

DOSES TANZANIA LIMITED

BUSINESS PLAN
FOR
SOAP MANUFACTURING AND RELATED PRODUCTS

1.0. EXECUTIVE SUMMARY

1.1 Project Concept

DOSES TANZANIA LIMITED is a company incorporated in Tanzania with Certificate of Incorporation No. 185901416 dated 13th June, 2025, the company was formed on the basis of production of soap and related products. The owners had worked in this field for several years and had established multiple business contacts which will help the company pick up major business accounts

DOSES TANZANIA LIMITED has is planning to produce various soap such as

- Solid soap: it is a bar that can be of different shapes (rectangular, oval, round, cubic, etc.). It is also called toilet soap, because it can be placed easily on the edge of the sink.
- Liquid soap: it makes certain uses easier, such as washing floors or dishes. It also becomes a shower gel or hand cleansing cream.
- Soap flakes: it must be diluted in hot water and is used to wash floors and linen.
- Powdered soap: it is used for household appliances or for laundry.

- Mousse soap: the most common use is in shaving foam. etc.

DOSES TANZANIA LIMITED soap product's will be safe and meets all current TFDA regulatory requirements for soap.

The project promoters are confident of mobilizing financial resources through owners' equity by US\$500,000 and the remaining US \$1,000,000 will be sourced from local financial institutions.

1.2 Location

1. The project will be located at Plot No. 2009 & 2011, Block 'K', Wazo Bwawani Tegeta, Kinondoni Municipality, Dar es Salaam.

1.3 The Sponsors

DOSES TANZANIA LIMITED will be sponsoring this project. The Company is jointly owned by two shareholders

Name of shareholders	% Ownership	Nationality
DOSES FOODS LLC	60	UNITED STATES OF AMERICA
AMIR HASHIM ELSAYED MOHAMED	40	ETHIOPIAN

1.4 The Company Objectives

The company main business objective is soap manufacturing and related products

1.5 Objective of Study

The purpose of this study is to work out the project viability technically and financially of a project for production of soap and related products.

This study will be used as guiding tool in implementing this project and will be presented to TIC for obtaining certificate of incentives to facilitate smooth implementation of the project

1.6 Mission

The company's mission is to be successful by effectively utilizing the philosophies of high quality, advanced techniques, and customer service.

1.7 Keys to Success

It is important that the company continues to provide superb customer service and fast delivery. At the same time, the company's further success will depend on securing new customers in the served market niches.

2.0 Project Management and Manpower requirements

The project will under management of **DOSES TANZANIA LIMITED** management who have more than twenty-five in the field assisted by 15 employees.

DOSES TANZANIA LIMITED has a management team with direct knowledge of the industry, extensive research experience, and unique administrative skills. The company's management team consists of people with broad backgrounds in soap manufacturing.

2.1 Project description

Significant measures have been taken to liberalize the Tanzania economy so that to encourage private sector to take a lead in Tanzania economic growth; The Government of Tanzania embarked on adjustment program to give the private sector the leading role.

It is in view of the above; **DOSES TANZANIA LIMITED** came up with a proposal to develop a project for soap manufacturing.

To compliment this, the board of directors have developed strong working relationships with our customers and plan to further this area by continuing to offer customers value-added improvements and vertically-integrate the business to support these improvements.

It is expected that the project will be completed within one years' time and the company will apply to be exempted from paying import duty and VAT on Capital good and deemed capital good.

3.0 The General Over Manufacturing in Tanzania

The manufacturing sector in Tanzania has demonstrated substantial growth in recent years. The latest data reveals: In 2019, the manufacturing output was \$5.19 billion, marking a 12.73% increase from 2018. In 2020, the output rose to \$5.31 billion, a 2.28% increase from 2019. The year 2021 saw a further increase to \$5.67 billion, a 6.85% increase from 2020. In 2022, the manufacturing output reached \$6.20 billion, a 9.32% increase from 2021. In 2022, Tanzania's manufacturing sector emerged as the most significant component of its industrial landscape, contributing 23.2% to the nation's GDP.

This sector primarily focuses on light manufacturing industries, including textiles, garments, and food processing. Additionally, Tanzania is witnessing an expansion in its heavy manufacturing sector, encompassing areas like cement production, steel manufacturing, and pharmaceuticals.

The main manufacturing goods in Tanzania include: Textiles and Apparel: A major export sector, contributing significantly to employment and foreign exchange earnings. Processed Food and Beverages: This sector has seen growth due to increased domestic demand and export potential. Cement: With the construction boom, cement production has increased, making Tanzania one of the largest cement producers in East Africa.

Iron and Steel Products: Essential for the construction and automotive industries, this sector is growing in response to local and regional demand.

Tanzania Agribusiness Currently, the majority of crops in Tanzania are marketed in their raw forms, while value-addition to agricultural products is mostly on a small-scale secondary level. Still, the Tanzanian agriculture value-added net output increased by 46% during the period 2012–2017, from USD 10.5 billion to USD 15.3 billion. Currently, value-added products in Tanzania include cotton yarn, manufactured coffee and tobacco, sisal products (yarn and twine), and wheat flour. In line with the 2025 Vision of the Ministry of Agriculture, Food and Cooperatives of Tanzania, there should be at least two new products developed from each of the staple crops, horticultural crops, livestock, and fisheries by that year. Industrialization of Tanzania

The Government of Tanzania focuses on industrialization as the main catalyst to transform the economy, generate sustainable growth, and reduce poverty. The Government of Tanzania introduced its Sustainable Industrial Development Policy (SIDP) in 1996 to phase itself out of investing directly in productive activities and let the private sector take that role. The main

purpose of the Government's SIDP is to design a plan for industrializing Tanzania so that the country becomes semi-industrialized by 2025. In order for Tanzania to become a semi-industrialized country, the contribution of manufacturing to the national economy must reach a minimum of 40% of the GDP by 2025. Foreign Direct Investments (FDIs) are expected to provide the capital for the desired industrial development

4.0 Market Potential

The market research conducted by **DOSES TANZANIA LIMITED** reveals that there is a very big market potential to absorb company's products to be manufactured,

Household consumers, hospitality industry, schools, government institutions, corporate customers etc. are target market for companies' products; distribution to clients will be through wholesalers and retailers some time direct marketing will be employed particularly for corporate customers.

The current demand for hand wash soap, cleaning products and any related products is at high, Tanzania population estimated to be more than 60million presents a favorable market for company products which is fast moving consumer products such as;

- Solid soap
- Liquid soap

- Soap flakes
- Powdered soap
- Mousse soap

Potential markets exist not only in urban areas but even in villages, the company intend to carter for the all–East Africa at large such as Uganda, Rwanda, Burundi, Kenya and some part of Sudan, Malawi and Zambia in future, the company vision is to be one of bigger manufacturer of soap and related products within the East and Central Africa.

Generally, there is wide gap between supply and demand and therefore, business opportunities exist for setting up additional soap and related products manufacturing facilities to satisfy the market requirements.

4.1 Marketing Strategy

The executive team will first target the Dar Es Salaam area and eventually the greater Northwest using direct sales and existing distributor channels to penetrate the market. Initial capital will be used to test, patent, approve, produce, and market, as well as provide working capital for the first year

DOSES TANZANIA LIMITED will follow three concise strategies to achieve our desired growth:

- Exploit first-mover advantage in a highly fragmented market with a unique and differentiated product.
- Develop a strong branding campaign to build awareness, positive perception and sales of our products within our target markets.
- Continue to develop new products to satisfy an ever-growing set of markets.

The key strategy as entry strategy is to sell **DOSES TANZANIA LIMITED'S** products to wholesalers, retailers in Dar es Salaam, later on the company will start selling to Arusha, Mbeya, Mwanza and Dodoma, Company's marketing team will be aggressive in introducing our products in Tanzania markets and build loyalty for company's products with decision managers of the organizations in the targeted markets and create awareness and support of the benefits of the innovative.

4.2 Strategy pyramid

The main objective is to build company's products into standard for every soap and cleaning products users in Tanzania market. Opt our products, **DOSES TANZANIA LIMITED** intends to make sure there is consistent availability and uninterrupted supply of our products. The company plan to extend new markets into neighboring countries.

4.3 Supply Assessment

An assessment of the soap and other cleaning products supply matrix shows that are inadequate.

Tanzania is one of the largest markets for soap products in Africa. The Tanzania soap market size was estimated at \$126 million in 2019 and is expected to be worth more than \$147 million by 2025, with a CAGR of 3%. This growth is primarily being driven by increasing consumer spending on personal care and hygiene products as well as an expanding base of middle-income households. Additionally, rising demand for organic and natural soaps has been contributing to the rapid expansion of the Tanzania soap market.

Tanzania imported Soap from Kenya, Turkey, Uganda, South Africa, China etc.

It is due to this shortfall that the Tanzania Government is emphasizing domestic manufacturing sector.

4.4 Demand Assessment

Demand for soap and other cleaning products are very high it is obvious fact that the all-Tanzania population of over 60million are potential customers; **DOSES TANZANIA LIMITED** has come in to serve and to stimulate new markets.

4.5 Industry Participants

Competitive threats come from local soap manufactures and importers such as:

- ABOOD SOAP INDUSTRIES LIMITED
- BUKOMBE GINNERS COTTON SEED OIL AND SOAP COMPANY LIMITED
- MTERA SOAP INDUSTRY LTD
- AFRO SOAP FACTORY LIMITED
- KHATRI SOAP FACTORY LIMITED
- TISHIO LAUNDRY SOAP
- SURE SOAP MANUFACTURERS LIMITED
- A.A. SOAP MANUFACTURERS LIMITED etc.

4.6 Competition and Buying Patterns

DOSES TANZANIA LIMITED believes that our customers choose our products based on the following criteria:

- Price.
- Performance.
- Customer service and support.

4.7 Value Proposition

DOSES TANZANIA LIMITED's products and services offer the following advantages to customers.

- Delivery. We provide on-time delivery, thereby reducing customer inventory and providing them with overall cost reduction.
- Quality. The products we supply are of high quality and have attributes that enable customers to carry out their business functions.
- Price. Our products competitively priced, thus helping customers control their own bottom line.

4.8 Competitive Edge

DOSES TANZANIA LIMITED has several highly significant competitive advantages:

- Quality of products
- Constant availability of products
- Product affordability
- Customer service and support.

4.9 Market Strategy

According to expert, personal selling is the most effective method for marketing. The project will use all types of media and publicity will support and enhance personal selling. The project will use internet and print media for advertising.

The market strategy is to capitalize on our expertise by positioning the company to acquire strategic companies within the industry. We plan to leverage our expertise to acquire companies with product lines that complement our manufacturing operations. The company's goal in the next year is to secure more contract manufacturing positions. The company's goal in the next five years is to continue with our "value added" scheme and embark on an acquisition program that will see the company take over key industry players.

4.10 Pricing

The pricing policy for the project will be based on the service cost and competition levels considering various variables namely:

- Service positioning
- Gain market share from competitors
- Achieving profitability and liquidity financial performance goals
- The average price is US\$ 1 per kg
- Annual production is 3000 tons

4.11 Monitoring and Evaluation

The Management has full commitment to ensuring good use of the resources and sustainable environment. Thus, the

management philosophy is through business process, the company will strive to ensure compliance to standards and safety.

4.12 Aspect of Project Sustainability

The project sponsors having studied market conditions and the infrastructure in Tanzania are convinced that the project will be able to operate undisturbed. The growing of tourism sector and economic activities in Dar es Salaam City gives them assurance of a steady market. The peace and tranquility that exist in Tanzania is another aspect of assured business sustainability.

4.13 Projected Risks

This is a manufacturing industry investment; no major risks have been identified for this kind of project so far. Unless a change in the country's political and economic stability occurs, the project is more likely to prosper very fast for a very long period.

5.0 Project Investment Cost

The estimated capital investment cost of the project is US \$1,500,000 as shown in the schedule below:

DOSES TANZANIA LIMITED PROJECTED INVESTMENT COST US\$

Land and Buildings	200,000
Machinery & Equipment	600,000
Motor Vehicles	100,000
Furniture & Fixtures	10,000
Pre exp	20,000
Others	70,000
Working Capital	500,000
TOTAL	1,500,000

5.1 Financing Pattern

The project will be financed by equity by US\$500,000 and the remaining US\$ 1,000,000 to be sourced from financial institutions

5.2 Projected Project Operating Costs

In order to realize its intended objective, the project will have to meet the operating costs which is estimated to be 75% of the total annual revenue.

5.3 Considerations and Assumptions:

The corporate tax charged is 30% of the profits. Capital investment allowance is 50%. The capital assets are exempted from custom duty and Value Added Tax. The straight-line

method to depreciate the project's capital items has been applied, it is assumed to be 10% annual depreciation.

It is assumed that the major building raw material will be procured from local market and other will be imported. Revenues have been conservatively estimated based on experience of the promoters and trends in the industry.

5.4 Projected Profit and Loss Statement

The Income and Expenditure Statement shows the projected income for the 10 years period. The position depicted is that the project earns profit throughout its life. Accumulated after tax profits grow from. US \$ **454,300** in first year to **US \$ 2,659,456** in the 5th year, refer appendix II

5.5 Projected Cash Flows

This is shown in the Projected Cash Flows Statement in appendix II. They indicate that the project will meet its entire financial obligation, the Accumulated cash flow in the first year **US\$ 555,300** and grow up to **US\$ 3,004,456** in 5th year, refer appendix III

5.5 Projected Balance Sheet

The projected Balance Sheet of the project is shown in the financial statements under appendix IV total owners' equity of the project increases from **US\$ 500,000** at the end of first year of operation to **US \$ 3,504,456** at the end of in 5th year. Therefore; balance sheets depict a healthy financial, refer appendix IV

5.6 Projected payback period

Total investment is **US \$ 1,500,000** cash accumulation in year 3 is **US\$ 1,731,563** which is more than the initial investment costs, the project payback Period is within 3 years, refer appendix V

6.0. Economic Aspects

Implementation of this project will have the following social and economic values

- The project is an ideal option for utilization of the existing market
- The project will significantly contribute in increase of soap and related products available in Tanzania
- The project will create direct employment for 15 people on permanent contract basis leave alone temporary employees.

- It will create more business opportunities to local suppliers, which will also have a trickledown effect in the Tanzania economy as whole.
- It will generate substantial revenue to the government in the form of corporate tax paid, value-added tax and pay as you earn etc.
- The project will have transfer of knowledge and skills as far as manufacturing sector

8.0 Implementation Schedule

Project implementation is expected to be relatively very short once project has been approved it is estimated that construction of serviced furnished apartment will be completed within two years: –

DOSES TANZANIA LIMITED PROJECT IMPLEMENTATION

S/N	ACTIVITY	PERIOD
1	Processing TIC Certificate of Incentive	July 2025
2	Construction	October 2025– October 2027
3	Procurement furniture and other facilities	December 2027
4	Recruitment	January 2028
5	Testing business and in house training	January – April 2028
6	Commercial operations	May 2028

9.0 Conclusion and Recommendations

The project is technically feasible, financially viable, and economically sound, provided the sponsors will manage it efficiently.

It is recommended that the project be approved by Tanzania Investment Centre and be granted the TIC Certificate of Incentives with its associated privileges and benefits as provided for under the Tanzania Investment Act, 2022.

DOSES TANZANIA LIMITED COST STRUCTURE

Land and Buildings	200,000
Machinery & Equipment	600,000
Motor Vehicles	100,000
Furniture & Fixtures	10,000
Pre exp	20,000
Others	70,000
Working Capital	500,000
TOTAL	1,500,000

DOSES TANZANIA LIMITED PROJECTED INCOME & EXPENDITURE STATEMENT (US\$)

	1	2	3	4	5
Revenue (Food & drinks)	3,000,000	3,150,000	3,307,500	3,472,875	3,646,519
Operating Expenses:	2,250,000	2,362,500	2,480,625	2,604,656	2,734,889
Profit before Depreciation &Interest	750,000	787,500	826,875	868,219	911,630
Interest	80,000	64,000	48,000	32,000	16,000
Depreciation	21,000	21,000	21,000	21,000	21,000
Gross Profit	649,000	702,500	757,875	815,219	874,630
Tax (30%)	194,700	210,750	227,363	244,566	262,389
Profit After Tax	454,300	491,750	530,513	570,653	612,241
Accumulated Profit	454,300	946,050	1,476,563	2,047,216	2,659,456

DOSES TANZANIA LIMITED PROJECTED CASH FLOW US\$

SOURCES:		1	2	3	4	5
Profit before interest and depreciation	–	750,000	787,500	826,875	868,219	911,630
Equity	500,000					
Loan	1,000,000					
Total Sources	1,500,000	750,000	787,500	826,875	868,219	911,630
Applications:						
Capital expenditure	910,000	–	–	–	–	–
working Capital &Others	590,000					
Cash	–	555,300	576,750	599,513	623,653	649,241
Tax	–	194,700	210,750	227,363	244,566	262,389
Sub total	1,500,000	750,000	787,500	826,875	868,219	911,630
Total applications	1,500,000	750,000	787,500	826,875	868,219	911,630
Accumulated cash		555,300	1,132,050	1,731,563	2,355,216	3,004,456

DOSES TANZANIA LIMITED PROJECTED BALANCE SHEET US \$

Fixed Assets		1	2	3	4	5
Opening balance	–	910,000	889,000	868,000	847,000	826,000
Total Long-term Assets	–	910,000	889,000	868,000	847,000	826,000
Less depreciation	–	21,000	21,000	21,000	21,000	21,000
Closing balance	–	889,000	868,000	847,000	826,000	805,000
Working capital	590,000	590,000	590,000	590,000	590,000	590,000
Accumulated cash	–	1,343,550	2,753,250	4,232,408	5,784,495	7,413,160
Total assets	590,000	2,822,550	4,211,250	5,669,408	7,200,495	8,808,160
Financed by						
Equity	500,000	500,000	500,000	500,000	500,000	500,000
Accumulated profit	–	555,300	1,132,050	1,731,563	2,355,216	3,004,456
Total equity	500,000	1,055,300	1,632,050	2,231,563	2,855,216	3,504,456
Long term loan	1,000,000	800,000	600,000	400,000	200,000	–
Total debts	1,000,000	800,000	600,000	400,000	200,000	–
Total equity and debts	1,500,000	1,855,300	2,232,050	2,631,563	3,055,216	3,504,456

DOSES TANZANIA LIMITED PROJECTED LONG TERM LOAN REPAYMENT

Year	principle	Loan Interest (8%)	Total Amount Paid	Loan Balance
1	200,000.00	80,000.00	280,000.00	1,000,000.00
2	200,000.00	64,000.00	264,000.00	800,000.00
3	200,000.00	48,000.00	248,000.00	600,000.00
4	200,000.00	32,000.00	232,000.00	400,000.00
5	200,000.00	16,000.00	216,000.00	200,000.00

DOSES TANZANIA LIMITED PROJECTED FIXED ASSETS US\$

NAME OF ASSETS	1	2	3	4	5
Land And Buildings	200,000	196,000	192,000	188,000	184,000
Machinery, Tools & Equipment	600,000	594,000	588,000	582,000	576,000
Motor Vehicles	100,000	90,000	80,000	70,000	60,000
Furniture & Fixtures	10,000	9,000	8,000	7,000	6,000
Total	910,000	889,000	868,000	847,000	826,000
DEPRECIATION	1	2	3	4	5
Land and buildings	4,000	4,000.00	4,000.00	4,000.00	4,000.00
Machinery tools & Equipment	6,000	6,000.00	6,000.00	6,000.00	6,000.00
Motor Vehicles	10,000	10,000	10,000	10,000	10,000
Furniture & Fixtures	1,000	1,000.00	1,000.00	1,000.00	1,000.00
ANNUAL DEPRECIATION	21,000	21,000	21,000	21,000	21,000