This research work was conducted by using locally available substrates for cultivation of Pleurotus ostreatus, commonly known as oyster mushroom. It has garnered significant attention for potent antimicrobial properties and ease of the cultivation. Study explored the cultivation technique and antimicrobial efficacy of the *Pleurotus ostreatus* to grown on agro-waste substrates, by utilizing the locally sourced substrates and optimal growth conditions were maintained to maximize the nutrient content and yield. Antimicrobial properties of Pleurotus ostreatus were evaluated amongst pathogenic fungi and multidrug resistant bacteria by using standard assays. Results of this study revealed that P.ostreatus exhibited the substantial growth amongst all tested extracts samples, with varying concentrations. Mushroom extracts provided strong antioxidant activities; methanolic extracts showed the IC50 value (57.59 μg/ml), ethanolic extracts showed (58.37 μg/ml), and aqueous extracts showed (60.35 μg/ml). However, highest phenolic content was observed in the methanolic extract (204.81 ± 0.91 mg of GAE/g) respectively. These findings highlights that P.ostreatus not only a sustainable food source but also a natural antimicrobial agent. This dual functionality of P.ostreatus underscores the value in pharmaceuticals and agricultural sectors, by offering a viable solution for antibiotic resistance challenges and food sources.