

BUSSINESS PLAN

FOR

EAST PENINSULA ELECTRICAL COMPANY LIMITED

FOR

**ASSEMBLING OF ELECTRICAL EQUIPMENT AND
ACCESSORIES**

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1.0 INTRODUCTION

East Peninsula Electrical Company Limited is a Tanzanian-based manufacturing and assembly company specializing in the production, supply, and distribution of a wide range of electronic equipment and household appliances. The company's product line includes televisions, subwoofers and multimedia speaker systems, radios, fans, AC and DC bulbs, electric switches, solar chargers, kettles, blenders, torches, and other electronic accessories designed to meet the needs of both domestic and regional markets. Positioned to support the rapidly growing demand for affordable and reliable electronics in Tanzania and across East Africa, East Peninsula Electrical is committed to delivering innovative, energy-efficient, and durable products that enhance the everyday lives of households, businesses, and institutions. The Company's strategic plan is backed by a robust investment of USD 900,000, comprising USD 450,000 in foreign equity and USD 450,000 in local financing. These funds will support the establishment of a fully equipped electronics assembly facility with an annual production capacity of 1,200 finished pieces across its product categories. The target clientele includes retail distributors, wholesalers, government institutions, corporate clients, and individual consumers requiring reliable and cost-effective electronic solutions. In line with its growth strategy, the Company will generate 200 local employment opportunities across technical operations, quality control, logistics, sales and marketing, and administrative functions. Through a strong focus on innovation, sustainability, and operational excellence, East Peninsula Electrical Company Limited aims to become a key player in driving industrial advancement, technology transfer, and economic development across the region.

1.1 Mission and Vision Statement

1.1.1 Vision

To be recognized as the leading provider of innovative, high-quality, and affordable electronic products across East Africa. We aspire to set the industry benchmark by consistently delivering reliable and energy-efficient solutions that enhance modern living, empower businesses, and contribute to regional technological growth and development.

1.1.2 Mission

Our mission is to assemble and deliver durable, cost-effective, and environmentally friendly electronic products that improve the quality of life for households, institutions, and businesses. We are committed to meeting customer needs through advanced technology, continuous innovation, and customer-focused service. By promoting local employment, technology transfer, and sustainable practices, we aim to support industrialization and economic progress across Tanzania and the broader East African region.

1.1.3 Location

The Company, will be located at Plot number. 40, Block number "B", Chang'ombe, Temeke, Dar es Salaam, The The Company is also expecting to expand and establish other branches in different parts of Tanzania

1.2 Statement of the Investment Objectives, Sector and Products

1.2.1 Objectives

The primary objective of the Company is to establish a modern and fully operational assembly facility specializing in electronic equipment and accessories. Our focus is on assembling and delivering high-quality products such as televisions, subwoofers, multimedia speaker systems, radios, fans, AC and DC bulbs, electric switches, solar chargers, kettles, blenders, torches, gas cookers, and irons. By integrating advanced assembly lines and quality control systems, the Company is committed to providing reliable, durable, and energy-efficient products that meet the needs of households, businesses, and institutions across Tanzania. Within the first year, the Company aims to achieve a strong production capacity by leveraging efficient assembly processes, modern equipment, and skilled manpower, while ensuring strict adherence to standards of safety, efficiency, and product quality.

As part of its social and economic contribution, the Company plans to generate at least 150 employment opportunities for skilled and semi-skilled workers. Through ongoing training and development, we aim to build local technical expertise and strengthen Tanzania's industrial base. A strategic goal is to secure a strong foothold in key Tanzanian markets within the first year of operations, with an expansion strategy targeting East and Central Africa within three years. This growth will be supported by robust distribution networks, strategic partnerships, and a competitive range of electronic products tailored to regional consumer needs.

The Company is fully committed to quality, safety, and environmental responsibility. All assembly operations will comply with national and international standards, guided by sustainable practices and regulatory requirements to ensure customer satisfaction and environmental care.

Innovation and continuous improvement form a key part of the Company's strategy. By investing in research and development, we will enhance product design, performance, and efficiency, ensuring our offerings remain competitive and aligned with evolving technological trends.

Ultimately, the Company seeks to create long-term value for stakeholders by promoting a sustainable, ethical, and growth-oriented business model. With transparency, community engagement, and innovation at its core, the Company is positioned to become a trusted leader in the electronics and home appliances assembly industry in Tanzania and the wider region.

1.2.2 Activities

To achieve its strategic objectives, the Company will engage in a range of integrated activities centered on the assembly, marketing, and distribution of high-quality electronic equipment and household accessories. The core activity of the Company is the assembly of products such as televisions, subwoofer, multimedia speaker systems, radios, fans, AC and DC bulbs, electric switches, solar chargers, kettles, blenders, torches, gas cookers, and irons. These products are designed to meet the everyday needs.

The Company operates a modern assembly facility equipped with advanced technology and semi-automated systems to ensure efficiency, precision, and consistency in product quality. The facility is optimized to assemble a wide variety of electronic appliances with scalability to meet growing market demands.

A strong emphasis is placed on research and development (R&D) to foster innovation in product design, energy efficiency, and user experience. These efforts aim to deliver solutions that are not only reliable and affordable but also aligned with global trends in technology and environmental sustainability.

To support its customers, the Company has established a dedicated customer service and technical support team. This team works closely with distributors, retailers, and end-users to provide guidance on product use, address technical concerns, and ensure smooth order processing. Reliable distribution systems are in place to guarantee timely delivery of products to markets across Tanzania and beyond.

Quality assurance is at the core of the Company's operations. Strict quality control procedures are implemented throughout the assembly process, from inspection of components to final product testing. All products are assembled in compliance with both national and international quality and safety standards, ensuring durability, energy efficiency, and customer satisfaction.

In addition to production, the Company is committed to capacity building and knowledge sharing. It conducts training and workshops for employees, distributors, and technicians to promote best practices in handling and maintaining electronic appliances, thereby strengthening the technical capacity of the local workforce.

Through its commitment to excellence, innovation, and customer-focused service, the Company seeks to become a leading and dependable provider of electronic

equipment and home appliances in the region. By offering affordable, high-performance, and sustainable products, the Company contributes to improved living standards, technological advancement, and national economic growth.

2.0 STATEMENT OF INVESTMENT COSTS AND SOURCES OF FINANCE

2.1 Investment Costs

To successfully launch and operate The Company, a total capital investment of USD 900,000 is required. This funding will establish a modern manufacturing facility, procure essential equipment, support staffing, and enable operations to meet growing market demands for Electrical Equipment and Accessories in Tanzania and beyond.

2.2 Capital Requirements

The total required capital of USD 900,000 will be financed through a combination of foreign equity and local borrowing, as follows:

Foreign Equity: USD 450,000
Local

Loan: USD 450,000

Provided by international partners or strategic investors, the foreign equity injection represents long-term capital participation in the business and will

support infrastructure development, equipment procurement, and start-up operations.

A commercial loan from a domestic financial institution will supplement the equity capital, enabling the The Company to manage operating costs, working capital needs, and market entry expenses.

2.3 Use of Funds

The investment will be allocated as follows to ensure efficient and sustainable operations:

Land/Building: USD 160,000

Factory Setup and Equipment: USD 300,000
Raw

Materials and Initial Inventory: USD 20,000

Working Capital: USD 300,000

Furniture and Fittings: USD 50,000

Vehicles: USD 50,000

Licensing, Compliance, and Staff Recruitment: USD 20,000

These allocations are designed to cover all critical aspects of business setup and initial operations, ensuring that The Company can enter the market effectively and meet its performance objectives.

2.4 Revenue Projections

The Company anticipates robust growth driven by increasing infrastructure development and demand for Electrical Equipments and Accessoriess in the region. Projected revenues for the first three years are:

Year 1: USD 450,000

Year 2: USD 900,000

Year 3: USD 1,200,000

These forecasts are based on conservative market penetration estimates and the The Company's expected monthly production capacity of 12000 tonnes, strategic pricing, and a growing customer base across Tanzania and the broader East African region.

3.0 JOB CREATION

One of the core objectives of The Company is to contribute significantly to local economic development through the creation of sustainable employment opportunities. The The Company plans to employ a total of **150 individuals** across various operational, technical, and administrative roles. These employment opportunities will be distributed across the production, qualitycontrol, logistics, marketing, sales, and finance departments, providing a balanced workforce that supports both skilled and semi-skilled labor.

Out of the total workforce, **85 positions** will be dedicated to production and warehouse operations, forming the backbone of the manufacturing process. These roles will primarily be filled by local workers, offering on-the-job training to equip them with specialized skills in handling chemicals, operating machinery, and maintaining safety and quality standards. The The Company will also hire **20 technical and engineering professionals**, responsible for overseeing product development, production optimization, and ensuring adherence to regulatory and quality requirements.

In addition, **30 sales and marketing executives** will be recruited to promote the The Company's products, build client relationships, and expand market reach across Tanzania and the broader East and Central African region. Administrative efficiency will be ensured by **15 finance and support staff**, handling human resources, procurement, accounting, and regulatory compliance. The Company is committed to implementing regular training programs and performance-based incentives, with a focus on capacity building

and employee development, ultimately aiming to foster long-term careers and promote inclusive economic growth.

SOURCE OF SUPPLY INPUT

To ensure consistent product quality and timely delivery of its electrical equipment and accessories, the Company will establish reliable and strategic sourcing partnerships for all essential components and input supplies. The core inputs required for the assembly process include electrical parts such as switches, sockets, wiring, fuses, capacitors, resistors, transformers, lighting elements (AC/DC bulbs), control panels, motors, electronic modules, plastic and metal casings, and other accessories .

The Company will adopt a balanced sourcing strategy by procuring components from both local and international suppliers. Locally, the Company will collaborate with trusted distributors and manufacturers of wiring, plastics, metals, and packaging materials within Tanzania and the broader East African region. This approach will help reduce transportation lead times, lower logistics and import costs, and promote the growth of local industries.

For specialized components such as advanced circuit boards, semiconductors, display panels, and precision modules that may not be available in the region, the Company will engage with reputable international suppliers recognized for their high standards in quality, safety, and compliance with international electrical standards. This diversified procurement model will help mitigate supply chain risks and ensure continuity of production.

Furthermore, the Company will prioritize building long-term relationships with suppliers who can guarantee consistent supply schedules, competitive pricing, and compliance with environmental and safety standards. Regular evaluations and quality assurance checks will be conducted to confirm that all materials meet the Company's technical specifications and performance requirements.

Through this structured sourcing framework, the Company will maintain operational efficiency, ensure the durability and safety of its electrical equipment and accessories, and continue to meet the evolving needs of consumers in Tanzania and across the region.

4.0 IMPLEMENTATION SCHEDULE

The The Company intended to implement the project in the following schedule and phrase

4.1 Registration of the Projects and Compliance Phase

The The Company intends at the beginning to register the Project with Tanzania Investment Centre and to apply for certificate of Incentives. The Company shall also comply with other requisites laws, local and international

standard and requirements.

4.2 Legal and Regulatory Compliance

The company will comply with all local and international regulations, including NEMC (environmental), OSHA (safety), and TMDA or TBS (standards for chemical manufacturing). All operational licenses and permits will be secured prior to production commencement.

4.3 Constructions

The The Company at initial phases intended to lease land for factory, warehouse, offices and staff houses and later later the The Company intend to buy land for construction of of factory, warehouse offices and staff houses.

4.4 Project Operation

That after obtaining all necessary licence and installation of plants and machinery the The Company intend to start operations.

5.0 FINANCIAL PROJECTIONS (5 YEARS)

The Company projects strong financial performance from its venture in the production and distribution of high-performance water-reducing agents for concrete. This forecast is based on rising demand driven by increased infrastructure development and the growing need for construction chemicals in Tanzania and the surrounding region.

The company expects production to reach 12,000 tonnes per year, with steady market growth and expanding client base. Revenue projections are based on conservative market penetration, stable pricing, and efficient operations.

Year	Revenue (USD)	Operating Costs (USD)	Net Profit (USD)	ROI (%)
Year 1	450,000	430,000	20,000	3%
Year 2	900,000	550,000	250,000	42%
Year 3	1,200,000	750,000	450,000	75%
Year 4	1,000,000	900,000	450,000	67%
Year 5	900,000	580,000	320,000	53%
Total	4,350,000	2,910,000	1,440,000	240% (5 yrs)

5.1 Key Assumptions:

Production stabilizes at full capacity by mid-Year 2.

Operating costs include raw materials, labor, utilities, and maintenance.

Marketing and distribution scale up progressively with sales.

Conservative revenue growth based on demand trends in infrastructure and construction. Prices are benchmarked against competitive regional supplier

5.2 Break-even Point:

The company is expected to reach break-even by the end of Year 1, recovering initial working capital and operational expenses by leveraging high-margin sales and controlled costs.

5.3 Return on Investment (ROI):

With an average annual ROI of 40%–50%, the project projects a total return of 240% over five years, demonstrating significant financial viability and investment appeal for both equity partners and lenders.

6.0 ORGANIZATION STRUCTURE

The Company will adopt a functional organizational structure that promotes efficiency, accountability, and strategic alignment across its operations. The Company will be led by a **Managing Director**, who will oversee the overall strategic direction, governance, stakeholder engagement, and long-term growth of the Company. The Managing Director will coordinate closely with departmental heads to ensure smooth execution of the Company's mission and objectives.

The **Production Manager** will be responsible for overseeing all plant operations, including manufacturing processes, equipment maintenance, workforce supervision, and ensuring that production meets the required quality and safety standards. The **Sales and Marketing Team** will handle market penetration, customer relationship management, brand promotion, and expansion into regional markets. This team will play a key role in achieving revenue targets and growing the Company's market share.

The **Finance and Administration Team** will manage budgeting, financial reporting, procurement, human resources, and regulatory compliance. This unit ensures efficient resource use and transparent financial practices. Supporting product development and continuous improvement, the **Research & Development and Quality Unit** will focus on the formulation and testing of material, maintaining high-quality standards and ensuring compliance with national and international specifications.

This structure is designed to facilitate coordination, ensure accountability, and enable the Company to scale efficiently as operations expand.

7.0 ENVIRONMENTAL AND SOCIAL IMPACT

The Company is committed to carrying out its manufacturing and distribution operations for high-performance Electrical Equipments and Accessories. The company acknowledges that industrial activities can impact both the natural environment and the surrounding community, and has adopted proactive measures to ensure positive outcomes across all aspects of its operations.

Sustainable Production Practices

The company will prioritize the use of environmentally friendly raw materials and promote resource-efficient production techniques to minimize emissions and waste. Preference will be given to suppliers who follow green manufacturing standards.

Energy and Water Efficiency

Factory operations will integrate energy-saving equipment and systems, including high-efficiency motors, lighting, and production machinery. Water usage will be minimized through recycling systems and controlled consumption technologies.

Waste Management

An industrial waste management plan will be implemented to ensure safe disposal and treatment of chemical and packaging waste, in line with Tanzania's National Environmental Management Council (NEMC) regulations and global best practices.

Emissions and Pollution Control

Emission control systems and dust suppression measures will be put in place to mitigate air and environmental pollution. Routine monitoring will be conducted to ensure compliance with environmental standards.

Green Landscaping

The company premises will include green spaces and tree planting to improve air quality and contribute to carbon offset efforts.

08. CAPACITY OF THE PROJECT

The Company's project is designed with a strong operational capacity to meet both current market demand and future growth in the electrical equipment and accessories sector. The core assembly facility will have an initial capacity to assemble 12,000 units of key electrical products per month, translating to 144,000 units annually. This initial capacity will adequately serve a broad client base across Tanzania, including wholesalers, retailers, commercial establishments, and individual consumers. The facility is designed for scalability, with plans to increase assembly output to 15,000 units per month in Year 2 and 20,000 units per month

in Year 3 to meet rising market demand.

In addition to standard electrical equipment such as fans, bulbs, switches, and household appliances, the Company will assemble a wide range of multimedia systems, solar chargers, kettles, blenders, torches, and other electrical accessories. The assembly site will be equipped with modern assembly lines, testing and quality control systems, and packaging facilities to ensure operational efficiency, product consistency, and compliance with both national and international safety and quality standards.

With a dedicated workforce of 150 employees, including engineers, assembly technicians, quality control specialists, and sales professionals, the Company is well-prepared to operate at full capacity and scale progressively in line with its strategic growth objectives.

09. CONCLUSION

The Company is strategically positioned to become a key player in the electrical equipment and accessories industry in Tanzania and the broader East and Central African region. With a clear vision, a strong operational framework, and a scalable assembly capacity, the Company is equipped to meet the growing demand for high-quality, reliable, and cost-effective electrical products. The initial investment of USD 900,000, supported by a combination of foreign equity and local financing, will enable the Company to establish a fully functional assembly facility, create 150 employment opportunities, and introduce a diverse range of innovative electrical and household products to the market.

Through a focused marketing strategy, robust distribution network, and commitment to quality, safety, and regulatory compliance, the Company aims to build long-term partnerships with clients and contribute meaningfully to the development of modern electrical infrastructure in the region. Backed by a dedicated management team and skilled workforce, the Company is confident in achieving its financial and operational objectives while promoting sustainable industrial growth, technological advancement, and job creation. The Company is not just a business venture—it is a catalyst for progress in the electrical and household appliances sector.

