

## **BUSINESS PLAN**

**BUSINESS NAME:** SRK food industries Limited.

**BUSINESS TYPE:** Manufacturing of Snack Pellets with a Toy inside each package.

**LEGAL STRUCTURE:** Corporation.

**LOCATION:** Based in Pugu road Dar es Salaam, Tanzania.

### **EXECUTIVE SUMMARY**

**SRK FOOD INDUSTRIES LIMITED** aims to establish itself as a premier manufacturer of snack pellets with embedded toys in Dar es Salaam, Tanzania. By offering high-quality products tailored to families with children aged 3-12 years, SRK plans to achieve market leadership while contributing to local employment and economic growth. The company will invest \$825,000 in initial capital expenditure, funded through equity investments from shareholders. With a focus on financial sustainability, SRK aims to achieve profitability within three years of operation.

### **COMPANY DESCRIPTION**

SRK Food Industries Limited is a corporation based on Pugu Road, Dar es Salaam, strategically located for efficient access to suppliers and target markets. Our mission is to provide safe, enjoyable snack options that enhance family bonding through unique toy offerings in each package.

### **MARKET ANALYSIS**

#### **Industry Overview:**

The snack industry, especially segments targeting children, is experiencing rapid growth globally and locally in Tanzania. There is increasing demand for innovative, engaging snack options that cater to children's preferences and parents' health concerns.

#### **Target Market:**

Our primary customers are families with children aged 3-12 years in Dar es Salaam. This demographic seeks snacks that are not only delicious but also safe and entertaining, making SRK's products an ideal choice.

#### **Competitive Analysis:**

SRK Food Industries differentiates itself with superior product quality, innovative toy designs, and a strong commitment to safety and customer satisfaction. Competitors mainly focus on taste and traditional snacking options without the added value of embedded toys.

## **PRODUCTS AND SERVICES**

### **Product Description:**

SRK food Industries offers snack pellets in flavors like tomato and chicken, each paired with a small, safe toy inside the packaging. Our products undergo stringent quality control processes to ensure consistency and safety.

### **Product Lifecycle:**

Continuous innovation in flavors and toy designs will keep our offerings fresh and appealing to our target market, encouraging repeat purchases and customer loyalty.

### **Research and Development:**

Ongoing investment in R&D will drive product innovation, allowing us to stay ahead of market trends and consumer preferences.

## **STRATEGIC MANAGEMENT**

### **Organizational Structure:**

SRK Food Industries operates under a hierarchical structure, with clear roles and responsibilities from top management to production staff. This ensures efficient decision-making and smooth operations.

### **Management Team:**

Our team comprises experienced professionals in food manufacturing, toy design, marketing, and quality assurance, bringing diverse expertise to drive company growth.

### **Ownership and Governance:**

SRK Food Industries is privately held by founders and key investors, supported by a board of directors with expertise in food safety, business strategy, and market expansion.

## **INVESTMENT PLAN**

### **Investment Objectives:**

SRK Food Industries aims to invest \$825,000 in the first year to establish operations, procure equipment, secure working capital, and cover initial expenses. This investment will lay the foundation for sustainable growth and profitability.

### **Sources of Finance:**

Funding will primarily come from equity investments from shareholders, including AJIT HIRJI HARIA, RASIK HIRJI HARIA, HUDDA FIROZALI, MAWAN AKBAR ALI, AMIN MAHMOUD, and ANVARALI SAMSUDDIN. Each shareholder brings capital and expertise critical to the company's success. Our funding strategy includes significant equity investments from various shareholders who bring valuable expertise and resources to our company.

SHAREHOLDERS	NATIONALITY	%
AJIT HIRJI HARIA	INDIA	10%
RASIK HIRJI HARIA	INDIAN	10%
HUDDA FIROZALI	INDIAN	35%
MAWAN AKBAR ALI	INDIAN	25%
AMIN MAHMOUD	UGANDAN	10%
ANVARALI SAMSUDDIN	INDIAN	10%

**Job Creation:**

SRK Food Industries plans to create 100 local jobs in the first year, with roles ranging from production and quality assurance to administration and sales. Job creation will increase annually as the business expands.

**INVESTMENT FUNDS EXPENDITURE BREAKDOWN**

**Startup Costs Allocation:**

- Plant and Machinery: \$500,000 - Investment in state-of-the-art equipment for snack production and toy assembly.
- Working Capital: \$300,000 - Covering initial operational expenses, including raw materials, salaries, utilities, and marketing.
- Other Initial Costs: Land/building rental, vehicles, furniture, fittings, and pre-expenses for legal and administrative setup.

**Source of Supply Inputs**

**Raw Materials:** SRK will establish partnerships with reliable suppliers for food ingredients (e.g., fryums, flavors), toy components, and packaging materials. This ensures consistent product quality and uninterrupted production.

**Inventory Management:** An efficient inventory management system will optimize stock levels, minimize wastage, and ensure timely production and delivery to meet market demand.

**Marketing and Sales Strategy**

**Target Market:** Focus on families with children aged 3-12 years in Tanzania through targeted marketing campaigns and product placements.

**Marketing Strategy:**

**Product Positioning:** Position SRK snack pellets as premium, safe, and enjoyable snacks with added value through unique toy offerings.

- **Promotion:** Collaborate with local influencers, participate in child-focused events, and sponsor community activities to build brand awareness and consumer trust.

- **Distribution:** Partner with major retail chains, supermarkets, and wholesalers for wide product distribution across Dar es Salaam and expand regionally as demand grows.

- **Digital Marketing:** Utilize social media platforms, online advertising, and a dedicated website to engage with customers, promote products, and drive sales

**IMPLEMENTATION PLAN**

**Production Facility:** Establish a modern manufacturing facility meeting international hygiene and safety standards. Separate production areas for snacks and toy assembly will ensure product integrity and safety.

**Logistics:** Develop a robust logistics network for efficient distribution to retail outlets, supermarkets, and wholesalers within Tanzania. Expand logistics capabilities as the business scales regionally.

**Quality Assurance:** Implement rigorous quality control measures at every stage of production to maintain high product standards, adhere to regulatory requirements, and exceed customer expectations.

**FINANCIAL PROJECTION (5 YEARS)**

**YEARLY CASH FLOW STATEMENT:**

Year	Cash Inflows	Cash Outflows
Year 1	\$1,200,000	(\$2,196,000)
Year 2	\$1,500,000	(\$1,570,000)
Year 3	\$1,800,000	(\$1,840,000)
Year 4	\$2,000,000	(\$2,010,000)
Year 5	\$2,200,000	(\$2,180,000)

**CAPACITY OF THE PROJECTION**

**Financial Goals:** Achieve profitability by Year 3, with steady revenue growth and controlled operational costs. Projected cash flows indicate sustainable financial performance and positive returns on investment.

**Production Capacity:** Scale production capacity in line with market demand, ensuring sufficient inventory to meet customer orders and capitalize on growth opportunities.

**Job Creation:** Increase local employment annually, contributing to economic development and community welfare through job opportunities and skill development.

#### **ADMINISTRATIVE EXPENSES**

<b>POSITION</b>	<b>NO. OF STAFF</b>	<b>MONTHLY SALARY</b>	<b>ANNUAL SALARY</b>
General Manager	1	4000000	48,000,000
Factory Supervisor	2	@1500000	36,000,000
Sales Manager	1	2000000	24,000,000
HR Manager	1	2000000	24,000,000
Accountant	2	2000000	24,000,000
Production employees	80	@200000	192,000,000
Cleaners	4	@200000	9,600,000

#### **SUMMARY OF FINANCIALS**

##### **A. FINANCIAL ASSUMPTIONS**

**Inflation:** An assumption of 11.5% to the price of equipment and stock has been added to the financial plan, giving room for inflation and other unforeseen factors that may affect the cost of production.

**Interest rate:** An assumption of 0.9% would be made for the interest rate of loans to be obtained from the financial institutions, which is lower than the commercial rate.

**Insurance:** 5% insurance per annum for the equipment has been projected

**Depreciation:** An assumption of straight-line method has been used in calculating projecting of the depreciation.

**Tax:** 5% has been factored in as tax for the start-up business

