

MUSHROOM CONNECT

SUMMER INTERNSHIP REPORT



Submitted By

Name: Anuj Naik

Roll No: 2144

Under the Supervision of

Ms. Priyanka U. Naik

Assistant Professor of Management Studies

Goa Business School

Goa University

2021-2022

DECLARATION

I, the student of M.B.A. Part I of Goa Business School, Goa University, hereby declare that the internship project entitled “**Mushroom Connect**” has been prepared by me towards partial fulfillment of the degree of Master of Business Administration under the guidance of my faculty guide Ms. Priyanka U. Naik. This project is neither in full nor in part has previously formed the basis for the award of any other degree of either this University or any other University.

Date: 8th July 2022

Place: Goa University

Name: Anuj Naik

Roll No.: 2144

CERTIFICATE



To whom-so-ever it may concern

This is to certify that, **Master Anuj Naik** has completed his internship from 16th May to 8th July at M/S. Mushroom Connect, Margao, Goa. He has worked as an intern towards the development of market reach and social media marketing.

We wish him success in his endeavours.

Dr. Aduja Naik
Co-founder, Mushroom Connect



H. No. 710/A1/407
Osia Maple Leaf,
Sao Jose de Areal, Goa 403709

7066678706
9067659632

hashmamujawar@gmail.com
adujanaik@gmail.com

ACKNOWLEDGEMENT

The internship opportunity I had with Mushroom Connect was a great chance for learning and professional development. Therefore, I consider myself as a very lucky individual as I was provided with an opportunity to be a part of it. I am also grateful for having a chance to meet so many wonderful people and professionals who led me through this internship period.

Bearing in mind previous I am using this opportunity to express my deepest gratitude and special thanks to Dr. Aduja Naik & Ms. Hashma Mujjwar Founder & Co-Founder of Mushroom Connect, who in spite of being extraordinarily busy with her duties, took time out to hear, guide and keep me on the correct path and allowing me to carry out my project at their esteemed organization and extending during the training.

I express my deepest thanks to Ms. Priyanka Naik, my faculty mentor, MBA, Goa Business School, Goa University. For taking part in useful decision & giving necessary advices and guidance and arranged all facilities to make life easier. I choose this moment to acknowledge her contribution gratefully. I would also like to thank all other faculty members who helped and gave necessary advices during my internship.

I perceive as this opportunity as a big milestone in my career development. I will strive to use gained skills and knowledge in the best possible way, and I will continue to work on their improvement, in order to attain desired career objectives. Hope to continue cooperation with all of you in the future.

TABLE OF CONTENTS

Contents

1	Executive Summary.....	6
2	Company Profile.....	7
2.1	About.....	7
2.2	Moto.....	7
2.3	Team	7
2.4	Products & Services	7
2.5	Achievements.....	8
3	Industry Analysis	9
3.1	Porter’s Five Forces Analysis	11
3.2	PESTEL Analysis	12
4	Company Analysis	18
4.1	SWOT Analysis	18
5	Departmental Analysis.....	20
5.1	Production Department	20
5.2	Finance/Accounts Department.....	24
5.3	Purchase Department	24
5.4	Admin Department.....	25
5.5	Sales and Marketing Department.....	26
6	Learnings Derived.....	28
7	Conclusion	30
8	Recommendations	31

1 Executive Summary

The report is based on a study done during the summer internship placement project at Mushroom Connect, a start-up company, between May 16 and July 8, 2022.

In the first year of the MBA programme, the summer internship plays a critical role. It allows students to experience first-hand how different organizational departments operate, and it helps us connect the concepts we study to how they are used in various departments in the real world of business.

My training at Mushroom Connect's main focus was on studying organisational structure and operation in order to gain as much exposure to the business world as possible. to put the theoretical information acquired during the MBA course into practise while understanding the scope, responsibilities, and tasks of numerous departments inside this firm.

2 Company Profile

2.1 About

Mushroom Connect is a company that was founded by Dr. Aduja Naik and Ms. Hashma Mujwar back in December 2020. It is a new start-up company that deals with the production and sales of Oyster mushroom seeds/spawns and grow-at-home kits for those that have an interest in cultivation and farming the same. They provide consultancies and training sessions for those that may have a hard time cultivating. Progressing in research and development is another side that the company plans to make progress in.

The company deals in mushroom seeds/spawns and grow-at-home kits. Mushroom Connect also helps farmers aspiring to begin their own mushroom cultivation by organizing workshops and holding training and consultancy services.

2.2 Moto

"Let's Grow", the motto of our company refers not only to growing mushrooms but also to the growth of the company and their future achievements.

2.3 Team

Aduja Naik – Founder of Mushroom Connect

Hashma Mujwar – Co-Founder of Mushroom Connect

2.4 Products & Services

- Grow-At-Home Kits



- Spawns/Seeds



- Consultancy Services

2.5 Achievements

Mushroom Connect has won the "Business Diva" award of 2021 although it has been founded only recently, which goes to show how promising their future can be.

3 Industry Analysis

Biotechnology is technology that utilizes biological systems, living organisms or parts of this to develop or create different products. Brewing and baking bread are examples of processes that fall within the concept of biotechnology (use of yeast which is a living organism to produce the desired product). Such traditional processes usually utilize the living organisms in their natural form (or further developed by breeding), while the more modern form of biotechnology will generally involve a more advanced modification of the biological system or organism.

Today, biotechnology covers many different disciplines (eg. genetics, biochemistry, molecular biology, etc.). New technologies and products are developed every year within the areas of eg. medicine (development of new medicines and therapies), agriculture (development of genetically modified plants, biofuels, biological treatment) or industrial biotechnology (production of chemicals, paper, textiles and food).

The sector, with its immense growth potential, will continue to play a significant role as an innovative manufacturing hub. The sector is one of the most significant sectors in enhancing India's global profile as well as contributing to the growth of the economy. India is among the top 12 biotech destinations in the world and ranks third in the Asia-Pacific region. India has the second-highest number of US Food and Drug Administration (USFDA) – approved plants, after the USA and is the largest producer of recombinant Hepatitis B vaccine. Out of the top 10 biotech companies in India (by revenue), seven have expertise in biopharmaceuticals and three specialize in agri-biotech.

India has no dearth of talent in biotechnology, as a number of institutions, both government and autonomous, provide the necessary opportunities for the students seeking to obtain a degree in this sector. The Government of India has provided adequate scope to this sector by providing facilities for Research and Development (R&D) in the field of biotechnology.

The Indian biotech industry holds about 2 per cent share of the global biotech industry. The biotechnology industry in India, comprising about 800 companies, is expected to be valued at US\$ 11.6 billion in 2017. The government has to invest US\$ 5 billion to develop human capital, infrastructure and research initiatives if it is to realise the dream of growing the sector into a US\$

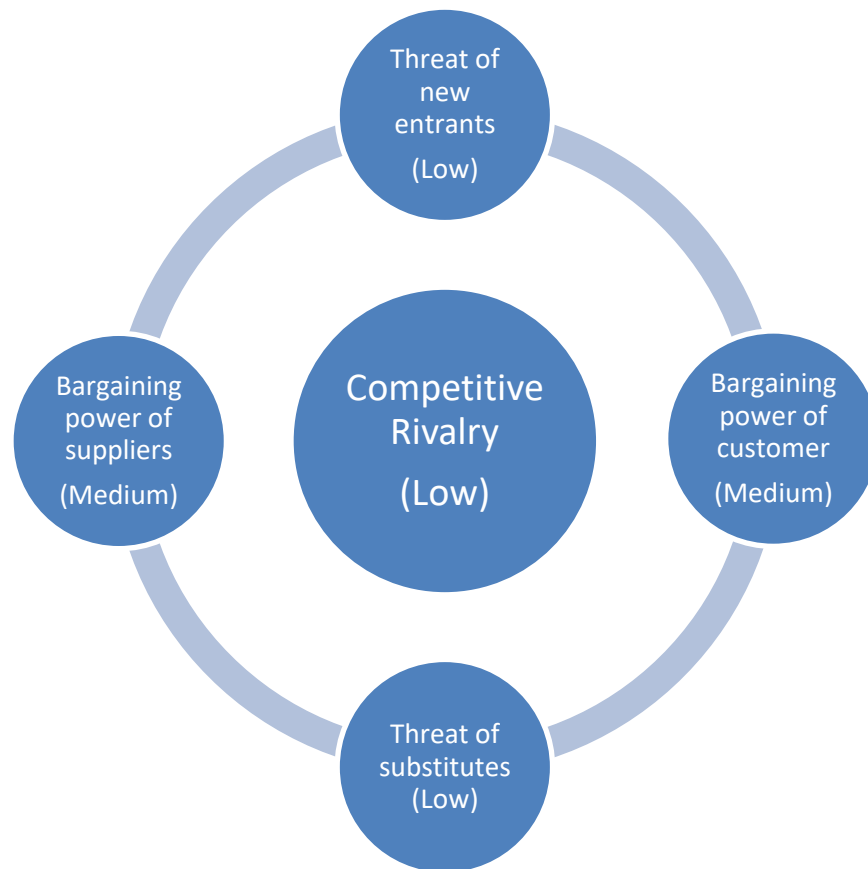
100 billion industry by 2025, as per Former Union Minister for Science and Technology, Mr Harsh Vardhan.

Biopharma is the largest sector contributing about 62 per cent of the total revenue followed by bio-services (18 per cent), bio-Agri (15 per cent), bio-industry (4 per cent), and bioinformatics contributing (1 per cent).

India's biotech sector has attracted a significant amount of attention over the past two decades. Several global companies have aggressively joined hands with Indian companies due to India's strong generic biotechnology potential.

A Network of Technology Centers and promotion of start-ups by Small Industries. Development Bank of India (SIDBI) are among the steps taken by the Government of India to promote innovation and entrepreneurship in the agro-industry proposed by the Ministry of Micro, Small & Medium Enterprises (MSME) in a new scheme. The Government of India has taken several initiatives to improve the biotechnology sector in the country as well as offer enough scope for research in this field. The Department of Biotechnology (DBT) along with other government-funded institutions such as National Biotechnology Board (NBTB) and many other autonomous bodies representing the biotechnology sector are working together in order to project India as a global hub for biotech research and business excellence.

3.1 Porter's Five Forces Analysis



1. The threat of new entrant (Low):

The industry has limited competition and a low threat of new entrants. Biotech firms require huge amounts of funding to finance their large R&D budgets. Not having ample cash is one of the biggest barriers. Specialization also creates barriers. For instance, knowledge about cancer and heart disease is quite high therefore there are very few experts in this field. Last but not least it can take up to 10 years to bring a biologic drug to the market.

- Higher start-up capital requirement as well as investment intensive operation (R&D, clinical trials etc.)

2. The threat of Substitute product (Low):

- Buyers may face uncertainty or inconvenience while switching

- Existing substitute product (generics) satisfy price, value and quality expectation
- Brand loyalty is high since only few businesses provide quality products.

3. Bargaining power of suppliers (Medium):

Biotech companies are unique because most of their value is driven by intellectual property. Unlike in other industries, the nature of their business does not force them to rely on suppliers. Scientific tools, materials, computers, and testing equipment are highly specialized but the likelihood of these companies invading on biotech line of business is not vertical.

- Low switching cost easily available

4. Bargaining power of customer (Medium):

- Switching cost depends on product (generic versus patent)
- Buyers are fragmented with only a few influential ones (i.e. government agencies)
- Product may be a critical input
- Biotech companies are bounded by long term contracts.
- Niche specialty products have some pricing power.

5. Competitive rivalry (Low):

- Growth opportunities for biotechnology companies are expected to grow in the next few years, with many products going off-patent in the US and other countries, thus increasing competition.
- Indian biotech companies will face competition from big companies, backed by huge financial muscle.

3.2 PESTEL Analysis

1. Political

Government stability

- The strong political structures and institutions support growth and development for Indian Biotechnology companies.
- Government stability will allow these type businesses to expand regionally as well as internationally.
- Government stability will also attracts investors for businesses and companies which leads to growth and development in the infrastructure as well as enhances international image.
- High government stability can also attract resources for industry development as a whole, which in turn will boost player performance and improve overall competitive positioning.

Government Regulations and Deregulations:

- The government is adhering to all the rules and regulations under World Trade Organization norms. There is consistency in both policy making and implementations of those policies.

Competition regulation

- It is important for government and political institutions and bodies to monitor competition in the industry.
- This will ensure that companies are using fair play for their products, and also business tactics and strategies.
- Competition regulation will also help the government monitor, restrict and regulate imports to help local businesses grow and expand.

2. Economic

Inflation rate

- A moderate inflation rate is needed in the economy for Biotech companies to flourish.
- A moderate inflation rate will also help the business grow and work positively towards increasing the consumer confidence, and consumer spending trends.
- As a result, the economy will get a boost and the overall disposable income will also increase.
- As of May 2022, the Indian economy is currently facing high underlying inflation and needs further policy tightening, according to a note by research firm Nomura.

Interest rate

- A moderate interest rate will help businesses and companies in taking loans from the banks.
- The Indian annual inflation accelerated to 7.79% in April of 2022, the highest since May of 2014, amid surging food prices. The central bank hence raised both the standing deposit facility (SDF) rate and the marginal standing facility (MSF) rate and the bank rate by 50 bps to 4.65% and 5.15%, respectively.

Consumer spending trends

- Consumer spending trends are important and critical for Biotech companies and their performance.
- The higher consumer spending is also reflective of higher purchasing power, which is important for increasing overall consumption patterns, and health of the economy.
- These higher consumer trends can be positively influenced through product quality and marketing strategies.
- Consumer Spending in India decreased to 22624.05 INR Billion in the first quarter of 2022 from 23304.25 INR Billion in the fourth quarter of 2021.

3. Social

Demographics

- A higher portion of the younger population is beneficial for Indian Biotech Companies as it will allow the company a larger consumer population base.
- In addition a younger population will also promise Indian Biotech companies with more skilled and educated workers and human resources, thereby adding breadth and depth to the talent pool.
- A moderate to high middle class is also important as its current consumers, and advocates.

Education

- A higher education in the population is desirable for multiple reasons that will benefit Indian Biotech Companies.
- A higher education also means that the population s consumers will be more aware of their purchases and consumption patterns.
- A higher awareness level also means that consumers will prefer quality, and will be knowledgeable of what the product promises and delivers. This comparison will form basis of repeat purchase.

Health consciousness

- An increasing portion of the population is adopting health and wellness trends.
- The health and wellness trend has also translated into consumption decisions and patterns.

4. Technological

Technological infrastructure

- The country has a strong infrastructure with regards to technology.
- There is a high rate of technological development and advancement.
- There is high rate of innovation across all industries, which makes companies competitive as well as progressive.

- The improved technological infrastructure also helps in attracting foreign direct investment, which in turn leads to further development and advancement.

Use of social media

- There is a higher portion in the population of the youth, as well as middle aged people. These population segments widely make use of social media for connectivity.
- Increasingly, social media is also being used by businesses for gathering consumer data and information.

Investment in R &D

- There is a high level of local as well as international investment in the technological R&D of the country.
- Businesses take advantage from innovation and development through the overall industrial growth along with development of competitive edge for the industry in the global market.

5. Environmental

Waste management

- The country has high regulations for waste management and control.
- Indian Biotech businesses should associate itself with, and register with the waste management authorities and institutions to be able to follow regulations, maintain checks, and avoid any future hassles.

Green consumption

- The increased awareness of environmental sustainability has also given way to an increase in the green lifestyle.
- Consumers in the country, and across all markets are increasingly preferring products and services that are green i.e. produced and marketed using environmentally friendly and sustainable ways and methods.

6. Legal

Health and safety law

- There are strict regulations pertaining to the health and safety of employees at the workplaces
- Respected associations and institutions regularly check with businesses about implementation of safety nets, drill, and precautionary measures at the workplace
- The safety and health involves not only physical wellbeing, but also the emotional and mental wellbeing if employees.

Employment laws

- Country wide regulations demand businesses to form legal contracts pertaining to employment
- These contracts are authorized by the respected governmental bodies, and involve all aspects of employment
- Employability contracts ensure a healthy relation between all parties involved, and also ensures that there is no misunderstanding or colluding

4 Company Analysis

4.1 SWOT Analysis

The description below is the SWOT Analysis of Mushroom Connect, the strengths and weaknesses are the internal factors whereas opportunities and threats are the external factors.

Strengths

- Mushroom Connect is the only manufacturer of Grow-At-Home Oyster Mushroom kits in Goa.
- Low number of members in the start-up makes it easy to coordinate with each other.
- Superior quality of mushroom Spawns and Grow-At-Home Oyster Mushroom Kits.
- Skilled, well-educated and knowledgeable employees.

Weaknesses

- Mushroom spawns are perishable (Can get spoiled in 5-6 days if not stored properly)
- Depending only on social media and college events for distribution.
- Low financing power and higher training costs.
- Low production capacity.
- Very little marketing experience.

Opportunities

- Oyster Mushrooms are highly nutritional and have many health benefits and due to Covid19 pandemic people have realized that maintaining proper health very important
- Upward trend in demand pattern for mushroom
- Demand for organic food is rising.
- Low competition from the local companies.

Threats

- Domestic and International competitors.
- Unfavorable weather conditions
- The white button mushroom produced from adjacent States of Maharashtra and Andhra Pradesh are posing a competition for his oyster mushrooms.
- Lack of diversification of mushroom unit by growing a single variety is another major threat for the business.
- Only few people are aware with the usage & nutritional qualities of the mushrooms.

5 Departmental Analysis

5.1 Production Department

Mushroom Connect produces two types of products i.e. Grow-At-Home Kits & Mushroom Spawns/Seeds.

1. Spawn Production

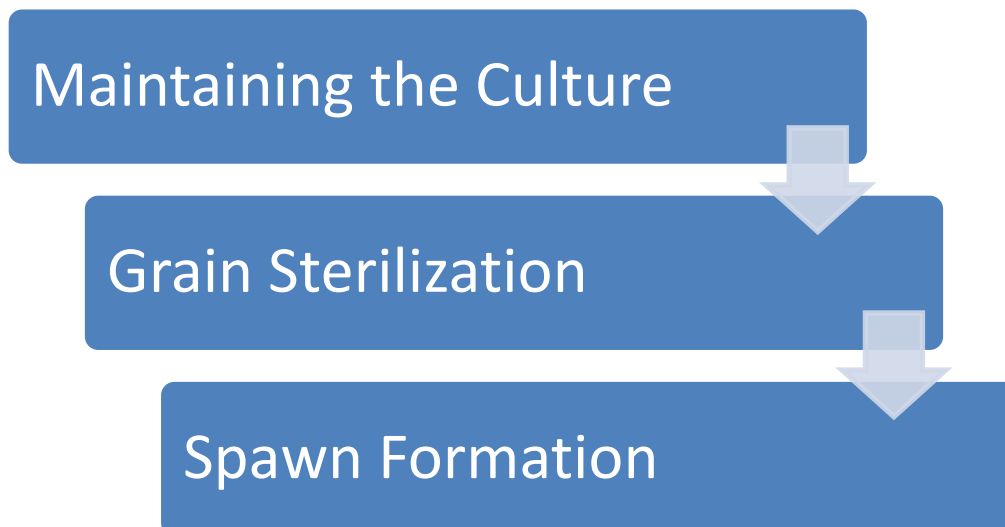
Raw materials required to produce spawns:

- Wheat/Sorghum Grains
- Fungus
- Spawn
- Heat resistant bags
- Non-absorbent cotton plugs

Equipment/Machinery used:

- Circular
- Autoclave
- Laminar Air Flow

Production Process:



- i. Maintaining the culture: During this stage, to maintain the culture first we grow the fungal culture in nutrient media in the circular glass plate until it is fully grown. It takes at least 3 days to grow the fungal culture fully.
- ii. Grain Sterilization: During this stage, the wheat or sorghum grains are put in water and keep it in for 6 hours. After 6 hours it is taken out of the water to let it dry a little. When it dries a little, it is put in a heat resistant bag and sealed with a non-absorbent cotton plug. Then the bag is put in the autoclave for 20 minutes to let it sterilize.
- iii. Spawn Formation: During this stage, when the fungal culture is fully grown it is broken down into small pieces. The small pieces are then put in a bag with Sterilized Wheat or Sorghum grains and is sealed with a non-absorbent cotton plug put on opening of the bag, this process is done in the Laminar Air Flow. The Fungus then slowly starts to grow throughout the wheat/sorghum grain by feeding off the starch. Eventually, the mushroom culture will fully colonize the grains, covering it in white mycelium creating Grain Spawns. These grain spawns can be thought of like “seeds” in mushroom cultivation. This stage is completed within 7 to 10 days.

2. Grow-At-Home Kits

Raw materials required to produce Grow-At-Home Kits:

- Hay
- Spawn
- Heat resistant bags
- Non-absorbent cotton plugs

Equipment/Machinery used:

- Auto Clave
- Laminar air flow

Production Process:

Hay Processing

Hay Sterilization

Spawn Innoculation

- i. Hay Processing: During this stage, the hay is first cut down into the size required and is washed in normal water for one minute. After one minute it is kept to dry until it remains a little moisturized. Then it is filled in two types of bags; first, a 500g heat resistant bag and second, a 2 Kg heat resistant bag and is sealed with a non-absorbent cotton plug.
- ii. Hay Sterilization: During this stage, the bags filled with hay are put into the autoclave which the pressure at 15 PSI. It is kept inside for almost 20 minutes until the temperature reaches 121 Degree Celsius. After which it is removed from the autoclave and is kept to cool down.
- iii. Spawn Inoculation: During this stage, the Laminar Air Flow is put on, the UV lights are kept on for 10 minutes which helps to kill the bacteria present in the area. After 10 minutes the UV lights are put off and the blower is put on which reduces the air turbulence and helps to keep a dust free environment. The sterilized hay bags are then placed into the Laminar Air flow, then the spawns are inoculated into the bags through either of the two methods which are Layering method or Pouring method. Then the bags are sealed again with non-absorbent cotton plug. Once the mycelium starts growing the final packaging is done and is ready for sale.

Equipment /Machinery

1. Autoclave



Figure 1 Vertical Autoclave



Figure 2 Pressure Cooker Type Autoclave

2. Laminar Air Flow



Figure 3 Vertical Laminar Air Flow

5.2 Finance/Accounts Department

Duties performed Finance/Account Department:

- This department looks after the per annum income and expenditure of the company.
- The department is responsible mainly for costing, accounting and budgeting.
- They maintain accuracy and precision in dealing with the account of the company.
- Monitor business transactions.
- Comparing profitability like country profitability, Monthly profitability, product profitability.
- Deciding about the selling price by looking at the cost price of the product.
- Accounts payable: They need to pay the creditors, they have a credit period of 30 days.
- Accounts receivable: The amount other business have to pay to us, like restaurants.
- Process salaries of employees

Documents Maintained by Accounts:

- Sales Journal
- Purchase Journal
- Cash Book
- Paid Bills File

5.3 Purchase Department

Duties performed in the Purchase Department:

- Collecting the list of materials
The production in-charge releases the production's necessary material list. To prevent having too much inventory, this is done at least one and a half month beforehand. The description of the necessary items is sent by the production in-charge.
- Choosing the supplier

The next step is choosing the right vendor from their list of approved vendors. This is mostly done by comparing and negotiating prices. The supplier which provides better price and quality is mostly selected.

- Terms and conditions

Together with the vendor, they negotiate the terms and conditions, including the delivery date, price and credit period.

- Purchase Request

The purchase request is subsequently delivered by the purchase in-charge to the chosen vendor. The purchase order is updated on an excel sheet and includes all the details, including the quantity, size, and agreed-upon prices.

- Coordinating deliveries

After the purchase request, purchasing in-charge works with suppliers to design delivery schedules. Purchasing in-charge also helps resolve any obstacles to delivery or change delivery quantities and schedules based on the requirements of the business.

- Maintaining records

Purchasing in-charge helps in maintaining documents related to their activities, including lists of potential suppliers, records of purchases, invoices and documentation of refunds and returns.

5.4 Admin Department

The Administrative assistant makes sure that the co-workers have the information they need to complete their daily tasks and managing the day-to-day activities in the office.

Duties performed in the Admin Department:

- Greeting customers and clients
- Act as a customer service representative

- Answer phone calls
- Maintain document and file system
- Recruiting
- Take memos
- Send emails and faxes
- Operate a variety of office machines
- Manage inventory of office supplier
- Send invoices
- Coordinate and schedule events, meetings, and interviews
- Drafting presentations, documents

5.5 Sales and Marketing Department

Duties performed in the sales and marketing department:

- Setting sales goals

One of the most important responsibilities of the sales and marketing team is setting realistic sales goals. Goals are mostly set monthly due to the company's structure. And in the monsoons goals are set weekly since it's a busy seasonal times. Past sales figures and carefully calculated projections are used to create reachable targets.

- Product pricing & planning

Sales and marketing department determine whether any current products should experience a shift in price and have new products introduced. These very important decisions are made by inspecting past sales figures and through customer reviews, product research, trends etc.

- Product placement

Product placement is also vital to the success of these products, so the sales and marketing team decide which wholesalers and retailers will stock the product.

- Customer Care/Support

Keeping the customers happy is the role of the sales and marketing team. The sales and marketing department send customers surveys and request product reviews. Any customer issues is been resolved by the sales and marketing department.

- Promotion

Promotion is important to any business as it ensures that customers are aware of the existence. Most of the promotion done by the business is through social media, organizing workshops, and placing stalls during most of the school and college events.

6 Learnings Derived

My time working with Mushroom Connect was very wonderful and inspiring. This made it simpler for me to understand how the concepts I studied in my MBA programme are applied in real-world situations. How coworkers and superiors respond to difficulties and how quickly you need to act to minimize harm. It was beautiful observing the production of mushroom spawns and Grow-At-Home mushroom kits.

I developed my communication and relationship-building skills with the coworkers during my internship. I discovered how to make introductions, discuss my passions, expertise, and skills, as well as how to query others and get a better grasp on how firms operate. I came to understand the critical significance that teamwork plays in an organization's operations.

My ability to communicate with a variety of clients and customers improved as a result of what I learned. I gained knowledge on how to handle diverse client issues and provide solutions. As I texted and called close to a hundred potential customers, I developed my ability to persuade customers to purchase the products.

I learnt how to create an invoice or bill for the product, as well as the things that must be included, such as the MRP, taxes like the CGST and SGST, quantity, date, etc.

As I assisted Mushroom Connect in placing their goods on the shelves of the Newton's Supermarket in Candolim and Calangute, I gained knowledge about the procedure for putting a product on supermarket shelves and the requirements to sell your products through supermarkets. Additionally, I learned how to compute the markup and markdown margins required by merchants.

I thoroughly learned the steps needed to make a mushroom spawn and the steps needed to make Grow-At-Home mushroom kits. I gained knowledge of the various tools and machinery employed in the creation of mushroom spawns.

Since I was in charge of their social media, I also gained some knowledge about digital marketing. SEO, SEM, and Facebook Business Manager are some of the things I learned about. The posting pattern on their social media was very inconsistent since they were not posting

anything timely. I learned that posting pictures with as many relatable tags available helps your post to gain reach.

I learned that the production capacity of Mushroom Connect is very less than the demand available in the market. There are many people who are realizing that health is something that is very important to maintain after the COVID-19 pandemic and the health benefits provided by oyster mushrooms are vast.

Their company name “Mushroom Connect” is very good as it identifies their products in the name itself and the word “Connect” gives a positive image as in making and maintaining connections with their customers and supplies through mushrooms.

Their market reach is very low and they need to make more people aware that there is a company named Mushroom Connect and what they do. By making more people aware of their products and its benefits they may be able to gain more customers.

7 Conclusion

In conclusion, working with Mushroom Connect has been a great and satisfying experience. I've had the opportunity to network with and meet a tonne of people that I know will be able to assist me out with chances in the future. This internship has helped me better understand how departments interact and how they depend on one another to function efficiently.

Time management abilities and self-motivation are two important things I've gained from this internship. I understood that having a plan was essential. I had to learn how to inspire myself through my internship because I had to spend so much time at the workplace. It aided in my skill development and helped me turn theory into practise.

I can safely say that my understanding of the job environment has increased greatly. However, I do think that there are some aspects of the job that I could have done better and that I need to work on. I realized that I could have completed the work earlier than I did. Also, the technical parts of the job were a bit flawed and I was asked multiple times to correct it.

8 Recommendations

- They need to improve their Digital Marketing and Social Media Marketing by getting into paid digital and social media marketing as it will help them increase their customers in the long run.
- They also need to improve their distribution channels as most of the sales are done only through social media, direct contacts and College/University events.
- Build a more stronger and better team, find people who would be useful to them as they themselves cannot handle all the operations in the compny.