

# **BUSINESS PLAN**

**FOR**

**LANTERN LLC LIMITED**  
**P.O.BOX 25576, SINGIDA.TANZANIA**

**Prepared by:**  
**M/S. Lantern LLC Limited**  
**P.O. BOX 25576**  
**DAR ES SALAAM.**

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## Table of Contents

<b>1. EXECUTIVE SUMMARY</b>	<b>- 3 -</b>
<b>1.2 FOUNDERS AND OWNERSHIP</b>	<b>- 5 -</b>
<b>SHARE CAPITAL AND SHAREHOLDING STRUCTURE</b>	<b>- 5 -</b>
<b>1.3 ESTABLISHMENT OBJECTIVE</b>	<b>- 5 -</b>
<b>1.4 VISION</b>	<b>- 5 -</b>
<b>1.5 MISSION</b>	<b>- 5 -</b>
<b>1.6 VALUES</b>	<b>- 6 -</b>
<b>1.7 OUR PROPOSITION</b>	<b>- 6 -</b>
<b>2 BUSINESS DESCRIPTION</b>	<b>- 7 -</b>
<b>2.1 DEVELOPMENT STATUS</b>	<b>- 7 -</b>
<b>2.2 PRODUCTION ANALYSIS</b>	<b>- 7 -</b>
2.2.1 <i>SITE LOCATION</i>	- 7 -
2.2.2 <i>PLANNED MAIN PRODUCTS</i>	- 7 -
2.2.3 <i>PRODUCTS SEGMENTATION</i>	- 7 -
2.2.4 <i>RAW SUNFLOWER SEEDS</i>	- 8 -
2.2.5 <i>SUPPLIERS OF RAW MATERIALS</i>	- 8 -
2.2.6 <i>RAW MATERIAL SOURCING ARRANGEMENTS</i>	- 8 -
2.2.7 <i>TECHNOLOGY USED</i>	- 8 -
2.2.8 <i>COST OF PRODUCTION OF FARMING OF ONE ACRE OF SUNFLOWER FARM</i>	- 9 -
2.2.9 <i>PRODUCTION YIELD</i>	- 9 -
2.2.10 <i>SELLING PRICE</i>	- 10 -
2.2.11 <i>QUALITY CONTROL/ASSURANCE</i>	- 10 -
2.2.12 <i>PRODUCT PACKAGING</i>	- 11 -
2.2.13 <i>WORKING SCHEDULE</i>	- 11 -
2.2.14 <i>EDIBLE OIL VALUE ANALYSIS</i>	- 11 -
<b>2.3 SOCIAL AND ECONOMIC ASPECTS</b>	<b>- 12 -</b>
2.3.1 <i>CULTURAL/COMMUNITY ACCEPTABILITY</i>	- 12 -
2.3.2 <i>SOCIAL AND ECONOMIC IMPACTS</i>	- 12 -
2.3.3 <i>MITIGATION OF SOCIAL AND ECONOMIC IMPACTS</i>	- 12 -
<b>2.4 ENVIRONMENTAL ASPECTS</b>	<b>- 12 -</b>
2.4.1 <i>EXISTING ENVIRONMENTAL BASELINE CONDITIONS (CLIMATE, TOPOGRAPHY)</i>	- 12 -
2.4.2 <i>ENVIRONMENTAL IMPACTS</i>	- 13 -
2.4.4 <i>ENVIRONMENTAL REGULATIONS COMPLIANCE</i>	- 13 -
<b>3. MARKET ANALYSIS</b>	<b>- 13 -</b>
<b>3.1 INDUSTRY OVERVIEW</b>	<b>- 13 -</b>
<b>3.2 MARKET</b>	<b>- 14 -</b>
3.2.1 <i>POTENTIAL MARKET</i>	- 14 -
3.2.2 <i>MARKET SIZE AND TRENDS</i>	- 17 -
3.2.3 <i>MARKET SEGMENTATION</i>	- 17 -
<b>3.3 COMPETITION</b>	<b>- 17 -</b>
3.3.1 <i>COMPETITORS' PROFILE</i>	- 18 -
3.3.2 <i>COMPETITIVE ADVANTAGES</i>	- 18 -
<b>3.4 MARKETING STRATEGY</b>	<b>- 18 -</b>

3.4.1	<i>ADVERTISEMENT AND PROMOTION</i>	- 18 -
<b>3.5</b>	<b>SELLING STRATEGY</b>	<b>- 19 -</b>
3.5.1	<i>PRICING</i>	- 19 -
<b>3.5.1.1</b>	<b>SALES PLANS</b>	<b>- 19 -</b>
3.5.2	<i>PRODUCT</i>	- 19 -
3.5.3	<i>METHODS OF SALE</i>	- 19 -
3.5.4	<i>DISTRIBUTION CHANNELS</i>	- 19 -
<b>3.5.6</b>	<b>GOALS</b>	<b>- 20 -</b>
<b>4.</b>	<b><u>SITUATIONAL ANALYSIS - 20 -</u></b>	
<b>4.1</b>	<b>PERFORMANCE TRENDS</b>	<b>- 20 -</b>
4.1.2	<i>FUTURE PRODUCTION PLANS;</i>	- 21 -
<b>4.2</b>	<b>STRENGTHS AND OPPORTUNITIES</b>	<b>- 22 -</b>
4.2.1	<i>STRENGTHS</i>	- 22 -
4.2.2	<i>OPPORTUNITIES</i>	- 22 -
<b>4.3</b>	<b>WEAKNESSES AND THREATS</b>	<b>- 23 -</b>
4.3.1	<i>WEAKNESSES</i>	- 23 -
4.3.2	<i>THREATS</i>	- 23 -
<b>4.4</b>	<b>BUSINESS CHALLENGES</b>	<b>- 23 -</b>
<b>4.5</b>	<b>PROPOSED SOLUTIONS TO BUSINESS CHALLENGES</b>	<b>- 24 -</b>
<b>5.0</b>	<b>FINANCIAL MANAGEMENT</b>	<b>- 25 -</b>
<b>5.1</b>	<b>FINANCIAL RISKS AND MITIGATION PLAN</b>	<b>- 25 -</b>
5.1.1	<i>LACK OF RAW MATERIALS</i>	- 25 -
5.1.2	<i>LACK OF ADEQUATE INVESTMENT FUND</i>	- 25 -
<b>6</b>	<b><u>ORGANIZATION AND MANAGEMENT PLAN - 25 -</u></b>	
<b>6.1</b>	<b>ORGANIZATION STRUCTURE</b>	<b>- 25 -</b>
<b>6.2</b>	<b>BOARD OF DIRECTORS</b>	<b>- 25 -</b>
<b>6.3</b>	<b>MANAGEMENT</b>	<b>- 25 -</b>
<b>6.4</b>	<b>TECHNICAL/SUPPORT STAFF</b>	<b>- 26 -</b>
<b>6.5</b>	<b>PERSONNEL PLAN</b>	<b>- 26 -</b>
<b>6.6</b>	<b>MANAGERIAL/TECHNICAL GAP PLAN</b>	<b>- 26 -</b>

# 1. Executive Summary

M/s. Lantern LLC Limited is a limited liability company incorporated on 18th October, 2017 and issued with certificate of incorporation number 138706. The owners of the company will contribute the capital for this project to be able to fully satisfy its markets of supplying 80 tons of sunflower oil per week to the markets in over the next ten years. Given the nature of the market the company feels a dire need to improve its operations. Furthermore the markets shall earn the company 800 million Tanzania shillings each month. The primary function of the company is purchasing of sunflower seeds, processing of sunflower seeds into cooking oil and thereafter marketing and distribution of sunflower oil to the desired target market. The company is registered with the Taxpayer Identification No. 135-550-213 on 15th January, 2018 from Tanzania Revenue Authority (TRA) (See the attached appendix 1.1 – 1.5 copies of relevant registrations).

The company is constructing sunflower processing plant 1 km off road from Singida – Shinyanga highway (65km from Singida Town) in Shelui Village, Shelui Ward, and Iramba District. The company purchases sunflower seeds from all over Singida, Dodoma, Kiteto and Shinyanga Regions. The company will be having memorandum of understanding with about 500 farmers from Iramba District who are dealing with farming of sunflower to ensure availability of seeds as well as reducing transportation costs. The company again has water well that is assisting on water to the factory and the surrounding community.

Business model of the company is buying stock of sunflower seeds, processing to sunflower oil as their main product and sunflower cakes as by-product. Sunflower oil is traded under the brand name “**Mambo**” and sold in the local market and regional market (Mostly East African and some Asian countries).

The founder of the company is Mr. Saeed Mubarak Salem who has vast outstanding business knowledge and experience of more than 30 years in agricultural sector, sunflower sub-sector and oil as well as marketing and distribution of their final products [Sunflower oil and cakes].

The current processing capacity of the company’s machines is 48 tons per day. Thus the current processing capacity needs larger stock throughout the year. As for other Agricultural crops, the company calls for stocking of large stocks of sunflower seeds during harvesting when prices are relatively low and then have stocks that will be available throughout a year and enable promoter to maximize profit when selling the sunflower oil during off season.

Moreover, we will install 100 Metric tons Weigh Bridge that will be used to weigh all trucks which will be delivering sunflower seeds in the factory.

Before entering into the business of production of semi refined sunflower oil, the Directors of the company was basically engaged in trading of sunflower seeds both in the domestic and export markets. The major buyers of sunflower seeds were Mount Meru Millers Limited of P.O. Box 203, Arusha and Singida branch, Murzah oil Mill Limited in Dar es Salaam and Ivory Limited –Iringa. The company had once sourced a buyer from Bujumbura –Burundi one of the company’s Director (Saeed Mubarak Salem) has also been partly processing sunflower oil through leased machine has given him hands on experience on understanding the business and markets of oil processing, packaging and selling.

The company currently hires eight (8) employees for its Kigamboni rice processing project on its payroll and more than 10 temporary jobs have been creating through casual labor hiring. Having seen and understood

the available potentials in the business of processing sunflower seeds into oil, the company made a decision to establish its own processing plant in Shelui, Iramba District, and Singida Region to take advantage of proximity to raw materials.

The ambition for the installed oil processing plant is to create market for Singida region and Tanzania in large to sunflower farmers and add value to the product for domestic and export markets. The plant building consisting of main building, laboratory, and production unit, storage warehouse, Weigh Bridge other proposed installations are Silo and acquiring two motor vehicle trucks for sunflower seeds collection from farmers and our collection points.

Due to the unmet and increasing demand and business potentials of sunflower oil and its allied products, in both the domestic and export markets, the company is strategically strive to continue production and stay in the agriculture sector and sunflower sub-sector. However, in order to diversify and improve our business profitability and sustainability, we are looking forward to investing more intensively in the agricultural sector especially in processing of various sunflower oil.

### **Rationale for Finance Needs**

The company is forced to construct sunflower processing plant after overseen the unmet demand and business potentials of sunflower oil and its allied products in domestic and export markets. Owners of the company are contributing the capital for construction of plant, buying machinery as well as trucks (capital goods) as shown below chart

<b>S/N</b>	<b>NAME OF CAPITAL GOODS</b>	<b>Quantity</b>
1	YJY-YC DE stoner & Stone Remover	1
2	YJY-Z300 Oil Pressing Line	1
3	YJY-GS3000 Oil Refinery Production Line	1
4	YJY-GS300 Oil filling Machine	1
5	Installation Material	1
6	Activate Clay	1
7	Activate Carbon	1
8	Caustic Soda	1
9	Conduction Oil	1
10	SUS304 Oil Tank	1
11	Trucks	3
12	Rice Milling Machine	1
13	Tractors	5
14	Canters	5
15	Pick Up Hilux	2
16	Land cruiser Gasoline	2
17	Hino Trucks	1
18	YJY-M7260 Noodle Production Line	2
19	YJY-F2230 Vermicelli Production Line	2
20	HY-C2 Bottle Making Machine	2

### 1.1. Founders and Ownership

**Mr. Saeed Mubarak Salem** – He is the founder, with an outstanding business knowledge and experience of more than 30 years in agricultural sector, sunflower sub-sector and oil and allied products especially in marketing, and marketing strategies both in the domestic and export markets. He is also experienced in import and export procedures of agricultural products especially sunflower seeds and oil.

**Mrs. Sameera Saeed Mubarak**– The founder, integrity person with more than 10 years’ experience in trading, import and export of farms products, inputs, assorted hardware, machinery and equipment.

### 1.2. Share Capital and Shareholding Structure

The authorized share capital of the company is TZS 5,000,000.00 divided into 100 ordinary shares of TZS “50,000.00” each owned (subscribed) by two shareholders as follows: -

Name	Shares	Value	%
Saeed Mubarak Salem	90	4,500,000.00	90%
Sameera Saeed Mubarak	10	500,000.00	10%
<b>TOTAL</b>	<b>100</b>	<b>5,000,000.00</b>	<b>100%</b>

**Note:** The company shall have powers to increase its capital and to divide the shares in its capital for time being into several classes of stock or shares and to attach thereto respectively such preferential, differed or special rights, privileges, or conditions as may be determined by or in accordance with Articles of association of the company.

### Contact Information

<b>Physical and Mailing Postal Address</b> Plot No. ...., Shelui Village, Shelui ward, Iramba District, P.O. Box 25576, Singida, Tanzania	<b>Telephone Numbers:</b> Mobile: +255 750 904 762; +255 784 311 495;  <b>Email:</b> lanternlml2024@gmail.com
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### 1.3. Establishment Objective

Our primary objective for establishing this company was trading in agricultural produce such as sunflower seeds, processed rice and processing of sunflower oil.

### 1.4. Vision

Our vision is to become an outstanding and reliable producer, processor and distributor of quality edible sunflower seed oil.

### 1.5. Mission

Our mission is to build on the legacy of “Mambo Brand” and continually producing, packaging and distributing of quality edible sunflower seed oil using modern technology facilities to service both local and international markets.

## **1.6. Values**

Our values are; fundamental responsibilities towards our customers, employees, shareholders, social and culture, environment, suppliers and the community we serve. We recognize our values and while effectively translating our values into action, we conduct ourselves with utmost integrity, adhering to the highest standards of ethical and just conduct.

## **1.7. Our Proposition**

We are manufacturers of quality sunflower oil processed from locally grown sunflower seeds farmers. Sunflower oil known for its high oleic contents & lower transfer value is a superior choice over Palm Oil which is imported into the country in large volumes. Sunflower oil with its high nutritional value not only provides for a healthy option but also empowers the local farmers and catalysis the economy of the country.

We want to become one of the successfully running companies in the organized sector in Tanzania. We do not only want to witness a steady growth in our processing units but also endeavored equally to improve quality and quantity to meet the growing demands of our consumers.

## **2. BUSINESS DESCRIPTION**

### **2.1 Development Status**

The company currently has one business line on board which is processing and selling rice and through this project we will add three business lines as follows;

- Process semi and double refined sunflower oil and supply to domestic and export market;
- Sell sunflower cakes to double refinery companies or to poultry keepers and;
- Purchasing and selling of phone and computer accessories.

The company will have linkages with the non-farm sector through forward linkages to agro – processing, consumption and export.

Also, we are aiming to play a pivotal role in Tanzanian sunflower seed farming industry that will help transform subsistence agriculture into commercial farming. We need to improve the productions of sunflower oil in quality manner and marketing of Mambo products in both local and international markets. This will also create and increasing effect on the sunflower acreage and the number of smallholder sunflower farmers.

### **2.2 Production Analysis**

#### **2.2.1 Site Location**

The factory is located at Plot No. 11 IRM/1 Shelui Village, Shelui Ward, and Iramba District about 65km from Singida town. The site location of the plant is very potential for this business as it is surrounded by sunflower seeds and maize farmers hence availability of raw materials. The factory and the properties are owned by the Company's directors.

#### **2.2.2 Planned Main Products**

At present we offer only processed rice produced at our Kigamboni factory as main products:

#### **2.2.3 Products Segmentation**

The following table shows the product segmentation of products that will be offered from our factory:

<b>Product</b>	<b>Percentage Offering to the Market</b>
Sunflower Oil	95%
Sunflower Cake	5%

#### 2.2.4 Raw sunflower seeds

Raw materials for processing of sunflower edible oil are sunflower oil seeds.

#### 2.2.5 Suppliers of Raw Materials

The sources of raw materials for production of sunflower edible oil are sunflower seeds obtained from: Itigi district, Manyoni district, Mkalama district and Iramba district in Singida region. We will also obtain Sunflower Seeds from Kibaiywa, Dodoma Township, Igunga district, Kondoa district, Kiteto district etc.

#### 2.2.6 Raw Material Sourcing Arrangements

Arrangements for sourcing sunflower seeds for production of sunflower oil are made through ordinary purchase biggest supplies like; contracted farmers and non-contracted farmers from Iramba District, Mkalama and other areas of Singida Region. Also we will do ordinary purchases from farmers' groups, associations and unions.

#### 2.2.7 Technology Used

At present we will do sunflower seeds pressing by using our 40 tons pressing machineries and Equipments. The machinery and equipment are summarized in the table below:-

<b>Machinery &amp; Equipment</b>	<b>Installed Capacity</b>	<b>Usage Capacity</b>	<b>Status</b>
Current planned Pressing machineries	48 tons per day	40 tons per day	To be purchased for Producing Sunflower Seed Oil

#### Direct Labor Requirement

Labor requirement in this context is expressed in terms of present and future, skilled and semi-skilled personnel plan directly involved in production as shown in the following table.

<b>Personnel Category</b>	<b>Present (Kigamboni Project)</b>		<b>Future (Singida Project)</b>	
	Skilled	Semi-Skilled	Skilled	Semi-Skilled
Supervisor	1	0	2	0
Accountants	1	0	2	0
Marketers	0	0	3	0
Machine Operators	2	0	6	12
Procurers & Logistics	1	0	3	0
Quality Control/Assurance	1	0	2	0
Casual	0	2	5	15
<b>Total</b>	<b>6</b>	<b>2</b>	<b>23</b>	<b>27</b>

## 2.2.8 Cost of Production of Farming of one acre of sunflower farm

In Tanzania, according to a recent study by Agriculture Research Institute at Ilonga in Kilosa, the production cost of sunflower for one acre is TZS 480,000 and one acre can produce up to 15 bags of sunflower seeds weighing an average of 65kg.

The revenue from the sale of oil alone, those bags from one acre can earn a farmer around TZS 907237.5 of oil and the sale of oil cake for animal feed can earn him/her TZS 186907.5 making a total of TZS 1,094,144.5 per acre leaving a profit margin of TZS 615,000 per acre.

## 2.2.9 Production Yield

Under normal circumstances 100 kgs of cleaned oil seeds especially sunflower seeds yield 32 liters of sunflower oil.

However, in practice on the ground the following table shows the current average production costs of sunflower oil per litre of both semi and refined sunflower oil.

Production Costs					
Product	Unit	Qty	Unit Cost		Total
			Sunflower Seeds	Overhead	
Semi Refined Sunflower Oil	Litre	1	750	1,000	1,750
Refined Sunflower Oil	Litre	1	750	1,500	2,250

Present data from other processors show that the average purchase and production cost of sunflower seeds and edible oil respectively by type is as shown in the table below:

### Production Cost/Purchase Cost FOB

Product	Quality	Unit	Qty	Unit Price (TZS)
Sunflower Seeds	Graded	Ton	1	750,000
Sunflower Oil	Semi Refined	Litre	1	1,500
	Refined	Litre	1	2,215
Palm Oil	Semi Refined	Litre	1	1,650
	Refined	Litre	1	2,310
Cotton Oil	Semi Refined	Litre	1	1,600
	Refined	Litre	1	2,250

Note: It is assumed that the total production cost per litre will increase by 10% throughout the planning period.

### 2.2.10 Selling Price

Selling Price			
Product	Qty	Unit	Unit Price (TZS)
Sunflower Oil Mambo	4.5 Kgs	5 Liters	<u>TZS 99,000/=</u> Per carton
Sunflower Oil Mambo	17 Kgs	20 Liters	<u>TZS 93,500/=</u> per piece
Sunflower Oil Mambo	2.6 Kgs	3 Liters	<u>TZS 85,800/=</u> Per carton
Sunflower Oil Mambo	0.9 Kgs	1 Lite	<u>TZS 59,400/=</u> Per carton
Sunflower Cake Mambo	1Kg		<u>TZS 500/=</u> Per Kg

The following table shows the generalized on the ground current average selling price of sunflower oil Mambo brand product in the market.

### 2.2.11 Quality Control/Assurance

For quality control/assurance purpose of our products, we look forward to recruiting qualified and experience personnel to carry out the task in house.

Currently, we use third parties, TBS in particular for carrying out product quality assurance. We strive to ensure that our sunflower oil has the following specifications:

- Free fatty acid as oleic acid, 0.10 % maximum;
- Peroxide value meq/kg 2.0 maximum;
- Color in a Lovibond cell 0.635 cm expressed as Y + 10 R maximum 10.0;
- Moisture and insoluble impurities 0.1 maximum;
- Cold test clear at 4 degree centigrade after 24 hours

According to the Tanzania Food and Drugs Authority (TFDA) sunflower oil for human consumption should be refined and fortified. And according to the Tanzania standard for sunflower oil, the Tanzania Bureau of Standards (TBS) specifies that:

#### **Raw Sunflower Oil**

- This is oil obtained by a process of mechanical expression and/or solvent extraction. The oil should be pure and not contain any particles, sediments, foreign matter or contamination.

#### **Refined sunflower oil**

- This oil is obtained by extraction and in addition it has been neutralized with alkali, washed with water, dried, bleached with bleaching earth or activated carbon and deodorized with steam. No other

chemical agent is allowed in this process except citric acid.

Also, sunflower oil for edible purpose shall contain antioxidants and antioxidant synergists in specified levels.

### **2.2.12 Product Packaging**

At present we are planning package our Sunflower Oil "**Mambo Brand**" in packaging of different sizes ranging from 1 liter, 3liters, 5 liters and 20 liters well labeled containers according to standards.

### **2.2.13 Working Schedule**

There will be two (2) eight (8) hours shift system a day; one shift from 8am to 5pm Monday to Friday except during public holidays.

### **2.2.14 Edible Oil Value Analysis**

The oil seeds value chain analysis involves a number of functions and institutions. It has both backward and forward integrations. Smallholder farmers as growers are at the central point. Farmers are linked with input suppliers (backward integration). The inputs include seeds, fertilizers, and chemicals. Other linkages with oil seeds growers involve oxen and tractors owners who do farm tillage operations for farmers.

In order to reach us as oil seeds processors, farmers may sell directly to us or sell through the middlemen who buy seeds from farmers, or through their farmers' groups. Under this route, transporters have a function of transporting oil seeds to the mills. In this specific context, we do hire trucks and we either directly buy from farmers/farmers associations (unions) and collect the seeds for processing or may work in conjunctions with middlemen on contractual basis to buy and transport oil seeds from farmers. We also do have linkages with suppliers of machineries, utility suppliers, spare parts and packaging materials.

There are a number of activities involved after oil production. The activities include transporting, and distribution.

Key players of Sunflower sub-sector in particular in Tanzania comprise a number of participants (actors). They module the following:

- **Producers:** Farmers who produce sunflower seeds and sell to processors;
- **Input Supplies:** Supplier of seeds, chemicals, pesticides, fertilizers to farmers before they start production;
- **Processors:** They include small scale oil millers and large- scale oil miller – (Both are from the private sector);
- **Refiners:** Purify crude oil into edible oils (i.e. Suitable for human consumption) – Purified crude oils are from small scale and large- scale processors;
- **End users:** Consumers from domestic and international markets for the case of sunflower oils and oil cakes as livestock feed.

## **2.3 Social and Economic Aspects**

The following are both notable social and economic consideration on the project:

### **2.3.1 Cultural/Community Acceptability**

The project considers social and cultural aspects in the community it serves. We will always respect and interact with the community socially and culturally by interacting and participating in social and cultural activities with people in the community. We also provide employment opportunities to members of the community. Additionally, we offer our products we produce at discounted price to the community around which we serve. With this approach our project is acceptable with the entire community.

### **2.3.2 Social and Economic Impacts**

The following are the social and economic impacts of the project:

#### ***Positive Impacts are:***

- We will provide employment opportunities to members of the community;
- We will provide affordable quality edible oil for health promotion to the community;
- We will provide reliable market of smallholder farmers' produce at competitive price;
- We will participate in social activities in the community;
- We will transfer knowledge and technology to the community members by allowing people to visit for training and working with us in the production process;
- There will be increased income generating activities such as food venders around our factory;
- We donate and offer free products to disadvantaged people like orphans, widows and aged people

#### ***Negative Impacts are:***

- Young people especially students to get involved in income generating activities around the project.

### **2.3.3 Mitigation of Social and Economic Impacts**

- In collaboration with relevant authorities to prohibit involvement of young people especially school children in income generating activities (businesses) around the factory

## **2.4 Environmental Aspects**

### **2.4.1 Existing Environmental Baseline Conditions (Climate, Topography)**

The climatic and topographic condition of Singida is favorable.

Besides the industrial activities, commercial and office activities, there are actually no residential buildings for lease at the factory location.

## **2.4.2 Environmental Impacts**

- There is noise disturbances from the running machinery and equipment during production;
- Air pollution as a result of oil seeds crushing and residuals drainage during production;
- Noise and interference from vehicles during mobilization of raw materials

## **2.4.3 Mitigation of Environmental Impacts**

- We work hard to minimizing noises and disturbances from the running machinery and equipment by greasing and servicing them regularly;
- We are trying and we will always work on minimizing the oil and air pollution by containing them within the production area;
- We use and we will always do mobilize raw materials during night times

## **2.4.4 Environmental Regulations Compliance**

We have conducted an Environmental Impact Audit (EIA) and obtained a certificate from National Environment Management Council of Tanzania.

# **3. MARKET ANALYSIS**

## **3.1 Industry Overview**

Tanzania's national demand for edible oil is huge compared to national supply, which has forced the country to largely depend on imported palm oils that has flooded the local markets.

The need for Tanzanians to do away with imported crude oil cannot be overemphasized as the nation has huge potentials to produce litres of oil from sunflower, cotton seeds and many other plants.

Tanzanians are estimated to consume about 330,000 tons of edible oil per annum. Of the 330,000 tones, 55 per cent is imported while the remaining 45 per cent is produced locally. Sunflower grows well in the relatively dry areas of the Central Corridor of Tanzania and has economic and health advantages.

An estimated 20% (approximately 300,000) of all households engage in growing sunflower in the central corridor and they have so far benefited from reliable markets and good prices from buyers.

The edible oil industry in Tanzania is mainly based on sunflower even though cotton and soya contribute to some extent. Singida touted as the prime producer of sunflower in Tanzania has dedicated much of its cash crop farming area for its production. Imported products on the other hand are from variety of crops and mixed formulas.

Sunflower sub-sector represents one of the key sectors of agriculture in Tanzania. It ranks as one of the most important vegetable oil with high value. Tanzania's edible oil produced from locally grown seeds is highly demanded in European markets it is made from organic oil seeds free of added chemicals.

Apparently some 500,000 families in Tanzania rely on oil seed farming sector. The edible oil industry in Tanzania is mainly based on sunflower even though cotton, simsim, groundnuts and soya contribute to some extent.

The government policy is to strengthen research and extension services so as to facilitate the formation of traders associations, quality service and crops and information system to assist small holder farmers' benefit from the existing linkages of sub sector actors/players.

In Tanzania oil extracted from sunflower by local produces contributes to 40% of the national cooking oil requirements (ARI – Ilonga). Sunflower oil also makes about 13% of the world oil production. The development of this sub sector in Tanzania to a larger degree has been triggered by two main factors that include food value-basically sunflower is grown for its edible oil production and secondly, processing ability by farmers at farm level.

## **3.2 Market**

We will serve both domestic and export markets including East African countries market. We will have a notable, reliable and well- established clientele base in the domestic markets and regional markets especially in Burundi and Rwanda markets.

The potential demand for vegetable oil in Tanzania is estimated at about 250,000 Mt and it is expected to grow at 5% to 6% per annum. There are three main sources of the supply of edible oil in the country:

- Oil produced commercially by oil Mills - Organized Sector;
- Oil extracted in the villages in traditional manner; and
- Imported vegetable oil.

Edible oil and oil seeds as products have end markets all over Tanzania and all countries around Eastern and Southern Africa (Kenya, Uganda, Burundi, Rwanda and Zambia). The market ratio of edible oil for domestic to eastern and southern Africa market trails at 2:3.

### **3.2.1 Potential Market**

We will serve both domestic and export markets including East African countries market. We have a very potential, notable reliable and well -established clientele base in the domestic markets and regional markets especially in Burundi and Rwanda markets.

Potential customers include local end users, retail and wholesale traders, and export markets. While local end users include individuals (who buy for household consumption), hotels and restaurants, and entrepreneur cooked food vendors, retail and wholesale traders include wholesale stores, supermarkets and exporters. Export markets include regional markets in the Eastern and Southern Africa countries to mention a few like Burundi, DRC, Kenya, Malawi, Rwanda, Uganda and Zambia, and Europe and Middle East markets.



Some of the domestic and foreign potential customers and their current demand for sunflower oil are listed in the following table below:

DOMESTIC CUSTOMER LIST WITH THEIR MONTHLY AND YEARLY DEMAND						
NO.	NAME	LOCATION	ZONES	QTY DEMANDED	QTY DEMANDED	UOM
				PER MONTH	PER YEAR	
1	Setway Investment Co. Ltd	Arusha & Moshi	Northern Highland Zone	45	540	Tones
2	Shana Gen Store	Arusha	Northern Highland Zone	15	180	Tones
3	Msauzi Asset Ltd	Moshi	Northern Highland Zone	30	360	Tones
4	Frenk Masiti	Iringa	Southern Highland Zone	10	120	Tones
5	Dhamira Investment - Kasisi	Mbeya	Southern Highland Zone	15	180	Tones
6	Baraka Salumu Mbilinyi	Mbeya	Southern Highland Zone	15	180	Tones
7	Tughimbage Traders	Mbeya	Southern Highland Zone	60	720	Tones
8	Romanus	Mbeya	Southern Highland Zone	60	720	Tones
9	Manyanya Tunduma	Tunduma	Southern Highland Zone	60	720	Tones
10	Kazimu Rizwan Esmail	Mbeya	Southern Highland Zone	30	360	Tones
11	Pcoup George Mbembela	Mbeya	Southern Highland Zone	15	180	Tones
12	Janny O. Tughimbe	Mbeya	Southern Highland Zone	15	180	Tones
13	Salama Mzee Juma	Dar Es Salaam	Coastal Zone	20	240	Tones
14	Mama Mera	Dar Es Salaam	Coastal Zone	5	60	Tones
15	Bariki Peter Mpondo	Dar Es Salaam	Coastal Zone	10	120	Tones
16	Marco Kasanga	Geita	Lake Zone	15	180	Tones
17	Mashaka	Geita	Lake Zone	30	360	Tones
18	Huye Ndas	Kahama	Lake Zone	8	96	Tones
19	James Julius Ndeki	Kahama	Lake Zone	30	360	Tones
20	Sasag Investment Ltd	Kahama	Lake Zone	30	360	Tones
21	Wilson Busumabu	Kahama	Lake Zone	5	60	Tones
22	Michael Kasundwa	Mwanza	Lake Zone	15	180	Tones
23	Scalion L. Lubaya	Bukoba	Lake Zone	10	120	Tones
24	Ungujo Investment Co.	Tarime	Lake Zone	60	720	Tones
25	Amos Mwita	Tarime	Lake Zone	15	180	Tones
26	Tony (Samuel Moris) Kasulu	Kasulu	Lake Zone	5	60	Tones
27	Rajabu Shabani Musuta	Tabora	Lake Zone	10	120	Tones
28	Rao	Shinyanga	Lake Zone	5	60	Tones
29	Jennifer Supermarket	Dodoma	Central Zone	10	120	Tones
30	Upto Date Supermarket	Singida	Central Zone	2	24	Tones
31	Frank-Singida	Singida	Central zone	2	24	Tones
32	Maholela Kayuki	Kahama	Lake Zone	5	60	Tones
33	Mohere Range	Tarime	Lake Zone	15	180	Tones
34	Wangwe Investment Ltd	Mwanza	Lake zone	60	720	Tones
35	Masumbuko	Geita	Lake Zone	15	180	Tones
36	Felix Peter Mselle	Nzega	Lake zone	30	360	Tones
37	Arusha Sundrise	Arusha	Northern Highland Zone	15	180	Tones
38	Neema Enterprises	Arusha	Northern Highland Zone	15	180	Tones
39	Charles N Mtei	Arusha	Northern Highland Zone	15	180	Tones
40	Iwawas	Dar Es Salaam	Coastal Zone	10	120	Tones
41	Patric Majimuzi	Morogoro	Coastal Zone	5	60	Tones
42	Sanwa Corporation Ltd	Dar Es Salaam	Coastal Zone	10	120	Tones
43	DR Raymond John Salanga	Morogoro	Coastal Zone	10	120	Tones
44	Mrosso Shop Ltd	Lindi	Southern Zone	10	120	Tones
	GRAND TOTAL			872	10464	Tones

FOREIGN POTENTIAL CUSTOMER LIST						
S/N	Name of Customer	Unit	QTY PER MONTH	QTY PER YEAR	Pricing Point	Currency
1	Savono SPRI – Burundi	MT	200	2,400	FOB Kigoma	USD
2	Megapro Consulting Ltd – United Kingdom	MT	200	2,400	FOB Dar Port	USD
3	Midle East Commodities Ltd – UK	MT	150	1,800	FOB Dar Port	USD
	<b>GRAND TOTAL</b>		<b>550</b>	<b>6,600</b>		

### 3.2.2 Market Size and Trends

The market trends for the edible oil are on the increase and local production cannot meet the demand. Many end consumers are refraining from using non- vegetable oils because of fear of cholesterol effects.

- Revenue in the Edible Oils market amounts to US\$318.50m in 2024. The market is expected to grow annually by 9.87% (CAGR 2024-2029).
- In global comparison, most revenue is generated in India (US\$34,750m in 2024).
- In relation to total population figures, per person revenues of US\$4.59 are generated in 2024.
- In the Edible Oils market, volume is expected to amount to 78.52m kg by 2029. The Edible Oils market is expected to show a volume growth of 7.6% in 2025.
- The average volume per person in the Edible Oils market is expected to amount to 0.87kg in 2024

### 3.2.3 Market Segmentation

Our markets are segmented in terms of total sales contribution and growth rate as follows:

Market	Percentage Contribution	Sales	Growth Rate
Local Markets	15%		5%
National Markets	50%		25%
Regional Markets	30%		10%
International Markets	5%		5%

### 3.3 Competition

There is a domestic competition in the sunflower oil industry from companies producing the same products such as Mount Meru Millers of Arusha, Murzah Oil Mills Ltd of Dar es Salaam, East Coast Oils and Fats Ltd (Mohamed Enterprises) of Dar Es Salaam, Agrotech Foods Limited (Sundrop) of Lake Zone, and imported products. However, we will continue using our competitive advantages including quality and affordable

products, existing and well established strong relationship with both suppliers and customers and other stakeholders, and our long-term business experience to overcome the present and future competition.

### 3.3.1 Competitors' Profile

Our notable competitors and their profiles can be summarized as follows:

Name	Location	Strength
East Coast Oils and Fats Ltd	Dar Es Salaam	High production capacity of up to 600 tons per day of refining capacity, including bleaching and deodorization, 750 tons per day of fractioning capacity beginning with refined palm oil, and Chemical refining capacity of 300 tons of soft oils daily.
Mount Meru Millers Ltd	Arusha	Giant with huge capital, Have very high production capacity, produces different brands of edible oil, imports crude palm oil, have well developed distribution channels and infrastructures
Murzah Oil Mills Ltd	Dar Es Salaam	Have huge capital with extended clientele base and distribution channel
Agrotech Foods Limited (Sundrop)	Lake Zone	Have huge capital, extended clientele base and distribution and supply channel, has more than 4 brands of edible oil

### 3.3.2 Competitive Advantages

- We will use modern technology than our competitors to produce quality edible oil;
- We will build strong relationship with local and international customers;
- Will invest huge to make our products available in the market with reasonable price.
- We will develop good distribution channels from purchases of sunflower to selling to the domestic and international markets.

## 3.4 Marketing Strategy

### 3.4.1 Advertisement and Promotion

We plan to advertise our products and services through media, trade fairs and exhibitions (like Sabasaba and Nanenane) and participation in community services activities.

Also, we plan to enhance the use our website and other partner outsources to advertise our products and services. But more importantly we look forward to using the quality of our products and services to advertise ourselves. Promotional events may be used especially for provision of rewards for good and valued customers.

Our advertising and promotion goal is to develop personal familiarity between our products, services, customers, staff and the community we serve.

## **3.5 Selling Strategy**

### **3.5.1 Pricing**

In order to make more profit necessary for our business growth we need to increase our sales volume. We will ensure that we trade in products and provide services of very high quality compared to our competitors' products and services. Our prices will be proportion to the quality of our products and services in comparison to our competitors' prices and quality of their products and services. However, we look forward to providing discounts to customers buying in bulky.

#### **3.5.1.1 Sales Plans**

- Demarcate the Dar es salaam market into sales National market for effective sales management
- Develop distribution and control programs for the target market segments
- Streamline product lines in each market segment to match respective market aspects
- Gain market penetration through maximum use possible of the existing channels of distribution , especially for sub urban areas
- Use pricing incentives for gaining market share for products in the market, boosted by the (anticipated) reduction in cost of production.
- Involve primary societies in marketing efforts as way of reaching to rural population in the regions.

### **3.5.2 Product**

We offer sunflower oil products blended as Mambo product of high quality to meet customers' demands and expectations.

### **3.5.3 Methods of Sale**

We will use sale by orders and contracts both in the local and export market. Generally, our sales method is by cash bases. However, in future in order to attract more customers and increase our sales volume we may start selling on credit along with setting efficient and effective credit and collection policy.

### **3.5.4 Distribution Channels**

We look forward to strengthening our distribution channels by introducing sales centers and acquiring adequate distribution vehicles.

### **3.5.5 Marketing**

Consolidate market position in the regional markets and increase market penetration in the domestic market through the following:

1. Build an efficient and effective distribution system into different regions to achieve market penetration
2. Extend rural penetration into the rest of the regions, through agency arrangements, and using attractive and economy packs
3. Engage and motivate sales force to increase efficiency in the sales activity
4. Clarify market position and methods in all market segments the Mambo product is operating in at the moment – domestic, regional and institution markets.
5. Undertake aggressive, but targeted advertisement, promotion and publicity programs
6. Undertake product streamlining for effective product positioning
7. Branding is one of the key elements for success in the market place. It is strongly emphasized that Mambo sunflower oil product use professional input from the marketing oriented companies.

### 3.5.6 Goals

- Increase Mambo product market at least 25% by end of Year 2025/2026 and to 30% by year 2029/30;
- Increase annual sales turnover to a least 25% of installed production capacity by 2024/2026;
- Increase gross profitability from operations to a least 30% of sales, and net profits to over 18% of sales by end of Year 1 of investments.

## 4. SITUATIONAL ANALYSIS

### 4.1 Performance Trends

#### Main Issues - Present Status

##### 4.1.1 Production - Low volumes, high cost of production

- **Low Volumes** – The capacity of the factory is to purchase 336 tones of sunflower seeds weekly at purchasing price of TZS 950/= Per Kg, (approximated TZS 1.2768 Billion monthly for purchases of sunflower seeds) at full capacity, due to higher demand of the sunflower oil in the market we ought to find that we need enough working capacity for factory production at maximum capacity.
- **High cost of production** – Due to high costs involved in running the machines and Labour, the cost of products of Lantern LLC Limited will become less competitive to similar sunflower oil in the markets.
- **PROJECTED SOURCES OF REVENUE IF THE FACTORY IS OPERATES IN FULL CAPACITY**

The aforementioned proposed business requirements if considered will enable the factory to operate in full capacity, thus our project turnover per month will be **TZS 2,134,080,000.00**. Therefore, bring a total gross profit of **TZS 320,112,000.00** at the rate of 15% on Turnover.

Table 4: Projected sources of revenue if the factory operates in full capacity.

Factory in Full capacity	QTY(KGS)	48,000				
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	Days / Month	26.00				
	QTY (KGS) / Month	1,248,000.00				
	Per annum	14,976,000.00				
				<b>QTY (KGS)</b>	<b>Price / Kgs</b>	<b>Amount (TZS)</b>
Revenue	Oil	1,248,000.00	24%	299,520.00	5,500.00	1,647,360,000.00
	Cakes	1,248,000.00	74%	923,520.00	500.00	461,760,000.00
	Soap materials	1,248,000.00	2%	24,960.00	1000.00	2,134,080,000.00
Projected revenue			100%			<b>2,134,080,000.00</b>
Gross profit (before tax, administration)			15%			<b>320,112,000.00</b>

➤ **Reasons:**

- Low capacity utilization due to lack of adequate working capital
- Cost and availability of major inputs, particularly sunflower seeds and high transport cost.
- Inefficient market penetration strategies to reach customers in institutions and regional markets.
- Lack of innovative ways in the promotion of its products in the market due to insufficient working capital.

**Issues leads to the slow market growth of the Lantern LLC Limited- Mambo products are:**

- **Lack of an effective distribution system** – planned distribution centers are not effectively operative due to lack of enough stocks for sunflower oil hence customers opt to mixes products from different companies from Mount Meru Millers Ltd of Arusha, Singida Fresh Oil Mill Ltd, Murzah Oil Mills Ltd of Dar Es Salaam, East Coast Oils and Fats Ltd (Mohamed Enterprises) of Dar Es Salaam and Agrotech Foods Limited (Sundrop) of Lake Zone.
- Price is particularly high for rural sales – hence the need for introduction of low unit price of Mambo Products
- Promotion is low and patchy – the planned level of promotion has not been achieved.
- Sales professionalism is largely lacking. Highly qualified Sales force needs to be engaged and motivated

**4.1.2 Future production plans;**

Soon after building of the factory by investments in Shelui, Motor vehicle Canter & Semi trucks, Godown and Oil storage tank, refinery system etc will ensures purified Sunflower seeds for

productions of oil and by having enough working capital for business operations. we are expecting to make purchases about 700 tones of sunflower seed in each week, using the purchasing price in the market of TZS 950/= Per Kg of sunflower seeds, (Equivalent to TZS 665 Million in each week will be spent for purchases of sunflower seeds). We plan to deploy 140 tones/ week on production process and that the outstanding balance of 336 tones/ week of sunflower seeds will be stored. Having stored 364 tones/weekly of sunflower seeds will enabling the company to maintain constant productions rate throughout the year.

<i>Key Strategic Issue</i>	<i>Corporate Objective</i>
Factory Orientation position	Transform factory from the production-based position to market-driven factory by end of year 2024/25
Increasing Sales	Introduce efficiency in the production process to reduce the cost of production to make Mambo products competitive in the market.
Domestic market penetration	Improve product presence in the market, especially domestic, through effective market penetration methods.
Organizational Excellence	Raise the capability of management and staff through introduction of modern operational methods and tools.

## **4.2 Strengths and Opportunities**

### **4.2.1 Strengths**

The following are the assessed company's strengths which are our possible key factors for the past and future performance of the business operations:

- We will use modern technology than our competitors to produce quality edible oil;
- We will build strong relationship with local and international customers;
- Will invest huge to make our products available in the market with reasonable price.
- We will develop good distribution channels from purchases of sunflower to selling to the domestic and international markets.
- We will employ experienced personnel for our factory (Operators, administrators, marketers etc.)

### **4.2.2 Opportunities**

The following are the opportunities for growth and expansion of the business:

- Government, financial institutions and other stakeholders support on value adding chain agricultural projects though TANZANIA YA VIWANDA initiatives;
- Unmet demand of edible oil and allied products in the local and international markets;

- Unmet demand of agricultural packaging materials for food crops in the domestic markets;
- Willingness and readiness of farmers on production and supply of oil seeds;
- Availability of adequate and arable land for growing of oil seed crops;
- Favorable investment conditions in plantations of agricultural crops;
- Favorable export policy of semi and finished agricultural produce;
- There is export potential – by edible oil produced in Tanzania

#### **4.3 Weaknesses and Threats**

##### **4.3.1 Weaknesses**

- Insufficient fund for working, operating and expansion capital;
- Poor quality of raw materials leading to limited accessibility of quality raw materials and poor quality of edible oil to meet the export international standards, the growing consumer quality demand, increased global health consciousness, and requirements of the food products regulating authorities such as TFDA and TBS;
- We have very limited almost no distribution channels;
- We have limited resources for marketing and research development;

##### **4.3.2 Threats**

The following are the possible threats to this investment:

- Inability of farmers to access improved Seeds leading to poor and low production of both raw materials and edible oil;
- Poor post-harvest handling techniques by farmers (sorting, grading and storage);
- Unfavorable climatic changes e.g. unreliability of rainfall;
- Insects and pests;
- Inadequate knowledge by sunflower farmers and Lack of Para Agricultural Extension services;
- Competition from importers of edible oils;
- Poor linkages among stakeholders;
- Inadequate proper food crops packaging materials

#### **4.4 Business Challenges**

The following are the main challenges hindering us to attain our objectives:

- a. Insufficient fund for working, operating and expansion capital;
- b. Poor quality of raw materials leading to limited accessibility of quality raw materials and poor quality of edible oil to meet the export international standards, the growing consumer quality demand, increased global health consciousness, and requirements of the food products regulating authorities such as TFDA and TBS;
- c. Less, poor and outdated technology of our production process and very limited almost no distribution channels;;
- d. Inadequate business management capacity to meet the expanded business opportunity;

- e. Inability of farmers to access improved Seeds leading to poor and low production of both raw materials and edible oil;
- f. Dependence mainly on two product and business line;
- g. Poor post-harvest handling techniques by farmers (sorting, grading and storage); and
- h. Inadequate proper food crops packaging materials

#### **4.5 Proposed Solutions to Business Challenges**

- a. In addition to inviting investors, we are also seeking financial support from financial institutions, donors, matching grant programme financiers, government subsidies, etc. to supplement the company's available very scarce financial resources for getting adequate fund for working and operating capital in order to resume production of sunflower oil to fulfill the orders in hand and production expansion to meet the unmet world market;
- b. We are working on improvement of quality of raw materials by:
  - i. Contracting training experts to train farmers and Para Agricultural Extension service teams in best agronomic practices and improved production processes to increase production and quality of sunflower seeds;
  - ii. Acquiring machinery and equipment by inviting investors and seeking for financial support from financiers for contracting training experts to train farmers through their farmers groups on post-harvest handling (sorting, grading and storage) of sunflower seeds for improvement of quality of raw materials; and
  - iii. Establishing raw materials supply contracts with farmers associations to reduce costs of sourcing for raw materials
- c. We are inviting investors and partners to acquire high capacity modern machinery and equipment and acquire and develop distribution channels: and we are also seeking financial supports to acquire double refinery machinery and equipment for the purpose of production expansion and upgrading our current production process technology. We are seeking funding support on this from local and international financiers in a form of matching grant for contracting experts for immediate installation of the machinery and equipment;
- d. We are improving our management and institutional capability by:
  - i. We have brought in a qualified and experienced person in business administration who will in collaboration with other professionals and allies assist in putting together and leading the management team for efficient and effective planning, monitoring and attainment of company's strategic goals and objectives;
  - ii. Reviewing and restructuring the organization structure of the company for efficient and effective operations through our own internal resources;
  - iii. We look forward to start conducting intensive in-house trainings and/or recruiting adequate support staff in all key functional areas especially in procurement, quality assurance and finance for efficient and effective operations and internal control systems;
- e. We will assist and facilitate farmers on registering savings and credit cooperative societies (SACCOS) that will assist access to improved seeds and other inputs if needed. We will ask financiers like NSSF to support part of this activity;
- f. We are inviting investors and partners to invest in improving and expansion of production;
- g. We are seeking fund and inviting investors and partners to acquiring machinery and equipment for contracting training experts to train farmers through their farmers groups on post-harvest handling (sorting, grading and storage) of sunflower seeds for improvement of quality of raw materials; and

- h. We are inviting investors and partners to introduce a business line in importation of packaging materials for food crops especially oil seeds.

## **5.0 Financial Management**

In addition to the seasoned management team, we are equipped to assemble a financial management team with qualified and able personnel to efficiently and effectively handle financial matters.

### **5.1 Financial Risks and Mitigation Plan**

#### ***5.1.1 Lack of Raw Materials***

Difficulties in getting raw materials from farmers as a result of either limited supply or competition from other buyers may cause low production or production stoppage to our factory. In case this happens, we are planning to mitigate it by starting our own farming of oil seeds and supply of improved seeds to farmers.

#### ***5.1.2 Lack of Adequate Investment Fund***

Lack of adequate financing to meet our planned investment plans may result in fluctuation of our plans, hence sales volume and profitability projections. This risk has been taken care by taking steps to inviting investors and partners in order to strengthen our investment plans.

## **6 ORGANIZATION AND MANAGEMENT PLAN**

### **6.1 Organization Structure**

We are committed to the policy of always having a sound and strong organization and management plan throughout. To adhere to this commitment, we always assess our organization structure and management plan leading to efficient and effective restructuring process.

Our current organization structure has three main functional organs including the Board of Directors, Management Team, and Technical/Supporting Staff.

### **6.2 Board of Directors**

The structure of the Board of Directors of our company is composed of all founders and shareholders of the company plus three outsider members selected according to their merits for advisory and credibility of the company to creditors and the public. The CEO who is also the Chairperson of the company heads the Board of Directors.

### **6.3 Management**

The management of the company is manned by the Managing Director. The Managing Director is and always shall be required to be a person with proven qualifications and experience in business

administration that in collaboration with other professionals and allies assists in putting together and leading the management team for efficient and effective planning, monitoring and attainment of company's strategic goals and objectives.

The Managing Director who is also the head of Administration and a positive change agent of the company, is currently assisted by all other heads of key functional departments i.e. Accountant (Accounting Department), Production Manager (Production and Technical Department), and Marketing and Sales Manager (Marketing and Sales Department) for smooth operations and running of day-to-day functions of the company. All heads of Apartments are appointed or hired in accordance to relevant qualifications and experience.

In a bigger look and as we grow and expand, we look forward to having the Director of Finance and Investments, Director of Operations and Production, Director of Marketing and Sales to head the finance, operations and production, and marketing and sales departments.

#### **6.4 Technical/Support Staff**

For efficient and effective operations there is a technical and supporting team made up of seasoned full and part time staff hired according to their qualifications and experience.

#### **6.5 Personnel Plan**

The following Personnel Plan is enclosed in the appendices under Table: Personnel Plan for the next twenty years of this planning period.

#### **6.6 Managerial/Technical Gap Plan**

In case of any managerial and technical gap, we carefully and economically use consultancy services to fill up the gap(s).

##### **1): Deduction of Actual dust:**

Save costs brought about by dust i.e. Average deduction per bag 2kg while actual is 6kg/bag i.e. loss of 4kg/bag.

Production per day 48,000kgs divide Avg weight / bag 64kgs = 750 bags/day

Production per year 750 bags x 26 days x 11 mths = 214,500 bags

Loss in kgs: 214,500 bags x 4kg/bag = 858,000kgs

Loss in Tshs 858,000kgs x Tshs950/kg = Tshs 815,100,000/=

##### **2): Increased oil production, of 1.5% by using clean seeds rather than seeds with soil.**

48,000 kgs x 1.5% = 720kgs of Oil x 286 days = 205,920kgs

205,920 kgs x Tshs 5,500/kg = Tshs 1,132,560,000/=

### **3): Reduced machine service costs and breakdowns:**

Each machine service is 4 times per month for 6 machines i.e. 24 services per month and 288 services per year.

Where each machine service costs 700,000/= for 12 months total is Tshs 201,600,000/=.

With clean seeds services will be reduced to 2 services per year for each machine hence a total of 12 services i.e. TSHS 100,800,000/=.

Cost savings will be TSH 100,800,000/=.

**4): Less machine breakdowns:** will lead to better productivity per month.

**5): Increase opportunities:** to obtain raw material and credit facilities from suppliers hence easing pressure on cash flow to give room for more production and improving cash flow position.

Many farmers lack good storage facilities. By using lantern's store their produce, lantern will lock in the suppliers who will eventually sell the stored seeds to Lantern LLC Limited.

**6) Increased credibility and fairness:** – Farmers feel fairly treated when machine deducts dust rather than when human deducts 2 kilos per bag without an objective measurement parameter like machine cleaning.

**7)** The silos storage system is safer and more reliable than the current system which is open to many risks.

DEMONSTRATE the impact of the silo project to the suppliers and particularly to the small scale farmers' e.g.

- 1) How many farmers are likely to benefit i.e. Consumption of 14,784,000 kgs of seeds per year where output per farmer is 400 kgs/year hence number of farmers is 14,784,000 kgs divide 400 kgs = 36,960 farmers.
  - 2) Better livelihoods for the farmers
  - 3) More farming acreage
  - 4) Create more knowledge to farmers to e.g. better clean their seeds
  - 5) Ability of farmers to educate, feed, house and cloth their families due to the silo project.
  - 6) Reliable storage facility. Store quality seed
  - 7) Facilitate companies out grower program by having big capacity to absorb more seeds from farmers for processing and storage.
  - 8) Match with the new processing capacity
  - 9) Enable the company to meet our clients' demand
  - 10) Ensure year around production with minimum possible cost as most of seeds will be purchased during harvest season when prices are relatively low
- 5) The needs also for, Motor vehicle Canter & Semi trucks for collections of seeds from different points of suppliers and farmers as currently we incur cost to rent trucks for carrying and distributions of Sunflower Oil and Cake for adding efficiency into factory production capacity and stability in market scope and adding value to the relate sub units in the Industry.

## 8. FINANCING PLAN AND FINANCIAL PROJECTIONS

### 8.1 ASSUMPTIONS

This business plan prepared while taking into account the following assumptions;

- i. Weather will be continuously welcoming;
- ii. Costs and prices will remain constant at planned levels throughout the period under planning i.e. when costs escalates price will be adjusted to maintain projected profit margins;
- iii. The financial projections assumes surely that the industries will continue being under the owner Mr. Saeed Mubarak Salem until when it is ready to stand by itself;
- iv. That the factory will continue producing Edible Oil;
- v. That the industry will continue gaining firmly;
- vi. That the payments against orders will continue being made immediately after deliveries.

### 8.2 INVESTMENTS COSTS

The promoters have fixed costs of **Tzs 1,676,517,250/-**

#### A. INVESTMENT COSTS TABLE (FIXED ASSETS)

S/N	ASSETS	NET VALUE
1	Land and Buildings	104,397,250
2	Motor vehicle	1,265,000,000
3	Plant & Machinery	218,055,200
4	Tools & Equipments	52,210,400
5	Furniture & Fittings	36,854,400
	<b>TOTAL</b>	<b>1,676,517,250</b>

#### B. FINANCIAL PLAN

The project will be financed by owner's equity only. There will be no loan or advances that will be taken from any institution thus far for this project.

#### C. PROJECTED REVENUE

We project that the revenue will be increasing progressively with the increase in investments as follows;

##### Monthly

January 2025

No. days per month 26

No. of hours per Month= 26 days x 16 hours/day =416 hours

Production capacity per hour 3,000 kgs (Full Capacity)

Production Capacity Per day 48,000kgs (full capacity)

Planned production capacity 40,000 kgs  
1kgs each 5,500  
5,500 per kg x 40,000 kgs  
220,000,000/-

*(See the attached projected statement of profit and loss)*

Profit and Loss Projection (12 Months)

Fiscal Year Begins														LANTERN LLC LIMITED
	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	YEARLY	
Cash Sales	220,000,000	220,000,000	220,000,000	220,000,000	220,000,000	220,000,000	220,000,000	220,000,000	220,000,000	220,000,000	220,000,000	220,000,000	2,640,000,000	
Credit Sales	-	-	-	-	-	-	-	-	-	-	-	-	0	
<b>Total Revenue (Sales)</b>	<b>220,000,000</b>	<b>220,000,000</b>	<b>220,000,000</b>	<b>220,000,000</b>	<b>220,000,000</b>	<b>220,000,000</b>	<b>220,000,000</b>	<b>220,000,000</b>	<b>220,000,000</b>	<b>220,000,000</b>	<b>220,000,000</b>	<b>220,000,000</b>	<b>2,640,000,000</b>	
<b>Cost of Sales</b>														
Purchases of Seeds	160,600,000	160,600,000	160,600,000	160,600,000	160,600,000	160,600,000	160,600,000	160,600,000	160,600,000	160,600,000	160,600,000	160,600,000	1,927,200,000	
Wages Expenses	3,510,000	3,510,000	3,510,000	3,510,000	3,510,000	3,510,000	3,510,000	3,510,000	3,510,000	3,510,000	3,510,000	3,510,000	42,120,000	
<b>Sub Total</b>	<b>164,110,000</b>	<b>164,110,000</b>	<b>164,110,000</b>	<b>164,110,000</b>	<b>164,110,000</b>	<b>164,110,000</b>	<b>164,110,000</b>	<b>164,110,000</b>	<b>164,110,000</b>	<b>164,110,000</b>	<b>164,110,000</b>	<b>164,110,000</b>	<b>1,969,320,000</b>	
<b>Gross Profit</b>	<b>55,890,000</b>	<b>55,890,000</b>	<b>55,890,000</b>	<b>55,890,000</b>	<b>55,890,000</b>	<b>55,890,000</b>	<b>55,890,000</b>	<b>55,890,000</b>	<b>55,890,000</b>	<b>55,890,000</b>	<b>55,890,000</b>	<b>55,890,000</b>	<b>670,680,000</b>	
<b>Expenses</b>														
Salary expenses	12,300,000	12,300,000	12,300,000	12,300,000	12,300,000	12,300,000	12,300,000	12,300,000	12,300,000	12,300,000	12,300,000	12,300,000	147,600,000	
Electricity Expenses	7,080,000	7,115,400	7,150,977	7,186,732	7,222,666	7,258,779	7,295,073	7,331,548	7,368,206	7,405,047	7,442,072	7,479,282	87,335,782	
Fuel Expenses	5,400,000	5,427,000	5,454,135	5,481,406	5,508,813	5,536,357	5,564,039	5,591,859	5,619,818	5,647,917	5,676,157	5,704,537	66,612,037	
License and legal	5,000,000	0	0	0	0	0	0	0	0	0	0	0	5,000,000	
Telephone & Internet	320,000	321,600	323,208	324,824	326,448	328,080	329,721	331,369	333,026	334,691	336,365	338,047	3,947,380	
Utilities	857,860	862,149	866,460	870,792	875,146	879,522	883,920	888,339	892,781	897,245	901,731	906,240	10,582,186	
City service Levy	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	660,000	7,920,000	
Transport Expenses	2,300,000	2,311,500	2,323,058	2,334,673	2,346,346	2,358,078	2,369,868	2,381,718	2,393,626	2,405,594	2,417,622	2,429,710	28,371,793	
Printing & Stationeries	900,000	904,500	909,023	913,568	918,135	922,726	927,340	931,976	936,636	941,320	946,026	950,756	11,102,006	
Security expense	826,000	826,000	826,000	826,000	826,000	826,000	826,000	826,000	826,000	826,000	826,000	826,000	9,912,000	
Travelling expense	1,500,000	1,507,500	1,515,038	1,522,613	1,530,226	1,537,877	1,545,566	1,553,294	1,561,061	1,568,866	1,576,710	1,584,594	18,503,344	
Misc. expense	1,000,000	1,005,000	1,010,025	1,015,075	1,020,151	1,025,251	1,030,378	1,035,529	1,040,707	1,045,911	1,051,140	1,056,396	12,335,562	
<b>Sub-total Expenses</b>	<b>38,143,860</b>	<b>33,240,649</b>	<b>33,337,923</b>	<b>33,435,682</b>	<b>33,533,931</b>	<b>33,632,670</b>	<b>33,731,904</b>	<b>33,831,633</b>	<b>33,931,861</b>	<b>34,032,591</b>	<b>34,133,824</b>	<b>34,235,563</b>	<b>409,222,089</b>	
Contingencies	1,907,193	1,662,032	1,666,896	1,671,784	1,676,697	1,681,634	1,686,595	1,691,582	1,696,593	1,701,630	1,706,691	1,711,778	20,461,104	
<b>Total Expenses</b>	<b>40,051,053</b>	<b>34,902,682</b>	<b>35,004,819</b>	<b>35,107,466</b>	<b>35,210,627</b>	<b>35,314,304</b>	<b>35,418,499</b>	<b>35,523,215</b>	<b>35,628,454</b>	<b>35,734,220</b>	<b>35,840,515</b>	<b>35,947,341</b>	<b>429,683,194</b>	
<b>Net Profit Before Taxes</b>	<b>15,838,947</b>	<b>20,987,318</b>	<b>20,885,181</b>	<b>20,782,534</b>	<b>20,679,373</b>	<b>20,575,696</b>	<b>20,471,501</b>	<b>20,366,785</b>	<b>20,261,546</b>	<b>20,155,780</b>	<b>20,049,485</b>	<b>19,942,659</b>	<b>240,996,806</b>	
Income Taxes	4,751,684	6,296,195	6,265,554	6,234,760	6,203,812	6,172,709	6,141,450	6,110,036	6,078,464	6,046,734	6,014,846	5,982,798	72,299,042	
<b>Net Operating Income</b>	<b>11,087,263</b>	<b>14,691,123</b>	<b>14,619,627</b>	<b>14,547,774</b>	<b>14,475,561</b>	<b>14,402,987</b>	<b>14,330,051</b>	<b>14,256,750</b>	<b>14,183,082</b>	<b>14,109,046</b>	<b>14,034,640</b>	<b>13,959,861</b>	<b>168,697,764</b>	









