

## BUDGET FOR NASENI COMMERCIALIZATION GRANTS

**Table 1**

S/N	ITEMS	DESCRIPTION	QUANTITY	UNIT COST ₦	TOTAL COST ₦
1.	Stainless steel Mesocarp Juice Extraction Line	Fruit cleaner, Washer, Screw press, Storage tank for Palm Oil and Banga sauce	1	70,000,000	70,000,000
2.	Product Packaging Systems	Palm oil packaging line (Automatic filling, Capping, Labelling)	1	15,000,000	15,000,000
3.	Packaging Containers (Palm Oil)	2-Litres containers and label 100,000 units @N700 each	100,000	700	70,000,000
4.	Banga sauce packaging	Retortable pouches/Retortable Aluminium cans	100,000	500	50,000,000
	Can seamer	3 units	3	3,000,000	9,000,000
	Pasteurizer	2,000 Litre Capacity	1	15,000,000	15,000,000
	Pouch Sealer	Sealing	2	2,000,000	2,000,000
	Shrink Packaging System	For Secondary packaging	300kg	24,000,000	24,000,000
5.	Buildings, Vehicles and Motorcycles	Factory building, Delivery Van and 1 Motorcycle	1each	50,000,000	50,000,000
	Total Fixed Capital				305,000,000

This equipment can be fabricated and supplied by Nigerian Institute for Oil Palm Research (NIFOR) within 20 weeks.

**Table 2: OPERATING COST (VARIABLE AND OVERHEADS)**

S/N	CATEGORY	DESCRIPTION	MONTHLY ₦	ANNUAL ₦
1.	Raw Materials	<ul style="list-style-type: none"> <li>Fresh fruit bunch (FFB) 480 tonnes /year@ ₦120,000/ tonne.</li> <li>FFB 40tonnes/Month</li> </ul>	4,800,000	57,600,000
		Palm oil /month= 2.6tonnes =2600kg=2,925Litres @2Litres containers=1,462.5 containers @ ₦5,500 for	5,500 x1,462.5 containers =8,043,750	96,525,000

		2Litres  <ul style="list-style-type: none"> <li>Banga Sauce 10 tonnes=10,000kg =10,000,000</li> </ul> Packaging size =500g 10tonnes of Banga sauce= 20,000 containers @ ₦4,500 / containers	4,500x 20,000 = 90,000,0000	1,080,000,000
2.	Utilities	Power, water, diesel and Lubricants	8,000,000	96,000,000
3.	Salaries & Wages	20 staff @ ₦100,00/staff	2,000,000	24,000,000
4.	Packaging Materials	Containers,Labels & pouches/ Cans.  <ul style="list-style-type: none"> <li>Palm oil 1,462.5 containers @ 700 + Label</li> <li>Banga sauce 20,000containers @ 500</li> </ul>	1,023,750  10,000,000	12,285,000  120,000,000
5.	Maintenance & Logistics	Equipment Maintenance, Transport and Logistics	1,000,000	12,000,000
		Operating Cost - Sales	124,867,500- 98,043,750 = 26,823,750	1,498,410,000- 1,176,525,000 = 321,885,000
	Total		26,823,750	321,885,000

**Table 3: PRODUCTION OUTPUT & REVENUE PROJECTION**

S/N	Product	Quantity	Selling price ₦	Revenue ₦
1.	Palm Oil	1,462.5 containers of 2Litres each	5,500	8,043,750
2.	Banga Sauce	20,000 pouches @ 500g each	4,500	90,000,000
	Total Monthly Revenue			98,043,750
	Annual Revenue			1,176,525,000

**Table 4: PROFITABILITY ANALYSIS**

S/N	Item	Amount ₦
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1.	Annual Revenue	1,176,525,000
2.	Annual Operating Cost	321,885,000
3.	Gross Profit (Before tax)	854,640,000
4.	Depreciation & Contingency (10%)	85,464,000
	Net Profit (after expenses)	769,176,000

**Table 5: FOUR YEAR PROFIT PROJECTION**

Year	Projected Revenue ₦	Projected Net Profit ₦
Year 1	1,176,525,000	769,176,000
Year 2	1,294,177,500 (+10%)	846,093,600
Year 3	1,423,595,250 (+10%)	930,702,960
Year 4	1,565,954,755 (+10%)	1,023,773,256
Total 4 Year Net Profit		3,569,745,816

**Table 6: FUNDING REQUEST SUMMARY (NASENI COMMERCIALIZATION GRANT)**

S/N	Component	Amount N
1	Fixed Capital Investment	305,000,000
2	First year operating cost (This include purchase of Bunches & payment of salaries)	24,057,600
	Total NASENI Commercialisation Grant Requested	329,057,600

**Table 7: PROJECT TIMELINE**

S/N	Activity	Duration
1.	Equipment Fabrication & Supply (NIFOR)	20 weeks
2.	Building Construction & set up	8weeks
3.	Installation and Commissioning	4weeks
4.	Staff Recruitment & Training	2weeks
5.	Test Production and packaging launch	4weeks
	Total Implementation Period	38 weeks (9 months & 5 days)

## 8: EXPECTED IMPACT

**Job creation:** 20 direct staff and 100 indirect labour

**Value Addition:** Commercialization of local palm fruit into high value exportable products

**Technology Transfer:** from NIFOR fabrication expertise

**Foreign Exchange Earnings:** Through exports of Banga Sauce to diaspora markets

**Economic Returns:** Payback period less than 2 years.

### *Production process*

The material balance scheme for *Banga* sauce production is shown below:



