Beekeeping is an ideal activity for development as a subsidiary occupation providing supplementary income. Beekeeping is feasible in areas where adequate bee flora available for a minimum period of 6 months. Honey produced by Indian hive bee Apis Mellifera is collected by modern extractor. Besides honey, other products like bee’s wax, royal jelly, bee venom, etc. are obtained from bee colonies.

1. **Name of the Product:** Honey

2. **Project Cost:**

   (a) **Capital Expenditure**

   - Land:
     - Building Shed 1000 sq.ft: Rs. 0.00
   - Equipment:
     - Rs. 220000.00
     - (Bee hives, Nucleus box, Hive stand, Ant well, Queen gate, Feeder frame, Hive tool, Swarm net, Bee veil, smoker, Honey extractor, Bee colonies, Storage drum, etc.)

   **Total Capital Expenditure:** Rs. 220000.00

   (b) **Working Capital:** Rs. 14500.00

   **TOTAL PROJECT COST:** Rs. 234500.00

3. **Estimated Annual Production of Honey:** (Value in 1000)

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Particulars</th>
<th>Capacity</th>
<th>Rate</th>
<th>Total Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Honey, wax, queen bee, bee colonies</td>
<td>1750.00 Kgs.</td>
<td>50.00</td>
<td>87.30</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1750.00</td>
<td>50.00</td>
<td></td>
<td>87.30</td>
</tr>
</tbody>
</table>

4. **Raw Material:** Rs. 7500.00

5. **Sugar Feeding, Migration, Disease control:** Rs. 6000.00

6. **Wages (Skilled & Unskilled):** Rs. 24000.00

7. **Salaries:** Rs. 15000.00
8. Administrative Expenses : Rs. 1000.00
9. Overheads : Rs. 1000.00
10. Miscellaneous Expenses : Rs. 500.00
11. Depreciation : Rs. 22000.00
12. Insurance : Rs. 2200.00

13. Interest (As per the PLR)
(a) Capital Expenditure Loan : Rs. 28600.00
(b) Working Capital Loan : Rs. 1885.00

Total Interest : Rs. 30485.00

14. Working Capital Requirement
Fixed Cost : Rs. 47300.00
Variable Cost : Rs. 40385.00
Requirement of Working Capital per Cycle: Rs. 14614.00

15. Estimated Cost Analysis

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Particulars</th>
<th>100%</th>
<th>60%</th>
<th>70%</th>
<th>80%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Fixed Cost</td>
<td>47.30</td>
<td>28.38</td>
<td>19.87</td>
<td>15.89</td>
</tr>
<tr>
<td>2.</td>
<td>Variable Cost</td>
<td>40.00</td>
<td>24.00</td>
<td>16.80</td>
<td>13.44</td>
</tr>
<tr>
<td>3.</td>
<td>Cost of Production</td>
<td>87.30</td>
<td>52.38</td>
<td>36.67</td>
<td>29.33</td>
</tr>
<tr>
<td>4.</td>
<td>Projected Sales</td>
<td>200.00</td>
<td>120.00</td>
<td>84.00</td>
<td>67.20</td>
</tr>
<tr>
<td>5.</td>
<td>Gross Surplus</td>
<td>112.70</td>
<td>67.62</td>
<td>47.33</td>
<td>37.87</td>
</tr>
<tr>
<td>6.</td>
<td>Expected Net Surplus</td>
<td>91.00</td>
<td>46.00</td>
<td>25.00</td>
<td>16.00</td>
</tr>
</tbody>
</table>

Note:

1. All figures mentioned above are only indicative and may vary from place to place.

2. If the investment on Building is replaced by Rental Premises-
   (a) Total Cost of Project will be reduced.
   (b) Profitability will be increased.
   (c) Interest on Capital Expenditure will be reduced.