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**18/ENG08/025**

**BIOMEDICAL ENGINEERING**

**AFE202**

**BUSINESS PLAN FOR THE DEVELOPMENT OF A POULTRY FARM AT SEA GREEN  
FOUNTAIN NIG LTD. POULTRY FARM,KAGARKO LOCAL GOVERNMENT  
AREA,KADUNA STATE BY USMAN AGRIBUSINESS VENTURES  
CONFIDENTIALITY AGREEMENT**

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

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Upon request, this document is to be immediately returned to the promoters of the proposed business.

Signature

Name: USMAN HABIBA LAMI

Date: 27/05/2020

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### **Project Description**

This business plan examines the feasibility of and indeed economic viability of the development of a 500 SqM, kaduna state by sea green fountain Nig Ltd. The farm will rear chickens of different breeds. The chicken farm would also produce products such as eggs. Production is currently popular in north central and kaduna as the lead producer.

### **Sponsorship**

The project is sponsored by Usman Habiba, a doctor and founder see greens university. Usman habiba is promoting the productivity of smallholder farmers in kaduna state.

### **Management**

The management will comprise the founder and elected board of directors. This will be made up of shareholders and member of the cooperative who have stake in the survival, growth and profitability of the business as well as agribusiness professionals who have so many years experience in the project area.

The president shall be responsible for the coordination of the day to day management of the cooperative business.

She is accountable for the board of directors, she will mobilize organization resources to achieve set goals.

She will manage business risks and focus on wealth creation.

### **Technical Assistance**

The Farm has a relationship with DANOMAX ENTERPRISE farms in KADUNA danomax enterprise farms has mandate in cattle and aquatic rearing.

They have agreed to assist in building the farm.

Bank of agriculture has agreed to finance production of the 2000 chicken through a loan at 7% interest rate given to the cooperative

### **Market and Sales**

Market orientation: domestic; All over Nigeria

Market Share: 5% niche market in South West, South East Nigeria

Users of Products: Edible oil for human, fertilizers and feathers for clothing industry, egg shells for detergent manufacturing industry

### **Competition analysis**

The only places where significant production takes place is in South West, North East Nigeria. Based on this analysis, there's no evident competition in the north central

### **Tariff and Import Restriction**

Forex restriction on food importation and zero duty on imported agricultural equipment will favour the project under consideration.

### **Market Potential**

There is strong demand for Fish in the South West of Nigeria. The state of infrastructure though not perfect still supports production and trade within Nigeria.

### **Profitability**

Weather, biological, chemical, physical and environmental factors such as temperature, sunlight, water, diseases, g, price fluctuations and other risks . However, technical, scientific and financial based solutions will be employed to hedge against risks and safeguard profit.

### **Technical Feasibility**

In terms of technology, which involve the grinding of fish for the production of fish fillets the industrial processes are simple and a specialist in production of fish fillets with 15years experience is part of our team. The needed equipment for fish grinding are readily available and our experts have hand on experience in the usage and maintenance of the equipment.

## **Government Support and Regulation**

The project conform with the economic diversification objective of the government. It also supports foreign exchange and import reduction conservation of government. It creates economic opportunities, market access, improved income for farmers and support food security objective of government. The project will benefit from government intervention fund in the agriculture sector. The project will also benefit from the favourable policy of zero duty for agricultural and equipment import. Restriction of forex for all food products will also widen market opportunity. The project will contribute significantly to employment, output increase, stable price and stable exchange rate.

## **Project Timeline**

The project will be completed within four (4)months preferably between 15 may , 2020 to 15 september,2020.

## **Estimated project costs and revenue**

### **Fixed cost**

#### **(A)Land clearing**

Activity	QTY	₦	K
Land clearing	500SqM	350,000	00
TOTAL	300SqM	350,000	00

**(B) Equipment**

Name	Quantity	USD	₦	K
Defeathering machine	2	523	200,000	00
Chicken cages	100	393	150,000	00
Incubators	10	1250	750000	00
Feeders and drinkers	12	1000	600000	00
Poultry processing equipment	5	28	10,500	00
Sub total		3194	1,710,500	00

**(C) Vehicle**

Type	model	quantity	price
Pick up truck	Hilux	5	10000000

**Operating cost**

Working capital		
	₦	K
Cost of birds(2000)	700000	00

Cost of feeds/cycle starter feeds(30 bags)	60000	00
Finishers feed(30 bags)	45000	00
Sub total	105,000	00
Cost of wood shaving	7500	00
Cost of utilities		
Power/electricity	65000	00
Water for farm activities by local well digging	20000	00
1.5 horse power submersible pump	35000	00
Sub total	120000	

### Amortization

₦

K

Caring for the poultry	200,000
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### Revenue

Yields per hectare 3@tonnes ₦145000 per tonne		
	₦.	K
Revenue per hectare	400000	00

For 400Ha	160,000,000	00
Net revenue for 400Ha(without amortization)	67,038	00
2 <sup>nd</sup> Production cycle		
Net avenue	43,020,180	00
Net revenue with amortization(400ha land)		
Annual net revenue(1 <sup>st</sup> +2 <sup>nd</sup> cycle	98,058,480	00

**Currency conversion rate: ₦360.00 to 1USD**

### **Funding Mechanism**

The founder will provide 400Ha of cleared farmland from one of her very many plots of lands and lease it to members of the cooperative. will also lease 6,000MT capacity silo as equity contribution

Equity investor to provide equity for equipment and vehicles purchase

Where possible equity investor to provide equity for working capital or otherwise secure loan at the rate of 7q% through government intervention window at the Bank of Agriculture, Bank of Industry and Commercial banks.

### **Conclusion**

The project is technically feasible and commercially viable. It is therefore recommended for funding.