

DETAILED PROJECT REPORT

FOR

FIVE CATTLE/BUFFALO

TENTATIVE PLAN FOR STARTING A DAIRY UNIT OF FIVE CATTLE

The tentative plan for starting a dairy unit of five cattle based on the following assumptions.

- i) Land for the construction of shed is available. Moreover, bank loan will be taken for the construction of shed and purchase of animal. A part of working capital will also be borrowed from the bank to start with.
- ii) The animals purchased will be freshly calved in 2nd and /or 3rd lactation having a female calf at its heel.
- iii) Replacement of raising heifers on the farm rather than purchasing.
- iv) The amount of loan borrowed will be 75 per cent of the total @10% per annum.
- v) There shall be adequate and timely availability of veterinary aid and breeding facilities, green /dry fodders and concentrates, etc.
- vi) Prices of inputs and outputs vary seasonally. These have been assumed at averages.

Financial plan of the Project

A .	Initial Capital Investment:	Amount (in Rs.)
i	Cost of animals: 05 lactating cattle @ Rs.50000 each. (03x50000)	250000.0
ii	Cost of shed: Cost of shed for 05 adult cattle, 05 calves, including store-cum-office room covered area (3.5 sqm / .animal @ Rs.1000/sqm.and open area 7 sqm/animal) @ Rs.500/sqm . (05 no. x 3.5 sqm x Rs. 1000), (05 no. x 7sqm x 500) For calf covered area will be 1sqm and open area 2sqm other than area required for adult animals.	Adult 35000.0
		Calf 10000.0
iii	Cost of equipments: Such as milk cans, chains, milking buckets, weighing balance, chaff cutter, belcha, rickshaw /bullock cart etc. @ 5000 per animal	25,000.0
iv	Initial variable expenses	30,000.0
	Total	350000.0
B.	Financial plan	
1 .	Bank loan (75%)	262500.0
2.	Margin money (25%)	87500.0
	Total	350000.0
C.	Expenses	
a)	Fixed Cost	Amount (in Rs.)
i)	Depreciation on shed @ 10 %/annum	4500.0
ii)	Depreciation on machinery & equipments @10%/ annum	2500.0
iii)	Interest on bank loan @ 10%/annum	26250.0
iv)	Insurance premium of milch animals @ 5% /annum	12500.0

	Total fixed cost	45750.0
b)	Variable cost	
i)	Cost of green fodder: a.) For milking animal: 05 no. x 20 Kg / cattle /day x 300 days @Rs. 2 / Kg. b.) For dry animal: 05 x 15 Kg / cattle /day x 65 days @Rs. 2 / Kg. c.) For calf: 05 x 5 Kg / calf /day x 270 days @Rs. 2 / Kg.	60000.0 9750.0 13500.0
ii)	Cost of dry fodder: a) For adult animal: 5x 5 Kg / cattle / day x 365 days @ Rs 3.5 Kg. b) For calf: 5 x 1 Kg / calf / day x 270 days @ Rs. 3.5 / Kg.	31937.5 4725.0
iii)	Cost of concentrate: a.) For milking animal: 05 x 5 Kg / cattle /day x 300 days @ Rs.20/ Kg. b.) For dry animal: 05x 2 Kg / cattle /day x 65 days @ Rs. 20 / Kg. c.) For calf: 05x 1 Kg / calf /day x 270 days @ Rs. 20 / Kg.	150000.0 13000.0 27000.0
iv)	Labour expense: self and family members	nil
v)	Veterinary care : At the rate ofRs.1,000/head/annum	5000
vi)	Mis. expenses	2,000.0
	Total variable cost	316912.0
	Total cost (a+b)	362662.0
D)	Income	
i)	Sale of milk: 05 x 3000 litre @ Rs. 35 (assuming a yield of 3000 litre/cattle/annum)	525000.0
ii)	Sale of manure: @ Rs. 5000/head/annum	25,000.0
iii)	Sale of gunny bags	4,000.0
	Total Income	554000.0
E)	Total returns (D-b)	237088.0
F)	Net income/annum [D-(a+b)]	191338.0
G)	Net income/month	15945.0

TENTATIVE PLAN FOR STARTING A DAIRY UNIT OF FIVE BUFFALOES

The tentative plan for starting a dairy unit of five buffaloes based on the following assumptions.

- vii) Land for the construction of shed is available. Moreover, bank loan will be taken for the construction of shed and purchase of animal. A part of working capital will also be borrowed from the bank to start with.
- viii) The animals purchased will be freshly calved in 2nd and /or 3rd lactation having a female calf at its heel.
- ix) Replacement of raising heifers on the farm rather than purchasing.
- x) The amount of loan borrowed will be 75 per cent of the total @10% per annum.
- xi) There shall be adequate and timely availability of veterinary aid and breeding facilities, green /dry fodders and concentrates, etc.
- xii) Prices of inputs and outputs vary seasonally. These have been assumed at averages.

Financial plan of the Project

(Five buffaloes with their followers)

A .	Initial Capital Investment:	Amount (in Rs.)
i	Cost of animals: 5 lactating buffaloes @ Rs .80,000 each. (5 x 80000)	4,00,000.0
ii	Cost of shed: Cost of shed for 5 buffaloes, 5 calves, including store-cum-office room covered area (4 sqm / . animal @ Rs.1000/sqm .and open area8 sqm./animal) @ Rs.500/sqm . (5x4 sqm x Rs. 1000), (5 x 8sqm x 500) For calf covered area will be 1sqm and open area 2sqm other than area required for adult animals.	Adult 40,000.0
		Calf 10000
iii	Cost of equipments: Such as milk cans, chains, milking buckets, weighing balance, chaff cutter, belcha, rickshaw /bullock cart etc. @ 5000 per animal	25,000.0
iv	Initial variable expenses	30000.0
	Total	505,000.0
B.	Financial plan	
1 .	Bank loan (75%)	3,78,750.0
2.	Margin money (25%)	1,26,250.0
	Total	505,000.0
C .	Expenses	
a)	Fixed Cost	Amount (in Rs.)
i)	Depreciation on shed @ 10 %/annum	5,000.0

ii)	Depreciation on machinery & equipments @ 10%/ annum	2,500.0
iii)	Interest on bank loan @ 10%/annum	37875.0
iv)	Insurance premium of milch animals @ 5% /annum	20,000.0
	Total fixed cost	65,375.0
b)	Variable cost	
i)	Cost of green fodder:	
	a.) For milking animal: 5 x 25 Kg / buffalo /day x 300 days @Rs. 2 / Kg.	75,000.0
	b.) For dry animal: 5 x 20 Kg / buffalo /day x 65 days @Rs. 2 / Kg.	13,000.0
	c.) For calf: 5 x 5 Kg / calf /day x 270 days @Rs. 2 / Kg.	13,500.0
ii)	Cost of dry fodder:	
	a) For adult animal: 5 x 4 Kg/ buffalo / day x 365 days @ Rs. 3.5 / Kg.	25,550.0
	b) For calf: 5 x 1 Kg/ buffalo / day x 270 days @ Rs. 3.5 / Kg.	4,725.0
iii)	Cost of concentrate:	
	a.) For milking animal: 5 x 5 Kg / buffalo /day x 300 days @Rs.20 / Kg.	1,50,000.0
	b.) For dry animal: 5 x 2 Kg / buffalo /day x 65 days @Rs. 20 / Kg.	13000.0
	c.) For calf: 5 x 1 Kg / calf /day x 270 days @Rs. 20 / Kg.	27000.0
iv)	Labour expense: Self and family members	00.00
v)	Veterinary care : At the rate ofRs.1,000/head/annum	5,000.0
vi)	Misc .expenses	2,000.0
	Total variable cost	3,28,775.0
	Total cost (a+b)	394150.0
D)	Income	
i)	Sale of milk: 5 x 3000 litre @ Rs. 40 (assuming a yield of 3000 litre /buffalo/annum)	6,00,000.0
ii)	Sale of manure: @ Rs. 5000/head/annum	25,000.0
iii)	Sale of gunny bags	4,000.0
	Total Income	6,29,000.0
E)	Total returns (D-b)	3,00,225.0
F)	Net income/annum [D-(a+b)]	2,34,850.0
G)	Net income/month	19570.0