**The project outlines the following**

* Asset requirements in terms of land, equipment, building and animals
* Estimated total investment
* Estimated Fixed cost
* Estimated Variable cost
* Estimated Income generated
* Profit before Depreciation, Interest and Tax
* Internal Rate of Return and
* Return on Investment

**Assumptions**

1. The cost of land for the project is not considered.
2. Inter-calving period of 390 days (300 lactating days and 90 dry days)
3. Provision for silage bunker & mister set
4. Change in market price of the animals assumed in following manner
   1. Animals in 1st lactation: No change
   2. Animals in 2nd lactation: +5%
   3. Animals in 3rd lactation: -5%
   4. Animals in 4th lactation: -10%
   5. Animals in 5th lactation: -30%
   6. Animals in 6th lactation: -50%
   7. Animals in 7th lactation: -70%
5. Once the young animal, reared within the herd that is ready to calve, would replace the oldest animal.
6. The animals apart from 1st, 2nd or 3rd lactations are assumed to be sold off to maintain constant herd size.
7. Required land is available for cultivating green fodder for animals.
8. For lactating animals, total dry matter of feed and fodder is assumed to be in the range of 3.5-4 kg per 100 kg body weight.
9. For dry animals, total dry matter of feed and fodder is assumed to be around 2.5 kg per 100 kg body weight.
10. The project is considered as on-going and therefore, terminal values of assets are not considered.
11. Male calves are assumed to be sold off.
    1. Price assumptions are on average basis and would vary region to region
12. Provision for any taxation has not been made
13. Of total 10 cows purchased

* 5 cows are of 1st lactation having yield of 15 litres/ day, costing ₹ 60,000/ animal
* 3 cows are of 2nd lactation having yield of 18 litres/ day, costing ₹ 63,000/ animal
* 2 cows are of 3rd lactation having yield of 17 litres/ day, costing ₹ 60,000/ animal

1. Of 10 animals, 5 are assumed to be purchased at the beginning of the project and rest after 6 months
2. Provision for manual chaff cutter
3. No milking machine

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **PROJECT DETAILS (INDICATIVE) for 10 COW FARM** | | | | | | | | |
| Pre-requisite for the project |  |  |  | square feet |  |  |  |  |
| Land requirement for cattle shed, storage and silage bunker | | | | 2325 |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
| Project cost |  |  |  |  |  |  |  |  |
| Item | Amount (₹) |  |  |  |  |  |  |  |
| Cattle shed for adult animals | 420,000 |  |  |  |  |  |  |  |
| Cattle shed for calves | 140,000 |  |  |  |  |  |  |  |
| Cattle shed for heifers | 245,000 |  |  |  |  |  |  |  |
| Silage bunker | 37,500 |  |  |  |  |  |  |  |
| Construction for storage area | 233,340 |  |  |  |  |  |  |  |
| Animals | 623,000 |  |  |  |  |  |  |  |
| Equipments | 16,000 |  |  |  |  |  |  |  |
| Contigency | 34,300 |  |  |  |  |  |  |  |
| Total Project cost | 1,749,140 |  |  |  |  |  |  |  |