroom farming
- Jute sacks or banana leaves replace plastic bags
- Cemented floor for hygiene
- Shelving for vertical stacking
- Compost pit or vermicomposting area

**MARKETING AND SALES PLAN**

 "Grow food and packaging from waste"

 "Locally grown, sustainably made"

 "Made in Nepal, loved globally"

Use storytelling to highlight how mushrooms grow from straw and become packaging!

**Marketing Activities**

Channel	Use
Facebook Marketplace	Sell mushrooms locally
Instagram	Showcase process, design, innovation
WhatsApp	Daily updates, orders, marketing
Farmer's Market	In-person sales

Daraz/Etsy / Amazon Handmade	Export-ready items
TikTok / YouTube Shorts	Time-lapse farming videos

**Sales Strategy**

- Local: Cash-on-delivery or pickup
- Online: Prepayment or payment on delivery
- Export: Advance deposit or letter of credit

All founders involved in sales until automation is built

## FINANCIAL PLAN

Estimated Start-up Costs Table

COST ITEM	MONTHS	COST/MONTH	ONE-TIME COST	TOTAL COST
Spawn & Substrate	3	2,000	3,000	9,000
Local Worker Salary	6	15,000	-	90,000
Tools & Maintenance	12	2,000	2,000	4,000
Marketing & Promotion	12	1,000	5,000	17,000
Equipment (bags, drums, shelves)	1	-	60,000	60,000
IT Setup (Google Suite, domain)	1	-	15,000	15,000

COST ITEM	MONTHS	COST/MONTH	ONE-TIME COST	TOTAL COST
Legal & Registration	1	-	5,000	5,000
Working Capital Buffer	1	-	20,000	20,000
Rent / Lease Payments	12	10,000	-	120,000
Utilities (electricity, water)	12	1,000	-	12,000
Other (kits, samples, etc.)	1	-	10,000	10,000
Total Start-up Cost				367,000

Includes buffer for unexpected costs

All founders invest NPR 100,000

Total capital: NPR 300,000

Remaining 67,000 comes from early profits or grants

#### Monthly Financial Breakdown (First 12 Months)

Month	Revenue	COGS	Gross Profit	Expenses	Net Profit	Reinvestment	Bonus Pool (20%)	Founder Share (80%)
July	40,000	25,000	15,000	35,000	(20,000)	Full reinvestment	N/A	N/A
Aug	45,000	28,000	17,000	35,000	(18,000)	Full reinvestment	N/A	N/A

Month	Revenue	COGS	Gross Profit	Expenses	Net Profit	Reinvestment	Bonus Pool (20%)	Founder Share (80%)
Sep	50,000	30,000	20,000	35,000	(15,000)	Full reinvestment	N/A	N/A
Oct	60,000	35,000	25,000	45,000	(20,000)	Full reinvestment	N/A	N/A
Nov	70,000	40,000	30,000	45,000	(15,000)	Full reinvestment	N/A	N/A
Dec	80,000	45,000	35,000	55,000	(20,000)	Full reinvestment	N/A	N/A
Jan	90,000	50,000	40,000	55,000	(15,000)	Full reinvestment	N/A	N/A
Feb	100,000	55,000	45,000	60,000	(15,000)	Full reinvestment	N/A	N/A
Mar	110,000	60,000	50,000	60,000	0	Reinvest buffer or expand	N/A	N/A
Apr	120,000	65,000	55,000	60,000	(5,000)	Reinvest buffer or expand	N/A	N/A
May	130,000	65,000	65,000	60,000	5,000	3,000 reinvested	1,000	4,000/ founder

Month	Revenue	COGS	Gross Profit	Expenses	Net Profit	Reinvestment	Bonus Pool (20%)	Founder Share (80%)
June	140,000	70,000	70,000	60,000	10,000	3,000 reinvested	2,000	5,000/founder
YTD	1,290,000	638,000	652,000	620,000	(12,000)	6,000 reinvested	3,000 used	9,000 shared

### Cumulative View (Year 1)

Month	Cumulative Revenue	Cumulative Expenses	Cumulative Net Profit
July	40,000	35,000	(20,000)
Aug	85,000	70,000	(18,000)
Sep	135,000	105,000	(15,000)
Oct	195,000	140,000	(20,000)
Nov	265,000	175,000	(15,000)
Dec	345,000	210,000	(20,000)
Jan	435,000	245,000	(15,000)
Feb	535,000	305,000	(15,000)

Month	Cumulative Revenue	Cumulative Expenses	Cumulative Net Profit
Mar	645,000	365,000	0
Apr	765,000	425,000	(5,000)
May	895,000	485,000	5,000
June	1,035,000	545,000	10,000
YTD	1,035,000	545,000	(12,000)

By Month 12, we will be showing consistent net income

Losses reduce sharply starting from Month 9 onward

Year-Wise Revenue Forecast (Post-Year 1)

Year	Monthly Revenue	Monthly Profit	Annual Net Profit
Year 1	107,500 avg.	(1,000) avg.	(12,000)
Year 2	150,000	50,000	600,000
Year 3	200,000	80,000	960,000
Year 4	300,000	120,000	1,440,000
Year 5	450,000	180,000	2,160,000

Total over 5 years: 4,148,000

 Milestone-Based Bonus System (Integrated)

No.	Milestone	Bonus %	Responsible Party	Bonus Allocation
1	Break-Even Point (BEP)	5-10%	All Founders	Equal share
2	First Batch Success	3%	Local Worker	Full bonus to worker
3	First Mycelium Product Made	5%	Local Worker	Full bonus to worker
4	Farming Advisory Input	3-5%	Nishant Silwal	Full bonus to advisor
5	First Online Sale	5%	Haris Gurung	Full bonus to IT Lead
6	First Export Order	5%	Akash + Haris	70% - Akash / 30% - Haris
7	Grant or Loan Approved	5-10%	Akash Rai	Full bonus to founder
8	Product Innovation	5%	Akash + Haris	60% - Akash / 40% - Haris
9	Social Media Growth >500 followers	3%	Akash Rai	Full bonus to founder
10	Yield Increase by 20%	2% recurring	Local Worker	Full bonus to worker

No.	Milestone	Bonus %	Responsible Party	Bonus Allocation
11	Team Training Completed	3%	Akash Rai	Full bonus to founder
12	Website Launch	5%	Haris Gurung	Full bonus to IT Lead
13	Application / Digital Tool Launch	5-7%	Haris Gurung	Full bonus to IT Lead
14	Monthly Sales Growth >10%	2% recurring	All Founders	Equal share
15	Export Contact Introduction	5%	Nishant Silwal	Full bonus to advisor
16	International Market Research Shared	3%	Nishant Silwal	Full bonus to advisor
17	Investor Introduction	5-10%	Nishant Silwal	Full bonus to advisor
18	Global Networking / Event Participation	3%	Nishant Silwal	Full bonus to advisor

Total bonus pool = up to 20% of net profit

Everyone knows what effort leads to reward

## PROFIT & LOSS PROJECTIONS TABLE (WITH 10,000/MONTH RENT)

REVENUE	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
Estimated Sales	40,000	45,000	50,000	60,000	70,000	80,000	90,000	100,000	110,000	120,000	130,000	140,000	1,035,000
Less Returns & Discounts	0	0	0	0	0	0	0	0	0	0	0	0	0
Service Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Sales	40,000	45,000	50,000	60,000	70,000	80,000	90,000	100,000	110,000	120,000	130,000	140,000	1,035,000

**COMPREHENSIVE BUSINESS PLAN IN ASSOSIATION WITH ASSR ENTERPRISES NEPAL**

**COST OF GOODS SOLD**

Item	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	YTD
Spawn & Substrate	25,000	28,000	30,000	35,000	40,000	45,000	50,000	55,000	60,000	65,000	65,000	70,000	638,000
Tools & Bags	0	0	0	0	0	0	0	0	0	0	0	0	0
Total COGS	25,000	28,000	30,000	35,000	40,000	45,000	50,000	55,000	60,000	65,000	65,000	70,000	638,000

**GROSS PROFIT**

Month	Net Sales	Minus COGS	Gross Profit
Jul	40,000	25,000	15,000
Aug	45,000	28,000	17,000
Sep	50,000	30,000	20,000
Oct	60,000	35,000	25,000

COMPREHENSIVE BUSINESS PLAN IN ASSOSIATION WITH ASSR ENTERPRISES NEPAL

Month	Net Sales	Minus COGS	Gross Profit
Nov	70,000	40,000	30,000
Dec	80,000	45,000	35,000
Jan	90,000	50,000	40,000
Feb	100,000	55,000	45,000
Mar	110,000	60,000	50,000
Apr	120,000	65,000	55,000
May	130,000	65,000	65,000
Jun	140,000	70,000	70,000
Total Gross Profit			652,000

EXPENSES (Monthly)

EXPENSES	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD
Salaries & Wages	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	180,000

**COMPREHENSIVE BUSINESS PLAN IN ASSOSIATION WITH ASSR ENTERPRISES NEPAL**

EXPENSES	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD
Marketing	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Rent / Lease	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
Utilities	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Tools & Maintenance	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Internet/Phone	110	110	110	110	110	110	110	110	110	110	110	110	1,320
Legal / Accounting	1,200	0	0	450	0	500	0	0	0	0	0	250	2,400
Office Supplies	125	125	125	125	125	125	125	125	125	125	125	125	1,500
Travel & Logistics	100	0	0	250	0	0	0	0	675	800	0	0	1,825
Website & Digital Tools	0	0	0	0	0	0	0	0	0	0	0	0	0
Working Capital Buffer	0	0	0	0	0	0	0	0	0	0	0	0	0

**COMPREHENSIVE BUSINESS PLAN IN ASSOSIATION WITH ASSR ENTERPRISES NEPAL**

EXPENSES	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD
Total Expenses	29,535	27,235	27,235	28,910	27,235	27,735	27,235	27,235	27,910	27,235	26,235	26,235	329,000*

\*Includes one-time costs like equipment, legal, working capital

**NET INCOME**

Month	Net Income	Month	Net Income
Jul	(20,000)	Mar	0
Aug	(18,000)	Apr	(5,000)
Sep	(15,000)	May	5,000
Oct	(20,000)	Jun	10,000
Nov	(15,000)		
Dec	(20,000)		
Jan	(15,000)		
Feb	(15,000)	YTD Net Profit	(12,000)

## COMPREHENSIVE BUSINESS PLAN IN ASSOSIATION WITH ASSR ENTERPRISES NEPAL

- By Month 12, you are already earning profit
- From Month 9 onward, losses stop – and small profits begin
- Cumulative Financial View (Year 1)

Month	Cumulative Revenue	Cumulative Expenses	Cumulative Net Profit
1	40,000	29,535	(20,000)
2	85,000	56,770	(18,000)
3	135,000	84,005	(15,000)
4	195,000	112,915	(20,000)
5	265,000	139,150	(15,000)
6	345,000	166,885	(20,000)
7	435,000	194,120	(15,000)
8	535,000	221,355	(15,000)
9	645,000	249,265	0

## COMPREHENSIVE BUSINESS PLAN IN ASSOCIATION WITH ASSR ENTERPRISES NEPAL

Month	Cumulative Revenue	Cumulative Expenses	Cumulative Net Profit
10	765,000	277,175	(5,000)
11	895,000	303,410	5,000
12	1,035,000	329,645	10,000
YTD	1,035,000	329,645	(12,000)

### Year-Wise Reinvestment Strategy

Year	% Reinvested	Use of Funds	Founder Share
Year 1	100% first 6 months, then 50%	Improve yield, launch website, develop packaging	None until Month 9
Year 2	50% reinvestment	Scale up, add new mushroom types, export prep	600,000 total
Year 3	40% reinvestment	Fashion line, workshops	960,000 total
Year 4	30% reinvestment	Hire more workers, automate tracking	1,440,000 total
Year 5	20% reinvestment	Brand licensing, carbon credits	2,160,000 total

 As you grow, you reduce reinvestment and increase founder payouts

## ❖ KEY FINANCIAL ASSUMPTIONS (FOR FOUNDERS)

Metric	Value
Initial Investment	NPR 300,000 (NPR 100,000 each)
Reinvestment Needed	NPR 67,000
Break-even Point (BEP)	Month 9
Year 1 Net Loss	12,000
Year 5 Net Profit Forecast	2,160,000
Bonus Pool Cap	20% of monthly profit
Founder Share	Equal 80% share after BEP

# THE END