

NAME

DEPARTMENT:

MATRIC NO:

COURSE:

First of, what is a Business plan? A Business plan is a guide for your ranch or any business venture. It is a guide that gives guidance so a business can design its future with no obstructions in the manner. When composing a field-tested strategy you need to build up a general crucial vision for the business. You need to consider the present moment and long haul objectives of the business. You additionally characterize the means expected to accomplish the objectives you have set out and set the course for the business to create throughout the years.

A BUSINESS PLAN ON THE EXPANSION OF DAIRY FARM BY IYKE BETHANY GROUP OF COMPANIES LTD

EXECUTIVE SUMMARY AND BRIEF DESCRIPTION OF PROJECT

This Business plan examines the development of a 3.8acres Dairy farm and the expansion of the Dairy farm here in Trans-Amadi by Iyke Bethany Group of Companies LTD. The new and developed farm will house up to 10,000 cows and over 5,000 goats. The Expansion of the farm will also see the installation of new automatic milking machines. The production of dairy products is popular amongst the northern part of Nigeria. This project will help to create more opportunities for other farmers, as well as produce more dairy products within the southern part of Nigeria. This project will also bring adequate returns for our sponsors.

SPONSORSHIP

The project is sponsored by Mr Iyke Bethany, a well-known and established farmer and the founder of Iyke Bethany Group of Companies LTD.

MANAGEMENT

This will be lead by the couple group of Malik and Belyn Okafor. Malik brings an abundance of business and task the board abilities to the organization. While working at DSTV David was liable for the effective dispatch and market lead catch of DSTV'S driving bearings area. Using these aptitudes, David will be answerable for the business tasks of the ranch. While Belyn , with a foundation of purifying planting will be the main impetus of the activity, developing the most elevated dynamic journal ranch in the nation. Furthermore, as a result of her abundance of information, she will be the pioneer of the business office

TECHNICAL ASSISTANCE

The Iyke Bethany Group of companies LTD has a working relationship with USDA's beginning farmer and Rancher development grant program(BFRDP) as the national clearing house, makes available several key business planning guides. ITOU has an authority in poultry farming and will provide technical assistance. The industry also has a working relationship with BWA (banking with agriculture) banking with agriculture has agreed to finance the production of 2.4 acres dairy farm through a loan of 7% interest rate given to the cooperative

The industry will fund the processing factory and access bank finance for the diary farming equipments from BOI (bank of industry) at the rate of 7%. The industry has relationships with commercial banks and will approach one for loan to to get the land which will be leased to the members of the cooperative

The industry has a working relationship with the rivers state government, rivers state ministry of agric, farmer's union and agric cooperatives the industry will get technical assistance from

this relationship in the area of production through contract farming

The industry also has a working relationship with industry players in the project area who will take over products through a purchase and contract agreements.

MARKET AND SALES

The motivation behind why some dairy cultivates barely make great benefit is their failure to sell of their crude milk and other dairy items to a bigger market. In a perspective on that we chose to set up a standard milk preparing and bundling plant to assist us with boosting benefit

We have idealized our deal and advertising systems first by systems administration with agribusiness vendors and organizations that depend on crude materials from the dairy ranch industry who are probably going to allude become our clients. We can receive the accompanying techniques in showcasing our dairy cultivating produce

- Advertise our business in Agro partnered and nourishment related magazines and sites
- List our dairy cultivates on business catalog promotions
- Attend related farming and nourishment expos, classes
- Leverage on the web to advance our business

- Engage in direct showcasing

- Encourage the utilization of referrals

TECHNICAL FEASIBILITY

- Projected milk potential (surplus milk) in the block is about 14,552 litre from the 20 surveyed villages.
- Atleast 40% of the total projected milk can be easily tapped by the proposed unit (about 5800 litres)
- 5000-ltr capacity bulk cooler can be established
- To minimise the operational costs in the initial period, it is suggested to start with 3000 litre BCU with scope for 2000 liter expansion

PROJECT ENGINEERING

- Vendors are playing major role in procurement as the dairy unions have stopped procuring milk in the area.
- Dairy Parag and Paras dairy units, which are operating at 60% of their plant utilisation capacity need milk.
- Strategy in the initial period should be to sell required milk to the local institutional buyers and the remaining milk should be sold to the large institutional buyers to optimize the profits.

RESOURCES AND ENVIRONMENT

- **ENVIRONMENTAL FEASIBILITY**

– To make the plant location environmentally feasible one, proper effluent disposal system should be developed at the site.

– Clearance from the Pollution control board.

- **RESOURCE**

Formation of Milk Producers Groups (MPGs) Preliminary visits to the selected villages

Exposure visit to dairy to members Follow up meeting of the Exposure visits Promotion

Meeting in the village Registration meeting in the village

Establishment of Dairy Plant and Infrastructure Recruitment and training to the Staff

Capacity building of the Members Establishment of External Linkages.

GOVERNMENT SUPPORT AND REGULATION

The government supports foreign exchange and reduces import conservation of government.

It creates economic opportunities , Market access, improved income for farmers and support food security.

The project will contribute significantly to employment and output increase, stable price and stable exchange rate.

TIMELINES OF PROJECTS

The Expansion of the Dairy Farm will take 4-8 Months. With Adequate help provided from our sponsors, we believe we can achieve our goal. Below are the various Dairy Animals we are currently housing in the farm:

| Class of Animal | | No. Animal | LW | Au/Animal | Au/Class |
|------------------------|----------------|-------------------|-----------|------------------|-----------------|
| Calves | Heife | 4 | 100 | 0.22 | 0.88 |
| | Bull | 4 | 100 | 0.22 | 0.88 |
| Yearling | Heifer | 4 | 250 | 0.56 | 2.24 |
| | Steers & bulls | 3 | 250 | 0.56 | 1.67 |
| 2 yrs | Heifer | 4 | 450 | 1 | 4.0 |
| | Steers & bulls | 3 | 450 | 1 | 3.0 |
| 3 - 7 yrs | Milking cows | 10 | 500 | 1.11 | 11.1 |
| | MA steers | 5 | 500 | 1.11 | 5.55 |
| | MA bulls | 2 | 700 | 1.56 | 3.12 |
| Old dry | Cows | 3 | 450 | 1 | 3 |
| | TOTAL | 42 [Animals] | | | 35.44 |

After the various changes we intend to make, we project to start housing more Dairy Animals. Below are the Plans:

| | | Before | After |
|---------|--------|--------|-------|
| Calves | Heife | 4 | 20 |
| | Bull | 4 | 50 |
| YR 1 | Heife | 4 | 45 |
| | Bulls | 3 | 0 |
| YR 2 | Heifer | 4 | 48 |
| | Bull | 3 | 0 |
| Milking | Cows | 10 | 100 |
| MA | Steers | 5 | 0 |
| Herd | Bulls | 2 | 100 |
| Old | Cows | 3 | 0 |
| Young | Bulls | 0 | 70 |

New Total: 433

ESTIMATED PROJECT COSTS&REVENUE

| | | | | |
|----------------|----|----|-----|-----|
| Mean Herd Size | 33 | 88 | 313 | 955 |
|----------------|----|----|-----|-----|

Output Per

| | | | | |
|---------------------------|--------|--------|--------|--------|
| Cow | 14,932 | 16,157 | 17,420 | 17,326 |
| Total Operating Cost | 11.61 | 9.75 | 8.49 | 8.63 |
| All Feed | 8 | 7 | 6 | 6 |
| Total Labour Cost | 11.9 | 6.04 | 2.77 | 1.86 |
| Hired Labour | 0.32 | 1.01 | 1.45 | 1.41 |
| Unpaid Labour | 11.58 | 5.03 | 1.32 | 0.45 |
| Total Ownership Costs | 6.88 | 5.08 | 3.89 | 1.9 |
| Housing Facilities | 1.57 | 1.31 | 1.14 | 0.48 |
| Milking Facilities | 1.33 | 0.66 | 0.1 | 0.06 |
| Machinery | 2.26 | 1.43 | 0.54 | 0.26 |
| Total Costs | 30.39 | 20.87 | 15.15 | 12.39 |
| Gross Value of Production | 15.74 | 14.68 | 14.06 | 14.41 |

REVENUE

| | | | |
|----------------------------|-------|-------|-------|
| I. Total Revenue | 45862 | 44440 | 43292 |
| II. Total Production Costs | 27614 | 26899 | 26271 |
| III. R/C ratio | 1.66 | 1.65 | 1.65 |

FUNDING MECHANISM

Since the Farmland is already established and ready for Expansion,

The Sponsor will provide Quality Equipments for the use of the farmers

The Sponsor will provide Vehicles

The Sponsor will also provide fairness for working capital and will look to secure a loan at the rate of 10% through Government intervention window at the Bank of Agriculture, Bank of Industry and Commercial banks.

CONCLUSION

The project is Technically Feasible and commercially manageable, therefore it is recommended for funding.