**Name**: Akpe Chekwube Zoe.

**Matric No**: 18/SMS04/007

**Department**: Media and Communication Studies.

**College**: Social And Management Sciences.

**Course Code**: AFE 202.

**Course Title**: Introduction to Agricultural Science and Food Security.

**Assignment**: Prepare a chosen business plan on a chosen agricultural enterprise.

**Business Name: AGRIZOE LIMITED.**

A FEASIBILITY REPORT / BUSINESS PLAN FOR THE DEVELOPMENT OF A CHICKPEA AND CHICKPEA OIL PRODUCTION, EXTRACTION AND DISTRIBUTION COMPANY AT ABUJA NIGERIA BY AGRIZOE LIMITED.

The undersigned reader acknowledges that the information provided in this business plan is a confidential intellectual property; therefore, the reader agrees not to disclose it to a third party without the express written permission of the promoters of the proposed business.It is acknowledged by the reader that information furnished in this business plan is in all respect confidential in nature, other than information which is in the public domain through other means and that any disclosure or use of same by the reader, may cause serious harm or damage to the promoters of the proposed business.

Upon request, this document is to be immediately returned to the promoters of the proposed business

Signature: ***~~ᵶᴏᴇ~~***

Name: Akpe Zoe Chekwube.

Date: 26th July 2020.

A Business Plan, is a formal written document containing business goals, the methods on how these goals can be attained, and the time frame within which these goals need to be achieved.

**EXECUTIVE SUMMARY**

This business plan, examines the feasibility of and indeed economic viability of the development of an acreage named Agrizoe dedicated to the production, supplying and extraction of chickpeas and chickpea oil. Agrizoe has been formed as a Nigerian-based limited liability cooperation. (L.L.C) located in Abuja. Agrizoe, is working hard to become a leading supplier and producer of chickpeas, and chickpea oil to all areas of the food industry and the people. There is high domestic demand for these products because of our huge population and the variety of processed goods and their negative impacts leading to hunger for fresh and unprocessed chickpea and chickpea oil. Production is popular in various regions such as the east and some are the lead producers.

The proposed project will create economic opportunities, and impact positively on the people and most importantly their health. The chickpea and chickpea oil to be sold here, will directly be gotten from the various states, which they strive well in, through farmers who will be employed to plant, care for them, harvest and supply them. An artificial climate section will be created for the ones which grow outside the country, and cannot be found in Nigeria in order for them to grow well and in the same way that they grow, this will save Nigeria the money of importing chickpea. This project will indeed create market access, improve the income of farmers, and contribute to the health and food security of the people. By leveraging a well thought out business plan executed by a skilled management team, Agrizoe will generate over 1.5 million naira in a year.

**SPONSORSHIP**

This project is sponsored by Amaka Jessica Akpe, a legal luminary and founder of J.A. Ventures. The company has proposed to lend all the needed amount of support including equipment and any other items needed to get the business up and running. Detroni Agribusiness consultancy will be responsible for the management of consultancy on the project.

**MANAGEMENT**

The management will comprise of a democratically elected Board of Directors at the apex of the organization structure. This will be made up of shareholders and members of the cooperation who have shares in the survival, growth, and profitability of the business as well as distinguished agribusiness professionals of proven integrity and vast experience in the project area. The primary 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 complies with all standards set by the regulatory authorities. The Managing Director or President shall be responsible for the coordination of the day to day management of the cooperative business. She is accountable to the Board of Directors; she will mobilize organization resources to achieve set goals. She will manage business risks and focus on wealth creation.

**MARKET AND SALES**

Market Orientation: Domestic; North Central

Market share: 7% niche market in North Central

Users of product: Edible chickpea and essential chickpea oils from them for humans and for the food industry, and the cosmetic industry.

**COMPETITION ANALYSIS**

` There are various farmers who already harvest and sell chickpea and chickpea oils that grow effectively in their different states and there are also supermarkets that sell imported chickpea and the extracts of this legume. However, there are no farmers or supermarkets that sell both foreign and domestic chickpeas. Also, some of these chickpeas have things injected into them, especially those sold in supermarkets and they are not fresh. The extracted oils are equally not natural since they have additional chemicals in them which has reduced their quality and effectiveness and has proved to be dangerous for some people. On the bright side none of these deliver to your doorsteps. In light of the above analysis, the competition is definitely evident but can be tackled.

**TARRIF AND IMPORT RESTRICTION**

Forex restriction on chickpea importation and related product extracts from foreign countries and zero duty on agricultural equipment and other resourceful equipment will favour the project under consideration.

**MARKET POTENTIAL**

There is strong demand for fresh chickpeas and their extracted oils all overAbuja especially those that don’t grow in Nigeria. There is support of production and trade though out Nigeria.

**PROFITABILITY**

Weather, biological, physical and environmental factors are such as temperature, light, water, sunlight, diseases, and more are risks that the farmers are liable to face while trying to produce crops, and there might also be risks in the production of the foreign crops such as crops not responding well and there might also be some factory problems that are likely to occur such as machines becoming bad. However, farmers will be provided with anything they need and there will be human resources to attend to any issue effectively and efficiently.

**GOVERNMENT SUPPORT AND REGULATION**

The project conforms with the economic diversification objective of the government. It also supports foreign exchange and import reduction conservation on the government. It creates economic opportunities, market access, improved income for farmers, and supports the food security objective of the government. The project will benefit from government intervention fund in the agriculture sector and will also benefit from the favorable policy of zero duty for agricultural equipment import. Restriction of forex for all chickpeas and their extracted oils will also widen market opportunity. The project will contribute significantly to employment, output increase, stable price and stable exchange rate.

**PROJECT TIMELINE**

The project will be completed within a span of a year because farmers have to be interviewed and recruited, and the firm has to establish the artificial climate for the foreign crops and equally employ workers and extraction equipment and the various things needed for the full start of the business. All these, will consume time in order to be done well and for complications not to occur on the way.

**ESTIMATED PROJECT COSTS AND REVENUE**

Breakdown of Use of funds

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Acquisition:** | |  | |  |
| Property | | N4,000,000 | | 00 |
| Equipment system | | N2,500,000 | | 00 |
| Sub-total | | N6,500,000 | | 00 |
| **Operating Expenses:** | |  | |  |
| Salaries | | N6,000,000 | | 00 |
| Marketing and promotion | | N1,600,000 | | 00 | |
| Other operational expenses | | N2,000,000 | | 00 | |
| Sub-total | | N9,000,000 | | 00 | |
| Total | | N15,500,000 | | 00 | |

**START UP EXPENSES**

Start-up Expenses to Fund $684,600

Start-up Assets to Fund $1,145,400

TOTAL FUNDING REQUIRED $1,830,000

**Assets**

Non-cash Assets from Start-up $900,000

Cash Requirements from Start-up $245,400

Additional Cash Raised $0

Cash Balance on Starting Date $245,400

TOTAL ASSETS $1,145,400

**Liabilities and Capital**

**Liabilities**

Current Borrowing $400,000

Long-term Liabilities $400,000

Accounts Payable (Outstanding Bills) $30,000

Other Current Liabilities (interest-free) $0

TOTAL LIABILITIES $830,000

**Capital**

Planned Investment

Investor 1 $250,000

Investor 2 $250,000

Investor 3 $250,000

Investor 4 $250,000

Other $0

Additional Investment Requirement $0

TOTAL PLANNED INVESTMENT $1,000,000

Loss at Start-up (Start-up Expenses) ($684,600)

TOTAL CAPITAL $315,400

TOTAL CAPITAL AND LIABILITIES $1,145,400

Total Funding $1,830,000

Currency conversion rate: ₦360 to 1USD

**FUNDING MECHANISM**

Agrizoe will be fully funded by J.A. ventures and its various shareholders. It has been given 1500Ha of land has been fully leased by the government due to interventions from NIHORT.

**CONCLUSION**

The project is technically visible and commercially viable and is therefore recommended for funding.