

Agriculture Business Plan



MORIA'S MAIZE FARM

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**COLLEGE: MEDICINE AND HEALTH
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MATRICULATION NUMBER: 18/MHS02/160

DEPARTMENT: NURSING SCIENCES

LEVEL: 200 LEVEL

COURSE CODE: AFE 202

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Executive Summary

The purpose of this agricultural business plan is aimed at conducting an overview to determine the possibility of the development of Moria's maize farm on a 7 acre piece of land and to provide a blueprint for near term and long term goals. This business plan will be used as a tool to gauge how well the farm is doing in future compared to their initial goals and keep them on target. The farm is a commercial business that will specialize mainly in the aspect of maize production. It aims to provide the best tasting and finest quality products. Maize has potential demand in the development of various products in different industries like textile, processing, paper, pharmacy, film, tyre, packaging, bio fuel etc. Our goal is to produce maize products and others like the production of animal feed, flour, fodder and several other purposes. The seven (7) acre piece of land is located at Oke Oba village near Iwo, Osun state and has four spacious barns. The farm will produce about 21,000 kilogram of maize in one production cycle.



Sponsorship and Management

This agricultural project is sponsored majorly by the founder of EMIL contactors and board director of Scarlett Empires, Chief Oluwatobiloba Johnson and distinguished author, Miss Anna Todd of Cat and Co publishings who is providing four barns for storage and preservation of produce. Chief Oluwatobiloba Johnson is supporting smallholder farmers in Osun state through the Johnson O Farmer's Cooperative Limited. Clorex Agribusiness Ventures & Consultancy will be in charge of all management consultancy of the project.

An elected Board of Directors at the apex of the organization structure will make up the management body. Each member is a stake holder and possess shares of stock in the corporation. Each board member has stake in the survival, growth and profitability of the business as well as outstanding agribusiness professionals who have acquired remarkable knowledge and experience in the project area. The board members will oversee corporate policies and make management decisions. They will come together to approve accounts and elect members. They will oversee matters to ensure goals are met and continuous financial profitability.



Market and Sales

Household demand for corn is very high in Nigeria and Africa as a whole. The main forces driving the increased demand for corn and its' derivative products in Nigeria include the increasing demand from the primary food processing industry. Maize is the third most important cereal after rice and wheat in many parts of Africa. Maize is used in a wide range of professions as well as in cosmetic industries due to antioxidants and flavonoids it contains. A lot of people consume corn, millions of Africans consume it yearly either roasted or boiled. For example, ground maize is usually prepared as porridge in South and East Africa while in West Africa, maize flour can be used to prepare pap. It is also used in popcorn production. When the various potentials of maize is maximized and processed into a lot of products, the target audience is extremely broadened. The percentage of the population, both locally and in neighboring countries that consumes maize in various form are also high. The big markets and wholesale sellers, cosmetic industries, breweries, food vendors, food providing industries are all target audience for the product.

➤ **Technical Feasibility**

Maize production has been made easier through mechanisation. Mechanisation means using modern tools in land preparation, planting, weed management, harvesting and processing. However, it requires some technical know-how if maximum yield per acre is to be achieved. Shelling of cobs can easily be done by a hand operated or powered Sheller, land can also be prepared by a wheel hoe weeder, an automatic drawn drill or manual/hand drill, plough, rotavator, tractor drawn ridger. The technological know-how of these equipments is not complex, can easily be taught and learned and is very accessible. The technical feasibility of this project is extremely plausible.

➤ **Government Support and Regulation**

This project conforms with the ongoing government programme in Osun state focused on increasing the cultivation of arable crops such as cassava, MAIZE, cowpea etc to ensure sufficient food of top notch quality is available, in creating job opportunities and empowerment for the youth in the community. Also increases agribusiness opportunities by linking farmers to consumer and industrial markets. It will be a form of household income for individuals engaged in the agriculture sector thereby conforming with the government in wealth creation. This project is in line with vision, mission and strategy objectives of the OREAP – Osun Rural Enterprise and Agricultural Programme. The project will aid significantly in provision of employment, output increase, stable rate of exchange and stable prices. This project will also benefit from government intervention fund in the agricultural sector.



Project Timeline

As most of Maize in Nigeria is rain-fed, early maize is sown in the North by May/June and March/April in the South for Early maturing Seed variety while Late Maturing Maize variety is sown by July/August. Due to erratic rainfall caused by climate change, It is encouraged to begin planting at the onset of rain. PLANTING WILL BEGIN IN APRIL AND HARVESTED IN JULY - SEPTEMBER OF THE SAME YEAR. MAIZE MATURES VERY FAST, WITHIN 3-4 MONTHS OF PLANTING, THE CROP IS READY FOR HARVEST, DEPENDING ON WHICH STAGE YOU WANT TO HARVEST YOUR CROP BUT THEN HARVESTING OF EARLY MAIZE IS DONE BY MAY AND LATE MAIZE IS HARVESTED BY OCTOBER. Planting or Sowing will take place between four to seven months of the same year before harvesting. Harvesting is not done until drying of kernels although grains may have reached physiological maturity, they must dry out before reaching biological maturity.



Estimated Project Costs and Revenue

EXPENSES/COSTS INCURABLE FOR 7 ACRES

AMOUNT(N)

LAND PREPARATION	53,657.03
SEED MATERIAL	89,428.43
SOWING	42,925.68
WEEDING	35,771.4
FERTILIZER	107,314.13
MISCELLANEOUS_ACTIVITY	89,428.43
COST OF HARVESTING AND SHELLING	71,542.73
TRANSPORTATION	17,885.7
PESTICIDE	35,771.4

Therefore, total costs incurred per one production cycle per seven acres of land is equal to N543,724.93.

Total income From Seven Acres of Maize Farming Per Production Cycle

Per acre of land, a total of 3,000 kilogram of maize can be yielded in one production cycle. Therefore, in seven acres of land 21,000 kilograms of maize will be yielded. 21,000 kilograms of maize costs N1,287,770.4. Total income is equal to N1,287,770.4 – N543,724.93 which is N744,045.47. Realized income may vary in costs due to various factors e.g demand, labor demand, variety, market, climatic conditions and incidence of various pests and diseases, etc.

➤ **Funding and Mechanism**

Chief Oluwatobiloba Johnson will provide a seven acre farm land at Oke Oba village near Iwo, Osun State and lease it to members of the board of directors. Miss Anna Todd will lease four widely spaced barns as equity contribution. She will also provide equity for equipments and vehicle purchases. Miss Anna Todd is also securing a loan at the rate of 9% through government intervention window at the Bank of Agriculture.

➤ **Conclusion**

This business plan drawn makes it understandable that the maize farming project is very feasible and viable. It also looks very promising in the profit aspect.

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