Horticulture Clinic and Business Centre

Objectives:

- To create facilities for provision of technical guidance, custom hiring services including grading and packing to the fruit growers under a single roof.
- To create additional job opportunities within the village itself to the unemployed Agriculture/Hort. Graduates.
- To ensure easy availability of various horticultural inputs and technical/extension services to the orchardists / fruit growers to increase productivity.

2. Location and Area of Operation:

Rural areas having more than 200 ha area of orchards and farmers generally willing to avail of such services in about 100 ha and a minimum plant population of 15000 trees / plants per annum.

3. Project Components:

Power sprayer, Foot sprayers, Horticultural tool set.

4. Project Cost: Rs.

Sr. Particulars Units Total Cost (Rs.) No.

A. Capital cost:

i. Power Sprayers (3.5 H.P.) 1 No. 25,000
ii. Tool kit including Gas Mask, 1 Set 3,000 Spraying Coat, Gum Boots Etc.
iii. Foot Sprayers 2 Nos. 4,000
iv. Tub, Bucket, Jug etc. 2 sets 3,000
v. Horticultural Tool Kit. 5,000

Total (1): 40,000

B. Recurring Cost:

i. Rental Charges for clinic and 12 Months 12,000 store (12 months)
ii. Petrol & Lubricants and cost 33,000 of maintenance
iii. Misc. Contingencies 12 Months 41,000
iv. Cost of fungicides / 200,000 insecticides for spraying

Total (2) 286,000
Grand Total (1+2) :- 326,000

(It is proposed to capitalise 25% of the total recurring cost of Rs. 2,86,000 i.e., Rs. 71,500 and this forms part of the loan amount. This amount will be utilised as working capital to be revolved in a rotation of three months during the year. Therefore, **total outlay will be Rs. 1,11,500/- say Rs. 1,12,000/-**).

5. **Margin (10%)** : Rs. 0.11 lakhs

6. **Bank Loan** : Rs. 1.01 lakhs

7. **Rate of Interest** : 14% p.a.

8. **Repayment Period** : 7 years including a grace period of one year.

9. **Income** :

   **Sr. No. Item Year 1 Year 2 Year 3**
   1. Spraying charges @ Rs. 1.50 per tree for 81,000 101,250 135,000 six sprays per annum for 15,000/- fruit trees
   2. Sale of fungicide/Pesticide @ Rs. 2.50 per 135,000 168,750 225,000 tree for 15,000 trees for six sprays per annum
   3. Picking/grading, Packing etc. @ Rs. 5/- per 12,000 15,000 20,000 box for 4,000 boxes.
   4. Training/Pruning and Other Misc. Activities 12,000 15,000 20,000

Total 240,000 300,000 400,000

It is assumed that:

i. Fifty percent of the pesticides will be supplied by the centre and the rest by the growers/orchardists.

ii. The income generation will be 60%, 75% and 100% during first year, second year and third year respectively.

10. **Economics of the Project**:

   Net Present Worth : Rs. 3.68 lakhs.
   Benefit Cost Ratio : 1.34 : 1
   Internal Rate of Return : > 50%
11. Other Information:

The activities to be taken up by the Centre are –

- Spraying of fruit trees in the orchards with fungicides/insecticides for the control of various pests & diseases.
- Providing services for picking, packing & grading of fruits in the orchards by entrepreneur along with two labourers during harvesting season of fruits.
- Pruning operations in the orchards / vineyards for the period of one month in a year depending upon the crop/season etc. by the entrepreneur with the help of two labourers.
- Guidance on quality, marketing, technical inputs, arranging for soil/leaf analysis for the orchardists, supply of reading material on technical matters in local languages to create awareness amongst farmers/fruit growers and supply of quality plant material.

Note:

- Margin of 10% is assumed, but the actual margin will be as per the discretion of the banks.
- Interest rate will be as per banks' discretion.
- Similarly, the other economic / financial parameters such as the repayment period, DSCR, IRR, etc., may also vary depending upon the margin, interest rate, etc., taken into account by the bank.