

Anzu Dairy Farm



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Brief Bio of the Entrepreneur

- Name : Mrs. Anzu Begum
- Address : Vill: Dokkhin Ullachorpara, Post: Vorotkhali, Thana: Shagata, Dist: Ghaibandha
- Mother : Mrs. Moyna Begum, Centre # 8/Mo, Group no.: 08, Loan no.: 5565
(*Grameen Bank Borrower*) : Member since November 30, 1994
Existing Loan – BDT14,000, Outstanding: BDT 6,000
- Educational Qualification : Class Eight
- Experience : Entrepreneur has 7 (seven) years experience in livestock farming business through association with her family business.

BUSINESS BRIEFING

- Proposed Business : *Anzu Dairy Farm*
- Location : Entrepreneur's residence
- Investment Required : **BDT 370,000/-**
- Financing :
Entrepreneur - Nil
Investor BDT- **370,000/-**
- **Implementation**

The project will start with 2 cows targeting break even within the first year & pay back period is estimated to be seven years.

Objectives

- Enhancement of entrepreneurial skills;
- Employment opportunities for others;
- Improving livelihood of the entrepreneur;
- Furthering the cause of improving nutrition in the community;
- Scopes for use of animal waste to produce biogas and fertilizer, thus furthering the cause of a better environment.

INVESTMENT BREAKDOWN

Particulars	Existing Business (BDT)	Proposed (BDT)	Total (BDT)
Purchase of Cows	-	260,000	260,000
Cow Shed	-	50,000	50,000
Fixtures and Fittings	-	10,000	10,000
Feeding Bowls	-	10,000	10,000
water motor	-	20,000	20,000
Land lease for Grass	-	10,000	10,000
Feed & Others-Working Capital	-	10,000	10,000
Total Required Capital	-	370,000	370,000

Means of finance

Particulars	Amount (BDT)	%
Entrepreneur's Contribution	-	0%
Investor's Investment	370,000	100%
Total	370,000	100%

Financial Projection

Particulars	Year 1 (BDT)		Year 2 (BDT)		Year 3 (BDT)		Year 4 (BDT)		Year 5 (BDT)		Year 6 (BDT)		Year 7 (BDT)	
	Monthly	Yearly	Monthly	Yearly	Monthly	Yearly	Monthly	Yearly	Monthly	Yearly	Monthly	Yearly	Monthly	Yearly
Revenue														
Milk Sales	20,400	244,800	20,400	244,800	40,800	489,600	61,200	734,400	81,600	979,200	102,000	1,224,000	153,000	1,836,000
Calf Sales	-	-	-	20,000	-	20,000	3,333	40,000	6,667	80,000	8,333	100,000	8,333	100,000
Cow dung Sales	100	1,200	200	2,400	300	3,600	400	4,800	500	6,000	500	6,000	500	6,000
Old cow Sales	-	-	-	-	-	-	-	-	6,667	80,000	6,667	80,000	6,667	80,000
Total Revenue	20,500	246,000	22,267	267,200	42,767	513,200	64,933	779,200	95,433	1,145,200	117,500	1,410,000	168,500	2,022,000
Less: Esimated Variable Expenses														
Feed	15,330	183,960	15,330	183,960	30,660	367,920	53,655	643,860	76,650	919,800	95,813	1,149,750	140,525	1,686,300
Vaccine & Others Medicine	250	3,000	250	3,000	500	6,000	750	9,000	1,000	12,000	1,250	15,000	1,833	22,000
Total Variable Cost	15,580	186,960	15,580	186,960	31,160	373,920	54,405	652,860	77,650	931,800	97,063	1,164,750	142,358	1,708,300
Contribution Margin (CM):	4,920	59,040	6,687	80,240	11,607	139,280	10,528	126,340	17,783	213,400	20,438	245,250	26,142	313,700
Less: Fixed Cost														
Electricity	300	3,600	350	4,200	400	4,800	500	6,000	550	6,600	600	7,200	650	7,800
Salary (Self)	2,000	24,000	3,000	36,000	4,000	48,000	5,000	60,000	6,000	72,000	7,000	84,000	8,000	96,000
Land Lease for grass	833	10,000	1,000	12,000	1,167	14,000	1,333	16,000	1,500	18,000	1,667	20,000	1,833	22,000
Ownership Transfer fees	-	-	500	6,000	667	8,000	833	10,000	833	10,000	1,667	20,000	1,667	20,000
Depreciation	1,500	18,000	1,500	18,000	1,500	18,000	1,500	18,000	1,500	18,000	1,500	18,000	1,500	18,000
Total Fixed Cost	4,633	55,600	6,350	76,200	7,733	92,800	9,167	110,000	10,383	124,600	12,433	149,200	13,650	163,800
Net Profit	287	3,440	337	4,040	3,873	46,480	1,362	16,340	20,767	88,800	24,867	96,050	27,300	149,900
Cumulative Profit		3,440		7,480		53,960		70,300		159,100		255,150		405,050

Break Even Analysis

Particulars	Monthly	Yearly
Contribution Margin Ratio: (CM/Rev)	24%	24%
Break Even Point (BEP):		
<u>Fixed Cost</u>	4,633	55,600
C/M Ratio	24%	24%
Break Even Point on sales (in BDT)	19,306	231,667

Cash flow (Rec. & Pay.)

<i>Particulars</i>	<i>Year 1 (BDT)</i>	<i>Year 2 (BDT)</i>	<i>Year 3 (BDT)</i>	<i>Year 4 (BDT)</i>	<i>Year 5 (BDT)</i>	<i>Year 6 (BDT)</i>	<i>Year 7 (BDT)</i>
Cash Inflow							
New Investment	370,000	-	-	-	-	-	-
Net Profit	3,440	10,040	54,480	26,340	98,800	116,050	169,900
Depreciation	18,000	18,000	18,000	18,000	18,000	18,000	18,000
Opening Balance of Cash Surplus	-	31,440	23,480	47,960	32,300	89,100	33,150
Total Cash Inflow	391,440	59,480	95,960	92,300	149,100	223,150	221,050
Cash Outflow							
Purchase of Cows	260,000	-	-	-	-	-	-
Cow Shed	50,000	-	-	-	-	50,000	-
Fixtures and Fittings	10,000	-	-	-	-	10,000	-
Feeding Bowls	10,000	-	-	-	-	10,000	-
water motor	20,000	-	-	-	-	-	-
Feed & Others-Working Capital	10,000	-	-	-	-	-	-
Investment Pay Back	-	36,000	48,000	60,000	60,000	120,000	120,000
Total Cash Outflow	360,000	36,000	48,000	60,000	60,000	190,000	120,000
Total Cash Surplus	31,440	23,480	47,960	32,300	89,100	33,150	101,050

Outcomes

- The business will start with 2 cows and it is expected that by the end of seven years the number of cows will be 15.
- Milk production is estimated to be 13 to 15 lit./day/cow and will increase gradually with the increase in the number of cows.
- Other than sales of milk revenue will be generated from selling calves, cow dung etc.

Bio Gas Plant

- To be installed in the 8th year after stock crosses 15
- 200 kilos of dung/day
- 7 feet plant
- Cost of Plant BDT 120,000.00
- Cost of Generator BDT 40,000.00
- Power Generation 2,000 Watts (3 to 4 hours/day)

Risk Factors

- Epidemics
- Theft
- Unavailability of food.

Risk Management

- Adequate precaution to be taken
- Proper security measures will be taken
- Adequate food needs to be stored in case of shortage

Photo exhibition























Thank You