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Matric no: 18/ mhs02/139

Course:AFE202

Department: Nursing

Level: 200level

1.prepare a business plan on a chosen agricultural enterprise following the guidelines in the guideline in the notes

Executive summary / project description:

This is a business plan of Olusegun Obasanjo located at KM5 idiroko Road, Ota, Ogun state, to examine the feasibility of and indeed income viability of development of 500 hectares of maize plantation. The cycle will produce 1500 tonnes of maize. The maize can be further processed and be used to produce ; corn syrup, corn starch which is used as a thickening agent in soup. There is a high domestic demand for these products because of huge population thereby leading to shortage of these products. The proposed project will create economic opportunities, impact positively on people and help conserve foreign exchange.This project will also help to improve farmers Income and also provide satisfaction to the consumers. Also, to give our customers the very best products and customers service so that we may earn trust and future Business.

Sponsorship:

This project is sponsored by Chief Olusegun Obansanjo, the former president of Nigeria. The economic development planning and lobbying by the manufacturers Association of Nigeria and Chief Bisi Onabanjo, former governor of Ogun state. This led to the official designation of ota as an industrial town, and the state government began to encourage Industries to locate in and around the city.

Management:The obasanjo farm is managed by some distinguish and democratically

elected people at the apex of organisation structure such individual have proven themselves to support the business and check for the growth of the business. The management include; Ayinla Semiu, who is the general manager at Obasanjo farm. His responsibilities include planning, coordination, production, marketing operation including feed material, logistics. Since 2008, he has been managing establishment and development. He attended university of agriculture, Abeokuta and University of Ibadan and earned bachelor of science, crop science. We also have David Olusola, manager at Obasanjo farm. He has 19 years experience in crop production and general farm management, quality control and farm auditing. He attended university of Benin and studied agricultural economics.

Obasanjo farm is also managed by high experts in agricultural field. Production of agricultural goods is carried out on more than 30,000 hectares of land. More than 6,000 farm workers are employed to work on the farm.

Technical Assistance: Olusegun Obasanjo has collaborated with some business services to provide potential assistance to improve his business. Such as:

Technology services; programs that have helped to enhance the business. Including internet access, website and business software development.

Financial literacy / credit counselling: This includes individualised counselling in financial management and overcoming issues with past debt. Business training is also included.

Loan application: loan application can also be put in place to finance agricultural produce

Market and sales: Agricultural produce grown and harvested in the Obasanjo farm is

distributed to the southern, western, south east, south west and northern part of Nigeria. These services involves planning, organising, directing, and handling of Agricultural produce in such a way as to satisfy consumers.

Uses of products: vegetable maize (sweet corn), cut white sweet corn, popcorn, Corn starch, corn oil, corn syrup Cornflakes, maize can be prepared as hominy, in which the kernels are soaked with lye in a process called nixtamalization.

Competition Analysis:competition in terms of production in south west, Nigeria is non existent compare to demand for produce.The only place where significant production took place in south west. Nigeria was in ski west LGA in oyo state and azure north LGA in ondo state.

Tariff and import Restriction:Forex Restriction on food importation and zero duty on imported agricultural equipment will favour the project under consideration.

Market potential: in the northern, southern western and eastern part of nigeria, there is a strong demand for maize .The state of infrastructure though not perfect still supports production and trade within Nigeria.

Profitability: weather, biological, chemical, physical and environment factors such as temperature, sunlight,water,air,soil conditions, varieties of seed, pests, disease,price fluctuations and other risks. However, technical, scientific, and financial based solutions will be employed to hedge against risk and safeguard profit. Irrigation option will be factored in to ensure two cycle of production in a year.

Technical Feasibility:production of maize are technically feasible. In terms of technology, which involve the crushing of maize seed . The industrial process are simple. Our team has more than 50 years experience.The equipment used for extraction are readily available and our experts have hand on experience in the usage and maintenance of the equipment.

We have specialist in planting, harvesting, irrigation, farm management, crop production, weed science and market development. We are implementing our project using best international practices, sustainable production. From our analysis , integration of production and processing will give us a competitive advantage.

Government support and regulation:The government has contributed greatly to the Obasanjo farm. They have created good roads to enable the transportation of agricultural produce go smoothly. They have also created economic access opportunities, market access, and also improve food security.The government has also expanded market access, providing market for farmers, thereby improving employment opportunities.

Project timeline:This project is expected to be completed within 5 months preferably between February 2020 to July 2020 with all the agricultural implementation In this business plan.

Estimated project costs and Revenue:

Fixed cost

(A) Land Clearing:

Activity	QTY	Naira	Kobo
Land Clearing	2 Hectares	300, 000	00
Cross cutting	2 Hectares	40,000	00
Rome ploughing	2 Hectares	60,000	00
Sub total	2 Hectares	450,000	00
Total	800Hectares	360,000,000	00

(B) Equipment:

Name	QTY	USD	Naira	Kobo
Tractor	1	23,350	6,750,000	00
Dish harrow	1	3,000	1,000,000	00
Sub soiler	1	3,260	1,150,000	00
Soy seeder	1	4,550	1,550,000	00
Tripper	1	9,000	3,000,000	00
Combine harvester	1	100,000	35,000,00	00
Boom sprayer	1	6,000	2,000,000	00
Front loader	1	6,200	2,200,00	00

Subtotal		155,320	54,390,500	00
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(C)Vehicle

Type	Model	QTY	N
Pick up Truck	HILUX	3	60,000,000

Operating Cost

Working capital		
	Naira	Kobo
Plouhhing/ Ha	13,000	00
Harroeing/ Ha	8,000	00
Subtotal	21,000	00
For 800 Ha	20,000,000	00
Mechanization and storage	100,000	00
For 800HA	50,000,000	00
Input /Ha	90,000	00
For 800Ha	35,850,000	00
Area yield insurance	13,000	00
Produce aggregation	5,000	00
Geo spatial service	4,000	00
Subtotal	25,500	00

For 800Ha	10,500,000	00
Interest per hectare	22,000	00
For 800Ha	10,000,000	00
Total cost per hectare	10,250,000	00
Total cost for 800 Ha	100,230,987	00
Loan principal and Intrest	250,000	00
Total for 800 Ha	150,985,200	00
Irrigation cost for 800Ha (excluding fixed cost)	26,000,000	00

#### Revenue

Yield per hectare at N20,000	
	N
Revenue per hectare	500,000
For 500 Ha	180,000

Net revenue for 800 Ha( without amortization)	70,000,000
Annual Net Revenue( 1st +2nd cycle)	100,000,00

Currency conversion rate #360.00 to 1USD

Funding Mechanism: Olusegun Obasanjo farms

Conclusion:This project is technically feasible and commercially viable.Its is therefore recommended for funding.