KHADI & VILLAGE INDUSTRIES COMMISSION
PROJECT PROFILE FOR GRAMODYOG ROZGAR YOJANA

HONEY PROCESSING PLANT AND HONEY HOUSE

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 bees is collected by modern extractor. The extracted honey contains osmosphilic yeasts, which causes fermentation and destroy the quality of honey. To maintain the qualitative and quantitative value of honey, the processing in modern Honey Processing plant is essential.

1. Name of the Product : Honey Processing Plant

2. Project Cost :
   (a) Capital Expenditure
      Land :
      Building Shed 1000 sq.ft : Rs. 300000.00
      Equipment :
      (Honey Processing Plant, SS Storage tank, Bottling unit and QC Lab etc.) Rs. 1200000.00
      Total Capital Expenditure : Rs. 1500000.00

   (b) Working Capital : Rs. 300000.00

   TOTAL PROJECT COST : Rs. 1800000.00

3. Estimated Annual Production of Honey :
   (Value in '000)

<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 Processing Plant</td>
<td>31550.00 Kgs.</td>
<td>60.00</td>
<td>1893.90</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>31550.00</td>
<td>60.00</td>
<td>1893.90</td>
</tr>
</tbody>
</table>

4. Raw Material : Rs. 1500000.00

5. Sugar Feeding, Migration, Disease Control : Rs. 100000.00

6. Wages (Skilled & Unskilled) : Rs. 16800.00

7. Salaries : Rs. 24000.00

8. Administrative Expenses : Rs. 1000.00
9. Overheads : Rs. 1000.00

10. Miscellaneous Expenses : Rs. 1000.00

11. Depreciation : Rs. 135000.00

12. Insurance : Rs. 15000.00

13. Interest (As per the PLR)
(a) Capital Expenditure Loan : Rs. 195000.00
(b) Working Capital Loan : Rs. 39000.00

Total Interest : Rs. 234000.00

14. Working Capital Requirement
Fixed Cost : Rs. 236000.00
Variable Cost : Rs. 1656800.00
Requirement of Working Capital per Cycle : Rs. 315467.00

15. Estimated Cost Analysis

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Particulars</th>
<th>Capacity Utilization (Rs. in '000)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>1.</td>
<td>Fixed Cost</td>
<td>236.00</td>
</tr>
<tr>
<td>2.</td>
<td>Variable Cost</td>
<td>1657.00</td>
</tr>
<tr>
<td>3.</td>
<td>Cost of Production</td>
<td>1893.00</td>
</tr>
<tr>
<td>4.</td>
<td>Projected Sales</td>
<td>2400.00</td>
</tr>
<tr>
<td>5.</td>
<td>Gross Surplus</td>
<td>507.00</td>
</tr>
<tr>
<td>6.</td>
<td>Expected Net Surplus</td>
<td>372.00</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.