Project report for dairy farms

Business, Industries

PROJECT REPORT FOR DAIRY FARM WITH FOUR CROSS-BRED /INDIGENOUS DESCRIPTIVE DAIRY BREED COWS Dairy farming is a profitable business. It provides an excellent opportunity for self employment of unemployed youth. It is also an important source of income generation to small/marginal farmers and agricultural labourers. India is the largest milk producer of the world. The demand of milk & milk product is increasing rapidly There is immense scope of dairy farming in our country. The increasing cost of feed ingredients and its seasonal variability can be reduced by undertaking fodder cultivation.

Before starting a dairy farm the entrepreneurs/ farmers are advised to under go training on dairy farming. They must check the following points before starting a dairy farm. 1. Availability of good quality dairy breed cows in nearby livestock market 2. Nearness of the Farm to Veterinary Hospital, Artificial Insemination Center/livestock Aid Centers, MPCS 3. Marketing facility of milk and milk product in non MPCS area 4. Availability of concentrates , fodder & medicine in that locality. This project report is based on following assumption:- 1.

Freshly calved crossbred/indigenous descriptive (dairy Breed)cows in 1st or 2nd lactation will be purchased in two batches of two animals each at an interval of 5 to 6 months. 2. Availability of 0. 75 to 1(one) acre of irrigated land is prerequisite for the project, in absence of irrigated land provision of well and pump set has to be included in the project report. 3. Cost of labour has not been taken into consideration since full time labour is not required for the small unit. Familylabour will be utilized for maintenance of the dairy farm. 4. Cow dung produced will be utilized as Manure for fodder

cultivation. . Cost of rearing calves not considered as it will be repealed by their sale 6. In case of death of cow new cow will be purchased from insurance claimmoney. · The scheme will be successful on the above guidelines if run by the dairy farmer on scientific lines. Housing for cows Floor – it should be Pucca, smooth strong concrete cemented, impervious to moisture , and have slope 1 in 60 towards gutter. Plinth should be 2ft. higher than ground. Walls-3ft. high lengthwise brick or wall on sides, End wall should be solid made of bricks. Roof– it should be 14-16ft. igh at the center and 8-9 ft. high on the side wall . there should be hang over 3ft beyond wall to prevent rain water entering cow shade. Roof may be of asbestos, or tile. thatched roof can replace asbestos in low cost housing. Techno economic parameters| | Type of Animal| CB Jersey CowOr indigenous descriptiveMilch breed| No. of Animals| 4| Cost of Animal (Rs. /animal) including transportation| 27000/cow| Average Milk Yield (litre/day)| 10| Floor space (sqft) per adult animal| 40| Floor space (sqft) per calf| 20| Cost of construction per sqft (Rs.)| 200| Cost of equipment per animal (Rs. | 1000| Cost of fodder cultivation (Rs. /acre/season)| 5000| Insurance premium (% per annum)| 5| Veterinary aid/animal/ year (Rs.)| 750| Cost of concentrate feed (Rs. /kg)| 12| Cost of dry fodder (Rs. /kg)| 1| Rate of interest (%)| 12| Repayment period (years)| 6| Selling price of milk/litre (Rs. /kg)| 21| Sale price of gunny bags (Rs. per bag)| 10| Lactation days| 280| Dry days| 150| DAILY FEEDING AND COST CHART FOR DAIRY COWS | Item| FEEDING STUFF| COST/KGRs. | During lactation period| During dry period| | | | Quantity (kg)| Cost (Rs.)| Quantity (kg)| Cost (Rs. | i| Concentrate feed| 12| 3. 5| 42| 1| 13| ii| Green fodder| 1| 20| Home grown| 12| Home grown| iii| Dry fodder| 2| 5. 5|

11| 5| 10| | Total| | | 53| | 22| Lactation chart/Dry chart| Sr. No| Particulars| | | Years| | | | | | I| II| III| IV| V| Vi| i)| Lactation Days| | | | | | a)| First batch| 500| 560| 500| 420| 420| 500| b)| Second batch| 360| 420| 420| 420| 420| 420| | Total| 860| 980| 920| 840| 840| 920| ii)| Dry Days| | | | | | a)| First batch| 220| 160| 220| 300| 300| 220| b)| Second batch| -| 300| 300| 300| 300| 300| | Total| 220| 460| 520| 600| 600| 520| Project cost and bank loan| Cost. In Rs. | I. | Capital cost| | II. | Cow shed for 4 cows 40sq. ft/cow @200/sqft | 32000| III. | Calf pen for 4 calves 20 sq. ft. /calf @200/sq. ft. | 16000| IV. | Cost of 2 CB cows with minimum average 10 liter milk yield /day @27000 with transportation| 108000| V. | Cost of one chaff cutter hand operated| 10000| VI. | Cost of dairy appliances @ 1000/cow| 4000| VII. | Cost of electrification of dairy farm with two electric fans| 10000| | Total| 18000| Recurring cost to be capitalized| 1. Cost of feed for first batch of one cows for one month as per feed chart| 3180| 1. | Cost of insurance 2 animals @5% of animal cost| 5400| 1. | Cost of fodder cultivation in one acres of land| 10000| 1. | Cost of medicine vaccine, electricity for the first cow| 1500| 1. | Total recurring expenditure| 20080 | 1. | TOTAL PROJECT COST Say| 200080200000| 1. | Margin money 10% of project cost| 20000| 1. | Bank loan 90% of project cost| 180000| Item| Particulars| . Project period| | 1| 2| 3| 4| 5| 6| 1. | Feeding during lactation period vide yearly lactation days and feed cost as per chart| 45580| 51940| 48760| 44520| 44520| 48760| 1. | Feeding during dry period vide dry days and feed cost as per feed chart enclosed| 4840| 10120| 11440| 13200| 13200| 11440| 1. | Medicine vaccine veterinary

aid| 3000| 3000| 3000| 3000| 3000| 3000| 1. | Insurance @5% of animal cost /year| 5400| 5400| 5400| 5400| 5400| 5400| 1. | Cost of fodder cultivation| 10000| 10000| 10000| 10000| 10000| 10000| 1. | other miscellaneous expenditure| 2000| 2000| 2000| 2000| 2000| 2000| 1. Total| 70820| 82460| 80600| 78120| 78120| 80600| | INCOME| | | | | | I. | Sale of milk @Rs. 21/liter during lactation days with average milk yield /10 liter/day| 180600| 205800| 193200| 176400| 176400| 193200| II. | Sale of gunny bags| 640| 780| 740| 700| 700| 740| III. | Manure will be utilized in own farm| | | | | | | IV. | Value of closing stock of 3cows(Depreciation on animal cost @10%/year)| | | | | | 43200| V. | Value of building(Depreciation on%/year)| | | | | | 19200| VI. Value of equipments(Depreciation on equipments @15%/year)| | | | | | 2400| VII. | Total income| 181240| 206580| 193940| 177100| 177100| 258740| VIII. | Gross profit| 110420| 124120| 113340| 98980| 98980| 178140| | 1| 2| 3| 4| 5| 6| Capital Costs| 180000| | | | | | Recurring Cost| 70820| 82460| 80600| 78120| 78120| 80600| Total Costs| 250820| 82460| 80600| 78120| 78120| 80600| Benefit| 181240| 206580| 193940| 177100| 177100| 258740| Net Benefit| -69580| 124120| 113340| 98980| 98980| 178140| PW Costs @ 15%| 451802. 8| PW Benefits @ 15%| 742490. 80| NPW| 290688. 62| B. C. Ratio| 1. 64: 1| | | I. R. R. (%)| > 25%| Year| Loan Outstanding| Gross Surplus| Interest| Principal| Total Repayment| Surplus| 1| 180000| 110420| 21600| 20000| 41600| 68820| 2| 16000| 124120| 19200| 40000| 59200| 64920| 3| 120000| 113340| 14400| 30000| 44400| 68940| 4| 90000| 98980| 10800| 30000| 40800| 58180| 5| 60000| 98980| 7200| 30000| 37200| 61780| 6| 30000| 178140| 3798| 30000| 33798| 144342| |