

BUSINESS PLAN FOR MANUFACTURING

OF

MOSQUITO COILS, GLUE,

TOOTHBRUSHES, TOOTHPASTE,

TOOTHPICK,

AND

COTTON SWABS

EXECUTIVE SUMMARY

ISMILE TANZANIA COMPANY LIMITED a private business company incorporated in the United Republic of Tanzania with Certificate of incorporation No. 171 394 598 issued on 10 JANUARY 2024.

The proposed business plan is of manufacturing of mosquito coils, toothbrush toothpaste, toothpicks and cotton swabs. at The new project is located at Region: **Dar es salaam , District Kinondoni , Ward kawee , Mbezi industrial area , plot no 197, block 06.**

The proposed new project shall cost US\$570,000 and creating new employment of 40 local people and 3 foreign people.

LEGAL STATUS AND COMPANY BACKGROUND BRIEF

ISMILE TANZANIA COMPANY LIMITED bears the certificate No. 171 934 598 issued in 2002 by BRELA.

The shareholders of **ISMILE TANZANIA COMPANY LIMITED**, the shareholders of this newly formed company are , **WEI CHAODONG**, and **ZHU YUANXUN**

The company is owned by two shareholders,namely:-

Name	%of Shares	Nationality
WEI CHAODONG	60	China
ZHU YUANXUN	40	China

LOCATION.

The new project is located at Region: **Dar es salaam , District Kinondoni ,Ward kawu , Mbezi industrial area ,plot no 197,Godown no 06.**

MISSION

Prompt and professionally high-quality service delivery to customers, aimed at ensuring that they realize the highest value for money, thereby increasing the market share and seizure of every available opportunity for the company's growth.

Core Values

Service provision with commitment, integrity and creativity while treating each customer as if they were the company's only customer

BANKERS

The company is currently maintaining bank account of the following bank.

CRDBBANK

AUDITED REPORTS

ISMILE TANZANIA COMPANY LIMITED will maintain good financial reports which will be audited by reputable auditor firm

BASIS OF THE BUSINESS PLAN

A study based on rapid appraisal surveys was conducted prior to, and as the basis of preparation of this plan, the surveys were based on the following objectives and approach:

Study Objectives:

- a) To analyze the relevant market and other factors impacting up on the supply and demand of mosquito coils ,Glue ,toothbrushes , toothpaste,toothpick and cotton swabs.
- b) To carry on the business of mosquito coils.
- c) To carry on the business of toothbrushes and toothpaste.
- d) To carry on the business of toothpicks and cotton swabs.
- e) Design and installation services for comprehensive product technical solution, local production and assembly of construction materials.
- f) To provide supporting documentation required for manufacturing of mosquito coils,Glue,toothbrushes,toothpaste,toothpick and cotton swabs at DAR ES SALAAM and also in accessing credit facilities required in the financing of the investment capital.

Study Approach:

- a) Participatory: Semi- structured interview and discussion were held with the Company's Directors, stakeholders in packaging works and related businesses
- b) Physical visits to the company's main business premises
- c) A brief market survey on different industries in Tanzania, who produce the same product like the one we produce.
- d) Conduction of profitability/viability test of the investment, using the appropriate financial projections for the initial period of five years proposed for the business operations.

THE PROJECT

Project Concept

The project involves establishing a new MANUFACTURING OF MOSQUITOCOILS ,GLUE ,TOOTHBRUSHES,TOOTHPASTE,TOOTHPI CKS AND COTTON SWABS industry; this will include construction of and installations of modern machines, purchasing vehicles, new generator etc.

The planned production capacity is 1,200,000 units of cartons per year.

Project planned business project will entail the following main activities:

- Making shopping visit to Tanzania, China and other supplier countries to identify the suitable and appropriate machinery for the planned project.
- Ordering of the materials production machinery, motor vehicles and their assorted and equipment from China and other overseas suppliers and entering into agreements for the purchase/ acquisition of those assets.
- Consigning the purchased machinery and motor vehicles including all the equipment and accessories from countries of their origin to Tanzania
- Clearing of all the purchased goods from the ports of entry and transporting them to the company's premises at MBEZI BEACH ,PLOT 197,BLOCK NO 6
- Installation of the machinery, registration, insuring and licensing of the vehicles ready for deployment in the company's business

PROJECT OBJECTIVES

Development Objectives:

ISMILE TANZANIA COMPANY LIMITED aims at playing a significant role in the participation of the company in the efforts to maximize exploitation of the largely existing business potential in manufacturing industry particularly in construction materials.

Immediate Objectives:

- a) To manufacture mosquito coils, Glue, Toothbrushes , Toothpaste toothpicks and cotton swabs product, production capacity of 1,200,000/= per year.
 - b) Creating employment opportunities to skilled and semi-skilled Tanzanians in industrial operations, including their supplies and distribution in the company's business.
- C) To carry on the business of mosquito coils, Glue, toothbrushes , toothpaste, toothpicks and cotton swabs.

Overview of the Manufacturing Sector and mosquito coils, Glue ,toothbrushes ,toothpaste,Toothpick and cotton swabs industry in Tanzania

- **The economy**

Tanzania is one of the fastest growing economies in Africa, thanks to the sustained economic reforms which are being undertaken since the late 1980's.

The country's economy has been constantly growing since mid-1990 by average of 5.9%, and now growing at average of 7% which make Tanzania economy to be among the fastest growing economy in Africa and world at large. The overall vision is to transform the sector of the economy from the present level of per capital GDP of about US\$867 to medium developed country with an average per capital GDP of around US\$2,500 (National Development Vision 2025), the GDP from manufacturing 926,333 TZS million.

- **Manufacturing Industry**

Tanzania manufacturing sector contributes 5.6% to the country GDP in 2014 with \$2.69bn compared to \$1.47bn in 2009, representing an increase of 82%.

Tanzania's manufactured goods imports tripled over the past 5 years increasing from US\$497.7m in 2010 to US\$1.4 billion in 2015 accounting for 25% of Tanzania's total exports value

MOSQUITO COILS, GLUE, TOOTHBRUSHES, TOOTH PASTE, TOOTH PICKS AND COTTON SWABS INDUSTRY

The process comprises dispersing the starch in water heated to a temperature of from 40-65°C., adding water having a temperature of between 80-95°C. to the dispersed water-starch mixture, mixing the starch-water gel with the filler and insecticide, extruding the mixture into a ribbon, forming the mosquito coils. An improved mosquito coil composition comprising from 72-83% by weight based on dry ingredients of a carrier selected from sawdust having a particle size between 70 and 200 mesh, coconut shell flour, pyrethrum marc, and mixtures thereof, from 16-26% by weight based on dry ingredients potato starch and 0.5-3% by weight based on dry ingredients of an insecticide.

For the third consecutive year, the Tanzanian tooth brush market recorded growth in sales value, which increased by X% to \$X in 2022. Over the period under review, consumption saw a relatively flat trend pattern. Tooth brush consumption peaked in 2022 and is expected to retain growth in years to come. Please mention the Source.

In 2022, China (X units) constituted the largest tooth brush supplier to Tanzania, accounting for a X% share of total imports. Moreover, tooth brush imports from China exceeded the figures recorded by the second-largest supplier, Vietnam (X units), threefold. The United Arab Emirates (X units) ranked third in terms of total imports with a X% share. From 2012 to 2022, the average annual growth rate of volume from China stood at X%. The remaining supplying countries recorded the following average annual rates of imports growth: Vietnam (X% per year) and the United Arab Emirates (X% per year). Please mention the Source.

The global toothpaste market size stood at USD 18.70 billion in 2023 and is projected to grow from USD 19.37 billion in 2024 to USD 29.06 billion by 2032, exhibiting a CAGR of 5.20% during the forecast period. Asia Pacific dominated the toothpaste market with a market share of 36.52% in 2023.

The India Adhesives and Sealants Market size was estimated at USD 2.155 billion in 2023. During the forecast period between 2024 and 2030, the India Adhesives and Sealants Market size is projected to grow at a CAGR of 5.12% reaching a value of USD 3.057 billion by 2030.

ISMILE TANZANIA COMPANY LIMITED is poised to exploit to the maximum, the anticipated development in this Sector for its own enhanced growth.

BUSINESS ENVIRONMENT ANALYSIS;

Internal Approach;

Management:

ISMILE TANZANIA COMPANY LIMITED as a corporate entity is managed under the Board of Directors. Day to day management of its conducted under the company's Managing Director who will be assisted by directors, Managers, senior officers etc.

The Managing Director will be closely assisted by well qualified professionals in the manufacturing of of this product , industrial management and operations. The company managers, heads of departments and operational staff for the production machines will be recruited for their competence, experience and good track record in their respective fields and in previous employments.

External Environment:

The market:

ISMILE TANZANIA COMPANY LIMITED policy aim at two objectives:

- Further penetration/entrenchment into the market's main Segments to increase and retain larger market share
- Early investment cost recovery to enhance economic viability Of the company's business and expedite its growth.

The policy will be hinged on continual conduction of market surveys as a way of establishing current market situations and also as the means of enabling the company to develop marketing strategies which will facilitate achievement of set out sales goals, on monthly and annual basis. Surveys will enable the company to identify the potential market for its products and plan strategies for its penetration.

MARKET POTENTIAL:

The Global Toothbrush and Toothpaste market is anticipated to rise at a considerable rate during the forecast period, between 2023 and 2030. In 2022, the market is growing at a steady rate and with the rising adoption of strategies by key players, the market is expected to rise over the projected horizon.

Industry Research Biz new survey, estimate that the Cotton Swabs market was worth USD 2006.82 million in 2023 and is anticipated to reach USD 2484.11 million by 2032 witnessing a (Compound Annual Growth Rate) CAGR of 3.62% during 2024 to 2032.

Global Toothpick Market Report 2024 Market Size Split by Type (Bamboo Toothpicks, Plastic Toothpicks, Wood Toothpicks), by Application (Home Use, Commercial Use, Hospital Use) According to Cognitive Market Research, The Global Toothpick market size is USD 2500 %billion in 2023 and will grow at a compound annual growth rate (CAGR) of 8.00% from 2023 to 2030.

Global Adhesives and Sealants Market size was valued at USD 67.48 billion in 2022 and is poised to grow from USD 71.5 billion in 2023 to USD 114 billion by 2031, growing at a CAGR of 6.0% in the forecast period (2024-2031)

ISMILE TANZANIA COMPANY LIMITED is expecting to face competition from existing industries which controls a sizeable market .

PROJECT OPERATING COSTS

In order to realize its intended objective, the project operating costs will vary based on total revenue.

REVENUE ASSUMPTIONS

For the purpose of this project all revenue will come from product produced

The annual revenue to grow by different percentages depending on market demand annually

Revenue projections are based on experiences gained by the firm for being in the market for five years now.

CONCLUSION AND RECOMMENDATION

Conclusion

The project is viable and profit able throughout the project period, after the foregoing economic and financial evaluation of the project; we strongly recommend that **ISMILE TANZANIA COMPANY LIMITED** Board of Directors approval and accept the business proposal. The new project deserves this support because of its viability, since it is technical feasible, economically viable and socially acceptable.

ISMILE TANZANIA COMPANY LIMITED

PARTICULAR	US\$
Land and Buildings	100,000.00
Machinery & Equipment	200,000.00
Motor Vehicles	40,000.00
Furniture & Fixtures	10,000.00
Pre exp	10,000.00
Others	10,000.00
Working Capital	200,000.00
TOTAL	570,000.00

ISMILE TANZANIA COMPANY LIMITED
FINANCIAL PROJECTIONS SUMMARY FROM 2024 TO 2028
PROJECTED STATEMENT OF PROFIT/(LOSS) AND OTHER COMPREHENSIVE INCOME FOR 5 YEARS

DETAILS					
CURRENCY	USD	USD	USD	USD	USD
SALES	870,000	965,700	995,000	996,700	998,700
TOTAL INFLOW	740,000	895,700	899,000	996,700	998,700
COST OF SALES					
Opening Inventory	0	330,260	350,689	356,000	299,990
Add: Production Cost	675,000	526,230	523,000	540,000	620,000
Less: Closing Inventory	-330,260	-350,689	-356,000	-299,990	-370,000
	344,740	505,801	517,689	596,010	549,990
GROSS PROFIT	395,260	389,899	381,311	400,690	448,710
OPERATING EXPENSES					
Administration Expenses	90,200	90,400	90,500	90,600	100,000
Sales and Distribution Expenses	92,100	92,300	90,200	90,300	102,000
Finance Cost	92,200	92,300	90,400	90,500	90,900
Depreciation Expense	8,000	8,000	8,000	8,000	8,000
-	0	0	0	0	0
TOTAL OPERATING EXPENSES	282,500	283,000	279,100	279,400	300,900
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PROFIT FOR THE YEAR	112,760	106,899	102,211	121,290	147,810

ISMILE TANZANIA COMPANY LIMITED
PROJECTED STATEMENT OF FINANCIAL POSITION FOR 5 YEARS FROM 2024 -2028

DETAILS	2024	2025	2026	2027	2028
CURRENCY	USD	USD	USD	USD	USD
ASSETS					
NON-CURRENT ASSETS					
PPE	74,000	75,000	76,000	77,000	80,000
TOTAL NON-CURRENT ASSET	74,000	75,000	76,000	79,000	80,000
CURRENT ASSET					
Inventory	330,460	350,989	356,000	299,690	370,000
Trade Receivables	60,000	64,000	65,000	66,800	67,900
Working Capital	200,000	200,000	200,000	200,000	200,000
Cash and Cash Equivalent	30,000	35,600	35,800	36,900	37,000
TOTAL CURRENT ASSET	620,460	650,589	656,800	603,390	674,900
TOTAL ASSETS	694,460	725,589	732,800	682,390	754,900
EQUITY AND LIABILITIES					
EQUITY					
Share Capital	300,000	300,000	300,000	300,000	300,000
Retained Earnings	90,909	92,455	93,100	94,000	126,890
TOTAL EQUITY	390,909	392,455	393,100	394,000	426,890
LIABILITIES					
Trade Payables	118,382	133,340	142,540	142,900	143,610
Other Payables	185,169	199,494	197,160	145,490	184,400
TOTAL LIABILITIES	303,551	332,834	339,700	288,390	328,010
TOTAL EQUITY AND LIABILITIES	694,460	725,289	732,800	682,390	754,900