

**BUSINESS PLAN TO TANZANIA INVESTMENT CENTRE
(TIC)**

IN FAVOUR OF

WHITEFIELD TANZANIA AGRO PROCESSING LIMITED

AS

**A PROPOSAL FOR REGISTRATION FOR THE CERTIFICATE OF
INCENTIVES**

**To purchase paddy; operate a rice mill; marketing rice
products and distributorship in the Tanzania and nearby
countries**

SEPTEMBER 2024

Signature

Whitefield Tanzania Agro Processing Limited

Business Proposal to Tanzania Investment Centre (TIC)

Basic Information

Whitefield Tanzania Agro Processing Limited

Dar-Es-Salaam -Tanzania

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1. Title of the Project

Whitefield Tanzania Agro Processing Limited business proposal to Tanzania investment center (TIC)

2. Executive Summary

Whitefield Tanzania Agro Processing Limited is a business that is legally registered and licensed operating in Tanzania. We were duly registered in united republic of Tanzania and have also carried out all the local requirements needed.

The services offered by our company include purchasing of paddy from farmers, milling, packing, marketing, distributing to local market as well as exporting abroad.

Due to the fact that the market is not only profitable but competitive as well, we strive to always give quality service to our customers, this we do by listening to their requirements and also passing along advices and tips that might best make them become better, while also listening for suggestions to improve our business as well.

Our business premises are in the strategic location that is convenient for our purchasing, processing and distribution in and outside the country.

We constantly seek for ways, by which our services can be improved, from our milling machines and storage facilities to our customer services and even our price rates. We also do not compromise on integrity as we adhere strictly to the company's corporate culture at Whitefield Tanzania Agro Processing Limited.

3. Summary of Legal Formation

The Whitefield Tanzania Agro Processing Limited is company limited by shares incorporated in Dar-Es-Salaam under the Companies Act (Act No.12 of 2002) in 28th day of June Two Thousand and Twenty Four. Awarded certificate of incorporation of a company, registration number 175864474

4. Company Shareholding Structure and Nationality

The ownership of company as well as nationality of the members, presented in the table below

S/N	Share Holders Name	Number Of Shares	%	Nationality
1	KHEMJI RICE FZ-LLC	9900	99	United Arab Emirates
2	Raja Banerjee	100	1	Indian

5. Description of the Project: Location, Mission and Vision

At the outset, our main office will be located in Dar-Es-Salaam, eastern Tanzania. The purchasing of paddy, milling and packing will be carried at KAHAMA (SHINYANGA). These are the strategic location with near proximity to key market suppliers of materials, and access to a good road network, communication and other auxiliaries, which gives us the competitive advantage and leverage from our competitors.

The mission of Whitefield Tanzania Agro Processing Limited is to provide the most cost effective, quality efficient and transparent rice products paying great attention to every detail of every job regardless of size.

It is our vision to become premier supplier of quality and value for money rice with a noticeable presence worldwide, within our fifth year of operation. We also intend to provide the best customer service so that our customers not only come back, but refer new clients to us as well, thereby giving us an edge over our competitors.

6. Description of the Project Objective

6.1. Objectives

The objectives for the first three years of operation include:

1. To purchase minimum of 55,840MT of paddy yearly, operate a successful rice milling factory, marketing rice products and dispensing worldwide.
2. Employing 10-15 permanent employees the first year.

3. To attain a regular customers – both in local and foreign market; the first year of operation.
4. Achieve First Year Sales of TZS 62.820 Billion and TZS170.749 Billion Fifth Year
5. Maintain an Average Gross Margin of 24 percent.
6. To produce a net profit of at least TZS 9,275 Billion by the end of the third year of operation.

6.2. Keys to Success

The primary keys to success for the Whitefield Tanzania Agro Processing Limited will be based on the following factors:

- High-quality sourcing of paddy.
- Location close to rice-producing regions.
- A steady supply of raw materials.
- Experienced and expatriate personnel

7. Summary of the Sector Performance

7.1. General Overview: Food Sector in Tanzania

Over two thirds of the population (Tanzanian) live in rural areas where livelihoods are heavily dependent on agriculture. Agriculture is estimated to employ 59% of the economically active population and constitutes approximately one-third of economic activity and export earnings.

Revenue in the food market amounts to US\$27.60bn in 2024. The market is expected to grow annually by 8.24% (CAGR 2024-2029).

The market's largest segment is the segment meat with a market volume of US\$5.44Bn in 2024.

In global comparison, most revenue is generated in china (US\$1,607Bn in 2024).

In relation to total population figures, per person revenues of US\$397.60 are generated in 2024.

In the food market, 0.4% of total revenue will be generated through online sales by 2024.

In the food market, volume is expected to amount to 11,530.00m kg by 2029. The food market is expected to show a volume growth of 4.8% in 2025.

The average volume per person in the food market is expected to amount to 137.90kg in 2024.

7.2. Rice (Paddy) Production in Tanzania

Tanzania is one of the top producers of rice in Africa, the rice productivity is one of the lowest in the world, it ranges from 0.71 Tons/Ha to 3.31 tons/ha which is far below the world standard of 4.5 Tons/Ha.

In Tanzania, rice is cultivated under three major ecosystems namely rain-fed lowland, upland rice and irrigated ecosystem. The large scale rice farmer's account for small proportion (less than 10%) while the majority of rice farmers in Tanzania are small scale farmers (about 90%). Most large scale rice producers use irrigation because of their economies of scale and large investment.

Price fluctuates irregularly because rice price cultivation is either seasonal or yearly. Generally the dry season (May-October) coincides with harvesting season (supply of rice is high) which result into lowering the price of rice. During the rainy season (November-April) there is high demand of rice while the supply is low. This results into raising the price of rice

The consumption and demand of rice are ever increasing because of high preference of rice as a staple food by Tanzanians and people in neighboring countries in Africa. To sustain rice production and make rice farmers resilient against climate change, global warming and globalization effects climate smart technologies, new varieties, irrigated rice ecosystem, research on new varieties and more rice value addition are employed.

8. Summary of Market Analysis

8.1. Market Analysis

Rice is the second most important food crop after maize in Tanzania, it is being grown by 18% of the farming households and is more marketed than maize. The quantity of marketed rice is approximately 42% of the total production while that of maize is 28%, thus being more commercialized than maize. Tanzania is among the top three countries in Africa and it ranks 22nd in the world in terms of rice production. This indicates how important this crop has evolved to be in Tanzania. The rapidly increasing trend in rice production and consumption is partly due to increase of population, urbanization and rice preference

Tanzania produced 2,629,519 tonnes of rice in 2020/21 against the demand of 1,091,778 tonnes, which means the surplus stood at 1,537,741 tonnes

Tanzania rice export increased several folds from 184,521 tonnes in 2020 to 441,908 tonnes in 2021 attracting an increase of revenue from sh176.49 billion to sh476.8 billion

8.2. Market Segmentation

The potential customer groups for Whitefield Tanzania Agro Processing Limited are:

- Foreign Market: Exporting rice to following countries; Uganda, Kenya, Rwanda, DRC Congo, Burundi, India, Malawi and the rest of African even other continents
- Tanzania wholesalers: this market serves as a safety valve for our internally displaced. By maintaining relationships with Tanzania wholesalers we will have an alternative market with established distribution channels.
- Grocery stores and Super-Markets: these will be our customers purchasing our rice, either prepackaged, or bulk, and they resale to their customers. The grocers do not mill the paddy for the customers like the other customer segments, they only sell the ready to be cooked rice from us

8.3. Target Market Segment Strategy

Whitefield agro rice will be focusing on the three previously mentioned customer segments because of their desire of having a high-quality product.

The foreign Market segment often appreciates the finest quality rice product.

Wholesalers and super-markets are another customer segment that is attractive because they have a constant need for rice a common and favorable meals, in all occasion be it family, restaurants and hotels or even on different functions.

Grocery stores which sell rice in unprepared/uncooked forms to a wide range of customer's individuals, hotels and institutions. They serve a natural local customer. Many people buy the bulk of the food they consume during the week from a grocery store, including rice.

8.4. Competition and Buying Patterns

Within the food industry, businesses compete on price, quality, customer service, and delivery. Customer service can include things like ability to produce a range of quantities, and customer products options. Customers must also trust the supplier for regular, reliable service and consistent quality, since sudden changes in supply can really disrupt their demand.

We will established relationships with our customers which extend beyond that of the buyer/seller. The Whitefield Tanzania Agro Processing Limited labels means that the product will be chosen and prepared with the highest quality standards in mind over the competitor's. We strongly believe that by offering delivery services, we will gain a substantial number of new customers, both through the advantages of the new service, and with the new advertising. We will gain the recognition of new customers through our focused marketing plan

8.5. Main Competitors

There are approximately 86 exporters of rice from Tanzania to foreign countries and there are about 147 foreign buyers of rice from Tanzania whom are regarded as our competitors. Globally, India, Thailand, Vietnam, Pakistan, and the United States Of America comprised

the top five rice-exporting countries, collectively accounting for nearly three-quarters (72.8%) of the worldwide rice export. Well known varieties of rice comprise of basmati rice, jasmine rice; Matta Rice; Ponni Rice; Thai Rice; Broken Rice; Brown Rice; White Rice and the last but not the least is organic rice.

8.6. Marketing and Sales Strategy

Our marketing strategy would be on buying paddy from farmers, providing standard milling production services, branding of the rice as well as marketing of the same. We intend to cultivate a loyal customer, retention and attract new customers to patronize our services, in and (exporting) out of Tanzania.

We intend to use our loyal customers to get new customers by deploying a referral system that would see the customer get a discount or recognition in return for referring new customers to us.

We will engage existing and potential customers on our social media platforms, and also from time to time give out tips and suggestions that will ensure that the businesses of our clients improve.

Massive publicity through our website as well as other forums that are agro related so as to garner more customers. Some of the marketing and sales strategies that we will adopt include;

- Introduce our business officially to rice farmers and large dealers in the rice business both in KAHAMA (to start with) and the immediate environs by meeting personally with them and telling them of the benefits they stand to gain in using our services
- Ensure we expand our project by installing various milling factorics, buying/leasing more storage facilities across several strategic locations
- Make use of our official website in promoting our products and services by positioning SEO to ensure that it tops the online search for potential customers
- Make use of our social media platforms such as Instagram, TikTok, Facebook, Twitter, LinkedIn, Business WhatsApp, Telegram, Snapchat, YouTube to mention are few we will promote our brand

- Ensure that our rice brands are advertised on radios, television and even in local and national newspapers
- Meeting and exceeding the expectations of our clients and through this improving the performance of our brand.
- Ensuring there is a consistency in customer experience in all our locations
- Use attractive billboards and banners to ensure that potential customers are aware of our services
- Create awareness by passing out handbills and fliers and pasting same in strategic areas
- Ensure that we deploy the direct marketing approach
- Make use of word of mouth marketing to increase awareness of our existence and invariably our products and services

8.7. Publicity and Advertising Strategy

We have several strategies in place that is aimed at increasing the awareness of our rice mill production company in the minds of our customers.

The use conventional and non-conventional means of promoting Whitefield Tanzania Agro Processing Limited. It is important for our immediate customers to appreciate our rice mill and products.

A good standing in the location where we are based, will invariably affect our other branches that will be in other regions positively.

It is our intention to carry out some of the publicity strategies ourselves, we realize that to be able to fully put in our best efforts into the business, we would likely hire a consultant that would help us come up with and deploy the strategies that have been deemed effective.

Some of the publicity and advertising strategies that we intend to deploy for our Whitefield Tanzania Agro Processing Limited include;

- Create awareness amongst rice farmers by visiting rice farms

- Using our social media platforms – such as Facebook, LinkedIn and other agro forums – to educate the public on the benefit of milled rice and the various stages involved
- Engage in community related programs especially those that would target the youths
- Distribute our fliers in target areas and paste our handbills in conspicuous strategic locations
- Place adverts in local and national newspapers, radio stations, and also on television
- Make use of bulk messaging platform to create awareness
- Carry out Facebook targeted advert so that we are able to reach the right customers
- Ensure that we place billboards in and around strategic points in Tanzania in particular

8.8. Our Pricing Strategy

Right pricing structure in Whitefield Tanzania Agro Processing Limited will ensure customer flowing (attraction). Several pricing packages based on the requirements of our customers and their budget are in place.

Our pricing rates will not be done in isolation, as we would check what is being offered by our nearest competitors and ensure that we peg our prices around what is obtainable especially if the pricing is fair, this way we would not unnecessarily create a price war.

Finally, our pricing will also take into account what our cost of production as well as overhead is; this is so that we do not run the business at a loss. We however, would strive to ensure that we minimize cost to the lowest level.

8.9. Payment Options

We intend to adopt a payment policy that will cater to all the classes of customers that will patronize us at Whitefield Tanzania Agro Processing Limited. We intend to make sure that our payment options abide by all the financial rules and regulations of the county where we would be operating from.

Listed below are the payment options that Whitefield Tanzania Agro Processing Limited will

make available to its customers;

- Cash Payment
- Point Of Sale (POS) Machine Payment Option
- Payment Via Bank Transfer
- Payment Via Check
- Payment Via Online Bank Transfer
- Payment Via Mobile Phone Transfer

The banks with whom we have partnered with for our rice mill production business is one that will ensure that customers have a smooth time during payment without unnecessary stress. Our bank accounts will be available on request.

Those that wish to make payments online will need to fill out a contact form that will specify their request and invariably what they would need to pay. Those who would pay offline would need to physically visit our location to obtain a payment voucher which is based on what the requirements of the customer are, as payment differs according to the needs of the customer.

8.10. Sales Strategy

Whitefield Tanzania Agro Processing Limited will be entering into direct sales for the first time. Our plan is to approach members of our target markets via phone and with direct visits. Where possible, we will ask existing customers to provide us with an introduction or to mention us to their neighbors and friends before we approach them.

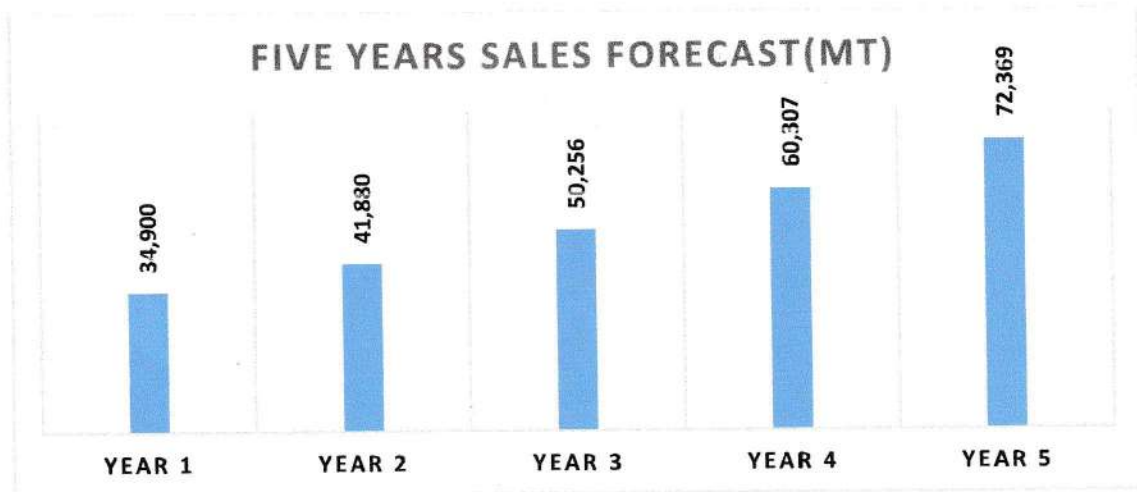
We will tell them about our current products and services, and then ask them clearly what we need to do to earn their business. Considering their desires and individual goals. We will create an individualized sales proposal with their specific needs (products, volumes, frequency, price, other services) included.

Our attractive proposal detailing for each order will be offered to who accepted. We will then adjust our planned shipments of raw goods to include arrival of fresh product necessary for new orders, to be processed and delivered as agreed by the timeline. Deliveries will be automatically scheduled through our point of sale/delivery database. Each customer price grid, conditions and all specific comments will be clearly maintained for all to review and to guarantee complete customer satisfaction. Each order will be reviewed by one of the

owners prior to delivery to guarantee quality, accuracy and completeness. An invoice for each shipment will be emailed or called to each customer the day prior to delivery to ensure payment is ready at the time of delivery. (this will all be part of the agreement terms.)

8.11. Sales Forecast

The following chart and table show our present sales forecast. We project healthy growth in sales in 2025, a slightly smaller increase again in 2026, and reach maximum for production capacity in 2027 representing a large growth over the previous year.



Figures in Million TZS

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
SALES UNIT (MT)	34,900	41,880	50,256	60,307	72,369
SALES UNIT (KG)	34,900,000	41,880,000	50,256,000	60,307,200	72,368,640
SELING PRICE (TZS)/KG	1,800	1,926	2,061	2,205	2,359
TOTAL REVENUE	62,820	80,661	103,569	132,982	170,749
UNIT INPUT (KG)	55,840	67,008	80,410	96,492	115,790
DIRECT COST(TZS)/KG	850	910	973	1,041	1,114
TOTAL DIRECT COST	47,464	60,944	78,252	100,475	129,010

Table: Sales & Direct Cost Forecast

The projection done above is strictly based on all factors being equal such as stable economic growth and lack of strong competitors offering same services and products with same location. Our sales forecast is averagely moderate and stakeholders must be warned that depending on how factors change, projections might increase or decrease.

Key Assumptions

1. Status quo regarding regulation
2. No major change in macro-economic or political situation.
3. We assume our product, product quality, and social media marketing will generate healthy growth in buzz and steady increase in sales
4. We assume efficient management of multiple sites
5. We will make the first site work before moving to the second.
6. We will not add sites while any site is not working well
7. We expect expansion may cause a loss in our second year, but that it will be an acceptable loss and we will have working capital to finance

9. Summary of Project Description

This project remains as resolution to a growing call for food supply, particularly rice in motherland then wide-reaching.

The company is engaged in the purchase of paddy, milling, marketing and distribution of high quality rice in local market as well as foreign market (exporting). Whitefield Tanzania Agro Processing Limited forecasting to launch it operation this very year, and soon or later will expand its operation.

The company is dedicated to providing the highest quality customer service, meeting the agreed delivery dates, and keeping the sales prices controlled in accordance with ongoing market trends.

The focus of this business plan is to identify future target clients, explain our marketing strategy, improve internal procedures so we can substantially increase profitability, and obtain the funding required to expand the business.

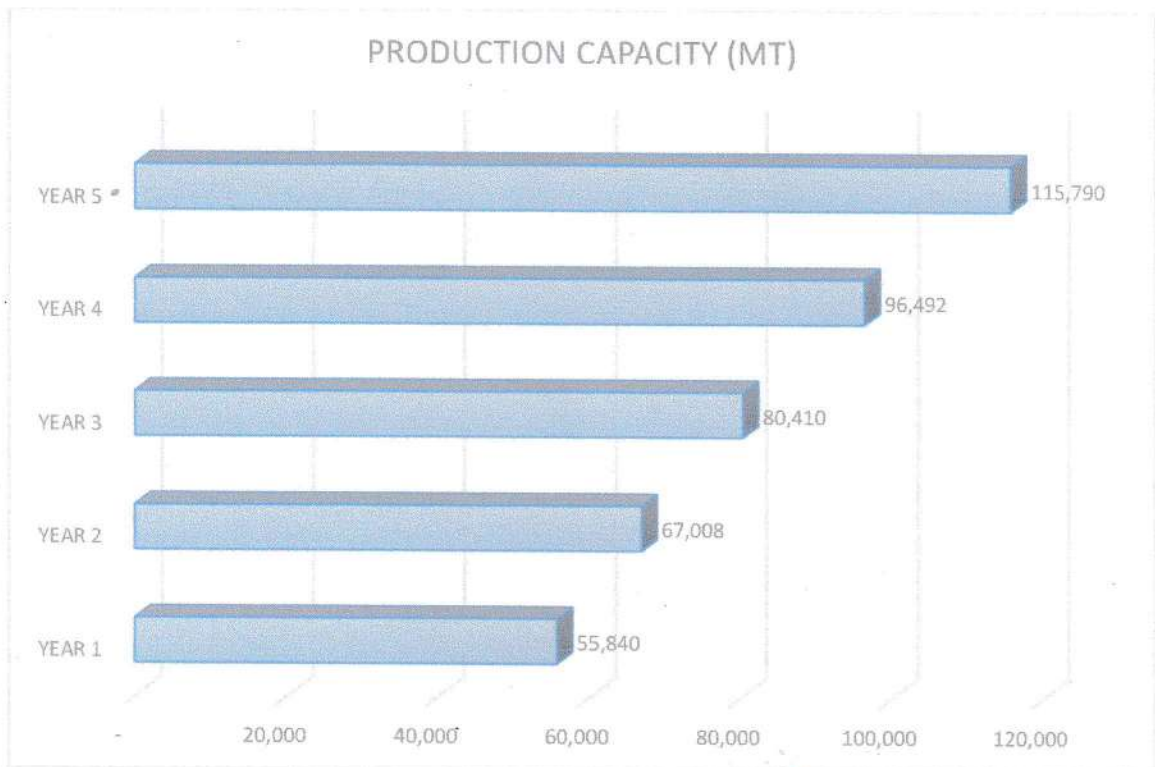
9.1. Annual Production Capacity

Whitefield Tanzania Agro Processing Limited scheduling to a set-up of one paddy milling plant at KAHAMA (SHINYANGA) with input capacity of 55,840MT each year, which is equivalent to 160MT per day. Two other milling units, will be set up, one at IFAKARA (MOROGORO) then, third one at KYELA (MBEYA).

Initially, the first plant will run approximately 20 hours a day (output capacity: 100MT per day; equivalent to 34,900MT Per Year).

As the new business ownership takes effect and various marketing plans are implemented, the production volume will increase. There is sufficient room in the production capacity to expand and produce more rice daily. It is planned that the two new milling plant will be set up for production to meet the customer demand. Not only that but also it is evident that paddy production in Tanzania is ever increasing and we are here ready to tap that opportunity.

Estimated annual milling capacity for the company, shown on the chart below



9.2. Human Resources

The company is expecting to employ ten to fifteen permanent workers at inception. Plans are in place to increase staffing levels in the second year as we expand the production and opening of various franchise outlets country wide. Our workers are by far the most important assets and we will ensure they are well motivated. A satisfied employee is more goal congruent. Two out of the staff will be non-residents and the rest are residents.

Emoluments per Month

Designation	Skill Level	Quantity	Salary Per Person	Total Pay Roll (TZS)
Director	High-Skilled	2	5,000,000	10,000,000
Accountant	High-Skilled	1	3,000,000	3,000,000
Marketing Officer	High-Skilled	1	2,000,000	2,000,000
Cashier	Skilled	2	1,000,000	2,000,000
Security Guard	Semi-Skilled	2	1,000,000	2,000,000
General Workers	Semi-Skilled	2	1,000,000	2,000,000
Total		10		21,000,000

Table: Human Resource and Payroll Projection

10. Investment Costs and Sources of Finance

Start-up costs will be financed through investments business loans of **USD \$ 5 Million** equivalent to TZS 13.5 Billion.

Start-up expenses will comprise of start-up expenses to fund (direct production cost, operating expenses and other overhead); Start-up Assets to Fund non-current asset such as plant and machinery, Land and Building, fixtures and fittings

Detailed of the start-up summary are included in the following table.

Start-up Funding	US\$	TZS
Start-up Expenses to Fund	910,000	2,457,000,000
Start-up Assets to Fund	4,090,000	11,043,000,000
Total Funding Required	5,000,000	13,500,000,000
Assets		
Land	90,000	243,000,000
Building	1,000,000	2,700,000,000
Plants and Machinery	3,000,000	8,100,000,000
Cash Balance on Starting Date	0	0
Total Assets	4,090,000	11,043,000,000

	UD \$	TZS
Wages and Salaries	509,600	1,375,920,000
Legal and Consultation – preset up cost	5,460	14,742,000
Overhead Cost	389,480	1,051,596,000
Furniture	5,460	14,742,000
Total	910,000	2,457,000,000

Table: *Investment Costing Projection*

11. Project Financing Pattern

11.1. Sources of Finance

Whitefield Tanzania Agro Processing Limited project will be financed through a combination of long-term debt and cash flow. Purchase of the larger facility and equipment will require approximately 100% debt financing. Intended expansion of the project should be primarily financed with cash-flow. Inventory turnover must remain at or above four.

Sound system to manage our accounts receivable will be in place as we expect to maintain our collection days at 30 days with thirty percent of sales on credit.

In addition, we must achieve Gross Margins of 24% and Net Profit Margin of 8% in first year while holding Operating Costs no more than 85% of sales in first year of operation but should be decreasing for the coming year.

The company will use acquired capital to buy the land for building of the offices facilities, purchasing plants and machinery (inclusive of installation cost), purchasing motor vehicles, storages facilities as well as furniture and fittings.

12. Project Implementation Schedule

The company intend to implement the projects in the following schedule and phases.

12.1. Registration of the Project and Compliance Phase

The company is intended to begin to register the project with Tanzania investment center and to apply for the certificate of incentive. The company shall also comply with the requisites laws, local and international standard and requirements.

12.2. Raising Fund

The company initially expect to obtain fund (USD 5Million) from various sources such as investors and banks that will be used for initial expenses of the project activities aforementioned in the expenditure break down. More fund will be raised from the aforementioned sources, which will be used to strengthening the initial planned activities and also will be used according to the projects phases as demonstrated in the financial project



12.3. Construction

The company at initial phase intend to buy plants and machinery, which are necessary for the milling project. The company will buy the land to build the plant and offices for the project. Motor vehicles and buildings will purchased in the near future as for now will be leased.

12.4. Project operation

That after accomplishing the construction phase, the company is expecting to start its operation of purchasing of paddy, then milling, marketing and distributing to the customers: locally as well as exporting to other countries.

13. Project Financial Projection for at Least Five Years

The financial projection for the next five years shows that the cost for the fixed assets (Non-Current Assets) for instance; Plant and Machinery, Land and Buildings, Motor Vehicle, Furniture and Fittings in the next two years will be increasing but will be decreasing for the next three years thereafter. The reason behind is that most of the asset will be established/constructed in the first two years and then after the assets will be aging/depreciating (see table below)

Figures in US\$

Non -Current Assets	Year 1	Year 2	Year 3	Year 4	Year 5
Land	90,000	90,000	180,000	180,000	270,000
Building	1,000,000	1,000,000	2,000,000	2,000,000	3,000,000
Plants and Machinery	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Book Value	4,090,000	4,090,000	5,180,000	5,180,000	6,270,000

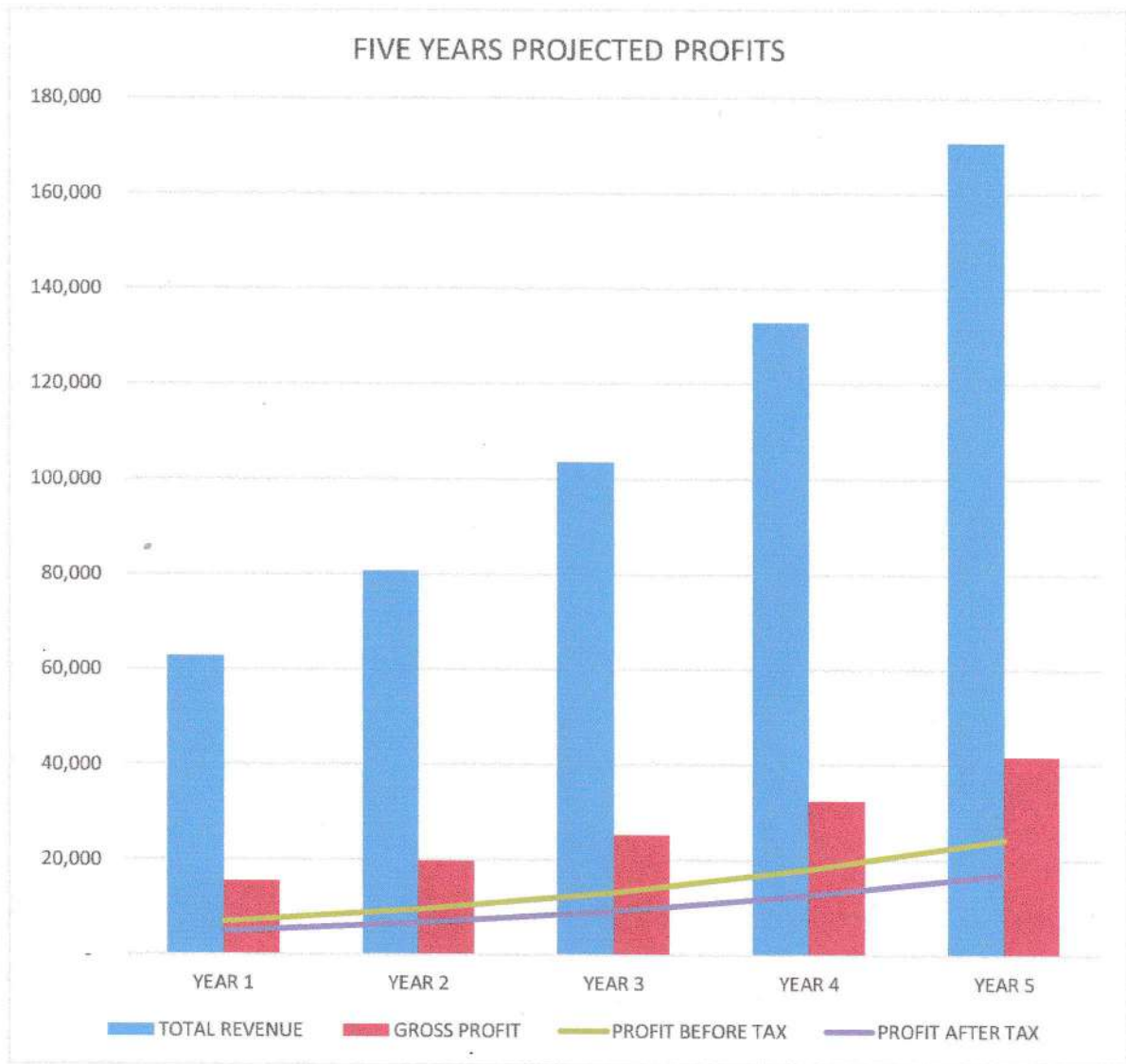
Table: Non -Current Asset Projection for Five Years

13.1 Projected Income Statements

The projected income statement and cash flow shows positive profit and net inflows respectively throughout the investment cycle. Over the projected period (periods under evaluation) from the beginning of year one to five the turnover of Whitefield Tanzania Agro Processing Limited show a positive growth. Not only that but also the interest cover shows the operation will generate sufficient profit to meet all its interest obligations as its profits

before financial charges covers interest obligations by above one times for the whole period of the loan

The projected income statement shows net profit after tax of TZS 4,884 Billion from the first year which grow to close follow up and requiring customers to deposit money in advance to cover for goods to be delivery and service to be rendered TZS 17,054 Billion in the fifth year. (See annex) the profits indicate the expected positive growth of business.



Chat: Profit Projection for Five Years

13.2. Projected Profit and Loss

The Whitefield Tanzania Agro Processing Limited projected income statement for the next five years as shown in the appendices

Figures in Million TZS

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
SALES UNIT (MT)	34,900	41,880	50,256	60,307	72,369
SALES UNIT (KG)	34,900,000	41,880,000	50,256,000	60,307,200	72,368,640
SELING PRICE (TZS) /KG	1,800	1,926	2,061	2,205	2,359
TOTAL REVENUE	62,820	80,661	103,569	132,982	170,749
UNIT INPUT (KG)	55,840	67,008	80,410	96,492	115,790
DIRECT COST (TZS) /KG	850	910	973	1,041	1,114
TOTAL DIRECT COST	47,464	60,944	78,252	100,475	129,010
GROSS PROFIT	15,356	19,717	25,317	32,507	41,739
	24%	24%	24%	24%	24%
ADMIN AND OPERATING COSTS	8,379	10,055	12,066	14,480	17,376
PROFIT BEFORE TAX	6,977	9,662	13,250	18,027	24,363
	11%	12%	13%	14%	14%
TAX	2,093	2,899	3,975	5,408	7,309
PROFIT AFTER TAX	4,884	6,763	9,275	12,619	17,054
	8%	8%	9%	9%	10%

Table; *Projected Profit & Loss*

13.3. Internal Rate of Return

the operation of the company indicate that its investment expect to earn an internal rate of return of 25%.this is considered acceptable much as it is above the cost of its borrowing funds namely 7%.

13.4. Break-Even Analysis

We estimate average monthly fixed costs shown in the appendices. Peak and off-season will have significant impact on the monthly earnings. For the first year, on-season revenues will offset off-season losses. As Whitefield Tanzania Agro Processing Limited builds its market position among the local patrons, we anticipate that off-season revenues will be enough to break even during that season. Further, a rate increase may be considered in fiscal year 2024.

13.5. Cash Flow Projection

The projected cash flow is positive with sufficient balance to cover all matured obligations, throughout the year. The projected liquidity position of the business is quite healthy in that it will be able to liquidate the loan being applied within a period of forty eight months (48), while at the same time meeting all its other financial obligations of operating the business. Debt services coverage ratio is above one for the whole period of the loan facility.

13.6. Balance Sheet Projection

The projected balance sheet has positive balances, which are above the term loan. Furthermore total assets are more than term loan thus suggesting that, the investment is easily liquid.

Basic assumptions and considerations

1. All computations are in Tanzania shillings
2. Period of evaluation: 5 years
3. All prices are based on current levels and are assumed to remain constant
4. Revenue sources: Rice
5. Sales Capacity: 55,840MT per Year
6. Interest On Loan : 7%

13.7. Environmental and occupational safety considerations & risk analysis

13.7.1. Environmental impact

Staff Wear

The company will provide the staff with standard uniforms including rubber boots and gloves. Whenever an opportunity prevails, the company provides them safety training as the businesses get better.

Waste Disposal

Generally, The Business Does Not Produce Significant Waste In The Meantime. As The Business Expands To Accommodate Car Wash And Service And Garage, We Shall Introduce Liquid And Solid Waste Disposal Mechanisms Including Sewerage Pits.

13.7.2. Project Risk Factor

The risks that Whitefield Tanzania Agro Processing Limited is likely to face are of three types namely, economic, political/ social

13.7.3. Economic Risk

The major economic risk is that of the recession happening in either Tanzania or in any country to which our customers will be dependent also regular increase in fuel price in the world this can affect our business but it is not in the control of Whitefield Tanzania Agro Processing Limited and country in general.

13.7.4. Political Social and Religious Risk

The biggest risk associated with any of the above factors is that of disturbances or upheavals, the effect of political social and religious, up -heavals of business are usually bad. It is however reassuring to note that Tanzanian political, social and religious stability is fairly strong and it is likely to continue this way for quite some time.

13.7.5 Operation Risk, Liquidity Risk and Credit Risk

Managing operational risk in the business is an integral part of the day to day operations by the management. This risk is will be closely monitored by the board of Directors through a sound internal control system and insurance cover.

Liquidity risk is the risk that the business faces by not having adequate funds to settle day to day obligations as they fall due. Whitefield Tanzania Agro Processing Limited will management through maintaining sufficient cash to cover commitment credit facilities received working capital as well as capital project requirements.

Risk associated with trade and other receivables is called credit risk, of which the company will maintain close follow up and requiring customers to deposit money in advance to cover for goods to be delivery and service to be rendered.

14. Conclusions and Recommendation

14.1. Conclusions:

The following conclusions can be drawn from the financial and economic analysis of this project.

- The project is fully resource based which is purely involved in the improvement of food industry as well as employment sector in the country.
- The project is profitable; hence it will increase the overall profitability of the company and its ability to contribute to the government by way of taxes.

14.2. Recommendation

Based on the above factors the consultant recommends that the proprietor be granted with the certificate of incentives from TIC for continues improvement of this project at the earliest date possible.

Thanks and I Submit



Enock Felix Changwa

Director- Whitefield Agro Tanzania Processing Limited

