PREAFEASIBILITY STUDY ON

SETTING UP BIO FERTILIZERS MANUFACTURING IN NIGERIA

DEVELOPED BY

STARTUP BUSINESS FOUNDATION

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DISCLAIMER

ACKNOWLEDGMENT

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ABOUT THIS REPORT

This prefeasibility study is designed to provide potential and startups entrepreneurs' valuable information on setting up Bio-fertilizer manufacturing unit in the agro processing industry of Nigeria's market; aimed at encouraging and facilitating industrial activities across the country. It is our realization that industrialization is at the heart of economic development and that every effort has to be made to bring about industrial growth and encourage our people to be part of it.

The Bio-fertilizer business shows over 80% local content in terms of availability of raw material, equipment and machinery, manpower and other requirements.

The key areas covered in this report include:

i) Technical and economic analysis of the production, marketing and profitability of the project.

ii) Recommendations in respect of procurement of equipments and associated problems.

iii) Recommendation on suitable agronomic management practices to ensure efficient running of the projects.

iv) Detailed financial analysis including project cash flows for the projects.

This prefeasibility report provides a comprehensive and detailed coverage of the above terms of reference and is designed to facilitate investment decisions.

The implementation of this project will also impact positively on the economy of the immediate community where the project is located. This is in terms of employment-direct and indirect, skilled and unskilled. Government also stands to benefit from internal revenue from taxation.

In view of the result of the analysis using some economic indicators as stated in the proposed project, it is hereby recommended that the project is viable.

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PART I

EXECUTIVE SUMMARY

This investment profile envisages the setting up of a plant that manufactures Bio – Fertilizers in most suitable part of Nigeria.

Bio-fertilizer' is a substance which contains living microorganisms which, when applied to seeds, plant surfaces, or soil, colonizes the rhizosphere or the interior of the plant and promotes growth by increasing the supply or availability of primary nutrients to the host plant. Fertilizers directly increase soil fertility by adding nutrients. Bio-fertilizers add nutrients through the natural processes of fixing atmospheric nitrogen, solubilizing phosphorus, and stimulating plant growth through the synthesis of growth promoting substances.

This is rural micro enterprise project and would be best sited in the rural community within the farmer's proximity and availability of basic infrastructural facilities.

The installed capacity has estimated capacity of 468,00kg per annum at 60% capacity utilization.

1.1 SUMMARY OF TOTAL PROJECT COST

S/N	DESCRIPTION	COST TO BE INCURRED	COST TO BE INCURRED	TOTAL
1	Land & building	-	480,000	480,000
2	Machinery & equipments	-	4,607,200	4,692,800
3	Utility equipment	-	290,000	290,000
4	Office equipments	-	200,000	200,000
5	Vehicle	-	2,200,000	2,200,000
	Total capital cost	-	**9,977,200**	**10,062,800**
6	Working capital	-	2,400,000	2,400,000
7	Contingencies & preliminary exp.	-	712,560	712,560
	Total Project cost	-	**13,089,760**	**13,175,360**

1.2 FINANCIAL ACCOUNTING RATIOS ANALYSIS

PERFORMANCE RATIOS AVERAGES

(a) Return on Sales =5%
(b) Return on Equity = 391%
(c) Return on Investment =203%
(d) Positive NPV = ₦95,574,623
(e) IRR =46%
(f) ARR =203%
(g) Payback Period = 11 months

PART II
MARKET ANALYSIS

2.1. INTRODUCTION

Bio-fertilizer is the need of modern agriculture since demand for safe and residue free food is increasing. In view of the shifting focus towards organic farming and reduction of chemical residues in the environment, it is necessary to promote the production of bio-fertilizers in large scale by the private sector to cater the current demand. The demand for Bio-fertilizers is spread in almost all agriculture practicing areas in Nigeria.

2.2 MARKET AREA ANALYSIS

According to the Federal Ministry of Agriculture and Rural Development of Nigeria Survey, nitrogen deficiency is severe in more than 80% of the land in Nigeria (nitrogen content below 0.1%), more than 75% of the land is in serious phosphorus deficiency (phosphorus content below 10mg / kg), more than 60% of the land is in moderate or severe potassium deficiency (potassium content below 25 mlg / kg). Due to high prices, the annual application amount of fertilizer is only 1 million tons (of total various fertilizer), only an average of more than 30 kilograms per hectare, which is well below China farmland fertilizer usage. Therefore, Nigeria has great potentials in chemical and organic fertilizer consumption and usage.

There were two big fertilizer production manufacturers-the Federal Super phosphate Fertilizer Company (FSFC) set up in 1976 and the National Fertilizer Company of Nigeria (NAFCON) set up in 1988 for the production of urea. Because of poor management, the two fertilizer companies have been stopped production for over 10 years.

There is already awareness among the farmers related to bio fertilizer and becoming popular gradually. Now Bio fertilizers of many brands are readily available in the market through the regular dealer/ distributor network.

2.3 INDUSTRY ANALYSIS

The market can be divided into various groups of buyers. First of all, the organic producers will be the most important buyers as organic production without bio fertilizers will not be possible. Among nonorganic producers, the market can be segmented by "specific crop grower (Fruits/ Vegetable/Oilseed/ Pulses/Sugarcane/Cereals), institutional buyers (Cane/ Tea/ Coffee/ cotton/ oilseeds/pulses federations & research-farms, SFCI, Agro-industries etc).

Bio fertilizers can be easily positioned as environmentally friendly growth enhancer manure with long term benefits such as enrichment of soils.

Similarly, tie-up with Export oriented crops like turmeric, ginger, spices, fruits and Vegetable growers could be undertaken as the organic products are being preferred by this segment due to compulsion of importing nation's condition of permissible limits of chemical residues in the produce.

2.4 TARGET MARKET ANALYSIS

Basically, the target market for the product is farmers in rural and semi rural communities. Although, the market for the product is lagging due to lack or inadequate awareness as most farmers prefer chemical fertilizer to organic. However, the entrepreneur(s) need to collaborate with agricultural extension workers, ministries, government and non governmental agencies in Agriculture etc. This will assist in enlightening the farmers about the efficacy, affordability as well as the sales of the products.

PART III
TECHNICAL ANALYSIS

3.1 PRODUCT DESCRIPTION

Bio-fertilizer' is a substance which contains living microorganisms which, when applied to seeds, plant surfaces, or soil, colonizes the rhizosphere or the interior of the plant and promotes growth by increasing the supply or availability of primary nutrients to the host plant.

In spite of being cost effective input, the Bio-fertilizers have not been accepted by the farmers completely till now. Some of the reasons/constraints for low acceptance of Bio-fertilizer are narrated below.

a) Bio-fertilizers are live microorganisms which die in case of high temperature.

b) The shelf life of bio-fertilizer is limited to 6-12 months in powder form.

c) The Bio-fertilizers are used before sowing and delay in dispatches leads to inventory carry over and expiry of product.

d) Some of the bio-fertilizers are crop specific as well as location specific and therefore its efficacy does not remain same at different locations due to difference in agro-climatic conditions & soil ediphic factors.

e) Soil characteristics like high nitrate, low organic matter, less available phosphate, high soil acidity or alkalinity, high temperature as well as presence of high agro- chemicals or low micro-nutrients contribute to failure of inoculants or adversely affect its efficacy.

g) Supply of Sub-standard or spurious material by some of the manufacturers also adversely affect the credibility of the Bio-fertilizers, being a new product.

h) Some firms are selling organic manures as Bio-fertilizers. Some organizations mention shelf life as two years/one year despite norm of maximum 3- 6 months.

j) Lack of awareness of the farmers regarding benefits of bio-fertilizer.

k) There is no magic effect of bio-fertilizer & its impact is not visible in standing crop and therefore farmer is not convinced with the benefits of bio-fertilizer use.

3.2 LOCATION ANALYSIS

It is advisable to set up one Bio fertilizer production unit in centralized location of each of four geographical parts (North, South, East and West) of the state. Each of these units will thus be able to cater up to approximately 200km^2 areas.

The site for setting up of unit should have good road connectivity and supply of electricity with support for uninterrupted power supply.

3.3 RAW MATERIAL

Raw materials needed for the production of biofertilizers are as follows:

- Mother cultures

- Carrier material - lignite or bentonite or peat of desired quality in powder form (70-100 mesh).
- Pet bottles of desired quantity, cardboard cortans.
- Growth materials - include Manital, sucrose and chemical nutrients.

The major supplies are readily available in the Nigerian chemicals and Agro industries.

3.4 PRODUCTION PROCESS AND TECHNOLOGY

The Bio-fertilizers are large population of viable cells of effective strains of specific nitrogen fixing bacteria that can be either supplied through carrier based powder form or in liquid formulations for use in farming. Bio fertilizers production technology includes isolation of bacteria, selection of suitable effective strain, preparation of mother or seed culture, isolation of bacteria(inoculants o, selection of suitable effective strain, preparation of mother or seed culture, inoculants production, carrier preparation and their mixing, followed by curing, packaging, storage and dispatch.

3.5 PRODUCTION CAPACITY

This plant will be established on the premise of producing 1000kg of bio-fertilizers per day.

3.6 SOURCES OF FUNDS

The project can be funded through a number of sources which include but not limited to the following; Agric-Business, Small & Medium Scale Investment Scheme (AGSMEIS), Bank of Industry, Bank of Agriculture (BOA), Nigeria Export-Import (NEXIM) Bank, International Finance Corporation (IFC), grants etc., though the conditions and criteria for accessing the loans and grants varies.

PART IV
FINANCIAL ANALYSIS

Basically, the financial section of this prefeasibility study consists of three financial statements: Income statement, Balance sheet, Cash flow projection. This section determines whether or not the project is viable using some economic indicators such as Net Present Value (NPV), Internal Rate of Return (IRR), and payback period as are detailed in the appendices below.

4.1 ASSUMPTIONS

1. Assuming that the project will last for the period of five years and the salvage value at the end of the project life ignored.
2. The Machineries, Equipments and Utility Equipment have uniform depreciation of 20%.
3. The installed capacity has estimated capacity of 468,000kg per annum, at 60% capacity utilization.
4. The proposed capacity utilization are 60% in the first year of commercial production, 70%, 80% in the 2nd and 3rd year respectively and 90% in the 4th and 5th years.
5. Raw materials will be sourced locally and Market for the product is readily available.
6. Staff and labour cost will increase by 10% yearly.
7. Prices and unit costs are assumed unchanged in the five years of projection.
8. The valuation currency used is Naira.

4.2 ACCOUNTING /FINANCIAL ANALYSIS

4.2.1 NET PROFIT

The projected Annual Trading Profit and Loss Account is proposed to make the following Net Profit after tax during the corresponding projected periods – all things being equal.

4.2.2 NET PRESENT VALUE (NPV)

NPV is one of the four methods of discounted cash flows techniques which state that money that is immediately available for use, has a greater value than same amount receivables in future date.

Using this method however, all net cash inflows will be discounted to present value using the estimated interest rate of 60% discount factor. At **12%** discount factor the project produced a positive **NPV NGN 95,574,623**

4.2.3 INTERNAL RATE OF RETURN (IRR)

This is the discount rate which gives zero NPV or the rate which equates the present value of cash inflows with present value of cash outflows of the project.

The cash flow of this project was discounted systematically until the NPV of the project finally become zero. The project produces the **IRR** of **46%.** Thus, the project accepted as being viable. This is because **IRR** is more than the cost of capital.

4.2.4 ACCOUNTING RATE OF RETURN (ARR)

ARR uses accounting information as revealed by financial statements (Income Statement) to measure profitability of the project under consideration. The forecast **ARR** of the project is **203%.**

4.2.5 PROFITABILITY INDEX (PI)

This is the present value of future cash flows over the present value of cash outlays. The project PI further confirm the viability of the project , because as the rules of the accepting and rejecting hold, a project should be accepted if the PI is equal or greater than one (1). Consequently, the PI of this project is **1.72** and thus recommended as being viable to be accepted for financing.

APPENDIX I
TOTAL PROJECT COST

S/N	DESCRIPTION	QTY	UNIT COST	TOTAL
	LAND & BUILDING			
1	Factory rentage	1	480,000	480,000
	Sub total	**1**	**480,000**	**480,000**
	MACHINERY & EQUIPMENTS			
2	Boiler		480,000	480,000
3	Auto Claves		1,200,000	1,200,000
4	Rotary Shakers		60,000	120,000
5	Fermenters		27,200	52,800
6	Hot air Oven		400,000	400,000
7	Air Conditioner		360,000	360,000
8	Water Distiller		400,000	400,000
9	Microscope		480,000	480,000
10	Balances		57,200	57,200
11	Lab Equipment		120,000	120,000
12	Refrigerator		297,200	297,200
13	Laminar air flow		172,000	172,000
14	BOD Incubator		53,600	53,600
15	Sealing Machine		500,000	500,000
	Sub total		**4,607,200**	**4,692,800**
	UTILITY EQUIPMENT			
16	Generator	1	250,000	250,000
17	Other utility accessories	1	40,000	40,000
	Sub total	**2**	**290,000**	**290,000**
	OFFICE EQUIPMENTS			
18	Computer & printer	1	150,000	150,000
19	Furniture & fittings	1	50,000	50,000
	Sub total	**2**	**200,000**	**200,000**
	VEHICLE			
21	Delivery Van	**2**	4,400,000	4,400,000
	Sub total		**4,400,000**	**4,400,000**
	Total capital cost		**9,977,200**	**10,062,800**
22	Working capital		2,400,000	2,400,000
23	Contingencies & preliminary		712,560	712,560
	Total Project cost		**13,089,760**	**13,175,360**

APENDIX II
ESTIMATION OF WORKING CAPITAL REQUIREMENT

N'000

Year of Commercial Operation	**1 Year**
% Capacity Utilization (Inventory)	**60%**
1 week stock of raw material	850
1 Day stock of finished products	350
Work in Progress	200
Bank/ Cash (preoperational expenses)	-
Working capital	**1,400**

APPENDIX III
FINANCING PLAN

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DESCRIPTION	EXISTING	PROPOSED	TOTAL
Equity	1,175,360		1,175,360
Term loan from	-	12,000,000	12,000,000
Total project cost	**1,175,360**	**12,000,000**	**13,175,360**
% Contribution	**15%**	**75%**	**100%**

APPENDIX IV
TERM LOAN REPAYMENT SCHEDULE

LOAN AMOUNT: 12,000,000 (Twelve Million Naira)
TYPE : ANY LOCAL AVAILABLE SME FUND
INTEREST RATE USED: 12%
REPAYMENT: 5 YEARS EQUAL INSTALLMENT (Annually)

YEAR	OPENING BALANCE	REPAYMENT	INTEREST DUE	TOTAL YEAR INTEREST
1	12,000,000	2,400,000	1,440,000	3,840,000
2	10,600,000	2,400,000	1,272,000	3,672,000
3	8,2000,000	2,400,000	984,000	3,384,000
4	6,800,000	2,400,000	816,000	3,216,000
5	2,400,000	2,400,000	288,000	2,688,000
Total		**12,000,000**	**4,800,000**	**16,800,000**

APPENDIX V
FORECAST STAFFING SCHEDULE (1ST OPERATIONAL YEAR)
N'000

POSITION	No	Unit Scale	Scale/ Month	Scale / Year
DIRECT LABOUR				
Factory Manager	1	80	80	960
Production Manager	1	60	60	720
Unskilled labour	8	30	240	2,880
Sub total	**10**	**90**	**120**	**4,560**
INDIRECT LABOUR				
Accounts/ Admin	1	50	50	600
Marketing Officer	2	40	80	960
Driver	1	40	40	480
Sub total	**4**	**130**	**170**	**2,040**
Total on staff (1st year)	**14**	**220**	**290**	**6,600**

APPENDIX VI
ESTIMATE OF ANNUAL DEPRECIATION ALLOWANCE
N'

ITEMS	INITIAL VALUE	DEPRECIATION (20%)
Machinery and Equipments	4,692,800	938,560
Utility Equipments	290,000	58,000
Office Equipments	200,000	40,000
Vehicle	4,400,000	440,000
TOTAL	**9,582,800**	**1,476,560**

APPENDIX VII
ESTIMATION OF ADMINISTRATIVE / OVERHEAD EXPENSES
N'

COST ITEM	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Selling and Distribution	1,800	2,180	2,560	3,016	3,016
Fuel / Diesel	3,800	4,680	5,560	6,616	6,616
Repairs & Servicing	1,800	1,980	2,160	2,376	2,376
Packaging materials	1,800	2,080	3,360	3,696	3,696
TOTAL	**9,200**	**10,920**	**12,640**	**14,704**	**14,704**

APPENDIX VIII
ESTIMATION OF PRODUCTION AND OPERATION COSTS
N'

Item	Units	@	Qty/ day	Prod. Cost/ day$	Prod. Cost/ month$	Prod. Cost/ Year
Direct Costs						
Lignite	Kgs	1,560	800	1,248,000	32,448,000	389,376,000
Sucrose	Kgs	1,260	100	126,000	3,276,000	39,312,000
Chemical nutrients	Kgs	1,050	100	105,000	2,730,000	32,760,000
Sub total		**3,870**		**1,479,000**	**38,454,000**	**461,448,000**

APPENDIX IX
ESTIMATION OF RAW MATERIAL/PRODUCTION COST AND SALES

Year of Commercial Production	Year 1	Year 2	Year 3	Year 4	Year 5
% Capacity Utilization	**60%**	**70%**	**80%**	**90%**	**90%**
1. Output					
Bio-fertilizers	468,000	491,400	514,800	566,280	566,280
Total output	**468,000**	**491,400**	**514,800**	**566,280**	**566,280**
2. Cost of Production	**N'**	**N'**	**N'**	**N'**	**N'**
Bio-fertilizers @ N986 (kgs)	461,448,000	484,520,400	507,592,800	558,352,080	558,352,080
Total cost of production	**461,448,000**	**484,520,400**	**507,592,800**	**558,352,080**	**558,352,080**
3. SALES					
Bio-fertilizers @ N1,150 (kgs)	538,200,000	565,110,000	592,020,000	651,222,000	651,222,000
TOTAL SALES/ TURNOVER	**538,200,000**	**565,110,000**	**592,020,000**	**651,222,000**	**651,222,000**

APPENDIX X
FORECAST INCOME STATEMENT (PROFIT & LOSS ACCOUNT)

Year of commercial operation	Year 1	Year 2	Year 3	Year 4	Year 5
% Capacity Utilization	**60%**	**70%**	**80%**	**90%**	**90%**
1. SALES	**N'**	**N'**	**N'**	**N'**	**N'**
Gross Sales	538,200,000	565,110,000	592,020,000	651,222,000	651,222,000
VAT @ 5%	26,910,000	28,255,500	29,601,000	32,561,100	32,561,100
Net Revenue	**511,290,000**	**536,854,500**	**562,419,000**	**618,660,900**	**618,660,900**
2. OPERATION COST					
Cost of Raw materials consumed	461,448,000	484,520,400	507,592,800	558,352,080	558,352,080
Staff and labour	6,600,000	7,260,000	7,986,000	8,785,000	8,785,000
Admin. & Overhead Expenses	9,200,000	10,920,000	12,640,000	14,704,000	14,704,000
Depreciation	1,476,560	1,476,560	1,476,560	1,476,560	1,476,560
Total Operating Cost	**478,724,560**	**504,176,960**	**529,695,360**	**583,317,640**	**583,317,640**
3. OTHER COSTS					
Interest on Term Loan (12%)	1,440,000	1,272,000	984,000	816,000	288,000
Loan Repayment	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000
Total (Other Costs)	**482,564,560**	**507,848,960**	**533,079,360**	**586,533,640**	**586,005,640**
Profit Before Tax	**28,725,440**	**29,005,540**	**29,339,640**	**32,127,260**	**32,655,260**
Corporate Tax @ 12%	3,447,052.8	3,480,664.8	3,520,756.8	3,855,271.2	3,918,631.2
Profit after tax (NET PROFIT)	**25,278,387**	**25,524,875**	**25,818,883**	**28,271,989**	**28,736,629**
% Return on Sales	0.04944041	0.047545238	0.045906847	0.045698684	0.046449725
% Return on Equity	3.69666507	3.732711022	3.775706213	4.134443885	4.202391988
% Return on Investment	1.918610725	1.93731898	1.959633968	2.145822885	2.181088714

APPENDIX XI

FORECAST HIGH RATE AND LOW RATE COMPUTATION

Year	C/F	DF 12%	NPV
	N'		N'
0	(13,175,360)	1	(13,175,360)
1	25,278,387	0.893	22,573,599.59
2	25,524,875	0.797	20,343,325.38
3	25,818,883	0.712	18,383,044.7
4	28,271,989	0.636	17,980,985
5	28,736,629	0.567	16,293,668.64
Total Profit	**133,630,763**		**95,574,623**
Average Profit	**26726152.6**		

Year	C/F	DF 60%	NPV
	N'		N'
0	(13,175,360)	1	(13,175,360)
1	25,278,387	0.625	15,798,991.88
2	25,524,875	0.3906	9,970,016.175
3	25,818,883	0.2441	6,302,389.34
4	28,271,989	0.1526	4,314,305.521
5	28,736,629	0.0954	2,741,474.407
Total Profit	**133,630,763**		**39,127,177**
Average Profit	**26,726,152.6**		

APPENDIX XII
FORECAST IRR AND ARR COMPUTATION

$$IRR = a + \frac{(A)}{A+B} * (b-a)$$

Where

a = 12%

b= 60%

A = 95,574,623

B= 39,127,177

$$12\% + \frac{95,574,623}{95,574,623 + 39,127,177} (60-12)$$

12%+ 34.2

46%

$$ARR = \frac{\text{Estimated Average Profit}}{\text{Estimated initial investment}} \times 100$$

$$ARR = \frac{26,726,152.6 \times 100}{13,175,360}$$

203%

APPENDIX XIII
CASH FLOW PROJECTION

Year of Comm. Production	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
% Capacity Utilization		60%	70%	80%	90%	90%
A) CASH RECEIPTS	**N'**	**N'**	**N'**	**N'**	**N'**	**N'**
Equity Capital	1,175,360	-	-	-	-	-
Term Loan	12,000,000	-	-	-	-	-
Gross Revenue	-	511,290,000	536,854,500	562,419,000	618,660,900	618,660,900
Total Receipts	**13,175,360**	**511,290,000**	**536,854,500**	**562,419,000**	**618,660,900**	**618,660,900**
B) CASH PAYMENTS						
Capital Payment						
Machinery & Equipments	4,692,800	-	-	-	-	-
Utility Equipments	290,000	-	-	-	-	-
Office Equipments	200,000	-	-	-	-	-
Vehicle	4,400,000	-	-	-	-	-
TOTAL	**9,582,800**	-	-	-	-	-
(ii) Operating Expenses						
Depreciation	-	1,476,560	1,476,560	1,476,560	1,476,560	1,476,560
Change in working capital	3,592,560	477,248,000	502,700,400	528,218,800	581,841,080	581,841,080
Sub total	**3,592,560**	**478,724,560**	**504,176,960**	**529,695,360**	**583,317,640**	**583,317,640**
(iii) Financial Expenses						
Repayment of Term Loan	-	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000
Interest on Term Loan	-	1,440,000	1,272,000	984,000	816,000	288,000
Value Added Tax	-	26,910,000	28,255,500	29,601,000	32,561,100	32,561,100
Corporate Tax	-	3,447,052.8	3,480,664.8	3,520,756.8	3,855,271.2	3,918,631.2
Sub total	-	**34,197,053**	**35,408,165**	**36,505,757**	**39,632,371**	**39,167,731**
Total cash payment (ii)-(iii)	**3,592,560**	**444,527,507**	**468,768,795**	**493,189,603**	**543,685,269**	**544,149,909**
Net cash flow c/f	3,298,600	444,527,507	468,768,795	493,189,603	543,685,269	544,149,909

APPENDIX XIV
BALANCE SHEET PROJECTION

Year of comm. Operation	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
ASSETS	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
(i) Fixed assets						
Machinery and Equipments	4,692,800	-	-	-	-	-
Utility Equipments	290,000					
Office Equipments	200,000	-	-	-	-	-
Vehicle	4,400,000	-	-	-	-	-
Value at Acquisition	9,582,800	9,582,800	9,582,800	9,582,800	9,582,800	9,582,800
Less Cumulated Depreciation	-	1,916,560	3,833,120	5,749,680	7,666,240	9,582,800
Net fixed assets	**9,582,800**	**7,666,240**	**5,749,680**	**3,833,120**	**1,916,560**	**0**
(ii)Current Assets/ liability						
Stock of Raw Materials	2,400,000	32,705,536	59,090,576	133,675,216	62,698,269	65,453,868
Debtors /prepayment	-	6,453,000	7,098,000	8,308,000	9,139,000	10,653,000
Bank and Cash Balances	1,192,560	4,150,024	5,160,031	6,170,539	7,180,674	7,180,741
Creditor / accruals	-	(9,074,000)	(11,039,000)	(13,947,000)	(15,013,000)	(18,785,000)
Company Tax	-	(3,447,052.8)	(3,480,664.8)	(3,520,756.8)	(3,855,271.2)	(3,918,631.2)
Net current assets	3,592,560	**30,787,507**	**56,828,942**	**130,685,998**	**60,149,672**	**60,583,978**
TOTAL NET ASSETS	**13,175,360**	**38,453,747**	**62,578,622**	**134,519,118**	**62,066,232**	**60,583,978**
(ii) FINANCED BY						
Equity Capital	1,175,360	1,175,360	1,175,360	1,175,360	1,175,360	1,175,360
P&L	-	25,278,387	25,524,875	25,818,883	28,271,989	28,736,629
Retained Profit	-	-	25,278,387	25,524,875	25,818,883	28,271,989
SHAREHOLDERS FUND	**1,175,360**	**26,453,747**	**51,978,622**	**52,519,118**	**55,266,232**	**58,183,978**
Long Term Loan	12,000,000	12,000,000	10,600,000	8,2000,000	6,800,000	2,400,000
TOTAL EQUITY & LIABILITY	**13,175,360**	**38,453,747**	**62,578,622**	**134,519,118**	**62,066,232**	**60,583,978**