

NDABHIYEHO FAMILY COMPANY LIMITED

THE ADMINISTRATION OFFICE:
LUTUNGU AREA – KINYEREZI, LUTUNGU AREA, ILALA DISTRICT
P.O.BOX 72792, DAR ES SALAAM

&

MANUFACTURING OF PLASTIC PRODUCTS
AT KINYEREZE KWA LUTUNGU AREA ILALA DISTRICT,
DAR ES SALAAM

BUSINESS PLAN

Prepared by:
Ndabhiyeho Family Co. Ltd
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Mobile: **+255 769875050.**
TIN: **139-786-920,**

Certified as a True Copy of the Original
21/8/2023
KASAZI ANDR. KASAZI
Advocate, Notary Public & Commissioner for ... its

Certificate of Incorporation Number: 139786920

1. EXECUTIVE SUMMARY

M/S NDABHIYEHO FAMILY COMPANY LIMITED P.O.Box 27292 Dar es Salaam, this is a private Company Registered and incorporated in Tanzania under the Companies Ordinance Act, 2002 with Certificate of Incorporation of a Company number 139786920 given at Dar es Salaam 27th day of AUGUST, 2019.

The project is dealing with manufacturing of plastic products

2. OWNERSHIP THE M/S NDABHIYEHO FAMILY CO.LIMITED

Name	Shareholding (%)	Nationality
ASHURA ISMAIL KAILA P.O.BOX 72792 , DAR ES SALAAM.	600	TANZANIAN
AMRI HARUNA NDABHIYEHO P.O BOX 27292, DAR ES SALAAM.	100	TANZANIAN
ISMAIL HARUNA NDABHIYEHO P.O BOX 72792, DAR ES SALAAM.	100	TANZANIAN

3. THE PROJECT OBJECTIVE

The Project Objective is to establish a factory for **manufacturing of plastic products**. Which come after processing of several of recycled plastic materials, the products which is highly demanded in for sale in Tanzania, These waste plastics obtained from small-scale traders who will sell to the factory.

The Project has been promoted by the following reasons:-

- **Open policy on trade and liberalization and also industrialization** which satisfy the growing demand of Industries whereby is an opportunity to the **NDABHIYEHO FAMILY CO. LIMITED** to penetrate in the Market,
- The presence of both local and external market **for plastic products** which will also, increase purchasing power of the people in Tanzania and other East African countries.
- Presence of both skilled and unskilled workers who are very important in the Production Process and administration works.
- As a consequence of an attractive environment for investors in Tanzania this contributed to steady growth population.

4. PROJECT BACKGROUND

This study covers the initial establishment a factory for **manufacturing PLASTIC PRODUCTS**.

The production site will be established in KINYEREZI, ILALA District, DAR ES SALAAM Region. Also, this shall be a big collection point of material from various places from small miners of white stones, due to favorable environment factors and availability electricity, transportaion, and labor power. The industry for manufacturing of plastic products is going to be constructed at this area.

The Head office for administration will be at Kwa Lutungu area, Kinyerezi Ilala District, Dar es Salaam region.

BUDGET ESTIMATES FOR PREPARATION OF THE TOWN PLANNING DRAWING AND SURVEYING OF INDUSTRIAL AREA AT KWA LUTUNGU

1. TP DRAWING & SURVRYING

S/N	ACTIVITY	PERSONNEL	# OF PASONNELS	# OF DAYS	COST/DAY	TOTAL COST
1.	Details picking for Planning	Town Planner	1	2	50,000.00	100,000.00
		Land Officer	1	2	50,000.00	100,000.00
		Land Surveyor	1	2	50,000.00	100,000.00
		Driver	1	2	40,000.00	80,000.00
		Sub Total				
2.	Office work on designing of Two Town Planning Drawings.	Town Planner	1	5	50,000.00	200,000.00
		Land Surveyor	1	5	50,000.00	25,000.00
		Asst. Town Planner	1	5	50,000.00	250,000.00
		Sub Total				
3.	Town Planning Committee sitting for Approval	Members of the Committee	9	1	100,000.00	900,000.00
4.	Final Approval at the Ministry Level (Dar Es Salaam)	Town Planner	1	5	120,000.00	600,000.00
		Driver	1	7	80,000.00	560,000.00
		Sub Total				2,060,000.00
5.	Surveying of the Industrial areas/Plots (Site Works)	Land Surveyor	1	5	50,000.00	250,000.00
		Asst. Land Surveyor	1	5	50,000.00	250,000.00
		Land Officer	1	5	50,000.00	250,000.00
		Driver	1	5	50,000.00	250,000.00
		Sub Total				

6.	Office Works for compilation of files	Land Surveyor	1	10	50,000.00	500,000.00
		Asst. Land Surveyor	1	10	50,000.00	500,000.00
		Authorized Land Officer	1	10	50,000.00	500,000.00
7.	Submission and Approval at Regional and Ministry Levels	Land Surveyor	1	5	120,000.00	600,000.00
		Authorized Land Officer	1	5	120,000.00	600,000.00
		Driver	1	5	80,000.00	400,000.00
		Sub Total				2,060,000.00

2. BUILDING PERMIT

Statutory and Facilitation fee 10,000,000.00

3. REQUIREMENTS

S/N	TYPE OF REQUIREMENT	# OF REQUIREMENT	COST/ITEM	SUB TOTAL
1.	Iron Bars (22")	5	22,000.00	110,000.00
2.	Concrete Beacons	150	10,000.00	1,500,000.00
3.	Drafting Films	Lumpsum		400,000.00
4.	Stationaries	Lumpsum		500,000.00
5.	Approval Fees	Lumpsum		1,000,000.00
		Sub Total		3,510,000.00

4. GRAND TOTAL = 32,780,000.00

FIRST PAYMENT FOR 1, 2 AND 3 ABOVE

The plant will be established in an appropriate location. The location will be accessible and fully provided with the necessary utilities i.e. Water and Electricity.

5. PLANT LAYOUR

The proposed Plant lay out is the one appropriate for the functional areas, however among the key functional areas of the facility will include the following:-

- Storage space for processing inputs
- Office space
- Manufacturing hall
- Storage of proposed products
- Social amenities space
- Ordinary stores
- Parking areas

6. MANPOWER

Estimate manpower according to the proposed organization set up has been **estimated at 40 Tanzanians**. This again has been derived taking into account the types of activities that are intended to be undertaken.

MANAGEMENT SUMMARY

The NDABHIYEHO FAMILY Co. Limited will start with 32 qualified and experienced Tanzania employees. An increase to 40 employees will likely to be needed in three to five months.

ORGANIZATIONAL STRUCTURE

The NDABHIYEHO FAMILY Co. Limited shall have:

- A Lawyer who is going to handle legal matters and written agreements.

MANAGEMENT TEAM

- Directors:** shall have overall responsibility for the implementation of the company's policy. In particular, they are responsible for ensuring the policy is widely communicated and that its effectiveness is monitored.
- Senior Manager:** are wholly accountable to the directors for the implementation and monitoring of the policy within the area of their specified responsibility.
- Administration Manager/ safety officer:** is a nominated manager responsible for coordinating effective safety and health policies and controls across the company.
- Accountant, project manager, drivers, technicians, translators and other employment

The company is organized into four main functional areas,

- Sales and marketing
- Finance and administration
- Logistic.
- Interpretation department
 - ❖ Managers/ supervisors
 - ❖ Directors
 - ❖ Environment programmed officer

The personnel plan

The personnel plan indicates employees for each department as follows:-

➤ Administration	2
➤ Marketing	4
➤ Sales/ broker	8
➤ Accounts	2
➤ Drivers	3
➤ Technicians	2
➤ Senior Manager	1
❖ Local inexperienced employees	2
❖ Others mechanic	2
❖ Non skilled employees	10

7. IMPLEMENTATION SCHEDULE

It is estimated that the implementation period takes about 3 YEARS to completion once the decision for implementation has been reached.

8. INVESTMENT STRUCTURE

The Total Initial Investment in fixed assets and working capital is estimated at 1,045,000,000/= TZS. The breakdown of which is as follows:-

TABLE 12.1 INVESTMENT STRUCTURE

ITEM	TZS
FIXED ASSETS	
Land and Civil works	160,000,000/=
Machinery and equipment	735,000,000/=
Operational expenses	150,000,000/=
GRAND TOTAL	1,045,000,000=

9. FINANCING PATTERN

The Total Initial Investment of 1,045,000.USD shall be financed as follows:-

TABLE 13.2 FINANCING PATTERN BREAKDOWNS

SOURCE	TZS
FIXED ASSETS	
Equity (40%)	35,800,000/=
Long-term loan (60%)	537,000,000/=
Sub Total	895,000,000/=
WORKING CAPITAL	
Bank overdraft (75%)	112,500,000/=
Equity (25%)	37,500,000/=
Sub Total	150,000,000/=
GRAND TOTAL	1,045,000,000/=

10. OPERATIONAL COSTS

The structure of operating costs at full capacity is as given below. This level refers to the initial year in subsequently year they are expected to increase at the rate of 2%-5% per annum.

11. FINANCIAL INDICATORS

The financial indicator shows that the project is viable as hereafter confirmed here below:-

12. BREAK-EVEN ANALYSIS 3rd YEAR

The Break Even Analysis on the 2nd year of operation shows that Break Even Sales and Break Even Capacity of 30%

13. INTERNAL RATE OF RETURN (IRR) AFTER TAX

The Projects Internal Rate of Return after Tax is 30% well above the lending rate of 10% and 12% assumed for the long term loan and the bank overdraft.

14. PAY BACK PERIOD

This gives an estimated period from start of operation of the time when initial fixed investment is recovered through profits after tax and depreciation charges. The Payback Period for this undertaking estimated at around 4 years and 5 months.

15. ECONOMIC ADVANTAGES

On the basis of the above account the analysis has overwhelmingly proved that the Project is financial sound and techno-economically viable.

It is hereby recommended that the Project be implemented; the envisaged undertaking will be Viable and Profitable if it is implemented early. However, there will be several social economic benefits that will apprehend in the course of operating this undertaking. These will include the following:-

- Expanded employment creation
- Expanded tax base
- Expanded capacity to earn foreign currency
- Transfer of knowledge

Company strategies

The Proprietors plan is to adapt management and incremental growth strategy in maintaining and expanding the business as set out below:-

- To provide the best customer services by staying loyal and faithfully to the customers.
- To ensure there is a compliance with country regulatory and statutory laws ensuring timely payment of tax obligations.
- To maintain and continue to grow the business by Managing costs whilst increasing the number of clients.
- To generate sufficient profit becoming financially sustainable.
- To offer high quality and reliable product our customers.

16. CONCLUSION

The project as shown in this study is valuable undertaking to both company and country at large. A part from rigid assumption and pessimistic revenue projections contained in the study, the project has shown that it is capable of creating employment, generating foreign exchange, expanding the local and central Government tax base.

This project is in the line with the Government objectives of encouraging the private sector to contribute towards economic development of this country.

In addition it has positive impact in the development of the region as it generate number of benefits on the National economy such as reliable income, employment and various tenders of goods and service demanded by the project, workforce and their families.

In order to ensure prompt implementation of the project and achieving the anticipated impact number of the factor have to be taken into the account this will include the levels of the proposed investment in this project man power needs, machinery/ equipment, anticipated significant roles in the above mentioned sectors and in the overall status of the national economy and the proposed project area.

In the context of the immense useful potential of this project the management of the **NDABHIYEHO FAMILY CO. LIMITED** anticipated that all interested parties in the region/ and the Government of Tanzania will give their full support so as to ensure timely implementation of the project and apprehension of successfully operation.

17. MARKETS AND MARKETING ASPECTS

In this chapter an attempt is made to estimate the demand for **plastic products** in the local and external market as well as the Supply of these products. The ultimate goal is to establish the current demand – supply gap and projections for the future.

18. ASSUMPTION

In order to estimate the Demand and Supply for **PLASTIC PRODUCTS** within and outside the country, the following assumptions have been made:-

- **NDABHIYEHO FAMILY CO. LIMITED** is going to be one of biggest Tanzania manufacturer of the products.

19. DEMANDS FOR INDUSTRIAL MINERALS AND PRODUCT

There are huge demand for **plastic products** such as biohazard bags products, due to the growing number of industries in the country and in the SADC Countries, following the various policies which were introduced for the purpose of improving living standard of their people and encourage more investors through reduction of some cost in the process of establishing Industries which reduces the price due to competition in the market.

20. PLANT CAPACITY

The envisaged processing capacity of is **1000 to 2500**, kgs per day and kgs **75000** per month. These will attain in the range of 60%, 70% and 80% for year 1, 2, 3 respectively.

21. CIVIL WORKS AND BUILDINGS

The Proposed facility shall be located in appropriate Location at **Lutungu area, Ilala District, Dar es Salaam Region.**

22. ACCESSIBILITY OF THE SITE

The envisaged project site will be accessible; it can easily be reached and will have full provision of all basic Utilities, Electricity, Security and Water. Also the industrial site/ is nearby or closer to white stones materials.

23. DESIGN CONCEPT

The ultimate factory building has a well conducive and properly designed with enough space to cover all functional spaces such as processing hall, offices, raw materials

storage, product storage and other social amenities space requirement. It is envisaged that on final completion the factory will have a Total built up of seven godown each with almost an area of 400 square meter or more.

24. AUXILIARY SERVICES REQUIREMENTS

- **MAIN POWER SUPPLY**

The factory will be connected to the National Grid, prevailing in the Kinyerezi; also a standby generator will be available, to be provided to Supply all the essential loads incase of TANESCO Power failure i.e. frequent Power cuts and fluctuating voltages. For this reason; which has increased the use of **plastic products** might be forced to use stand by Generator to some extent, such sources of power will result in the increasing the production costs of the products in question.

- **POWER DISTRIBUTION**

Power distribution in the factory compound will be via underground cables to be installed with TANESCO requirements.

- **FIRE PROTECTION**

It is composed to provide fire protection and fire fighting systems, fire detection system which consist of automatic and manual detection devises, alarm and communication systems whereas fire fighting systems will feature portable extinguishers, hose reels, wet and dry rises and automatic sprinkler system.

- **ACCESS ENTRANCE**

Wide inlet/ entrance will be provided so as to facilitate smooth passage of the workers and vehicles.

- **A PARKING SPACE FOR THE FACTORY BUILDING**

The Plant area will have ample parking space adequate to accommodate several vehicles at any given time.

- **STORM WATER DRAINAGE**

Road storm water drainage will be dealt separately during design of the parking space where by all the drainage structures will be considered.

Storm water runoff will be collected from the building by means of spouts and full boras through down pipes and will be discharged into the open channel and deposited into road side drains.

Also the some method/ channels will be used to dispose storm water run – off from car park and other facilities to the road side drains.

25. MAN POWER REQUIREMENTS AND ORGANIZATION

The success of the venture of this kind depends on the competence of the personnel recruited by the management; it is assumed that relevant personnel with requisite skills shall be available within the country. There will be a need of the recruiting expatriates in some key positions.

The overall in charge, responsible of the day to day operations will be the project manager who in turn is answerable to the board of directors.

26. MAN POWER REQUIREMENTS

Based on the proposed organization structure the Project will initially employ a Total of 30 people where by 2 will be technicians and all 30 the remaining will be unskilled. However it is anticipated that by the time the project attains maturity the envisaged employees will employ 40 people.

27. RECRUITMENT AND TRAINING

All staff will be recruited at least one month before the Plant operations are commenced.

28. TRAINING

The management of the Plant would strive to employ competent and qualified personnel in the Production line. To reduce costs few senior staff will be trained at the selected locally available institutions. All other supporting staff will be trained on the job. However it is expected that most of them will have some basic knowledge and experience in manufacturing business.

29. IMPELENTATION SCHEDULE

Both local and external factors have been taken into account when drawing out the proposed schedule of implementation. Factory such as finalization of civil works, acquisition of machinery and equipment, recruitment of qualified personnel and other factors have been put into consideration.

30. PRELIMINARY FORMALITIES

On the finalization of the study duration of about 2 weeks will be needed for executive of the Preliminary formalities of the Project.

31. PROJECT STAGE

- **Finalization of the Plot Acquisition**
The management has already decided and bought a land for building an industry at the **Lutungu area, Ilala district ,Dar es Salaam region**, The office for Administration purposes will be at **Kinyerezi Kwalutugu, Ilala** , In order for facilitate other daily activities in Dar es Salaam.
- **Plot Development Undertaking**
These will comprise of activities such as Plot clearing, carrying out construction of drainage channels, even though the houses for workers has already constructed. They will take 4 months to be complete.
- **Construction of the Buildings**
This undertaking will require a period of 8-18 months to completion.
- **Ordering of Machinery/ Equipment/ Vehicles/ Furniture**
Timely ordering will have to be executed to match the rate of development of the Plant. Time required will run into several days.

- **Installation of Machinery/ Equipment/ Furniture**
Once the buildings are constructed and then will follow the installation of machinery/ equipment/ furniture and fittings upon arrival at the Project site.
- **Trial Runs**
Upon completion of the installation of machinery and equipment then will follow trial runs of the unit. This will take about 4 weeks.
- **Commercial Production**
On completion of the trial runs then will follow commercial production.

32. ASSUMPTIONS

- The project construction time is assumed to be two years.
- The economic life of the project is 50 years.
- Re-investment in vehicles shall be done after every four years.

33. BANK OVERDRAFT

As noted above a short term of financing of tzs. 11,250,000/= shall be sought to cover 75% of the initial working capital requirement. An interest rate of 12% has been assumed.

34. OWNER'S EQUITY

The owners shall finance 25% of the cost of working capital and 40% of the fixed assets costs.

35. OPERATING COSTS

The prices of inputs are assumed to remain constant over the ten years period because under rising inflation the prices and services will rise including those of outputs hence leaving the profit margin unchanged.

36. BREAKDOWN ON THE OPERATING EXPENSES

The main cost items will include raw materials, salaries and wages, vehicles running expenses, electricity, water, Insurance, maintenance of machinery and equipment/ furniture and fittings and administrative overheads.

- **Depreciation**

Depreciation rates have been calculated as follows:-

Building and Civil works	5% Straight Line
Vehicle	25% Straight Line
Pre-operational Expenses	20% Straight Line
Equipment	12.5% Diminishing Value

Total depreciation charges in year one is Tshs. 4,312,500/= decreasing steadily to Tshs. 1,045,900/= in year 10

- **Tax**

Corporation tax is charges at 30% on profits before tax.

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37. FINANCIAL AND ECONOMIC ANALYSIS

The prices of inputs and outputs are assumed to remain constant over the life of the project i.e. 10 years. However, in case of changes in the costs of inputs, to maintain the desired profit margin, the prices of the outputs will be accordingly adjusted.

38. INCOME

The project's income in the first year is estimated to average in Tshs. 496,340,000/= rising to 1,406,355,860/= in years 5 onwards.

39. EXPENDITURE

The expenditure items are as indicated in the operating costs. They include all costs items plus depreciation and financial charges. These are listed in Appendices 8: A:

PROJECTED INCOME STATEMENT FOR THE YEARS 2022 TO 2026

The following is the management's projections of financial performance (income statement) for the year 2022 to 2026 with the effect of loan facilities. Revenues are expected to be growing by 20% throughout the years. Operating expenses is projected to increase by an average of 12% per year until the end 2026. Basing on the above projections, here is the year's projected income statement of the business.

Description	2026	2025	2024	2023	2022
	TZS	TZS	TZS	TZS	TZS
Revenues	393,216,100	351,085,800	313,469,500	109,194,800	-
Direct expenses	23,003,400	205,385,200	183,379,600	63,879,000	-
Gross Profit	163,184,700	145,700,600	130,089,800	45,315,800	-
Expenses:					
Administrative Expenses	22,121,200	21,067,800	20,064,500	19,109,100	-
Marketing and Promotion	31,457,300	28,086,900	25,077,600	8,735,600	-
Staff Costs	5,151,700	4,906,400	4,672,700	4,450,200	-
Audit Fee					
interest on Term Loan	10,148,900	108,66000	11,515,100	12,102,800	-
Interest on Overdraft	5,023,400	83,72300	13,953,900	23,256,500	-
Depreciation	16,033,100	204,90500	26,433,700	34,357,900	445,55500
Total Expenses	89,935,500	937,89800	101,717,500	102,012,100	44,555,500
Profit before taxation	73,249,100	519,10800	28,372,300	(56,696,200)	(44,555,500)
Income tax	21,974,700	155,73200	8,511,700	-	-
Profit for the year	51,274,400	36,337,600	19,860,600	(56,696,200)	(44,555,500)

PROJECTED FINANCIAL POSITION STATEMENT AS AT END OF YEAR 2021 TO 2025

Most of the balance sheets items will keep on increasing as the business continue to operate on its normal operating cycle. At the moment the only noncurrent assets owned by the business is furniture and fittings and Motor Vehicles Only. Here is the business's projected Statement of Financial Position as at the end of year 2022 to 2026

Description	2026 TZS	2025 TZS	2024 TZS	2023 TZS	2022 TZS
ASSETS					
<u>Non-current assets:</u>					
Property, plant and equipment	705,47400	86,580,500	107,071,000	13,3504,700	16,7862,500
Total Non-Current assets	70,547,400	86,580,500	107,071,000	133,504,700	167,862,500
<u>Current assets:</u>					
Stock	80,511,000	71,884,800	64,182,900	22,357,600	-
Debtors and other receivables	98,304,000	87,771,400	7,8367,400	27,298,700	-
Cash at Bank & Hand	26,945,800	19,237,800	44,769,800	19,7922,000	14,617,000
Total Current Assets	205,760,800	178894,600	1,873,20100	2,475,78300	146,17000
TOTAL ASSETS	276,308,200	265,474,600	294,391,100	38,1083,000	182,479,500
EQUITY & LIABILITIES					
<u>Current liabilities</u>					
Trade payables	26,044,400	21,703,700	18,086,400	150,72000	125,60000
Bank Overdraft	55,815,500	93,025,800	1,550,43000	2,584,05000	-
	81,859,900	114,729,500	17,3129,400	273,477,000	12,560,000
<u>Non-Current liabilities</u>					
Term Loan	97,262,400	104,833,700	11,1687,800	11,7892,700	123,510,000
	97,2624,00	104,833,700	11,1687,800	11,7892,700	123,510,000
<u>Equity</u>					
Shareholder Contributions	90,965,000	90,965,000	90,965,000	90,965,000	90,965,000
Retained earnings	6,220,800	(45,053,600)	(81,391,100)	(101,251,700)	(44,555,500)
	97,185,800	45,911,400	9,573,900	(10,286,700)	46,409,500
TOTAL EQUITY AND LIABILITIES	276,308,200	265,474,600	29,4391,100	38,1083,000	18,2479,500

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PROJECTED SHEET: FOR THE END OF THE YEAR 2021 TO 2025

ASSETS

NON CURRENT	NOTE	2022	2023	2024	2024	2026
		"00"	"00"	"00"	"00"	"00"
Property, plants and equipments		705,4740	865,805	1,070,710	1,335,047	1,678,625
TOTAL NON CURRENT ASSETS		705,474	865,805	1,070,710	1,335,047	1,678,625

CURRENT ASSETS:

Inventory		805,110	718,848	641,829	223,576	51,271
Debtors and Prepayments		983,040	897,714	783,674	272,987	46,175
Cash and Bank balance		269,458	192,378	447,698	1,979,220	48,724
TOTAL CURRENT ASSETS		2,763,082	2,674,745	2,943,911	3,810,830	1,824,795

EQUITY AND LIABILITIES:

Current Liabilities:

Trade Creditors and Accruals		260,444	217,037	180,864	150,720	100,600
Bank overdraft		558,155	930,258	1,550,430	2,584,050	25,000
Term Loan (non-current liabilities)		972,624	1,048,337	1,116,878	1,178,927	1,235,100
		1,791,223	2,195,632	2,848,172	3,913,697	1,360,700

FINANCED BY:

Shareholder contributions		909,650	909,650	909,650	909,650	909,650
Retained earnings		62,208	(450,536)	(813,911)	(1,012,517)	(445,555)
		971,858	459,114	95,739	(102,867)	464,095
		TZS"00"	TZS"00"	TZS"00"	TZS"00"	TZS "00"
TOTAL EQUITY AND LIABILITY		2,763,081	2,654,746	2,943,911	3,810,830	1,824,795

40. FINANCIAL INDICATORS

Financial indicators showing the financial viability of the project are summarized below:

- **Internal Rate of Return (IRR) After Tax**
This is estimated at 30% well above the lending rate of 10% and 12% for long term and bank overdraft respectively used for the study.
- **Payback Period**
This has been computed and found to be 4 years 5 months.
- **Break-even Analysis: 3rd Year**
The break-even analysis in the 2nd of operation shows breakeven sales at Tshs. 163,558,600 and breakeven capacity of 30%.

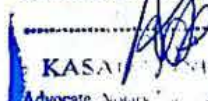
41. SENSITIVITY ANALYSIS

A sensitivity analysis has been carried out on the project's IRR responsiveness to changes in sales prices, operating costs, or initial investment. And the result of the sensitivity analysis has shown that the IR is more sensitive to changes in sales prices than changes in either operating costs or initial investment.

42. ECONOMIC BENEFITS OF THE PROJECTS

The economic benefits of the plant to the Pwani region, and Tanzania as whole are as follows:-

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- a) Contribution to the Industrial base in the Region hence creation of direct employment opportunities for over 40 employees in the factory.
- b) Provision of income to People will increase the demand for services and goods with regard to welfare of the people and their families.
- c) Poverty alleviation in the Dar es Salaam Region and Tanzania as whole through direct income, medical and other social benefits that Management will provide.
- d) Setting up this Plant in the Ilala District , Dar es Salaam opportunities.
- e) Expanded tax base to the Treasury and local Government authorities and generation of substantial income to the Government. The Government earns considerable revenue from the manufacturing Industry in terms Tax collections.
- f) Opportunity for increasing Foreign Exchange Earnings through export of some of the Plants products to the neighboring countries.

43. CONCLUSION

The investment and development of the Plant is in line with the Government policies which places special emphasis on initiating and setting up of various Industries in the Country. In addition, it will have a positive impact on the development of the Region, as it would generate a number of benefits and reliable income for the employees of the company and providers of the services and goods demanded by these workers and their families. It will create direct and indirect employment.

This document has provided a full analysis on the financial, Techno-economic viability on the establishment and operation of the processing undertaking, along with the financing requirements/ parameters have been considered and it has been established that the proposed project is technically sound, financially viable and economically/ socially beneficial.

However, in order for this project to be implemented and the production targets to be achieved as planned, several factors have to be taken into account. This will include consideration of the level of investments in this project, the roles of the Industries in the context of the overall National Economy.

The management anticipates that all interested parties in the Lutungu area, Ilala District, Dar es Salaam region and the Government of Tanzania at large will give their full support so as to ensure timely implementation of the project and apprehension of successful operation.

Certified as a True Copy of the Original
 AS 21/8/2023
 KASAIZI ANDREW KASAIZI
 Advocate, Notary Public & Commissioner for Oaths