

EGBUNU HIKMAT IGANYA

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CIVIL ENGINEERING

CONTENTS OF THE FEASIBILITY REPORT

Executive summary/ Brief Description of the project----- (i)

Sponsorship, Management and Technical Assistance----- (ii)

Market and Sales----- (iii)

Technical Feasibility, Resources and Environment----- (iv)

Government Support and Regulation----- (v)

Timelines of Projects----- (vi)

Estimated Project Cost and Revenue----- (vii)

Funding Mechanism----- (viii)

Conclusion----- (ix)

A FEASIBILITY REPORT/BUSINESS PLAN FOR THE DEVELOPMENT OF 1,000
HECTARES CATTLE RANCH AND ESTABLISHMENTS OF BOARDING SERVICES,
BREEDING SERVICES, DIARY SUPPORT SERVICES, LIVESTOCK HEALTH SERVICES
AND SO MANY OTHER SERVICES AT IDAH LOCAL GOVERNMENT OF KOGI STATE
BY IGANYA CATTLE RANCH AND SERVICES.

EXECUTIVE STUDY/PROJECT DESCRIPTION:

Iganya Cattle Ranch and Services is a registered and licensed livestock farming company that is based in Idah, Kogi state-Nigeria. We have done our detailed market research and feasibility studies and we were able to secure a thousand hectares of land to build our cattle ranch and start our cattle rearing business.

Our Cattle ranch/cattle rearing business is going to be standard one hence will be involved in commercial breeding of cows, oxen, calf, sheep, goat, horses, donkeys, buffalo, bulls, etc. we will also be involved in boarding services, breeding services, livestock health services, farrier services, and shearing services as well.

In the nearest future within the first five years of officially running Iganya Cattle Ranch and Services, we will start our meat processing plant and milk processing plant and also start exporting our products to other parts of the world.

Which is why aside from the fact that we've secured the required farming land for breeding cattle in commercial level, we have also hired some key employees who are currently undergoing training so as to be able to fit into the ideal picture of the 21st century cattle rearing business workforce that we want to build.

We are in cattle rearing business because we want to leverage on the vast opportunities available in the livestock farming industry, to contribute our quota in growing the Nigeria economy, in national food(meat) production, raw materials production for industries, to export agriculture produce from Nigeria to other countries and over and above to make profit.

Iganya Cattle Ranch and Services, it is well positioned to become one of the leading cattle rearing business in Nigeria, which is why we have been able to source for the best hands and equipment to run the business.

We have put process and strategies in place that will help us employ best practices when it comes to cattle rearing processes, meat and milk processing and packaging as required by the regulating bodies in Nigeria.

SPONSORSHIP:

The project is sponsored by Engr. Egbunu Hikmat Iganya, the founder of Basma Interiors and also the founder of Iganya Cattle Ranch and Services. It is also sponsored by the Governor of Kogi State, Gov. Yahaya Bello in relation with the state Ministry of Agriculture. Khaharer ventures will be responsible for the management of the project.

MANAGEMENT:

The Management will comprise of sound learned professionals who went through professional training. **The Chief Operating Officer** that is responsible for increasing management's effectiveness by recruiting, selecting, orienting, training, coaching, counseling, and disciplining managers. They are also responsible for providing direction for the business, signing checks and documents on behalf of the company. They create, communicate, and implement the organization's vision, mission, and overall direction and evaluates the success of the organization. **The General Farm Manager** is responsible for planning, management and coordinating all farm activities across various sections of the organization, provides advice on the management of farming activities across all sections, Responsible for carrying out risk management. Represent the organizations interest at various stakeholders meeting, Using IT

systems and software to keep track of people and progress of the growth of crops, fishes, birds and animals, ensures that farming goals desired result are achieved and so many other responsibilities. **Accountant /Administrator** are responsible for overseeing the smooth running of HR and administrative tasks for the organization. He is responsible for preparing financial reports, budgets and financial statements for the organization and financial forecasting and risk analysis. Cattle Ranch and Animal Manager/Supervisor is responsible for managing the commercial breeding of cattle (cows, oxen, bulls, etc). He is also responsible for managing boarding services, breeding services, diary support services, etc. **Sales and Marketing officer, Field workers/Contract staff, Client Service Executive/Front Desk Officer.**

TECHNICAL ASSISTANCE:

The company has been working with so many organizations like the Miyetti Allah Cattle Breeders Association(MACBAN) which is to cater for the welfare of its members and advance the growth of the business. MACBAN will provide protection and supportthe increasing grazing reserves for cattle breeders. The company is also working with Bank of Agriculture(BOA) which provided the company with credit facilities for the 1,000 hectares of land by supporting us financially and environmentally by providing us with enough land for grazing.

Also, we are working with US natural resources and wildlife agencies that have been increasing their efforts to involve in our cattle ranch.

The Federal Government policy on Cattle colonies appeared to have recorded mild success as the Kogi state Governor Yahaya Bello donated agro facilities for the betterment and smooth running of the Cattle Ranch.

The Bank of Agriculture has agreed to finance production of milk and meat of the 1000 hectares cattle ranch at 9% loan interest rate.

The Cattle Ranch will fund breeding, boarding services, dairy product services, livestock services and access finance from Bank of Industry(BOI) at the rate of 9% . the company will also seek grant from Miyetti Allah Cattle Breeders Association(MASCAN). The university has relationship with commercial banks and will approach one for loan to clear the land which will be leased to members of the company.

The company has working relationships with and linkages to the Central Bank of Nigeria which will serve as a large deal for the business.

MARKET AND SALES:

Market Orientation: domestic, livestock; North East, North West, North Central, South East, South West

Market Share: 15% market in North east, North west 10% market in North central, South east, South west.

Users of Products: Livestock as a source of energy, Livestock as a source of fertilizer and soil conditioner, livestock as a source of transportation, Livestock as a source of protein, Livestock as a generator of employment and income.

COMPETITION ANALYSIS: iganya Cattle Ranch and Services is fully aware that there are competitions when it comes to selling livestock and meats all over the globe, which is why we decided to carry out thorough research so as to know how to take advantage of the available market in Nigeria. We have done our homework and we have done our homework and we have

been able to highlight some factors that will give us competitive advantage in the marketplace; some of the factors are effective and reliable livestock farming processes that can help us sell our livestock and processed meat and milk at competitive prices, good network and excellent relationship management.

Another competitive advantage that we are bringing to the industry is the fact that we designed our business in such a way that we will operate an all-round standard commercial livestock farm that will be involved in diverse areas.

TARIFF AND IMPORT RESTRICTION: Forex restriction on livestock importation and zero duty on imported agricultural equipment will favor the project under consideration.

MARKET POTENTIAL: there is strong demand for livestock and cattles in the Southern and Northern part of Nigeria. The state of infrastructure though not perfect still supports production and trade within Nigeria.

Over and above, we have perfected our sale and marketing strategies first by networking with agriculture merchants and companies that rely on raw materials from the livestock farming industry who are likely to refer become our customers.

PROFITABILITY: Iganya Cattle Ranch and Services, is in the livestock breeding industry for the purpose of maximizing profits hence we have decided to explore all the available opportunities within the industry to achieve our corporate goals and objectives.

In essence we are not going to rely only on the sale of our livestock to generate income for the business. Here are the sources we intend exploring to generate income: sale and export of cotton

wool, sales of cattle, sale of processed meat, boarding services, breeding services, diary support services, livestock farming related consultancy and advisory services and so many other services.

TECHNICAL FEASIBILITY:

GOVERNMENT SUPPORT AND REGULATION: the project conform with the economic diversification objective of the government. It creates economic opportunities, market access, and improved income for farmers. The project will benefit from government intervention fund in the agriculture sector. The project will contribute significantly to employment, output increase, stable price and stable exchange rate.

PROJECT TIMELINE: the project will be completed within 6months preferably May, 2020 to October, 2020 because then the weather will be favorable and land clearing is mostly done in the dry season.

ESTIMATED PROJECT COSTS AND REVENUE:

PROJECT	COST
The total fee for incorporating the business in Nigeria-	₦270,000
The budget for key insurance policies, permits and business license-	₦900,000
The amount needed to acquire/lease a farm land	₦1,500,000

The amount required for preparing the farm land (for construction of cattle ranch and cages/fencing, etc)	₦3,600,000
The cost for acquiring the required working tools and equipment/machines.	₦18,000,000
The amount required for purchase of the first set of cattle (cows, oxen, bull, donkeys, etc)	₦30,000,000
The cost for launching an official website	₦200,000
The amount required for payment of workers for a period of 3 months	₦20,000,000
Additional expenditure (business cards, signage, adverts and promotion)	₦720,000
Vehicle needed (2 hilux)	₦14,000,000

Going by the report from detailed research and feasibility studies conducted, we will need an average of ₦90,000,000 to start a standard cattle rearing/commercial livestock farming business in Nigeria.

FUNDING MECHANISM: CBN will provide equity for working capital or otherwise secure loan of 10%. MASBAN will provide the 2 hilux and also help in supplying some cattle. The Kogi State government will help in collaboration with the company to supply the first set of cattle, livestock, etc. and other foreign and local investors will help in contributing to the success of the project.

CONCLUSION: the project is technically feasible and commercially viable. It is therefore recommended for funding. It will be the largest cattle ranch and livestock company in West Africa.