

HONEY HOUSE AND HONEY PROCESSING PLANT

1. Name of the Industry: Beekeeping
2. Name of the Scheme : Small scale honey house & honey processing plants
3. Annual capacity of unit : 20,000 kg. Of processed honey worth Rs.40,00,000
4. Estimated work period : 200 day in a year
5. Implementing agency: institution/society
6. Estimated area of work : 10m X10m (land) 500 sq. (built-up area)

COST OF PROJECT (C.E. TERM LOAN)

S. No.	Particulars	Amount (in Rs.) (indicative)
1.	Building 500 sq.	On Lease
2.	Machinery and Equipment	
	a) Honey processing plant	12, 00, 000
	b) Storage tanks	1, 50, 000
	c) Bottle washing, drying and filling machine	1, 50, 000
	d) Honey handling equipment	50, 000
	e) Laboratory equipment, furniture	1, 00, 000
	Sub Total	16, 50, 000
3.	Raw Material Requirement	
	a) Raw Material @Rs. 100 per Kg for 20,000 kgs. of honey	20, 00, 000
	b) Bottle, lids, labels etc. Packing material	5, 00, 000
	Sub Total	25, 00, 000
4.	Salaries	
5.	a) Operator – 1 @ Rs.5,000 per month	60, 000
6.	b) Helper technical – 2 @ Rs. 3, 000 per month	72, 000
	Sub Total	1, 32, 000
7.	Insurance @ 1 per cent on C.E.,@0.25 per cent on stock	10, 000
8.	Water and power expenses @ 3, 000 p.m.	36, 000
9.	Depreciation @ 10 machinery and equipment	1, 65, 000

This unit is based on an assumption that there will be four operating cycles in a year.

WORKING CAPITAL REQUIRED

S. No.	Fixed working capital	Amount
a)	Salary	1, 32, 000
b)	Interest on term loan @ 14 per cent	2, 31, 000
c)	Insurance	10, 000
d)	Repairs and maintenance	1, 00, 000
	Total	4, 73, 000

Fixed cost per one operating cycle 25% of total i.e. Rs. 1, 18, 000

S. No	Variable Working Capital	Amount
a)	Interest of working capital @ 15 per cent	1, 21, 125
b)	Raw Honey & packing material	25, 00, 000
c)	Electricity and water charges	36, 000
d)	Labor	1, 00, 000
	Total	27, 57, 125

Variable working capital for one operating cycle Rs.6, 89, 000

Total working Capital for one cycle Rs. 8, 07, 000/-

Total funds required (C.E. + W.C.)	-	24, 57, 000
Bank loan (65 per cent)	-	15, 97, 000
Own contribution (10%)	-	2, 45, 700
Margin Money (25%)	-	6, 15, 000

Cost analysis (80 per cent capacity utilization)

a)	Fixed cost	3, 78, 400
b)	Variable cost	22, 00, 000
c)	Cost of production (a + b)	25, 78, 400
d)	sale realization annually @ Rs. 250/- per Kg having 4 % working loss	48, 00, 000
e)	Gross surplus (d -c)	22, 21, 600
f)	Interest (CE + WC) + Depreciation+ Repayment (3, 20, 000/- annually)	8, 37, 125
g)	Net surplus	13, 84, 475
h)	Disposable surplus (Net surplus + depreciation)	15, 49, 475
