

J & K ENTREPRENEURSHIP DEVELOPMENT INSTITUTE (JKEDI)

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DETAILED TECHNO-ECONOMIC
CUM PRE-INVESTMENT PROJECT
REPORT

ON

(SHEEP FARMING)

INTRODUCTION

Sheep Farming and Its National Importance

The country has 56.8 million sheep as per 1997 livestock census and ranks sixth in the world. The statewise sheep population are given in Annexure I. During 2001-02 wool production stands at the modest level of 50.709 million, skin with wool sheep 524 MT, sheep and goat meat 700500 MT in 2001-02, sheep fresh 52380 MT. The export earnings from different woollen products during 1994-95 was Rs.25773 million. The contribution of sheep to total meat production in the country is around 14 percent. The contribution of sheep through export of meat is 8 percent of the total export value of agricultural and processed food products. Live sheep are also exported for meat purpose. Sheep skin in the form of leather and leather products is also exported.

Sheep make a valuable contribution to the livelihood of the economically weaker sections of the society. Amongst the livestock owners the shepherds are the poorest of the lot.

Sheep with its multi-facet utility for wool, meat, milk, skins and manure, form an important component of rural economy particularly in the arid, semi-arid and mountainous areas of the country. It provides a dependable source of income to the shepherds through sale of wool and animals. The advantages of sheep farming are :

- i) Sheep do not need expensive buildings to house them and on the other hand require less labour than other kinds of livestock.
- ii) The foundation stock are relatively cheap and the flock can be multiplied rapidly.
- iii) Sheep are economical converter of grass into meat and wool.
- iv) Sheep will eat varied kinds of plants compared to other kind of livestock. This makes them excellent weed destroyer.
- v) Unlike goats, sheep hardly damage any tree.
- vi) The production of wool, meat and manure provides three different sources of income to the shepherd.
- vii) The structure of their lips helps them to clean grains lost at harvest time and thus convert waste feed into profitable products.
- viii) Mutton is one kind of meat towards, which there is no prejudice by any community in India and further development of superior breeds for mutton production will have a great scope in the developing economy of India.

Technical Feasibility - This would briefly include

(a) Nearness of the selected area to veterinary aid, breeding cover and wool collection centre and the financing bank's branch.

(b) Availability of good quality animals in nearby livestock markets. The distribution of sheep breeds in India are given in Annexure IV-a, while the wool production and quality in IV-b.

(C) Availability of good grazing ground / lands.

(e) Availability of green/dry fodder, concentrate feed, medicines etc.

(f) Availability of veterinary aid / breeding centres and marketing facilities near the scheme area.

Economic Viability - This would briefly include

(A) Input cost for feeds and fodders, veterinary aid, insurance, shearing etc.

(B) Output costs i.e. sale price of animals, wool, penning etc.

(C) Income-expenditure statement and annual gross surplus.

(D) Cash flow analysis.

(E) Repayment schedule i.e. repayment of principal loan amount and interest.

Package of Common Management Practices Recommended for Sheep Farmers

Modern and well established scientific principles, practices and skills should be used to obtain maximum economic benefits from sheep farming. Some of the major norms and recommended practices are given here under

Selection and purchase of Animal

- i) It is necessary to select suitable improved breed of sheep available in particular area.
- ii) Crossbred sheep are available for purchase from state Government / Government of India sheep breeding farms.
- iii) Ewes can be purchased in regular sheep markets or from breeders in villages, while male sheep (rams) of exotic / crossbred from Government farms.
- iv) A purchase committee, consisting of the borrower, the financing bank's representative and a veterinary assistant surgeon may be constituted or else cash payments could be done to borrower to select his own animals.
- v) It is desirable to purchase healthy animals of 12-18 months of age.
- vi) A certificate regarding age and health of sheep is obtained from the veterinary assistant surgeon.
- vii) The animals purchased have to be identified by fixing ear tags.
- viii) Sheep should be vaccinated for important diseases like sheep-fox and enterotoxaemia.
- ix) The price of sheep depends on breed, age and health status.
- x) An entrepreneur should have a unit of 80-100 ewes and TEN ram.

Pregnant, Parturient and Lactating Ewes

Careful management of the pregnant, parturient and lactating ewes will have a marked influence on the percentage of lambs dropped and reared successfully. So, the following steps may be taken to afford proper attention to these animals.

- i) Do not handle the pregnant ewes too frequently.
- ii) Separate the advanced pregnant ewes from the main flock and take effective care in their feeding and management.
- iii) Extra feed during the later part of pregnancy (3-4 weeks before parturition) will be beneficial for the condition of the pre-parturient ewes which will help in improving milk production of ewes, birth weight and growth of lambs.
- iv) Inadequate and poor nutrition may result in pregnancy, toxemia, abortions and premature births of weak lambs.

- v) Bring lambing ewes into lambing corals 4-6 days before parturition and provide maximum comfort. If possible, provide soft, clean bedding and individual lambing pens.
- vi) Watch gestation length which ranges from 142 to over 150 days. Early maturing breeds have slightly shorter gestation period.
- vii) Save parturient ewes from cold and chilly weather.

Care at Lambing / Parturition

An ewe about to lamb prefers to leave the flock. She is restless, the udder is often distended and external genital are in a flushed and flaccid condition. Generally in a healthy ewe parturition is normal. Still the following precautions may be taken during and after parturition.

- i) Keep a vigilant eye for dystokia or difficult birth.
- ii) Maiden ewes in poor condition or small-framed ewes mated to big rams will generally have difficulty in parturition and will have to be assisted.
- iii) Seek prompt veterinary aid and advice from an experienced shepherd or stockman in case of dystokia.
- iv) Newborn lambs, after being licked by the mother generally stand on their legs and start seeking for teats and suckle milk. If they are not able to do so after sufficient time, provide help to them in suckling colostrum (the first milk) which is very essential for health and survivability of lambs.
- v) Save newborn lambs from cold, rain and winds.
- vi) Resort to artificial milk feeding or arrange foster mothers to disowned or orphan lambs. Goats can serve as excellent foster mother but ewes which have lost their lamb early after birth may also be utilized.
- vii) Ligate, sever and antiseptically dress the naval cord of the lamb.
- viii) Give a teaspoonful of castor-oil or liquid paraffin to the lamb to facilitate defecation and passing out of meconium easily.
- ix) Do not handle lambs too frequently immediately after birth and let the dams lick and recognize them properly.
- x) Allow newborn lambs to be with their mothers all the 24 hours for first week or so.
- xi) Feed sufficient quantity of good-quality hay and concentrates (if possible) to the lactating ewes for meeting nutritional requirements for early lactation.
- xii) Provide plenty of clean fresh drinking water as the lactating ewes drink surprisingly higher amount of water during lactation.

Care of Lambs

The lamb should be taken care of the maximum extent during early period of life. This will also ensure better survival. The following steps may be taken for ensuring better growth and survival.

- i) Ensure proper suckling of lambs. Examine udders for blindness of teats or mastitis.
- ii) Take care of indifferent mothers and arrange suckling of lambs by restraining such type of ewes.
- iii) Provide creep feed (good quality hay with or without concentrate mixture) to suckling lambs in addition to suckling of milk from tenth day to weaning age.
- iv) If possible, make available green leguminous fodder or fresh tree leaves to lambs to nibble during suckling period.
- v) Lambs may be ear-tagged or tattooed on the ear for identification (tattooing forceps and ear-tagging forceps should also be cleaned and sterilized at the time of use). Tail docking and castration may also be done in first week or so by placing elastrator (strong rubber band) at the intervertebral space and not on the vertebra.

- vi) Alternatively use sterilized and clean knife for castration and docking and resort to proper ligation and antiseptic dressing at the roof of scrotum with testicles before it.
- vii) During castration keep the lambs on perfectly dry, clean and hygienic site so as to minimize the risks of losses from tetanus.

Weaning and Care of Weaners

The management of Weaners plays an important part in good sheep husbandry. The following steps are important in proper care and management of weaners.

- i) Weaning should preferably be done at 90 days, although in breeds with low milk production or where re-breeding is desired it can be done around 60 days.
- ii) Supplementary feeding and good clean pastures for growing weaners should be provided. The nutrient requirements for growing lambs and adult ewes are given in Annexure VII-a.
- iii) Weaned lambs should be drenched against gastro-intestinal parasites by first month; and vaccinated against enterotoxaemia and sheep-pox.
- iv) Weaners should not be grazed on poor burry and thorny types of pasture since it could cause skin irritation, injury to the eyes and damage to wool.
- v) They should be protected against vagaries of climates and predation.

Housing and Shelter Management

Normally sheep do not require elaborate housing facilities but minimum provisions will definitely increase productivity, especially protection against inclement weather conditions (sun, rain and winds) and predation. Shed could be provided with gunny bags or temporary or removable protections made of thatching material and bamboos. The roof of the shed should be made of the asbestos sheet supported by tubular or angular steel, but wooden rafters and thatching material could also be used.

- ii) Exotics should be provided 0.9-1.1 m² and native and crossbred sheep 0.8-0.9 m² space per head. Sheds measuring 18m x 6m can accommodate about 120 sheep.
- iii) A chain link fencing or thorny bush enclosure of 12m x 6m can be provided for night paddocking of sheep on each side of the shed.

Culling

Culling of sheep is very important for the development of a good flock. It helps to remove undesirable animals and breeding from those which are most approximating the ideal sheep. About 10-20 per cent culling should be practised annually to develop a good flock. The flock size should be maintained by replacing culled ewes by ewe lambs born in the flock.

Maintenance of Records

It is very essential to maintain the necessary records at an organised (experimental or commercial) sheep farm to know about the inputs and outputs. This helps in working out the economy of sheep production per unit of area and per animal. The following records should be maintained : livestock strength, breeding, lambing, shearing, wool production, mortality, purchase of animal feeds, medicines, sale of animals and wool.

Identification

The shepherds commonly practice notching or punching holes in the ears for identification of lambs

. Tattooing is also satisfactory but is more expensive. Metal or plastic ear-tags with stamped letters and numbers are most suitable although they are relatively expensive and heavy for the ears of the smaller native sheep. These ear-tags are applied with the help of a clincher.

Dipping

To control the ectoparasites the sheep should be dipped a few weeks after shearing when they have grown sufficient new wool to hold the chemical substance. There are standard designs for sheep dips and there are many products effective against ectoparasites. A foot-bath may also be provided at the entrance of the farm to prevent the spread of contagious diseases like foot-and-mouth and footrot.

Health Management

The health management calendar given in Annexure VIII may be followed for better health of stock.

Shearing

i) Shearing is done mechanically either with clippers, a pair of scissors or by power-operated machines depending upon the size of operations.

ii) Most flocks are usually shorn twice a year, i.e. March-April after the winter and September-October after the rains. In some states like Jammu & Kashmir and Rajasthan sheep are shorn thrice a year.

Marketing of Wool and Animals

i) The wool and meat sector in the country is small and widely scattered. This is the sector, where organised sector and decentralized sector run complimentary to each other towards meeting the requirements of all sections of the domestic market as well as export. The sector is very loosely knit and heterogenous. Taking the due cognizance of these complexities in the wool sector the Government of India has constituted the Central Wool Development Board in the Ministry of Textiles for the overall growth and development of this sector. The State Governments have also set up separate corporation/Federation to encourage the sector.

ii) Shepherds generally market wool and animals, through rural agents on the basis of rough estimates of weights. The animals are also sold in village weekly markets, where shepherds are exploited to a great extent.

iii) State Governments through sheep corporation, board and federation have also set up sheep co-operative societies which also purchase wool and animals on weight basis and shepherds are paid better prices

REGIONWISE DISTRIBUTION OF SHEEP BREEDS IN INDIA

North Western arid and semi-arid region	Southern peninsular region	Eastern region	Northern temperature region
Chokla	Deccani	Chottanagpuri	Gaddi
Nali	Bellary	Shahabadi	Rampur
Marwari	Nellore	Balangir	Bushair
Magra	Mandya	Ganjam	Bhakarwal
Jaisalmeri	Hassan	Tibetan	Poonchi

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Pungal	Macheri	Bonpala	Gurez
Malpura	Kilakarsal		Kashmir Merino
Sonadi	Vembur		Changathangi
Pattanwadi	Coimbatore		
Muzzafarnagri	Nilgiri		
Jalauni	Ramnad white		
Hissardale	Madras red		
	Tiruchy black		
	Kenguri		

WOOL PRODUCTION AND QUALITY IN DIFFERENT REGIONS OF INDIA

Sr. No.	Particulars	North	North Western	Southern Temperature	Eastern Peninsular
1	Sheep population (million)	20.36	3.45	'19.80	4.6
2	Percent contribution	42.23	7.15	41.07	9.54
3	Wool production (m.kg)	25.11	4.03	7.68	1.57
4	Percent contribution to total	'65.40	'10.50	'20.00	'4.10
5	Per capita production (kg)	1.23	1.16	0.38	0.34
6	Fineness (micron)	30.45	22.3	'40.60	'50-60
7	Medullation (%)	'30.80	5.15	'60.80	'80-90
8	Burr content (%)	2-5	2-8	Below 5	1-3
9	Yield (washed) (%)	'80-90	'50-60	'80-90 (except Nilgiri)	'85-90

Nutrient requirement for growing lambs

Body wt (kg)	Rate of gain (g/day)	Dry matter intake (g)	DCP (g)	ME (k.cal)	Ca (g)	P (g)
10	50	400	35	0.86	2	1.5
	100	450	45	1.00	2.5	2.5
	150	500	55	1.15	3.0	2.0
15	50	500	45	1.08	2.8	2.0
	100	600	55	1.30	3.5	2.5
	150	700	65	1.62	4.5	3
20	50	700	50	1.44	3.5	2.5
	100	800	70	2.01	4.5	3.0
	150	1,000	80	2.30	5.5	3.5
25	50	800	65	1.80	4.5	3.0

SEMPORE PAMPORE 191101/JLN UDYOG BHAWAN JAMMU 180012/LEH, LADAKH

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	100	1,200	85	2.52	5.0	3.5
	150	1,400	100	2.88	6.0	4.0

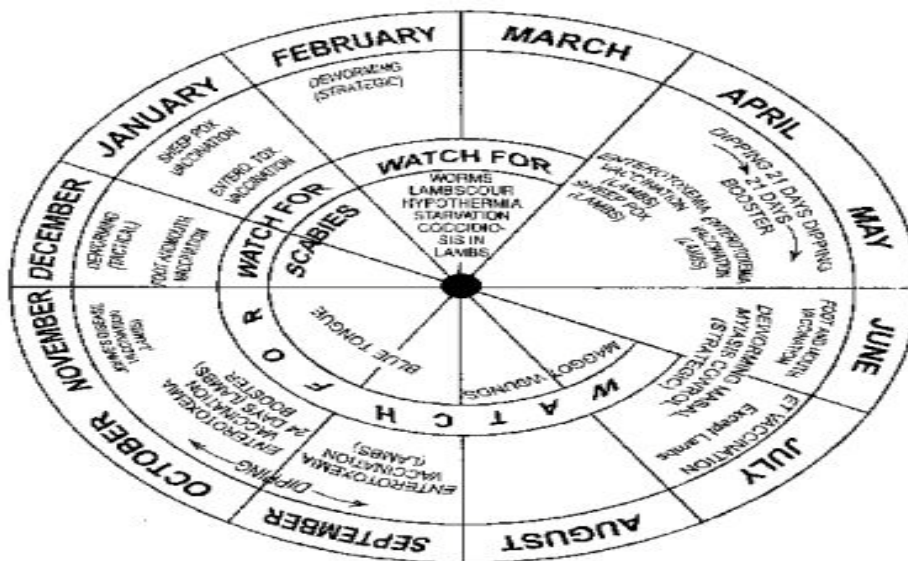
1g = TDN = 3.6 k Cal

Nutrient requirement of sheep* for maintenance.

Body wt.	Dry matter intake (kg)	DCP (g)	ME (k.Cal)	Ca (g)	P(g)
20	0.56	25	1.03	1.7	1.0
25	0.70	31	1.27	2.1	1.6
30	0.83	37	1.52	2.4	1.9
35	0.95	42	1.72	2.6	2.1
40	1.06	47	1.93	2.9	2.3
45	1.17	51	2.09	3.2	2.5

****Adult ewes which are non-lactating and are not over of 15 week of gestation period***

SHEEP FLOCK HEALTH MANAGEMENT CALENDAR



Regular monitoring of Worm Burden is done through faecal examination and at post mortem examination.
 Source: Developed by the Division of Animal Health, CSWRI, Avikanagar.

Housing for sheep

Housing needs for sheep vary by climate, lambing season, as well as the preferences of the individual shepherd. If lambing will occur during periods of inclement weather, more elaborate housing is generally required. If lambing will occur on pasture during periods of mild weather, simple shelters may be all that is needed.

Lambing percentages are higher when shed lambing is practiced. Housed sheep have lower nutritional requirements, whereas sheep kept outside have fewer respiratory problems.

Most operations need facilities where they can store feed, bedding, and equipment. Hay stored in a barn or shed will maintain its quality better than hay that is stored outside, even if the hay is covered. Equipment will last longer if it is housed under roof.

Barns (and similar structures) are often build for the comfort and convenience of the shepherd. During cold or inclement weather, it is easier and more enjoyable to feed sheep that are housed.

Options

There are many different types of housing that can be used for sheep. Traditional barns, pole buildings, and metal buildings are usually the most expensive, but they provide the best protection for the shepherd, sheep, feed, and equipment.

A lower-cost alternative to traditional housing is a greenhouse-type structure called a "hoop house." A hoop house has an arched metal frame that is covered with a heavy fabric. Fabrics last for approximately 15 years.

Sheep facilities do not need to be built new. Old dairy, swine, and poultry barns make excellent sheep-raising facilities. Many facilities can be remodeled to accommodate sheep raising. Many universities and provincial governments have building plans for sheep facilities.

Site location

Facilities should be located on elevated, well-drained sites. When designing a three-sided shelter, the open side should face south away from the prevailing wind. The barn should be easily accessible for deliveries and manure handling. The site should allow for installation of water and electricity.

Space requirements

When confined to a building, a bred ewe requires 12 to 16 square feet of living space. Lambing pens should be 16 to 25 square feet in size. In group housing, a ewe with her lambs needs 16 to 20 square feet. Feeder lambs need 8 to 10 square feet.

Less space is required if sheep are raised on slatted floors or if they have access to an exercise area or pasture. Shearing before housing will allow stocking rates in the barn to be increased by up to 20%.

Recommended housing space (square feet) for sheep and lambs

	Dirt lot	Open shed	Confinement (dirt floor)	Confinement (slatted floors)
Bred ewe	20	8	12-16	8-10
Ewe with lambs	25	12	16-20	10-12
Ram	20	8	20-30	14-20
Feeder lamb	15-20	6	8-10	4-6

Source: Midwest Plan Service, Sheep Housing and Equipment Handbook, 1982

Ventilation

Barns should not be heated or closed up. Good ventilation is an absolute must. Respiratory problems (e.g. pneumonia and bronchitis) often result from poor ventilation. If ammonia can be smelled in the barn, ventilation is likely inadequate.

Ventilation can be accomplished by either natural or mechanical means, but usually naturally-ventilated cold housing is preferable for sheep. It is better to over-ventilate than under-ventilate. The only requirement is that sheep have a dry, draft-free area for lambing.

Bedding

Bedding provides warmth, insulation, and comfort to housed animals. Various materials can be used for bedding for sheep, depending upon their cost and availability: straw, hay, dried corn stalks, corn cobs, peanut hulls, cottonseed hulls, oat hulls, sawdust, wood shavings, wood chips, pine shavings, sand, paper products, peat, hemp, and leaves. Each type of bedding has advantages and disadvantages.

Straw is the traditional bedding for livestock. It comes from the stems of small grains: oats, wheat, rye or barley. Since straw has many uses other than livestock bedding sometimes it costs more than alfalfa hay. As a result, hay is often a cheaper alternative than straw.

Sawdust is not good bedding for woolled sheep because it gets in their fleeces, but works fine for hair sheep. Wood chips or peanut shells are less absorbent than other materials, but can be used as bedding.

Shredded paper (or newsprint) is more absorbent than straw, but is more difficult to handle and may look offensive when spread on fields. Sand has been used by dairy farms to reduce mastitis and improve cow comfort. No matter what material is used for bedding, it needs to be clean and dry.

Livestock bedding alternatives

Bedding material	Absorption factor*
Wheat straw	2.1
Barley straw	2.0
Oat straw	2.4 to 2.5
Hay	3.0
Sawdust	1.5 to 2.5
Shavings	1.5 to 2.0
Corn stover	2.5
Sand	0.3

Peat moss	10.0
* Weight of water held per unit of dry material. Assumes initial moisture content of bedding < 10%.	
Source: Livestock Bedding Alternatives, Ontario Ministry of Agriculture, 1997.	

Keeping Sheep Outside Year-round

Some producers keep their sheep outside year-round. It is more natural. Sheep kept outside benefit from better ventilation and more exercise. Their fleeces stay cleaner. Winter grazing can result in considerable feed savings. Tall fescue is usually the best forage for stockpiled grazing.

Sheep can graze through approximately 12 inches of snow. If the snow is not hard or crusted, the sheep can usually eat enough snow to meet their water requirements; otherwise they need to be watered at least once per day. Lactating ewes should have access to water at all times.

It is common to temporarily house sheep after shearing and/or during lambing. Adult sheep can handle cold and wet weather rather well, but newborn lambs cannot. The combination of cold and wet can kill even a two week old lamb, if there is not sufficient shelter. Emergency shelter is needed for bad storms. Nutrition is the key to keeping sheep outside in the winter. If they have enough to eat, they will stay warm.

Not having to clean the barn and spread manure on the fields is a major benefit to keeping sheep outside.

Shelter and Shade

There is some disagreement as to whether sheep require shelter while they are on summer pasture. However, sheep will usually choose shelter if it is available to them. Protection from heat is probably more important than protection from rain, though hair sheep are more likely to seek shelter from rain than wooled sheep and less likely to seek shade during the heat of the day.

In many cases, trees or a windbreak is all the shelter that sheep need. In open fields without sufficient tree coverage, simple run-in sheds or shade structures can be constructed or purchased. Port-a-huts, calf hutches, polydomes, and carports are useful for small flocks.

Total Confinement

Sheep can adapt to a complete confinement system of production. Confinement enables a producer to raise sheep or increase flock size in situations where land is a limiting factor due to availability or cost. Confinement can vary from open, dry (dirt) lots to buildings with expanded metal floors and automated manure handling systems. Confinement requires intensive, year-round management. Because it tends to have a higher cost of production, higher levels of performance are usually required.

There are numerous advantages to raising sheep and/or lambs in total confinement. Predator problems can be eliminated by keeping sheep in confinement. Internal parasite problems can be practically eliminated, as infective worm larvae is consumed primarily by grazing animals.

It is usually easier to control foot rot and foot scald in confinement. Confinement lends itself well to automated feeding systems. It is common to fatten (feed) lambs in confinement. Less space is needed if expanded metal or mesh flooring is used. The use of rubber mats will improve comfort and insulation. In fragile environments, confinement can prevent overgrazing or other environmental impacts caused by poor grazing management. Zero grazing is common in many third world environments. Security is superior when animals are kept in small areas that can be more easily monitored.

MARKET AND DEMAND

The State of Jammu & Kashmir has been a state of rich heritage and cultural values where the taste of the people is positive about the consumption of Sheep Meat. The State has a population of Approximately 1.20 Crore Population which makes a great scope for sheep meat. The Main Industry of the State of Jammu & Kashmir is Tourism Industry. 90% of the Requirement of the Meat is met by imports from the Neighbouring States of J & K. There is a lot of requirement in Hotels and restaurants.

Also during the Idd Ul Azha the Sheep is mainly used for Kurbanī where in 50% of the families of the Kashmir makes kurbanī and it also increases the scope of sheep rearing in the state of Jammu & Kashmir.

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PROJECT COST SUMMARY			
S.NO	PARTICULARS		AMOUNT(LACS)
1	LAND 3 KANAL LEASED AND SITUATED AT VESSU QAZIGUND ANANTNAG		-----
2	Civil Works		2.52
3	Live Stock		4.20
4	Miscellaneous Fixed Assets		0.50
5	Preliminary & Preoperative expenses		0.92
6	Working Capital Requirement		1.86
			10.00
MEANS OF FINANCE			
1	Seed Capital (Maximum for this Category)		3.00
2	Promoters Contribution		0.50
2	Loan from Bank (65 %)		6.50
DETAILS OF LOANS			
A	Long Term Investment		8.14
1	Promoters Contribution/Seed Money		2.85
2	Term Loan From Bank		5.29
B	Working Capital Requirement		1.86
1	Promoters Contribution/Seed Money		0.65
2	Working Capital Finance From Bank		1.21

POLLUTION NORMS

M/S SHEEP FARM will be following the prescribed guidelines in terms of pollution control and environmental protection with highest level of standards i.e. Air (Prevention and Control of Pollution) Act, 1981, Water (Prevention and Control of Pollution) Act, 1974 and The Environment (Protection) Act, 1986.

GARBAGE DISPOSAL

The FARM will have a separate bins for wet and dry garbage. There are adequate arrangements for garbage disposal and disposal of waste water from the Farm. It is complying with the regulations as prescribed by Municipal Committee. Garbage bags are neatly packed not giving foul smells when stacked outside for being picked up by Municipal Trucks and separate bins are used for wet and dry garbage.

SMELLS AND FUMES

Adequate measures had been taken that no smells and fumes are harmful to the amenity of neighboring land users.

NOISE DISTURBANCE

Careful consideration has been to noise during the late evenings when local residents have a legitimate expectations to peace and quiet and when noise may be more noticeable because of low back ground level. The following measures have been taken i.e. Sound proofing of the premises,

DRAINAGE

The liquid waste from FARM, Wash Bins is collected from sanitary pipes to the underground drainage system and thrown in the municipal drain.

REFUSE AND LITTER

Businesses are required by law to control their waste. It is therefore found necessary to ensure that the SHEEP FARM have adequate provision for

storage and disposal with a legally authorised waste carrier. A pleasant and attractive environment has been maintained by reducing the amount of packaging so that there is less litter to drop in the first place, regularly pick up litter around the premises and where appropriate provide litter bins.

- All solid and liquid wastes are stored and transferred in watertight, covered containers.
- Keep litter from accumulating around loading docks by providing trash receptacles and encouraging employees to use them.
- Bag and seal food waste before putting it in the dumpster. Do not place uncontained liquids, leaking containers or garbage bags into a dumpster.
- Keep dumpster lids closed to keep out rainwater and to prevent trash from spilling out.
- Don't hose out dumpsters. Apply absorbent over any fluids spilled in dumpster.
- Have spill cleanup materials handy near the dumpster and loading dock areas.
- Post employee reminder signs such as "Keep lid closed" near tallow bins and dumpsters.
- Consider enclosing the dumpster in a roofed and bermed area to prevent exposure to rainwater and drainage to the sanitary sewer.
- Keep dumpsters or their enclosures locked to prevent illegal dumping.
- The management ensures that there is zero discharge from the SHEEP FARM to the water body.
- Municipal Solid waste is segregated as bio degradable waste and is sent for production of compost and non bio degradable waste of non re cyclable solid waste is disposed off in the facility provided by the Municipal bodies of the state.

Equipment and Outdoor Cleaning

- Clean floor mats, filters and garbage cans in a mop sink. Do not wash them in a parking lot, alley, sidewalk or street. Oil and water separators used for floor drains or outside areas connected to the sanitary sewer.

- Pour wash water into a janitorial or mop sink. Don't pour it out onto a parking lot, alley, sidewalk or street.
- Separate wastes. Keep recyclable wastes in separate containers according to they type of material.
- Food waste (nongreasy, non-animal food waste can be composted).
- Dispose of toxic waste properly. Toxic waste includes used cleaners and rags (soaked with solvents or floor cleaners).

Apart from the other recommendations, the promoter has agreed in principle that he will strictly adhere pollution norms as and when shall be implemented and shall use all possible devices to prevent pollution measures.

Adequate provisions of toilets, septic and soakage pit has been made to take care of human wastage and the waste water before discharging in the main drainage system, hence, there is no effluents discharged in the form of solid, liquid and gaseous and the SHEEP FARM thus is considered free from the pollution aspects.

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Total requirement for the project : 840 sq. ft

DETAILS OF CIVIL WORKS					
S.NO	PARTICULARS	Dimensions	Covered	Rate	Amount(Rs) in lacs
			Area	SFT	
1	Cattle Shed	40' x 21'	840.00	300.00	2.52

DETAILS AND ESTIMATED COST ON MISCELLANEOUS FIXED ASSETS

S.No	Particulars	Quantity	Rate Rs	Amount Rs. In Lacs
	<u>Machinery</u>			
1	Howers/ Broaders	5	1200	0.06
2	Hard Coke Iron Bukharis	5	600	0.03
3	Electric Lamps/Heaters	50	100	0.05
4	Mesh Wire for windows			0.05
5	C.I./G.I fittings, brass fittings, distribution points, Syntax tank water storage tank , bathroom fixture, water pump, & other plumbing fixtures etc @ 6.5% on the cost of civil structures			0.11
6	P.V.C cables, pipes, lighting fixtures panel board, switches, starters, O.B circuits, exhaust fans, isolators, cut-out, AVRS and other distribution fixtures			0.10
7	Fire extinguishers D.C.P 10 kg capacity			0.10
	<u>Grand Total</u>			<u>0.50 Lacs</u>

PRELIMINARY AND PREOPERATIVE EXPENSES

The details of preliminary and pre-operative expenses generally are expenses on travelling, postage, interest and bank charges during construction period, security deposits, land, premium, project report preparation and other un-fore seen expenses, the details on account of preliminary & pre-operative expenses follows as:

DETAILS OF PRELIMINARY & PRE-OPERATIVE EXPENSES		
S.NO	PARTICULARS	AMOUNT(LACS)
1	Traveling & Conveyance	0.04
2	Printing & Stationary	0.03
3	Professional Charges	0.04
4	Misc. Expenses including rates and taxes	0.09
5	Interest during Moratorium Period	0.48
6	Transportation of Live Stock and Transit Insurance	0.24
		0.92

Economics of Sheep rearing (100 Ewes + 10 Ram)

A. Unit cost of Sheep Development for Meat and Wool

i. Cost of 70 ewes @ Rs. 3500/-	Rs. 3.50 Lacs
ii. Cost of 10 ram @ Rs. 7000/-	Rs. 0.70 Lacs
iii. Total Cost	Rs. 4.20 Lacs

INSTALLED CAPACITY AND PRODUCTION PROGRAMME

Keeping in view the climatic conditions and other factors prevailing in the valley into consideration, the operational hours shall be assumed as:-

a) No. of working days per annum	365
b) No. of shifts per day	Round the clock
c) No. of hours per day	24 hours

Techno economic parameters

Veterinary expenses have been assumed as adult Rs100, young Rs.50/- per year

- 1.The present unit cost of one year Ewes and ram is taken at Rs 5500 and Rs.10000 respectively.
- 2.Lambing interval is taken as 12 months with lambing percentage of 75 and sex ratio of 50:50.
- 3.Mortality is considered as 10 % and 5 % among lambs and adults.
- 4.All female lambs are retained in the flock and males are sold at 8 to 9 months of age.
- 5.The culling rate among ewes is 20 % and above from third year onwards.
- 6.Grazing charges @ Rs 40/- per adult per year.
- 7.Cost of concentrate feed per pregnant Ewe for 30 days @ 250 gms/animal costing Rs 45.00/kg.
- 8.Insurance is 3 % per year

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9. Shearing will be done twice a year. The adult sheep will yield 1.2 kg wool per year and the lamb will yield 600 gm. per year. The shearing charges are Rs 2.00/kg and the price of wool is Rs 40 per kg.

10. Sale price is Rs. 2000 per ram lamb, Rs.5000 per adult ewe. The sale value of closing stock is considered for working out cash flow analysis.

11. The economics have been worked out basing on the opening stock.

<u>S.No</u>	<u>Item</u>	<u>Quantity</u>	<u>Amount (In Lacs)</u>
1	Feed Cost	L.S.	1.20
2	Grazing	L.S.	0.20
3	Concentrate	L.S.	0.60
	<u>Total Purchases</u>		<u>2.00</u>

<u>S.No</u>	<u>Item</u>	<u>Quantity</u>	<u>Rate (Rs.)</u>	<u>Amount (In Lacs)</u>
1	Sheep for culling	20	2500	0.50
2	Lambs for sale	150	3600	5.40
3	Wool	L.S.	40.00	0.50
	<u>Total Sales</u>			<u>6.40</u>

SALES REALIZATION AND PURCHASES IN PHASED MANNER

YEAR	CAPACITY	SAL/WAG	PURCHASE	UTILITIES	SALES
	UTILISATION		(Lacs)		(lacs)
1ST	100.00	0.90	2.00	0.00	6.40
2ND	100.00	0.90	2.00	0.00	6.40
3RD	100.00	0.90	2.00	0.00	6.40
4TH	100.00	0.90	2.00	0.00	6.40
5TH	100.00	0.90	2.00	0.00	6.40
6TH	100.00	0.90	2.00	0.00	6.40
7TH	100.00	0.90	2.00	0.00	6.40
8TH	100.00	0.90	2.00	0.00	6.40

REQUIREMENT OF SALARY AND WAGES PER ANNUM

The requirements of personnel has been worked out by taking into consideration the anticipated work load, degree of skill required and the productivity of the workers on similar jobs. The plant is proposed to be operated on single shift basis comprising of eight hours a day on a 365 days working schedule in a year. Based upon the plant capacity and the number of machines, the total requirement of personnel is estimated at 2 persons under various categories.

<u>S.No</u>	<u>Description</u>	<u>No</u>	<u>Salary PM Rs</u>	<u>Salary PA lacs</u>
1	Supervisor	1	4000	0.48
2	Skilled worker	1	3500	0.42
	Total	2		0.90

ESTIMATED COST OF UTILITIES PER ANNUM

The main utilities for running the unit successfully are water and electricity.

- **Power**

@ Rs. 500/- P.M.

Rs. 0.06 Lacs Per Annum

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REPAIRS AND MAINTENANCE PER ANNUM.

On the basis of norms available from similar plants in actual operation provision has been made for annual cost of maintenance and repairs for the proposed items of fixed out lay. It has been taken as 2%, 3%, 4%, 5%, 5%, 6%, 6% and 6% for 1st, 2nd, 3rd, 4th, 5th, 6th, 7th and 8th year to keep the fixed assets in working conditions.

REPAIRS AND MAINTENANCE PER ANNUM.

<u>Year</u>	<u>Percentage</u>	<u>Building</u>	<u>P&M</u>	<u>MFA</u>	<u>Total</u>	<u>R & M</u>
1st	2%	2.52	0.00	0.50	3.02	0.06
2nd	3%	2.52	0.00	0.50	3.02	0.09
3rd	4%	2.52	0.00	0.50	3.02	0.12
4th	5%	2.52	0.00	0.50	3.02	0.15
5th	5%	2.52	0.00	0.50	3.02	0.15
6th	6%	2.52	0.00	0.50	3.02	0.18
7th	6%	2.52	0.00	0.50	3.02	0.18
8th	6%	2.52	0.00	0.50	3.02	0.18

DETAILS OF MEDICINES UTILIZED

<u>Year</u>	<u>Capacity Utilization</u>	<u>Sales</u>	<u>%</u>	
1 st	100.00	6.40	0.5	0.03
2 nd	100.00	6.40	0.5	0.03
3 rd	100.00	6.40	0.5	0.03
4 th	100.00	6.40	0.5	0.03
5 th	100.00	6.40	0.5	0.03
6 th	100.00	6.40	0.5	0.03
7 th	100.00	6.40	0.5	0.03
8 th	100.00	6.40	0.5	0.03

DETAILS OF SELLING EXPENSES PER ANNUM

It is taken as 1.00 % of net sales in every year, which includes sales promotion expenses, advertising expenses, commission to intermediaries, carriage outwards, discount, brokerage etc.

<u>Year</u>	<u>Cap. Utiliz</u>	<u>Sales</u>	<u>%</u>	<u>Selling expenses/annum</u>
1 st	100.00	6.40	1	0.06
2 nd	100.00	6.40	1	0.06
3 rd	100.00	6.40	1	0.06
4 th	100.00	6.40	1	0.06
5 th	100.00	6.40	1	0.06
6 th	100.00	6.40	1	0.06
7 th	100.00	6.40	1	0.06
8 th	100.00	6.40	1	0.06

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DETAILS OF WORKING CAPITAL REQUIREMENT AT DIFFERENT LEVELS.

YEAR	CAPACITY	SAL/WAG	PURCHASE	UTILITIES	SALES	Repair	Admn.	Selling	WIP	F.Goods
	UTILISATION		(Lacs)		(lacs)	Maint.	Expen.	Expen.		
1ST	100.00	0.90	2.00	0.00	6.40	0.06	0.03	0.06	2.90	3.00
2ND	100.00	0.90	2.00	0.00	6.40	0.09	0.03	0.06	2.90	3.00
3RD	100.00	0.90	2.00	0.00	6.40	0.12	0.03	0.06	2.90	3.00

S.no	Particulars	Days	Margin %	1st Year Amount	Margin	2 nd year Amount	Margin	3rd year Amount	Margin
1	Stock of Raw Material	45	0%	0.30	0.00	0.30	0.00	0.30	0.00
2	Stock of work in progress	150	0%	1.45	0.00	1.45	0.00	1.45	0.00
3	Stock of finished goods	5	0%	0.05	0.00	0.05	0.00	0.05	0.00
4	Sundry debtors	6	0%	0.13	0.00	0.13	0.00	0.13	0.00
5	Working expenses	30	100%	0.03	0.03	0.03	0.03	0.03	0.03
6	Sundry Creditors	15	0%	0.10		0.10		0.10	
7	Working capital requirement			1.86		1.86		1.86	
8	Margin money				0.65		0.65		0.65
9	Working capital limit			1.21		1.21		1.21	

FUNDING OF CAPITAL EXPENDITURE

The total capital investment cost of the project is estimated at Rs.10.00 Lakhs, which shall be financed for term loan as per the projections made in the report subject to furnishing of latest cost comparative quotations from the authorized dealers besides contribution from the promoters during the implementation of the project, the specific details interalia as:

S.no	Particulars	Amt.(Lacs)
1	Seed Capital	3.00
2	Promoters Contribution	0.50
3	Long term borrowings	5.29

A: Equity

The share capital of the unit has been fixed at Rs. 3.50 Lakhs. The unit has to raise share capital within this limit. The promoter shall arrange equity from the ancestral resources and from the established business of the family for the purpose of availing long term borrowings.

B: Term loan

Term loan requirement to the extent of Rs. 5.29 Lakhs for the purpose of construction of civil structures and purchases of plant & machinery and misc. fixed assets shall be made available from the financial institutions or commercial banks well operating in the valley on the basis that the unit being proven technically feasible and financially viable. As the policies are liberal for such type of ventures to avail packages/incentives to encourage the entrepreneurs to promote industrial culture in the backward area of the country. The state Govt. is equally eager to give all possible support to the development of industry in the area, where the unit is being established more so when the promoter share is about 35 % of the capital formulation, which is higher than the normal requirement of funding, insisted upon by the bankers.

INTEREST CALCULATION

It is proposed to raise the sum of Rs 5.29 lacs as long term loans from financial institutions to meet the capital cost of the project. For the purpose of calculating the interest on long-term loans an interest rate of 9.00 % per annum is taken into consideration in the project report.

A: Interest on long term loan		
<u>S.no</u>	<u>Particulars</u>	<u>Amt.(Lacs)</u>
01.	Long term borrowings	5.29
02	Moratorium Period	12 months
03	Rate of interest	9.00%
04.	Installment	1.06 Lacs
05.	Repayment schedule	5 years

YEAR	INT T/Loan	T.Loan	Decrease	Yr.Term	Rem. Term
		Payment	Term Loan	Loan Paym.	Loan
1	0.48	0.00	0.00	0.00	5.29
2	0.48	1.06	1.06	1.06	4.23
3	0.38	1.06	2.12	1.06	3.17
4	0.29	1.06	3.17	1.06	2.12
5	0.19	1.06	4.23	1.06	1.06
6	0.10	1.06	5.29	1.06	0.00

B: INTEREST ON WORKING CAPITAL LIMIT

To meet the working capital requirements of the project, the promoters will have to make arrangements for cash credit facilities with the bank.

RATE OF INTEREST	9.00%
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YEAR	INT W/C	Increase w/ Cap	Increase Curr. Asse	Current Assets	Working Capital
1	0.11	1.21	1.86	1.86	1.21
2	0.11	0.00	0.00	1.86	1.21
3	0.11	0.00	0.00	1.86	1.21
4	0.11	0.00	0.00	1.86	1.21
5	0.11	0.00	0.00	1.86	1.21
6	0.11	0.00	0.00	1.86	1.21
7	0.11	0.00	0.00	1.86	1.21
8	0.11	0.00	0.00	1.86	1.21

COMPUTATION OF DEPRECIATION CALCULATION

For the purpose of claiming extra depreciation and amortization, the preoperative expenses and contingencies will be capitalized with the cost of fixed assets. The distribution of pre-operative expenses and contingencies has been done approximately in proportion to the cost of all the fixed assets (except land and site development). In the estimation of cost of sales and in books of accounts of the firm the normally adopted practice is to depreciate the various assets by straight-line method.

For income tax purposes, the depreciation of depreciable assets (all fixed assets except land and site development) is carried out by written down value method.

COMPUTATION OF DEPRICIATION

S.no	Particulars	Building	P&M	MFA	Total
1	Cost Price	2.52	0.00	0.50	3.02
2	Preliminary & Preoperative exp.	0.77	0.00	0.15	0.92
	Total	3.29	0.00	0.65	3.94

Depreciation under WDV method

BUILDING

	Rate of depreciation	Cost	Dep	WDV
1st	Year	3.29	0.21	3.08
2nd	Year	3.08	0.19	2.89
3rd	Year	2.89	0.18	2.71
4th	Year	2.71	0.17	2.54
5th	Year	2.54	0.16	2.38
6th	Year	2.38	0.15	2.23
7th	Year	2.23	0.14	2.09
8th	Year	2.09	0.13	1.96

Depreciation under WDV method

Plant & Machinery

	Rate of depreciation	Cost	Dep	WDV
1st	Year	0.00	0.00	0.00
2nd	year	0.00	0.00	0.00
3rd	Year	0.00	0.00	0.00
4th	Year	0.00	0.00	0.00

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5th	Year	0.00	0.00	0.00
6th	Year	0.00	0.00	0.00
7th	Year	0.00	0.00	0.00
8th	Year	0.00	0.00	0.00

Depreciation under WDV method

Misc. Fixed Assets

	Rate of depreciation		15%	
		Cost	Dep	WDV
1st	Year	0.65	0.10	0.55
2nd	Year	0.55	0.08	0.47
3rd	Year	0.47	0.07	0.40
4th	Year	0.40	0.06	0.34
5th	Year	0.34	0.05	0.29
6th	Year	0.29	0.04	0.25
7th	Year	0.25	0.04	0.21
8th	Year	0.21	0.03	0.18

Depreciation under WDV method

	Rate of depreciation	<u>Building</u>	<u>P&M</u>	<u>M F A</u>	<u>Total</u>
		6.25%	10%	15%	
1st	Year	0.21	0.00	0.10	0.30
2nd	Year	0.19	0.00	0.08	0.28
3rd	Year	0.18	0.00	0.07	0.25
4th	Year	0.17	0.00	0.06	0.23
5th	Year	0.16	0.00	0.05	0.21
6th	Year	0.15	0.00	0.04	0.19
7th	Year	0.14	0.00	0.04	0.18
8th	Year	0.13	0.00	0.03	0.16

Depreciation under SL Method

Rate of depreciation	5.00%	15%	10%	Total
Amount of depreciation	0.16	0.00	0.07	0.23

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Projected Profitability Statement

The annual cost of sales and profitability during the first eight years of operation of the plant is estimated in the following table.

S.no	Particulars	Operating Years							
1	Year of operation	1 st	2nd	3rd	4th	5th	6th	7th	8th
2	Capacity Utilization (%)	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
3	Sales realization	6.40	6.40	6.40	6.40	6.40	6.40	6.40	6.40
A: Cost of production									
1	Raw Material	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
2	Salary & wages	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
3	Utilities	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06
4	Repairs & Maintenance	0.06	0.09	0.12	0.15	0.15	0.18	0.18	0.18
5	Administrative expenses	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
6	Selling expenses	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06
7	Total	3.12	3.15	3.18	3.21	3.21	3.24	3.24	3.24
8	Gross profit	3.28	3.25	3.22	3.19	3.19	3.16	3.16	3.16
B: Financial expenses									
1	Interest on term loan	0.48	0.48	0.38	0.29	0.19	0.10	0.00	0.00
2	Interest on WCL	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11
3	Depreciation (SLM)	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
4	Total	0.82	0.82	0.72	0.63	0.53	0.44	0.34	0.34
5	Profit before tax	2.47	2.44	2.50	2.57	2.66	2.73	2.82	2.82
6	Taxation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	Profit after tax	2.47	2.44	2.50	2.57	2.66	2.73	2.82	2.82
8	Withdrawals	0.00	0.00	0.00	0.00	0.00	0.50	0.50	1.00
9	Profit carried to B/S	2.47	2.44	2.50	2.57	2.66	2.23	2.32	1.82
10	Cumulative profit	2.47	4.90	7.40	9.97	12.63	14.86	17.18	19.00
11	Add back depreciation	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
12	Total cash surplus	2.70	5.13	7.63	10.20	12.86	15.09	17.41	19.23
C: Less payment									
1	Term Loan	0.00	1.06	1.06	1.06	1.06	1.06	0.00	0.00
2	Withdrawals	0.00	0.00	0.00	0.00	0.00	0.50	0.50	1.00
3	Total payments	0.00	1.06	1.06	1.06	1.06	1.56	0.50	1.00
4	Net Cash accruals	2.70	4.07	6.58	9.14	11.80	13.53	16.91	18.23

PAY BACK PERIOD

Pay back period is the length of time in which, the unit recovers its initial investment. It may also be defined as the number of months or years required for the unit to generate commutative gross operating surplus equal to the fixed capital investment in the project. The payback period of the unit is estimated in the following table.

<u>Year</u>	<u>CFAT</u>	<u>Cumulative Cash inflow</u>	
1st	2.70		2.70
2nd	2.67		5.36
3rd	2.73		8.09
4th	2.80		10.89
5th	2.89		13.78
6th	2.96		16.74
7th	3.05		19.79
8th	3.05		22.84
<u>3 year</u>	<u>+</u>	<u>11</u>	<u>Months</u>

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DETAILED DEBT SERVICE COVERAGE:

The debt service coverage ratio shows the ability of the unit to repay interest and principal amount of composite loans.

<u>S.no</u>	<u>Particulars</u>		<u>1st</u>	<u>2nd</u>	<u>3rd</u>	<u>4th</u>	<u>5th</u>	<u>6th</u>
<u>A</u>	<u>Source of funds</u>							
1	Profit after tax		2.47	2.44	2.50	2.57	2.66	2.73
2	Depreciation		0.23	0.23	0.23	0.23	0.23	0.23
3	Interest on term loan		0.48	0.48	0.38	0.29	0.19	0.10
	Total A		3.17	3.14	3.11	3.08	3.08	3.05
<u>B</u>	<u>Disposition of funds</u>							
4	Repayment of term loan		0.00	1.06	1.06	1.06	1.06	1.06
	Total B (3+4)		0.48	1.53	1.44	1.34	1.25	1.15
C	Debt service coverage ratio		6.66	2.05	2.16	2.29	2.47	2.65
<u>D</u>	<u>Average DSCR</u>		<u>3.04</u>					

BREAK EVEN ANALYSIS AT 100% UTILIZATION

The break even point analysis of the plant is developed from the assumed plant efficiency, fixed cost of sales, variable cost of sales and sales revenue.

<u>BREAK EVEN ANALYSIS</u>		100.00	PERCENT
<u>S.no</u>	<u>Particulars</u>	<u>Amount.(Lacs)</u>	
A	Sales realization	6.40	
B	<u>Variable cost</u>		
1	Raw material	2.00	
2	Utilities	0.06	
3	Selling expenses	0.06	
4	Interest on WCL	0.11	
	Total	2.24	
C	Contribution (A-B)	4.16	
D	<u>Semi-variable/ fixed costs</u>	-	
1	Salary & wages	0.90	
2	Repairs & maintenance	0.12	
3	Administrative expenses	0.03	
4	Interest on term loan	0.38	
5	Depreciation	0.23	
	Total	1.66	
	<u>B. E. P.</u>	<u>%</u>	39.94

PROJECTED CASH FLOW STATEMENT

The following table gives the cash flow analysis of 8 years of operation of the plant. A cash flow statement is basically an analysis of sources of availability of funds, extent of the utilization and availability of surplus funds or their deficit at the end of each year of operation.

S.no	Particulars	Const period	1st	2nd	3rd	4th	5th	6th	7th	8th
	Capacity utilization (%)		100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
A	Source of funds									
1	Profit before interest, tax but after depn.		3.05	3.02	2.99	2.96	2.96	2.93	2.93	2.93
2	Depreciation		0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
3	Increase in Share Capital	3.50								
4	Increase in Term loan	5.29								
5	Increase in WCL		1.24	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total (A)	8.79	4.52	3.25	3.22	3.19	3.19	3.16	3.16	3.16
B	Application of funds									
1	Capital expenditure	8.14								
2	Prelim / Pre-operative expenses									
3	Increase in current assets		1.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Decrease in term loan		0.00	1.06	1.06	1.06	1.06	1.06	0.00	0.00
5	Interest on term loan		0.48	0.48	0.38	0.29	0.19	0.10	0.00	0.00
5a	Interest on WCL		0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11
6	Taxation		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	Withdrawal		0.00	0.00	0.00	0.00	0.00	0.50	0.50	1.00
	Total (B)	8.14	2.48	1.65	1.55	1.46	1.36	1.76	0.61	1.11
C	Opening Balance		0.65	2.70	4.30	5.98	7.71	9.55	10.95	13.50
D	Net Surplus	0.65	2.05	1.61	1.67	1.74	1.83	1.40	2.55	2.05
E	Closing Balance	0.65	2.70	4.30	5.98	7.71	9.55	10.95	13.50	15.55

J & K ENTREPRENEURSHIP DEVELOPMENT INSTITUTE (JKEDI)

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PROJECTED BALANCE SHEET

The balance sheet of a unit is a very important feature of the working of the unit. In a healthy unit, there is always a growth in total assets and liabilities every year. In a projected balance sheet on the liabilities side the reserves and surplus and on the assets side the cash and bank balances should show healthy growth.

S.no	Particulars	Year	Year							
			1st	2nd	3rd	4th	5th	6th	7th	8 th
A:	<u>Liabilities</u>									
1	Promoters Contribution		0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
2	Seed Capital		3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
3	Reserves & Surplus		2.47	4.90	7.40	9.97	12.63	14.86	17.18	19.00
4	Term Loan		5.29	4.23	3.17	2.12	1.06	0.00	0.00	0.00
5	WCL		1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24
	Total		12.50	13.87	15.32	16.82	18.43	19.60	21.92	23.74
B:	<u>Assets</u>									
1	Live Stock		4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20
2	Gross Block		3.94	3.71	3.48	3.25	3.02	2.79	2.56	2.33
3	Depreciation		0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
4	Net Block		3.71	3.48	3.25	3.02	2.79	2.56	2.33	2.10
5	Current Assets		1.89	1.89	1.89	1.89	1.89	1.89	1.89	1.89
6	Cash and bank balance		2.70	4.30	5.98	7.71	9.55	10.95	13.50	15.55
	Total		12.50	13.87	15.32	16.82	18.43	19.60	21.92	23.74