

# **PROJECT REPORT ON**

## **Emu Farming**



### **SUBMITTED BY**

#### **Promoter Name:**

XXXXXXXXXXXXXXXXXXXX

#### **Project Location:**

XXXXXXXXXXXXXXXXXXXX

#### **Prepared By:**

**Download Project Report.com**

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**CHAPTER - I**  
**ABOUT THE PROMOTER**

PARTICULARS	ABOUT THE PROMOTER
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- 1. Name :xxxxxxxxxxxxxxxx
- 2. Address :xxxxxxxxxxxxxxxx
- 3. Contact Number :xxxxxxxxxxxxxxxx
- 4. Date of Birth :xxxxxxxxxxxxxxxx
- 5. Educational Qualification: xxxxxxxx
- 6. Project Location :xxxxxxxxxxxxxxxx
- 7. Experience :xxxxxxxxxxxxxxxx

## **CHAPTER – II**

### **PROJECT DESCRIPTION**

#### **INTRODUCTION**

For today's Indian farmers, Emu farming offers an alternative to cash crop. These birds are highly suited for farming in tropical climatic conditions. They have adapted very well to climatic condition of our country. Emu Farming business is still in a primary stage. However there is increasing interest of the youths in this field. Due to minimal investment in facilities as well as excellent feed conversion ratio and multi use of its body parts, future of emu farming is bright. The Indian Government has enlisted emu farming in poultry sector and also provides loan under venture capital funds.

#### **PRODUCTION TECHNOLOGY**

A very healthy environment is required to the Emu birds so that they remain healthy.

#### **Location**

The proposed unit will be located on a piece of land which is almost leveled & is well connected to approach road. Electricity is available near the farm site. In the absence of assured of water supply, a tube well/ hand pump is proposed on the farm. Underground water is adequately available & is of good quality.

#### **Shelters**

Emus need space to roam freely and if cornered, they can get aggressive by kicking their feet at the target. Emus are reared in open paddocks which will have chain link fencing.

#### **Production**

Many emu will start laying eggs before they are two years old. Laying season starting as early as September or October and continuing through March and many times through May. The female generally lays an egg every three days. Emu lay eggs that are emerald green in colour & resemble a large avocado, weighing about 600 to 800 grams. The life expectancy of an emu is over thirty years, with a productive life expectancy of over twenty years.

#### **Feed & fodder**

Feeding is done twice a day and water is provided in big bowls. Local dealer can supplies feed. Locally available Green fodder and vegetables is also used to feed Emus.

#### **Medicine & veterinary aid**

Veterinary care is available through private sector companies & government agencies. The person who will be looking after the day-to-day management of the farm is conversant with the use of medicines. In cases of need, the sick birds will be taken to the disease investigation laboratory located in town. For various operations like vaccination. a specialist visits the area at regular intervals.

### **CHAPTER – III**

#### **MARKET POTENTIAL**

There is a good demand for the Emu hatching eggs. Emu eggs marketing is made easy by buy back arrangement with Hatchery. It will ensure fix rate for eggs round the year.

Contract farming is billed to be a veritable instrument to address many of the traditional ills affecting the agriculture sector and the farmers. Under the contract growing agreement emu eggs are marketed to the company on the basis of fix rate. Thus, the farmer assumes the production related risks and the price risk is transferred to the company. In India contract farming has considerable potential where small marginal farmers can no longer be competitive without access to modern technologies and support. Contract farming can fill this gap by providing the farmers with quality inputs, technical guidance, management skills, credit as well as knowledge of new improved technology. Pricing arrangement can significantly reduce the risk and uncertainty of market place.

Every body part such as meat, eggs, fat, skin and feathers, nail has economic value. Meat is fat free having high iron, vitamin C while Emu skin is used for making medicines, cosmetics and garments. However emu processing industry is in nascent stage.

## **CHAPTER- IV**

### **EXTENSION ACTIVITIES**

1. Starting a Emu farming business requires planning and preparation. Before starting a Emu farm the entrepreneurs/ farmers are generally advised to undergo training. They can contact Local Animal Husbandry Department staffs/Veterinary College/agriculture university etc. for the purpose. However availability of training facilities & resources are inadequate. Hence I will provide training on Emu farming to farmers both onsite and off-site. During training program special thrust feed management & birds health (medications and vaccinations used) & kind of records to be kept in the farm will be also given.
2. For the farmers of nearby locality, visits will be arranged on my Emu farm & they will be educated on scientific lines regarding various aspects of Emu farm management. It will help them to improve their knowledge and skill regarding scientific Emu farming practices so as to enable them to adopt the same.
3. Consultancy will be provided for setting up of model units of Emu farm.
4. I will take Initiatives to strengthen linkages between State Departments, Emu Development agencies, NGO's and farmers.
5. For farmers who have decided to avail loan from bank for Emu farming, assistance will be provided to prepare their bankable project report.
6. For the marketing of Emu birds, farmers will be provided necessary support & guidance.
7. Visits of Emu farmers will be arranged to Emu exhibitions with the prime objective of exposing them the technological innovations.
8. Nowadays internet has become important tool to get latest information. There are various websites available on Emu farm which provides useful content. This information will be shared to farmers.
9. I will organize field visits of Emu farmers to progressive farmers & research stations which will motivate them to adapt good Emu farm practices.

## **CHAPTER – V**

### **SWOT ANALYSIS**

#### **STRENGTHS:**

- It is an alternative to traditional livestock.
- Farmers can use this business along with their original farming.
- It will increase farmers' income.
- Very hard natured bird, which could live in extreme winter and summer conditions
- Provides nutritious, tasty and versatile meat.
- Generate direct and indirect employment for rural people.
- Emu oil is used for cosmetic and pharmaceutical Industries.
- Provides opportunities for traders of skins bones, oil and meat.
- Opens export opportunities for both meat and oil

#### **WEAKNESS:**

- While emus do require more fiber than other birds, high-fiber feeds can cause intestinal obstruction in young chicks and result in “starveout” deaths
- Insurance companies are not very keen to insure the Emu birds
- Not much R & D has been done by any veterinary college with respect to the Emu's their Anatomy, Physiology, Nutrition or diseases
- Infrastructure Development for the Emu industry Feed plants, Meat processing plants or skin tanning and processing Units is not developed
- Leg bends, hunch backs and bent necks pecking and injuries
- Poor technical services

#### **OPPORTUNITY:**

- Having Emu farm is less labour-oriented work.

- The world's second largest bird consumes maximum of 1kg food per day is economically a good news for farmers.
- An extremely strong bird that offers complete profit on everything from its toe nail to its feathers.
- Emu has a long life and lives at least for 40 years. If we look after them properly emus are capable of reproduction for at least 25 years.
- Maximum returns
- Low investment.

**THREATS:**

- Emu processing industry is still in nascent stage
- Emus have a tendency to hide illness, and stress is one of the biggest threats in all stages of the bird's life. Chicks are most vulnerable to diseases and mortality from hatching until about three months of age. Sick chicks are frequently trampled or picked on by healthy chicks, so separation is usually a good choice.
- Besides stress, birds of all ages are susceptible to a number of ailments including stomach impaction, diarrhea, hardware disease, crooked neck and a number of common livestock diseases such as Eastern and Western Equine Encephalitis and Avian Influenza.



**CHAPTER- VI**  
**ECONOMICS OF THE PROJECT**

**A. PROJECT PROFILE (Financial)**

Sr. No.	PARAMETERS	VALUE
1	Species	Emu
2	Flock Size	20
3	Product	Eggs
4	Cost of the project	5,64,230
5	Bank loan	4,23,173
6	Margin money	1,41,058
7	Financial Indicators	
	BC R	1.52 :1
	N P W 15% (Rs.)	5,45,895
	I R R %	50
	Average DSCR	0.0
8	Interest Rate (% per annum)	12
9	Repayment	5 years including one year grace period

**B. BASIS & PRESUMPTIONS**

Sr. No.	Particular	Unit	Quantity
<b>I. Techno-economic parameters</b>			
1	Flock size	Nos.	20
2	Age of chicks at purchase	Months	12
3	Male female ratio		1 . 1
4	Repayment period 5 years with one year grace period		
<b>II. Expenditure norms</b>			
1	Rate of one EMU bird	Rs.	10,000
2	No. of unskilled labour required	Nos.	1
3	Cost of one unskilled labour per annum	Rs.	36,000
4	Daily concentrate feed requirement per adult bird	kg.	1
5	Rate of concentrate feed per kg	Rs.	15
6	Daily Green Fodder requirement per adult bird	kg.	1
7	Rate of Green Fodder per kg	Rs.	1
8	shelter shed per bird	sq.ft.	20
9	Rate of shelter shed per sq.ft.	Rs.	25
10	Rate of Fencing ( chain link net) per sq. ft.	Rs.	12
11	Equipments per bird	Rs.	200
12	Veterinary aids (medicine, vaccine etc.) per bird per a	Rs.	750
13	Rate of interst for bank loan ( %)	Rs.	12
<b>III. Income norms</b>			
2	Quantity of eggs per bird per year	Nos.	40
3	Rate per egg as per buyback agreement	Rs.	1,200

**C. TOTAL COST OF PROJECT**

Sr. No.	Particular	Unit	Unit rate in Rs.	Quantity	Amount in Rs.
<b>I. Capital Cost</b>					
1	Land				Own
2	Site development	Ls			5,000
3	Cost of Emu Birds	Nos.	10,000	20	2,00,000
4	Shelter Shed for Emu	Sq.ft.	25	400	10,000
5	Fencing with chain link net ( 7ft high)for open paddocks of birds	Sq.ft.	12	4,800	57,600
6	Store Room & labour quarter	Sq.ft.	300	100	30,000
7	Equipments	per bird	200	20	4,000
8	A bore well with pump set and electric connection	Lumsum			50,000
9	Contengencies	%	5		17,830
					3,74,430
<b>II. Working Capital Margin ( Ist Year requirement)</b>					
1	Cost of Feeds	Kg.	15	7,300	1,09,500
2	Cost of Green fodder	Kg.	1	7,300	7,300
3	Water & Electricity	Rs./month	1,000	12	12,000
4	Unskilled workers	per annum	36,000	1	36,000
5	Veterinary aids (medicine, vaccine etc.)	bird /annum	750	20	15,000
6	Insurance	%	5		10,000
					1,89,800
<b>TOTAL COST OF PROJECT</b>					<b>5,64,230</b>

**D. MEANS OF FINANCE**

Sr. No.	Particular	Unit	Quantity	Amount in Rs.
1	Term loan	%	75	4,23,173
2	Own contribution	%	25	1,41,058
<b>TOTAL</b>				<b>5,64,230</b>

### EMU EGG PRODUCTION CHART

Particular	Year 1	Year 2	Year 3	Year 4	Year 5
No of Eggs laid by each female per annum	15	35	40	45	50
No of females	10	10	10	10	10
Total production of eggs per annum	150	350	400	450	500

### E. PROJECTED PROFITABILITY

Sr. No.	Particular	Unit		I year	II year	III year	IV year	V year
<b>A</b>	<b>Income</b>							
i	Sale of eggs							
	Total production of eggs per annum	No.		150	350	400	450	500
	Rate per egg	Rs.		1,200	1,200	1,200	1,200	1,200
			<b>TOTAL</b>	<b>1,80,000</b>	<b>4,20,000</b>	<b>4,80,000</b>	<b>5,40,000</b>	<b>6,00,000</b>
<b>B</b>	<b>Expenditure</b>							
i	Cost of Feeds	Kg.	15	1,09,500	1,20,450	1,20,450	1,20,450	1,20,450
ii	Cost of Green fodder	Kg.	1	7,300	8,030	8,030	8,030	8,030
iii	Packaging	Rs./month	1,000	12,000	12,000	12,000	12,000	12,000
iv	Water & Electricity	Rs./month	1,000	12,000	13,200	13,200	13,200	13,200
v	Unskilled workers	per annum	36,000	36,000	39,600	39,600	39,600	39,600
vi	Veterinary aids (medicine, vaccine etc.)	bird /annum	750	15,000	16,500	16,500	16,500	16,500
vii	Insurance 5%	%	5	10,000	10,000	10,000	10,000	10,000
			<b>TOTAL</b>	<b>2,01,800</b>	<b>2,19,780</b>	<b>2,19,780</b>	<b>2,19,780</b>	<b>2,19,780</b>
	<b>Net Income</b>		<b>TOTAL</b>	<b>-21,800</b>	<b>2,00,220</b>	<b>2,60,220</b>	<b>3,20,220</b>	<b>3,80,220</b>

## F. Financial Analysis

Particular	Year 1	Year 2	Year 3	Year 4	Year 5
Capital Costs	3,74,430				
Recurring cost	2,01,800	2,19,780	2,19,780	2,19,780	2,19,780
<b>Total Cost</b>	<b>5,76,230</b>	<b>2,19,780</b>	<b>2,19,780</b>	<b>2,19,780</b>	<b>2,19,780</b>
Benefit	1,80,000	4,20,000	4,80,000	5,40,000	6,00,000
Depreciated value of buildings, fencing, borewell etc. @ 10%					86,420
Depreciated value of equipments @ 15%					1,714
Closing stock value					3,00,000
<b>Total Benefit</b>	<b>1,80,000</b>	<b>4,20,000</b>	<b>4,80,000</b>	<b>5,40,000</b>	<b>9,88,134</b>
<b>Net Benefit</b>	<b>-3,96,230</b>	<b>2,00,220</b>	<b>2,60,220</b>	<b>3,20,220</b>	<b>7,68,354</b>
Discounting Factor@ 15%	0.87	0.76	0.66	0.57	0.50
NPV cost at 15% DF	5,01,320	1,67,033	1,45,055	1,25,275	1,09,890
NPV benefits at 15% DF	1,56,600	3,19,200	3,16,800	3,07,800	4,94,067
NPW at 15% DF		<b>5,45,895</b>			
BCR at 15% DF		<b>1.52 :1</b>			
IRR %		<b>50.18</b>			

### G. Term Loan Repayment

Rate of interest - % per annum : 12

Opening balance of term loan : 4,23,173

Year	Loan Outstanding	Net Profit	Principal	Interest	Total Repayment	Net Surplus	DSCR
1	4,23,173	-21,800	0	50781	-	-	-
2	4,23,173	2,00,220	105793	50781	156574	43,646	1.3
3	3,17,379	2,60,220	105793	38086	143879	1,16,341	1.8
4	2,11,586	3,20,220	105793	25390	131183	1,89,037	2.4
5	1,05,793	3,80,220	105793	12695	118488	2,61,732	3.2
						<b>Avg. DSCR</b>	<b>2.1</b>