

Ref. No. NB. ICD. GSS/ 1104 / IDSRR-4 / 2010-11

Circular No. 141 / ICD 30 /2010

29 July 2010

The Chairman / Managing Director  
All Scheduled Commercial Banks /  
All Scheduled (Primary) Urban Cooperative Banks  
All RRBs/ADFCs/SCBs/SCARDBs  
All other institutions eligible for NABARD refinance

Dear Sir

*Centrally Sponsored Scheme - Integrated Development of  
Small Ruminants and Rabbits - Revised Operational Guidelines*

Please refer to our circular No. 219 / ICD-46/2009 dated 24 December 2009 forwarding the operational guidelines of the captioned scheme. In this connection, we advise that Gol has since decided to provide Capital Subsidy instead of Interest Free Loan under the captioned scheme. Accordingly, the norms have been revised, as indicated in the Annexure.

2. Revised Annexures II, III and IV and Model Schemes (Annexure V) are enclosed.
3. Please acknowledge receipt.

Yours faithfully

Sd/-

( J. G. Menon )  
Chief General Manager

Encl : Copy of revised operational guidelines.

## ANNEXURE

### **Centrally Sponsored Scheme - Integrated Development of Small Ruminants and Rabbits - Revised Operational Guidelines - Change to Capital Subsidy mode instead of Interest Free Loan (IFL)**

As per original guidelines issued vide circular No. 219 dated 24 December 2009				Revised operational guidelines / clarifications	
5. Project Costs and ceilings				5. Project Costs and ceilings	
Sr. No	Component	Total financial outlay (Rs lakh)	Pattern of Assistance-Interest Free Loan (IFL)	Ceiling on Capital Subsidy (for general category entrepreneurs)	Ceiling on Capital Subsidy (for SC/ST entrepreneurs, hilly and NE states including Sikkim)
(i)	Rearing of sheep and goats (40+2)	1.00	50% of the outlay as IFL subject to a maximum of Rs 50,000/-.	25% of the outlay subject to a max. of Rs. 25,000/-.	33.33% of the outlay subject to a max. of Rs.33,300/-
(ii)	Sheep and Goat Breeding units (500+25)	25.00	50 % of the outlay as IFL subject to a ceiling of Rs 12.50 lakh	25% of the outlay subject to a max. of Rs 6.25 lakh	33.33 % of the outlay subject to a max. of Rs 8.33 lakh
(iii)	Rabbit rearing units	2.25	50 % of outlay as IFL subject to a maximum of Rs 1.125 lakh	25% of outlay subject to a max. of Rs 0.56 lakh	33.33 % of outlay subject to a max. of Rs 0.75 lakh
6	<b>Funding pattern</b>			<b>Funding pattern</b>	
	Entrepreneur contribution margin) - minimum 10% in the case of rearing units and minimum 25% of the outlay in case of breeding units.			No change	
	Interest Free loan - 50 % of the total financial outlay subject to the ceiling as indicated para 5.0 above.			Subsidy - 25 % or 33.33 % of the outlay as per the eligibility subject to ceilings as indicated under para 5. mentioned above.	
	Bank Loan - Balance amount . In case the outlay is more than that indicated above, either the entrepreneur can bring that amount as additional margin or the bank can sanction it as a loan.			Bank Loan including subsidy not less than 50% of TFO. For projects of SC/ST, hilly and North Eastern Region, the bank loan including subsidy should not be less than 58.33% of the TFO at the time of sanction.  For example, for a TFO of Rs.1.00 lakh, the bank would initially sanction atleast Rs.50,000 for a project falling in general category and Rs.58,300 for a project belonging to SCs/STs, hilly and North Eastern states including Sikkim.	

		However, banks can sanction higher bank loan also to the extent that it does not affect the minimum margin money stipulations.
11	<p><b>11. Sanction and release of IFL</b></p> <p>11.3 On receipt of the confirmation from HO, the concerned ROs of NABARD will release the sanctioned IFL to the respective banks. The sanction and disbursement of IFL will be for the selected beneficiaries only.</p> <p>11.4 The banks will release the first instalment within a month of receipt of the IFL component from NABARD. If the bank is not in a position to release the loan due to some reasons, the IFL shall be remitted back to the concerned Regional office of NABARD within a month of its receipt. In case of delay of such refund the bank has to pay interest on such amount @10% per annum from the date of its receipt by the nodal branch.</p>	<p><b>Sanction and release of capital subsidy</b></p> <p>11.2. Adjustment of subsidy in Borrower's Account : The subsidy released to the banks will be kept in a separate subsidy reserve fund account. The adjustment of subsidy will be back ended. Accordingly, bank loan including subsidy amount would be disbursed as loan by the banks. The repayment schedule will be drawn on the loan amount in such a way that the total subsidy amount is adjusted after repayment of bank loan component.</p> <p>11.3. No interest is chargeable on subsidy portion : The balance lying to the credit of the subsidy reserve fund account will not form part of demand and time liabilities for the purpose of SLR/CRR.</p> <p>11.4 After crediting the subsidy amount in the reserve fund account, banks are required to submit a Utilisation Certificate (UC) in the format as per <b>Annexure III</b>.</p>

## अनुबंध - II

### ANNEXURE II

छोटे रोमन्थक(रूमिनॅन्ट) और खरगोशों के विकास के लिए समेकित योजना  
INTEGRATED SCHEME FOR DEVELOPMENT OF SMALL RUMINANTS AND  
RABBITS

ब्याज मुक्त ऋण अंश जारी करने के लिए बैंक के नियंत्रक कार्यालय से समेकित दावा  
CONSOLIDATED CLAIM FROM THE CONTROLLING OFFICE OF THE BANK FOR  
RELEASE OF CAPITAL SUBSIDY

(नाबार्ड के संबंधित क्षेत्रीय कार्यालय में प्रस्तुत किया जाय)

(To be submitted to the concerned NABARD, Regional Office)

1. बैंक का नाम/ NAME OF THE BANK:
2. दावे का माह/ वर्ष -MONTH/YEAR OF CLAIM:
3. वर्तमान दावे की कुल राशि / TOTAL AMOUNT OF SUBSIDY CLAIMED:

#### 4. वर्तमान दावे का ब्यौरा/ DETAILS OF SUSBIDY CLAIMED:

क्र.सं S.N o.	ब्योरे Particulars	1	2	3
1	लाभार्थी का नाम और पता ( कृपया जिला भी इंगित करें) Name & address of Beneficiary (Pl indicate district also)			
2	वर्ग (अनुसूचित जाति/ अनुसूचित जन जाति/ अन्य) Category (SF/MF/Shepherd/SC/ST/Others)			
3	लिंग (स्त्री/ पुरुष)/ Gender (F/M)			
4	गठन (वैयक्तिक / स्व स स/ गै स सं/ कंपनी/ अन्य) Constitution (individual/SHG/NGO /Company/Others)			
5	शाखा पता (जिला भी इंगित करें)और शाखा का बीएसआर कोड Branch Address (indicate district also with BSR code)			
6	ऋण खाता संख्या/ Loan a/c No.			
7	मंजूरी की तारीख / Date of sanction			
8	ऋण का उद्देश्य / Purpose of loan			
9	यूनिट आकार / Unit size			
10	कुल वित्तीय परिव्यय / Total financial outlay			
11	मार्जिन / Margin			
12	बैंक ऋण / Bank loan			
13	आई एफ एल दावा / Subsidy claimed			
14	निर्धारित चुकौती / Repayment prescribed			

15	ब्याज की दर / Rate of interest			
16	योजना के संबंध में अन्य कोई संगत सूचना / Any other information relevant of the project			

1. हम यह वचन देते हैं कि उक्त प्रस्तावों को मंजूर करते समय हमने योजना के परिचालन मार्गनिर्देशों के संबंध में नाबार्ड के परिपत्र सं. \_\_\_\_\_ में निहित समय-समय पर संशोधित सभी अनुदेशों का अनुपालन किया है.
1. We undertake having complied with all the instructions contained in NABARD circular no. \_\_\_\_\_ regarding revised operational guidelines of the scheme and as amended from time to time while sanctioning above proposals.
2. हम यह अनुरोध करते हैं कि छोटे रोमन्थक(रूमिनॅन्ट) और खरगोशों के विकास के लिए समेकित योजना के तहत उक्त लाभार्थियों के संबंध में ब्याज मुक्त ऋण अंश के रूप में रु. \_\_\_\_\_ (रुपये ) की राशि जारी करें.
2. We request you to release an amount of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_) as subsidy in respect of the above beneficiaries under the integrated scheme for development of small ruminants and rabbits

स्थान /Place: :

तारीख /Date :

अधिकारी के मुहर और हस्ताक्षर  
(वित्तपोषक बैंक का नियंत्रक कार्यालय)  
**Seal and signature of the Officer**  
(Controlling office of the financing bank)

प्राधिकृत हस्ताक्षरकर्ता

(बैंक का नियंत्रक कार्यालय)

Authorised signatory

**Controlling Office of the bank**

उपयोगिता प्रमाणपत्र - पूँजी सब्सिडी के लिए फार्मेट  
Format for Utilization Certificate - Capital Subsidy

(वित्तपोषक बैंक द्वारा नाबार्ड के क्षेत्रीय कार्यालय को प्रस्तुत किए जाने के लिए)  
(FOR THE USE OF FINANCING BANK TO BE SUBMITTED TO THE REGIONAL OFFICE OF NABARD)

छोटे रोमेन्थक (रुमिनेन्ट) और खरगोशों के समन्वित विकास के लिए योजना हेतु मार्गनिर्देश

**INTEGRATED DEVELOPMENT OF SMALL RUMINANTS AND RABBITS**

- 1 लाभार्थी का नाम, पता और प्रोजेक्ट का स्थान  
Name, address and location of the of the beneficiary and project
- 2 वित्तपोषक बैंक का नाम  
Name of the financing bank :
- 3 वित्तपोषक शाखा का नाम और पता  
Name & address of the financing branch:
- 4 बैंक द्वारा ऋण मंजूरी की तारीख  
Date of sanction of loan by bank :
- 5 बैंक द्वारा यूनिट की क्षेत्र अनुप्रवर्तन की तारीख  
Date of field monitoring of the unit by the bank
- 6 यूनिट के पूरा होने की तारीख  
Date of completion of the unit :

7	I. कुल वित्तीय परिव्यय Total financial outlay		रु.	
	I. मार्जिन राशि Margin Money		रु.	
	1. बैंक ऋण Bank loan		रु.	
	(iv) नाबार्ड से सब्सिडी की तारीख	प्राप्ति की तारीख	राशि (रु.)	उधारकर्ता के 'सब्सिडी रिजर्व फंड खाता' में जमा की तारीख
	Subsidy received from NABARD	Date of receipt	Amount (Rs.)	Date of credit to the "Subsidy Reserve Fund A/C" of the Borrower

- 8 निर्मित सुविधाओं के क्षमता के साथ का संक्षिप्त ब्यौरा  
Brief description of facilities created

with capacity etc.

- 9 वित्तपोषक बैंक द्वारा प्रभारित ब्याज दर  
Rate of interest charged by the financial bank : % प्रति वर्ष/p.a.

- 10 बैंक ने नाबार्ड से पुनर्वित्त प्राप्त किया है/नहीं किया है.  
The bank has / has not availed refinance from NABARD
- 11 यह प्रमाणित किया जाता है कि उक्त प्रोजेक्ट के संबंध में प्राप्त पूँजी सब्सिडी की पूरी राशि का उपयोग किया गया है (सब्सिडी रिजर्व फंड खाता - उधारकर्ता वार में जमा द्वारा) और खाता बहियों में योजना की समग्र मार्गनिर्देशों के भीतर प्रोजेक्ट की स्वीकृत नियम व शर्तों के तहत समायोजित किया गया.  
This is to certify that the full amount of capital subsidy received in respect of the above project has been fully utilized (by way of crediting to the "Subsidy Reserve Fund Account - borrower - wise) and adjusted in the books of account under the sanctioned terms and conditions of the project within the overall guidelines of the scheme.

स्थान :

Place :

तारीख :

Date :

(\_\_\_\_\_)

सील व हस्ताक्षर

शाखा प्रबन्धक (वित्तपोषक बैंक)

Seal & Signature of the

**Branch Manager (Financing bank)**







**Annexure V**

**Indicative Farm Model - Economics of Goat Farming (Semi Intensive)**

<b>A.</b>	<b>Summary</b>	
1	Unit Size	40 Does + 2 Bucks
2	Breed	Osmanabadi
3	Unit cost (Rs.)	1,00,000/-
4	Margin Money (Rs.)	25,000/-
5	Bank Loan (Rs.)	50,000
6	Capital Subsidy (Rs.)	25,000/-
7	Repayment period (Years)	6 years with one year grace period
8	Interest rate (% p.a.)	12%
9	NPW @ 15% DF (Rs.)	+ 77,263/-
10	BCR @ 15% DF	1.5 : 1
11	IRR (%)	43%

<b>B.</b>	<b>Investment cost</b>				
<b>S. No.</b>	<b>Item</b>	<b>Specifications</b>	<b>Physical Unit</b>	<b>Unit Cost (Rs./Unit)</b>	<b>Total Cost (Rs.)</b>
1	Shed	10 sft / Does	400 Sft	40/SFT	16000
		20 sft / Does	40 Sft	40/SFT	1600
2	Equipment	Feeders, Waterers, etc	42	40/Animal	1680
3	Cost of Animals				
	Does	8-9 months	40	1500	60000
	Bucks	12 months	2	2000	4000
4	Insurance	4%			2560
5	Vet Aid	Rs.20 / adult			1500
		Rs.10 / Kid			
6	Fodder Cultivation		1 / 2 acres	3000/acre	6000
7	Supplementary conc. feed	Per Breeding Cycle	1200 kg	4/kg	4800
8	Misc. Expenses				1860
	<b>Total Financial Outlay</b>				100000

<b>C.</b>	<b>Techno-Economic Parameters</b>	
<b>1</b>	<b>Unit Size</b>	40 Does + 2 Bucks - Semi Intensive System
<b>2</b>	<b>Production Traits</b>	
i)	Age at Maturity (Months)	10-12
ii)	Kidding Interval (Months)	8
iii)	Kidding Percent	85
iv)	Twinning Percent	60
v)	Sex Ratio among Kids	1 : 1
vi)	Mortality (%)	
	Adult	5%
	Kids	15%
vii)	Salable Age of Kids (Months)	8 - 9
viii)	Culling of Does (%) per year from 2nd year	20
<b>3</b>	<b>Expenditure Norms</b>	
i)	Shed Space (Sft / Animal)	
	Does	10
	Buck	20
ii)	Cost of Construction (Rs. / Sft)	40
iii)	Cost of Equipment (Rs. / Animal)	40
iv)	Fodder Cultivation (Rs. / Acre)	
	Irrigated	Rs.6,000 / acre
	Rainfed (Seasonal)	Rs.3,000 / acre
v)	Supplementary Feed per Breeding Cycle	
	Bucks - 8 kg / month for 3 months	48
	Does - 7.5 kg / month for 3 months	900
	Kids - 4 kg / month for 1 month	260
	Total	1208 kg
	Cost of Feed	Rs.4 / kg
vi)	Labour	Family Labour
vii)	Vet Expenses	Rs.20 / adult
		Rs.10 / kid
viii)	Insurance	4% of Value of Animals
ix)	Value of closing stock	
	Adult	Rs.1,500 / animal
	Young Stock	Rs.500/animal
<b>4</b>	<b>Income Norms</b>	
i)	Sale Price of Buckling (Rs./animal)	850
ii)	Sale Price of Doeling (Rs./animal)	800
iii)	Sale Price of Culled Does (Rs./animal)	1,800
iv)	Sale Price of Buck	2,000

D. CASH FLOW STATEMENT

S. No.	Particulars	Years					
		First	Second	Third	Fourth	Fifth	Sixth
		1	2	3	4	5	6
A	Costs						
	1 Capital Cost	100000					
	2 Recurring Costs						
a	Green fodder pro	Cap	6000	6000	6000	6000	6000
b.	Suppl feed	Cap	9600	4800	9600	4800	9600
c.	Vet care etc		1800	1500	1800	1500	1800
d	Insurance	Cap	2600	2600	2600	2600	2600
e	Misc expenses	Cap	3600	3600	3600	3600	3600
f	Purchase of Buck		-	4000			4000
	Total Costs	100000	23600	22500	23600	18500	27600
B	Benefits						
a	Sale of animals						
	Adult Buck	-	-	4000	-	-	4000
	Culled Does	-	14400	14400	14400	14400	14400
	Bucklings	-	36550	19550	38250	19550	37400
	Doelings	-	28800	6400	28800	12000	28000
b	Value of closing stock	-					87500
	Total Benefits		79750	44350	79050	45950	171300
C	Net Benefits	(100,000)	56150	21850	55450	27450	143700
	DF @ 15%	0.87	0.76	0.66	0.57	0.5	0.43
	NPW @ 15%	+77,263					
	BCR @ 15%	1.50:1					
	IRR	43					

E Repayment Schedule

Capital Subsidy	Rs.25,000/-
Bank Loan	Rs.50,000/-
Interest	12% per annum
Repayment Period	6 years including first year grace period

Year	Loan Outstanding Bank Loan	Gross Surpl	Interest @ 12% p	Repayment Bank Loan	Total Outgo	Net Surplus
1	50000		6000	0	0	0
2	50000	56150	6000	10000	22000	34150
3	40000	21850	4800	5000	9800	12050
4	35000	55450	4200	15000	19200	36250
5	20000	27450	2400	5000	7400	20050
6	15000	56200	1800	15000	16800	39400

## Annexure V

### INDICATIVE FARM MODEL - ECONOMICS OF SHEEP FARMING

#### A. SUMMARY

1.	Unit Size	40 Ewes + 2 Rams
2.	Breed	Nellore Brown
3.	Unit cost (Rs.)	1,00,000/-
4.	Margin Money (Rs.)	25,000/-
5.	Bank Loan (Rs.)	50,000/-
6.	Capital Subsidy	25,000/-
7.	Repayment Schedule (Years)	7 years with one year grace perio
8.	Interest Rate (% p.a)	12
9.	NPW @ 15% DF	36,243/-
10.	BCR @ 15% DF	1.28:1
11.	IRR (%)	26

#### B. INVESTMENT COST

SR.NO.	ITEM	SPECIFICATIONS	PHYSICAL UNIT	UNIT COST (Rs./ UNIT)	TOTAL
1.	Shed	Thatched	440 sft	40	17,600
2.	Equipment	Lumpsum	--	--	500
3.	Cost of Ewes	--	40 nos.	1,600	64,000
4.	Cost of Rams	--	2 nos.	2,500	5,000
5.	Insurance of Animals	4%	--	--	2,760
6.	Vet. Aid & Medicines	--	--	--	1,500
7.	Fodder Cultivation	--	2 Acres	2,500	5,000
8.	Feed for 1 cycle of breeding				
	Ewes	90 days	720 kg.	4	2,880
	Rams	60 days	30 kg.	4	120
	Lambs	30 days	96 kg.	4	384
9.	Misc. expenses	Lumpsum	--	--	256
	<b>Total Final Outlay</b>				<b>1,00,000</b>

**Annexure V**

**C. TECHNO ECONOMIC PARAMETERS**

D. C  
S. No

<b>1. UNIT SIZE</b>	40 Ewes + 2 Rams		A
<b>2. PRODUCTION TRAITS</b>			1
			2
(i) Age at maturity (months)	10-12		a
(ii) Lambing intervals (months)	12		b.
(iii) Lambing percent	75-80		c.
(iv) Sex Ratio among lambs	01:01		d
(v) Mortality (%)			
Adults	5		e
Lambs	10		
(vi) Saleable age of lambs (mths)	9-10		
(vii) Culling of Ewes	20		B
<b>3. EXPENDITURE NORMS</b>			a
(i) Shed space (sq.ft.)/ animal			
Ram	20 (housing practices vary)		
Ewe	10		b
(ii) Cost of construction (Rs./sqft.)	40		
(iii) Fodder Cultivation - Rainfed (Rs./ ac	2,500/-		
(iv) Supplementary Feed			C
Ewes	90 days @ 200 gms/ animal/ day		
Rams	60 days @ 250 gms/ animal/ day		
Lambs	30 days @ 200 gms/ animal/ day		
(v) Cost of Feed (Rs./kg)	4/-		
(vi) Labour	Family Labour		
(vii) Vet. expenses	Rs.20/- adult		
	Rs.10/- lamb		
(viii) Insurance	4% of value of animals		
<b>4. INCOME NORMS</b>			E
(i) Sale price of Ram Lamb (Rs./lamb)	1400/-		
(ii) Sale price of Ewe Lamb (Rs./lamb)	1,300/-		
(iii) Sale price of culled ewe (Rs./animal)	1,800/-		
(iv) Sale / purchase price of Ram	2,500/-		
			Year
			1
			2
			3
			4
			5
			6
			7

## ASH FLOW STATEMENT

Particulars	Years							
	First	Second	Third	Fourth	Fifth	Sixth	Seventh	
	1	2	3	4	5	6	7	
<b>Costs</b>								
Capital Cost	100000							
<b>Recurring Costs</b>								
Green fodder pro	Cap	5000	5000	5000	5000	5000	5000	
Suppl feed	Cap	3400	3400	3400	3400	3400	3400	
Vet care etc		1100	1100	1100	1100	1100	1100	
Insurance	Cap	1000	1000	1000	1000	1000	1000	
Purchase of Ram	Cap	-	-	5000	-	5000	-	
<b>Total Costs</b>	<b>100000</b>	<b>10500</b>	<b>10500</b>	<b>15500</b>	<b>10500</b>	<b>15500</b>	<b>10500</b>	
<b>Benefits</b>								
<b>Sale of animals</b>								
Adult Ram	-	-	5000	-	-	5000		
Culled Ewe	-	14400	14400	14400	14400	14400	14400	
Ram lamb	-	21000	18200	19600	18200	18200	16800	
Ewe lamb	-	5200	5200	5200	6500	3900	3900	
Value of closing stock	-						82400	
<b>Total Benefits</b>		<b>40600</b>	<b>42800</b>	<b>39200</b>	<b>39100</b>	<b>41500</b>	<b>117500</b>	
<b>Net Benefits</b>	<b>(100,000)</b>	<b>30100</b>	<b>32300</b>	<b>23700</b>	<b>28600</b>	<b>26000</b>	<b>107000</b>	
<b>DF @ 15%</b>	<b>0.87</b>	<b>0.76</b>	<b>0.66</b>	<b>0.57</b>	<b>0.5</b>	<b>0.43</b>	<b>0.38</b>	
<b>NPW @ 15%</b>	<b>+36243</b>							
<b>BCR @ 15%</b>	<b>1.28:1</b>							
<b>IRR</b>	<b>26</b>							

### Repayment Schedule

Capital Subsidy	Rs.25,000/-
Bank Loan	Rs.50,000/-
Interest	12% per annum
Repayment Period 7 years including first year grace period	

Loan Outstanding	Gross Surplus	Interest	Repayment	Total Outstanding	Net Surplus
Bank Loan	@ 12%	Bank Loan	Bank Loan		
50000		6000	0	0	0
50000	30100	6000	5000	16000	14100
45000	32300	5400	10000	15400	16900
35000	23700	4200	6000	10200	13500
29000	28600	3480	10000	13480	15120
19000	26000	2280	10000	12280	13720
9000	35100	1080	9000	10080	25020

## Model Economics of Goat Breeding Farm

### A. Project Cost

Particulars	Cost (Rs. in lakhs)
<b>Cost of Animal</b>	
[a] Bucks (25) @ Rs.3000/-	0.75
[b] Does (500) @ Rs.2500/-	12.50
<b>Land Development / Civil Structures</b>	
[a] Fencing	1.00
[b] Wasteland and pasture development	1.50
<b>Renovation of civil structure</b>	2.50
<b>Post-mortem facility and laboratory</b>	1.00
<b>Minor irrigation structures</b>	
Deepening of bore wells, submersible pumps, pipelines & renovation of OHT	1.05
<b>Equipment</b>	
Feed trough & water pails	0.21
Chaff cutter	0.25
Animal Handling facility and Veterinary equipments	0.50
Equipment of Agri Operations	2.00
<b>Working Capital</b>	
[a] Salary of Manager	0.84
[b] Feeding for one cycle	0.72
[c] Veterinary aid & labour	0.30
<b>Total Outlay</b>	<b>25.12</b>
<b>Say</b>	<b>25.00</b>



**B. Income Expenditure Statement**

<b>Particulars</b>	<b>I Year</b>	<b>II Year onwards</b>
<b>Income</b>		
Sale of male kids	0.00	6.50
Sales of female kids	0.00	3.50
Sale of culled does	0.00	2.00
Sale of manure	0.20	0.20
<b>Total Income</b>	<b>0.20</b>	<b>12.20</b>
<b>Expenditure</b>		
Cost of feeding	0.72	0.72
Pasture management cost	0.60	0.60
Insurance charges	0.50	0.75
Salary of manager	0.84	0.84
Misc.(Vet. Aid, labour, etc.)	0.30	0.30
<b>Total Expenditure</b>	<b>2.96</b>	<b>3.21</b>
<b>Gross Surplus</b>	<b>-2.76</b>	<b>8.99</b>

## Model Economics of Sheep Breeding Farm

### A. Project Cost

Particulars	Cost (Rs. in lakhs)
<b>Cost of Animals</b>	
[a] Rams (25) @ Rs.3000/-	0.75
[b] Ewes (500) @ Rs.2500/-	12.50
<b>Land Development</b>	
[a] Fencing	1.00
[b] Land Development	1.50
<b>Renovation of civil structure</b>	2.50
<b>Post-mortem facility and laboratory</b>	1.00
<b>Minor irrigation structures</b>	
[a] Deepening of bore wells	0.30
[b] Submersible pumps	0.60
[c] Pipeline, renovation of overhead tanks	0.15
<b>Equipment</b>	
Feed trough & water pails	0.21
Animal Handling facility and Veterinary equipments	0.50
Equipment of Agri Operations	2.00
<b>Working Capital</b>	
[a] Salary of Manager	0.84
[b] Feeding for one cycle	0.72
[c] Veterinary aid & labour	0.30
<b>Total Outlay</b>	<b>24.87</b>
<b>Say</b>	<b>25.00</b>

**B. Income Expenditure Statement**

<b>Particulars</b>	<b>I Year</b>	<b>II Year onwards</b>
<b>Income</b>		
Sale of male lambs	0.00	5.00
Sales of female lambs	0.00	2.00
Sale of culled ewes	0.00	2.70
Sale of manure	0.20	0.20
<b>Total Income</b>	<b>0.20</b>	<b>9.90</b>
<b>Expenditure</b>		
Cost of feeding	0.72	0.72
Insurance charges	0.45	0.60
Salary of manager	0.84	0.84
Misc.(Vet. Aid, labour, etc.)	0.30	0.30
<b>Total Expenditure</b>	<b>2.31</b>	<b>2.46</b>
<b>Gross Surplus</b>	<b>-2.11</b>	<b>7.44</b>

**Annexure - V**

***Economics of Rabbit (German Angora) rearing for wool production***

**A. Summary**

1	Unit Size	: 10 Breeder Females + 3 Male Breeders
2	Breed	: German Angora
3	Unit Cost (Rs.)	: 225,000
4	Margin Money (10%) (Rs.)	: 22,500
5	Capital Subsidy (25%) (Rs.)	: 56,300
6	Effective Bank Loan (Rs)	146,200
7	Repayment Period	: 5 Years inclusive of 1 year grace
8	Interest Rate	: 12% p.a.
9	BCR @ 15% DF	: 1.23:1
10	NPW @ 15% DF	: 98,126
11	Internal Rate of Return (IRR)	: 36.12%

**B. Project Cost**

**(Amount in Rupees)**

<b>Sr.No.</b>	<b>Particulars</b>	
1	Cost of breeder shed	24,150
2	Cost of wool rabbit shed	44,850
3	Cost of cages	
(i)	Breeders	8,450
(ii)	Kindling cages	4,550
(iii)	Wool producer cages	84,500
4	Feeder and waterers	3,000
5	Miscellaneous equipment	750
6	Cost of breeders	13,000
7	Insurance of breeders	1,170
<b>A</b>	<b>Capital cost</b>	<b>184,420</b>
	<b>Recurring Expenses (one year expenses capitalised)</b>	
8	Cost of feed	
(i)	Concentrate	35,720
(ii)	Hay	1,186
(iii)	Vegetables / kitchen waste	792
9	Water and electricity cost	1,440
10	Medicines and miscellaneous expenses	1,440
<b>B</b>	<b>Recurring expenses</b>	<b>40,578</b>
	<b>Total (A+B)</b>	<b>224,998</b>
	or say	225,000
	Margin (10%)	22,500
	Bank Loan	202,500
	Capital Subsidy ( 25%)	56,300
	Effective bank loan	146,200

### C. Techno Economic Parameters

Sr. No.	Particulars	
1	Breed	German Angora
2	Floor space for breeders shed - sqft	210
3	Floor space for wool rabbits shed - sqft	390
4	Cost of construction (Rs./sqft)	115
5	Breeder cages required (No.)	13
6	Kindling cages (No.)	7
7	Wool producers cages (No.)	130
8	Cost of cages (Rs./cage)	650
9	Cost of feeders and waterers (Rs./animal)	20
10	Miscellaneous equipment (Rs./animal)	5
11	Cost of breeders (Rs./animal)	1,000
12	Insurance - % of breeder cost - for 5 years	9%
13	Salvage value (Rs./animal) - average	400
14	Depreciation on sheds and equipment (% per annum)	10
15	Margin	10%
16	Capital Subsidy	25%
17	Gestation period (days)	30
18	Weaning period (weeks)	6
19	Inter kindling period (months)	4
20	Mortality	
(i)	Weaners (upto 1.5 months)	10%
(ii)	Growers (1.5 to 6 months)	15%
(iii)	Adults (above 6 months) per annum	10%
21	Feed Consumption (grams per day)	Concentrate      Hay
(i)	Breeding does and males	200      80
(ii)	Weaners (1.5 to 3 months)	50      30
(iii)	Growers ( 4 to 6 months)	70      40
(iv)	Adults ( above 6 months)	100      75
22	Cost of Concentrate Feed for breeder (Rs./kg)	17
23	Cost of Concentrate Feed for others (Rs./kg)	16
24	Cost of hay (Rs./kg)	1
25	Vegetables and Kitchen waste	
(i)	Rs per grower month	
(ii)	Rs per adult month	
26	Water and electricity (Rs./animal month)	2
27	Veterinary and miscellaneous expenses (Rs./animal month)	2

28	Wool production per shearing per rabbit ( g)	
(i)	Grower at the age of 3 months	75
(ii)	Grower at the age of 6 months	175
(iii)	Adult above 6 months	225
29	Shearing of adults is done at quarterly intervals□	
30	Sale price of wool (Rs./kg)	1,100□
31	To maintain the strength of adult wool rabbits at 130, animals are sold after maintaining them	
32	Sale price of rabbits (Rs./animal)	800
33	Income from manure per grower (Rs.)	4
34	Income from manure per adult (Rs.)	8

#### D. Income and Expenditure Statement

(Amount in Rupees)

Particulars	Year				
	1	2	3	4	5
<b>Income</b>					
Sale of Wool	29,920	103,290	118,140	118,140	118,140
Sale of Animals	0	46,400	69,600	69,600	69,600
Income from Manure	352	932	988	988	988
<b>Sub Total</b>	<b>30,272</b>	<b>150,622</b>	<b>188,728</b>	<b>188,728</b>	<b>188,728</b>
<b>Expenditure</b>					
Cost of Feed					
Concentrate	35,720	78,040	82,360	82,360	82,360
Hay	1,186	3,131	3,333	3,333	3,333
Vegetables / Kitchen Wastes	792	2,084	2,219	2,219	2,219
Water & Electricity Cost	1,440	3,264	3,444	3,444	3,444
Medicines & Misc. Expenses	1,440	3,264	3,444	3,444	3,444
<b>Sub Total</b>	<b>40,578</b>	<b>89,783</b>	<b>94,800</b>	<b>94,800</b>	<b>94,800</b>
<b>Gross Surplus</b>	<b>30,272</b>	<b>60,839</b>	<b>93,928</b>	<b>93,928</b>	<b>93,928</b>

#### E. Financial Analysis

(Amount in Rupees)

Sr. No.	Particulars	Year				
		1	2	3	4	5
1	Capital Costs	184,420				
2	Recurring expenses	40,578	89,783	94,800	94,800	94,800
	<b>Total capital costs</b>	<b>224,998</b>	<b>89,783</b>	<b>94,800</b>	<b>94,800</b>	<b>94,800</b>
	<b>Benefits</b>					
3	Income	30,272	150,622	188,728	188,728	188,728
4	Salvage value of animals					36,000
5	Residual value of sheds and equipment					83,250
	<b>Total Benefit</b>	<b>30,272</b>	<b>150,622</b>	<b>188,728</b>	<b>188,728</b>	<b>307,978</b>
	<b>Net Benefit</b>	<b>-194,726</b>	<b>60,839</b>	<b>93,928</b>	<b>93,928</b>	<b>213,178</b>

	Disc Cost @ 15% DF	<b>427,206</b>				
	Disc Benefit @ 15% DF	<b>525,332</b>				
	NPV	<b>98,126</b>				
	BCR	<b>1.23</b>				
	IRR	<b>36.12%</b>				

***F.Repayment Schedule***

*(Amount in Rupees)*

<i>Year</i>	<i>Gross Surplus</i>	<i>Loan Outstanding</i>	<i>Interest</i>	<i>Principal*</i>	<i>Total Outgo</i>	<i>Net Surplus</i>
1	30,272	202,500	17,544		17,544	12,728
2	60,839	202,500	17,544	18,959	36,503	24,336
3	93,928	183,541	15,269	41,088	56,357	37,571
4	93,928	142,453	10,338	46,019	56,357	37,571
5	93,928	96,434	4,816	40,134	44,950	48,978
* Capital subsidy adjusted in 5 <sup>th</sup> year Interest calculated on effective bank loan						

