

Project Report

Establishing a Plastic Injection Molding Manufacturing Facility for

Complast Africa Limited

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Executive Summary:

Complast Africa Limited, a reputable company incorporated in Dar-es-Salaam, Tanzania, is poised to further its presence and influence in the plastic manufacturing and trading sector. This comprehensive project report delineates the ambitious plan to establish a cutting-edge plastic injection molding manufacturing facility, strategically targeting the general market and packaging industry. The primary focus of this project is to elevate the standards of product quality, augment production capacity, and reinforce market competitiveness to solidify Complast Africa Limited's position as a leader in the industry.

1.1 Introduction:

Complast Africa Limited, a well-established entity, has been at the forefront of plastic trading in Kenya for the past more than 20 years. In line with its unwavering vision to provide an extensive range of plastic products, the company has resolved to venture into plastic manufacturing, a strategic move towards achieving vertical integration and elevating customer satisfaction in Tanzania. The proposed plastic injection molding facility will serve as a testament to Complast Africa Limited's commitment to excellence and innovation in meeting the dynamic demands of the Tanzanian market.

1.2 Project Description:

The project entails the establishment of a state-of-the-art plastic injection molding manufacturing facility that will proficiently produce a diverse array of top-tier plastic products, encompassing but not limited to containers, bottles, bags, and essential household items. Through meticulous planning and resource allocation, the facility will be designed to optimize production processes and uphold uncompromising quality standards.

1.3 Project Location:

Complast Africa Limited has strategically chosen Dar-es-Salaam, Tanzania, as the ideal location for the manufacturing facility. The selection is premised on its advantageous proximity to raw material sources, robust transportation infrastructure, and facilitation of efficient distribution channels to SADC market.

1.4 Business Management:

With a proven track record of successful operations, Complast Africa Limited will harness the expertise of its seasoned managerial staff to oversee the seamless execution of the project. Additionally, the company will recruit highly skilled personnel to complement the team, ensuring optimal proficiency in the manufacturing processes.

1.5 Project Mission Statement:

The project's overarching mission is to establish an unparalleled plastic injection moulding manufacturing facility, focused on delivering high-quality products that exceed customer

expectations. By aligning with international standards of excellence, the project aims to foster economic growth and contribute to Tanzania's industrial development.

1.6 Strategic Goals:

- i) **Industry Leadership:** Complast Africa Limited aspires to attain a leadership position in the Tanzanian plastic manufacturing sector, setting the benchmark for innovation and customercentric practices.
- ii) **Product Excellence:** The project endeavors to produce top-notch plastic products that adhere to stringent quality standards and cater to diverse customer needs.
- iii) **Sustainable Growth:** Emphasizing long-term growth, the project is committed to sustaining profitability, social responsibility, and environmental stewardship.

1.7 Strategic Objectives:

- i) **Sophisticated Infrastructure:** By investing in advanced machinery and equipment, the project aims to establish a technologically advanced facility capable of delivering high-quality products with optimal efficiency.
- ii) **Enhanced Production Capacity:** Complast Africa Limited aims to augment its production capacity significantly, aligning with market demands and catering to diverse customer requirements.
- iii) **Quality Assurance:** The project will implement robust quality control measures, ensuring each product adheres to the highest standards, thereby bolstering customer confidence and brand loyalty.

2.1 Marketing Plan and Competition:

Complast Africa Limited's strategic marketing plan focuses on comprehensive industry analysis, market research, and competitive analysis. By understanding market dynamics, identifying opportunities, and optimizing pricing and promotion strategies, the company aims to gain a competitive edge and expand its market share.

2.2 Industrial Analysis:

Complast Africa Limited, a prominent plastic manufacturing company in Tanzania, operates within the broader plastics industry. The industrial analysis of Complast Africa Limited takes into account the current state of the plastics sector in Tanzania, including key trends, opportunities, and challenges.

a. Market Size and Growth:

The plastics industry in Tanzania has experienced significant growth over the years, fueled by increasing demand from various sectors such as packaging, construction, automotive, and

consumer goods. The market size has expanded substantially due to the country's growing economy and the rise in industrial and commercial activities.

b. Demand for Plastic Products:

The demand for plastic products in Tanzania remains strong, driven by the country's population growth, urbanization, and the expanding middle-class segment. Plastic packaging, in particular, is witnessing significant demand due to its cost-effectiveness and versatility.

c. Technological Advancements:

The plastics industry has benefited from technological advancements in manufacturing processes, including injection moulding, extrusion, and blow moulding. Complast Africa Limited's focus on establishing a modern plastic injection moulding facility aligns well with the industry's technological advancements.

d. Sustainability and Environmental Concerns:

Tanzania, like many other countries, is increasingly focusing on sustainability and environmental issues. As a result, there is growing interest in eco-friendly and biodegradable plastics. Complast Africa Limited may consider exploring opportunities in this segment to align with global sustainability trends.

e. Competition:

The plastics manufacturing industry in Tanzania is competitive, with several players vying for market share. Complast Africa Limited competes with both domestic and international manufacturers, necessitating a strong marketing strategy and a commitment to product quality.

f. Government Policies and Regulations:

The plastics industry in Tanzania is subject to various government regulations, including environmental regulations, import/export policies, and safety standards. Complast Africa Limited must ensure compliance with all relevant regulations to maintain smooth operations.

2.3 Marketing Analysis:

Complast Africa Limited's marketing analysis examines the company's market position, target customer segments, marketing strategies, and opportunities for growth.

a. Market Position:

Complast Africa Limited has already established itself as a prominent player in the plastic trading industry in Tanzania. With its decision to venture into plastic manufacturing through a state-of-the-art injection moulding facility, the company aims to bolster its market position further.

b. Target Customer Segments:

The company's target customer segments include various industries such as packaging, FMCG (Fast-Moving Consumer Goods), construction, and automotive. Complast Africa Limited aims to cater to the general market and the packaging industry with its diverse range of plastic products.

c. Marketing Strategies:

Complast Africa Limited's marketing strategies encompass a comprehensive approach to increase brand visibility and attract new customers. The company plans to leverage digital

marketing channels, participate in industry trade shows, engage in B2B (Business-to-Business) partnerships, and offer top-notch customer service.

d. Product Quality and Innovation:

To gain a competitive edge, Complast Africa Limited emphasizes product quality and innovation. The establishment of a modern plastic injection moulding facility will enable the company to produce high-quality plastic products that meet customer specifications.

e. Market Expansion:

The company has opportunities for market expansion both domestically and internationally. Complast Africa Limited can explore exporting its plastic products to neighboring countries and beyond, capitalizing on regional and global demand.

f. Customer Relationships:

Building strong customer relationships is vital for long-term success. Complast Africa Limited aims to foster lasting partnerships with its clients through personalized services, timely deliveries, and efficient after-sales support.

Conclusion:

Complast Africa Limited operates in a dynamic and competitive plastics industry in Tanzania. The company's decision to venture into plastic manufacturing through a state-of-the-art injection moulding facility positions it for further growth and success. By focusing on product quality, customer relationships, marketing strategies, and market expansion, Complast Africa Limited is well-poised to seize opportunities and navigate challenges in the ever-evolving plastics market in Tanzania and beyond.

2.4 Competitive Analysis:

Complast Africa Limited operates in the highly competitive plastic manufacturing industry in Tanzania, focusing on meeting general plastic needs and catering primarily to plastic molded crates and furniture, including plastic packaging solutions. The competitive analysis takes into account key competitors, their strengths and weaknesses, market share, and potential opportunities for Complast Africa Limited to gain a competitive advantage.

Key Competitors:

Cello Industries Ltd: A well-established plastic manufacturing company with a diverse product range, including crates, containers, and furniture. They have a strong presence in the Tanzanian market and are known for their reliability and quality products.

Silafrica Tanzania Limited: While primarily known for producing plastic bottles for the beverage industry, Silafrica Tanzania Company also manufactures crates and packaging solutions. They have a wide distribution network, giving them an advantage in reaching customers across the country.

Jumbo Plastics Ltd: A reputable player in the plastic manufacturing industry, Jumbo Plastics Ltd offers a variety of plastic products, including crates and furniture. They are known for their competitive pricing and flexibility in meeting customer demands.

Strengths of Competitors:

Established Market Presence: Some competitors have been operating in the industry for a long time and have a well-established market presence and customer base.

Diverse Product Range: Competitors offer a wide range of plastic products, catering to various industries and customer needs.

Strong Distribution Network: Established competitors often have a strong distribution network, enabling them to reach customers efficiently.

Cost-Effective Solutions: Some competitors may offer cost-effective solutions due to economies of scale and efficient production processes.

Weaknesses of Competitors:

Limited Focus on Plastic Packaging: Some competitors may have a more limited focus on plastic packaging, giving Complast Africa Limited an opportunity to excel in this specific market segment.

Product Innovation: Some competitors may lack innovation in their product offerings, providing an opportunity for Complast Africa Limited to introduce innovative designs and features.

Customer Service: There may be opportunities for Complast Africa Limited to differentiate itself through exceptional customer service and personalized solutions.

Market Share and Opportunities:

While specific market share data may not be readily available, Complast Africa Limited can capitalize on the following opportunities to gain a competitive edge:

Specialization in Plastic Packaging: By focusing primarily on plastic molded crates and furniture for packaging solutions, Complast Africa Limited can become a specialized provider in this segment, catering to the specific needs of businesses and industries that require efficient and durable packaging solutions.

Product Quality and Customization: By emphasizing superior product quality, innovative designs, and customization options, Complast Africa Limited can attract customers looking for unique and reliable plastic products. Complast Africa is known for state of art branding technologies be it Screen Printing, In-Mold Labeling, UV laser, Laser Engraving, Dry offset and Heat Transfer.

Expanding Distribution Network: Investing in an extensive distribution network and strengthening ties with wholesalers, retailers, and distributors will enable Complast Africa Limited to reach a broader customer base.

Export Opportunities: Complast Africa Limited can explore export opportunities to neighboring countries and international markets where there is a demand for plastic packaging solutions.

Sustainable and Eco-Friendly Products: Given the growing emphasis on sustainability, Complast Africa Limited can explore opportunities to produce eco-friendly and recyclable plastic products to appeal to environmentally-conscious customers.

Conclusion:

Complast Africa Limited operates in a competitive landscape with well-established players in the plastic manufacturing industry in Tanzania. By leveraging its specialization in plastic packaging solutions, focusing on product quality and customization, and exploring opportunities for market expansion and sustainability, the company can carve a niche for itself and gain a competitive advantage in the dynamic and ever-evolving plastic market. A customer-centric approach and innovation will be essential to differentiate Complast Africa Limited and drive its success in the highly competitive industry.

2.5 Overall Strategy:

Complast Africa Limited, a plastic manufacturing company based in Tanzania, is strategically positioned in a market open to the Southern African Development Community (SADC). With access to 16 countries in Africa, the company has a tremendous opportunity for regional expansion and exporting. To maximize its growth potential and achieve long-term success, Complast Africa Limited should adopt a comprehensive overall strategy encompassing various key elements.

a. Market Penetration:

Complast Africa Limited should focus on strengthening its market presence in Tanzania by capturing a larger share of the domestic plastic manufacturing market. By expanding its customer base and increasing sales in the country, the company can establish a solid foundation for regional growth.

b. Product Diversification:

To cater to the diverse needs of customers in Tanzania and the SADC region, Complast Africa Limited should consider expanding its product portfolio. This could include introducing new plastic products for various industries such as agriculture, construction, automotive, and healthcare.

c. Regional Expansion:

Leveraging Tanzania's strategic location, Complast Africa Limited should embark on a wellplanned regional expansion strategy. By targeting neighboring countries within the SADC region, the company can tap into new markets with a high demand for plastic products.

d. Export Readiness:

As Complast Africa Limited intends to export to multiple countries in Africa, it should ensure it is export-ready. This involves complying with international standards, securing necessary certifications, and understanding trade regulations in target countries.

e. Market Research and Entry Strategies:

Incorporating thorough market research, Complast Africa Limited should identify promising markets within the SADC region with high demand for its products. Tailored market entry strategies should be developed for each target country to effectively navigate cultural, legal, and logistical challenges.

f. Supply Chain and Logistics Optimization:

To successfully export to multiple countries, Complast Africa Limited must optimize its supply chain and logistics. This involves establishing efficient distribution networks, coordinating shipping and freight, and ensuring timely delivery of products to customers.

h. Quality Assurance and Innovation:

Complast Africa Limited's overall strategy should prioritize maintaining high product quality and continuous innovation. Consistently delivering superior products will help the company build a strong reputation, attract repeat business, and compete effectively in the international market.

i. Branding and Marketing:

Investing in branding and marketing efforts is crucial for building brand awareness and establishing Complast Africa Limited as a reliable and reputable supplier of plastic products. Digital marketing, participation in industry events, and targeted advertising should be part of the overall marketing strategy.

j. Sustainable Practices:

Given the increasing focus on sustainability and environmental responsibility, Complast Africa Limited should incorporate sustainable practices into its operations. Utilizing eco-friendly materials, implementing recycling initiatives, and promoting sustainability will appeal to conscious consumers and enhance the company's reputation.

k. Partnerships and Alliances:

Collaborating with local distributors, agents, and partners within the SADC region can facilitate market entry and help Complast Africa Limited navigate local business practices and regulations.

Conclusion:

Complast Africa Limited's overall strategy should revolve around market penetration, regional expansion, export readiness, quality assurance, and sustainable practices. By capitalizing on Tanzania's position within the SADC region and pursuing a customer-centric approach, the company can seize the significant opportunity to export its plastic products to 16 countries in Africa. An integrated and well-executed overall strategy will enable Complast Africa Limited to establish itself as a leading player in the regional plastic manufacturing market and achieve sustained growth and success in the long run.

2.6 Pricing Strategy:

Complast Africa Limited, as a plastic manufacturing company catering to the plastic packaging and general market in Tanzania, will adopt a well-thought-out pricing strategy to effectively position its products, maintain profitability, and sustain a competitive edge. The pricing strategy will align with the company's focus on quality and reliability while incorporating elements of New Product Introductions (NPI) and Political Pricing.

a. Value-Based Pricing:

Complast Africa Limited will consider implementing a value-based pricing strategy. This approach involves setting prices based on the perceived value of its products to customers. The company will conduct market research and understand the needs and preferences of its target customers to determine the value they place on its plastic packaging and general products.

b. Premium Pricing for Quality Products:

Given the company's emphasis on quality and reliability, Complast Africa Limited shall consider adopting a premium pricing strategy for its premium-grade plastic products. Customers who prioritize durability, performance, and consistent quality are willing to pay a higher price for products that meet their expectations.

c. Competitive Pricing for General Market:

For the general market segment, where price sensitivity might be higher, Complast Africa Limited shall employ a competitive pricing strategy. By offering competitive prices without compromising on quality, the company shall attract price-conscious customers and gain a larger market share.

d. Skimming Strategy for New Product Introductions:

When introducing new and innovative plastic products, Complast Africa Limited will use a skimming pricing strategy. This involves initially setting higher prices to capitalize on early adopters and customers who value the latest innovations. As the product gains wider acceptance and the market matures, the company will gradually lower prices to attract more price-sensitive customers.

e. Political Pricing in Export Markets:

For export markets within the SADC region, Complast Africa Limited will utilize political pricing. This strategy involves adjusting prices to align with specific market conditions, economic factors, and political considerations in each country. Flexibility in pricing will allow the company to respond to local regulations, tariffs, and competitive dynamics.

f. Bundle Pricing and Discounts:

Complast Africa Limited will consider bundle pricing and offering discounts for bulk purchases. Bundling related plastic products together at a slightly discounted price will encourage customers to purchase more items at once, increasing overall sales.

g. Transparent Pricing Communication:

Transparency in pricing communication is essential. Complast Africa Limited will clearly communicate the pricing rationale to customers, emphasizing the value they receive from the products. Transparent pricing builds trust and reinforces the company's commitment to customer satisfaction.

h. Dynamic Pricing:

In rapidly changing markets, Complast Africa Limited will explore dynamic pricing strategies, where prices are adjusted in real-time based on demand, supply, and market conditions. Dynamic pricing will be implemented for online sales and during promotional events.

Conclusion:

Complast Africa Limited's pricing strategy will be multifaceted, considering value-based pricing, premium pricing for quality products, competitive pricing for the general market, and skimming pricing for new product introductions. The company will also be adaptive, employing political pricing for export markets and exploring dynamic pricing when applicable. Through a well-balanced and flexible pricing approach, Complast Africa Limited will effectively position itself in the plastic manufacturing industry in Tanzania and within the SADC region, ensuring sustained growth and success while meeting customer expectations and staying ahead of the competition.

2.7 Promotion Strategy:

Complast Africa Limited, as a plastic manufacturing company catering to the general market and plastic packaging sector in Tanzania, will implement a comprehensive promotion strategy to increase brand awareness, attract new customers, and strengthen customer loyalty. The

promotion strategy will focus on effectively communicating the company's unique selling points, emphasizing quality, reliability, and the wide range of plastic products available.

a. Branding and Identity:

Develop a strong and distinctive brand identity that reflects the company's values, mission, and commitment to quality. Use consistent branding elements across all marketing materials, including the company logo, colors, and messaging.

b. Digital Marketing:

Leverage digital platforms to reach a wider audience. Invest in a user-friendly website that showcases the product range, specifications, and benefits. Engage in search engine optimization (SEO) to improve online visibility and rankings. Utilize social media channels to engage with customers, share product updates, and run targeted advertising campaigns.

c. Content Marketing:

Create valuable and informative content related to plastic products, packaging solutions, and industry trends. Publish blog posts, articles, and educational videos that showcase the company's expertise and help customers make informed decisions.

d. Trade Shows and Events:

Participate in relevant trade shows, industry exhibitions, and networking events. These events offer opportunities to showcase products, meet potential customers, and connect with industry stakeholders.

e. Promotional Offers and Incentives:

Run periodic promotional offers, discounts, or incentives to attract new customers and encourage repeat business. Limited-time offers and loyalty programs can create a sense of urgency and foster customer loyalty.

f. Testimonials and Reviews:

Highlight positive customer testimonials and reviews on the company's website and social media platforms. Positive feedback builds trust and credibility among potential customers.

g. Sponsorships and Partnerships:

Consider sponsoring events, local community initiatives, or partnering with relevant organizations to enhance the company's visibility and demonstrate its commitment to social responsibility.

h. Packaging Design and Branding:

Ensure that the packaging of Complast Africa Limited's products is visually appealing and communicates the brand identity effectively. Well-designed packaging can act as a promotional tool and leave a lasting impression on customers.

2.8 Distribution Strategy:

Complast Africa Limited's distribution strategy will be designed to efficiently deliver products to customers while optimizing costs and ensuring customer satisfaction. Here are some essential aspects of the distribution strategy:

a. Regional Warehousing and Distribution Centers:

Establish strategically located regional warehousing and distribution centers to facilitate timely deliveries to customers in different areas of Tanzania and the SADC region. This will reduce transportation costs and lead times.

b. Distribution Partnerships:

Collaborate with reliable distributors and wholesalers within Tanzania and other SADC countries. Building strong partnerships with distribution partners can extend the company's reach to a wider customer base.

c. Online Sales and E-commerce:

Invest in an e-commerce platform to enable direct online sales. This will allow customers to conveniently browse and purchase Complast Africa Limited's products, irrespective of their location.

d. Export Logistics:

For exports to other SADC countries, implement efficient export logistics, including managing customs documentation and complying with international trade regulations.

e. Transportation Efficiency:

Optimize transportation routes and modes to ensure timely and cost-effective delivery of products. Consider using reliable logistics providers to streamline the distribution process.

f. After-Sales Service:

Offer excellent after-sales support and customer service to address any inquiries, issues, or concerns. Satisfied customers are more likely to become repeat buyers and recommend the company to others.

Conclusion:

Complast Africa Limited's promotion strategy will focus on creating a strong brand identity, utilizing digital marketing, and engaging with customers through content marketing. The distribution strategy will prioritize efficient regional warehousing, distribution partnerships, and seamless export logistics. By implementing effective promotion and distribution strategies, the company can build a strong market presence, attract a loyal customer base, and successfully cater to both the general market and plastic packaging sector in Tanzania and the broader SADC region.

3. SWOT Analysis:

SWOT analysis is a valuable tool for assessing the internal strengths and weaknesses and external opportunities and threats of a company. Here's a SWOT analysis for Complast Africa Limited, a plastic manufacturing company incorporated in Tanzania, where competitors like Silafrica, Jumbo Plastics, and Cello are present:

Strengths:

Wide Product Range: Complast Africa Limited plans to offer a diverse range of plastic products, including packaging solutions and general plastic items. This broad product portfolio will allow the company to cater to various industries and customer segments.

Quality and Reliability: The company's focus on providing high-quality and reliable plastic products will build a strong reputation for its brand among customers.

Strategic Location: Being based in Dar - es- Salaam, Tanzania, Complast Africa Limited will have access to the fast-growing Southern African Development Community (SADC) market, which presents a great opportunity for regional expansion.

Experienced Management Team: The company is led by a competent and experienced management team that possesses a deep understanding of the plastic manufacturing industry and the local market dynamics with a total of 80 plus years of experience in the plastic industry.

Innovative Technology: Complast Africa Limited is investing in modern technology and machinery, allowing for efficient production processes and staying competitive in the market.

Weaknesses:

Limited Market Share: Compared to established competitors like Silafrica, Jumbo Plastics, and Cello, Complast Africa Limited may currently hold a smaller market share, which could affect its bargaining power with suppliers and distributors.

Brand Awareness: The company might have lower brand awareness compared to its well-established competitors, making it challenging to attract new customers.

Opportunities:

Growing Market: The increasing demand for plastic products in Tanzania and the SADC region presents a significant growth opportunity for Complast Africa Limited.

Export Potential: With access to the SADC market, the company has the opportunity to export its plastic products to multiple countries within the region, expanding its customer base and revenue streams.

Sustainable Packaging: There is a rising trend in demand for eco-friendly and sustainable packaging solutions. Complast Africa Limited plans to capitalize on this opportunity by offering environmentally friendly products.

Diversification: The company plans to explore diversifying its product offerings by introducing new plastic products that cater to emerging market needs.

Threats:

Intense Competition: The presence of well-established competitors like Silafrica, Jumbo Plastics, and Cello may pose a challenge for Complast Africa Limited to gain a significant market share.

Raw Material Prices: Fluctuations in the prices of raw materials, such as plastic resins, can impact the company's production costs and profit margins.

Regulatory Challenges: Changing regulations and compliance requirements in the plastic industry can pose challenges for Complast Africa Limited's operations.

Economic Factors: Economic uncertainties, inflation, and currency fluctuations in Tanzania and the SADC region could affect consumer spending and overall demand for plastic products.

Conclusion:

Complast Africa Limited's SWOT analysis highlights its strengths in product range, quality, strategic location, experienced management, and innovative technology. The company is aware of its weaknesses in market share and brand awareness and therefore, is taking all necessary steps to capitalize on its strengths and experience from the Kenyan Market. By capitalizing on opportunities such as the growing market, export potential, sustainable packaging, and diversification, and mitigating threats like intense competition and economic factors, Complast Africa Limited plans to position itself for growth, profitability, and increased market presence in the highly competitive plastic manufacturing industry in Tanzania.

4.0. Project Risks and Risk Management:

a. Market Demand Risk:

Risk Description: Fluctuations in market demand for plastic products could impact sales and revenue projections, especially if there is a sudden decline in demand or changes in customer preferences.

Risk Management and Mitigation Plan: Conduct thorough market research to assess the demand for specific plastic products. Diversify the product range to cater to various industries and customer segments, reducing reliance on a single market. Monitor market trends and maintain close communication with customers to anticipate changes in demand and adjust production accordingly.

b. Raw Material Price Volatility:

Risk Description: The prices of plastic resins and other raw materials used in the manufacturing process can fluctuate, affecting production costs and profitability.

Risk Management and Mitigation Plan: Establish strategic supplier partnerships and negotiate long-term contracts to stabilize raw material prices. Implement inventory management practices to store materials during periods of lower prices. Hedge against price fluctuations when feasible.

c. Technology and Machinery Risks:

Risk Description: Technical glitches, machine breakdowns, or inadequacy of equipment could lead to production delays and increased maintenance costs.

Risk Management and Mitigation Plan: Invest in modern and reliable machinery. Schedule regular maintenance and train staff in equipment operation and maintenance. Have backup machines available for critical processes to minimize downtime.

d. Financial Risks:

Risk Description: Insufficient capital, cash flow issues, or unforeseen expenses could impact the company's financial stability.

Risk Management and Mitigation Plan: Conduct a comprehensive financial analysis and secure adequate funding to cover project expenses. Implement strict financial controls and contingency plans for managing cash flow fluctuations. Maintain a healthy reserve fund to handle unforeseen expenses.

e. Regulatory and Compliance Risks:

Risk Description: Changes in government regulations, environmental standards, or compliance requirements could affect operations and product legality.

Risk Management and Mitigation Plan: Stay updated on relevant regulations and ensure strict adherence to environmental standards and legal requirements. Maintain transparent communication with regulatory authorities and invest in a robust compliance management system.

f. Competition Risk:

Risk Description: Intense competition from existing plastic manufacturing companies in the region could limit market penetration and growth opportunities.

Risk Management and Mitigation Plan: Develop a unique value proposition and focus on quality, reliability, and customer satisfaction. Implement effective marketing and branding strategies to differentiate from competitors. Continuously monitor the competitive landscape and adjust business strategies accordingly.

g. Labor and Workforce Risks:

Risk Description: Shortages of skilled labor or workforce disruptions could impact production schedules and efficiency.

Risk Management and Mitigation Plan: Invest in employee training and development to build a skilled workforce. Implement safety protocols and maintain a positive work environment to reduce employee turnover. Have a contingency plan for workforce shortages, such as outsourcing or temporary staffing. h. Export Risks:

Risk Description: Expanding into export markets may involve currency exchange risks, geopolitical uncertainties, and challenges in navigating foreign regulations.

Risk Management and Mitigation Plan: Conduct thorough market research and assess export market opportunities and risks. Use appropriate hedging strategies to mitigate currency risks. Seek professional advice on international trade and compliance. Establish strong relationships with trusted partners and agents in target export markets.

Conclusion:

Complast Africa Limited should proactively identify and assess potential project risks while implementing risk management strategies to safeguard its plastic manufacturing venture in Dar-es-Salaam, Tanzania. By being prepared to handle uncertainties and challenges, the company can ensure a smoother project execution, maintain profitability, and achieve long-term success in the highly competitive plastic manufacturing industry. Regularly review and update the risk management plan as the business evolves and market conditions change.

5.0. Financial Plan:

The financial plan outlines the budget for the project, sources of funds, and comprehensive financial analysis, including Net Present Value (NPV), Internal Rate of Return (IRR), Cost Benefit Ratio (B/C Ratio), and Payback Period (PBP). The financial viability of the project affirms its potential for substantial returns on investment and long-term profitability.

Conclusion:

The establishment of a cutting-edge plastic injection moulding manufacturing facility by Complast Africa Limited in Dar-es-Salaam, Tanzania, symbolizes the company's resolute commitment to excellence, innovation, and market leadership. With a keen focus on quality, capacity, and customer satisfaction, the project is poised to make significant contributions to Tanzania's industrial landscape, elevate economic growth, and carve a lasting legacy in the plastic manufacturing and trading sector.

5.1. Budget of the Project

Injection Molding Machine (7) & Moulds	1,500,000
Other utilities / infrastructures etc	800,000
Working capital - RM -2 months	888,000
Working capital -SFG&FG- 1.5 months	1,332,000
Deposits/ Upliftment of factory/ Approvals/Licences/Permits	150,000
Vehicles (3 cars + 3 trucks)	200,000
Office setup / Computer / Extinguisher etc	100,000
Pre-operation Expenses	296,010
Total project cost	5,266,010
VAT @ 18% of Machinery / RM	519,840

Total project cost including VAT	5,785,850
Project contingency	441,958
Total project cost in USD	6,227,808

5.2. Sources of fund

The project will be financed by Shareholder Equity and acquiring a loan from Bank. Directors are ready to use the company assets and personal assets as collateral to access the finances for this project.

5.3 The financial analysis

The financial analysis is shown in the cash flow statement and the income statement (the statement of profit or loss and other comprehensive income).

5.3 Project worthiness and sensitivity

The financial and economic feasibility of the project is evaluated by using its Net Present Value (NPV), the Internal Rate of Return (IRR) and Pay Back Period.

5.3.1 Net Present Value (NPV) At the discount rate of 10% (USD), the net present value of the project is USD 1,649,321. Since this value is positive, it entails that the business is financially and economically profitable and viable as shown in Appendix 1. The positive NPV signifies the net benefit over and above the compensation for

5.3.2 The Internal Rate of Return (IRR) The IRR has two possible economic interpretations, it represents the rate of return on the unrecovered investment balance in the project and also IRR is the rate of return earned on the initial investment made in the project. From this project, the IRR is 20%, where the common interest rate is 10%. This IRR is greater than the interest rate which implies that it is worth investing in this project because the return on investment and profit of the business is higher than the Bank interest rate. This also shows this project is viable (Appendix 1).

5.3.3 Pay Back Period (PBP) This is a non-discounted measure of project worthiness. PBP is the length of time required to recover the initial cash outlay on the project. From this project, the discounted payback period is 3.6 years. According to the PBP criterion, the shorter the Payback Period, the more desirable the project, so by having 3.3 years payback period, this project is more desirable.

APPENDIX 1: CASH FLOW STATEMENT

Cash flow statement	Jun-24	Jun-25	Jun-26	Jun-27	Jun-28
Profit before tax	(535,107)	594,822	1,686,937	2,065,849	2,270,943
Adjustment for:					
Depreciation and Amortization	240,000	186,500	385,225	305,304	242,159
Interest expense	96,533	92,803	186,258	162,820	127,058
	(198,573)	874,125	2,258,420	2,533,973	2,640,160
Movement in:					
Inventories	(115,798)	(999,240)	(820,391)	(177,968)	(68,821)
Trade and other receivables	(220,932)	(2,184,830)	(1,936,716)	(414,399)	(160,116)
Trade and other payables	173,696	1,259,923	1,054,789	228,816	88,484
	(163,033)	(1,924,147)	(1,702,318)	(363,551)	(140,452)
Tax paid	-	(178,447)	(506,081)	(619,755)	(681,283)
Interest paid	(96,533)	(92,803)	(186,258)	(162,820)	(127,058)
Net cash used in operating activities	(458,139)	(1,321,271)	(136,237)	1,387,847	1,691,367
Investing activities					
Purchase of PPE	(1,100,000)	-	(1,200,000)	-	-
Proceeds from disposal of PPE	-	-	-	-	-
Net cash used in investing activities	(1,100,000)	-	(1,200,000)	-	-
Financing activities					
Long -term debt drawdown/(repayment)	1,240,000	-	989,894	(430,873)	(466,635)
Working Capital Facility	400,000	1,795,258	446,416	(471,349)	73,053

Pre-stock facility drawdown/(repayment)	100,000	(54,076)	(45,924)	-	-
Net cash from financing activities	1,740,000	1,741,181	1,390,387	(902,221)	(393,582)
Increase in cash and cash equivalents	181,861	419,910	54,149	485,626	1,297,785
<i>Movement in cash and cash equivalents</i>					
At the start of the year		181,861	601,771	655,920	1,141,546
Increase	181,861	419,910	54,149	485,626	1,297,785
At the end of year	181,861	601,771	655,920	1,141,546	2,439,331

APPENDIX 2: INCOME & EXPENSE STATEMENT

Revenue	30-Jun-24	30-Jun-25	30-Jun-26	30-Jun-27	30-Jun-28
Sales					
General	672,000	3,103,200	4,331,606	4,870,182	5,357,200
Corporate - Crates	-	3,629,325	6,653,763	7,258,650	7,258,650
Corporate - Furnitures	-	585,000	2,223,000	2,340,000	2,340,000
Total sales	672,000	7,317,525	13,208,369	14,468,832	14,955,850
Cost of Sales					
Raw materials	436,800	4,756,391	8,585,440	9,404,741	9,721,303
Production overheads (USD)					
Salaries	162,000	388,800	388,800	388,800	388,800
Power	84,000	483,075	803,788	882,636	913,075
Diesel	6,000	14,400	14,625	15,099	15,619
Repairs & maintenance	8,400	92,115	160,758	176,527	182,615
Other production overheads	7,235	79,342	138,466	152,049	157,292
Total Production overheads	267,635	1,057,732	1,506,437	1,615,111	1,657,402

Total COGS	704,435	5,814,123	10,091,876	11,019,852	11,378,704
Administrative expenses					
Administrative expenses (USD)					
Rent	75,000	180,000	180,000	180,000	180,000
Salaries	21,650	51,960	51,960	51,960	51,960
Other administrative expenses	15,668	171,812	299,844	329,257	340,612
Total administrative expenses	112,318	403,772	531,804	561,217	572,572
Selling & distribution expenses					
Selling & distribution expenses (USD)					
Salaries	19,050	45,720	45,720	45,720	45,720
Fuel	2,615	6,556	9,645	10,592	10,957
Freight, travel, vehicle, and others	14,155	155,229	270,903	297,478	307,737
Total	35,820	207,505	326,269	353,790	364,414