



AN AGRICULTURAL ENTERPRISE

[BUSINESS PLAN]

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ENGINEERING | AFE 202 [FOOD PRODUCTION & HEALTH
AWARENESS] - PROJECT**

Using the following guidelines, I have created the business plan below:

1. Project Identification/Selection
2. Preparation and Analysis
3. Appraisal
4. Implementation/Monitoring
5. Evaluation

1. PROJECT IDENTIFICATION

COMPANY NAME: MANIHOT FARM LIMITED

COMPANY LOGO:



COMPANY/PROJECT DESCRIPTION:

Cassava (*Manihot esculenta*) production is vital to the economy of Nigeria seeing as our country is the world's largest producer of the commodity. However, with the increasingly diverse use and even need of cassava products in Nigeria, cassava farming is getting

more profitable. A huge percentage of Nigerian households consume cassava products on a daily basis in some of its processed forms such as: garri, wheat-flour, animal feed, commercial caramel, and a lot more.

REQUIREMENTS FOR THIS FARMING

1. Capital & Labor:

Land Cost:	NGN 600,000
Land Preparation:	NGN 45,000
Cassava Stem Cuttings:	NGN 50,000 (For 100 bundles)
Fertilizer	NGN 25,000
Fermentation Tank:	NGN 220,000
Hydraulic Press:	NGN 280,000
Hammer Mill:	NGN 700,000
Hire of Experienced Farmers	NGN 100,000
Processing Machinery	NGN 250,000
TOTAL:	NGN 2,270,000

2. A Good Site with Good Soil: Cassava grows best in There's a thick vegetation around it, the soil texture is good and the land is flat or gently sloping. It is also important to manure your soil (as is necessary for any plant) and prepare good seedbeds.

3. Well Selected Cassava plant: This will determine how successful your cassava farm will be.

4. Healthy Cassava Stem Cuttings: Cassava stem cuttings are used to grow cassava crops. Selecting healthy stems is crucial to growing rich cassava crops that our market would quickly purchase.

2. FEASIBILITY STUDY/PROFIT:

Within six months, the cassava plant should grow into big bushes and yield up to 30 tonnes of cassava root. The average selling price of 1 tonne of raw cassava is N25000. In the eventuality that we are able to sell raw cassava to our we take 30 tonnes of raw cassava and process it to 10 tonnes of High Quality Cassava Flour (used to make spaghetti and noodles) and 15 tonnes of cassava chips (used in making poultry feed). Since the market price for 1kg of cassava flour is N200 and cassava chips is sold for N100 per kg, below is our profit from selling the processed cassava products:

1. Cassava Flour

10 X 1000 X N200: N2,000,000

2. Cassava Chips

15 X 1000 X N100: N1,500,000

Total Profit: N3,500,000 (2,000,000 + 1,500,000)

SPONSORS/PARTNERS

We will be partnering with UAC Foods Limited along with a sponsorship from The Guaranty Trust Bank.

MANAGEMENT

It is managed by a board of directors. The Founder and director is Engr. Egbe Amanda.

TECHNICAL ASSISTANCE

FarmCrowdy Limited which is owned by a member of the board of directors, Onyeka Akumah.

MARKETING AND SALES:

Market Orientation: Domestic

Location Target: South East & South West Nigeria

Market Target: Wholesalers

PROJECT TIMELINE

We have successfully purchased 10 hectares of land in Ikeja, Lagos state and our cassava plantation will yield 30 tonnes of cassava every 6 months.

CONCLUSION

The project is feasible, economically and commercially practicable.

3. APPRAISAL

With the aid of the Cost Benefit Analysis method we will be putting together the ideal use of scarce resources.

MARKET ANALYSIS:

Cassava tubers consist of 60 to 70 percent water and have a shelf life of 2 to 3 days. Once harvested, the tubers have to be processed or consumed immediately otherwise the tubers begin to deteriorate. Transportation of fresh tubers from farm to processing sites therefore becomes critical for quality and cost reasons; such that transportation is a major cost component in cassava processing. The need for processing arises to stabilize the crop for storage purposes and price stability guaranteeing higher prices for farmers.

Since the majority of our cassava produce will be processed in our farm quarters before sending them out, we are able to reduce the risk of deterioration.

OUR TARGET MARKET:

As many people as possible, households, market women, schools, restaurants, supermarkets and many more.

COMPETITIVE ADVANTAGE {WHAT MAKES US UNIQUE TO OUR COMPETITION}

We are unique because we do not just produce the cassava tubers, we process immediately and in bulk, ensuring our market the best quality in large quantities.

SALES STRATEGY

Once our cassava products are processed and packaged, they will be transported by Chisco Transport Company to our wholesalers.

4. **IMPLEMENTATION/MONITORING**

The bedrock of the company is in our reliable farmers and our customers. One of our major goals is to ensure we deliver products of the best quality to our customers and doing so at affordable prices.

5. **EVALUATION**

- ✓ BUSINESS NAME AND INCORPORATION AVAILABILITY #
- ✓ CORPORATE BANK ACCOUNTS OPENED#
- ✓ OBTAINING TAX PAYERS ID#
- ✓ BUSINESS LICENSE AND PERMIT#
- ✓ LEASING OF FARM#
- ✓ CAPITAL GENERATION#
- ✓ FEASIBILITY STUDIES#
- ✓ TRANSPORTATION#
- ✓ MARKETING & PROMOTION#
- ✓ EMPLOYMENT OF STAFF#
- ✓ SECURITY, HEALTH & SAFETY#
- ✓ FUMIGATION OF LAND BEFORE BUSINESS COMMENCEMENT#
- ✓ TESTING OF SOIL#
- ✓ BUSINESS PLAN#

