



Project Proposal

of

Northern Angel Dairy Farm (PVT) LTD
(Cows, Goats, Pigs & all kind of Cattle/Animals)

1. Background

1.1. Name of Farmer: Northern Angel Dairy Farm (Pvt) Ltd

PV No. : 00270951
Village : Atchuvely
Division : Kopay
District : Jaffna
D/s Division No. : J/285
House No. : 17, Rasa Veethy, Atchuvely 40150

1.2. Scale of Operation

Dairy Farm : 5 Jersey Cross-Bred Cows (1st Stage)
: 10 Jamnapari Goats (2nd Stage)
: 10 Saanen Goats (2nd Stage)
: 5 Landrace Pigs (3rd Stage)
: 5 Large White Pigs (3rd Stage)

1.3. Land

Land 1 : Dry/Wet Land of 10 lachchams (100 perches)
Place of Land : Kaddurian Vayal, Atchuvely
Land 2 : Dry/Wet Land of 7 lachchams (70 perches)
Place of Land : Kudamathiyam Thidal, Atchuvely

1.4. Road Access

Land 1: Farm road passes along the farm. The Jaffna – Point Pedro Highway is at a distance of about 50 meters.

Land 2: Farm road passes along the farm. The Atchuvely – Vallai Junction at Point Pedro Highway is at a distance of about 20 meters.

1.5. Water

Land 1: Can put up a tube well on the premises. The land has good drinking water supply underground.

Land 2: Has its own 15 foot water well on the premises and the land has good drinking water supply underground.

So, there is water in both the lands. There will be no shortage of Water supply at any times of the year.

1.6. Market Perspective

Cows

Local market price of cow milk is Rs. 145/= per liter to the milk powder companies.

Goats

Local market price of goat milk is Rs. 160/= per liter. (The project will be on 2nd Stage)

Pigs

Local market price of pork is Rs. 1,700/= per kg. (The project will be on 3rd Stage)

The project proposes mainly on 1st stage to sell Cow milk to the collectors of milk powder factories.

Nonetheless, the project is not proposes as alternative to make butter and cheese, stock them and supply to the local market on later stage. It is imperative as the price of milk paid is low and long term stability of the local milk processor is not certain. In a later stage will consider to make butter, yogurt and cheese for the local market supply.

1.7. Funding

The project proposal is developed for seeking financial support from banks or any persons.

The project is an 8 year project. In 8 years the loan amount along with interest at 6.5% (Annual) shall be liquidated.

It is proposed to repay the loan on fixed straight line mode and pay Rs. 375,000.00 (Three hundred and seventy five thousand) annually, until the loan is fully liquidated.

By nature dairy enterprise is front end capital intensive requiring high initial capital investment. The turnover period is long as it has long gestation period and the risk of disease outbreak is high.

This project is affirmed to be viable only with bank or personal lending support of credit at 6.5% or less annually, which otherwise not viable if it has to seek loan at commercial interest rates of 13% or over from Banks.

2. Objectives

- 2.1. Generate income from sale of milk and milk products, and live animals to support family livelihood.
- 2.2. To have profitable alternative employment option for children and promote dairy farming among fellow farmers and rural youths.
- 2.3. To generate Bio-gas and have sustainable supply of energy for cooking such that firewood collection from forest is no longer necessary.
- 2.4. To promote organic farming among fellow farmers in Northern Province of Sri Lanka.

The farm will serve as a model dairy farm for farmers of Northern Province of Sri Lanka. It will create the scope of having a Milk Producers Group in the Area which is inevitable to market fresh milk and milk products to the local market in entire Northern Province of Sri Lanka.

The plentiful manure produced shall improve the productivity of other crops and enable to practice organic farming.

3. **SWOT Analysis**

Strong policy support of the Government extended through Banks for Dairy projects is primary source of motivation.

The Government has been providing credit at lowest possible interest rate of 6.5%. The demand of milk, milk products & meat has always been high and ever increasing. The market is readily available, the price is high and entrepreneurial skills is adequate.

Besides, the adequate family labour, land to grow pasture, standing fodder tree in the farm, crop residues to feed the cows, goats & pigs farm road passing through and nearness to the highway are the strengths of this enterprise.

The initial front end capital investment is high. The shelf of milk is low and the enterprise has long gestation period. These are the strong weaknesses of the enterprises, which deter most entrepreneurs.

Cheap import from other countries and the possibility of disease outbreaks and death of the cows, goats & pigs non-availability and high cost of replacement stocks are the threat to the enterprise. Sudden change in the policy support is also a potent threat.

SWOT ANALYSIS	
<u>Strength</u> ❖ Financial support of Lender at 6.5% interest. Availability of land, labour, fodder, crop-residues and water. High demand and good price for milk, milk products & Meat. Good level of entrepreneurial skills.	<u>Weakness</u> High initial capital investment Long production/ turnover period Short shelf life of milk Long distance from Colombo Require large area of land
<u>Opportunities</u> Strong Government policy support. High demand and ready market. Good scope for product diversification Expansion of enterprise creating jobs at home. Socially acceptable enterprise	<u>Threats</u> Diseases outbreaks Cheap import from India Sudden change in policy support. Replacement stock not readily available and the cost is high.

Keeping in view the above considerations, dairy enterprise require high level of animal husbandry and management skills.

4. **PEST Analysis**

The Political, Economical, Social and Technical (PEST) analysis affirms high demand of milk, milk products & meat, availability of the technology available, there is strong policy support of the Government and it is socially acceptable just enterprise.

Parameters	Implication for your organization/business
Political	
National Policies	Improve Rural livelihood and well being Poverty Reduction Job Creation Import substitution of Dairy Products
Economic	
Demand	High
Supply	Low
Market Prices	Good
Market trend	Increasing.
Capital investment	Requires high initial capital investment cost.
Social	
Social stigma	Socially just as it does not involve slaughtering
Technological	
Technology	Available
Equipments	Available
Entrepreneurial skill	Adequate

Dairy enterprise is capital intensive. It is expensive to start and it takes long turn over time to generate income and pay back the loan for establishment.

Dairy enterprise deals with live animals vulnerable to disease outbreak and the risk of animals being succumbed to diseases is high. Because it requires land for fodder production, the scope of expansion is limited. Also the marketable products; the milk, milk products and meat are highly perishable and have short shelf life.

However, with the strong government policy support, high level of entrepreneurial skills and commitment of the entrepreneurs shall take care of all the weakness and threats of this enterprise.

5. Technical Plan

5.1. Structure and Equipment **Structure for Cows**

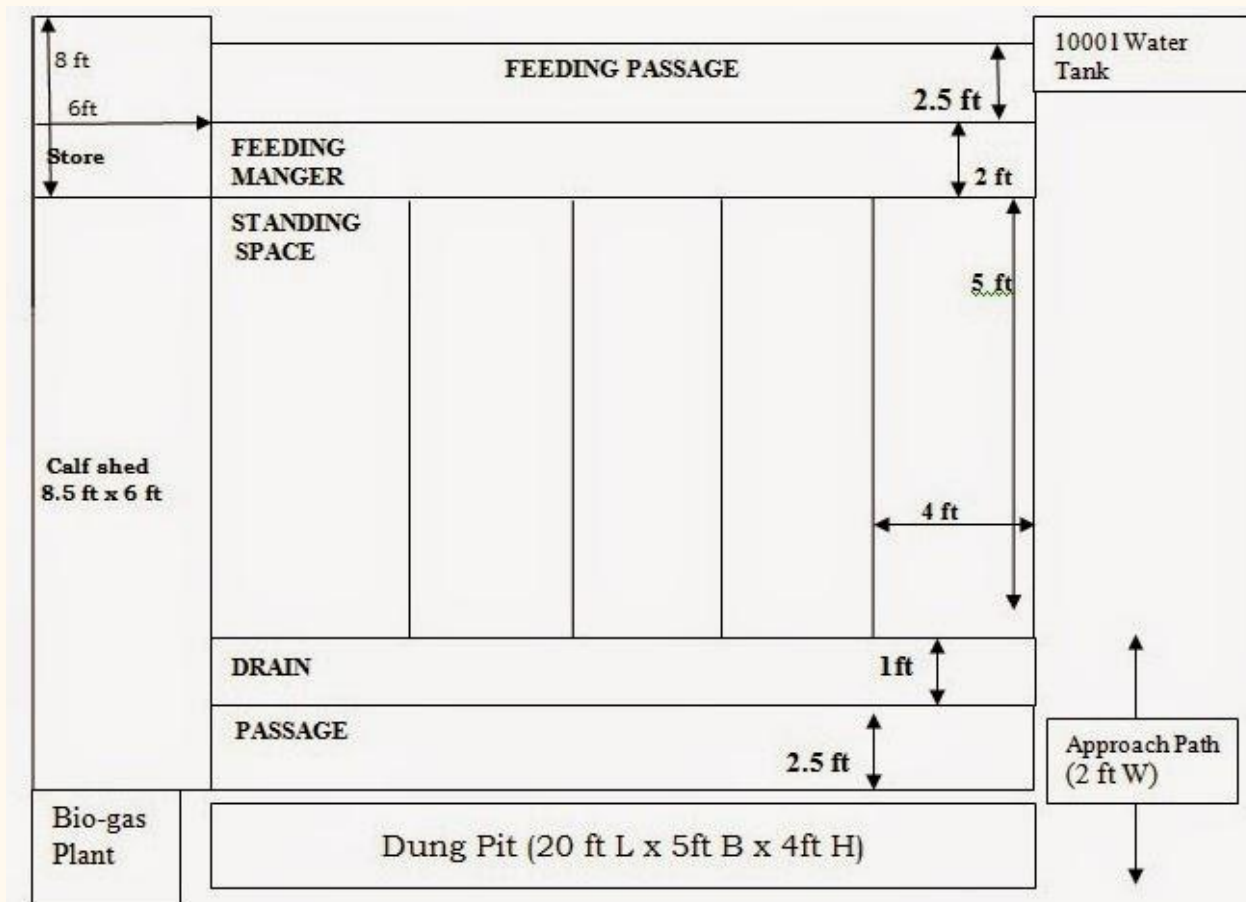
The structures will include:

1. Main shed (26 ft x 16.5 ft).
2. Dung peat (20 ft L x 5ft B x 4ft H).
3. Feed store (8ft x 6 ft).

4. Calf Pan (6ft x 5 ft).
5. Water Tank (1000 liter Syntex tank and stand).
6. Biogas plant (Standard size)
7. Fencing (30 ft x 30 ft wire mesh fencing).

The sketch map of the structure is provided in Figure -1.

Figure. 1. Sketch map of cow shed for 5 Cows



Total wall height of main shed shall be 12 ft. At 8ft height, a wooden ceiling will be made. The 4 ft tall ceiling space will be used for keeping silage and hay.

The total wall height for feed store (8ft x 6ft) and calf shed (5ft x 4 ft) shall be only 8ft.

The dung peat will be made of stone concrete masonry. The urine will be collected in urine pit.

The Biogas plant will be built under guidance of the Department of Livestock.

Equipment

The following necessarily required dairy equipment's shall be purchased:

1. Chaff cutter 1 no.
2. Milk Cans (5, 10, 20 and 40 lit. cap.) 1 set

- | | | |
|----|------------------------------------|------|
| 4. | Cream Separator cum Butter Churner | 1 no |
| 5. | Deep Freezer (65 -125 liter) | 1 no |

5.2. Parent Stock and Herd Dynamic

The Jersey cross bred cows having up to 75 % exotic blood inheritance giving 8L milk/day, preferably in 1st to 2nd lactations shall be procured.

Three in milking and two dry pregnant cows (70:30 ratios) shall be procured to ensure continuous production of milk year round.

The female progeny born will serve as the replacement stock to replace aging and/ or low performing cows.

The male progeny born will be reared for 15- 18 months and sold off.

Parameters	%	Year 1	Year 2	Year 3	Year 4	Year 5
Total Adult Unit		5	5	5	6	6
Adult mortality	0	0.0	0.0	0.0	0	0.0
Culling	-	-	-	-	1	1
Closing Balance		5	5	5	6	7
Calving	75	4	4	4	4	4
0-1 yr. mortality	5	0	0	0	0	0
1 to 3 yr. mortality	0	0	0	0	0	0
Female calf	50	2	2	2	2	2
Male calf	50	2	2	2	2	2

5.3. Feeding

5.3.1. Dry Matter Requirement

The Dry Matter (DM) requirement will be met with a combination of concentrated feed and the green fodder from pastures, fodder trees and forest, crop residues, silage and hay.

A cow on an average weighing 300 kg live body weight will be considered as one Adult Unit (1 AU).

In a day, DM equivalent to 2.5% live weight of the cow shall be fed.

To 1 AU weighing 300 kg, 7.5 kg DM shall be fed in a day.

100 kg green fodder in growth stage shall be considered equivalent to 20 kg DM and in flowering or later stage shall be considered equivalent to 25 kg.

About 80 % of DM requirement will be met with green fodder (50 %), silage (20%) and hay/straw-(10%). The balance 20% will be met from concentrate.

5.3.2. Fodder Production

Pasture shall be established and fodder trees shall be planted in own registered land. Hybrid Napier and Guinea grass among tall grasses and Disodium and Setaria among short grasses shall be grown. Among fodder trees fast growing local species shall be planted.

To the extent possible 0.5 acre of land/animal will be allocated for fodder production.

Hay making and fodder enrichment such as ensiling silage, feed blocking will be done. The excess green fodder during summer shall be converted into hay or silage and stocked for lean season.

The silage making in plastic-bag will be done. It has comparative advantage over silo-pit, for small scale farming (micro- farm). It involves less cost, less labor intensive and more convenient technique.

A minimum of 4 MT of silage shall be conserved which will be adequate to feed 5 cows @ 6kg silage/animal/day for a period of four months.

The fodder grasses will be grown in dry land and fodder trees of recommended and/or local species will be planted in and around farm boundaries including wetland boundaries.

5.3.3. Feed Concentrates

Cows will be fed with Concentrates following the recommended feeding regimes recommended by the Department of Livestock.

Specific ration including calf starter, maintenance requirement, gestation and production rations shall be fed.

In case the concentrates are either too expensive or inconvenience to get, a home-made general ration of following combination in 100 kg shall be made:

1. Crushed maize	42 kg
2. Wheat/ Rice fiber	35 kg
3. Oil Cakes (Punnakku)	20 kg
4. Mineral mixture	2 kg
5. Salt	1 kg
Total	100 kg

Anything additional or extra to needed to be added shall be done as per the advice of the Livestock Officials.

5.3.4. Feeding Regimes

When 40 kg "nutritive" green fodder is fed to an Adult Unit (AU) in a day, it will meet the feeding requirement. However, 1 kg concentrate per day shall be fed for good health of the cows.

Fodder grasses like Guinea or Napier with a minimum of 6 % crude protein on dry matter basis is considered adequate as maintenance ration.

Grass-legume mixed fodder is considered adequate to maintain milk production of up to 3-4 kg.

Generally an Adult Unit (AU) weighing 300 kg body weight shall be fed 7.5 kg DM and 3 kg concentrate, including maintenance and production/pregnancy allowance.

As a guideline the following feeding regime shall be followed:

Feeding regimes for Milking Cows

Sl No.	Milk Production	Time	Green Fodder (kg)	Dry Fodder (kg)	Concentrate (kg)
1.	6-7 liters milk per day	Lactation days	20-25	5-6	3.0-3.5
		Dry days	15-20	6-7	0.5-1.0
2.	8-10 liters milk per day	Lactation days	25-30	4-5	4.0-4.5
		Dry days	20-25	6-7	0.5-1.0

Feeding regime during summer and raining months for different category of Cows

Category	Summer Feeding Regime		Raining period Feeding Regime		
	Concentrate Mixture (kg)	Green Fodder (kg)	Concentrate Mixture (kg)	Green Fodder (kg)	Dry Fodder (kg)
Dry Cows	-	25-30	1.25	5.0	5-6
Milking	1 kg for every 2.5-3.0 kg of milk	30	1.25 + 1 kg for every 2.5 - 3.0 kg of milk	5.0	5 - 6
Pregnant	Production Allowance + 1 to 1.5 kg from 6th month of pregnancy	25 - 30	Maintenance + production + 1 to 1.5 kg from 6th month of pregnancy	5.0	5 - 6

Feeding regime for calves up to 6 months

Age of calf	Approx. body weight (kg)	Quantity of milk (kg)	Quantity of calf starter (g)	Green Fodder (kg)
4 days to 4 weeks	25	2.5	Small qty.	Small qty.
4-6 weeks	30	3.0	50-100	Small qty.
6-8 weeks	35	2.5	100-250	Small qty.
8-10 weeks	40	2.0	250-350	Small qty.
10-12 weeks	45	1.5	350-500	1-0
12-16 weeks	55	-	500-750	1-2
16-20 weeks	65	-	750-1000	2-3
20-24 weeks	75	-	1000-1500	3-5

Also the following points shall be kept in mind in feeding the cows:

1. Maintain optimum ratio of roughage and concentrate (Generally 60:40 ratio).
2. Feed concentrate individually according to production requirements.
3. Good quality roughage saves concentrates. Approximately 20 kg of grasses fodder or 6-8 kg legume fodder can replace 1 kg of concentrate mixture in terms of protein content.
4. 1kg straw can replace 4-5 kg of grass on dry matter basis. In this case the deficiency of protein and other nutrients should be compensated by a suitable concentrate mixture.
5. Feed concentrate mixture at or preferably before milking – half in the morning and the other half in the evening.
6. Feed roughage three times a day: morning, afternoon and evening.
7. Abrupt change in the feed should be avoided.
8. Tender green fodder should be wilted or mixed with straw before feeding. Legume fodders, particularly at young and tender stage must be mixed with straw or other grasses to prevent the occurrence of bloat and indigestion.
9. Feed store must be dry and well ventilated to prevent development of moulds and toxins in the feed that may cause poisoning.

5.4. Health Care

Many animal-health related problems shall be avoided by the same measures that enhance production. The following norms shall be practiced to ensure good health of the herd:

Bio-Security

Bio-security measures including fencing to restrict access by visitors, dogs and other animals will be followed to prevent incidence of diseases. The farm will have foot bath/foot dip at the entry point.

Hygiene

The shed shall be regularly cleaned and disinfected. Cleaning shall be done before disinfection. The cows shall be fed balanced feed and provide clean drinking water.

Quarantine

The sick animals shall be quarantined. This means sick animals shall be kept away from the rest during their illness. The newly purchased cows shall not be allowed to mix with the herd for about six weeks.

Vaccination

Timely vaccination against known diseases like foot and mouth shall be done as advised by the Livestock Officials.

Timely vaccination, de-worming and detection of heat, reproduction monitoring such as pregnancy diagnosis, mastitis prevention and control and care of hoof shall be ensured to enhance farm productivity.

5.5. Breeding

Artificial Insemination (AI) services from nearest AI out-reach station will be availed for good quality progenies.

National Animal Identification Number (NAIN) with plastic ear tags will be used for animal identification.

Individual bovine register designed and supplied by NDDC shall be maintained. Besides the bovine register, following records also be kept:

- Daily milk production and sale records
- Concentrate purchase and feeding record
- Farm herd book (for all category of animals)
- Monthly expenditure and income statements

A complete breeding and herd health records shall be maintained through maintenance of herd record books provided by the Livestock Officials.

5.6. Organic Wastes

The dung pits as indicated in the structure will be constructed.

The fresh cow dung will be used for Bio-gas production. The Bio-gas will add to the income of the farm by saving expenditure in the energy required for cooking.

The slurry coming out of the Bio-gas plant and the organic waste shall be used for making Farm Yard Compost (FYC).

6. Marketing Plan

6.1. Existing Market

A private micro milk collecting plant is located in less than 2 km distance. The collecting plant purchase fresh milk at Rs. 145 per liter, for Nestle factory.

6.2. Alternative Strategy

Depending on the profitability and in case the collecting plant is not operating, it is proposed to transport to another collecting plant is located in less than 3 km for the same price.

To create volume, milk from neighbors will be purchased. Efforts shall be made to create Producers Group.

7. Implementation Schedule

The project will be implemented cautiously in a planned manner. The implementation will be staggered.

Activities	Yr -1	Yr -2	Yr -3	Yr -4	Yr -5
Construct sheds & store, fencing, bio-gas, water tank					
Develop Fodder					
Purchase 2 Cows					
Purchase 3 Cows					
Purchase Deep freeze					
Purchase cream separator cum butter churner					
Sale 2 young heifer/bull every year					
Replace 1 milking cow every year					
Pay Loan @ Rs. 375,000 per year					

Fodder development will take time. It needs at least one growing season of 6 months. For this reason the purchase of cows shall be staggered.

The first 2 cows will be purchased in 2nd quarter of 1st year after the structures are ready. They will be fed with crop residues and fodder already available in the farm along with the purchased feed concentrates.

The last 3 cows will be purchased in the 4th quarter of 1st year, when enough fodder, hays and silage are stocked, experience in managing cross bred Jersey cows, particularly in terms feeding and health, is gained and record keeping is learnt as well as other associated factors are better understood.

8. Human Resource Plan

The manager is literate and able to keep farm record and ensure hygiene and sanitation.

Two family members fully engaged in farming will be used for operating the enterprise.

No additional workers are needed or hired at present. After the 5th year we may appoint additional workers.

9. Financial Plan

9.1. Initial Investment Cost

The initial investment cost of the project is Rs. 3,000,000.00, which includes:

5 Cows	Rs. 1,500,000.00
Structure:	Rs. 1,012,000.00
Equipment:	Rs. 157,000.00
Establishment:	Rs. 331,000.00

The Cost Break-up of Initial Investment Cost is:

Sl. No.	Particulars	Quantity	Approx. Rs/Unit	Total Amount (Rs)
I. Cows				
1	Cost of Cows	5	300,000	1,500,000.00

II. Structure				
1	Cost of cow shed, calf shed, store and dung pit	1	910,000	910,000.00
2	Fencing	1	30,000	30,000.00
3	Syntax water tank: 1000 L Cap & conc stand	1	25,000	25,000.00
4	Bio-gas plant	1	47,000	47,000.00
	Sub-Total			1,012,000.00
III. Equipment				
1.	Chaff Cutter	1		25,000.00
2.	Milk Cans (5, 10, 20 and 40 lit. cap etc..)	1set		30,000.00
3.	Cream Separator cum Butter Churner	1	22,000	22,000.00
4.	Deep Freezer/ Refrigerator (250 liter)	1	80,000	80,000.00
	Sub-Total			157,000.00
	Total Capital Cost			1,434,000.00
IV. Establishment Cost				
1	Insurance (20 % of cost of Cows)	5	60,000	300,000.00
2	Transport Cost	5	3,000	15,000.00
3	Feeding cost during quarantine period	5	2,000	10,000.00
4	Labour cost for fodder development	20	300	6,000.00
	Sub-Total			331,000.00
	Total Project Cost			3,000,000.00

Assumption: The seeds/plants and fertilizers for establishing fodder bank shall be provided by the Department of Livestock free of cost

9.2. Profit and Loss Account

The profit and loss account/ annual income statement is worked out for 8 years till the loan amount is fully liquidated.

The assumptions considered in determining the profit and loss account includes:

1. Four Cows out of five will be in milking stage at all times.
2. Average milk production per cow is 12L/day
3. Four Cows shall give milk for 350 days a year @ of 12L milk/day.
4. The milk price is Rs. 145.00 per liter.
5. On average 3 kg concentrate/AU/day shall be fed.
6. The feed is priced at Rs. 90/kg.
7. Labour cost is accounted at Rs 30,000/ month/person x 1
8. Two young animals are sold annually from Year 3 @ of Rs. 100,000/per animal
9. One Cow will be sold annually @ 400,000 from the year 4

10. Saving from Bio-gas: Rs. 100,000/ year from the year 2
10. Sale of Manure Rs. 50,000/year in the year 1 & Rs. 100,000/year from the year 2
11. Depreciation of Structures @ 10 % spread over a period of 20 years.
12. Depreciation of equipment @ 10 % spread over a period of 10 years.
13. Inflation -not accounted.
14. Salary of Manager -not accounted.
15. Mortality: not accounted

Cost Benefit Analysis

Cost/Expenditure									
R	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
1	Repayment of Loan	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000
2	Depreciation of Structure	101,200	91,080	81,972	73,775	66,397	59,758	53,982	48,384
3	Depreciation of Equipment	15,700	14,130	12,717	11,445	10,301	9,270	8,344	7,510
4	Interest on Loan	195,000	170,625	146,250	121,875	97,500	73,125	48,750	24,375
5	Concentrate Feed	49,275	98,550	98,550	98,550	98,550	98,550	98,550	98,550
6	Animal Attendant	180,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000
7	EPF, ETF and Others	64,000	64,000	64,000	64,000	64,000	64,000	64,000	64,000
4	Miscellinooe us	10,000	10,000	10,000	12,000	12,000	12,000	15,000	15,000
Total Cost		990,175	1,183,385	1,148,489	1,116,645	1,083,748	1,051,703	1,023,626	992,819
Income									
1	Sale of fresh milk	304,500	609,000	609,000	609,000	609,000	609,000	609,000	609,000
2	Sale of old cows				400,000	375,000	350,000	325,000	300,000
3	Sale of young stock			100,000	125,000	140,000	150,000	175,000	200,000
4	Sale of manure	50,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
5	Bio-Gas and Lighting		100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total Income		354,500	809,000	909,000	1,334,000	1,324,000	1,309,000	1,309,000	1,309,000
Profit/Loss (income-exp)		(635,675)	(374,385)	(239,489)	217,355	240,252	257,297	285,374	316,181

10. Loan Payment Schedule

It is proposed to pay Rs. 375,000.00, (Three hundred and seventy five thousands) only, per year.

Paying the loan interest at the rate of 6.5% per year. The loan amount including interest shall be liquidated in 8 years.

During the 8 years loan liquidation will be paid with interest charged at 6.5% per annum as follows.

	Capital	Interest	Total Repay
1 st Year	375,000	195,000	570,000
2 nd Year	375,000	170,625	545,625
3 rd Year	375,000	146,250	521,250
4 th Year	375,000	121,875	496,875
5 th Year	375,000	97,500	472,500
6 th Year	375,000	73,125	448,125
7 th Year	375,000	48,750	423,750
8 th Year	375,000	24,375	399,375
Total	3,000,000	877,500	3,877,500

11. Government Clearance

i. National Environment Commission (NEC)

The cow dung is a major source of the Methane (CH₄), which is a potent Green House Gas (GHG).

To mitigate the emission of the Methane (CH₄) gas into the atmosphere, the Bio-gas plant is integrated to this enterprise.

The Bio-gas plant will enable to make use of Methane Gas for cooking purpose instead of letting it to the atmosphere for damaging the Ozone Layer causing global Warming and climate change.

i. National Land Commission (NLC)

The enterprise will be executed entirely on registered private land.

ii. Forest Clearance

The nearest forest boundary is more than a kilometer away.

No debris shall be burnt. All debris will be converted into compost.

There will no felling of bushes or trees.

v. BAFRA

The enterprise will comply with Livestock Rules and Regulation, and every activity will be executed as per the advice of the Department of Livestock.

12. Monitoring and Evaluation

Government Livestock officials will be the advisor as well as oversight agency to monitor the operation and management of the enterprise.

MOH officials will be welcomed to monitor the enterprise as the sole financier of the enterprise.

To the monitoring team all the records shall be made available and feedback will be sought and comply with all necessary recommendations.

13. Conclusion

High initial capital investment, long turnover period and risk of outbreak of diseases make dairy a daunting enterprise for poor farmers. Unlike other enterprises, like poultry, it requires land for fodder production which makes unfeasible for farmers with small land holding.

Nonetheless, with strong government support, entrepreneurial skill and increasing demand and price of milk and milk product the project is expected to succeed. The benefits of dairy farming are multiple. The difficulties faced in the short run yields sustained income for the family in the long run providing opportunity for young children getting employed at home itself.

The dairy farming will enable to have Bio-gas for cooking which will alleviate the drudgery of collecting firewood and cooking food in firewood. Besides it will enable to practice organic farming.

The total loan amount of Rs 3,000,000.00 is expected to be paid back by 8th year of the project. In fourth year the enterprise will achieve the breakeven point when the capital investment cost along with interest will be paid back.

Dairy is a socially appropriate enterprise and with the strong government policy support as it is now, it has good scope for more farmers of Sri Lanka's Northern province to take similar enterprise which would alleviate rural poverty, create job, reduce dependence on forest for firewood and enable practicing organic farming.

The entrepreneur shall put utmost effort to promote Northern Angel Dairy Farm (PVT) LTD, organic farming and adoption of Bio-gas in the Province. Initiatives will be taken to promote Producers Group in the Northern Province which will encompass organic vegetables production and poultry production besides milk, milk products and Meat.

Project Proposal Prepared By:

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