

# **EKAM LIMITED**

Business Plan

for

Skin Treatment Clinic

## 1.0 INTRODUCTION

EKAM LIMITED is a private limited company incorporated on 15<sup>th</sup> June March 2023 in the Republic of Tanzania. The company has a certificate of Incorporation Number 164329771, Tax Identification Number 164329771. The principal business place and head office of the company is located at **Region Dar Es Salaam, District Ilala CBD, Ward Upanga Magharibi, Postal code 11103, Street OLYMPIA, Road UPANGA, Plot number 933, Block number 01, House number 0933.**

## 1.2 EXECUTIVE SUMMARY

EKAM LIMITED is a new skin treatment clinic in Upanga, Dar es Salaam –Tanzania that specializes majorly in skin treatment then with additional services like hair replacement, electrolysis, microdermabrasion and body contouring will be provided later. We will provide the people of Dar es Salaam with superior quality service in a very accessible location.

We at EKAM LIMITED have put plans in place to reach our target audience and also make sure that the needs of our patients are our highest priority. EKAM LIMITED provides approved skin treatment services and all other services at a fraction of the cost and time of other permanent service methods. Our services will make it easier

for the people of Dar es Salaam, in general, to be treated quickly and effectively using the latest generation of technology.

We believe that quality of equipment and qualified staff will provide unquestionable results that our customers can enjoy. Because both machines have superior cooling devices, the surface of the skin is cooled while the active hair follicles are destroyed. Our clinic is easily accessible 24/7.

We plan to make sure our customers enjoy and love the convenience we provide. Also our business location makes it possible for even day workers in Dar es Salaam to visit the clinic and be back at their job in less than 30 minutes. The management of EKAM LIMITED believes that the location is its competitive advantage.

Company shareholders have both managed aesthetics clinics before and they boast of over ten years of experience between them. These professionals and founders of EKAM LIMITED believe that the location will bring in the customers but only excellent customer service will be able to keep them coming back.

## **2.0 Our Products and Services**

Our aim at EKAM LIMITED is to offer our clients unique services that will blow their minds. We have employed professionals and experts

to provide these services so as not to endanger our clients. We can boast of a unique workforce that loves their jobs and will always strive to make EKAM LIMITED the number one in our selected niche. Our services are Skin treatment, cleansing, toning, and related services Laser hair removal

### 3.0 **Our Mission and Vision Statement**

- Our vision at EKAM LIMITED is to build a highly competitive clinic that will become the number one choice for individuals in Dar es Salaam.
- The mission at EKAM LIMITED is to create a customer-focused environment that promotes referral to customer-focused clients to meet their cosmetic goals.

### 3.1 **Audited Reports**

EKAM LIMITED is to be audited by a local reputable auditing firm.

### 3.2 **Company Values**

- Competitive
- Efficiency
- Affordable
- Customized services

### 3.3 **The Sponsors**

**EKAM LIMITED** will be sponsoring this project. The Company is currently jointly owned by four shareholders

<b>Share Holders</b>	<b>% of Share</b>	<b>Nationality</b>
Teja Mendu Singh	60	Tanzania
Amritbir Singh	20	Tanzania
Sujatha Mendu	20	India

### **3.4 Objective of the study**

The purpose of this study is to work out the technical and commercial viability of the project to be registered with TIC.

### **4.0 Our Business Structure**

Our major objective at EKAM LIMITED is to become one of the leading skin treatment clinics in Dar es Salaam and as such, we understand the importance of a solid business structure. We intend to attract customers with our unique approach to service and we plan not to take them for granted. We also plan to lay emphasis on employee training.

Our plan is to establish a workforce that will work together to help EKAM LIMITED achieve its projections. We at EKAM LIMITED provide TMDA-approved services. The company plans to employ

professional and specialized employees who will manage the daily operation of the Clinic. We would need the following help;

- Managing Director
- Medical Practitioner
- Aestheticians
- Clinic attendants
- Accountant
- Marketing Officer
- Cleaners
- Security Guard

#### **4.1 Job Roles and Responsibilities**

##### **Managing Director**

- In charge of a number of activities related to the delivery of medical care and clinical services such as cost management, utilization review, quality assurance, and medical protocol development
- Oversees the activities of aestheticians, including recruiting
- Attend standing meetings (board, committee, etc.)
- Monitor quality and appropriateness of medical care
- Provide guidance and leadership
- Develop policies and procedures
- Manage strategic development
- Oversee documentation and care planning

- Manage medical staffs relations and/or representation
- Address emergency issues
- Manage community relations
- Handle physician behavior and impairment issues

#### **4.2 Marketing Officers**

- Manages external research and coordinate all the internal sources of information to retain the organizations' best customers and attract new ones
- Models demographic information as it relates to those who need our services
- Sources for clients for the company
- In charge of promoting the company's image
- In charge of creating marketing and sales strategies, etc.
- Represents the organization in some strategic business meetings
- Handles any other duty as assigned by the director

#### **4.3 Clinic Attendant**

- Sees to it that clients are attended to and on time
- Books clients for sessions
- Passes information to the aesthetician about clients
- Reaches out to clients when information needs to reach them

#### **4.4 Medical Practitioners**

- In charge of all the body procedures
- Advises a client on the type of risks and advantages involved in procedures
- Follows up on recovery procedures
- Medically counsels clients at all times

#### **4.5 Aesthetician**

- Carries out all services and formulas on clients
- Makes sure they are satisfied at all times
- Makes sure that all processes and therapies are body friendly

#### **5.6 Accountant**

- Receives payments on behalf of the organization
- Issues receipt to customers
- Prepares financial report at the end of every working week
- Purchase supplies and equipment as authorized by management
- Monitor office supply levels and reorder as necessary
- Tag and monitor fixed assets
- Pay supplier invoices in a timely manner

- Take all reasonable discounts on supplier invoices
- Pay any debt as it becomes due for payment
- Monitor debt levels and compliance with debt covenants
- Issue invoices to customers
- Handles financial transaction on behalf of the company
- Interfaces with our bankers
- In charge of payment of tax, levies and utility bills
- Handles any other duty as assigned by the office

## **5.7 Cleaners**

- Mops the floors
- Wipes down the machines
- Washes off folding tables
- Cleans the bathroom
- Empties the trash
- Washes the windows

## **5.8 Security Guards and other**

- Ensures that the clinic is secured at all times
- Controls traffic and organizes parking
- Patrols around the building on a 24/7
- Submits security reports weekly
- Handles any other duty as assigned by the manager

Total of 12 people to be employed

## **5.9 Monitoring and Evaluation**

The Management has full commitment to ensuring goods produced maintain the safety and standards required in the market. The quality control unit will establish a system of routine checking and getting feedback from customers, management philosophy is through business process, managers will strive to ensure compliance with standards and the safety of the products and customers they serve.

## **5.10 Monitoring and Evaluation**

The monitoring and evaluation tools will be applied in running this project as well, the project sponsors are determined to cooperate fully with the government and other stakeholders for smooth business running.

## **6.0 SWOT Analysis**

We at EKAM LIMITED hired the services of a consultant to help us create a standard skin treatment clinic that can compete effectively in the super competitive industry. The hired firm and professionals had to work with EKAM LIMITED management in conducting our SWOT analysis. Outlined below is a summary of the result of the SWOT analysis that was conducted for Perfect Clinic.

- **Strength**

Our main strength at EKAM LIMITED is our business location and the power of our business structure. Dar es Salaam is a business hub in Tanzania. Also, Company shareholders have adequate qualifications and experience in the aesthetic industry; they are the best in the industry.

- **Weakness**

According to our SWOT Analysis, it might take some time for our clinic to break into the market and gain acceptance via reputation in the already saturated industry. This it is believed is our major weakness at EKAM LIMITED Clinic.

- **Opportunities**

We were able to note through extensive research that the opportunity in the vast skin treatment is unlimited. It is an industry that survives and expands through innovation. With the growing population and the growing awareness to modernization, people will always want to alter what they don't like about themselves.

- **Threat**

Every business has its own share of threats or challenges. The supposed threat can be external or internal. We at EKAM LIMITED understand this and we have taken our time to create a substantial business plan.

Our SWOT Analysis at EKAM LIMITED noted that some of the threats we will be facing will include unfavorable government policies, the appearance of a competitor within our location of operation, and a global economic downturn which usually affects spending purchasing power. We have made plans to curtail all possible challenges and threats.

## **7.0 MARKET ANALYSIS**

- **Market Trend**

We at EKAM LIMITED believe that advancement in technology, different health benefits associated with medical aesthetic procedures and shift in the preference from surgical to non-surgical procedures are some of the factors aiding the growth of the market. Also growing awareness among consumers and growing aging population also create a demand for skin treatment clinics in the market.

We also agree that the skin treatment market has been facing certain threats such as high treatment costs and lack of reimbursements, and cosmetic boom. But from our detailed research, we were able to note that the market in emerging countries and increase in the popularity of home-based aesthetics devices represents substantial future opportunities for businesses in the medical aesthetics market.

Also, devices used in this industry have evolved significantly, with the top businesses in the market developing advanced aesthetic products that are less costly and safe to be used at home.

**. Our Target Market**

We at EKAM LIMITED even before choosing our location have conducted our feasibility studies and market survey and we have been able to describe those who will gain greatly from our service offerings. We have also made sure our marketing plan will cover all the required fields in order to reach our targeted audience.

Dar es Salaam which is our business location is the economic engine of Dar es Salaam, with its 6 million population in 2022 National census.

Dar es Salaam also has the highest per capita income of any county in Tanzania.

**• Our competitive advantage**

One of our major objectives at EKAM LIMITED is to set ourselves apart from other skin treatment clinics that may offer only one or two types of services. Having been industry leaders in the industry, the shareholders have realized, after much talk with clients that they want all of the services that we are proposing at EKAM LIMITED Clinic, but they remain frustrated because they do not know where to get these desired services.

EKAM LIMITED in the future will offer its clients distinctive services that will set us apart from what is obtainable in the industry. We know there are uncountable numbers of clinics like ours, but our area of specialization makes us an industry leader even before we open our doors for business.

We have no plan to compete with these clinics directly; we have a business niche which is not common in the industry. We hope to create an atmosphere that will be a relaxing one where our clients can sit back and expect quick and sound solutions.

Another competitive advantage we have at EKAM LIMITED is our business location. Once we get our customers in, our advantage is the customer-focused environment we create. We know that each customer is a potential lead to another ten customers.

- **Marketing Strategy and Sales Strategy**

Our marketing strategy at EKAM LIMITED is very simple and straight. We strongly believe that satisfied clients are our best marketing tool and when a client leaves our business with exceptional service, he or she is broadcasting our clinic to the public.

We believe that of our clients will be referrals from existing clients. We at EKAM LIMITED have no specific advertising strategy. Our research of the industry has shown that word of mouth is the best advertising for this type of business.

Despite the research, we plan to run specials throughout the week. We hope to ask clients for referrals, and reward them with discounted or free hair or beauty products depending on the number of clients they bring. We also plan to offer discounts to the clients who have been referred.

- **Publicity and Advertising Strategy**

Advertising is a must for a business that wants to succeed and we at EKAM LIMITED understand the importance of a good publicity strategy. We have created plans and are very ready to become the number one choice for the people of Dar es Salaam and Tanzania in general. EKAM LIMITED has made provisions for effective and direct publicity and advertisement of our aesthetic clinic. Outlined below are the platforms we hope to leverage in promoting Perfect Clinic;

- Place adverts on both print (community-based newspapers and magazines) and electronic media platforms
- Sponsor relevant community-based events /programs
- Establish relationships with local salons throughout the target market.
- Develop ongoing relationships with doctors, counselors and all other related professionals to refer their clients to our clinic
- Leverage the internet and social media platforms like; Instagram, Facebook, Twitter, YouTube, Google + et al to promote our brand

- Install our billboards in strategic locations all around Dar es Salaam.
- Engage in roadshows from time to time in targeted neighborhoods
- Distribute our fliers and handbills in target areas in and around Dar es Salaam
- Passing general information via our clinic's social media handles like twitter, Facebook, Google hangouts etc.
- Ensure that all our staff wear our branded coats and all our vehicles are well branded with our clinic's logo.
- **Our Pricing Strategy**

Our pricing system at EKAM LIMITED is going to be based on what is obtainable in the industry, we don't intend to charge more (except for premium and customized services) and we don't intend to charge less than our competitors are offering in the city. We also know that aesthetic clinics generally bill their clients based on location, services offering and time et al.

We hope to keep our fees below the average market rate for the first three months. We have made plans to give out special discounted rates to all our clients at regular intervals. We also understand that there are some of our prospective clients that would need special assistance, we will offer flat rate for such services that will be tailored to their needs.

The average price for the purpose of projecting our income is US\$ 250 per service

- **Our Payment Options**

We at EKAM LIMITED understand the role payment varieties play in the success of any business in the industry. That is why we hope to establish different payment options that will suit our business clients at any given time and place. We at EKAM LIMITED have also made plans and partnered with a well-known payment platform in Tanzania in order to offer these services. Here are the payment options that we will make available to our clients;

- Payment by via bank transfer
- Payment via online bank transfer
- Payment via check
- Payment via mobile money
- Payment with cash and others

## **8.0 SUSTAINABILITY AND EXPANSION STRATEGY**

EKAM LIMITED is an Skin Treatment Clinic established to expand and become a concrete leader in skin treatment. EKAM LIMITED has a good platform to expand into other cities and neighboring counties. We plan to only purchase medical equipment that we need and provide fast and friendly service.

We also plan to provide strict financial controls to help manage the expensive capital costs associated with starting an aesthetic clinic.

We are very certain our services will be the best in the industry.

We have put together plans and trainings to ensure our business boasts of an astonishing customer service culture that will make our clients comfortable and willing to come back for more. The people of Dar es Salaam we believe will enjoy the services we provide and without doubt share the good news to their friends and family.

We hope to establish more business branches just as our business gains adequate corporate identity needed to be known as the industry leader. Our marketing strategies will be reviewed every year to allow us inculcate new approaches and ideas to reach our audience. Our aim is to be a profitable business starting from the very first month of our opening. Our keys to success at EKAM LIMITED are the following factors listed below;

- Our Business Location, which we believe will provide accessible location for our clients
- Our Business Environment that will provide a conducive environment for our clients
- Our Business Reputation and Brand awareness which flows from our owners down to our workforce.

## 9.0 **PROJECT INVESTMENT COST**

The estimated capital investment cost of the project is US \$530,000

EKAM LIMITED INVESTMENT COST

<b>PARTICULAR</b>	
Land and Buildings	100,000.00
Machinery & Equipment	200,000.00
Motor Vehicles	80,000.00
Furniture & Fixtures	50,000.00
Pre expenses	15,000.00
Others	5,000.00
Working Capital	80,000.00
<b>TOTAL</b>	<b>530,000.00</b>

For the project to be a reality a total investment amounting to US \$530,000 is needed

## 10.0 FINANCIAL ANALYSIS

### 10.1 Considerations and Assumptions:

The corporate tax charged is 30% of the profits. Capital investment capital allowance is 50%. The capital assets are exempted from customs duty, Value Added Tax. The straight-line method to depreciate the project's capital items has been applied.

Revenues have been conservatively estimated based on the experience of the promoters and trends in the industry.

### 10.2 Financial Statements:

### 10.3 Projected Revenue

For projection purposes, it is assumed that the economic life of the project is five years and that revenue from the business is from the first year of operation.

### 11.0 **ECONOMIC ASPECTS**

Implementation of this project will have the following social and economic values

- The project is an ideal option for the utilization of Government support for the health sector
- The project will create employment for **15 people** on a permanent contract basis as well as on a temporary basis.
- It will create more business opportunities to the fore domestic economy
- It will generate substantial revenue to the government in the form of corporate tax, value-added tax, and pay-as-you-earn.
- The project will transfer of knowledge and skills to the skin treatment industry

### 12.0 **IMPLEMENTATION**

Project implementation is expected to be relatively very short once project has been approved it is estimated that implementation of the project will take hardly 9months be completed within one year:

#### **EKAM LIMITED IMPLEMENTATION**

<b>S/N</b>	<b>ACTIVITY</b>	<b>PERIOD</b>
------------	-----------------	---------------

1	Processing TIC Certificate of Incentive	March 2023
2	Recruitment	August 2023
3	In house training	August -December 2023
4	Test	Nov 2023
5	Commercial operations	Dec 2023

### **13.0 CONCLUSION & RECOMMENDATIONS**

The project is technically feasible, financially viable, and economically sound, provided the sponsors will manage it efficiently.

It is recommended that the project be approved by Tanzania Investment Centre and be granted the TIC Certificate of Incentives with its associated privileges and benefits as provided for under the Tanzania Investment Act, 1997.



## EKAM LIMITED COST STRUCTURE

PARTICULAR	
Land and Buildings	100,000.00
Machinery & Equipment	200,000.00
Motor Vehicles	80,000.00
Furniture & Fixtures	50,000.00
Pre expenses	15,000.00
Others	5,000.00
Working Capital	80,000.00
<b>TOTAL</b>	<b>530,000.00</b>

## EKAM LIMITED FIXED ASSETS US\$

	1	2		4.00	5.00
Land And Buildings	100,000	98,000	96,000	94,000	92,000
Machinery, Tools & Equipment	200,000	198,000	196,000	194,000	192,000
Motor Vehicles	80,000	76,000	72,000	68,000	64,000
Furniture & Fixtures	50,000	45,000	40,000	35,000	30,000
<b>Total</b>	<b>430,000</b>	<b>417,000</b>	404,000	391,000	378,000
<b>DEPRECIATION</b>	<b>1</b>	<b>2</b>	<b>3</b>		
Land and buildings	2,000	2,000	2,000	2,000.00	2,000.00
Machinery tools & Equipment	2,000	2,000	2,000	2,000.00	2,000.00
Motor Vehicles	4,000	4,000	4,000	4,000.00	4,000.00
Furniture & Fixtures	5,000	5,000	5,000	5,000.00	5,000.00
<b>ANNUAL DEPRECIATION</b>	<b>13,000</b>	<b>13,000</b>	<b>13,000</b>	<b>13,000.00</b>	<b>13,000.00</b>

# EKAM LIMITED

## EKAM LIMITED PROJECTED INCOME & EXPENDITURE STATEMENT (US\$)

-	1	2	3	4	5
Revenue (	1,350,000.00	1,417,500.00	1,488,375.00	1,562,793.75	1,640,933.44
<b>Operating Expenses:</b>	1,080,000	1,134,000	1,190,700	1,250,235	1,312,747
<b>Gross Profit Before Interest and Depreciation</b>	270,000	283,500	297,675	312,559	328,187
<b>Interest</b>	24,000	24,000	24,000	24,000	24,000
<b>Depreciation</b>	13,000	13,000	13,000	13,000	13,000
<b>Gross Profit</b>	233,000	246,500	260,675	275,559	291,187
Tax (30%)	69,900	73,950	78,203	82,668	87,356
<b>Profit After Tax</b>	163,100	172,550	182,473	192,891	203,831
Accumulated Profit	163,100	335,650	518,123	711,014	914,844

# EKAM LIMITED

## EKAM LIMITED PROJECTED CASH FLOW US\$

	0	1	2	3	4	5
<b>SOURCES:</b>						
Profit before interest and depreciation	-	<b>270,000</b>	<b>283,500</b>	<b>297,675.00</b>	<b>312,559</b>	<b>328,187</b>
Equity	230,000					
Loan	300,000					
<b>Total Sources</b>	<b>530,000</b>	<b>270,000</b>	<b>283,500</b>	<b>297,675</b>	<b>312,559</b>	<b>328,187</b>
<b>Applications:</b>						
Capital expenditure	430,000		-	-	-	-
working Capital &Others	100,000					
Cash	-	106,900	110,950	115,203	119,668	124,356
Tax	-	163,100	172,550	182,473	192,891	203,831
<b>Subtotal</b>	<b>530,000</b>	<b>270,000</b>	<b>283,500</b>	<b>297,675</b>	<b>312,559</b>	<b>328,187</b>
<b>Total applications</b>	<b>530,000</b>	<b>270,000</b>	<b>283,500</b>	<b>297,675</b>	<b>312,559</b>	<b>328,187</b>
Accumulated cash		106,900	217,850	333,053	452,720	577,076

# EKAM LIMITED

## EKAM LIMITED PROJECTED BALANCE SHEET US \$

<b>Fixed Assets</b>	<b>1</b>	1	2	3	4	5
Opening balance	-	<b>430,000</b>	<b>417,000</b>	<b>404,000</b>	<b>391,000</b>	<b>378,000</b>
Additions	-					
<b>Total Long-term Assets</b>	-	<b>430,000</b>	<b>417,000</b>	<b>404,000</b>	<b>391,000</b>	<b>378,000</b>
<b>Less depreciation</b>	-	<b>13,000</b>	<b>13,000</b>	<b>13,000</b>	<b>13,000</b>	<b>13,000</b>
<b>Closing balance</b>	-	<b>417,000</b>	<b>404,000</b>	<b>391,000</b>	<b>378,000</b>	<b>365,000</b>
Working capital	100,000	100,000	100,000	100,000	100,000	100,000
Accumulated cash	-	106,900	217,850	333,053	452,720	577,076
<b>Total assets</b>	<b>100,000</b>	<b>623,900</b>	<b>721,850</b>	<b>824,053</b>	<b>930,720</b>	<b>1,042,076</b>
Financed by						
Equity	230,000	230,000	230,000	230,000	230,000	230,000
Accumulated profit	-	163,100	335,650	518,123	711,014	914,844
Total equity	230,000	393,100	565,650	748,123	941,014	1,144,844
0	-	-	-	-	-	-
Bank Loan	300,000	240,000	180,000	120,000	60,000	-
<b>Total debts</b>	<b>300,000</b>	<b>180,000</b>	<b>180,000</b>	<b>120,000</b>	<b>60,000</b>	<b>-</b>
<b>Total equity and debts</b>	<b>530,000</b>	<b>573,100</b>	<b>745,650</b>	<b>868,123</b>	<b>1,001,014</b>	<b>1,144,844</b>

## EKAM LIMITED

### EKAM LIMITED PROJECTED LONG-TERM LOAN REPAYMENT

Year	principle	Loan (8%)	Interest	Total Paid	Amount	Loan Balance
1	60,000		24,000	84,000		300,000
2	60,000		24,000	84,000		240,000
3	60,000		24,000	84,000		180,000
4	60,000		24,000	84,000		120,000
5	60,000		24,000	84,000		60,000

### EKAM LIMITED PAYBACK PERIOD

Year	Profit After Tax	Depreciation	Total Cash Flow	Accumulated Cash Flow
1	163,100	<b>13,000</b>	<b>176,100</b>	176,100
2	172,550	<b>13,000</b>	<b>185,550</b>	361,650
3	182,473	<b>13,000</b>	<b>195,473</b>	557,123
4	192,891	<b>13,000</b>	<b>205,891</b>	763,014
5	203,831	<b>13,000</b>	<b>216,831</b>	979,844

