

Model project report for goat farming

with 100 female & 5 male goats

India has a very large and diverse genetic resource of goats. Goat plays a significant role in economic upliftment of rural poor . Consumption of goat meat (chevon) is increasing rapidly due to its social acceptability. This sector has tremendous potential in employment generation & poverty reduction. Before starting a Goat farm the entrepreneurs/ farmers are advised to undergo training on goat farming. They can contact Local Animal Husbandry Department staffs/Veterinary College/agriculture University etc. for the purpose. They should also visit progressive Goat farmers and government/ agricultural university goat farm in the locality. They must check the following points before starting a goat farm.

1. Availability of good quality Parent stock in the locality
2. Marketing facility for goat & goat meat
3. Nearness of farm to veterinary hospital/Livestock Aid center
4. Availability of concentrates ,fodder& medicine in that locality.

This project report is based on following assumption:-

- 1- Adult healthy Does& bucks of black Bengal breed within 2 years of age will be purchased
- 2- Manure produced in the farm will be utilized for fodder cultivation
- 3- In case of death of adult goats new animal will be purchased from insurance claim money
- 4- The above project will be economically viable under proper care & attention of the entrepreneur.

Techno-economic parameters	
Breed of Goat	Black Bengal
System of rearing	Semi intensive
No. of Bucks	5
No. of Does	100
Age at Maturity (Months)	10-12
Kidding/ interval (Months)	8
No of kidding/year	1.5
Kidding percentage	90
Average litter size (average of single, twinning, Triplet, quadruplet)	2
Sex ratio	1:1
Mortality(%) Kids	15

Saleable age of kids (months)	11
<u>Expenditure norms</u>	
Space requirement sqft.per head for Buck	15 ,
Space requirement sqft.per head for doe	10
Space requirement sqft.per head/kid	4
Cost of construction (Rs.persft) Doe, Bucks ,Kids	200
Cost of equipment (Rs.per adult animal)	20
Cost of green fodder cultivation (Rs./acre/season)	6000
Concentrate feed : Adult does (one month before breeding and one month after kidding i.e. per kidding)	6.75 kg per month
Concentrate feed for Bucks (two months per breeding season)	7.5 kg per month
Concentrate feed for Kids (for 30 days)	3.75 kg per kid
Cost of conc. feed (Rs./kg)	18
Labour (No.)	1
Labour wages (Rs.per month)	6000
Purchase price of buck	7000/buck
Purchase price of doe	4500/doe
Insurance (as percentage of the cost of breeding stock)	4
Veterinary aid (Rs./adult/year)	50
<u>Income norms :</u>	
Sale price of Buck/(11month)	3200
Sale price of Doe/(11month)	3000
Income from manure is not assumed as it is used on the own farm for fodder cultivation.	
Sale of Gunny bags (Rs./bag)	10
<u>Repayment norms:</u>	
Repayment period (years)	6
Grace Period (years)	1
Interest rate(%)	12

Flock projection chat for Black Bengal Breed Goats						
Year	1st	2nd	3 rd	4th	5th	6th
No. of does purchased	100					
No. of bucks purchased	5					
No. of kidding/year	1.5	1.5	1.5	1.5	1.5	1.5
No. of kids born male	135	135	135	135	135	135
No. of kids born female	135	135	135	135	135	135
No of kids died male 15%	20	20	20	20	20	20
No of kids died female 15%	20	20	20	20	20	20
No. of male kids available for sale	Kids produced in first year will be sold in second year & so on	115	115	115	115	115
No. of female kids available for sale		115	115	115	115	115

A-Capital cost	(Amount in Rs.)
Construction low cost Shed for 100does @ 10sq.ft/adult Doe(Rs.200/sq.ft	200000
Construction of Shed for 5 bucks@15sq.ft/buck (Rs.200sq.ft buck shed)	15000
Construction of Shed for230 kids @4 sq.ft./ kids (920sq.ft)@(Rs200./-sqft	184000
Equipment feeding trough buckets etc	20000
Cost of 100 does@ 4500/doe	450000
Cost of 5 bucks@7000/buck	35000
Bore well with pump set	800000
TOTAL CAPITAL COST	949000
<u>Working Capital</u>	
Wages for one labour @6000/month for 1 year	72000
Cost of insurance 4% of animal cost	19400
Cost of concentrate feed for 100 does @6.75kg/month/doe for two months i.e kg@18/kg	24750
Cost of concentrate feed for 5bucks @7.5kg/adult animal for two months @ 18/kg	1350
Cost of concentrate feed for 230 kids@3.75 kg/kid /month i.e 900kg for one month @18/kg	16200
Fodder cultivation in 4 acres of land@6000/acre/season	24000
Misc, expenditure i.e. vaccine medicine and veterinary aid and electricity	20000
Contingency	9650
Total Working Capital	186000
TOTAL PROJECT COST	1135000
Margin money @25% of project cost	283750
Bank loan@75% of project cost	851250

CASH FLOW	Project period (year) Amount in Rs.					
	i	ii	iii	iv	v	Vi
Wages for labour @ 100/day for 1 year	72000	72000	72000	72000	72000	72000
Cost of insurance 4% of animal cost	19400	19400	19400	19400	19400	19400
Cost of concentrate feed for buck does and kids	40950	40950	40950	40950	40950	40950
Fodder cultivation of land@6000/acre/crop	48000	48000	48000	48000	48000	48000
Misc, expenditure i.e. vaccine medicine and veterinary aid	20000	20000	20000	20000	20000	20000
Total expenditure	200350	200350	200350	200350	200350	200350
Sale price of male goats @3200/buckling		368000	368000	368000	368000	368000
Sale price of female goats @3000/doeling	-	345000	345000	345000	345000	345000
Sale price of gunny bag	460	460	460	460	460	460
Value of closing stock 100 doe, 5buck, @ average 2500/adult & 230 kids @ 1500/kid						607500
Value of shed (10% depreciation/year)						159600
Value of equipment (20% depreciation /year)						-
Total	460	713460	713460	713460	713460	1480560
Gross profit	-199890	513110	513110	513110	513110	1280210

Calculation of BCR and IRR

	1	2	3	4	5	6
Capital Costs	949000					
Recurring Cost	200350	200350	200350	200350	200350	200350
Total Costs	1149350	200350	200350	200350	200350	200350
Benefit	460	713460	713460	713460	713460	1480560
Net Benefit	-1148890	513110	513110	513110	513110	1280210

Sl no	Financial indicators	Estimated value	Preferred value
1	Net Present Worth (NPW) @ 15% DF	828277.02	Should be +ve
2	Benefit Cost Ratio(BCR)@ 15% DF	1.52:1	>1
3	Internal Rate of return (IRR)	29.57	>15%
4	Debt Service Credit Ratio (DSCR)	2.48	>1.5

Bank loan=851250

Interest =12% Grace period- 1 year

Total loan at the end of grace period =851250+102150

=953400.00

Repayment schedule

S.No	Monthly Installment	Interest	Principal	Balance
0				953400
1	18639	9534	9105	944295
2	18639	9443	9196	935099
3	18639	9351	9288	925810
4	18639	9258	9381	916429
5	18639	9164	9475	906955
6	18639	9070	9570	897385
7	18639	8974	9665	887720
8	18639	8877	9762	877958
9	18639	8780	9860	868098
10	18639	8681	9958	858140
11	18639	8581	10058	848082

12	18639	8481	10158	837924
13	18639	8379	10260	827664
14	18639	8277	10363	817301
15	18639	8173	10466	806835
16	18639	8068	10571	796264
17	18639	7963	10677	785588
18	18639	7856	10783	774805
19	18639	7748	10891	763914
20	18639	7639	11000	752914
21	18639	7529	11110	741804
22	18639	7418	11221	730582
23	18639	7306	11333	719249
24	18639	7192	11447	707802
25	18639	7078	11561	696241
26	18639	6962	11677	684565
27	18639	6846	11794	672771
28	18639	6728	11911	660860
29	18639	6609	12031	648829
30	18639	6488	12151	636678
31	18639	6367	12272	624406
32	18639	6244	12395	612011
33	18639	6120	12519	599492
34	18639	5995	12644	586847
35	18639	5868	12771	574077
36	18639	5741	12898	561178
37	18639	5612	13027	548151
38	18639	5482	13158	534993
39	18639	5350	13289	521704
40	18639	5217	13422	508282
41	18639	5083	13556	494726
42	18639	4947	13692	481034
43	18639	4810	13829	467205
44	18639	4672	13967	453238
45	18639	4532	14107	439131
46	18639	4391	14248	424883
47	18639	4249	14390	410493
48	18639	4105	14534	395959
49	18639	3960	14680	381279
50	18639	3813	14826	366453
51	18639	3665	14975	351478
52	18639	3515	15124	336354
53	18639	3364	15276	321078
54	18639	3211	15428	305650

55	18639	3056	15583	290067
56	18639	2901	15738	274329
57	18639	2743	15896	258433
58	18639	2584	16055	242378
59	18639	2424	16215	226163
60	18639	2262	16378	209785
61	18639	2098	16541	193244
62	18639	1932	16707	176537
63	18639	1765	16874	159663
64	18639	1597	17043	142621
65	18639	1426	17213	125408
66	18639	1254	17385	108023
67	18639	1080	17559	90464
68	18639	905	17735	72729
69	18639	727	17912	54817
70	18639	548	18091	36726
71	18639	367	18272	18455
72	18639	185	18455	0

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