

**BONA SUNSHINE COMPANY
LIMITED**

BUSINESSPLAN

FOR

**MANUFACTURING OF PLASTIC
PRODUCT**

EXECUTIVE SUMMARY.

BONA SUNSHINE COMPANY LIMITED is a private business company incorporated in the United Republic of Tanzania with Certificate of incorporation No.172446590 issued on 22TH February 2024.

The proposed business plan is of manufacturing of plastic product at **Region:Pwani, District:Mkuranga, Ward:vikindu ,street.vibula**

The proposed new project shall cost US\$ 1m and creating new employment of 150 local people and 10 foreign people.

LEGAL STATUS AND COMPANY BACKGROUND BRIEF

BONA SUNSHINE COMPANY LIMITED bears the certificate No. 172446590 issued in 2024 by BRELA.

The shareholders of **BONA SUNSHINE COMPANY LIMITED**, the shareholders of this newly formed company are Liang Yuehua, and Semugatyo Joseph Mkuju .

The company is owned by two shareholders, namely:-

Name	%of Shares	Nationality
Liang Yuehua	70%	China
Semugatyo Joseph Mkuju	30%	Tanzania

LOCATION.

The new project is located at Region: Pwani, District: Mkuranga, Ward :vikindu ,street. vibula, postal code 61506, email: agathakayanda@gmail.com

MISSION

Prompt and professionally high-quality service delivery to customers, aimed at ensuring that they realize the highest value for money, thereby increasing the market share and seizure of every available opportunity for the company's growth.

Core Values

Service provision with commitment, integrity and creativity while treating each customer as if they were the company's only customer

BANKERS

The company is currently maintaining bank account of the following bank.

NMBBANK

AUDITED REPORTS

BONA SUNSHINE COMPANY LIMITED will maintain good financial reports which will be audited by reputable auditor firm

BASIS OF THE BUSINESS PLAN

A study based on rapid appraisal surveys was conducted prior to, and as the basis of preparation of this plan, the surveys were based on the following objectives and approach:

Study Objectives:

- a) To analyze the relevant market and other factors impacting up on the manufacturing of plastic product. .

- b) To examine the physical and operational characteristics of the existing market in order to determine the positioning of the proposed company's business in the market place.
- c) To conceptualize the proposed company's production and business operations, assess their economic viability, commercial profitability, social feasibility and provide a vision as to how the planned objectives should be realized.
- d) To provide supporting documentation required for manufacturing of plastic product and also in accessing credit facilities required in the financing of the investment capital.

Study Approach:

- a) Participatory: Semi- structured interview and discussion were held with the Company's Directors, stakeholders in packaging works and related businesses
- b) Physical visits to the company's main business premises
- c) Conduction of profitability/viability test of the investment, using the appropriate financial projections for the initial period of five years proposed for the business operations.

THE PROJECT

Project Concept

The project involves establishing a new MANUFACTURING OF PLASTIC PRODUCT, this will include construction of and installations of modern machines, purchasing vehicles, new generator etc.

The planned production capacity is 6700 metric tons per year.

Project planned business project will entail the following main activities:

- Making shopping visit to Tanzania, China and other supplier countries to identify the suitable and appropriate machinery for the planned project.
- Ordering of the manufacturing material, motor vehicles and their assorted and equipment from China and other overseas suppliers and entering into agreements for the purchase/ acquisition of those assets.
- Consigning the purchased machinery and motor vehicles including all the equipment and accessories from countries of their origin to Tanzania
- Installation of the machinery, registration, insuring and licensing of the vehicles ready for deployment in the company's business.

Project Objectives

Development Objectives:

BONA SUNSHINE COMPANY LIMITED aims at playing a significant role in the participation of the company in the efforts to maximize exploitation of the largely existing business potential in manufacturing industry particularly in plastic product.

Immediate Objectives:

- a) To carry on the business of manufacturing and production of plastic.
- b) Manufacture of plastic product is low cost and short profits to competition and sustainability.
- c) Reading employment opportunities to skilled and semi-skilled Tanzanians in industrial operations, including their supplies and distribution in the company's business.

Over view of the Manufacturing Sector and Plastic material industry in Tanzania

The economy

The plastics manufacturing industry in Tanzania has experienced remarkable growth, fueled by increasing demand from various sectors such as packaging, construction, automotive, and consumer goods

The plastics industry manufactures polymer materials—commonly called plastics—and offers services in plastics important to a range of industries, including packaging, building and construction, electronics, aerospace, manufacturing and transportation. It is part of the chemical industry.

Manufacturing Industry

Tanzania manufacturing sector contributes 5.6% to the country GDP in 2014 with \$2.69bn compared to \$1.47bn in 2009, representing an increase of 82%.

Tanzania's manufactured goods imports tripled over the past 5 years increasing from US\$497.7m in 2010 to US\$1.4billion in 2015 accounting for 25% of Tanzania's total exports value.

Plastic materials industry

The market surveys conducted during feasibility study for this projected established that, demand for building materials in the country is growing with each passing year.

BONA SUNSHINE COMPANY LIMITED is poised to exploit to the maximum, the anticipated development in this Sector for its own enhanced growth.

BUSINESS ENVIRONMENT ANALYSIS;

Internal Approach;

Management:

BONA SUNSHINE COMPANY LIMITED as a corporate entity is managed under the Board of Directors. Day to day management of its conducted under the company's Managing Director who will be as sited by directors, Managers, senior officers etc.

The Managing Director will be closely as sited by well qualified professionals in the Plastic product, industrial management and operations. The company managers, heads of departments and operational staff for the production machines will be recruited for their competence, experience and good track record in their respective fields and in previous employments.

External Environment:

The market:

BONA SUNSHINE COMPANY LIMITED policy aims at two objectives:

- Further penetration/entrenchment to the market's main segments to increase and retain larger market share.
- Early investment cost recovery to enhance economic viability of the company's business and expedite its growth.

The policy will be hinged on continual conduction of market surveys

As a way of establishing current market situations and also as the means of enabling the company to develop marketing strategies which will facilitate achievement of set out sales goals, on monthly and annual basis. Surveys will enable the company to identify the potential market forints

The plastic products market situation in the country Products and plan strategies for its penetration.

The global plastic market size was estimated at USD 609.01 billion in 2022 and is expected to reach USD 627.29 billion in 2023. What is the plastic market growth? b. The global plastic market is expected to grow at a compound annual growth rate of 3.9% from 2023 to 2030 to reach USD 824.46 billion by 2030.

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Market Potential

As explained in the topic above, the demand for plastic products on the rise, while the consumer goods manufacturing sector is one of fastest growing sectors in the country, with new rise consumer goods industries and products every day, the sixth phase Government initiative of industrialization.

Competition:

BONA SUNSHINE COMPANY LIMITED is expecting to face competition from existing plastic material industries which controls a size able market share of paper products in Tanzania, the company plan to increase market share by investing in a new and bigger building materials manufacturing machines with production capacity of 6700 metric tons per year

6.0 PROJECT OPERATING COSTS

In order to realize its intended objective, the project operating costs will vary based on total revenue.

REVENUE ASSUMPTIONS

- For the purpose of this project all revenue will come from Plastic product produced at the factory.
- The annual revenue to grow by different percentages depending on market demand annually.
- Revenue projections are based on experiences gained by the firm for being in the market for five years now.

CONCLUSION AND RECOMMENDATION

Conclusion

The project is viable and profitable throughout the project period, after the foregoing economic and financial evaluation of the project; we strongly recommend that BONA SUNSHINE COMPANY LIMITED Board of Directors approval and accept the business proposal. The new project deserves this support because of its viability, since it is technical feasible, economically viable and socially acceptable.

GLOBALALUMINUM LIMITEDCOSTSTRUCTURE

PARTICULAR	US\$
LandandBuildings	300,000.00
Machinery&Equipment	150,000.00
MotorVehicles	20,000.00
Furniture&Fixtures	10,000.00
Preexp	10,000.00
Others	10,000.00
WorkingCapital	500,000.00
TOTAL	1,000,000.00

PROJECTIONS

BONA SUNSHINE COMPANY LTD

FINANCIAL PROJECTIONS SUMMARY FROM 2024 TO 2028

PROJECTED STATEMENT OF FINANCIAL POSITION FOR 5 YEARS FROM 2023-2027

	2024	2025	2026	2027	2028
DETAILS					
CURRENCY	USD	USD	USD	USD	USD
ASSETS					
NON-CURRENT ASSETS					
PPE	450,000	460,000	470,000	480,000	500,000
TOTAL NON-CURRENT ASSET	450,000	460,000	470,000	480,000	500,000
CURRENT ASSET					
Inventory	8,024,200	8,119,270	8,306,701	7,307,802	7,497,998
Trade Receivables	400,200	415,950	480,194	538,214	556,174
Working Capital	500,000	500,000	500,000	500,000	500,000
Cash and Cash Equivalent	215,500	215,816	215,132	216,448	216,764
TOTAL CURRENT ASSET	9,139,900	9,251,036	9,502,027	8,562,464	8,770,936
TOTAL ASSETS	9,589,900	9,711,036	9,972,027	9,042,464	9,270,936
EQUITY AND LIABILITIES					
EQUITY					
Share Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Retained Earnings	968,133	820,300	815,226	835,500	920,400
TOTAL EQUITY	1,968,133	1,820,300	3,915,226	1,835,500	1,920,400
LIABILITIES					
Trade Payables	1,890,180	1,883,126	1,727,263	1,267,500	1,750,770
Other Payables	1,723,895	1,918,736	1,362,848	1,966,229	1,795,300
TOTAL LIABILITIES	3,614,075	3,801,862	3,090,111	3,233,729	3,546,070
TOTAL EQUITY AND LIABILITIES	5,582,208	5,622,162	7,005,337	5,069,229	5,466,470

BONA SUNSHINE COMPANY LIMITED
FINANCIAL PROJECTIONS SUMMARY FROM 2023 TO 2027
PROJECTED STATEMENT OF PROFIT/(LOSS)
AND OTHER COMPREHENSIVE INCOME FOR 5 YEARS

	2024	2025	2026	2027	2028
DETAILS					
CURRENCY	USD	USD	USD	USD	USD
SALES	8,865,650	14,339,811	15,973,792	15,992,481	16,061,206
TOTAL INFLOW	7,865,650	9,339,811	13,973,792	13,992,481	13,061,206
COST OF SALES					
Opening Inventory	0	8,024,200	8,119,270	8,306,701	7,307,802
Add: Production Cost	9,320,000	5,072,504	7,749,054	6,630,073	6,703,080
Less: Closing Inventory	-8,024,200	-8,119,270	-8,306,701	-7,307,802	-7,497,998
	1,295,800	4,977,434	7,561,623	7,628,972	6,512,884
GROSS PROFIT	6,569,850	4,362,377	6,412,169	6,363,509	6,548,322
OPERATING EXPENSES					
Administration Expenses	2,993,130	1,737,267	1,792,013	1,736,172	2,681,449
Sales and Distribution Expenses	2,296,565	1,537,981	1,596,069	2,720,872	1,806,121
Finance Cost	51,510	52,130	53,227	54,112	55,014
Depreciation Expense	19,000	19,360	19,727	19,102	19,484
	-	0	0	0	0
TOTAL OPERATING EXPENSES	5,360,205	3,346,738	3,461,036	4,530,258	4,562,068
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PROFIT FOR THE YEAR	1,209,645	1,015,639	2,951,133	1,833,251	1,986,254

Appendix

BONA SUNSHINE COMPANY LIMITED
FINANCIAL PROJECTION SUMMARY FROM 2024 TO 2028

Cost of Sales Analysis				
Cost of Raw Material Produced				
Particular	Units (TONES)/MONTH	Cost per Unit in USD per month	Total Cost of production in USD per month	Total Cost of production in USD Annualy
PLASTIC MATERIAL	500	2,190.03	1,095,015	13,140,180
Total Cost of Raw material produced		2,190.03	1,095,015	13,140,180

Labour Cost					
Particular	Rate per day per labour USD\$	Rate per month per labour in USD\$	No of Labours	Total Cost per month in USD\$	Total Cost Annualy in USD\$
Foreign employees	300.94	7,824.44	10	78,244.4	938,932.8
Direct and Indirect Labours	200.86	5,222.36	150	783,354	9,400,248
					10,339,180.8

Closing Stock

Particular	Year 1 Amount in USD\$
Opening Stock	-
Add: Production Cost	13,140,180
Less: Cost of Sales	23,479,360.8
Closing Stock	8,024,200

