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**INTRODUCTION**

**A BUSINESS PLAN/FEASIBILITY REPORT FOR THE DEVELOPMENT OF A 6  
ACRE DAIRY FARM AT AHMADU BELLO UNIVERSITY, ZARIA STATE,  
NIGERIA BY MINA AGRI BUSINESS VENTURES**

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## EXECUTIVE SUMMARY

The dairy farm is an existing farm dedicated to the production of dairy products. The present project will generate economic opportunities, affect positively on the people and help preserve scarce foreign exchange. The milk to be processed will be sourced locally through direct production, contract farming in Zaria State and direct production, contract farming in Zaria State and direct purchase from small holder farmers in other production areas. It will improve the income of farmers, easy market access, and also contribute significantly to food security.

## OBJECTIVES AND MISSION

One of the main purposes of this establishment is to reduce import of dairy milk to the barest minimum hence there will be no import duties as concerns this project. Moreover, all equipment's and tools required are manufactured and will be gotten here in Nigeria.

Milk is one of the most widely used beverage and a common ingredient in biscuits, margarine, cereals, candles, chocolate, ice-cream, and detergents. The applications of milk are therefore diverse, which aids the expansion of the global dairy market.

## REQUIREMENTS

- Land: You must have some cultivated land for growing green fodder crops for your cattle in the farm. The land area depends on number of animals. Usually 2 acres of land is sufficient to feed about 15 cows
- Shed: There must be proper and covered secured shed inn place before getting cows into your arm.
- Water: Clean and abundant water facility is required for both cattle and to grow the green fodder
- Fodder: As cows need three types of fodder for best milk yield and high fat content, you must have good fodder management form growing fodder to feeding fodder on a daily basis. Dry fodder, green fodder and feed concentrate are required to feed the cows in your dairy.
- Breed Selection: Selection of good breed of cows which yield more milk is essential in dairy farming.

- Labor: Labor is such a major task in dairy farming, the selected labour should be very good at handling the farm activities including growing green fodder. It is better to give one or two days training so that they can understand routine activities of dairy.
- Vaccinations To control diseases and protect the cow health, you must have a proper vaccination schedule. For this purpose, you can hire a veterinary doctor for routine checkup and medication of cows.

## PRODUCTS

To have a network of retail stores where we sell fresh fountain ice-cream treats, milk shakes and fresh bottled milk, we do home delivery business where all those grocery items we sell can be delivered right to your doorstep. There are high domestic demands for these products due to the high rate of population and production constraints leading to shortage of the commodity.

## KEYS TO SUCCESS

Dairy farm has identified three keys that will be essential in their success. First, is the implementation of strict financial controls, by having proper controls and production efficiency is maximized. Second key will be the never ending pursuit for the dairy industries. As mentioned above, this establishment aims to reduce import of palm fruit to the barest minimum hence there will be no import duties as concerns this project. Moreover, all equipment's and tools required are manufactured and will be gotten here in Nigeria.

## COMPANY SUMMARY

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 discerned agribusiness professionals of demonstrated rectitude and vast experience in the project area. The main objective of the board will be to give strategic directions and policies that will ensure long term success of the organization. The board will ensure that the organization complied with all standards set by regulatory authorities.

The management will settlement of a democratically elected Board of Directors at the apex of the organization structure.

### MARKET ANALYSIS SUMMARY

Market Orientation: Domestic, North West, South East.

The market share is about 5% in each market in North West, South East Nigeria.

The university has a working relationship and linkages to industry players in the project area who will off take products through a purchase and sale contract agreement.

At the moment, the country where palm oil is produced in very large quantities is India.

In the future, we would be looking to working with one of their dairy industries. Milk is often regarded as being nature's most complete food because it provides many of the nutrients which are essential for the growth of the human body. Being an excellent source of protein and having an abundance of vitamins and minerals, particularly calcium, milk can make a positive contribution to the health of a nation.

### STRATEGY AND IMPLEMENTATION SUMMARY

The market for milk is very huge and is ever increasing; annual milk global demand exceeds 800 million tonnes. Your dairy farming business can sell raw or processed milk. The market for dairy milk includes supplying to milk processors, grocery stores, schools, companies, individual households, organizations etc. It's important for the dairy farming business plan to include a proper marketing plan to use in your milk dairy farming business.

## FINANCIAL PLAN

### ESTIMATED PROJECT COST AND REVENUE

#### ● LAND CLEARING

Activity	₦	K
Land Clearing	170,000	00
Cross cutting	25,000	00
Rome ploughing	55,000	00
Subtotal	190,000	00
Total	440,000	00

#### (B) EQUIPMENTS

Qty	₦	K
1 Tractor	5,500,000	00
2 Disc Harrower	1,690,000	00
3 Pails	25,000	00
4 Cattle	4,500,000	00
5. Fodder	80,000	00
Total	11,795,000	00

### C) VEHICLE

Types	Model	Qty	₦	K
Pick-up Truck	HILUX	3	47,000,000	00

### D) IRRIGATION

Type	Qty	Model	₦	K
Hose Reel	2	140-440MT	1,500,000	00

### OPERATING COST

Working capital		
	₦	K
Ploughing	25,000	00
Harrowing	5,700	00
Sub Total	30,700	00
<b>For 500 Ha</b>	<b>10,000,000</b>	<b>00</b>
Mechanization and Storage	80,000	00

### MANAGEMENT SUMMARY AND CONCLUSION

The needed equipment to carry out this project is readily available and we have experienced experts in rural and urban areas that have a hand on experience on dairy farming. This project would allow for improved income for farmers and is therefore recommended for funding.

