

Business plan for Honey

Group A

Contextual understanding: People

- Around 130 people of Kolam Adivasi community are involved in collection of wild honey (*Apis dorsata*)
- Hunter gatherer are usually involved
-% of the people are engaged and the average income from honey collection is
- Price is low and middle men exploit the collectors
- During season due to more yield price go down upto Rs. 10 / kg
- Average price in the local market is Rs. 25-30 per annum

- Market price is Rs. 200 / kg
- Current yield is 10 tons per annum
- Potential yield 50 tons (detailed study needed)
- Basic skill of tree climbing & freedom from fear is available
- Raw processing is done by cloth filters
- People have access to honey comb areas (schedule V area) and no hindrance
- Selling points are connected by road

Intervention needs

- Skill upgradation
- Product upgradation
 - Purification
 - Volume increase
 - Product diversification
 - Infrastructure development
- Institutionalization

Form of Institution

- Producer company
 - Relatively easy to handle
 - All producers are share holders & non-producers are kept away
 - Food & drug + Agmark
- Name- Eco-Honey drop/ Green Honey
- Promoters- 2 among the harvesters
- Members – all harvesters (around 125)
- Board of Directors – 9 among the members
- Manager – Appointed by the Board. He will choose his team

Vision

- Pure, eco-friendly honey at fare price

Mission

- Higher / Significant share in the rupee earned (upto 70%)
- Achieve a 40% growth every year for the next 5 years
- To achieve break-even inyears
- To establish & promote ecologically sound and sustainable processess

Strategies

- For each of the mission, strategies shall be worked out. Eg.-
 - To ensure 40% upfront payment KVIC, NABARD will be approached

Capital requirement

- Fixed capital
 - Land – 1000 sq. ft – 75,000
 - House - 2000 sq. ft – 6 lakh
 - Eco-friendly harvesting kits – 3 lakh
- Working capital
 - Explore possibilities through donation, grants, loans
 - 14 lakh working capital in 2 cycles (5+9 lakh)
- Pre operational expenses-
 - Electricity etc. – 30,000

Marketing

- Network business models
- Advertisement expenses – 10%

Risk Assessment

- Weather impacts on supply of raw materials
- Chemical pesticides in nearby field may affect bee population
- Diseases