

UNIVERSITY OF NIGERIA, NSUKKA
FACULTY OF THE SOCIAL SCIENCE
DEPARTMENT OF PUBLIC ADMINISTRATION AND LOCAL
GOVERNMENT

A BUSINESS PLAN ON AQUACULTURE/ CATFISH PRODUCTION

SUBMITTED

BY

HEEJ MEGA VISION INVESTMENT
/OLUEDO OGECHUKWU
2015/204188

OMIRE LAYOUT, UMUALUM, ENUGUAGU ACHI, OJI RIVER LGA.
AQUACULTURE/ CATFISH PRODUCTION

SUBMITTED

TO

Centre for Entrepreneurship and Development Research
University of Nigeria Nsukka
(CEDR 342)

LECTURER: DR. T.C. NWAOGU

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**LETTER OF UNDERTAKING FROM BENEFICIARY TO CENTRE FOR
ENTREPRENEURSHIP AND DEVELOPMENT RESEARCH, UNIVERSITY OF
NIGERIA, NSUKKA**

I, **Oluedo Ogechukwu**, the Managing Director, **HEJA MEGA VISION INVESTMENT** of **Omire Layout Umualum, Enuguagu Achi. Oji River LGA**, Enugu State with **GSM Nos. 08160785557** having being successfully trained under the Enugu State Commercial Agriculture Development Project (CADP), Women and Youth Empowerment Programme has decided to participate in the programme in the area of **Aquaculture Production**.

I have been fully informed of the rules and procedures guiding the implementation of the programme and hereby agree to abide by the laid down rules and regulations

Signature:

Date: 27/07/2017

Name/Designation: Oluedo Ogechukwu/Managing Director

1.0: ENTERPRISE OBJECTIVES AND JUSTIFICATION

1.1: Overall Objective: The overall objective of the enterprise is to increase the quantity of catfish and access to market

1.2: Specific Objectives

- To procure **6,200** No of juvenile catfish at **3,100** juvenile catfish per cycle
- To harvest and package 5890 of catfish [**5% loss**]
- To generate Net Profit of **N1,391,070/Annum**
- To generate an income of **N5,890,000 /Annum**
- To generate employment opportunities for two (2) persons

1.3 Business /Enterprise Justification:

- Availability of the raw materials in the state
- High demand of quality catfish in Enugu state.
- Availability of market and market outlets for the commodity in the state.
- Availability of labour.
- Availability of incentive in form of Grant for the entrepreneur
- Product uniqueness of catfish using collapsible tanks technology and chemical free methods...

HEEJ MEGA VISION INVESTMENT

/OLUEDO OGECHUKWU

Omire Layout, Umualum, EnuguaguAchi, Oji River LGA.

2.0 PROJECT DESCRIPTION

HEEJ MEGA VISION INVESTMENT located **Omire Layout, Umualum, EnuguaguAchi, Oji River LGA.** Enugu State. with CAC registration Number; **850920** is owned by Entrepreneur Oluedo Ogechukwu The GPS coordinates of my business enterprise location are; N06.34.4472¹ and E007.17667¹

The entrepreneur-benefited from Women and Youths 14- day empowerment training under fish value chain/marketing.

The proposed enterprise targets to purchase about **3,100 No** of Catfish fish juvenile and sell **5890** of Catfish Fish at **1.00 kg** live weight per annum [with **5%** loss]. The entrepreneur-benefited from Women and Youths 14- day empowerment training under Aquaculture/ Catfish production..

The proposed enterprise targets to purchase about 6200 fish and sell 5890 fish per annum [with 5% loss]. This can be achieved in 2 cycles per annum. Under this business enterprise, value will be added to available localaffordable to consumers

The enterprise is expected to cost **3,088,312**.

3.0 Agri-Business Product/Service Mix

The volume of catfish to be produced and marketed in one year is **6200**. This will be achieved through the following processes;

- ❖ Stocking
- ❖ Sorting
- ❖ Feeding
- ❖ Cleaning of pond
- ❖ Regular changing of water in the ponds
- ❖ Harvesting of catfishes
- ❖ Sales of harvested fishes
- ❖ Restocking

2.0 Market Description/Assessment

The main marketing strategists for the enterprise are as tabulated below;

Table 4.0: Targeted Markets and Market outlets:

TARGETED MARKET FOR ENTERPRISE PRODUCT

SEGMENT	VOLUME	PERCENTAGE DISTRIBUTION	PCATFISH (N)	SALES (N)
Hospitality	883.5	15%	1000	883,500
Marketers	2768.3	47%	1000	2,768,300
Processors	1178	20%	1000	1,178,000
Household	1060.2	18%	1000	1,060,200
Total	5,890	100%		5,890,000

5.0 FINANCIAL PLAN

TABLE 2.CHECKLIST OF ITEMS/COST

ITEM	UNIT	QTY	UNIT COST (N)	TOTAL COST (N)
Collapsible Pond and Installation (13 x 13 x 4)'	No	3	140,000	420,000.00
Hard Core Cemented Platform (13"x13') x 3 No.	No.	3	18,000	54,000.00
Water Pump (6.2Hp) gasoline	No.	1	42,000	42,000.00
Plastic Water Tank (2,00litrs)	No.	2	55,000	110,000.00
Tank Stand (Metal)	No.	1	110,000.00	110,000.00
Weighing Scale(5 Kg Capacity)	No.	1	10,000.00	10,000.00
Hand Net	No.	2	5,000.00	10,000.00
PH meter	No.	1	11,000.00	11,000.00
Basins (Plastic)	No.	3	2,000.00	6,000.00
Installations (10% of Material Cost)	%	1	50,000.00	50,000.00
Catfish Juveniles	No	3,100	45	139,500.00
Insurance (2.5%of fingerlings)	%			3,487.50
Feed	Bags (15kg)	206	8,500.00	1,751,000.00
Medication (5%of feed cost)				87,550.00
Water supply (Bi-weekly)	Ltr	11,000	4	44,000.00
Organic manure	Bags (25kg)	8	250	2,000.00
Inception of labour support (2 people)	months	6	18,000.00	216,000.00

Pond Net Cover	No.	2	4,000.00	8,000.00
Fuel		95	145	13,775.00
	Total			3,088,312.50

TABLE3a: REVENUE AND COST TABLE

Revenue and Cost Stream of the Enterprise

ITEMS	UNIT	QTY	UNIT COST (₦)	TOTAL COST (₦)
REVENUE (INCOME)				
(a) Sale of table size fish	No.	5,890	1000	5,890,000.00
sales of bag	No.	412	50	20,600.00
TOTAL REVENUE (A)				5,910,600.00
VARIABLE COST (INPUTS)				0
Juveniles (Catfish)	No.	6,200	45	279,000.00
Feed	Bags (15kg)	412	8,500	3,502,000.00
Medication (5% of Feed Cost)				175,100.00
Organic manure	Bags(50kg)	16	250	2,000.00
Salary & wages	months	12	18,000	216,000.00
Water supply (Bi-weekly)	Ltr	22000	4	143,200.00
Insurance (2.5% of Juveniles)	%			6,975.00
TOTAL VARIABLE COST (B)			116,459.00	4,324,275.00
GROSS PROFIT (A-B)				1,586,325
Fixed Cost (C)				
Fuel	Liters	190	145	45,240.00
TOTAL FIXED COST ©				45,240.00
DEPRECIATION (D)				76,800
TOTAL FIXED COST (C + D) = E				122,040.00
TOTAL COST (B+E) = F				4,446,315.00
OPERATING PROFIT (A-F)				1,464,285.00
TAX (5% ON PROFIT)				73,214.25
NET PROFIT				1,391,070.75

3b: ASSETS REGISTER

ITEMS	QTY	Value	LIFE SPAN	Y1
Collapsible Pond (Plastic)	3	420,000	10	42,000
Hard Core Cemented platform (13'x13') x 3 No.	3	54,000	10	5,400
6.2 Hp Motorized Water Pump	1	42,000	10	4,200
Plastic Water Tank (2000 Ltr)	2	110,000	10	11,000
Tank stand (Metal) – Double Deck	1	110,000	10	11,000
Weighing Scale (20kg capacity)	1	10,000	10	1,000
PH meter	1	11,000	5	2,200
		757,000		76,800

TABLE 4 CASH FLOW PROJECTION

Cash Flow Projections

DESCRIPTION	1	2	3
INFLOW:			
Equity			
Provider's grant	3,088,312.50		
Sales	5,890,000.00	6,184,500.00	6,479,000.00
Other revenues	20,600.00	21,630.00	22,660.00
Reinvestment		1,548,959	2,196,214.70
TOTAL INFLOW (A)	8,998,913	7,755,089	8,697,875
OUTFLOWS:			
Total variable cost	4,324,275.00	4,540,488.75	4,756,702.50
Fixed cost (overhead)	45,240.00	47,502.00	49,764.00
Fixed asset (from asset register)	757,000		
TOTAL OUTFLOW (B)	5,126,515	4,587,990.75	4,806,466.50
NET CASH FLOW (A-B) = C	3,872,398	5,490,537	7,185,730
cash brought forward		2,323,438.50	3,294,322.05
RE-INVESTMENT (40% C) = D	1,548,959	2,196,215	2,874,292

CASH CARRIED DOWN (C-D)	2,323,439	3,294,322	4,311,438	
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TABLE 6 FINANCIAL ANALYSIS

1	2	3	4	5	6	7	8
YEAR	TOTAL COSTS	REVENUE (SALES)	PROFIT OR INCREMENTAL (NET PROFIT) (3-2)	DISCOUNT FACTOR @ 25%	NET PRESENT VALUE (5X4)	DISCOUNTED COST (5x2)	DISCOUNTED REVENUE (5x3)
0		*					
1	4,446,315	5,910,600	1,464,285.00	0.8	1,171,428.00	3,557,052.00	4,728,480.00
2	4,664,790.75	6,206,130	1,541,339.25	0.64	986,457.12	2,985,466.08	3,971,923.20
3	4,883,266.50	6,501,660	1,618,393.50	0.512	828,617.47	2,500,232.45	3,328,849.92
					2,986,502.59	9,042,750.53	12,029,253.12

BCR= 1.33026484
NPV 2,986,502.59

TABLE 5 IMPLEMENTATION PLAN

S/N	Work Description	Timeline [2017]									
		Jan	Feb.	Mar.	Apr.	May	Jun	Jul	Aug	Sept	Oct
1	Procurement of Collapsible ponds										
2	Procurement of Inputs – juvenile, feeds, drugs, & other equipment										
3	Sorting of catfish										
4	Feeding&Changing Water										
5	Monitoring and Evaluation										

RISK ASSESMENT AND MITIGATION MEASURES

Risk	Risk Mitigation
Delay in fund disbursement	Entrepreneur is to ensure timely payments of service providers to fast-track implementation.
Lack of credible service provider	Entrepreneur should appoint a reputable service provider.
Low quality juvenile	Use of high quality juvenile from reputable fish farmers

TABLE 6. ENVIRONNEMENTAL AND SOCIAL SAFEGUARD PLAN

Risk Assessment	Causes	Mitigation Measures	Monitoring	Responsibility	Schedule
Accident:	Abuse of machine operations. Splash of hot water	. Adequate training on machine handling. Use of personal protective equipment (PPE)	Environnemental Officier, Entrepreneur, Relevant Facilitators Environnemental Officier, Entrepreneur, Relevant Facilitators	Environnemental Officier, Entrepreneur, Relevant Facilitator Environnemental Officier, Entrepreneur, Relevant Facilitator	As the project begins
2. Water pollution	Carbon and chemical Pollution Waste from other farm and production waste	Use of nose and mouth guards, installation of exhausters Proper waste management	Environnemental Officier, Entrepreneur, Relevant Facilitators Environnemental Officier, Entrepreneur, Relevant Facilitator	Environnemental Officier, Entrepreneur, Relevant Facilitator Environnemental Officier, Entrepreneur, Relevant Facilitator	As the project begins

RESULT BASED FRAME WORK FOR WOMEN AND YOUTH EMPOWERMENT PROGRAMME

S/No	PDO OUTCOMES	Verifiable Indicators of sales (Value Chain)	Verifiable Unit (mt/Kg/No.) (Mt/Ha/)	Measure of Indicator		% Increase	Frequency of Data Collection (Daily, Weekly, Monthly, Yearly, Seasonally, etc)	Means of Verification (Survey) (Quarterly, Weekly)	Responsible Officer (Farmer/Beneficiary)	Description of Indicators	Important Assumptions (volume processed, 1 tons= # 152,000)
				Real Baseline (No)	Target Quantity (No)						
	Production/Processing and Marketing of the Value Chain.	Value Vol. produced (Value chain)	Mt	0	62.00	5	Daily	(Database Farm Record Surveys) (Weekly)	Farmer, unit, extension agents	Vol. processed. Total volume of fish production	The Machine operates at optimum capacity within the first three years, steady supply of inputs, no management problems
		Production efficiency		0	98%	5	Daily	(Database Farm Record Surveys) (Weekly)	Farmer, M & E unit, extension agents	Yield	Regular Machine maintenance, 12% Moisture content of the catfish production
	Employment Generation (No of Employee engaged, Disaggregated by Gender)	✓	N 0	0	M = 1 F = 1	4				No of employees engaged in business	That business is operated sustainably
	Capacity Building – Training Required (Duration), Mentoring (Duration – days, weeks, Month)	✓	N 0	0	2	1		Report	Training on effective machine maintenance and operations	Agric Entrepreneurship on fish processing and marketing	No delay in project implementation

2.1 RISK ASSESSMENT AND MITIGATION MEASURES

Risk Assessment	Causes	Impact	Mitigation Measures
Water pollution	-Poor management practices - Care-free workers	-Drop in patronage	Improve sanitation measures
Fire out break	-Carelessness of workers -Bush burning	Damage of ponds and facilities	- Clearing the environment - Carefulness of the workers



**CORPORATE AFFAIRS COMMISSION
FEDERAL REPUBLIC OF NIGERIA**

Certificate Of Registration Of Business Name

COMPANIES AND ALLIED MATTERS ACT 1990
Pursuant to Section 659

I hereby certify that

HEEJ MEGA VISION INVESTMENT

is registered as a Business Name with the Commission

The general nature of business is:

POULTRY SERVICES, GENERAL MERCHANDISE

The address of the principal place of business is:

OMIRE LAYOUT, UMUALUM, ENUGUAGU ACHI, OJI RIVER LGA.

Dated this 18th day of January, 2017.

A handwritten signature in black ink, appearing to read 'Bello Mahmud'.

BELLO MAHMUD



CRBN 304268

Registrar of Business Names