PROJECT REPORT ON GOAT FARMING

PARAMETERS VALUES

1. Breed	Barbari
2. Unit size	
A-Doe	130
B-Buck	7
3. Product	Kidd's, Manures etc
4. Cost of the project	2000000.00
5. Bank loan	1500000.00
6. Margin money	500000.00
7. Subsidy	720000.00

Financial Indicators

8. BCR	2.06:1
9. IRR (%)	26
8. Interest rate (% per annum)	12.00
9. Repayment period	6 years

PROJECT DESCRIPTION

1. INTRODUCTION

Goat is a multi functional animal and plays a significant role in the economy and nutrition of landless, small and marginal farmers in the country. Goat rearing is an enterprise which has been practiced by a large section of population in rural area. Goats can efficiently survive on available shrubs and trees in adverse harsh environment in low fertility lands where no other crops can be grown.

In pastoral and agricultural subsistence societies in India, goat is kept as a source of additional income and as an insurance against disaster.

Goats are among the main meat-producing animals in India, whose meat is one of the choicest meats and has huge domestic demand. The emerging favorable market conditions and easy accessibility to improved goat technologies are also catching the attention of entrepreneurs.

Due to its good economic prospects, goat rearing under intensive and semi-intensive system for commercial production has been gaining momentum.

A number of commercial goat farms have been established in different regions of the country.

Production Technology

Project Location:

Goat farm is located in the area where assured market round the year is available. It is easily accessible to the main road.

Housing:

Low cost housing will be constructed in such a way in a raised platform (about 1 meter height from ground level) by using bamboo/wooden poles or 'pakka' building by establishing concrete pillars. Floor and side walls will be made of wooden material. Roof will be thatched with coconut leaves, grass or asbestos sheets. Average floor space per kid is 0.75 to 1 sq. meter. Floor should have at least 1 cm space between bamboos/wooden planks to allow passage of dung and urine down to the ground.

Feed & Fodder cultivation:

Fertile land with assured irrigation facilities is available so that fodder crops could be successfully raised and abundant good quality green fodders will be made available for animal feeding throughout the year.

Water:

Good quality fresh water for animal drinking and for the cleaning, washing etc. is available.

Labors:
Honest, economic and regular supplies of labors are available.
Veterinary Aid:
Veterinary aid/breeding centers facilities are availability near the goat farm.

MARKET POTENTIAL

In India goat meat is preferred by all. Indians' love for goat meat has led to the commodity's price increasing at 20% per annum.
The demand for goat meat is increasing faster than the growth in goat population. The goat meat is a high protein diet with high nutritional value. The goat meats are widely used in various hotels and restaurants. It is also used at special occasions like parties and marriages.
Direct marketing of animals is highly profitable. Involvement of middleman can reduce the price of animals. There is also scope for exporting Frozen Goat Meat.
There is always good opportunity for goat owners during Bakri Id festival. There is a mad rush of customers looking for goats during this festive period, which they would sacrifice on Bakri Id day. The prices goat goes high varying between Rs 10,000 and Rs 50,000 per goat.
As the demand far exceeds supply, goat meat prices have been increasing steadily. This increased price has created a need and opportunity for a large scale organized and scientific method of goat rearing in controlled conditions (Stall-Fed method).

SWOT ANALYSIS

Strengths:
• Low labor requirement.
• Goat is a multi functional animal and plays a significant role in the economy and nutrition of landless, small and marginal farmers in the country.
• Goats can efficiently survive on available shrubs and trees in adverse harsh environment in low fertility lands where no other crop can be grown.
• The initial investment needed for Goat farming is low.
• No religious taboo against goat slaughter and meat consumption prevalent in the country.
• Goat milk is easy to digest.
• Goat creates employment to the rural poor besides effectively utilizing unpaid family labor.
• Goats are strong creatures that are able to resist various diseases.
• Since goats are relatively small in size, the facilities and amenities to support them are also minimal.

• Goats generally love being with humans and they are extremely docile.
• They have a high fertility rate achieving maturity with just 5 to 6 months. The probability of producing twins is high.
• Risk associated with drought is less in commercial goat farming compared to other livestock breeds.
• Goats are good instruments to enhance the health of the grazing land and minimize encroachment of bushes.
• Goat meat is a great appeal to the public because of the health benefits it provides to its consumers. It is extremely low in fat, cholesterol and calories. This is good for people who have low energy diet scheme.

Opportunities:

• High and ready market of goat meat.
• Confirmed ever increasing Market price.

Weakness

• Large-scale, organized goat farming has not yet become a successful venture in the country.
• High mortality rate of goat kids

Threats

• The goat population is increasing & according to the government census, declining grazing land poses a big challenge to the industry.

ECONOIMIC OF THE REPORT

A-BASIS & PRESUMPTIONS

I-Techno-Economic Parameters

S.No	PARTICULARS	UNIT	QUANTIETY
1	Breed of the Goat		Barbari
2	System of rearing		Semi Intensive
3	No. of Does		130
4	No. of Bucks		7
5	Age of maturity	Months	10 to 12
6	Kidding interval	Months	8
7	No. of Kidding per Year	Per Year	1.5
8	Kidding percentage	%	80
9	Average litter Size(average of single ,twinning, triplet, quadruplet,)		2
10	Sex ratio	%	1:1
11	Mortality of Kidd's	Months	20
12	Saleable age of Kidd's(Pay back:6 Year including moratorium for the first year)		11

II-Expenditure norms

S.No	PARTICULARS	UNIT	QUANTIETY
1	Space requirement per head for Buck	Sq.ft	15
2	Space requirement per head for Doe	Sq.ft	15
3	Space requirement per head for Kidd	Sq.ft	4
4	Cost of construction of shed for Bucks, Does,& Kidd's	RS/Sq.ft	120
5	Cost of one Doe (Female)	Rs.	6000
6	Cost of one Bucks (Male)	Rs.	9000
7	No. of Unskilled labour	Nos.	1
8	Cost of one unskilled labour /annum	Rs.	60000
9	cost of one Chaff cutter	Rs.	20000
10	Requirement of concentrate feed (adult animal/month)	Kg.	10.5
11	Requirement of concentrate feed (Kidd/month)	Kg.	4.5
12	Rate of concentrate per Kg	Rs.	20
13	Misc.exp,(Vaccine, Medicine, and Veterinary aid per animal par year)	Rs.	185
14	Electricity and water supply per month	Rs.	1000

III-Income norms

S.No	PARTICULARS	UNIT	QUANTIETY
1	Sale price of Buck (at the age11 month)	Rs.	12000
2	Sale price of Doe (at the age11 month)	Rs.	10000

TOTAL COST OF PROJECT

A-Capital Cost					
S.No	PARTICULARS	UNIT	UNIT RATE (Rs)	QUANTITY	AMOUNT (Rs)
1	Side Development				40000
2	Cost of Does	Nos.	6000	130	780000
3	Cost of Bucks	Nos.	9000	7	63000
4	Shed for Does	Sq.ft	120	1950	234000
5	Shed for Bucks	Sq.ft	120	105	12600
6	Shed for Kidd's	Sq.ft	120	1040	124800
7	Equipment for feeding	Nos.	150	137	20550
8	Chaff cutter	Nos.	20000	1	20000
9	Rope, Chains	Ls.	137	32	4275
10	Water storage and distribution	Ls.			2000
	Total				**1301225**
B-Working Cost					
S.No	PARTICULARS	UNIT	UNIT RATE (Rs)	QUANTITY	AMOUNT (Rs)
1	Concentrate feeds	Rs./Kg	20	17262	345240
2	Concentrate feeds for Kidd's	Rs./Kg	20	8424	168480
3	Fodder Cultivation	Acre/Year	6000	0.5	3000
4	Unskilled worker	Nos.	60000	1	60000
5	Misc.exp(Vaccine, Medicine, and Veterinary aid)	animals	185	293	54205
6	Insurance	%	5	843000	42150
7	Electricity and water supply per month	Rs./Month	1000	12	12000
8	Transport Charge	Ls.	100	137	13700
	Total				**698775**
Total Cost of Project				**(A+B)**	**2000000**

D. PROJECTED PERFORMANCE & PROFITABILITY

I-FLOCK PROJECTION CHART							
S.No.	PARTICULARS	I YEAR	II YEAR	III YEAR	IV YEAR	V YEAR	VI YEAR
1	Nos. of Kidding/Year	1.5	1.5	1.5	1.5	1.5	1.5
2	Nos. of Kidd's born male	97.5	97.5	97.5	97.5	97.5	97.5
3	Nos. of Kidd's born female	97.5	97.5	97.5	97.5	97.5	97.5
4	Nos. of Kidd's died male 20%	19.5	19.5	19.5	19.5	19.5	19.5
5	Nos. of Kidd's died female 20%	19.5	19.5	19.5	19.5	19.5	19.5
6	Nos. of male Kidd's available for sale	0	78	78	78	78	78
7	Nos. of female Kidd's available for sale	0	78	78	78	78	78

NOTE- Kidd's produced in first year will be sold in second year & soon

II-PROJECTED PROFITABILITY

I- INCOME

S.No	PARTICULARS	UNIT	UNIT RATE	QUANTITY	I YEAR	II YEAR	III YEAR	IV YEAR	V YEAR	VI YEAR
1	From sale of male goats	Bucks	12000	78	0	936000	936000	936000	936000	936000
2	From sale of female for goats	Does	10000	78	0	780000	780000	780000	780000	780000
3	From Sale of Manure	Tones	1500	12	18000	18000	18000	18000	18000	18000
	Total			(A)	**18000**	**1734000**	**1734000**	**1734000**	**1734000**	**1734000**

II-EXPENDITURE

S.No	PARTICULARS	UNIT	UNIT RATE	QUANTITY	I YEAR	II YEAR	III YEAR	IV YEAR	V YEAR	VI YEAR
1	Concentrate feeds	Rs/Kg	20	17262	345240	345240	345240	345240	345240	345240
2	Concentrate feeds for Kidd's	Rs/Kg	20	8424	168480	168480	168480	168480	168480	168480
3	Fodder cultivation	Acre/Year	5000	0.5	2500	2500	2500	2500	2500	2500
4	Unskilled worker	Nos	60000	1	60000	60000	60000	60000	60000	60000
5	Misc. expenditure, Vaccine, Medicine	Per Animal	185	293	54205	54205	54205	54205	54205	54205
6	Electricity and water supply	Per Month	1000	12	12000	12000	12000	12000	12000	12000
7	Transport Charges	LS	100	137	13700	13700	13700	13700	13700	13700
8	Insurance of Animals	%	5	843000	42150	42150	42150	42150	42150	42150
	Total			(B)	**698275**	**698275**	**698275**	**698275**	**698275**	**698275**

	GRASS INCOME			(A-B)	**-680275**	**1035725**	**1035725**	**1035725**	**1035725**	**1035725**

Calculation of Depreciation of Fixed assets

S.No.	Particular	Cost of the assets	Rate of Dep.	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
1	Depreciated Value of Building@10%	371,400.00	10%	334260	300834	270750.6	243675.54	219307.99	197377.19
2	Depreciated Value of Machinery & equipments@15%	40,550.00	15%	36495	32845.5	29560.95	26604.86	23944.37	21549.93
3	Depreciated value of closing stock Value (Adults)@10%	780,000.00	10%	702000	631800	568620	511758	460582.2	414523.98
	Total Depreciation	**1,191,950.00**		**1,072,755.00**	**965,479.50**	**868,931.55**	**782,038.40**	**703,834.56**	**633451.1**

E-FININCIAL ANALYSIS							
S. No.	PARTICULARS	I YEAR	II YEAR	III YEAR	IV YEAR	V YEAR	VI YEAR
1	Capital Costs	347100	0	0	0	0	0
2	Recurring Costs	154846	154846	154846	154846	154846	154846
TOTAL COST		**501946**	**154846**	**154846**	**154846**	**154846**	**154846**
3	Repayment	0	80311.36	80311.36	80311.36	80311.36	80311.36
4	Interest	0	48186.82	38549.4528	28912.09	19274.73	9637.3632
	Total Expenses	**501946**	**283344.2**	**273706.813**	**264069.45**	**254432.1**	**244794.72**
BENEFIT		**18000**	**1734000**	**1734000**	**1734000**	**1734000**	**1734000**
1	Depreciated value of building @10%	0	0	0	0	0	197377.19
2	Depreciated value of machinery &equipments @15%	0	0	0	0	0	21549.93
3	Closing stock value (adults) @ 10% Depreciation	0	0	0	0	0	414523.98
	TOTAL BENEFIT	**18000**	**1734000**	**1734000**	**1734000**	**1734000**	**2367451.1**
	NET BENEFIT	**-483946**	**166655.8**	**176293.187**	**185930.55**	**195567.9**	**224266.29**

BCR=1:2.06

IRR 26%

C-MEANS OF FINANCE				
S.No	**PARTICULARS**	**UNIT**	**UNITRATE**	**QUANTIETY**
1	Term Loan	%	75	1500000
2	Own contribution	%	25	500000
3	Subsidy	%	36	720000
			Total	**2000000**

Repayment Schedule

S. No	Particulars	Year					Amount in Rs.
		1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
1	Loan	1,500,000.00	0	0	0	0	0
2	Loan Repayment	0	300000	300000	300000	300000	300000
3	Outstanding term loan	0.00	1,200,000.00	900,000.00	600,000.00	300,000.00	0.00
4	Interest on term loan	180000	180000	144000	108000	72000	36000
5	**Total repayment**	**180000**	**480000**	**444000**	**408000**	**372000**	**336000**