

BEZALEL ART GLASS LIMITED

BUSINESS PLAN FOR TIC REGISTRATION OF A STAINED GLASS MANUFACTURING PROJECT

Bezalel Art Glass Limited

10/10/2023



OCTOBER 2023

A. EXECUTIVE SUMMARY

Bezalel Art Glass Limited is a company registered under the Laws of the United Republic of Tanzania and it is a local company with foreign ownership dealing with manufacturing of stained glass. It has been importing the glass from India but now it is taking a step toward setting a factory in Tanzania to make local production. The company has an authorized share capital of TShs. 100,000,000 (about USD 40,000) divided into 10,000 shares of TShs. 10,000 each.

The company has decided to establish a project of manufacturing stained glasses in Tanzania, targeting the Tanzanian and neighboring countries. Planned investment capital for this project is **USD 600,000**. The investment capital is from foreign equity (**50%**) and a local loan (**50%**). At full capacity this project will employ a total of 54 people, 4 of whom are foreign.

Through analyses conducted the promoters (shareholders) of the company have realized feasibility of this project. The market analysis conducted has revealed that the products will penetrate the markets and the company can establish its position in the market. The financial analysis has shown that the investment will pay-off as it has been predicted to make profits.

The objective of this business plan is to present the business idea so that the TIC can provide incentives and immunities to the project presented. The incentives will help this project to develop and since this is a financially, socially and fiscally rational project the management believes that it deserves the incentives.

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1.0 PREAMBLE

1.1 Company Details

BEZALEL ART GLASS LIMITED is a company registered under the Laws of the United Republic of Tanzania on 25th September 2023 and granted Certificate of Incorporation No. 168-822-723. For tax purposes the company is also registered and its TIN is 168-822-723. Bezalel is a subsidiary of Moyalan ceramics which is promoted by two partners Cyril Antony Moyalan and Jetto Thomas Moyalan who are associates in family business in India. Moyalan ceramics and Moyalan Ceramics is a professional studio in India that specializes in crafting original leaded Stained Glass for churches, Catholic institutions, and homes using different colored imported glasses. The studio focuses on quality and variety to manufacture unmatched products. The company was established in 1996 and has a team of 45-50 employees. They are ISO (9001-2008) certified and have a production facility spread over 12500 sq feet area. Moyalan Ceramics offers a range of products including Stained Glass, stone crafts, mosaic carpets, and decorative items. They are known for their Soul-inspiring panels that last for decades and centuries.

BEZALEL ART GLASS LIMITED has a wide range of activities that it can undertake but for this specific plan its focus is on manufacturing of stained glass within Tanzania.

So far Bezalel Art Glass Limited is a foreign company owned by Indians by 100%. The shareholders of the company are all foreign as detailed under **Table 1** where key details are given. The company's authorized share capital is TShs. 100,000,000,000 divided into 10,000 shares of TShs. 10,000 each. The value of the share capital is equivalent to about USD 40,000. All the authorized shares have been taken.

Table 1: Company Shareholding Details

Shareholder	Nationality	Shares Taken	Shareholding
Cyril Antony Moyalán	Indian	5,000	50.00%
Jetto Thomas Moyalán	Indian	5,000	50.00%
TOTALS		10,000	100%

The company is located on Plot No. 254 Block "A" in Pwani Region, Kisarawe District, Mloganzila area.

1.2 Company Background

This is a newly registered company in Tanzania. Its origin is in India where the promoters have had a family-owned company named Moyalán Ceramics. This company offers a wide range of products and services that cater to both aesthetic and functional needs. The products we offer are Stained Glass, Stained Glass skylight, Stained Glass partition glass, tiffany Stained Glass lamp shade, window glass, Stained Glass Mosaic art, and mosaic for walls, cathedral glass, church Stained Glass, Stained Glass dome and much more. Also the services include custom design, fabrication, installation, restoration and maintenance.



Registration of Bezalel Art Glass Limited in Tanzania and commencement of production of stained glass products here is meant to create supply of the product within Tanzania and for the African market.

1.3 Vision and Mission

❖ VISION

To be a leading player in the Stained Glass and ceramics industry, operating both domestically and globally supported by proven track records, true spirit, quality services and healthy growth potential. It is the company's aim to penetrate, consolidate and become a leading supplier in Stained Glass in the global market, through a continuous thought process leading to effective glass solutions.

❖ MISSION

Our mission is to contribute better quality product options through innovation and efforts by providing quality products and customer satisfaction.

2.0 PROJECT SYNOPSIS

Our Stained Glass manufacturing company is committed to producing exquisite Stained Glass products that seamlessly blend artistic craftsmanship and functional design. Stained Glass has a rich history as an art form and is renowned for its beauty and versatility. Our business aims to bring this timeless artistry to Africa, catering to a wide range of customers, from individuals seeking bespoke pieces to architectural firms and religious institutions looking for stunning Stained Glass installations.

Our core business involves the production, design, and distribution of Stained Glass products, which encompass a variety of artistic and functional aspects:

1. Artistic Excellence

- At the heart of our business is a passion for artistic excellence. We employ skilled artisans who specialize in the creation of intricate Stained Glass artworks. These artisans are trained in traditional Stained Glass techniques, including glass cutting, soldering, furnace firing and leading.
- Our Stained Glass pieces are not mere decorative items; they are expressions of artistry. We offer custom designs, allowing clients to collaborate with our artisans to bring their artistic visions to life.
- Our Stained Glass artworks can take the form of stand-alone art pieces, sky lights, domes, window panels, or integrated architectural elements, enhancing the aesthetic appeal of homes, buildings, and religious spaces.

Elegant Doorways

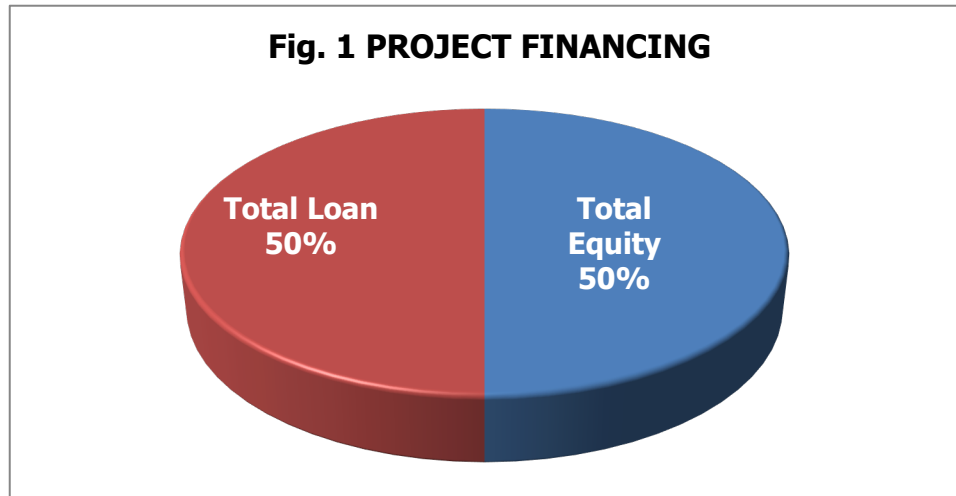


2. Functional Design

- While the artistic aspect is paramount, our Stained Glass products also serve practical functions.
- Stained Glass windows, for instance, provide natural light diffusion, adding a soft, ethereal ambiance to interior spaces. They can be used in residential homes, churches, mosques, synagogues, and other places of worship.
- Our Stained Glass windows are meticulously designed to incorporate both beauty and functionality. We consider factors such as insulation, privacy, and light diffusion in our designs.
- In addition to windows, our Stained Glass products can include doors, room dividers, lampshades, and other functional elements.

Our Stained Glass manufacturing company stands at the intersection of art and function, bringing the timeless beauty of Stained Glass to Africa. We are dedicated to preserving and evolving this traditional craft, creating breath taking Stained Glass pieces that elevate the aesthetic and functional aspects of architectural design and interior spaces.

This Project is located in Mloganzila, Kisarawe District in Pwani region. This project, as shown in ***figure 1*** will be financed by equity (50%) and loan (50%).



2.1 Investment Plan

The total investment for this project is USD 600,000 as detailed under **table 2** below. Of this amount, as shown by columns under investment breakdown, fixed capital is projected to be USD 525,000 while working capital is USD 75,000. As per the columns under investment schedule the investment will be about USD 100,000 a year for years 1 to 4, and USD 200,000 in the final year.

Table 2: Projected Investment Plan

INVESTMENT BREAKDOWN		INVESTMENT PLAN				
ITEMS	FINANCING IN USD	Y1	Y2	Y3	Y4	Y5
Land & Buildings	-					
Plant	400,000	50,000	50,000	50,000	50,000	200,000
Vehicles	104,000	10,000	20,000	40,000	34,000	
Furniture & Fittings	15,000	5,000	5,000	5,000		
Pre Expenses	6,000	5,000	1,000			
Others	-					
Working Capital	75,000	30,000	24,000	5,000	16,000	
TOTAL	600,000	100,000	100,000	100,000	100,000	200,000
FIXED CAPITAL	525,000					
WORKING CAPITAL	75,000					
CAPITAL ADDITIONS		100,000	100,000	100,000	100,000	200,000

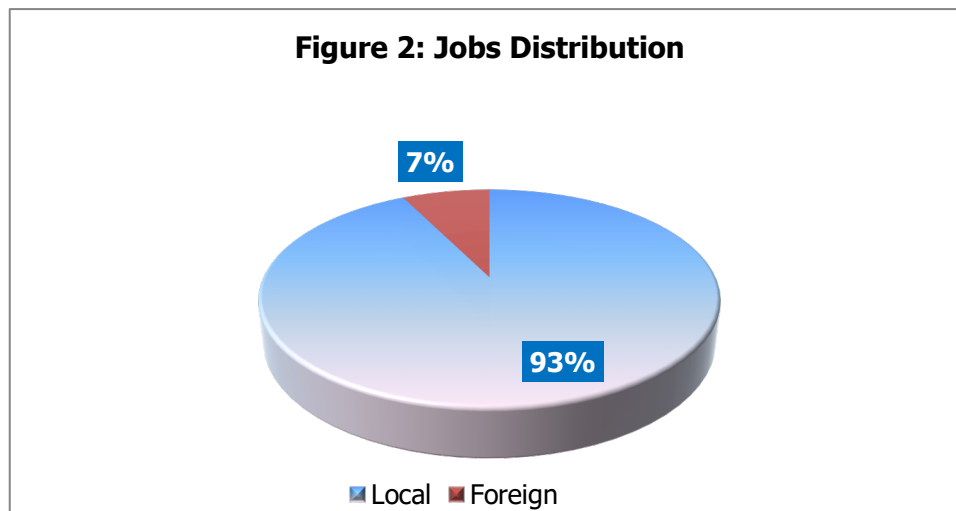
2.2 Manning Plan

At full capacity the project will directly employ a minimum of 54 people 50 of whom are locals and 4 foreigners. The foreigners are experts in the manufacturing of stained glass. They will build capacity for locals. **Table 3** provides summarized details on the number of direct employees to be engaged in this project. Besides the direct employment the project is expecting to produce at least 100 indirect jobs when at full capacity. **Annex 4** gives a detailed presentation of jobs distribution plan.

Table 3: Employment Plan

CATEGORY	MALE	FEMALE	TOTAL
Local	35	15	50
Foreign	3	1	4
TOTAL	38	16	54

Of all the direct employees of the project at full capacity, the project will hire 4 foreigners amounting to 7% while locals will amount to 93% as shown in **figure 2** below.



2.3 Supplies Plan

The company will import from India or China all the machineries that cannot be sourced within Tanzania. The imported machineries include the production lines for the different products that are going to be manufactured. Vehicles and lorries (including small lorries - Kirikou) will be sourced from India as well. As for the raw materials, these will be sourced from India, Tanzania or a neighboring country within the East African Community.

2.4 Production Plan

At full capacity the factory is estimated to be producing 40,000 square feet of stained glass which will be generating an annual turnover of USD 466,839. Production is project to grow over the years of operation of the project as shown on **table 4**.

Table 4: Production Projections

Details	Years				
	Y1	Y2	Y3	Y4	Y5
Stained Glass in sq ft.	26,000	30,000	35,000	38,000	40,000
Total Production	26,000	30,000	35,000	38,000	40,000

Sales Plan

Details	Years				
	Y1	Y2	Y3	Y4	Y5
Total Production in sq. ft.	26,000	30,000	35,000	38,000	40,000
Price per qs.ft.	11	11	11	11	12
Sales Revenue	279,240	328,966	391,854	434,375	466,839

2.5 Project Implementation Plan

The company expects to start production within the month of November 2023 and full capacity to be attained by 2028. The project's life is expected to be 5 years as shown on **figure 3**.

Figure 3: Implementation Schedule

No.	Activity	2023						2024	2025	2026	2027	2028
		Jun	Jul	Aug	Sep	Oct	Nov	Dec				
		1	Registrations									
2	Market Analysis											
3	Installation of Production Lines											
4	Staff Recruitment											
5	Operationalization of Production Line											
6	Promotion and Advertisement Campaigns											
7	Business Expansion Analyses											

3.0 MARKET ANALYSIS

This section reviews the market status for stained glasses in Tanzania and beyond. It covers the status-quo of the market, SWOC analysis, and PESTEL analysis as well as market strategy for the product.

3.1 Status-Quo of the Market

The market for Stained Glass products in Africa is a niche yet promising sector with the potential for growth. Stained Glass products are valued for their artistic and functional qualities, making them suitable for various applications, including residential, commercial, and religious spaces. To better understand this market, we have conducted a comprehensive market analysis.

According to the report, the Stained Glass market is projected to achieve a substantial size of USD 8.1 billion by 2030. The Asia-Pacific region is leading this market, commanding a share exceeding 41%, with North America and Europe following suit. The report also underscores that the burgeoning interior decor industry is a significant catalyst propelling the Stained Glass market's expansion. Furthermore, the market growth is amplified by the demand for customized solutions and building renovations.

Fig XX: Global Stained Glass Market Size & Forecast

Global Outlook

2020-2031



By Type

Plate Glass
Special Glass
Fused Glass
Cathedral Glass

By Application

Auto Industry
Chemical Industry
Consumer Goods
Construction

By Technique

Traditional
Contemporary

By Distribution Channel

Direct
Indirect

Source: Dataintelto Analysis

Email: sales@dataintelto.com

Website: dataintelto.com

3.2 Potential Demand

- Religious Institutions:** Africa is home to a diverse range of religious denominations, including Christianity, Islam, and various indigenous beliefs. Stained Glass windows and artworks are frequently used in religious architecture to enhance the aesthetic appeal of churches, mosques, and temples. This segment presents a consistent demand for Stained Glass products.
- Architectural and Interior Design Firms:** Architectural and interior design firms are increasingly incorporating Stained Glass elements into their projects to add a unique and artistic touch to buildings. There is a growing appreciation for the aesthetic and functional qualities of Stained Glass in the construction and design industry.
- Residential Market:** High-end residential properties and luxury homes often incorporate Stained Glass windows, doors, and other decorative elements to create a distinctive and visually appealing environment. As the real estate market in Africa grows, the demand for such premium features is likely to increase.
- Tourism and Hospitality:** Africa's tourism industry is expanding, and Stained Glass can be used in hotels, resorts, and historical sites to enhance the visitor experience and capture cultural and artistic heritage.
- Conservation and Restoration Services:**

Historical Preservation: Organizations and institutions require expert restoration services that preserve the historical and cultural significance of stained glass windows.

- Consulting Services: Customers seek knowledgeable consultants to assess, advise and guide stained glass conservation projects.

Competitor Analysis:

- Local Artisans and Studios: Local artisans and Stained Glass studios are the primary competitors in this market. They often cater to the demands of local religious institutions and residential clients. Their advantage lies in offering custom designs and a personal touch.
- Imported Stained Glass Products: Imported Stained Glass products from established international manufacturers are available in some African markets. These products cater to high-end clientele and are known for their quality and artistic value.
- Emerging Local Manufacturers: Some local companies are emerging as manufacturers of Stained Glass products, combining traditional craftsmanship with modern production techniques. They aim to bridge the gap between high-quality Stained Glass and affordability.

Market Trends:

- Customization: There is a growing trend toward customization, with clients seeking unique Stained Glass designs tailored to their specific needs and preferences.
- Sustainability: Sustainability is gaining importance, with clients and manufacturers alike focusing on eco-friendly materials and processes in Stained Glass production.
- Integration of Technology: Some manufacturers are incorporating technology, such as digital design and printing, into Stained Glass production to achieve precision and intricate detailing.

- **Artistic Innovation:** Stained Glass is evolving as an art form, with contemporary artists exploring innovative techniques and styles to create modern interpretations of this ancient craft.

3.3 PESTEL Analysis

This sub-section analyzes the environment in which our company will be operating by manufacturing stained glass.

ISSUE	AN OVERVIEW
Political	Political factors such as government regulations and policies, tax laws, and trade laws all influence the Stained Glass market. Government regulations and policies related to the glass production industry and its products, as well as the import and export of such products, may limit the potential for growth in the market. Additionally, the availability of subsidies, grants and other forms of financial assistance can have an impact on the market.
Economic	Economic factors such as GDP growth, inflation, and the cost of raw materials have an impact on the Stained Glass market. The cost of raw materials, such as glass, will influence the cost of production and, in turn, the cost of the finished product. Additionally, the level of disposable income among consumers in different markets can affect the demand for Stained Glass products.
Socio-cultural	Socio-cultural factors such as consumer preferences, lifestyle trends, and religious beliefs can influence the Stained Glass market. Different markets may have different preferences for certain types of Stained Glass, so producers must be aware of these cultural differences in order to better target their products. Additionally, religious beliefs may affect the type of glass used in Stained Glass products.
Technological	Technological advances in glass production techniques, such as the introduction of computer-aided design and automated cutting machines, can have a positive effect on the Stained Glass market. Additionally, technological advances in the areas of transportation, communication, and marketing can enable producers to better reach target markets and promote their products.
Environmental	Environmental factors such as resource availability, climate change, and waste management can also influence the Stained Glass market. The availability of resources such as glass, water, and energy can affect the cost of production and the cost of the final product.
Legal	Legal factors such as labor laws, consumer protection laws, and health and safety regulations can also impact the Stained Glass market. Labor laws may affect the cost of production, as well as the availability of skilled workers. Additionally, consumer protection laws and health and safety regulations can affect the production process and the marketing of the finished product.

The market for Stained Glass products in Africa holds significant potential, driven by demand from religious institutions, architectural firms, the residential market, and the growing tourism industry. While competition exists, there are opportunities for differentiation through customization, sustainability, and artistic innovation. As Africa continues to develop and diversify, the market for Stained Glass products is poised for growth, making it an attractive sector for investment and expansion.

3.4 SWOC Analysis

This sub-section covers the analysis of the overall manufacturing business in the country, and where necessary it covers the analysis for the specific product – stained glass.

INTERNAL STRENGTHS	INTERNAL WEAKNESSES
<ul style="list-style-type: none"> ➤ The promoters of the company have enough muscle to fund the project as their equity amounts to 50% of the financing. The company also can be lent funds from a local commercial bank to the tune of USD 300,000. As such the company's liquidity in respect of the production of these products is assured. ➤ The company also has got staffs that are experienced in the trade of manufacturing of stained glass. ➤ The management is well acquainted with the general Tanzanian market and specific ally with stained glass. ➤ The company is experienced in the Tanzanian market and has seasoned staff 	<ul style="list-style-type: none"> ➤ The project focuses only on stained glass and is not diversified.
ENVIRONMENTAL OPPORTUNITIES	ENVIRONMENTAL CHALLENGES
<ul style="list-style-type: none"> ➤ Integration of African nations reduces trade and transport hurdles and provides a wider market ➤ Tanzania provides incentives for investment projects ➤ Good business environment in Tanzania 	<ul style="list-style-type: none"> ➤ Competition from Chinese imported stained glass. ➤ Business procedures are somehow complicated in Tanzania.

➤ Tanzania imports much of its stained glass	
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From the SWOC analysis conducted of the company and of the operating environment the promoters are confident that the project will be a success. Following the analysis we have developed a market strategy for our products.

3.5 Marketing Strategy

Our Stained Glass manufacturing company distinguishes itself through a compelling Unique Selling Proposition (USP): ***'Stained Glass for the soul'***

Our USP revolves around the following key elements:

- Customization: We offer clients the opportunity to co-create bespoke Stained Glass designs. Our team of skilled artisans collaborates closely with customers to transform their artistic visions into unique, personalized Stained Glass pieces. This level of customization sets us apart in the market.
- Artistic Excellence: We prioritize artistry and craftsmanship. Each Stained Glass piece we create is a masterpiece, meticulously handcrafted by our skilled artisans. This dedication to artistic excellence ensures that our products stand out as not just functional elements but as works of art.
- Functional Aesthetics: We understand the importance of balancing aesthetics with functionality. Our Stained Glass designs are carefully crafted to serve practical purposes, such as light diffusion, insulation, and privacy, while enhancing the visual appeal of any space.
- Sustainability: Our commitment to environmentally responsible practices, including the use of responsibly sourced materials and recycling, aligns with the growing demand for sustainable and eco-friendly products.

Market Penetration Strategy:

- Segmentation: We identified specific market segments, including religious institutions, architectural and interior design firms, the residential market, and the tourism and hospitality sector.
- Customization: Our core strategy is to promote our customization capabilities.
- Artistic Showcase: This showcase will serve as a portfolio to demonstrate our capabilities to potential clients.
- Collaborations: We will collaborate with interior designers, architects, and artists to co-create unique Stained Glass installations. Such collaborations can enhance our visibility and credibility in the market.

Pricing Strategy:

Our pricing strategy will be a combination of value-based pricing and competitive pricing:

- Value-Based Pricing: For customized Stained Glass pieces, we will determine prices based on the complexity of the design, materials used, and the level of craftsmanship required. Clients will pay a premium for the unique artistry and functionality of their pieces.
- Competitive Pricing: For standardized Stained Glass products, such as smaller decorative items, we will offer competitive pricing to attract a broader customer base.

Distribution Strategy:

- Online Presence: We will establish a robust online presence through a professional website showcasing our portfolio, custom design tools, and a secure e-commerce platform for easy ordering.
- Direct Sales: For larger and customized projects, we will have a dedicated sales team to engage with clients directly, understand their requirements, and facilitate the creation and installation of Stained Glass pieces.

- Showrooms and galleries: partnership with art galleries and showrooms

The infrastructure requirements: Rented premises for minimum 3 years. Initially working space and production workshop of 200m² for 1 year and after 2nd year will be expanding to 450 m²

In conclusion, our business strategy revolves around our USP of artistic customization, artistic excellence, functionality, and sustainability. By targeting specific market segments, offering competitive pricing, and adopting a multi-channel distribution approach, we aim to establish Moyalan Ceramics as a prominent player in the Stained Glass industry, delivering unique masterpieces to clients across Africa.



4.0 FINANCIAL ANALYSIS

This section covers project financing and financial projections. Project financing includes source of funding and financing of items in the project. Financial projections, on the other hand, cover sales projections, income projections, projected retained earnings and projected cash flow.

4.1 Project Financing

4.1.1 Sources of Funding

The project will be financed by foreign equity (50%) amounting to **USD 300,000** and by a local loan (50%) which will total to **USD 300,000** as shown on **Table 5**.

Table 5: Project Financing

Details	Amount	Percentage
Local		
Equity	-	0.00%
Loan	300,000	50.00%
Sub-total	300,000	50.00%
Foreign		
Equity	300,000	50.00%
Loan	-	0.00%
Sub-total	300,000	50.00%
GRAND TOTAL	600,000	100.00%
Total Equity	300,000	50.00%
Total Loan	300,000	50.00%

4.1.2 Financing of Project Items

The invested capital of USD 600,000 will fund various items in the project. These include plant, vehicles and other items as shown on **Table 6** below.

Table 6: Financing of Items

ITEMS	FINANCING IN USD
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Land & Buildings (Leased)	-
Plant	400,000
Vehicles	104,000
Furniture & Fittings	15,000
Pre Expenses	6,000
Others	-
Working Capital	75,000
TOTAL	600,000
FIXED CAPITAL	525,000
WORKING CAPITAL	75,000

4.2 Financial Projections

4.2.1 Sales Projections

The company has projections of steadily growing sales over the first five years of operation of the project. **Table 7** below gives the details, including those of projected gross profit for the first five years.

Table 7: Gross Profit Projections

Details	Years				
	Y1	Y2	Y3	Y4	Y5
Stained Glass in sq ft.	26,000	30,000	35,000	38,000	40,000
Total Production	26,000	30,000	35,000	38,000	40,000

Sales Plan

Details	Years				
	Y1	Y2	Y3	Y4	Y5
Total Production in sq. ft.	26,000	30,000	35,000	38,000	40,000
Price per sq.ft.	11	11	11	11	12
Sales Revenue	279,240	328,966	391,854	434,375	466,839
Details	Years				
	Y1	Y2	Y3	Y4	Y5
Sales	279,240	328,966	391,854	434,375	466,839
Cost of Sales	28,200	29,400	30,720	32,172	33,769
Gross Profit/ (Loss)	251,040	299,566	361,134	402,203	433,070

The project promises to yield gross profit throughout the first five years of operation. In Year 1 the profit is expected to be the lowest as it is the year of investment – even in promotion campaigns - which implies much spending while

the products are relatively new in the market and thus sales are picking up the pace.

4.2.2 Income Projections

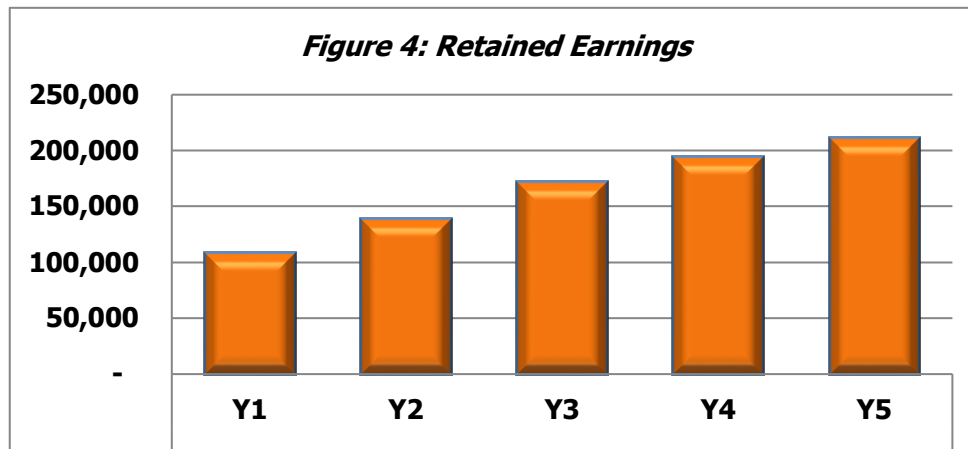
Through the first five years of operation the project is expected to be making profits. In year 1 the profits will be the lowest because of the heavy spending in investment in this year of operation and novelty of locally sourced/ manufactured stained glass. The projected profits are as shown on **Table 8** for the first five years.

Table 8: Projected Income Statement

Details	Years				
	Y1	Y2	Y3	Y4	Y5
Total Sales	279,240	328,966	391,854	434,375	466,839
Less: Cost of Sales	28,200	29,400	30,720	32,172	33,769
Gross Profit	251,040	299,566	361,134	402,203	433,070
Less: Operating Expenses	18,635	13,629	16,387	16,738	17,887
EBIT	232,405	285,937	344,747	385,466	415,183
Less: Loan Interest	39,000	39,000	39,000	39,000	39,000
EBT	193,405	246,937	305,747	346,466	376,183
Less :Taxes (30%)	58,022	74,081	91,724	103,940	112,855
Net Profit/(Loss)	135,384	172,856	214,023	242,526	263,328
Dividend (20%)	27,077	34,571	42,805	48,505	52,666
Retained Earnings	108,307	138,285	171,218	194,021	210,663

4.2.3 Projected Retained Earnings

Retained earnings projections show a positive trend for the project. This will give the company an edge in the market as it can re-adjust the price mix in order to keep more competitive. **Figure 4** gives the picture.



4.2.4 Projected Cash Flows

The project is a promising venture as projections show a positive cash flow as shown on **Table 9**. This is a muscle giving the company an edge in the market as cash flow implies liquidity which helps the project operate smoothly.

Table 9: Projected Cash Flow

Details	Years				
	Y1	Y2	Y3	Y4	Y5
Cash from Operations					
Profit Before Tax	200	246,937	305,747	346,466	376,183
Adjustment for Non-cash Items:					
Depreciation					
Change in Working Capital:					
Receivables (-ve)	- 45,000	- 45,000	- 43,000	- 38,000	- 17,000
Trade Payables and Accruals	10,000	13,000	15,000	19,000	23,000
Capital Additions	100,000	100,000	100,000	100,000	200,000
Total	65,000	68,000	72,000	81,000	206,000
	65,000	68,000	72,000	81,000	206,000

Tax Payments	58,022	74,081	91,724	103,940	112,855
Total Cash Inflow from Operating Activities	123,022	142,081	163,724	184,940	318,855
Cash from Investing Activities:		138,000	138,000		
Land Rent and development of Property	138,000			138,000	138,000
	30,000	30,000	30,000	30,000	30,000
Net Cash Outflow from Investing Activities	-	25,919	4,276	16,940	150,855
	44,978	-	-		
Cash from Financing Activities:					
Dividends		34,571	42,805		
	27,077			48,505	52,666
Change in Cash and Cash Equivalents	-	60,490	47,081	-	
	72,055			31,565	98,189

5.0 PROJECT RATIONALE

This project's rationale can be viewed in monetary, fiscal and social aspects. From the financial analysis conducted this project is worth a green light in the Tanzanian economy. Monetarily it will create income for supplier and distributor SMEs, fiscally it will pay taxes (both Income Tax and VAT on sales), and socially it will contribute to social development as detailed under subsequent items.

5.1 Monetary Rationale

The project is expected to incur a total of **USD 237,537** on production and operating expenses through its first five years of operation. This money will go to supplier SMEs and other companies that will be supplying raw materials to the plant. **Annex 1** gives the details.

5.2 Fiscal Rationale

Fiscally, should everything go as planned, the project projects to pay a total of **USD 820,876** as taxes to the government in its first five years of operation. Of this amount income tax is projected to be **USD 440,621** while VAT is projected to total to **USD 380,255**. The VAT projections are for the sales at the company's level only and will multiply as the products change hands. The same applies for the income tax. **Annex 1** gives the details.

5.3 Social Rationale

Socially the project will participate in various engagements as part of its CSR program. Over the first five years it is expected to incur a total amount of **USD 1,645** on CSR as shown on *Annex 1*. In addition, the project will directly employ a total of at least 50 locals. Other locals will enjoy indirect employment via the project. The indirect jobs will be for those supplying raw materials, and to service providers.

Economically manufacturing of stained glass within Tanzania will add to local production. The production will reduce national spending of foreign exchange on importation of the products.

6.0 CONCLUSION

This project aims to produce stained glass for buildings like churches, mosques, temples and residential houses. It is foreign-owned by 100%. The planned capital for this project is USD 600,000, 50% of which is foreign equity and 50% is a local loan secured from a local commercial bank.

From our assessment of our business idea we have come up with this business plan with confidence of success. This project is highly likely to be a success and it is rational socio-economically, fiscally and monetarily. If it gets a soft landing through TIC we look forward to a successful hybrid project.

7.0 ANNEXES

Annex 1: Project Rationale

Details	Years					TOTALS
	Y1	Y2	Y3	Y4	Y5	
Total Production Cost	28,200	29,400	30,720	32,172	33,769	154,261
Total Operating Expenses	18,635	13,629	16,387	16,738	17,887	83,275
Income Tax	58,022	74,081	91,724	103,940	112,855	440,621
VAT on Sales	55,848	65,793	78,371	86,875	93,368	380,255
Provision for CSR	217	277	342	388	421	1,645
TOTALS	160,921	183,180	217,544	240,112	258,300	1,060,058
SUMMARIES						
To the Government	113,870	139,874	170,095	190,815	206,223	820,876
To the Private Sector (SMEs)	46,835	43,029	47,107	48,910	51,656	237,537
To the Society (CSR)	217	277	342	388	421	1,645
TOTALS	160,921	183,180	217,544	240,112	258,300	1,060,058

Annex 2: Projected Operating Expenses \$USD

Details	Years				
	Y1	Y2	Y3	Y4	Y5
Marketing Expenses	1,000	300	300	300	300
Bank Charges	250	250	250	250	250
Insurance	500	500	500	500	500
Office Expenses	1,200	1,200	1,200	1,200	1,200
Permits and Licenses	3,500	200	200	1,200	200
Vehicle Expenses	3,600	3,600	3,600	3,600	3,600
Professionals Fees	2,000	-	1,500	-	1,500
Provision for Bad Debts	5,585	6,579	7,837	8,688	9,337
Miscellaneous Expenses	1,000	1,000	1,000	1,000	1,000
TOTAL OPERATING EXPENSES	18,635	13,629	16,387	16,738	17,887

Annex 4: Detailed Job Information

CATEGORIES	LOCAL		FOREIGN		NUMBER
	Male	Female	Male	Female	
Senior Management Team:					
Managing Director			1		1
Chief Plants Overseer			1		1
Managers:					
Accounts Manager		1			1
Plant Supervisor			1		1
Supervisors: Production Lines	1				1
Operators: Production Lines	4				4
Marketing Manager		1			1
R&D Manager				1	1
Other Staff:					
Drivers	5				5
Plant Workers	25	12			37
Stores and Procurement		1			1
TOTALS	35	15	3	1	54