

DETAILED PROJECT REPORT

FOR

TEN CATTLE/BUFFALO

TENTATIVE PLAN FOR STARTING A DAIRY UNIT OF TEN CATTLE

The tentative plan for starting a dairy unit of ten 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 with interest @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: 10 lactating cattle @ Rs.50000 each. (10x50000)	5,00,000.0
ii	Cost of shed: Cost of shed for 10 adult cattle, 10 calves, including store-cum-office room covered area (3.5 sqm / .animal @ Rs.1000/sqm.and open area 7 sqm /animal) @ Rs.500/sqm . (10 no. x 3.5 sqm x Rs. 1000), (10 no. x 7sqm x 500) For calf covered area will be 1sqm and open area 2sqm other than area required for adult animals.	Adult 70,000.0
		Calf 20000.0
iii	Cost of equipments: Such as milk cans, chains, milking buckets, weighing balance, chaff cutter, belcha, rickshaw /bullock cart etc. @ 5000 per animal	50,000.0
iv	Initial variable expenses	60,000.0
	Total	700000.0
B.	Financial plan	
1 .	Bank loan (75%)	525000.0
2.	Margin money (25%)	175000.0
	Total	700000.0
C.	Expenses	
a)	Fixed Cost	Amount (in Rs.)
i)	Depreciation on shed @ 10 %/annum	9,000.0
ii)	Depreciation on machinery & equipments @10%/ annum	5,000.0
iii)	Interest on bank loan @ 10%/annum	52500.0

iv)	Insurance premium of milch animals @ 5% /annum	25,000.0
	Total fixed cost	91500.0
b)	Variable cost	
i)	Cost of green fodder:	
	a.) For milking animal: 10 no. x 20 Kg / cattle /day x 300 days @Rs. 2 / Kg.	1,20,000.0
	b.) For dry animal: 10 x 15 Kg / cattle /day x 65 days @Rs. 2 / Kg.	19500.0
	c.) For calf: 10 x 5 Kg / calf /day x 270 days @Rs. 2 / Kg.	27,000.0
ii)	Cost of dry fodder:	
	a) For adult animal: 10 x 5 Kg / cattle / day x 365 days @ Rs3.5 Kg.	63,875.0
	b) For calf: 10 x 1 Kg / calf / day x 270 days @ Rs. 3.5 / Kg.	9,450.0
iii)	Cost of concentrate:	
	a.) For milking animal: 10 x 5 Kg / cattle /day x 300 days @Rs. 20 / Kg .	300000.0
	b.) For dry animal: 10 x 2 Kg / cattle /day x 65 days @ Rs.20 / Kg.	26000.0
	c.) For calf: 10x 1 Kg / calf /day x 270 days @Rs. 20 / Kg.	54000.0
iv)	Labour expense:@ 10000/month	1,20,000.0
v)	Veterinary care :At the rate ofRs.1,000/head/annum	10,000.0
vi)	Mis. expenses	5,000.0
	Total variable cost	754825.0
	Total cost (a+b)	846325.0
D)	Income	
i)	Sale of milk: 10 x 3000 litre @ Rs. 35 (assuming a yield of 3000 litre/cattle/annum)	1050,000.0
ii)	Sale of manure:@ Rs. 5000/head/annum	50,000.0
iii)	Sale of gunny bags	10,000.0
	Total Income	1110000.0
E)	Total returns (D-b)	355175.0
F)	Net income/annum [D-(a+b)]	263675.0
G)	Net income/month	21972.0

TENTATIVE PLAN FOR STARTING A DAIRY UNIT OF TEN BUFFALOES

The tentative plan for starting a dairy unit of ten 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 with interest @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

A .	Initial Capital Investment:	Amount (in Rs.)
i	Cost of animals: 10 lactating buffaloes @ Rs .80,000 each. (10x80000)	8,00,000.0
ii	Cost of shed: Cost of shed for 3 buffaloes, 3 calves, including store-cum-office room covered area (4 sqm / . animal @ Rs.1000/sqm .and open area 8 sqm./animal) @ Rs.500/sqm . (10 no.x4 sqm x Rs. 1000), (10 no. x 8sqm x 500) For calf covered area will be 1sqm and open area 2sqm other than area required for adult animals.	Adult 80,000.0
		Calf 20000.0
iii	Cost of equipments: Such as milk cans, chains, milking buckets, weighing balance, chaff cutter, belcha, rickshaw /bullock cart etc. @ 5000 per animal	50,000.0
iv	Initial variable expenses	60,000.0
	Total	10,10,000.0
B.	Financial plan	
1 .	Bank loan (75%)	7,57,500.0
2.	Margin money (25%)	2,52,500.0
	Total	10,10,000.0
C .	Expenses	
a)	Fixed Cost	Amount (in Rs.)

i)	Depreciation on shed @ 10 %/annum	10,000.0
ii)	Depreciation on machinery & equipments @ 10% / annum	5,000.0
iii)	Interest on bank loan @ 10%/annum	75750.0
iv)	Insurance premium of milch animals @ 5% /annum	40,000.0
	Total fixed cost	130750.0
b)	Variable cost	
i)	Cost of green fodder:	
	a.) For milking animal: 10 no. x 25 Kg / buffalo /day x 300 days @ Rs. 2 / Kg.	1,50,000.0
	b.) For dry animal: 10 x 20 Kg / buffalo /day x 65 days @Rs. 2 / Kg.	26,000.0
	c.) For calf: 10 x 5 Kg / calf /day x 270 days @Rs. 2 / Kg.	27,000.0
ii)	Cost of dry fodder:	
	a) For adult animal: 10 x 4 Kg/ buffalo / day x 365 days @ Rs. 3.5 / Kg.	51,100.0
	b) For calf: 10 x 1 Kg/ buffalo / day x 270 days @ Rs. 3.5 / Kg.	9,450.0
iii)	Cost of concentrate:	
	a.) For milking animal : 10 x 5 Kg / buffalo /day x 300 days @Rs. 20/ Kg.	3,00,000.0
	b.) For dry animal: 10 x 2 Kg / buffalo /day x 65 days @Rs. 20 / Kg.	26,000.0
	c.) For calf: 10x 1 Kg / calf /day x 270 days @Rs. 20 / Kg.	54,000.0
iv)	Labour expense: @ 10000/month	1,20,000.0
v)	Veterinary care : At the rate ofRs.1,000/head/annum	10,000.0
vi)	Misc .expenses	5,000.0
	Total variable cost	7,78,550.0
	Total cost (a+b)	909,300.0
D)	Income	
i)	Sale of milk: 10 x 3000 litre@ Rs. 40 (assuming a yield of 3000 litre/buffalo/annum)	12,00,000.0
ii)	Sale of manure: @ Rs. 5000/head/annum	50,000.0
iii)	Sale of gunny bags	10,000.0
	Total Income	12,60,000.0
E)	Total returns (D-b)	481450.0
F)	Net income/annum [D-(a+b)]	350700.0
G)	Net income/month	29225.8