CATTLE FEED

I. INTRODUCTION:

With the advent of Dairy Development Board there has been a substantial growth of cattle farms / poultry farms all over the country. By sustained efforts of agricultural and veterinary department to boost the production of milk and large number of farms for breeding milk cattle have been developed on scientific lines in the country.

The increase of these development projects depends largely on the availability of well balanced feed in respect of carbohydrates, protein, vitamins and minerals. Therefore, the need for balanced cattle feed as an addition to the green fodder and for the general improvement of the cattle health forms an essential part of the intensive cattle development programme.

II. MARKET POTENTIAL

In view of the intensive cattle development programme which have already been taken on hand by State Government, the success of these development projects depends largely on the availability of the well balanced cattle feed, which envisages the future scope for the development of this industry on decentralised basis in the country.

III. BASIS AND PRESUMPTIONS:

This scheme is based upon single shift per day and 300 working days per annum.

IV. IMPLEMENTATION SCHEDULE:

Generally six months time is sufficient to implement the project fully.

V. TECHNICAL ASPECTS:

1.Process of Manufacturing:

The process of manufacture of cattle feed is relatively simple and consists of reduction of size and blending of the various ingredients. The selected ingredients are passed through a disintegrator or pulverisor to reduce the size of the particles to the required mesh size. The different powdered raw materials are taken by night in a ribbon blended for uniform mixing. The vitamins, minerals, mixer and molasses are added at this stage and when uniformly mixed, it is extruded to get in pallet form or to finished product. The product is then packed in gunny bags.

2.Quality Specification

The quality standard is IS-2052-1875

3.Production Capacity per annum

Quantity: 600 MTs

Value: Rs.3600000

4.Motive Power

3 phase

VI. TOTAL CAPITAL INVESTMENTS

S.No	Description	Value Rs.
1	Fixed Capital	138000
2	Working capital for 6 months	276560
	Total cost	**414560**

VII. MEANS OF FINANCE

1.Promoter's Contribution (5% of total cost) 20728
2.PMRY subsidy (15% of total cost or Rs.7500,whichever is less) 7500
3.Bank loan[total cost-(Promoter's Contribution+ PMRY subsidy) 386332

VIII FINANCIAL ASPECTS

1. FIXED CAPITAL

i)Land & Buildings: Rented premises 500sft for a rent of Rs. 3000 pm
ii) Machinery & Equipment

S.No	Description	Quantity	Value Rs.
1	Disintegrator with motor starter pulley V belt set.	1	50000
2	Ribbon blender with reduction gear	1	30000
3	Gyrator sifter with motor starter	1	15000
4	Platform weighing machinery(10kg. Capacity)	1	10000
5	Gunny bag sealing machine	1	5000
6	Misc. Equipment including office furniture		10000
7	Erection & Electrification charges-15%		18000
	Total		**138000**

2. WORKING CAPITAL

i)Staff & Labour per month

S.No	Designation	No	@ Rs.	Value Rs.
1	Supervisor	1	2500	2500
2	Skilled workers	2	2000	4000
3	Unskilled workers	3	1500	4500
4	Clerk cum cashier	1	1500	1500
5	Peon/ Watchman	1	1000	1000
	Total			**13500**

ii)Raw Material (p.m.)

S.No	Description	Quantity kg.	Value Rs.
1	Maize	5000	25000
2	Jowar	2500	10000
3	Wheat Bran	4000	20000
4	De-oiled Rice Bran	12500	37500
5	Molasses	4200	8400
6	Ground Nut cake	12500	100000
7	Mineral Mixture	750	9000
8	Other Raw Materials	10000	30000
9	Gunny bags	1020	8160
	Total		**248060**

iii. Utilities per month

S.No.	Description	Value Rs.
1	Power	5000
2	Water	1000
	Total	**6000**

iv.Other expenses per month

S.No	Description	Value Rs.
1	Transportation charges	2000
2	Postage & telephone	1000
3	Misc. Expenses	3000
	Total	**6000**

v.Total working capital per month

S.No	Description	Value Rs.
1	Rent	3000
2	Staff and labour	13500
3	Raw materials	248060
4	Utilities	6000
5	Other expenses.	6000
	Total	**276560**

IX.COST OF PRODUCTION PER ANNUM

S.No	Description	Value Rs.
1	Total working capital	3318720
2	Depreciation	13800
3	Interest	62184
	Total	**3394704**

X.TURNOVER PER YEAR

S.No	Item	Quantity	Rate Rs.	Value Rs.
1	Cattle Feed	600 mts	6000/MT	3600000
	Total			**3600000**

XI.FIXED COST PER YEAR

S.No	Description	Value Rs.
1	Depreciation	13800
2	Interest	62184
3	Rent	36000
4	40% of salaries & wages	64800
5	40% of other expenses (utilities + OE)	57600
	Total	**234384**

XII.PROFIT ANALYSIS

Net Profit : sale-total cost=3600000-3394704=Rs.205296

% of Profit on Sale: Profit / Sale x100=5.70%

% of Return on Investment: Profit / (Investment) x 100=205296/414560]100 =49.52

Break-Even Analysis:FC / (FC+Profit) x100=234384/234384+205296]100=53%

XIII. MACHINERY SUPPLIERS &RAW MATERIAL SUPPLIERS

Locally available