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**MAT NO:** 18/ENG06/053

**DEPARTMENT:** MECHANICAL ENGINEERING

**COURSE:** Food Production and Health Awareness(AFE202)

**DATE:** FRIDAY 17TH APRIL 2020

**ASSIGNMENT:** Prepare a business plan on a chosen agricultural enterprise following the guideline in the note. Spiral bind and submit upon resumption. Minimum of five pages, times new roman size 12 with double spacing.

**BUISSNESS PLAN FOR THE DEVELOPMENT OF THE OGBENI EGG FARM A 6 ACRES POULTRY FARM AT OGBENI SREET, LAGOS STATE BY OGBENI VENTURES.**

**Project identification/selection**

As we all know, Poultry farming in Nigeria is already an established and profitable business venture. The economy of Nigeria is mostly dependent on farming or agriculture sector as to provide food for the nation reducing cost from importation of foreign goods. Poultry farming in Nigeria can play an important role in the total national income of the country and fulfil the annual nutrition demands.

The Site for the industrial-sized farm with 10,000 bird capacity has been selected for the project due to the availability of land and high demand rate in the area also considering other important facilities like great source of water, environment free from all types of animals and predators, a market near the farm, proper transportation facilities and adequate distance from residential areas considering unpleasant smell and government policies regarding management of poultry farm.

**Project Preparation and analysis**

* First of all, the poultry house must have to be well ventilated. Well ventilation system keeps the bird healthy and productive.
* Suitable system would be made available for entrancing sufficient amount of fresh air and light inside the house.
* Bird houses should be built north to south faced.
* The distance between one house to another house would be about 40 feet.
* Before bringing chicks inside the farm, the houses would be cleaned and the entire farm area sterilised properly.
* Provision for deep litter would be made and cleaned regularly.
* Feeding and watering equipment would be kept in proper distance from each other and cleaned regularly according to the number of birds and farming system in place.
* Entire facility would be fenced all round to protect birds from all types of animals, insects or predators outside the house.
* House will be located in calm and quite place free from pollution and noise.
* Farm would have all types of required facilities necessary for rearing poultry birds.

**Tips to Help Chickens Lay More Eggs and increase output.**

1. Quality Feed.
2. Clean Nests Boxes (Saw Dust)
3. Open Areas.
4. Calcium.
5. Inspect Regularly.
6. Coop Security.
7. Fresh Water.
8. Parasite Control.

**Appraisal**

Total Start-up Capital Required = **60,000,000 naira**

**Prospected Start-up Expenditure**

* Purchase of land at site

= 36 plots (6 acres) X 200,000 per plot = **7,200,000 naira**

* Construction of overhead shade to protect birds from rain and excessive sunlight.

= **15,600,000 naira**

* Cost of Individual Chicken (Layers) approaching maturity stage (4-5 months) = 1,500 naira X 10,000 pieces = **15,000,000 naira**
* Monthly Feed Cost to ensure Maximum Growth and Egg Production

= 10,000 birds – 1,500,000 naira X2 months = **3,000,000 naira**

* Purchase of Mesh Bird cages with 100 bird capacity

= 100 pieces (100 bird capacity) X 80,000 naira per cage = **8,000,000 naira**

* Purchase of Delivery vans

= 4,250,000 naira X 2 units = **8,500,000 naira**

* Monthly Pay for Labour =

Care Takers @20 X 30,000 naira – 600,000 naira

Vets and specialists @2 X 70,000 naira – 140,000 naira

Delivery truck drivers @2 X 40,000 naira – 80,000 naira

Security personnel @4 X 35,000 naira – 140,000 naira

Manager – 90,000 naira

TOTAL = 1,050,000 naira X2 months = **2,100,000 naira**

* Miscellaneous (Fuel for vehicles, Electricity bill, etc)

= 300,000 naira X2 months = **600,000 naira**

**Projected Production**

\*Well cared for Layers should produce (250 - 280 Eggs) Peak During first Year

10,000 Birds (Layers) too give at least:

10,000 Eggs Daily X 7 Days = 70,000 Eggs(30 per Crate)

70,000 Eggs X 4 Weeks = 280,000 Eggs

Expected output – 280,000 Eggs(933 crates) MONTHLY

**Monthly Revenue**

280,000 Eggs sold at Wholesale Price

= 25 naira each X 280,000 eggs = **7,000,000 naira**

**Target market**

* Bakeries.
* Shopping Mall.
* Catering services
* Schools and Higher institutions.
* Markets
* Hotels and event centres

**Estimated Profit**

Monthly Revenue = **7,000,000 naira**

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Monthly Maintenances (Salaries, Feed, Electricity, etc) = **2,850,000 naira**

**PROFIT = 4,150,000**

Initial Start-up Capital would be generated back in about 15 months of operation at the rate of **4,150,000 naira** Monthly Profit.

4,150,000 naira X 15 months = **62,250,000 naira**