

DETAILED PROJECT REPORT

FOR

THREE CATTLE/BUFFALO

TENTATIVE PLAN FOR STARTING A DAIRY UNIT OF THREE CATTLE

The tentative plan for starting a dairy unit of three 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: 03 lactatingcattle @ Rs.50000 each. (03x50000)	150000
ii	Cost of shed: Cost of shed for 03 adult cattle, 03 calves, including store-cum-office room covered area (3.5 sqm / .animal @ Rs.1000/sqm.and open area 7 sqm /animal) @ Rs.500/sqm . (03 no. x 3.5 sqm x Rs. 1000), (03 no. x 7sqm x 500) For calf covered area will be 1sqm and open area 2sqm other than area required for adult animals.	Adult 21000.0
		Calf 6000.0
iii	Cost of equipments: Such as milk cans, chains, milking buckets, weighing balance, chaff cutter, belcha, rickshaw /bullock cart etc. @ 5000 per animal	15,000.0
iv	Initial variable expenses	20,000.0
	Total	212000.0
B.	Financial plan	
1 .	Bank loan (75%)	159,000.0
2.	Margin money (25%)	53000.0
	Total	212000.0
C.	Expenses	
a)	Fixed Cost	Amount (in Rs.)
i)	Depreciation on shed @ 10 %/annum	2700.0
ii)	Depreciation on machinery & equipments @10%/ annum	1500.0

iii)	Interest on bank loan @ 10%/annum	15900.0
iv)	Insurance premium of milch animals @ 5% /annum	7500.0
	Total fixed cost	27600.0
b)	Variable cost	
i)	Cost of green fodder:	
	a.) For milking animal: 03 no. x 20 Kg / cattle /day x 300 days @Rs. 2 / Kg.	36000.0
	b.) For dry animal: 03 x 15 Kg / cattle /day x 65 days @Rs. 2 / Kg.	5850.0
	c.) For calf: 03 x 5 Kg / calf /day x 270 days @Rs. 2 / Kg.	8100.0
ii)	Cost of dry fodder:	
	a) For adult animal: 03x 5 Kg / cattle / day x 365 days @ Rs 3.5 Kg.	19162.0
	b) For calf: 03 x 1 Kg / calf / day x 270 days @ Rs. 3.5 / Kg.	2835.0
iii)	Cost of concentrate:	
	a.) For milking animal: 03 x 5 Kg / cattle /day x 300 days @ Rs.20/ Kg.	90000.0
	b.) For dry animal: 03 x 2 Kg / cattle /day x 65 days @ Rs. 20 / Kg.	7800.0
	c.) For calf: 03x 1 Kg / calf /day x 270 days @ Rs. 20 / Kg.	16200.0
iv)	Labour expense: Self and Family members	Nil
v)	Veterinary care : At the rate ofRs.1,000/head/annum	3000.0
vi)	Mis. expenses	2,000.0
	Total variable cost	190947.0
	Total cost (a+b)	218547.0
D)	Income	
i)	Sale of milk: 03 x 3000 litre @ Rs. 35 (assuming a yield of 3000 litre/cattle/annum)	315000.0
ii)	Sale of manure: @ Rs. 5000/head/annum	15000.0
iii)	Sale of gunny bags	2500.0
	Total Income	332500.0
E)	Total returns (D-b)	141553.0
F)	Net income/annum [D-(a+b)]	113953.0
G)	Net income/month	9496.0

TENTATIVE PLAN FOR STARTING A DAIRY UNIT OF THREE BUFFALOES

The tentative plan for starting a dairy unit of three 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: 3 lactating buffaloes @ Rs. 80,000 each. (3x80000)	2,40,000.0
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 area8 sqm./animal) @ Rs.500/sqm . (3x4 sqm x Rs. 1000), (3 x 8sqm x 500). For calf covered area will be 1sqm and open area 2sqm other than area required for adult animals.	Adult 24,000.0
		Calf 6000
iii	Cost of equipments: Such as milk cans, chains, milking buckets, weighing balance, chaff cutter, belcha, rickshaw /bullock cart etc. @ 5000 per animal	15,000.0
iv	Initial variable expenses	20000.0
	Total	305,000.0
	B. Financial plan	
1 .	Bank loan (75%)	2,28,750.0
2.	Margin money (25%)	76,250.0
	Total	305,000.0
C .	Expenses	
a)	Fixed Cost	Amount (in Rs.)
i)	Depreciation on shed @ 10 %/annum	3,000.0
ii)	Depreciation on machinery & equipments @ 10%/ annum	1,500.0

iii)	Interest on bank loan @ 10%/annum	22875.0
iv)	Insurance premium of milch animals @ 5% /annum	12,000.0
	Total fixed cost	39375.0
b)	Variable cost	
i)	Cost of green fodder:	
	a.) For milking animal: 3 x25 Kg / buffalo /day x 300 days @Rs. 2 / Kg.	45,000.0
	b.) For dry animal: 3 x 20 Kg / buffalo /day x 65 days @Rs. 2 / Kg.	7800.0
	c.) For calf: 3 x 5 Kg / calf /day x 270 days @Rs. 2 / Kg.	8100.0
ii)	Cost of dry fodder:	
	a) For adult animal: 3 x 4 Kg/ buffalo / day x 365 days @ Rs. 3.5 / Kg.	15,330.0
	b) For calf: 3 x 1 Kg/ buffalo / day x 270 days @ Rs. 3.5 / Kg.	2,835.0
iii)	Cost of concentrate:	
	a.) For milking animal: 3 x 5 Kg / buffalo /day x 300 days @Rs. 20/ Kg.	90000.0
	b.) For dry animal: 3 x 2 Kg / buffalo /day x 65 days @Rs. 20 / Kg.	7800.0
	c.) For calf: 3 x 1 Kg / calf /day x 270 days @Rs. 20 / Kg.	16200.0
iv)	Labour expense: Self and family members	00.00
v)	Veterinary care : At the rate ofRs.1,000/head/annum	3,000.0
vi)	Misc .expenses	2,000.0
	Total variable cost	1,98,065.0
	Total cost (a+b)	2,37,440.0
D)	Income	
i)	Sale of milk: 3 x 3000 litre @ Rs. 40 (assuming a yield of 3000 litre/buffalo/annum)	3,60,000.0
ii)	Sale of manure: @ Rs. 5000/head/annum	15,000.0
iii)	Sale of gunny bags	2,500.0
	Total Income	3,77,500.0
E)	Total returns (D-b)	1,79,435.0
F)	Net income/annum [D-(a+b)]	1,40,060.0
G)	Net income/month	11672.0