

# Parveen Dairy Farm



# Brief Bio of the Entrepreneur

- Name : Mrs. Tahmina Akhter Parveen
- Address : Vill: Kisamatbanu (Nalarpar), Post: Balabari Hat,  
Thana: Chilmari, Dist: Kurigram
- Mother : Mrs. Rahima Begum, Centre # 24/Mo, Thanahat,  
Chilmari, Kurigram
- *(Grameen Bank Borrower)* : Member since 2006  
Existing Loan – 60,000/- Outstanding-20,000/-
- Educational Qualification : Degree Pass
- Experience : Entrepreneur has 5 (five) year experience in livestock farming business through association with her family business.

# BUSINESS BRIEFING

- Proposed Business : ***Parveen Dairy Farm***
- Location : Entrepreneur's residence
- Investment Required : BDT 512,000/-
  - : Entrepreneur – 180,000/-  
(from existing Business)
  - Investor BDT- 332,000/- (as equity)
- **Implementation**

The project will start with 4 cows targeting break even within the first year & pay back period is estimated to 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	160,000	260,000	420,000
Cow Shed	10,000	42,000	52,000
Fixtures and Fittings	5,000	10,000	15,000
Feeding Bowls	5,000	10,000	15,000
Land lease for Grass (Own)	-	-	-
Feed & Others-Working Capital	-	10,000	10,000
<b>Total Required Capital</b>	<b>180,000</b>	<b>332,000</b>	<b>512,000</b>

# Means of finance

Particulars	Amount (BDT)	%
Entrepreneur's Contribution	180,000	35%
Investor's Investment	332,000	65%
<b>Total</b>	<b>512,000</b>	<b>100%</b>

# Existing Business

Particulars	Existing Business (BDT)		
	Daily	Monthly	Yearly
<b>Revenue</b>			
Milk Sales	607	18,200	218,400
Calf sales			
Cow dung sales	-	-	-
Old cow sales			
<b>Total Revenue</b>	<b>607</b>	<b>18,200</b>	<b>218,400</b>
<b>Less: Esimated Variable Expenses</b>			
Feed	504	15,120	181,440
Vaccine & Others Medicine	8	250	3,000
<b>Total Variable Cost</b>	<b>512</b>	<b>15,370</b>	<b>184,440</b>
<b>Contribution Margin (CM):</b>		<b>2,830</b>	<b>33,960</b>
<b>Less: Fixed Cost</b>			
Electricity		250	3,000
Salary (Self)		2,000	24,000
Salary (Assistant)		-	-
Ownership Transfer fees		-	-
Depreciation		-	-
<b>Total Fixed Cost</b>	<b>75</b>	<b>2,250</b>	<b>27,000</b>
<b>Net Profit</b>	<b>19</b>	<b>580</b>	<b>6,960</b>

# 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
<b>Revenue</b>														
Milk Sales	37,600	451,200	56,400	676,800	84,600	1,015,200	112,800	1,353,600	141,000	1,692,000	169,200	2,030,400	197,400	2,368,800
Calf sales	-	-	-	20,000	-	20,000	1,667	20,000	1,667	20,000	3,333	40,000	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	-	-	-	-	-	-	-	-	-	-	3,333	40,000	13,333	160,000
<b>Total Revenue</b>	<b>37,700</b>	<b>452,400</b>	<b>58,267</b>	<b>699,200</b>	<b>86,567</b>	<b>1,038,800</b>	<b>114,867</b>	<b>1,378,400</b>	<b>143,167</b>	<b>1,718,000</b>	<b>176,367</b>	<b>2,116,400</b>	<b>219,567</b>	<b>2,634,800</b>
<b>Less: Esimated Variable Expenses</b>														
Feed	30,660	367,920	45,990	551,880	66,430	797,160	91,980	1,103,760	112,420	1,349,040	137,970	1,655,640	178,850	2,146,200
Vaccine & Others Medicine	500	6,000	750	9,000	1,083	13,000	1,500	18,000	1,833	22,000	2,250	27,000	2,500	30,000
<b>Total Variable Cost</b>	<b>31,160</b>	<b>373,920</b>	<b>46,740</b>	<b>560,880</b>	<b>67,513</b>	<b>810,160</b>	<b>93,480</b>	<b>1,121,760</b>	<b>114,253</b>	<b>1,371,040</b>	<b>140,220</b>	<b>1,682,640</b>	<b>181,350</b>	<b>2,176,200</b>
<b>Contribution Margin (CM):</b>	<b>6,540</b>	<b>78,480</b>	<b>11,527</b>	<b>138,320</b>	<b>19,053</b>	<b>228,640</b>	<b>21,387</b>	<b>256,640</b>	<b>28,913</b>	<b>346,960</b>	<b>36,147</b>	<b>433,760</b>	<b>38,217</b>	<b>458,600</b>
<b>Less: Fixed Cost</b>														
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	8,000	96,000	9,000	108,000
Salary (Assistant)	-	-	4,000	48,000	6,000	72,000	6,000	72,000	7,000	84,000	8,000	96,000	8,000	96,000
Ownership Transfer fees	-	-	-	-	417	5,000	667	8,000	833	10,000	1,667	20,000	1,950	23,400
Depreciation	1,200	14,400	1,200	14,400	1,200	14,400	1,200	14,400	1,200	14,400	1,200	14,400	1,200	14,400
<b>Total Fixed Cost</b>	<b>3,500</b>	<b>42,000</b>	<b>8,550</b>	<b>102,600</b>	<b>12,017</b>	<b>144,200</b>	<b>13,367</b>	<b>160,400</b>	<b>15,583</b>	<b>187,000</b>	<b>19,467</b>	<b>233,600</b>	<b>20,800</b>	<b>249,600</b>
<b>Net Profit</b>	<b>3,040</b>	<b>36,480</b>	<b>2,977</b>	<b>35,720</b>	<b>7,037</b>	<b>84,440</b>	<b>8,020</b>	<b>96,240</b>	<b>31,167</b>	<b>159,960</b>	<b>38,933</b>	<b>200,160</b>	<b>41,600</b>	<b>209,000</b>
<b>Cumulative Profit</b>		<b>36,480</b>		<b>72,200</b>		<b>156,640</b>		<b>252,880</b>		<b>412,840</b>		<b>613,000</b>		<b>822,000</b>



# Break even analysis

Particulars	Monthly	Yearly
Contribution Margin Ratio: (CM/Rev)	17%	17%
Break Even Point (BEP):	Fixed Cost	42,000
	C/M Ratio	17%
Break Even Point (in Tk.)	20,176	242,110

# Cash flow (Rec. & Pay.)

<i>Particulars</i>	<i>Existing Business (BDT)</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>
<b>Cash Inflow</b>								
New Investment		332,000	-	-	-	-	-	-
Net Profit	47,760	36,480	35,720	89,440	104,240	169,960	220,160	232,400
Depreciation	0	14,400	14,400	14,400	14,400	14,400	14,400	14,400
Opening Balance of Cash Surplus	0	47,760	98,640	148,760	222,600	293,240	417,600	470,160
<b>Total Cash Inflow</b>	<b>47,760</b>	<b>430,640</b>	<b>148,760</b>	<b>252,600</b>	<b>341,240</b>	<b>477,600</b>	<b>652,160</b>	<b>716,960</b>
<b>Cash Outflow</b>								
Purchase of Cows	0	260,000	-	-	-	-	-	-
Cow Shed	0	42,000	-	-	-	-	42,000	-
Fixtures and Fittings	0	10,000	-	-	-	-	10,000	-
Feeding Bowls	0	10,000	-	-	-	-	10,000	-
Feed & Others-Working Capital	0	10,000	-	-	-	-	-	-
Investment Pay Back	0	-	-	30,000	48,000	60,000	120,000	140,400
<b>Total Cash Outflow</b>	<b>0</b>	<b>332,000</b>	<b>-</b>	<b>30,000</b>	<b>48,000</b>	<b>60,000</b>	<b>182,000</b>	<b>140,400</b>
<b>Total Cash Surplus</b>	<b>47,760</b>	<b>98,640</b>	<b>148,760</b>	<b>222,600</b>	<b>293,240</b>	<b>417,600</b>	<b>470,160</b>	<b>576,560</b>

# Outcomes

- The business will start with 4 cows and it is expected that by the end of seven years the number of cows will be 24.
- Milk production is estimated to be 13 to 15 lit./day/cow and will increase gradually with the increase in the number cows.
- Other than sales of milk revenue will be generated from selling calves, cow dung etc.

# Bio Gas Plant

- Entrepreneur already has a Bio Gas Plant. Now with this plant she is fulfilling her family's demand.

# 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

