

# UP MSME 1-Connect

## PROJECT REPORT

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PROJECT:

Honey Bee Farming Unit

# **PROJECT REPORT**

## **Of**

# **HONEY BEE FARMING**

## **PURPOSE OF THE DOCUMENT**

This particular pre-feasibility is regarding **Honey Bee Farming Unit**

The objective of the pre-feasibility report is primarily to facilitate potential entrepreneurs in project identification for investment and in order to serve his objective; the document covers various aspects of the project concept development, start-up, marketing, finance and management.

[We can modify the project capacity and project cost as per your requirement. We can also prepare project report on any subject as per your requirement.]

# PROJECT REPORT

## 'Honey Bee Farming



### Introduction

- Collection of honey from the forests has been in existence for a long time.
- Honey bees convert nectar of flowers into honey and store them in the combs of the hive and the growing market potential for honey and its products has resulted in bee keeping emerging as a viable enterprise.
- Honey and wax are the two economically important products of bee keeping.
- Bee keeping is an agro based enterprise for additional income generation

Beekeeping is one of the oldest tradition in India for collecting the honey. Honey bee farming is becoming popular due its market demand in national and international markets as well. Not only the farmers make a sweet dividends but beekeeping also help increase agriculture productivity through pollination. Honeybees also produce honey, bee wax and royal jelly thus giving additional benefits to the farmers. After successive losses in traditionally grown crops, farmers are inclining towards bee farming. In order to maximize agricultural production, honeybee can be used as an important input agent. About 80 % crop plants are cross-pollinated, as they need to receive pollen from other plants of the same species with the help of external agents. One of the most important external agents is the honeybee. Farmers planning for commercial honey bee farming should consider taking apiculture training. Usually, a colony consists of a queen, several thousand workers and a few hundred drones.

There is a division of labour and specialization in the performance of various functions. They build nests which are called as “combs” with wax, which is secreted from the wax glands of worker bees. The bees use their cells to rear their brood and store food. Honey is stored in the comb upper part. Under the comb, there should be rows of pollen storage cells, worker brood cells and drone brood cells. Some bee species build single comb in open where as others build multiple combs on dark cavities. Farmers can utilize honeybees for their pollination services or to obtain products from them. The methods used depend on the type of bees available, and the skills and resources available to the beekeeper.

**PROJECTED CASH FLOW STATEMENT**

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
<b><u>SOURCES OF FUND</u></b>					
Share Capital	0.66	-			
Reserve & Surplus	4.12	4.01	4.07	4.10	4.08
Depriciation & Exp. W/off	0.80	0.69	0.59	0.50	0.43
Increase in Cash Credit	0.90	-	-	-	-
Increase In Term Loan	5.05	-	-	-	-
Increase in Creditors	0.09	-	-	-	-
Increase in Provisions	0.36	0.04	0.04	0.04	0.05
<b>TOTAL :</b>	<b>11.98</b>	<b>4.74</b>	<b>4.70</b>	<b>4.64</b>	<b>4.55</b>
<b><u>APPLICATION OF FUND</u></b>					
Increase in Fixed Assets	5.46	-	-	-	-
Increase in Stock	0.47	-	-	-	-
Increase in Debtors	0.64	0.03	-	-	-
Increase in Deposits & Adv	2.50	0.25	0.28	0.30	0.33
Repayment of Term Loan	-	1.26	1.26	1.26	0.63
Taxation	-	-	-	-	-
<b>TOTAL :</b>	<b>9.07</b>	<b>1.55</b>	<b>1.54</b>	<b>1.56</b>	<b>0.96</b>
Opening Cash & Bank Balance	-	2.91	6.10	9.26	12.34
Add : Surplus	2.91	3.19	3.16	3.08	3.59
Closing Cash & Bank Balance	<b>2.91</b>	<b>6.10</b>	<b>9.26</b>	<b>12.34</b>	<b>15.93</b>

**PROJECTED BALANCE SHEET**

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
<b><u>SOURCES OF FUND</u></b>					
Capital Account	0.66	0.66	0.66	0.66	0.66
Retained Profit	4.12	8.13	12.20	16.29	20.37
Term Loan	5.05	3.79	2.52	1.26	0.63
Cash Credit	0.90	0.90	0.90	0.90	0.90
Sundry Creditors	0.09	0.09	0.09	0.09	0.09
Provisions & Other Liab	0.36	0.40	0.44	0.48	0.53
<b>TOTAL :</b>	<b>11.17</b>	<b>13.96</b>	<b>16.81</b>	<b>19.68</b>	<b>23.18</b>

**APPLICATION OF FUND**

<b>Fixed Assets ( Gross)</b>	5.46	5.46	5.46	5.46	5.46
Gross Dep.	0.80	1.49	2.08	2.58	3.01
Net Fixed Assets	4.65	3.96	3.38	2.87	2.45
<b>Current Assets</b>					
Sundry Debtors	0.64	0.67	0.67	0.67	0.67
Stock in Hand	0.47	0.47	0.47	0.47	0.47
Cash and Bank	2.91	6.10	9.26	12.34	15.93
Deposits & Advances	2.50	2.75	3.03	3.33	3.66
<b>TOTAL :</b>	<b>11.17</b>	<b>13.96</b>	<b>16.81</b>	<b>19.68</b>	<b>23.18</b>

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**PROJECTED PROFITABILITY STATEMENT**

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
<b><u>A) SALES</u></b>					
Gross Sale	9.12	9.60	9.60	9.60	9.60
<b>Total (A)</b>	<b>9.12</b>	<b>9.60</b>	<b>9.60</b>	<b>9.60</b>	<b>9.60</b>
<b><u>B) COST OF SALES</u></b>					
Raw Mateiral Consumed	1.70	1.70	1.70	1.70	1.70
Elecricity Expenses	0.29	0.29	0.29	0.29	0.29
Repair & Maintenance	-	0.10	0.10	0.10	0.10
Labour & Wages	1.72	1.89	2.08	2.28	2.51
Depriciation	0.80	0.69	0.59	0.50	0.43
Consumables and Other Expense	0.18	0.19	0.19	0.19	0.19
<b>Cost of Production</b>	<b>4.69</b>	<b>4.85</b>	<b>4.94</b>	<b>5.06</b>	<b>5.21</b>
<b>Add: Opening Stock /WIP</b>	<b>-</b>	<b>0.38</b>	<b>0.38</b>	<b>0.38</b>	<b>0.38</b>
<b>Less: Closing Stock /WIP</b>	<b>0.38</b>	<b>0.38</b>	<b>0.38</b>	<b>0.38</b>	<b>0.38</b>
Cost of Sales (B)	4.30	4.85	4.94	5.06	5.21
<b>C) GROSS PROFIT (A-B)</b>	<b>4.82</b>	<b>4.75</b>	<b>4.66</b>	<b>4.54</b>	<b>4.39</b>
	<b>53%</b>	<b>49%</b>	<b>49%</b>	<b>47%</b>	<b>46%</b>
D) Bank Interest (Term Loan )	0.43	0.45	0.31	0.16	0.03
Bank Interest ( C.C. Limit )	0.09	0.09	0.09	0.09	0.09
E) Salary to Staff	-	-	-	-	-
F) Selling & Adm Expenses Exp.	0.18	0.19	0.19	0.19	0.19
<b>TOTAL (D+E)</b>	<b>0.70</b>	<b>0.74</b>	<b>0.59</b>	<b>0.45</b>	<b>0.31</b>
<b>H) NET PROFIT</b>	<b>4.12</b>	<b>4.01</b>	<b>4.07</b>	<b>4.10</b>	<b>4.08</b>
I) Taxation	-				
<b>J) PROFIT (After Tax)</b>	<b>4.12</b>	<b>4.01</b>	<b>4.07</b>	<b>4.10</b>	<b>4.08</b>

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