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**DEPARTMENT: INTERNATIONAL RELATIONS AND DIPLOMACY**

**QUESTION: PREPARE A BUSINESS PLAN ON A CHOSEN AGRICULTURAL ENTERPRISE FOLLOWING THE GUIDELINE IN THE NOTE.**

A business plan on the development of an Afro-allied company involved in agricultural farming and production processing with focus on catfish farming and processing. The farm is located in plot 165/166 in wuse zone 2 Area council in Abuja. The name of the farm is “THUHUNDI AGRO LTD”

The undersigned reader acknowledges that the information provided in this business plan is a confidential intellectual property; hence the reader agrees not to disclose it to a third party without the express written permission of the promoters of the proposed business.

It is acknowledged by the reader that information furnished in this business plan is in all respect confidential in nature, other than information which is in the public domain through other means and that any disclosure or use of same by the reader, may cause serious harm or damage to the promoters of the proposed business.

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**Executive summary**

THUHUNDI AGRO LTD is an agro allied company involved in agricultural farming and production processing with focus on catfish farming and processing. The business is owned by miss Aaliyah thuhundi and she is the CEO of the company.

THUHUNDI AGRO LTD will be making use of Raw materials and working capital to run the business. We will be rearing 20,000 fishes in our first year, 10,000 fishes in each cycle and hope to have 2 cycles in a year.

In the wake of the health challenges associated with consumption of red meat, a lot of Nigerians now have preference for fish consumption. This recent development has created a huge demand for fish related products and as such has put immense pressure on the fish community within the country. Based on the industry watchmen estimate, a total sum of 117.7 billion is spent on the importation of fish, and fish fed into Nigeria annually.

Catfish is the major fish cultured in Nigeria because it is found all over the country, eaten by most tribes, resistant to harsh environment conditions, command good price, tasty and can be kept alive for days during marketing. Estimates put the current production output of Clarias gariepinus in the country at over 253,898 metric tons per year.

Fish farming in Nigeria is an untapped goldmine based on the fact that there is an ever increasing need for it as the best alternative to meet the protein need of the people. We will use pricing and quality produce as our unique selling strategy to enable us compete more favorably. We will achieve this through bulk and direct purchase of feed and this will reduce our costs relatively. We will embark on direct marketing of our products to clients and by doing this we will cut off the middle men. The introduction of processed/dry fish will give us competitive advantage as well as more variety to enhance our service delivery and boost our income.

Our target markets are hotels, gardens, individuals, restaurants and fast foods, fish and seas food merchants, as well as exportation. Our future expectations from the project in the next 5 years and above are: production of minimum 70 tons of catfish annually, processing of 10 tons of dry fish for export and local consumption and production of catfish feed.

**Chapter one**

**Business overview**

**Introduction**

THUHUNDI AGRO LTD is registered company with the corporate affairs commission in Nigeria. The company is involved in various kinds of agricultural business. The farm is located at plot 165/166 wuse zone 2 area council in Abuja while the office is located at dunye finance quarters Block F6 flat 3 Abuja.we are committed to delivering top notch and excellent services to our clients in line with acceptable global standards and to contribute our quota to the growing demand for fish products in our nation. The focus of the company is therefore, to provide wide range of advanced agricultural products and services using the cutting edge technology in the industry. The business is owned and managed by Miss Aaliyah Thuhundi, she has been in livestock farming for over 1 year.

**Vision statement**

To be among the best fish farmers in FCT

**Mission statement**

To produce affordable and high quality fish to the masses in FCT.

**Goals and objectives**

Our goals and objectives are categorized into short term and long term. The short term plans are as follows:

* The establishment of fish farm
* Processing and sales of dried fish

**Our long term goals are:**

* Production and sales of fish feed
* Engage in hatchery and sales of juveniles
* Tearing of tilapia fish
* Exportation of packaged dried fish to different countries across the continent
* Diversification into farming and processing of other agricultural products

**Core values**

* Competence
* Innovative
* Excellent products
* Integrity
* Transparency

**Chapter two**

**Products And Services Summary**

THUHUNDI AGRO LTD is a start up enterprise in the fish farming arena within the federal capital territory and its environs. Some of our products are:

* Supply and distribution of catfish
* Processing of dry fish(smoked fish)
* Fish farm set up and training

Our major clients will consist of restaurants, hotels, gardens and events centers, individuals and organizations.

**Competitive Advantage**

Our competitive advantage over our competitors which makes our products and services unique is the consistency and sustainability in the delivery of products of products and services to our customers. Through our operational system, we ensure we harvest our produce monthly, this ensures that the needs of our customers are constantly met, sustainability is certain. We will be providing our customers with the best quality products and services with the right nutritional value and meeting the required standard for fish production and processing. We believe in prompt and excellent service delivery to our customers at the right place and right time all year round. The diversification of our products and services into value chains gives us competitive edge over competitors with fewer products and services to offer.

**Our success factor**

The following are factor that makes our catfish farm exclusive:

* We will employ hard working, zealous and committed employees in farm.
* We will encourage our staff by constantly giving incentives and regular trainings.
* We have good marketing strategies and skills
* We recognize it is a high risk business and have put check points to avoid losses.
* We will process in a sustainable ways thereby meeting global best practices

**Chapter 3**

**Market research**

**Market trend**

Since the time the government of Nigeria made a tariff reduction on all fishery products in 2001 from 25% to 5% in 2001, Nigeria has become a major destination for imported seafood. The total market demand in Nigeria according to industry sources have grown to more than one million tons per annum, making it the largest market in west Africa in industry.

There are various species of frozen fish being imported into Nigeria(herring, horse mackerel, croaker, sardinella, blue whiting e.t.c and specie like titus, kote and croaker which are expensive compared to the locally farmed fishes. Some canned products are also imported. Tilapia and catfish are the major source of nutrition for the people of Nigeria, most of who are not economically well off. Fish remains the main product consumer in terms of animal protein in Nigeria. As fish is a natural product, the nature decides the supply levels. The supply decided the price levels, subject to the buying power. Aquaculture products and services appeal to all tribe, cultures, and break all religious boundaries. Abuja constitutes majorly of a civil service city with bit of the agrarian mix and the private sector, business, and other aspects of social cultural living. Although presently Nigeria as a whole required more awareness to better embrace fish.

**Target market**

The market for fresh fish Nigeria is huge. Most household in Nigeria consumes fresh fish also most of the hotels and fast food restaurants sell fish. Consequently, we have positioned our business to attract consumers of fresh fish not just in Nigeria alone but also other parts of the world.

Below is a list of the people and business that we will market our fresh and dried fish to:

* Households
* Individuals
* Hotels
* Restaurants
* Fast food eateries
* Gardens
* Events centers
* Fish merchants

**Swot Analysis**

We engaged the service las of core professionals in the area of business consulting and structuring to assist our organization in building a well structured fish and seafood farming company that can favorable compete in the highly competitive fish and seafood aquaculture industry in Nigeria (abuja) and the world at large. Here is a summary from the result of the SWOR analysis that was conducted.

**Strengths**

Our strength at fish farming and marketing company is the fact that we will develop and nurtured good relationships with our clients. We have visibility via aggressive marketing and thereby giving us direct access to our potential clients. By doing this we personalize our customer relations and save costs by avoiding middle men as much as possible. The ability to process top quality products is also an added strength

**Weakness**

Our weakness lack of availability of resources to run the farm. We are a small farming company in Nigeria, and perhaps it might take us sometimes to attract big time customers in the industry. We are aware of this and from our projection we will overcome this weakness with time and turn it to a minor advantage for the business. There is also the issue of theft, we will take care of this to a large extent as the farm management has engaged the services of a vigilante group to secure our farm.

**Opportunities**

The opportunities that are available to us a standing and world class fish farming company cannot be quantified, we know that there are lots of of households, and businesses such as hotels and fast food restaurants that can’t do without daily supply of fresh catfish and dried fish. We will take advantage of this opportunity.

**Threats**

Some of the threats and challenges that we are likely going to face as a fish farming company are global economic downturn that can impact negatively on households spending, bad weather and natural disasters (draughts, epidemics, flood), unfavorable government policies and the arrival of a competitor within same location. Where some of the aforementioned cannot be controlled, the latter can be mitigated by our being consistent as regards the quality of our products as well service delivery.

**Competition**

Farm farming business is highly competitive, though the market is large and ever increasing. There are major key players in the fish farming business within the FCT axis such as farmzhi farms, Efugo farms etc. our competitive edge is that we will provide our clients with well processed and very good quality product at affordable prices. We will also be very prompt and consistent with our deliveries and services.

**Environment**

Nigeria has the right enabling environment for the rearing of catfish namely: weather, environment, water e.tc.

**Suppliers information**

The raw materials and equipment will be purchased in Nigeria. We will also have credit facility arrangement with our vendors to facilitate business operation.

**Chapter 4**

**Sales and marketing strategy**

**Marketing strategy**

Our unique selling point is affordable quality produce with delivery to the right location and at the right time. We will engage the 5ps of marketing.

**Product**

Hygiene as quality of our products will be of utmost importance we will ensure they remain fresh and neat with unique packaging to complement its content.

**Place**

Our distribution network will be enhanced by employing sales executives to go around to target customers.

**Price**

Our prices will be very competitive and furthermore, discount will also be given to customers

**Promotion**

We will engage discount prices on bulk and huge purchases. We will also our business cards/flyers as a form of promotional tool that will be given to all our potential customers.

**People**

We will employ required skilled personnel which will include sales executives, technical staff, accountant etc.

We will promote our products through the following avenues:

* Leverage on the internet and social media to promote our products and business ie website, emails, Facebook; Instagram, WhatsApp, etc.
* Engage in direct marketing and sales
* Advertise our business in agricultural and food related magazines and websites

**Branding and image**

The company adverts, logo, flex banner, complimentary card, flyers/posters and the catch phrase message will be very appealing and compelling.

**Chapter 5**

**Operational plan**

**Management structure**

We are aware of the importance of building a solid business structure that can support the picture of the kind of world class business we want to own. We will ensure that we hire people that are qualified, hardworking, creative, result driven, customer centric and are ready to work to help us build a prosperous business. We have decided to hire qualified and competent hands to occupy the following positions;

**Chief executive officer(CEO):**

* increases management effectiveness by recruiting, selecting, orienting, training, coaching, counseling and disciplining managers, developing a climate for offering information and opinions, to mention a few
* Responsible for providing direction for the business
* Responsible for signing checks and documents on behalf of the company
* Evaluated the success of the organization

**Farm manager**

* Ensures compliance during project executions
* Provides advice on the management of farming activities across all section
* Responsible for carrying out risk assessment
* Carries out staff induction for new team members
* Oversees the smooth running of the daily office
* Responsible for administering payrolls
* Handles all financial transactions

**Sales and marketing executive**

* Responsible for supervising implementation, advocate for the customers needs and communicate with client
* Develops, executes and evaluated new plans for expanding increase sales
* Creates new markets and businesses for the organization

**Farm staff**

* Responsible for raising and harvested the fishes
* Carries out task in line with the stated job description
* Responsible for drying and packaging of fishes to harvest

**Farm security**

* Responsible for the protection of the farm equipment and asset
* Responsible for the production of the fishes

**Machine and equipment**

We intend on starting our catfish rearing using the tarpaulin pond system, earthen and tank system. We will require an industrial fish drier machine amongst other equipment.

**Catfish management**

A successful catfish enterprise requires continuous proactive management. He ability to anticipate and prevent problems is essential to sound management. Catfish farmer must ensure the following:

* Consistent product inspection
* Disease control and availability of vet care
* Appropriate and reliable/reputable seed source
* Availability of quality feed at reasonable prices

**Financial plan**

**Banking relationships and level of indebtedness**

We understand the importance of maintaining cordial relationship with bank that supports our business activities. We will always channel all our business transactions through our account with the lending bank. Currently, THUHUNDI AGRO LTD is not in depths to any financial institution.

**Financial plan**

**Source of finance. Total. Proportion**

**Bank. 9,935,000. 93%**

**Owners equity. 800,000. 7%**

**Total. 10,735,000. 100%**

**Type of raw material. Quantity. Cost. Total**

**Fish. 10,000. 35. 350,000**

**Fish feed(2mm,3mm and 4mm). 5,000,000**

**Salt. 50. 2100 105,000**

**Total. 5,455,000**

**Pre operational expenses**

**Logistics. 100,000**

**Land lease. 300,000**

**Borehole. 450,000**

**Installation of equipment. 50,000**

**Total. 900,000**