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DEPARTMENT: ELEECTRICAL/ELECTRONICS ENGINEERING

COURSE TITLE: FOOD PRODUCTION AND HEALTH AWARENESS

COURSE CODE: AFE 202

**A FEASIBILITY REPORT/ BUSINESS PLAN FOR THE DEVELOPMENT OF EDDY'S
LIVESTOCK FEED MANUFACTURING INDUSTRY AT MERCY LAND ARENA, EAST WEST
ROAD, PORTHARCOURT, RIVERS STATE.**

DESCRIPTION OF THE PROJECT: As we know, animals are a primary source of proteins and essential amino acid, they are needed for the effective development and growth of man, hence they should be taken care of effectively by providing them with adequate feeds in order to aid their own growth and development and as well enable them to stay healthy and strong. The aim of Eddy's livestock feed industry is to provide different kinds of feeds for animal consumption. Some livestock have different system and some have different tastes too, so feeds shall be produced according to its effect on the animal. This project will also help in creating job opportunities ,impact people positively and help to reduce the level of importation of livestock feed from other countries in order to reduce cost . This project will contribute significantly to food security.

SPONSORSHIP: The project is sponsored by the rivers state government, who have taken it upon their selves to promote productivity and agriculture in rivers state, they have a department already formed that consists of agricultural experts with years of experience.

MANAGEMENT: The management will consist of well-educated people who will come together and work as the board of directors in the industry, the board of directors must consist of competent men and women that must portray values like: integrity, commitment, contentment, punctuality, and in all a vast experience and seriousness when it comes to work. Among the board directors, a managing director who will serve as the president shall be elected by the board members, he/she shall be responsible for the co-ordination of the day to day management of the business. He/she shall be held responsible for any failed goal.

TECHNICAL ASSISTANCE: The state have a relationship with other agricultural business enterprises that have a mandate in livestock feed production and will provide technical assistance in this regard. The state also have a relationship with the bank of agriculture (BOA) and they agreed to contribute to the development by supporting the state with finance, and the state government will contribute what they have and also obtain loan from few banks. The feeds will be sold in wholesale to livestock maintaining industries and will be sold in retail to anyone who can't buy in whole sale. We will also export our product to other states and countries who are interested.

MARKET AND SALES:

Market orientation: domestic; south-south and south-east

Market share: 10% niche market in south-south, south east Nigeria

Users of product: livestock

PROFITABILITY: What is a business without profit? The purpose of most business is to make gain no matter the circumstances, be it weather or a sudden set back etc. this business is profit oriented and profit will be made.

TECHNICAL FEASIBILITY: The project (production of livestock feed) are technically feasible, the industrial process aren't complex and a specialist in feeds with many years of experience is in our production team. The needed equipment's for food extraction are already available and our experts have on experience in the usage and equipment of these equipment's. Different specialists who studied in different areas are part of the management team. This project shall be implemented to a high standard.

GOVERNMENT SUPPORT AND REGULATION: The project supports foreign exchange and import reduction conservation of government. It creates economic opportunities, market access improve income for farmers and support food security objective of government.

PROJECT TIMELINE: The project will be completed within a year between May 2020 and May 2021.

ESTIMATED PROJECT COST AND REVENUE:

Table 26: Cost of Machinery

S. No.	Description	Quantity	Total Cost (Nu. In Millions)
1	Tank & Silos for raw and auxiliary materials storage	5	1.00
2	Metal Screen & Shaker	1	0.50
3	Hammer Mill	2	1.00
4	Blender	1	0.25
5	Weighing Scale (5 tons)	4	.08
6	Bagging Machine	1	0.7
7	Dust Collector	2	0.3
8	Product Tank	2	0.2
9	Pellet Producing Machine	1	3
10	Tanks for oil cakes and molasses	2	0.2
11	Boiler	1	1.00
12	Installation & commissioning charges (10%)	1	0.82
Total Cost			9.05

No
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Table 22: Project Summary

Plant Capacity:	50 tons per day, 16000 tons per annum
No. of Shift:	One (8 hours per shift) per day
Working Days in Year:	320
D.S.C.R. :	1.97
B.E.P. :	19.18%
IRR :	22.97
NPV :	Nu. 12.29 millions

Cost of Project:

The total cost of the project is estimated at Nu. 33.24 millions as per the particulars given in the following table

Table 23: Project Cost

S. No.	Particulars	Value
		(Nu. In Millions)
1	Land 1,000 sq. meters (On lease)	
2	Building & Civil Construction	7.8
3	Plant and Machinery	9.05
4	Misc. Fixed Assets	5
5	Preliminary Expenses	0.1
6	Pre Operative Expenses	4.85
7	Margin Money for Working Capital	4.25
8	Contingencies 10% of Fixed Assets	2.19
Total		33.24

Means of Finance

The table given below shows the means of finance:

Table 24: Means of Finance

S. No.	Particulars	Value (Nu. In Millions)
1	Promoters' Equity	13.30
2	Term loan from FIs	19.94
	Total	33.24

FUNDING MECHANISM:

The government shall contribute, and other organizations shall invest and loan will be collected from the bank of agriculture as well.

CONCLUSION: this project will benefit not only rivers state but the community at large, and increase growth and development of livestock.

