

HAMARI INDUSTRIES LIMITED

**BUSINESS PLAN
FOR
TEXTILES PRINTING AND FINISHING FACTORY**

FIVE YEARS: 2024-2029



OCTOBER, 2024

CORPORATE INFORMATION

Date of Incorporation : 27th September, 2024

Company Registration Number : 178326384

TIN : 178326384

Project Activity : To operate a textile printing and finishing factory

Shareholders:

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LIST OF ABBREVIATIONS

AfCFTA	-	African Continental Free Trade Area
CEO	-	Chief Executive Officer
CIF	-	Cost Insurance and Freight
EAC	-	East African Community
SADC	-	Southern African Development Community
SWOT/SWOC-		Strengths, Weaknesses, Opportunities and Threats/Challenges
TIN	-	Taxpayer Identification Number
US\$	-	United Stated Dollar

1.0 EXECUTIVE SUMMARY

Textile industries have repeatedly been engines for development, kickstarting periods of rapid job creation and economic growth across the globe. Wages in textiles sectors worldwide were rising and predicted to shed millions of labor-intensive manufacturing jobs in the coming years. This presents a huge - albeit short-term - opportunity for countries with competitive labour costs and other conducive conditions to attract new investment, transfer in technology, and create hundreds and thousands of jobs.

Importantly, there is an increasing global focus on ethical and sustainable textiles and garments, meaning countries have an opportunity to become destinations for responsible investment that generates decent jobs. This creates a compelling opportunity for Tanzania, where the cotton & textiles sector has further poverty-reducing potential, given that more than 500,000 smallholders - concentrated in some of the poorest and least fertile regions of Tanzania - grow cotton.

Hamari Industries Limited is a private company limited by shares registered in Tanzania with the main purpose of engaging in textiles manufacturing that involves printing, dyeing and finishing of textile products for local as well as foreign markets. **The expected production capacity per annum (quantity)** is 1'300'000 Linear Meters (One Million, Three Hundred Thousand, Linear Meters) per annum.

The company is owned and managed by experienced persons in the manufacturing sector. The project is expected to be financed both through owners' equity and external financing through bank loans, where the total project requirement amounts to **US\$ 614,000 (United States Dollar Six Hundred Fourteen Thousand only)**. During the first year of operations, the project intends to employ at least 8 locals and 2 foreigners, making a total of 10 direct employment with potentials to generate more than 1,000 indirect jobs.

1.1 Company Vision, Mission, and Core Values

Our Vision: Our vision is to emerge as the best practitioner in the production and distribution of garments and textile products for the local and foreign markets.

Our Mission: Our mission is to provide value addition to locally manufactured textile products by embarking on printing, dyeing, and manufacturing of textile-related products through modern facilities and a clean environment for the production of high-quality products.

Our Belief: That, success depends entirely on our exceptional teamwork approach, while constantly striving to leave our clients with an everlasting positive customer experience.

Core Values: Through our dedicated, competent, professional, and motivated organization, modernized, and experienced personnel, we are committed to the following principles:

- We ensure total continual customer satisfaction and optimum returns.
- We are committed to listening and responding to the needs of the community we serve;
- We are by international standards and a system that is uncompromised quality, achieved by individuals and as a team.
- To inspire and connect with our community to put their best selves forward every day.

1.2 Project Objectives

The main objective of our project is to increase our operational capability of textiles products and buy products that can be used to manufacture other textile related products. The project intends to invest highly in the textile sector in which we operate by providing best practices for the production of high-quality products. The project shall also support various community development aspects including supporting education and health care.

Specifically, the project aims to achieve the following objectives;

- To ensure the availability and reliability of high-quality textiles and other related products.
- To utilize the available local material to meet the growing demand in the country.
- To generate employment and improve the livelihood of the community and join hands with the government efforts in job creation.
- To improve the linkages among producers, suppliers, and consumers of textile products across the country.
- Stimulate the production of cotton and other raw materials in various places of the country by utilizing the available raw materials in the production of textile products.

1.3 Project components and costs

The project is expected to commence its activities on 1st November 2024 after all the preliminary arrangements and permits are obtained. The project office and some office equipment have already been prepared. The project shall be implemented in two phases. Phase one shall include preliminary stages such as site preparations, construction, office installation procurement, and installation of types of machinery and equipment for textile production.

Phase two shall include activities for project expansion such as the construction of more production facilities, new equipment purchases, and the installation of a new plant. The activities in phase two shall commence in January 2026 throughout the rest of the project.

Table 1.1: Project Requirements (Cost in US\$)

Descriptions	Quantity	Value per unit (USD)	Total value (USD)
Land and Buildings:			
Buildings-Repair	Lampsum	40,000	40,000
Sub-total Land & Buildings			40,000
Machinery & Equipment			
Monti Antonio Heat Transfer Printing Machine	1	60,000	60,000
Kleverik Heat Transfer Printing Machine	1	58,000	58,000
Collator (To roll fabric)	1	26,000	26,000
Compressor	1	25,000	25,000
Other (Steel Bars, Tools, Machine Oil, Cleaning Material)	Lampsum	25,000	25,000
Sub-total			194,000
Company Delivery Vehicle (To be procured locally)	1	64,000	64,000
Furniture & Fixtures	Lampsum	16,000	16,000
Working Capital	Lampsum	300,000	300,000
TOTAL			614,000

The project requirement amounts to **US\$ 614,000 (United States Dollar Six Hundred Fourteen Thousand only)** which covers the cost of land, buildings, plant and equipment and working capital required at the commencement of the project.

1.4 Implementation Plan

The envisaged project is expected to be implemented from 1st November, 2024 beginning with preliminary activities including site preparations, construction and acquiring relevant permits and other requirements of the project. The implementation programme is well described in the Table 1.2

Table 1.2: Implementation Schedule

No.	DESCRIPTION	PHASE I				PHASE II
		November 2024	December 2024	Jan-March 2025	April-Dec,2025	Jan 2026-Dec 2029
1	Permits acquisition, Site preparations, and mobilization of resources.					
2	Purchase of machinery, equipment					
3	Installation of the Plant					
4	Procurement of materials, Recruitment of Staff, engagements					
5	Commencement of Production					
6	Project Expansion, setting up the New Processing Plant					

Upon completion of site preparations, construction, and installation of the Plant, machinery and equipment, and other facilities, the process of hiring and engaging qualified personnel shall follow. The project shall pay attention to expertise in the sector. Then the production of fabrics shall commence. The project shall conduct a periodical assessment of its machinery and equipment and replace obsolete ones through disposal and procurement of new equipment. Project monitoring and evaluation shall be maintained throughout the duration of five years.

1.5. Project Benefits

The Implementation of this project will have economic and social benefits to the community and the country at large notably:

- The project will help the community access the best, safest yet affordable textile products in the country;
- The project will support the industrialization campaign by setting up a textile manufacturing plant and promoting the sector in the country.
- The project will increase employment opportunities in the community;
- The project will increase social services to the community;
- The project will increase tax revenue to the government.

2.0 PROJECT DESCRIPTION

The project intends to utilise the prevailing opportunity due to the unlimited demand for textile products in the country as well as in foreign markets. Tanzania has an availability of ample land that can be used to grow cotton and other raw materials for textile products. Thus, the project will also help to fill the gap in utilizing locally available raw materials.

2.1 Key Success Factors

Provision of high-quality products to meet the local and foreign markets demands is our core competency. The project is designed to have modern, decent, well-managed facilities with immaculately humanitarian services during service delivery. We will ensure we have enough materials and equipment's that are operated by highly professional persons, who are ready to produce high quality products of nearly any requirement.

2.2 Our Staff

Hamari Industries Limited is well placed to implement its policy of “safety-first” that guarantees safe handling and delivery of our clients' requirements. The project shall maintain its policy to hire staff who have years of experience in the extraction sectors.

The hired staff shall comprise both Tanzanians and foreigners, creating opportunity for hundreds of jobs, providing fair pay in an excellent work environment. We will conduct periodical orientations and team building seminars so that our staff continue to be on the same page and properly trained to meet our objectives.

2.3 Machinery and Equipment

The project will ensure that appropriate machinery and equipment are installed and modern technology is in place for textile manufacturing. The project shall ensure procurement of best Textile machines that are used to process natural fibers such as silk, wool, and cotton, or with artificial fibers such as polyester, nylon, and polypropylene.

The company has secured two Heat Sublimation printing machines which are ready to be shipped to Tanzania. The machine is used to heat transfer design/prints from the heat transfer printing paper into polyester fabrics. The printed fabric is then to be sold in Tanzania.

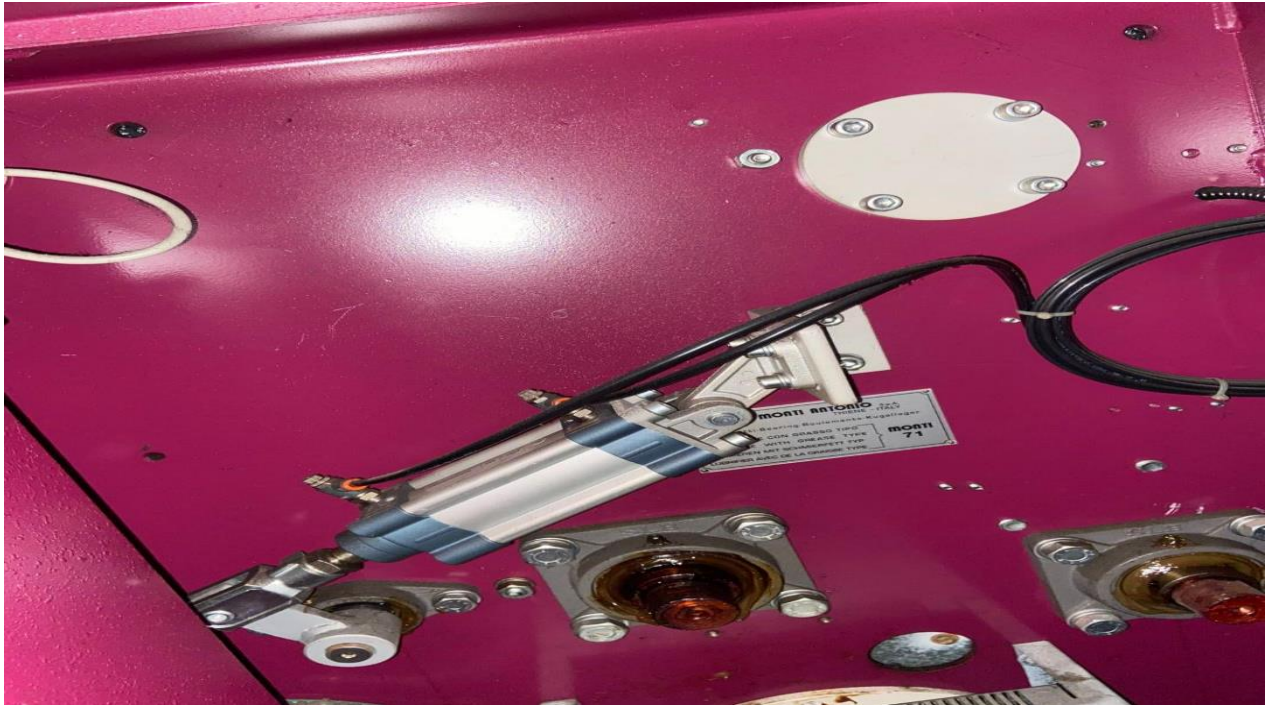
Machine 1 - Monti Antonio Heat Transfer Printing Machine

Machine 2 - Klieverik Heat Transfer Printing Machine

The heat transfer printing paper is manufactured in Germany, Italy and China. The company has an experience to purchase from these three countries for use in the UK. The company intend to purchase from the manufacturers in these countries and ship to Tanzania. The plain fabric used to print will be procured from the UK or China and shipped to Tanzania.

Pictures for Fabric examining machine / rolling machine that will be purchased for making fabrics of different types.





2.4 Products

The projects engage in procurement of fabrics and printing and dyeing to make final products depending on the market requirements.

Photos of different fabrics to be procured for making various textile products







3.0 BUSINESS ENVIRONMENT AND SECTOR ANALYSIS

3.1 Business environment

Businesses may be affected by factors beyond the owner's control, and these need to be taken into account before making any investment decision. The company has considered many opportunities and challenges that may arise out of the expected changes. Thus, analysis of the business environment's key factors is paramount to this plan in order to determine external factors and how they are likely to affect the project.

Economically; Tanzania is now experiencing economic growth whereby the purchasing power of people is increasing and people's interactions are increasing as trade grows in the East African Region, SADC, and AfCFTA. This has called for a lot of business opportunities in the regions. The burning issue currently is the rate of inflation and continuous fall in the domestic currency this would lead to increased cost of operations as the price of materials is rising.

Politically; Tanzania has enjoyed political stability since it gained its independence in 1961, which has allowed for a degree of continuity and coherence in the organisation of both the state and the private sector. The country retains a strong national unit with an engaged civil society and private sector. The government of Tanzania is in support of investments through several policies and strategies that aim at making the business environment more conducive.

Social-Cultural: The social aspect focuses on the forces within the society. Family, friends, colleagues, neighbours and the media are social factors. These factors can affect our attitudes, opinions and interests. So, it can impact sales of products and revenues earned. There is no doubt that the society is continually changing. The tastes and preferences are a great example of this change for the Tanzanian culture. Most of Tanzanians currently are willing to pay a premium price for a product that satisfies their expectations. Demographically, the country is increasing in population where currently the country is estimated to have over 61 million people. The increase in population necessitates increase in demand of goods and services.

Technological factors: Technological factors are one of various external environment factors that affect businesses greatly and are also an integral component of the **environmental analysis**. Our project considers technology as an integral part and an important tool for improving operations and functions. In the present scenario, utmost dependence on equipment, and technological factors can have more effect on business operation and success globally than ever before. Furthermore, the development of technology has also introduced digital marketing strategies through which companies can sell their products and services. Even the research and development (R&D) divisions in most companies have changed their ways of functioning and more advanced techniques in the development of products and services have been introduced only through technological advancements. We will ensure we keep up the pace of technology to suit the needs of our customers.

4.0 MARKETING PLAN

There is a growing population in the country, where current statistics show that the population trend grows by 3% annually with a current population of 61 million in 2022.¹ Dar es Salaam being the largest commercial city has been one of the fastest-growing cities in terms of population with more than 6 million people. The pace of regional integration within EAC and SADC blocs with the recent ratification of AfCFTA paves the way for more trade in the region. Our motive is to cater to this need, especially through providing high-quality textile products and related products that will be sold locally and at international markets.

4.1 Marketing Strategies

4.1.1 SWOT/SWOC Analysis

The SWOT analysis is conducted in order to assess our internal strengths and drawbacks that we need to improve. We have also analyzed external factors which may provide opportunities or pose threats to our project. Finally, we have indicated how we can best utilize the available opportunities and mitigate potential threats and overcome our weaknesses.

¹ National Bureau of Statistics, 2022: Population and Housing Census

Table 4.1: SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Ability of the project implementers to solicit required funds for the project. • Modern equipment and facilities and a safe environment for the production of high-quality textiles and fabrics from local resources. • Excellence in service from highly skilled management and staff. • Affordable prices will give options for customers to prefer our products. 	<ul style="list-style-type: none"> • Sourcing of required resources including finances may cause delay in starting operations on time. • No appropriate data on the current and projected market demand.
OPPORTUNITIES	THREATS/CHALLENGES
<ul style="list-style-type: none"> • Growing demand for textiles and related products due to an increase in population and regional integration. • Government commitment to support industries. • Economic growth and the rising purchasing power of individuals provide opportunities for the project. 	<ul style="list-style-type: none"> • High expectations of customers and changing customer preferences. • Ensuring punctuality in delivery, maintaining safety and standards during production. • Stiff competition in the sector.

From the SWOT analysis, we have been able to identify our strengths, weaknesses, opportunities and threats. The project will capitalize on the key strengths to provide best products and services to customers. The available opportunities create a room for business expansion and the company sees that this prevailing opportunity cannot be left in vain. The project shall make use of the marketing mix in making sure that high quality product is maintained in the market, our products reach to high demand locations (place), reasonable price is charged to our clients and appropriate promotional tools are employed to increase awareness of our products and services.

Product: Uniqueness in production through modern facilities shall be an added advantage to compete in the market through determination to provide high quality products and services. A sufficient budget shall be allocated for repair and maintenance of machineries and equipment to ensure a good quality and optimum

production all the time and to maintain products of high quality. The brand name “Hamari Fabrics” shall be used to sell companies products throughout the project.

Pricing: The objectives of price strategy depend on a number of factors such as business economic and marketing objectives. Price setting can be based on cost or market based. With demand and completions orientation concepts, a fair price will be set which customers are willing to pay at the same time covers operational costs with some profit margin. In this regard, price setting shall be based on demand, and competition but also cost of operation.

Place: The project shall invest in modern and sophisticated technology and facilities and conducive environment. The project has arranged to start operations by looking at the most convenient market segment.

Promotion: Branding and Media advertisements both digital and print media shall be widely employed by the project. We will engage in positive promotion of the project through developing appropriate marketing strategies. The project will make advertisement of the available services via a number of media such as local newspaper, leaflets, TV, radio, social media and Internet. Different procedures of promotion will be applied, such as providing price discounts to regular customers.

5.0 OPERATIONAL/MANUFACTURING AND MANAGEMENT PLAN

5.1 Operational Plan

The operation is subject to government regulations and acquiring relevant permits and licenses before commencement of the business. All necessary licensing and permits shall be obtained before the commencement of the project.

5.2 Manufacturing Process

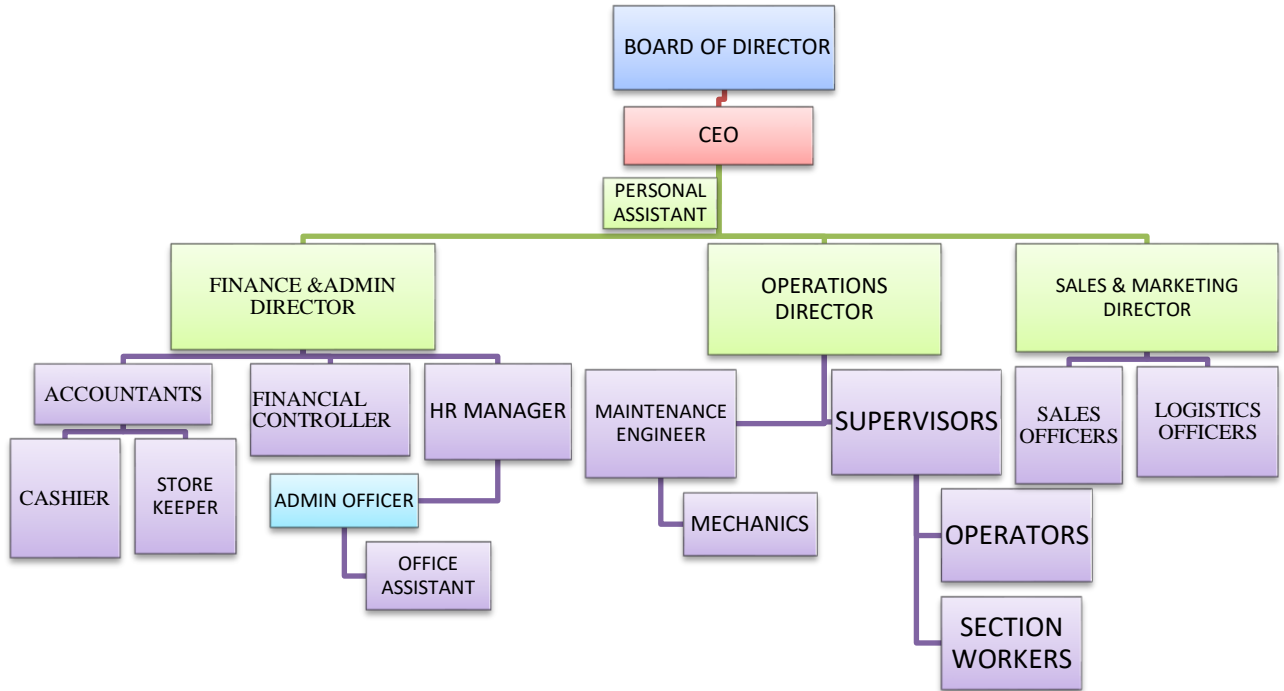
The textile manufacturing process begins with the collection of raw materials mainly fibre from various sources. The fibers are then cleaned, sorted, and blended to create yarns. Yarn is made into fabric by weaving or knitting it on a loom. The fabric is then cut into smaller pieces for use in sewing projects as well as dyed in different colors and patterns. The final step is to fabricate the cloth into useful goods like household items, clothing, upholstery, and various industrial products. During this stage, the project shall focus on sourcing fabrics from various sources and printing, dyeing, and making finished products. The project in the later stages shall engage in the processing of basic raw materials to make fabrics.

5.3 The Organization Structure

The project shall maintain the hierarchical mode of organization structure. The organization structure comprises of the Project Implementation Team led by the CEO and other supporting staff.

The Organization structure comprises of three main departments which shall report to the CEO; Finance and Admin Department which shall include the Finance and Administrative Director, Accountants, Cashiers, revenue collectors and store keepers; HR Officers, Administrative Officers and Office Assistants as well as watchmen/security guards and drivers. Marketing and Sales Department shall include the Director of Sales and Marketing, Marketing Manager; Sales Officers and Logistic Officers. The Operations Department shall include the Director of Operations, Technical and maintenance Manager, Mechanics, Machine Operators, Drivers and section workers; The figure 5.1 describes the organization structure and the reporting lines for each category.

Figure 5.1 Organization Chart



5.4 Management

The Chief Executive Officer shall be responsible for the day-to-day running of the project and direct reports to the Board of Directors. The director of Operations shall be responsible for the day-to-day operational activities of the project including sourcing of materials, managing the personnel under him, repairing and maintaining and controlling the operational shifts. Finance and Administrative Director shall be responsible for all financial and administrative issues. Accounting and Administrative officers shall be responsible for all financial and administrative issues respectively. The financial controller shall ensure monitoring resource allocation, especially funds, and making sure that the fund is used in a desired manner.

5.5 Revenue collection

Revenue collections will be done on cash basis and bank transfers. Where there is a written agreement, the company will also provide services on credit basis to institutional customers. For the first year of the project, the average revenue is

estimated to be **USD 1,559,520**. The description of revenue projections is shown in the Table below.

Table 5.1: Description of Revenue Projections

S/N	Revenue Source	Qty/Linear meters per month	Amount per month (USD)	Amount per year (USD)
1	Dyed Fabrics	40,000	48,000	576,000
2	Knitted Fabrics	40,000	48,000	576,000
3	Others	28,300	33,960	407,520
	Total	108,300	129,960	1,559,520

6.0 PROJECT MONITORING AND EVALUATION

The project will be monitored and evaluated regularly to track progress and identify any potential problems. The monitoring process will collect data on key indicators, such as the number of trucks added, the number of trucks per route, and the reduction in service delivery time and costs. The evaluation process will collect data on the benefits of the project, such as improvement in transport services, the creation of jobs, and the improvement of the economic activities of the Company.

The monitoring and evaluation plan will be tailored to the specific needs of the project. However, the following general principles will be followed:

- i) **Relevance:** The monitoring and evaluation plan will be relevant to the objectives of the project.
- ii) **Accuracy:** The monitoring and evaluation plan will be accurate and reliable.
- iii) **Timeliness:** The monitoring and evaluation plan will be timely and up-to-date.
- iv) **Transparency:** The monitoring and evaluation plan will be transparent and accessible to stakeholders.

7.0 RISK ASSESSMENT AND KEY ASSUMPTIONS

The project has the potential to significantly improve the efficiency of transport service in Dar es Salaam and hence promote an increase in economic activities and incomes of people. However, there are also several risks associated with the project. Some of the key risks may include:

- i) Competition:** There is stiff competition in the sector especially from imported products. The majority of competitors have already covered a huge share of the market, the company intends to capitalize on a niche in which the company can best serve others. The project shall utilize the existing gaps in the local market and exploit export potentials to various markets.
- ii) Price changes:** Due to inflation, the price of materials is expected to rise up particularly fuel and spare parts. In order to cater to this price increase, the project shall review the project panning, and timelines and make price adjustments from time to time.
- iii) Accidents:** Factories are prone to accidents. One of the major causes of these accidents is the overworking of employees without being given enough time to rest. We intend to employ qualified staff and use modern technology to ensure labour gets enough rest. The company also intends to secure the types of machinery and equipment through a comprehensive insurance cover in case of an accident, theft, or any other disaster.

Despite likelihood of these risks, the project potentials to make significant contribution to the economic development are inevitable. If the project is successful, it could help to improve the development of the sector and ensuring availability of high-quality products in the country and ultimately boost economic growth.

8.0 FINANCIAL PLAN

8.1 Sources of Funds

The project financing is expected to be through owners' equity through external sources of financing. Debt financing shall be considered at the later stages of the project. The amount of revenue shall be allocated to the parties as per the profit calculations of the project. The project financing shall be in the following mode;

Table 8:1 Project Financing

S/N	Type of Financing	Source	Amount (\$)
1	Equity	Foreign	614,000
2	Debt	Local/Foreign	0
TOTAL			614,000

8.2 Financial Assumptions

Several assumptions were made and considered in the preparation of this financial plan and projection. The assumptions are based on professional judgment, economic trends, and the current financial market environment. These are as noted below;

- (i) The focus market shall be both domestic market and foreign markets including EAC, SADC, ACFTA, and beyond the African Continent.
- (ii) Investment shall be progressively made throughout the project;
- (iii) The annual sales are projected to grow by 10% per annum; while operating expenses will rise at the rate of 5%. The revenue is expected to double in year 3 after having installed the additional plant.
- (iv) Depreciation will be charged on straight line method to allocate the cost of each value over its estimated useful life. The rates to be used for vehicles and equipment are as follows;
 - (a) Buildings 5%
 - (b) Furniture & Fittings 10%
 - (c) Equipment 10%
 - (d) Motor vehicles 20%

The financial assumptions will also include issues on credit sales, payments of interest rates, taxes and other levies. From the beginning, we recognize that payment terms and hence collection days are critical, but not a factor we can influence easily. At least

we are planning on the problem, and dealing with it. Interest rates, tax rates, and personnel burden are based on conservative assumptions. Some of the more important underlying assumptions are:

- We assume a strong economy, without major recession.
- We assume, of course, that there are no unforeseen changes in economic policy to make our service immediately obsolete or unwanted.
- We assume an inflation rate of 5% yearly.
- Maintenance costs 5% of Property Plant and Equipment
- Corporate tax is 30% of Net Income

8.3 Projected Financial Statements

The projected financial statements for five years indicate that the company shall be able to generate substantial amounts of profits as detailed below.

Table 8.2: Projected Income Statements for Five Years

Description	YEAR 1 (US\$)	YEAR 2 (US\$)	YEAR 3 (US\$)	YEAR 4 (US\$)	YEAR 5 (US\$)
Revenue	1,559,520	1,715,472	1,887,019	2,075,721	2,283,293
Less: Cost of sales	957,043	1,004,895	1,055,140	1,107,897	1,163,292
Operating Profit	602,477	710,577	831,879	967,824	1,120,001
<i>Less: Op. expenses</i>	<i>542,067</i>	<i>574,170</i>	<i>648,341</i>	<i>715,758</i>	<i>886,546</i>
Earnings Before Interest and Tax	60,410	136,407	183,538	252,066	233,455
Less: Charges					
Interest	0	0	0	0	0
Earnings/(Loss) Before Tax	60,410	136,407	183,538	252,066	233,455
<i>Corporate Tax (30%)</i>	<i>18,123</i>	<i>40,922</i>	<i>55,061</i>	<i>75,620</i>	<i>70,037</i>
Earnings After Tax (Loss)	42,287	95,485	128,477	176,446	163,419
<i>Dividends (30%)</i>	<i>12,686</i>	<i>28,645</i>	<i>38,543</i>	<i>52,934</i>	<i>49,026</i>
Retained Earnings	29,601	66,839	89,934	123,512	114,393

Table 8.3 Projected Balance Sheet for Five Years

DESCRIPTIONS	YEAR 1 (\$)	YEAR 2 (\$)	YEAR 3 (\$')	YEAR 4 (\$)	YEAR 5 (\$)
NON-CURRENT ASSETS					
Buildings	38,000	36,000	34,000	32,000	30,000
Machinery & Equipment	174,600	155,200	115,800	156,400	172,400
Motor vehicles	51,200	38,400	45,200	76,800	48,400
Total Non-Current Assets	263,800	229,600	195,000	265,200	250,800
Stocks	113,556	244,206	119,284	122,500	133,100
Debtors & Prepayments	155,693	256,825	211,500	215,400	163,239
Cash and Bank balance	182,586	174,221	395,185	368,389	421,220
Total Current Assets	451,835	675,252	725,969	706,289	717,559
TOTAL ASSETS	715,635	904,852	920,969	971,489	968,359
Equity Capital	614,000	614,000	614,000	614,000	614,000
Retained Earnings	29,601	66,839	89,934	123,512	114,393
Total Equity	643,601	680,839	703,934	737,512	728,393
Bank loan	-	-	-	-	-
Total Non-Current Liability	-	-	-	-	-
Trade Creditors and Accruals	53,159	204,250	204,289	210,951	221,866
Taxation	18,875	19,763	12,746	23,026	18,100
Total Current Liabilities	72,034	224,013	217,035	233,977	239,966
TOTAL EQUITY & LIABILITIES	715,635	904,852	920,969	971,489	968,359

Table 8:4 Projected Cash Flow for Five Years

DESCRIPTIONS	YEAR 1 (\$)	YEAR 2 (\$)	YEAR 3 (\$')	YEAR 4 (\$)	YEAR 5 (\$)
Cash from operations:					
Profits before tax	60,410	136,407	183,538	252,066	233,455
Adjustments for non-cash items:					
Depreciations	34,200	34,200	34,200	34,200	34,200
Change in Working Capital:					
Receivables	-155,693	-223,555	-111,500	-215,400	-163,239
Trade payables & Accruals	53,159	122,287	264,289	210,951	221,866
Total	-7,924	69,338	370,527	281,817	326,282
Tax payments	-18,875	-19,763	-12,746	-23,026	-18,100
Total Cash Inflow from Operating Activities	-26,799	49,575	357,781	258,791	308,182
Cash from investing activities:					
Purchase of assets	-330,000	-18,750	-58,278	-36,822	-29,163
Other purchases	-51,486	-10,545	-39,996	-195,831	-177,163
Net Cash Outflow from Investing Activities	-408,285	20,280	259,507	26,138	101,857
Cash from financing activities:					
Dividends	-12,686	-28,645	-38,543	-52,934	-49,026
Change in cash & cash equivalent	-420,971	-8,365	220,964	-26,796	52,831
<i>Beginning Cash Balance</i>	<i>603,557</i>	<i>182,586</i>	<i>174,221</i>	<i>395,185</i>	<i>368,389</i>
<i>Ending Cash Balance</i>	182,586	174,221	395,185	368,389	421,220

9.0 ECONOMIC ASPECTS

9.1 National economic and social Benefits

The economic and social impact of establishing the proposed project to Tanzania is expected to be positive. This positive impact is expected to be direct and indirect as explained below:

a) Direct economic impact

Direct positive economic impact is expected to come from the following factors, namely,

- 1) Tax payments to the government increased,
- 2) Access to quality, reliable and affordable products increased,
- 3) Employment opportunities generation; more than 10 direct jobs expected to be created and about 1,000 indirect jobs.
- 4) Technology and skills transfer from expertise hired from different parts of the globe.

b) Indirect economic impact

The project is expected to operate as a responsible corporate citizen by fulfilling some of its corporate responsibilities such as assisting some of the disadvantaged communities by way of donations, starting from the communities living near the project and participation in economic development activities of the country.

10.0 CONCLUSION

The fact that owners are willing to raise investment capital to finance the project, it shows a strong commitment in making sure that the project is successfully implemented. The project is located in areas with high demand of textiles products and easily accessible with key infrastructure, hence project activities will help to revamp the textile sector. Owners are willing to comply with all government requirements. The fact that there is a huge demand for textile products in the country despite the presence of several other players in the market, makes this project a viable idea.