

**NNGCL**  
**NYAMBARI NYANGWINE GROUP OF COMPANIES LIMITED**

# **BUSINESS PLAN**

## **Agro-Food Processing Project**

**Dar es Salaam, Tanzania**  
**October, 2023**



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Annexes

## List of Acronyms

NNGCL	: Nyambari Nyangwine Group of Companies Limited
PESTEL	: Political, Economic, Social, Technology, Environment, Legal
SWOT	: Strengths, Weaknesses, Opportunities, Threats
CPG	: Consumer Packaged Goods
WACC	: Weighted Average Cost of Capital
IRR	: Internal Rate of Return
NPV	: Net Present Value
RoE	: Return on Equity
DSCR	: Debt Service Coverage Ratio
RTE	: Ready-To-Eat
LTPP	: Long Term Perspective Plan
USD	: United State Dollar
FAO	: Food and Agriculture Organization
GM	: Genetically Modified
GDP	: Gross Domestic Product
AFPP	: Agro Food Processing Plant
HR	: Human Resources

## Executive Summary

### Introduction

This Business Plan provides an overview of the proposed establishment of an Agro-food Processing Project in Dar es Salaam, Tanzania. The project aims to contribute to the development of the agro-food processing industry the Dar es salaam and the country as well, leveraging the country's abundant agricultural resources and growing demand for processed food products. The Project will be owned and operated by **Nyambari Nyangwine Group of Companies Ltd (NNGCL)**-a successful and the fast-growing company in Tanzania. The idea of establishment of Agro-food Processing Project come from the Chairman of NNGCL (HON. NYAMBARI NYANGWINE) with nearly two decades of entrepreneurial acumen and experience.

The Project will be owned and operated by **Nyambari Nyangwine Group of Companies Ltd (NNGCL)**-a successful and the fast-growing company in Tanzania.

The company has earmarked an un-surveyed 8 acres at Kilomo area Bagamoyo district Council, Coast Region as the factory. The company has engaged the surveyors and survey of the area is under process.

### NNGCL Legal Status and Mandates

Nyambari Nyangwine Group of Companies Ltd is a private company limited by shares incorporated in the United Republic of Tanzania with certificate of incorporation **No. 81437 dated 10<sup>th</sup> February, 2011.**

The authorized share capital of the company is Tanzanian Shillings One Billion (Tshs.100,000,000/=) divided into **1000** shares of shillings **100,000/=** each of which the paid-up share capital is Tanzanian shillings One hundred million (Tshs. 100,000,000/=).

Name of Shareholder	Number of Shares	Percentage
Nyambari Nyangwine	500	50%
Margreth Nyangwine	500	50%
<b>Total</b>	<b>1,000</b>	<b>100%</b>

## **Agro-food Processing Industry in Tanzania**

Tanzania possesses rich agricultural resources and a diverse agro-climatic landscape, making it conducive for agro-food processing (Grains/Cereals such as Maize, Rice, Wheat, Sesame, Millet, Groundnuts, Soya Beans and Sunflower). However, the sector faces challenges, including limited value addition, post-harvest losses, and inadequate infrastructure. The existing agro-food processing industry offers room for growth and development, representing an untapped opportunity.

### **Factory features and Services**

The characteristics of a shared-use facility can vary widely depending on the nature of agri-food markets, the size and structure of the local processing sector, infrastructure availability, proximity to suppliers and support businesses and opportunities for establishing partnerships with government and other industrial stakeholders. The minimum requirements for a viable food processing model include the following:

- ✚ A facility capable of delivering quality food production, including manufacturing processes and paper trails that meet consumer and regulatory expectations.
- ✚ A sound operation and management plan implemented by an experienced manager with the authority and responsibility to run the facility to meet clear predetermined objectives.
- ✚ The capability to allow more than two or three manufacturing processes at one time. Based on our survey, these processes appear to be canning, baking, and freezing.
- ✚ Clear policies and procedures for procurement, storage, packaging and labelling.
- ✚ Partnerships to deliver training programs by existing institutions.
- ✚ Design and delivery of specialized business and market planning services. Currently, availability and access to such courses is guaranteed.
- ✚ They may be opportunities to accommodate different uses in the food processing offseason or perhaps for training programs to generate supplemental revenues but this concept was not fully explored and remains highly uncertain.

All these factors have been considered as efforts to set up the Agro food processing facility in the city of Dar es salaam are underway.

## **Food Market Potential and Feasibility Assessment**

The project's feasibility is based on the substantial potential in the Tanzanian food market:

- ✚ The project will cater to the increasing domestic demand for processed food products driven by rapid population growth in the city and changing consumer preferences.
- ✚ Tanzania's strategic location within East Africa provides access to regional markets, while the global demand for organic and sustainable food products presents export potential.
- ✚ The project will address the issue of post-harvest losses by adding value to raw agricultural products, reducing waste, and increasing farmers' incomes.

Feasibility assessment indicates a positive outlook, given the strong market potential, government support, and the project's focus on modern, sustainable, and technologically advanced Agro-food processing practices.

### **Factors Driving Growth**

- ✚ An expanding middle class, increasing urbanization, and a developing food service sector drives growth in demand for consumer-oriented agricultural products. Tanzanians make the majority of their household purchases from family-owned shops known as Dukas.
- ✚ Supermarkets are gradually becoming popular, especially in big cities like Dar es Salaam, Mwanza and Arusha. Tanzanians spend one-fifth of their income on consumer-packaged goods (CPG), driven largely by food.
- ✚ Personal care essentials (e.g. Toothpaste) and beverages (e.g., carbonated soft drinks, tea, energy drinks) are the most popular categories. Prime drivers for purchase decisions include recommendation, affordability, availability and familiarity.

### **Financial Analysis Indicators**

The financial analysis provides information about the financial feasibility of the project from the perspective of the owner. The main criteria to map out if the project is financially feasible are:

- ✚ The Project NPV measures the value of revenue if greater than the value of costs, positive NPV indicates viability of the Project.

- ✚ The project Internal Rate of Return (IRR) is at least equal to the Weighted Average Cost of Capital (WACC). The reasoning and calculation of the WACC is illustrated in Annex 3.
- ✚ The expected return on investors' equity corresponds with the characteristics and risks related to the projects. This is measured by the Return on Equity (RoE). The reasoning and calculation of the Return on Equity is also illustrated in Annex 3.
- ✚ The project generates sufficient cash-flow to meet its financial obligations (interest payments and debt repayments). This is measured by the Debt Service Coverage Ratio (DSRC).

The financial analysis may result in calculation of the product selling price that the developers may apply in order to make the project commercially attractive.

## **Recommendations**

Based on the project's assessment, the following recommendations are put forth:

- ✚ *Secure Financing:* Seek funding from financial institutions and investors to support the establishment and growth of the Agro-food Processing Project.
- ✚ *Collaboration and Training:* Collaborate with local farmers and agricultural cooperatives to ensure a consistent supply of high-quality raw materials. Invest in workforce training to ensure the adoption of modern processing techniques.
- ✚ *Market Diversification:* Explore opportunities for exporting processed food products to regional and international markets while serving the growing domestic demand.
- ✚ *Infrastructure Development:* Address infrastructure challenges by investing in cold storage, transportation, and distribution networks to reduce post-harvest losses.
- ✚ *Compliance and Certification:* Adhere to international food safety and quality standards to access global markets and build consumer trust.

The establishment of the Agro-food Processing Project holds the potential to revitalize the agro-food processing industry in Tanzania, creating economic opportunities, reducing food waste, and meeting the rising demand for high-quality processed food products in the region and beyond.

The proposed Project is intended to reduce post-harvest losses of local cash and food crops such as maize, rice, cassava, cashewnut, sesame, sunflower, groundnut, tomatoes, palm produce, banana, coffee, etc and raise agri-business entrepreneurship in Manyara, Tanga, Morogoro, Mbeya, Mtwara, Shinyanga and Tabora all of which constitute one cash crop.

The project will also introduce the agri-business entrepreneurs to regional and global value chains through the manufacturing of Ready-to-Eat (RTE) and Consumer Packaged Goods (CPG) to create wealth and reduce poverty. Through this initiative, the company will create a sustainable ecosystem for the agro and agro-allied value chains not only in Dar es salaam but in other regions as well and create opportunities for smallholder farmers to participate in the production of value-added products for both local consumption and exports.

## 1. Overview

The agricultural sector is central to the performance of the Tanzanian economy. The sector directly supports 80% of the population and almost 24% of export earnings derived from it. Consequently, agriculture remains central to the government's efforts towards poverty reduction. Yet, only 40 million hectares of land (about 42% of the arable land) is currently cultivated. This abundance of unused arable land presents a substantial opportunity to increase agricultural output.

Male and female smallholder farmers are the main producers of agricultural outputs. They face numerous challenges that must be addressed if the economy and farmers are to benefit over the long term. Smallholder farming is often characterized by low inputs and low outputs. It is also largely supply driven and farming plots are often scattered over large areas, leaving production highly fragmented and with large post-harvest losses. As a result, organizing raw materials for Tanzania's industrial sector is a substantial challenge.

If agriculture is to continue as a source of economic growth for Tanzania, major transformation in the agriculture sector is needed. Agro food processing industries are the link between agriculture and industry and present an opportunity for Tanzania to take a further step in its economic development, moving from agriculture toward light industries.

Agro food processing industry already accounts for the largest share of manufactured goods in Tanzania with food and beverages constituting approximately 34%. Agro food processing industrial development is crucial due to the close connection to the agricultural basis of the Tanzanian economy. The strong linkages to the rest of the economy and the use of abundant agricultural products as inputs create a positive climate for the development of agribusiness. An improved investment climate in some of the country's regions possesses sufficient factors to attract investors to the agro food processing sector in places where there is a high economic potential. Dar es salaam is one among the regions.

Dar es Salaam city is the Tanzania's metropole area and business hub in the country. It constitutes five municipalities, Temeke, Kinondoni, Ilala, Ubungo and Kigamboni municipal Council. Total population of Dar es salaam is 7.7 million. It is the industrial centre, and major port of Tanzania, eastern and

central Africa. Establishing Agro food processing facility in Dar es salaam is an ideal decision.

## 2. Vision, Mission, Core Objectives

**Vision:** To make our products be an always pack of nutritious and healthy punch into every household's favourite meal.

**Mission:** To provide quality products at most convenient delivery time at most possible affordable price.

**Objectives:** The NNGCL Agro food Processing Project is aligned to the National Agricultural Policy and the vision 2025 Long term Perspective Plan (LTPP).

It will support economic and social development programs of the country with trickledown effect to small farmers. It will also contribute to infrastructure development, improved access to agricultural markets, increased farm productivity, the adoption of agricultural technology, climate smart agricultural production and processing practices, increased value addition and agro-processing, increased skills acquisition and job creation, for all actors along the value chain, including the smallholder farmers, women and youth.

## 3. Tanzania Grains Market Analysis

The Grains Market in Tanzania is estimated at USD 7.0 million in 2023, and is expected to reach Euro 7.5 million by 2028, growing at a Compound Annual Growth Rate of 3.21% during the forecast period (2023-2028).

- ✚ Agriculture in Tanzania is the source of livelihood for a majority of the population while contributing 25.9% of the total GDP in 2021, as per the World bank.
- ✚ The Tanzanian grain market caters mainly to domestic demand. The grain market includes cereals and oilseeds. Maize and rice are the top cereals produced in the country. According to Food and Agriculture Organization (FAO), maize is the most widely cultivated cereal, producing 7,039,000 metric ton in 2021. Rice, sorghum and sunflower are the most cultivated crops in Tanzanian after maize,

with production totaling 2,688,000 metric ton and 1,077,000 metric ton, respectively, in 2021.

- ✚ Groundnuts and sunflowers are the highest-produced oilseeds. Cereal crops are mainly grown for domestic consumption purposes in Tanzania. With increasing cultivation and the adoption of hybrid varieties and GM technologies, the country is expected to increase its share in the grain trade over the coming years.
- ✚ The traditional staple diet in Tanzania is based on cereals (maize and sorghum), starchy roots (cassava), and legumes (mainly beans). Cereals and root tubers serve as staples for most of the population in rural and urban areas, and maize is consumed in all regions in Tanzania. Moreover, the country's grain production has the potential and capacity to satisfy the local grain requirements and those of the regional markets. It can significantly contribute to both local and regional food security. However, the threat of climate change, lack of industrial food processing facilities, lack of efficient financial support, and extension activities to the small-scale farmers of Tanzania are expected to restrain the grain market during the forecast period.

The food-processing sector comprises the largest proportion of manufacturing firms in Tanzania. Almost a quarter of all registered manufacturing enterprises are in the food-processing sector, providing employment to more than 60,000 people. This represents 56% of the total employment in the manufacturing industry. The entire food value chain employs about 3 million people. Food processing contributes USD 392 million to the GDP. The sector currently generates tax revenue of equivalent to Euro 100.2 million.

The Government of Tanzania accords high priority to improving the food security and nutritional standards of its people. On this case the existing legislative framework supports competitiveness of food processors. The main impingements on the competitiveness of enterprises are the multiplicity of licences and the fees charged by the regulators. However, recent policy reforms in the agriculture sector has addressed the delays and bureaucracy in the industry, which were causing high administration costs, and increased prices due to reporting requirements.

Table 1: Timeframe – Project Major Milestones

Activity/Milestones	Target Time	Responsible Actor
Project Proposal Approval	December 2023	Investor
Loan Approval	December 2023	Investor
First Disbursement	March 2024	Investor /NNGCL
Launching Workshop	March 2024	Investor /NNGCL
Procurement of Goods and Services	Apr – Dec 2024	NNGCL
Last Disbursement	June 2025	Investor
Mid Term Project Review	September 2024	Investor /NNGCL
Project Supervision Mission Team	December 2024	Investor/NNGCL
Project steering Team Meetings	Once every month	NNGCL
Project Completion Report	June 2025	Investor

## 4. Project Description

The proposed Agro-food Processing Project will be located in Dar es Salaam, strategically situated for easy access to raw materials and distribution networks. The project will focus on processing various agricultural products, including grains, fruits and vegetables into value-added food products. The key components of the project include:

- ✚ Establishment of processing facilities with state-of-the-art equipment to ensure high-quality products.
- ✚ Sourcing raw materials from local farmers, promoting agricultural sustainability.
- ✚ Implementation of food safety and quality standards to meet local and international market requirements.
- ✚ Development of a strong supply chain and distribution network to reach both customers within and outside Dar es Salaam.

The proposed NNGCL Agro food processing Project is planned for an initial lifespan of 25 years composed of a high capacity **Agro Food Processing Plant (AFPP)**. The AFPP is a facility that is mirrored in the SEPZ concept. The Factory will be supported by a network of SME's and individual crop vendors in the production and trading of food and cash crop industry that will coordinate farmers and their cooperatives to double their farming activities in order to feed the factory consistently.

The Plant will include installation of various crop processing factories for several commodities. The food processing facilities will be equipped with the mechanical capacity to manage the entire production process from input

reception to packaging of the final products in order to meet domestic and international demand. Target crops include grains (maize, rice, wheat, sorghum); edible oils (sunflower, palm oil, sesame, groundnut oil)

The long-term plan is to have a system whereby NNGCL will buy the crop harvests from farmers under arranged contracts which finally will find their way to the processing milling plants owned by the company.

In addition, in order to mitigate supply risks the company plans to acquire a 500-Hectares Farm in Morogoro, Dodoma and Manyara, whereby it will engage directly in farming for the purpose of providing reliable supplies of raw maize, rice and sunflower to our milling plant later in Morogoro Region. In addition to the harvests from small farmers, the company will engage in procurement of maize, rice and sunflower crops from open markets like at Kibaigwa in Dodoma and other individual crop vendors to supplement the inputs which will feed the milling plants.

The project specifically is divided into two parts namely Food Processing Infrastructure and Project Management and Coordination to which costs have been projected accordingly.

#### **4.1 Food Processing Project Plant and Facilities**

The Factory investment costs and additional charges is projected to cost a total of USD 1,751,297 and the following will be involved;

- ✚ Construction of warehouse building for storage of grain flour and workshop facilities. The size of the warehouse will be 30 meters Long, 12 meters wide and 6 Meters high (at an estimated cost of USD 1,117,482
- ✚ Purchase and installation of an 80 Ton weigh Bridge.
- ✚ Purchase and installation of integrated milling machines with a total capacity of processing 50Tons per day (50T/24H).
- ✚ Erecting 4 min Steel Silos for storage of maize, rice, wheat and sunflower with a capacity of 500 tons each.
- ✚ Acquiring five trucks for haulage and transportation of crops, fruits and finished goods.

- ✚ Acquiring 1 Scania truck with a trailer for transportation of finished goods.
- ✚ Acquiring 3 truck with cold facilities for transportation of canned finished goods.
- ✚ Acquiring 5 hectare of land where the warehouse, workshop and Silos will be built and installed.

## **4.2 Project Coordination and Management**

The Project administrative component is estimated at USD 496,313 as the working capital and general administration duties.

## **5. Products and Services**

Demand for food products is huge in Tanzania. No matter how much food products are produced, more are needed to meet the growing population in the country. Every day Tanzanians need to eat. Whenever people gather together, they are going to require food and drinks. Whether is business meeting, wedding or birthday parties. So, if you are looking for a healthy and vigorous business opportunity. Food products-related business offers substantial rewards today and growth for tomorrow.

### **5.1 Flour Mill**

Maize and rice flour are major staple food for a large proportion of the population in Tanzania including middle-class families that consume it regularly. The primary customers for maize and rice flour are supermarkets, shops, schools, institutions, and individuals.

Strategically, NNGCL food processing company will introduce a different kind of packaging trying to be competitive in packaging and delivery, and developing good business relationships with customers new entrepreneurs this may win in the marketplace.

### **5.2 Bakery**

NNGCL will operate bakery processing and sell fresh bread and cakes. By offering fresh bread and cakes will build a reputation mostly in city areas and generate more customers through referral. Primary customers are households, office workers, and employees at factories.

### **5.3 Sunflower oil**

Availability of raw material and the growing health consciousness of consumer has created a huge demand for sunflower oil in Tanzania. The biggest challenge in the sunflower oil business in the country is the production of poor quality and safe oil. Consumers are more health-conscious.

NNGCL strives to build a reputation in the industry by producing high-quality and safe sunflower oil, the primary customers for sunflower oil are individual households, groceries, supermarkets, schools, hospitals.

### **5.4 Fruit Processing**

There is a high demand for soft drinks and juices in Tanzania. As medium-scale fruit manufacture, NNGCL will be buying crops from small-scale farmers, storing them until they are processed. The biggest challenge is the unpredictable supply of raw materials. Because crops and fruits vary according to weather, rainfall, and plant disease. To contain this challenge the company will establish modern storage facilities in places potential for fruits supply.

### **5.5 Cassava Flour**

In Tanzania cassava is a traditional food, people use cassava roots to make flour through their old traditional way to make their soft course meal, it is also considered as moist cornmeal. Gluten free and wheat free flour is good for our digestive system. People suffer from celiac disease can select the bread made from cassava flour. Through diversification cassava starch can be used as industrial raw materials for food, medicine, cosmetics, textile, paper, confectionery, beverage, feed, biodegradable materials, adhesives and glues, chemicals, fuel ethanol and so on. NNGCL plan is to conduct the processing locally and export cassava starch to Europe and China for industrial use.

### **5.6 Cashew nuts Processing**

Cashew nuts in Tanzania, now days is regarded a money making, health promoting, soil conserving and environment friendly crop. This crop is cultivated in more than 10 regions in the country, placing Tanzania at eighth position among the largest producer of cashews worldwide. Tanzanian cashew nuts are known for their creamy flavor and white appearance.

Considering the rise global demand driven by increased cashew consumption and industrial uses for cashew, it makes economic sense to direct our business attention to this crop as part of diversifying our portfolio to earn business stability we aspire. NNGCL plan is to acquire a medium plant for processing cashew, with a focus on value addition, earn foreign currency, reduce poverty, create more prosperity and sustain growth of the industry in the country.

## 6. PESTEL and SWOT Analysis

In order to assess the internal and external business environment in the food industry in Tanzania, NNGCL conducted a PESTEL (**Political, Economic, Socio, Technological, Environmental, and Legal**) analysis of the Agro food sector. The results illustrate the investor and business environment within the sector that may encourage or impede growth, job creation, and opportunities for both the government and the business. The details below present a sort of assessment on factors identified in the PESTEL exercise.

The results of the PESTEL analysis informed the SWOT (**Strengths, Weaknesses, Opportunities, and Threats**) analysis to determine growth potential of the business with a particular focus on increased sales, revenue and contributing to economic growth, creating jobs and development opportunities.

### **Political**

- Effective and supportive regulatory measures; sound policy, rules and regulations on the food industry; flexibility on capital and technology transfer with reasonable period for tax holiday during the investment process.

### **Economic**

- Stable exchange rates, interest rates, inflation rates; high demand for agro food processed products due to changes on local and global consumer trends.

### **Social**

- Skilled and semi-skilled labor easily available;
- Flexible food preferences amongst youth,
- High women participation on factory and technical based activities.

### **Technology**

- High Tech machineries in hygiene, energy consumption, labor and factory automation on processing food to be made faster and cheaper while increasing consistency of the finished food.

### **Environment**

- Stable environmental legislations, easy procedures on obtaining environments permits and certificates.

### **Legal**

- Conducive laws including Land laws, Labour and Employee Relations laws, Tax laws, social security laws and other enabling laws pertinent to operations and business in general.

## 6.1 SWOT Analysis

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Enabling environment for foreign direct investment with Supportive legal framework for industrial activities,</li> <li>• Agriculture performs well, but still below potential;</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• Limited agro food processing facilities;</li> <li>• Inadequate financing from local financial institution</li> <li>• Lack of reliable data,</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• New market opportunities, schools, colleges, increased urban population;</li> <li>• Continued interest by Development Partners to support agro food processing sector in Tanzania;</li> <li>• Labor availability, especially women and youth.</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• Unstable market prices for maize, rice and sunflower;</li> <li>• Inflow of cheap expired products through smuggling,</li> <li>• Inadequate local standard harmonization, but even within the region.</li> </ul>

## 7. Market Assessment

As **Agro food Processor**, we understand the significance of scalability for the success of every business idea or concept. Identifying and satisfying a need is the corner stone for the success of every business model. Through a wide agribusiness experience that we gained through the walk in the journey, we realized that Grain crops and its value-added products are highly demanded products in **supermarkets, hotels, hospitals, food processors, restaurants, boarding schools and tertiary institutions**. Organic products are in demand because of the perceived health benefits for the clients. Clients consider food that is free from pesticides and synthetic additives to be a safer and healthier option than non-organic food.

The market segment that we are targeting on processed grain food products are the five municipalities in Dar es Salaam, Morogoro, Dodoma and Arusha. Here we are targeting food vendors, boarding schools, supermarkets and hospitals, Military camps and universities. From the marketing research exercise that the company did in these areas, it was discovered that currently the quality food products that other competitors are selling in these areas are not up to the required standards quality. This gives our company morale to bring to the market a type of grain food processed within modern facilities, blended with additional spices and food fortification for nutrients at the required standard giving our products superior flavor that meets high demand in the target market and make it a fast-moving product in the market.

**NNGCL Agro food Processors** takes advantage of the current absence of stiffer competition and moves the business to a stronger position. We believe that, by the time other more competitors enter the market; our company would have grown financially stronger and agile enough to fend off competition. As the market becomes saturated, all we need is to have something that sets us apart from the crowd – with grounded green business and personal ethics comes loyalty from our clients and customers, and with that comes growth. By that time, we would not be shaken as the customers would have identified the company with good quality products and we would have become financially strong, since financial strength is key in business.

## 7.1 Market Strategies

- ✚ **Deep dive into already existing customer base:** Any business, regardless of industry or product type have the main goal of getting new customers in and the secondary goal of keeping those customers. With that in mind, **NNGCL Agro food Processors** ensures that there is smooth integration of new clients into the system without compromising service to existing ones. From the experience gained, it is a well-established fact that winning over a new client generally costs six or seven times more than winning repeat business from an existing customer. Although some components of our marketing plans aim at gaining new customers, a strategy to sell more to existing customers has almost always yielded more results.

Therefore, there is greater need to strengthen our relationships with the existing customers to ensure that they advocate for our products. The company has to maintain a constant touch with clients as a way to measure customer satisfaction levels on products and keep the concept essentially intact. A simple system such as sending a note to a customer thanking him or her for a purchase, together with a special offer for an additional buy (plus a deadline to create a sense of urgency) is expected to do wonders especially from wholesalers. The project will offer some discounts as incentives to existing customers for sending business our way. Offering them a discount or a bonus for every new client they introduce as well as running some competitions for individual customers has been quite helpful as a way to increase sales. Our products particularly the fresh bakery products will be produced with greater quality compared to some of our competitors' and that makes customers' experience be so amazing that they tell their friends and family members.

- ✚ **Price cuts:** NNGCL just like most owner-managed businesses is still too small to compete based on offering the lowest price. As a company, we would concentrate on ensuring good quality, the warmth of personal service and flexibility to meet individual customers' specific needs such as constant delivery of high-quality products rather than on low price.
  
- ✚ **Web Presence:** The Internet is extremely different from print advertising in that space is cheap, advertisements are accessible for a longer period of time, the content can be changed without having to ask someone to do it on our behalf (if one uses a content management system) and we can potentially reach a wider audience. We can use it to entice people to visit our website and find out more about our company and potentially open two-way communication between the potential customer and the sales team. This has allowed the business to break through the geographical barriers and become accessible, virtually, from any potential customer that has Internet access. Even if one is happy with the customer numbers at present, sooner or later one's lack of internet presence will catch up as the world is becoming increasingly one wired global continent.

**Engage marketing agency:** In the near future, with production having grown big, we look forward to engaging marketing agencies like ‘Better Agriculture’– a company which provides technical and business consultancy along the entire agricultural value chain, as well as identifying suitable market linkages with proper buyers in Dar es salaam, nearby regions and the whole country as well as neighboring countries. It is our business belief that we shall get to a stage where we will be exporting grain value-added products. This kind of synergy will grow out of mutual trust and the realization that each party may add value to the other.

This will help the business to reach markets that we never imagined reaching so soon. This idea demonstrates our capacity to produce top-quality products for local, regional and international markets. It is our marketing belief that once we secure one client through this idea, we can leverage on that to secure more similar clients. The company will also benefit from advises on operating systems targeted at strengthening internal controls and increased team work spirit of all stakeholders within the food value addition chain. This approach offers opportunities for new business for both companies. All these initiatives demonstrate a way forward for Tanzania’s agro-food business production. However, to achieve all this, there is great need of a vigorous, innovative and consistent marketing campaign. There is therefore a need to ensure enough capacity to produce and distribute large volumes in order to realise reasonable returns.

The only challenge that the entire agro food industry is currently facing is to increase productivity and maintain high quality products with competitive pricing. This is the gape that can be reduced by the successful securing funding facility for this project through awarding of seed capital and technical assistance.

## **8. Investment**

NNGCL Agro Food Processers is seeking a capital investment of USD 8,000,000 for grain value addition, processing, packing and distribution of processed food products. Mainly, the project will cover variable, fixed and semi-fixed costs, including direct costs, and overhead expenses. Like with all the financial projections in this plan, they are for the first two years.

Table 2: Financing Plan

No.	Financier	USD	Instrument	Ratio (%)
1.	Development Partner/Investor	5,784,000	Loan/Equity/Grant	72.3
2.	NNGCL	1,200,000	Counterparty Fund	15.0
3.	Business Generated Revenue	1,016,000	Retained Earnings	12.7

## 9. Risk Analysis

Risk is a measure of variability of company' business or returns from expected results or outcomes; consequently, it approximates the amount a company could theoretically lose rather than gauges the likelihood of losses. Thus, companies or businesses must assess the level of risk associated with their businesses or actions. The risks most pertinent to Agro food processing business activities include operational risks, foreign exchange risk, market risk, liquidity risk, and country risk. Market risk is the risk that gauges the value of a company's assets or liabilities will change as product prices, exchange rates, or other input costs vary. Liquidity risk involves the possibility that assets cannot be sold quickly without a big effect on their price.

Country risk, which encompasses political, legal, and economic considerations, refers to the difficulties that companies may confront in collecting what is owed to them by residents in a specific country. Operational risk refers risks arising from operational problems such as fraud, thefts, incompetence of staff, system failure etc. resulting from non observation of controls or inappropriate internal control system.

Table 3: Mitigation Measures

Risks	Level	Mitigation Measures
<p><b>Operational Risk:</b> Type of risk which occurs as a result of inadequate or failed internal processes; peoples and systems; or from external events, such as internal or external fraud; employment practices and workplace safety; clients, products and business practices; damage of physical assets; business disruption and system failures; and execution.</p>	<p>High</p>	<ul style="list-style-type: none"> <li>• Hiring good and trustworthy Staff.</li> <li>• Regular staff trainings and other staff development schemes introduced,</li> <li>• Installing modern factory machines and automated fraud detection devices.</li> </ul>
<p><b>Market risk</b> is the possibility that the value of assets or liabilities will change because of ups or downs in their prices. It is a standard measure of risk in the financial world in part because it is easier to quantify than are many other types of risk Price volatility or returns has traditionally been used as a proxy for market risk.</p>	<p>Medium</p>	<ul style="list-style-type: none"> <li>• Hiring good and trustworthy Staff with risk management skills</li> <li>• Adopt hedging strategy on revenues as a means to mitigate loss caused by falling prices;</li> <li>• Introduce diversification strategy overtime.</li> </ul>
<p><b>Liquidity risk</b> liquidity risk points to a shortcoming of focusing simply on price volatility (or market risk) as the indicator of overall risk. liquidity risk occurs when holding illiquid assets excessively, as a result the company fails to meet short term business obligations that needs cash quickly.</p>	<p>Low</p>	<ul style="list-style-type: none"> <li>• Introduce cash management policy; petty cash system</li> <li>• Adopt hedging strategy on revenues as a means to mitigate loss caused by falling prices;</li> <li>• Introduce diversification strategy overtime,</li> <li>• Publishing and distributing comprehensive risk management frameworks and compliance policies.</li> </ul>

## 10. Project Development Impact

Agriculture in Tanzania has a lot of potential. What is needed now is to translate that potential into real action. Tanzania can go back to its good old days of being breadbasket in East African region. However currently it is very much characterised by low productivity. If this model is adequately funded, it can be capacitated and act as a viable feeder to the country's gross agricultural output. The granting of this facility will have a great impact on the national economy in that it addresses unemployment as more people are hired as the business operations expands. This will significantly boost the community livelihood and at the same time make a significant contribution to the standard of living amongst Tanzanians. Currently the business employs five employees and with the granting of this facility the staff complement is likely to expand.

## 11. Financial Analysis

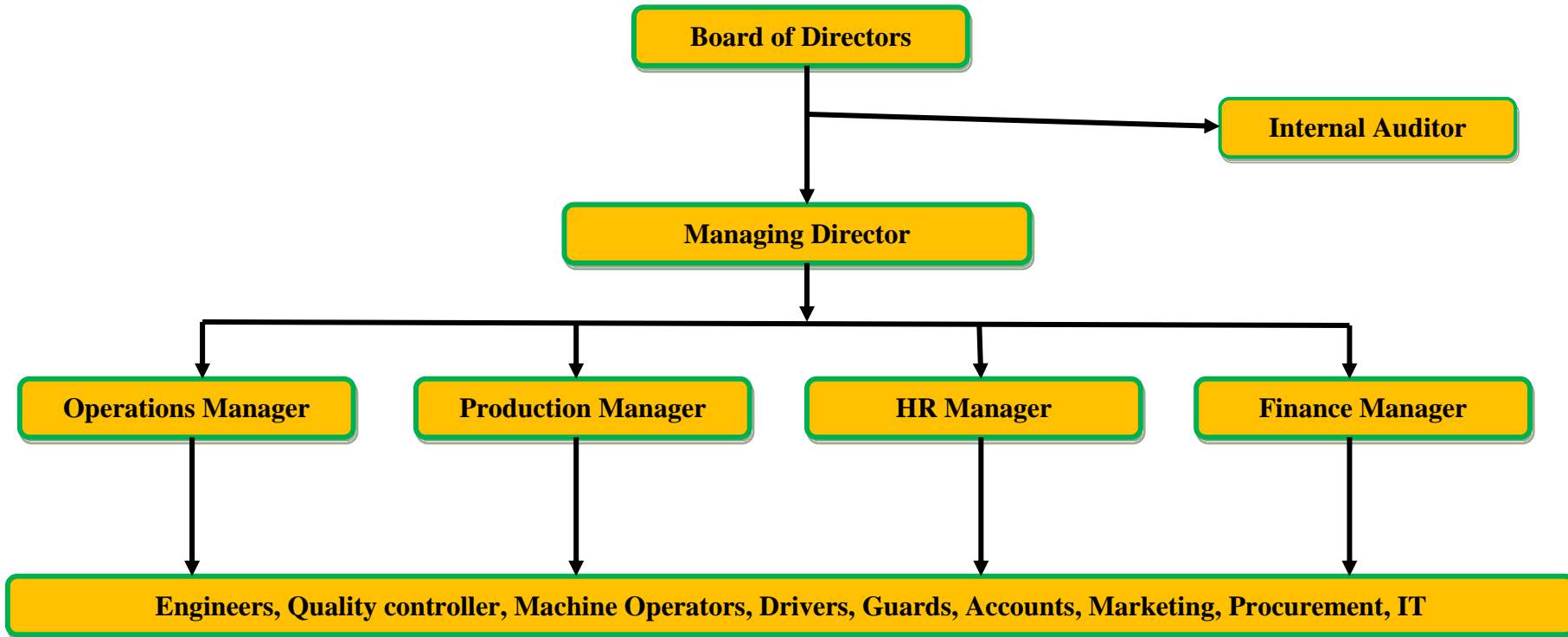
In general, the presented financial projections constitute statement of Financial position, Income Statements and Statement of Cash flow indicate that the business will generate a net loss of **USD 563,371** in the first year and consistently growing to a profit level of **USD 14.7 Million** in the fifth year. Similarly, the net assets are projected from **USD 27.3 Million** at end of first year to **USD 53.5 Million** at end of the fifth year. Likewise, the Net Present value (NPV) of the business is projected at **USD 24.8 Million** for a period of seven years while the DSCR is 3.7 suggesting that the business is financially viable, which when combined with other positive considerations makes the total business idea feasible. Last but not least the Payback Period of the business is about 1 year.

## 12. Implementation Arrangements

Monthly Task	Year Period		2023	2024												2025											
	Start	End	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	
	<b>1. Project Proposal Approval</b>	Oct '23	Dec '23																								
<b>2. Project Financing Approval</b>	Dec '23	Jan '24																									
<b>3. Disbursement</b>	Mar '24	Jun '24																									
<b>4. Prepare, Tendering and sign Proc. contracts</b>	Apr '24	Jun '24																									
<b>5. Project Preparations, Permits and Licensing</b>	Jan '24	Sep '25																									
5.1 Site clearance & installing Infrastructure	Jan '24	Sep '25																									
5.2 Project System Designs and Management	Jan '24	Sep '25																									
<b>6. Technical Procurement</b>	Apr '24	Dec '24																									
6.1 Hardware Machinery	Apr '24	Sep '24																									
6.2 Software Support Equipment	Apr '24	Nov '24																									
<b>7. Consulting Service</b>	Oct '23	Sep '25																									
7.1 Technical Integration System Preparations/Layout	Jan '24	Jun '25																									
7.2 Monitoring, Evaluation & Technical Audit	July '24	Sep '25																									
7.3 Financial Management & Procurement Audit	July '24	Sep '25																									

### 13. NNGCL Agro Food Processing organization Management

The Company's organization structure for this subsidiary entity is as follows:



## 14. Conclusion

With the successful sourcing of the required funds **NNGCL Agro Food Processors** will be capable to grow its business in time for the anticipated economic growth and positively contribute to the national productivity and prosperity. With a positive outlook on the economy the business is set to grow higher. The company's passion is to serve the '**NEEDY**'.

KEY ASSUMPTIONS AND CONSIDERATION:						Table 1
SN	PARTICULARS	FOREX RATE	EQUIVALENCY	CONVERSION DATE	INTEREST RATE	SENSITIVITY FACTOR ****
[A]	<b>EXCHANGE RATE:</b>					
1.	US\$ to Tshs	1.00	2550.00000	2022		
2.	£ to Tshs	1.00	2800.00000	2022		
3.	£ to US\$	1.00	1.09804	2022		
4.	Euro to Tshs	1.00	2775.00000	2022		
5.	US\$ to Euro	1.00	0.91892	2022		
[B]	<b>INTEREST RATES:</b>					
1.	Overdrafts				18%	
2.	Term Loan				18%	
[C]	<b>SENSITIVITY FACTOR:</b>					
	Used to test the projects strengths in case of changes in the exchange rate					1.00
[D]	<b>OTHERS:</b>					
	A margin on goods purchased is projected at:					
	Efficiency Utilisation	54.0%	65.0%	75.0%	85.0%	85.0%
NOTE:						
*** = The exchange rates used are Average rates for the year 2022						

INVESTMENT SCHEDULE:							Table 2
SN	DETAILS OF THE EXPENDITURE	UNIT COST	QUANTINTY PIECES	FINANCING ARRANGEMENT			TOTAL [EURO]
				EQUITY	LOAN	TOTAL [Tshs]	
<b>[A]</b>	<b>LAND AND BUILDINGS [TSHS]:</b>						
	Land Acquisition			5,590,000,000.00	22,050,000,000.00	27,640,000,000.00	9,960,360
	Buildings & other developments			10,580,000,000.00	31,869,453,200.00	42,449,453,200.00	15,297,100
	Warehouse & Storage facilities			2,634,866,800.00	10,466,145,100.00	13,101,011,900.00	4,721,085
	Farm land (200,000 acres)			5,587,000,000.00	14,500,000,000.00	20,087,000,000.00	7,238,559
<b>[B]</b>	<b>PLANT, MACHINERY, TOOLS &amp; EQUIPMENTS:</b>						-
1	Fruit Processing Facilities	1,887,000,000.00	3	0.00	5,661,000,000.00	5,661,000,000.00	2,040,000
2	Maize, Rice, wheat Milling Machines-50T/24H	2,333,775,000.00	3	2,333,775,000.00	4,667,550,000.00	7,001,325,000.00	2,523,000
3	Bakery machines & confectionery Facilities	1,165,500,000.00	1	0.00	1,165,500,000.00	1,165,500,000.00	420,000
4	80 Tons Weighbridge	102,675,000.00	1	0.00	102,675,000.00	102,675,000.00	37,000
5	500 KV Standby Generators	208,125,000.00	2	0.00	416,250,000.00	416,250,000.00	150,000
6	Butter & Cheese Processing Facilities	263,625,000.00	5	527,250,000.00	790,875,000.00	1,318,125,000.00	475,000
7	Cashew nut Processing Plant	3,607,500,000.00	1	0.00	3,607,500,000.00	3,607,500,000.00	1,300,000
8	Sunflower Oil refinery facilities	1,443,000,000.00	1	0.00	1,443,000,000.00	1,443,000,000.00	520,000
9	50T*4 Silos	86,025,000.00	4	0.00	344,100,000.00	344,100,000.00	124,000
10	Contract for Design, Building Steel Silos	255,122,400.00	1	0.00	255,122,401.00	255,122,401.00	91,936
11	Contract for Design, Building Warehouses	94,266,750.00	1	0.00	94,266,751.00	94,266,751.00	33,970
12	Contract for Design, Building workshop	134,051,925.00	1	0.00	134,051,926.00	134,051,926.00	48,307
13	Administrative Office Block	554,556,000.00	1	0.00	554,556,001.00	554,556,001.00	199,840
<b>[C]</b>	<b>UTILITY VEHICLES</b>						-
1	Land Cruiser VX Saloon	175,000,000.00	1	-	175,000,000.00	175,000,000.00	63,063
2	Trucks for raw materials/delivery of goods	169,711,600.00	6	-	1,018,269,600.00	1,018,269,600.00	366,944
3	Scania with Trailer	443,445,000.00	1	-	443,445,000.00	443,445,000.00	159,800
4	Land Cruiser Pick Up 4 WD	485,000,000.00	2	970,000,000.00	0.00	970,000,000.00	349,550
5	Mitsubish Canter Truck 10 TONS	235,000,000.00	2	470,000,000.00	0.00	470,000,000.00	169,369
<b>[D]</b>	<b>FURNITURES, FIXTURE &amp; FITTINGS:</b>						-
1	Refrigerators, tools, computers & its accessories			726,540,000.00	0.00	726,540,000.00	261,816
2	Furniture, Acs, CCTV Cameras & fittings	-		687,950,000.00	0.00	687,950,000.00	247,910
	<b>Sub-total</b>			<b>30,107,381,800.00</b>	<b>99,758,759,979.00</b>	<b>129,866,141,779.00</b>	<b>46,798,610</b>
<b>[E]</b>	<b>PRE-OPERATIONAL EXPENSES [TSHS]:</b>						
1.	Fuel and oil	78,500,000	3	235,500,000.00	0.00	235,500,000.00	84,865
2	Feasibility Study Preparation	60,500,000	1	60,500,000.00	0.00	60,500,000.00	21,802
3	Legal Documentation/Licence	78,590,000	1	78,590,000.00	0.00	78,590,000.00	28,321
4	Directors Renumeration	45,000,000	3	135,000,000.00	0.00	135,000,000.00	48,649
5	Salary and Wages (First Month)	21,500,000	250	0.00	5,375,000,000.00	5,375,000,000.00	1,936,937
6	Electricity and Water	-	0	0.00	550,000,000.00	550,000,000.00	198,198
7	Casual labour	-	0	98,500,000.00	0.00	98,500,000.00	35,495
8	Other expenses			68,750,000.00	0.00	68,750,000.00	24,775
	Shipping charges 50 containers@ EURO 3,500	9,712,500.00	50	0.00	485,625,000.00	485,625,000.00	175,000
	Taxes, Wharfage & Insurance	376,090,200.00	1	0.00	376,090,200.00	376,090,200.00	135,528
	Deposit shipping & Local Charges	108,560,775.00	1	0.00	108,560,775.00	108,560,775.00	39,121
	Clearance Charges	17,723,925.00	1	0.00	17,723,925.00	17,723,925.00	6,387
	Project Management (working capital)	1,294,018,575.00		0.00	1,294,018,575.00	1,294,018,575.00	466,313
	<b>Sub-total</b>			<b>676,840,000.00</b>	<b>8,207,018,475.00</b>	<b>8,883,858,475.00</b>	<b>3,201,390</b>
	<b>TOTAL INVESTMENT COSTS</b>			<b>30,784,221,800.00</b>	<b>107,965,778,454.00</b>	<b>138,750,000,254.00</b>	<b>50,000,000</b>
NB: Exchange Rate used is 1EURO = Tshs 2,775.00				FINANCING %AGE	22.2%	77.8%	100%

PROVISIONAL LOAN REPAYMENT SCHEDULE [TSHS]:						Table 3	
SN	PARTICULARS/YEARS	0	1	2	3	4	5
1.	Balance B/F		107,965,778,454	92,874,554,954	75,066,911,224	54,053,891,623	29,258,528,493
2.	Loan Disbursement	107,965,778,454					
	Interest Capitalized	0					
3.	Interest Payment during grace period	7,017,775,600	19,433,840,122	16,717,419,892	13,512,044,020	9,729,700,492	5,266,535,129
4.	Principal Payment		15,091,223,500	17,807,643,730	21,013,019,601	24,795,363,130	29,258,528,493
5.	Balance C/F	107,965,778,454	92,874,554,954	75,066,911,224	54,053,891,623	29,258,528,493	(0)
6.	Total Loan Service		34,525,063,622	34,525,063,622	34,525,063,622	34,525,063,622	34,525,063,622

PROJECTED DIRECT & INDIRECT OPERATING EXPENSES:				Table 5C			Table 8		
SN	PARTICULARS/YEARS	1	2	3	4	5	6	7	8
<b>[A]</b>	<b>DIRECT EXPENSES:</b>								
1.	Service Overhead	33,470,000	34,139,400	34,822,188	35,518,632	36,229,004	36,953,584	37,692,656	38,446,509
2.	Other Direct Overhead	122,385,424,000	124,833,132,480	127,329,795,130	129,876,391,032	132,473,918,853	135,123,397,230	137,825,865,174	140,582,382,478
3.									
4									
	<b>Sub-total</b>	<b>122,418,894,000</b>	<b>124,867,271,880</b>	<b>127,364,617,318</b>	<b>129,911,909,664</b>	<b>132,510,147,857</b>	<b>135,160,350,814</b>	<b>137,863,557,831</b>	<b>140,620,828,987</b>
<b>[B]</b>	<b>INDIRECT EXPENSES:</b>								
1.	Salaries and Wages	180,300,000	207,345,000	236,373,300	240,282,702	278,727,934	314,962,566	368,506,202	423,782,132
2.	Other Administrative Expenses	6,039,000	7,246,800	8,696,160	10,435,392	12,522,470	15,026,964	18,032,357	21,638,829
	<b>Sub-total</b>	<b>186,339,000</b>	<b>214,591,800</b>	<b>245,069,460</b>	<b>250,718,094</b>	<b>291,250,405</b>	<b>329,989,530</b>	<b>386,538,559</b>	<b>445,420,961</b>
	<b>TOTAL</b>	<b>122,605,233,000</b>	<b>125,081,863,680</b>	<b>127,609,686,778</b>	<b>130,162,627,758</b>	<b>132,801,398,262</b>	<b>135,490,340,345</b>	<b>138,250,096,390</b>	<b>141,066,249,948</b>

PROJECTED WORKING CAPITAL ESTIMATE:		Table 10							
SN	PARTICULARS/YEARS	1	2	3	4	5	6	7	8
[A]	<b>CASH:</b>								
1.	2% of total operating costs	0	-	-	-	-	-	-	-
[B]	<b>DEBTORS:</b>								
1.	2% of total revenue	0	4,019,608	4,823,529	5,788,235	6,945,882	8,335,059	10,002,071	12,002,485
[C]	<b>STOCKS:</b>								
1.	Service Overhead	33,470,000	34,139,400	34,822,188	35,518,632	36,229,004	36,953,584	37,692,656	38,446,509
2.	Other Direct Overhead	122,385,424,000	124,833,132,480	127,329,795,130	129,876,391,032	132,473,918,853	135,123,397,230	137,825,865,174	140,582,382,478
3	0	-	-	-	-	-	-	-	-
4	0	-	-	-	-	-	-	-	-
	Sub-total	122,418,894,000	124,871,291,488	127,369,440,847	129,917,697,899	132,517,093,740	135,168,685,873	137,873,559,901	140,632,831,472
[D]	<b>CREDITORS:</b>								
1.	Utilities and other staff [1 month]	6,039,000	7,246,800	8,696,160	10,435,392	12,522,470	15,026,964	18,032,357	21,638,829
2.	Salaries, Wages [1 month]	15,025,000	17,278,750	19,697,775	20,023,559	23,227,328	26,246,880	30,708,850	35,315,178
	Sub-total	21,064,000.00	24,525,550.00	28,393,935.00	30,458,950.50	35,749,798.26	41,273,844.96	48,741,207.54	56,954,006.54
		122,397,830,000.00	124,846,765,937.84	127,341,046,912.01	129,887,238,948.75	132,481,343,941.32	135,127,412,028.24	137,824,818,693.71	140,575,877,465.44
1.	TOTAL CASH	0	-	-	-	-	-	-	-
2.	TOTAL DEBTORS	-	4,019,607.84	4,823,529.41	5,788,235.29	6,945,882.35	8,335,058.82	10,002,070.59	12,002,484.71
3.	TOTAL STOCKS	122,418,894,000.00	124,867,271,880.00	127,364,617,317.60	129,911,909,663.95	132,510,147,857.23	135,160,350,814.38	137,863,557,830.66	140,620,828,987.28
4.	TOTAL CREDITORS	21,064,000.00	24,525,550.00	28,393,935.00	30,458,950.50	35,749,798.26	41,273,844.96	48,741,207.54	56,954,006.54
1.	CHANGE IN CASH	0	-	-	-	-	-	-	-
2.	CHANGE IN DEBTORS	0	4,019,607.84	803,921.57	964,705.88	1,157,647.06	1,389,176.47	1,667,011.76	2,000,414.12
3.	CHANGE IN STOCKS	0	2,448,377,880.00	2,497,345,437.60	2,547,292,346.35	2,598,238,193.28	2,650,202,957.14	2,703,207,016.29	2,757,271,156.61
4.	CHANGE IN CREDITORS	0	3,461,550.00	3,868,385.00	2,065,015.50	5,290,847.76	5,524,046.70	7,467,362.58	8,212,799.00
			2,455,859,037.84						

PROJECTED INCOME [TSHS]:						Table 11		Table 11	
PARTICULARS/YEARS	0	1	2	3	4	5	6	7	8
Total Revenue	0	123,000,000,000	147,600,000,000	177,120,000,000	212,544,000,000	255,052,800,000	306,063,360,000	367,276,032,000	440,731,238,400
<b>LESS:</b>									
Total Direct Costs	0	(122,418,894,000)	(124,867,271,880)	(127,364,617,318)	(129,911,909,664)	(132,510,147,857)	(135,160,350,814)	(137,863,557,831)	(140,620,828,987)
<b>OPERATING PROFIT</b>	0	581,106,000	22,732,728,120	49,755,382,682	82,632,090,336	122,542,652,143	170,903,009,186	229,412,474,169	300,110,409,413
<b>LESS:</b>									
Total Indirect Costs	0	(186,339,000)	(214,591,800)	(245,069,460)	(250,718,094)	(291,250,405)	(329,989,530)	(386,538,559)	(445,420,961)
<b>GROSS PROFIT</b>	0	394,767,000	22,518,136,320	49,510,313,222	82,381,372,242	122,251,401,738	170,573,019,655	229,025,935,610	299,664,988,452
<b>LESS:</b>									
Depreciation	0	(1,503,920,313)	(1,348,115,598)	(1,222,454,886)	(1,575,214,481)	(1,376,207,521)	(1,219,160,325)	(1,093,894,645)	(992,764,326)
Interest Capitalised		0							
Interest paid		(7,017,775,600)	(19,433,840,122)	(16,717,419,892)	(13,512,044,020)	(9,729,700,492)	(5,266,535,129)	0	0
Pre-operating Costs		0	0	0	0	0	0	0	0
<b>PROFIT BEFORE TAX</b>	0	(8,126,928,912)	1,736,180,600	31,570,438,445	67,294,113,741	111,145,493,725	164,087,324,202	227,932,040,965	298,672,224,126
<b>LESS:</b>									
Corporation Tax 20%	0	0	(347,236,120)	(6,314,087,689)	(13,458,822,748)	(22,229,098,745)	(32,817,464,840)	(45,586,408,193)	(59,734,444,825)
<b>PROFIT AFTET TAX</b>	0	(8,126,928,912)	1,388,944,480	25,256,350,756	53,835,290,992	88,916,394,980	131,269,859,361	182,345,632,772	238,937,779,300
Operating Surplus Percentage	0%	0%	15%	28%	39%	48%	56%	62%	68%
Gross Profit Percentage	0%	0%	15%	28%	39%	48%	56%	62%	68%
Net Profit Percentage	0%	-7%	1%	14%	25%	35%	43%	50%	54%
<b>RETAINED EARNINGS</b>	0	(8,126,928,912)	1,388,944,480	25,256,350,756	53,835,290,992	88,916,394,980	131,269,859,361	182,345,632,772	238,937,779,300
<b>CUMMULATIVE RETAINING</b>	0	(8,126,928,912)	(6,737,984,432)	18,518,366,324	72,353,657,316	161,270,052,297	292,539,911,658	474,885,544,430	713,823,323,730

PROJECTED CASH BUDGET STATEMENT [TSHS ]:				Table 12				Table 12	
PARTICULARS/YEARS	0	1	2	3	4	5	6	7	8
<b>SOURCES OF FUNDS:</b>									
Gross Profit	0	394,767,000	22,518,136,320	49,510,313,222	82,381,372,242	122,251,401,738	170,573,019,655	229,025,935,610	299,664,988,452
Bank Loan	0	107,965,778,454	0	0	0	0	0	0	0
Share Capital		0							
Equity Capital	0	30,784,221,800	0						
Change in Creditors	0	3,461,550	3,868,385	2,065,016	5,290,848	5,524,047	7,467,363	8,212,799	(56,954,007)
<b>TOTAL</b>	<b>0</b>	<b>139,148,228,804</b>	<b>22,522,004,705</b>	<b>49,512,378,238</b>	<b>82,386,663,090</b>	<b>122,256,925,785</b>	<b>170,580,487,018</b>	<b>229,034,148,409</b>	<b>299,608,034,445</b>
<b>APPLICATION OF FUNDS:</b>									
Purchase of Fixed Assets	0	28,033,087,500	0	0	1,821,840,000	0	0	0	0
Corporation Tax Payment	0	0	0	347,236,120	6,314,087,689	13,458,822,748	22,229,098,745	32,817,464,840	45,586,408,193
Loan Services		0	34,525,063,622	34,525,063,622	34,525,063,622	34,525,063,622	34,525,063,622	0	0
Interest Paid	0	7,017,775,600	0	0	0	0	0	(0)	(0)
Change in Debtors	0	4,019,608	803,922	964,706	1,157,647	1,389,176	1,667,012	2,000,414	2,400,497
Change in Stock	0	2,448,377,880	2,497,345,438	2,547,292,346	2,598,238,193	2,650,202,957	2,703,207,016	2,757,271,157	(140,620,828,987)
Change in Cash	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>37,503,260,587</b>	<b>37,023,212,981</b>	<b>37,420,556,794</b>	<b>45,260,387,151</b>	<b>50,635,478,503</b>	<b>59,459,036,395</b>	<b>35,576,736,411</b>	<b>(95,032,020,297)</b>
<b>NET SOURCES/APPLICATI</b>	<b>0</b>	<b>101,644,968,217</b>	<b>(14,501,208,276)</b>	<b>12,091,821,444</b>	<b>37,126,275,939</b>	<b>71,621,447,281</b>	<b>111,121,450,623</b>	<b>193,457,411,998</b>	<b>394,640,054,742</b>
<b>CUMMULATIVE SOURCES/</b>	<b>0</b>	<b>101,644,968,217</b>	<b>87,143,759,941</b>	<b>99,235,581,385</b>	<b>136,361,857,323</b>	<b>207,983,304,605</b>	<b>319,104,755,228</b>	<b>512,562,167,226</b>	<b>907,202,221,968</b>

PROJECTED BALANCE SHEET [TSHS]:					Table 13				Table 13
PARTICULARS/YEARS	0	1	2	3	4	5	6	7	8
<b>CURRENT ASSETS:</b>									
Cash	0	101,644,968,217	87,143,759,941	99,235,581,385	136,361,857,323	207,983,304,605	319,104,755,228	512,562,167,226	907,202,221,968
Debtors	0	4,019,608	4,823,529	5,788,235	6,945,882	8,335,059	10,002,071	12,002,485	14,402,982
Stocks	122,418,894,000	124,867,271,880	127,364,617,318	129,911,909,664	132,510,147,857	135,160,350,814	137,863,557,831	140,620,828,987	0
<b>TOTAL CURRENT ASSETS</b>	<b>122,418,894,000</b>	<b>226,516,259,704</b>	<b>214,513,200,788</b>	<b>229,153,279,284</b>	<b>268,878,951,063</b>	<b>343,151,990,478</b>	<b>456,978,315,129</b>	<b>653,194,998,698</b>	<b>907,216,624,950</b>
<b>OTHER INVESTMENTS:</b>									
Pre-operating Costs	0	0	0	0	0	0	0	0	0
<b>TOTAL INVESTMENTS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FIXED ASSETS:</b>									
Total Fixed Assets	0	26,529,167,188	25,181,051,589	23,958,596,703	24,205,222,222	22,829,014,702	21,609,854,377	20,515,959,732	19,523,195,406
<b>TOTAL FIXED ASSETS</b>	<b>0</b>	<b>26,529,167,188</b>	<b>25,181,051,589</b>	<b>23,958,596,703</b>	<b>24,205,222,222</b>	<b>22,829,014,702</b>	<b>21,609,854,377</b>	<b>20,515,959,732</b>	<b>19,523,195,406</b>
<b>TOTAL ASSETS</b>	<b>122,418,894,000</b>	<b>253,045,426,892</b>	<b>239,694,252,377</b>	<b>253,111,875,987</b>	<b>293,084,173,285</b>	<b>365,981,005,180</b>	<b>478,588,169,506</b>	<b>673,710,958,429</b>	<b>926,739,820,355</b>
<b>CURRENT LIABILITIES:</b>									
Corporation Tax	0	0	347,236,120	6,314,087,689	13,458,822,748	22,229,098,745	32,817,464,840	45,586,408,193	59,734,444,825
Creditors	21,064,000	24,525,550	28,393,935	30,458,951	35,749,798	41,273,845	48,741,208	56,954,007	0
<b>TOTAL CURRENT LIABILITY</b>	<b>21,064,000</b>	<b>24,525,550</b>	<b>375,630,055</b>	<b>6,344,546,640</b>	<b>13,494,572,546</b>	<b>22,270,372,590</b>	<b>32,866,206,048</b>	<b>45,643,362,199</b>	<b>59,734,444,825</b>
<b>NET ASSETS</b>	<b>122,397,830,000</b>	<b>253,020,901,342</b>	<b>239,318,622,322</b>	<b>246,767,329,348</b>	<b>279,589,600,739</b>	<b>343,710,632,590</b>	<b>445,721,963,458</b>	<b>628,067,596,230</b>	<b>867,005,375,530</b>
<b>FINANCED BY:</b>									
Share Capital	0	0	30,784,221,800	30,784,221,800	30,784,221,800	30,784,221,800	30,784,221,800	30,784,221,800	30,784,221,800
Equity Capital	0	30,784,221,800	0	0	0	0	0	0	0
Loan Balance	0	107,965,778,454	92,874,554,954	75,066,911,224	54,053,891,623	29,258,528,493	(0)	(0)	(0)
Capital Reserve	0	122,397,830,000	122,397,830,000	122,397,830,000	122,397,830,000	122,397,830,000	122,397,830,000	122,397,830,000	122,397,830,000
Retaining Earnings	0	(8,126,928,912)	(6,737,984,432)	18,518,366,324	72,353,657,316	161,270,052,297	292,539,911,658	474,885,544,430	713,823,323,730
<b>TOTAL EQUITY</b>	<b>0</b>	<b>253,020,901,342</b>	<b>239,318,622,322</b>	<b>246,767,329,348</b>	<b>279,589,600,739</b>	<b>343,710,632,590</b>	<b>445,721,963,458</b>	<b>628,067,596,230</b>	<b>867,005,375,530</b>

