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MATRIC NUMBER: 18/MHS02/071

DEPARTMENT: NURSING SCIENCE

1.Project description: The business plan shows the possible economic viability of the development of a 400hectares maize planation and the establishment of a maize oil extraction plant in Kaduna by Leadway Assurance Company Limited. The maize oil extraction plant will process maize into edible maize oil, maize cake, maize flour. They will be high of demand of this product because of huge population. Production is currently popular in Niger, Taraba, Adamawa state and Kaduna has the lead producers. The proposed project will create economic opportunities, market access, improve income of famers in other production area.

Sponsorship: The project is sponsored by sir Hassan Olusola Odukale, the founder of Leadway Assurance Company Limited. Hassan Olusola is promoting smallholder famers in Kaduna through the Leadway Assurance Company Limited

2. Management: The management will be made up shareholder and members of the cooperative who have stake of growth and profitability of the business. The main objective of the board is ensuring that the organization complied with all standards set by the regulatory authorities. The president will be responsible for the coordination of the day to day management.

3. Market and sales; Market orientation: domestic: south west and south east, Nigeria.

Market share:5% niche market in south west and south east, Nigeria.

Users of products: edible oil for human, maize and maize cake for the livestock industry.

4.Competition analysis: Kaduna state is the top region by the production of maize with 15.66% between 2005-2019. Followed by Borno, Adamawa, Plateau, Taraba with 44.71%. The five states mentioned above produced 60.37% of nation output within the period. Based on this above analysis, competition in term of production in North-East

5. Market potential: There is a strong demand for maize and maize derivatives in the southern part of Nigeria.

6.Profitability: Weather, biological, chemical, physical and environmental factor like water, air, sunlight, soil condition, pests, disease and other risks. However technical, scientific and financial based solution will be used to the prevent the risks and safeguards profit.

7. Technical Feasibility: The project is technically feasible. In the term of crushing of maize seed and extraction of oil, the industrial process is simple. The needed equipment for oil extraction is readily available and the workers has hand on experience in the maintenance of the equipment. On the maize production, we have specialists in mechanization, irrigation, crop production, weed science, market development. We are implementing the project using the best international practices and to the consideration of the environment some degree of deforestation will occur.

8. Government support and Regulation: The project conforms with the economic diversification objective of the government. It also supports foreign exchange, it creates economic opportunities, improve income for farmers and support food security objective of government.

9.Project Timeline: The project will be completed within April,2020 to December,2020.

Estimated project costs and revenue

Fixed cost

1. LAND CLEARING

|  |  |  |  |
| --- | --- | --- | --- |
| ACTIVITY | QTY | ~~N~~ | K |
| Land clearing | 1 hectare | 200,000 | 00 |
| Rome ploughing | 1 hectare | 60,000 | 00 |
| Cross cutting | 1 hectare | 30,000 | 00 |
|  Sub total  | 1 hectare | 290,000 | 00 |
| Total  | 400 hectares | 116,000,000 | 00 |

1. EQUIPMENT

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| NAME | QTY | MODEL | USD | ~~N~~ | K |
|  Ripper | 1 | DPL-3 | 25,250 | 9,090,000 | 00 |
| Tractor | 1 | A4T-1600 | 4,620 | 1,663,200 | 00 |
| Subsoiler | 1 | MFS5 | 3,420 | 1,231,200 | 00 |
| Maize seeder | 1 | 2BYF-5 | 5,000 | 1,800,000 | 00 |
| Disc plough | 1 | 1LS-220Y | 1,000 | 3,60,000 | 00 |
| Combine harvester | 1 | HollCR10 | 103,500 | 37,260,000 | 00 |
| Boom sprayer | 1 | Ch-400-B33 | 7,950 | 2,862,000 | 00 |
| Front loader | 1 | T2100 | 5,950 | 2,142,000 | 00 |
| Subtotal |  |  | 159,390 | 56,408,400 | 00 |

1. VEHCILE

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| TYPE | MODE | QTY | ~~N~~ | K |
| Pickup truck | Nissan frontier | 2 | 50,000,000 | 00 |

1. IRRIGATION

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| TYPE | MODEL | QTY | USD | ~~N~~ | K |
| Hose reel | L 3000 | 1 | 26,278 | 9,460,080 | 00 |

1. OPERATING COST

|  |  |  |
| --- | --- | --- |
| WRITING CAPITIAL | ~~N~~ | K |
| Ploughing/Ha | 10,000 | 00 |
| Clearing/Ha | 15,000 | 00 |
| Subtotal | 25,000 | 00 |
| For 400Ha | 10,000,000 | 00 |
| Mechanization and storage | 110,000 | 00 |
| For 400Ha | 44,000,000 | 00 |
| Input/Ha | 80,500 | 00 |
| For 400Ha | 32,200,00 | 00 |
| Area yield insurance  | 15,500 | 00 |
| Produce aggregation | 5,500 | 00 |
| Geo spatial service | 3350 | 00 |
| Sub total | 24,350 | 00 |
| For 400Ha | 9,740,000 | 00 |
| Interest per hectare | 25,065 | 00 |
| For 400Ha | 10,026,000 | 00 |
| Total cost per hectare | 259,850 |  |
| Total cost for 400Ha | 103,940,000 |  |
| Loan & interest (lost per Ha) | 284,915 | 00 |
| Total for 400Ha | 113,966,000 | 00 |

1. AMORIZATION

|  |  |  |
| --- | --- | --- |
| land clearing amortization/ha | ~~N~~30,000 | 00 |
| land clearing amortization400 | ~~N~~12,000,000 | 00 |

REVENUE

|  |  |  |
| --- | --- | --- |
| Yield per hectare 3tonnes at ~~N~~145,000 per tonne | ~~N~~ | K |
| Revenue per hectare | 405,000 | 00 |
| For 400Ha | 162,000,000 | 00 |
| Net revenue for 400Ha (without amortization) | 64,038,200 | 00 |
| Net revenue with amortization (400Ha clearing)  | 52,020,180 | 00 |
| 2nd production cycle |  |  |
| Net revenue | 40,020,180 | 00 |
| Net revenue with amortization (400Ha land) |  |  |
| Annual net revenue (1st and 2nd cycle) | 92,040,360 | 00 |