BUSINESS PLAN

FOR

FOOD INDUSTRY

Promoter: TAJ FOOD AFRICA COMPANY LIMITED

P. O. BOX 999 DAR ES SALAAM

>>>>>>>JULY,2023<<<<<<<

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0.0 EXECUTIVE SUMMARY

This is a Business Plan to be presented to Tanzania Investment Centre (TIC) for Certificate of Incentive within the investment procedures.

The project is envisaging on food processing at Amani Gomvu Kigamboni Dar Es Salaam. The company has so already purchased land for the project.

All reports pertaining to pre-operational costs have been annexed within this business plan.

The project is being entirely financed by the company from their country.

According to the studies carried out reveals that the industry is one among the industries in Tanzania fetching more foreign currency to the government.

The Financial projections of the proposed project reveal lucrative profits with strong cash base on cash flow, cash discounted flow reveal IRR with high gearing financial ratio, Financial indicators on sensitivity analysis also depicts pay back period from Return On Equity (ROE) and Return On Investment (ROI) .

The project is technically sound, financially viable with fast re-coupment as indicated in the financial analysis. Profitability analysis reveals contribution of positive cash balance at the end of the project that would be geared on sustainability and ploughed back for re-investment

1.0 INTRODUCTION

1.1 Profile

TAJ FOOD AFRICA COMPANY LIMITED is a Tanzanian company registered with the major objective of processing food in the country and exporting to the neighboring African countries.

1.2 Legal Status

The company is a limited liability company which was registered under Certificate of Incorporation No. 163025167 on the 6th February, 2023. The registered office of the company is at Namanga Street Msasani nearby CCBRT Hospital in Dar Es Salaam with TIN. 163-025-167 and Business Licence No. 20000046563.

1.3 Directors and Shareholders- Profile

The Present Directors of the company are:

- Hassan Samman
- Mahmood Abdul Wahab Al Dibou

They are Turkish and Syrian, Turkish (Hassan Samman) is holding 80% and Syrian Mahmmod Abdul) 20% of the shares in the company which are fully issued and will be fully paid in near future. See attachment 3 – Memorandum and Articles of Association.

1.4 Authorized Share Capital

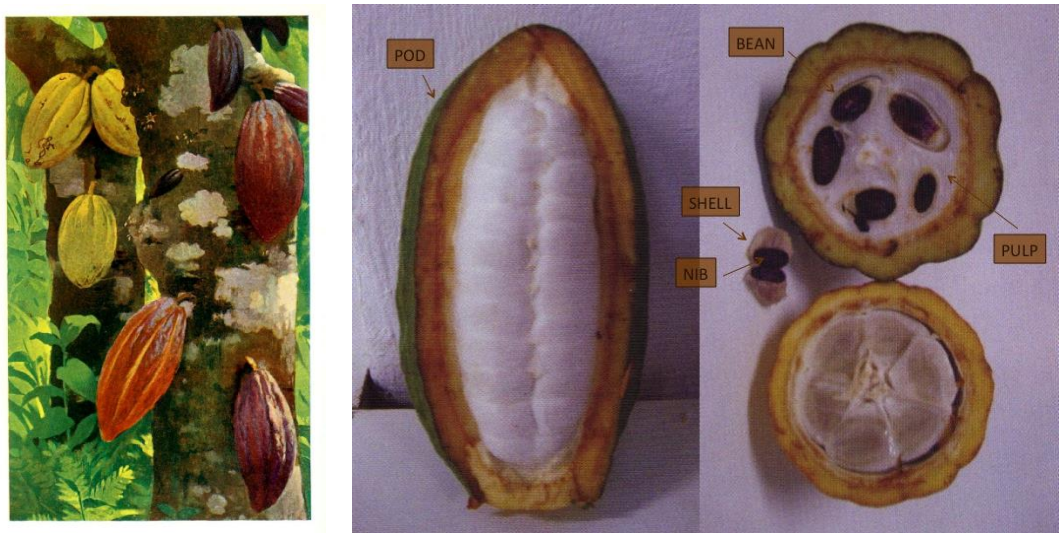
The authorized share capital of the company is Tanzania Shillings 1,500,000,000/= (one billion five hundred million) divided into 100 (hundred) ordinary shares of Tanzania Shillings15,000,000/= each (fifteen million). The capital shall **NOT** with the power for the company to increase or reduce the same and to issue any part of the original or the increase with or without preferences, priority or special privilege. See attachment 3 – Memorandum and Articles of Association

2 PROJECT DESCRIPTION

2.1 Location and Infrastructure

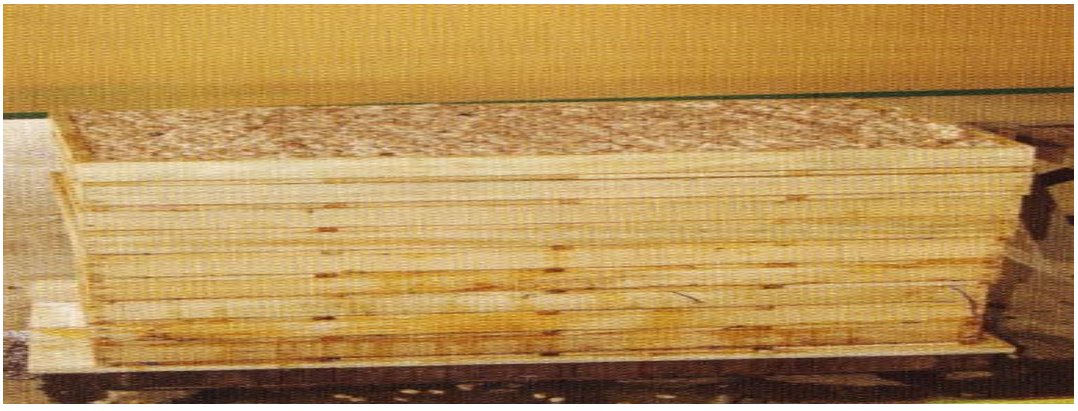
This is a new company starting the business at Kigamboni where the plant for processing food will take place at Amani Gomu Kigamboni Dar Es Salaam.

3. PRODUCTION PROCESS



(a) On a Theobroma cacao tree [2] ***(b) An opened cacao pod with pulp, beans, and nib labeled [1]***

The chocolate process begins with the pods being cut down from the trees and split open. The beans are then scooped out of the pod and are left to ferment with the pulp for about a week. Fermentation kills the beans, preventing them from germinating later, and also develops flavor precursors that are essential to tasty chocolate.



Fermenting in a box

After fermenting, the beans are dried in the sun, this reduces the weight of the beans and makes them less susceptible to molds.

3.1 Roasting

Once they have dried, the beans leave the plantation and are shipped to the factory (us). The first step is to roast the beans b accomplishes the following goals:

- Develops the flavor of the chocolate flavor precursors that were created during the fermentation step by roasting the beans, then develop those precursors into actual flavors. Heating the beans produces a series of chemical reactions known as the Maillard reactions, in which amino acids and sugars react to form all sorts of tasty chemicals. Roasting also drives off the more volatile acids that are naturally present in cacao beans.
- Kills bacteria For those keeping track at home, the beans have just spent more than a week outside of the pod at the plantation, either fermenting or drying in the open air. Anything left out for that long in a tropical atmosphere is practically guaranteed to have some sort of microbes hanging around on it, and we don't want those in our chocolate.

- Puffs up the shells, this will be important for the next step. Roasting causes the water within the bean to boil (not all of it dried out in the drying step), puffing out the shell in much the same way as a popcorn kernel expands. The puffed-out shell is then easier to remove from the nib.

3 .3 Winnowing

Once the beans have been roasted shell are from the nib. The shell is papery, crunchy and doesn't contribute any flavor to the final product, so we want to discard it.

To separate the shell from the nibs, we feed the roasted beans into the winnower via the feed chute of the Champion Juicer. They then fall past the juicer's rotating blades, which crack the beans into pieces of nib and shell. You can see an example of cracked beans in figure 5(a).

These pieces fall down the PVC entry pipe until they hit a barrier where the entry pipe connects to the rest of the piping. Once they hit the barrier, the pieces of nib and shell feel the pull of the vaccuum generated by our Shopvac. Here we exploit the different densities of the shell and nib to help separate the two: the lighter shell is sucked up by this vaccuum and deposited in a recepticle, while the denser nib keeps falling into a removable container below.

3.4 Grinding and Melanging

After the winnowing is completed, it is now grinded and poured to the nib pieces into a Champion Juicer, which grinds the beans into a liquid known as cocoa liquor. Part of the liquor will pass through the filter on the bottom of the juicer, while the

The Timothy Anderson Automatic Winnower ("Timmy")

rest will flow out the front of the juicer. This unfiltered cocoa liquor must be passed through the Champion again to purify it. Eventually, almost all of the cocoa liquor will have passed through the filter (the liquor that has not passed through the filter contains the pieces of shell that we were unable to winnow away; we discard this part of the liquor since it tastes bad).

At this point, the cocoa liquor looks just like melted chocolate. Unfortunately, it is nowhere near as delicious. In fact, it tastes like Baker's Chocolate (which, incidentally, it is). To combat the bitterness, we now add sugar. The chocolate (cocoa liquor + sugar) now tastes delicious. We have only a few steps left.

3.5 Tempering

On the most basic level, tempering is necessary because the particles that make up a chocolate bar can arrange themselves in many different ways. The different arrangements of the chocolate particles on a molecular level create different physical properties of the final chocolate on a much larger scale. Chocolate with the correct molecular arrangement (referred to as Form V chocolate) is dark brown, glossy,

and makes a satisfying snap when broken [fig 8(a)]. Chocolate with an incorrect molecular arrangement (Form IV chocolate) is lighter in color, matte, and will crumble when broken instead of snapping. Distempered chocolate will also exhibit an unsightly white coating called fat bloom.

3.6 Melt the chocolate

By raising the chocolate above 110° F, we erase all existing crystalline structures within the chocolate. We can now cause the chocolate to crystallize into the form we want. It is generally safe to use a microwave at this step, melting the chocolate for 15-20 seconds, mixing it up, and then repeating until it is of uniform consistency and above 110° F.

3.7 Create seed crystals

In order to encourage our chocolate to crystallize into the correct molecular arrangement (Form V), we will cause a small portion of the chocolate to crystallize into that form and then use that portion of the chocolate as “seed crystals”: when recombined with the rest of the chocolate, the seed crystals encourage the rest of the chocolate to crystallize into Form V as well.

4.0 RAW MATERIAL

Cocoa and potatoes are major materials including other additives to be used into production of the finished products. These materials are mostly agricultural are produced in Kyela, Kigoma, Iringa. The decision of the company to put up a such factory will spark the farmers to put more efforts for increased production. Other materials named will be sourced outside the country.

5.0 IMPLEMENTATION PLANS

5.1 Securing and Drawing Site Plans

First, the subject land shall be secured with barbed wire fence and security lights placed round. Detailed site plans shall then prepared showing areas for residential buildings, factory building, machines and vehicles workshop and stores.

5.2 Mobilizing Machinery and Equipment

Heavy Machinery, including small machines, vehicles and equipment's shall then be mobilized to the site as they shall be used to transport building materials and contractor with all administration facilities are expected to be put in place.

5.3 Putting Up Buildings

Construction works shall then begin with factory and office block first.

This shall be followed by workshops, stores and service roads network.

Workers shall stay far away from the factory.

6.0 SALES AND SELLING PRICES AND MARKETING

Market

Though that products such as chocolates, biscuits, Crips are now being processed locally on demand is still high and neighboring countries are highly targeted. DRC depends on importation of these products from Belgium and France. With the unification of East African Community DRC is now importing Azam products from Tanzania. With opening of this factory Azam will see how is rival is working and this impact efficiency and efficacy.

7.0 Project Requirements

Requirements

Description		**Units**	**Amount USD**
1.	Land		16,057
2.	***Buildings*** Factory and Office Building		157,000
3.	***Plant***		
	Machinery		350,000
4.	***Motor Vehicle***		
	Truck		166,266
	Directors Vehicle		83,133
5	***Office equipment's***		
	Furniture		17,600
	Equipment		12,500
	Total		**802,556**

8.0 Investment & Re-Investment, Source and Profitability

Investment & Re-Investment US $

Land	16,057
Buildings	157,000
Machinery	350,000
Motor Vehicle	149,399
Office Furniture	17,600
Office Equipment	12,500
Pre-Operational Cost	4,682
Working Capital	154,700
Total	**861,938**

Proposed financing arrangements US $

Description	Sponsor	Loan	Total	%
Equity	702,238	-00-	702,238	99.89
Working Capital	154,700	-00-	154,700	0.11
Long Term Loan	-00-	-00-	-00-	-00-
TOTAL	**861,938**		**861,938**	**100**

8.1 Proposed Sources of Funding

The directors/shareholders shall be able to contribute USD 861,938 as their equity contribution from their own sources, they do not propose to borrow from any local financial institutions.

The project shall enjoy very sound liquidity. From Appendices 1 and 1B, Projected Cash flow statements for year 1 and 5 year projected period, the project shall make USD 1,894,372 million and cash excess every year and shall by the end of year have an accumulated cash reserve of USD 9,461,840 million. This is despite investing in new heavy machinery, vehicles, and furniture and reserve generator in tenth year.

8.2 Return on Investment

The total investment cost of the project shall be USD 861,938. By the end of fifth year the project shall have accumulated cash of 9,461,840 million more than original investment cost. The project therefore recoups its investment cost in the year seven.

8.3 **Project Justification**
Employment Creation, Management, Other Personnel and Training

Among key staff of the proposed project shall be a General Manager, Chemical Engineer, Electrical Engineer, an Accountant, Plant technicians, Quality Controller, a Store keeper, and Shift supervisors. Other staff shall be heavy duty machine operators, plant operators, drivers and security personnel. Recruitment process of other cadres of work force shall come from the community around Fufu Village The project shall create direct employment to over a hundred people and indirect employment to several hundreds of others.

In this time when unemployment posing a serious social challenge the project is welcome as it is in the right direction. In-house/service training shall be carried one month ahead of commencing operations.

9.0 **PROPOSED MANAGEMENT AND OTHER PERSONNEL PLAN**

Among key staff of the proposed project shall be the Manager and Supervisor. Other staff shall machine operators, drivers and security personnel and labours. Recruitment process of other cadres of work force shall from the community around the project.

The ultimate authority of the company shall be the board of directors to whom the general manager shall report. Daily tactical decisions shall be made by the Manager while strategic corporate decisions shall be made by the board at their sittings which shall take place every month.

10.0 Manpower Requirement

Designation	**No.**	**Work Description**	**Emolument**
General Manager	1	Incharge	
Plant Manager	1		
Electrical technician	1		
Accountant	1	Supervision, Bursar	
Plant Supervisor	1		
Machine Operators	6		
Security	2	Guards	
Quality Controller	1		
Drivers	3	Driving truck	
Cook	1	Beverages	
Labours	28		
Total	**50**		

11.0 QUALITY CONTROL

Any food processed for human being consumption is subjected to pass through several steps for examination before it reaches consumer’s mouth. There shall be a quality controller with qualification to charge of examining before the food is taken TBS since it mandatory to the laws and regulation of the state.

12.0 BENEFITS-ECONOMIC DEVELOPMENT

The multiplier effect of incomes flowing to many households will raise living standards generally and spur economic development in Kigamboni and through trade with other regions will cause transfer of economic benefits to other areas.

13.0 ENVIRONMENTAL IMPACT

Bye-product wastes are capable of being recycled to produce other useful substances like animal food. The final waste shall be buried deep back in areas where mining is over to keep the environment clean. The project shall therefore be environmentally friendly.

14.0 ENVIRONMENTAL CERTIFICATE

The Environmental Impact Assessment report has been submitted to the National Environment Management Council (NEMC) and the Certificate finally has been issued.