

## Feasibility Study on Shrimp Farm

A. F. Al-Jaber<sup>1</sup>, A. Naseeb<sup>2</sup>, M. S. Behbehani<sup>3</sup>, N. Abdulmalik<sup>4</sup>, S. Al-Shamali<sup>5</sup>

*<sup>1,2,3,4,5</sup>Kuwait Institute for Scientific Research, Kuwait*

### ABSTRACT

This paper outlines a feasibility analysis for a small-scale Shrimp aquaculture operation. The study posits that the investment is wholly financed by Industrial Bank of Kuwait, with an interest rate of approximately 3.5% as per the Industrial Bank of Kuwait. Furthermore, it is presumed that market conditions are optimal, and all production capacity is expected to be utilized by the local market. The Shrimp farm occupies 50,000 square meters of land and has an annual output capacity of approximately 100 tons. The target weight of Shrimp is approximately 15 grams. A market analysis was performed to ascertain the selling prices of farmed Shrimp in Kuwait's market, established at 2.7 KD per kilogram. The findings indicated an annual operational cost of approximately 241 thousand KD and an annual revenue of 270 thousand KD, yielding a net revenue of about 40 thousand KD over the initial five years. The preliminary capital needed to establish and manage the Shrimp farm is approximately 383 thousand KD. The Feasibility Study indicates an Internal Rate of Return of approximately 13%, a Net Present Value of around 505 thousand KD, and a Payback Period of about 8 years, suggesting the project is viable.

**Keywords:** Feasibility Study, Internal Rate of Return, Net Present Value, Payback Period