

# GIANT GROUP TANZANIA ELECTRIC COMPANY

## BUSINESS PLAN

### ELECTRICAL CABLE MANUFACTURING FACTORY

Presented To:  
**TANZANIA INVESTMENT CENTRE**  
**Shaban Robert Street**  
**P. O. Box 938**  
**Dar es Salaam**

Prepared by:  
**XINZHI CAO and ZHAOYANG CAO**  
**DAR ES SALAAM, TANZANIA**

**JULY, 2025**

# GIANT GROUP TANZANIA ELECTRIC COMPANY

## PREAMBLE

*This document is confidential and has been made available to the TANZANIA INVESTMENT CENTRE to which the address is shown in the cover page and it is addressed strictly on the understanding that its contents will not be disclosed or discussed with any third parties except for TANZANIA INVESTMENT CENTRE professional advisers.*

*This profile is strictly for information only and projections in the Business plan have been compiled by the consultant with close cooperation of the Promoters of the Business the **GIANT GROUP TANZANIA ELECTRIC COMPANY** and Sector Experts for illustrative purposes and do not constitute actual forecasts.*

---

# GIANT GROUP TANZANIA ELECTRIC COMPANY

## Business Profile:

### Table of Contents

#### 1.0 EXECUTIVE SUMMARY

#### 2.0 STATEMENT OF PURPOSE

##### 2.1. Purpose of Investment

##### 2.2 Investment Financing Plan

##### 2.3 Summary of the Expected Results

#### 3.0 BUSINESS DESCRIPTION

##### 3.1. Background of the Company

3.1.1. Legal Status

3.1.2. Mission and Vision

3.1.3. Operations

3.1.4. Location and Address

3.1.5. Postal Address

3.1.6. Project location

##### 4.0 Core Business of the Company

4.1 Assembling of motor and three wheelers

#### 5.0. MANUFACTURING INDUSTRY

##### 5.1. Manufacturing Sector in Tanzania

5.1.1. Importance of Manufacturing Sector InTanzania

5.1.2. Manufacturers of in Tanzania

5.1.3. Justification of the project

5.1.3. Impact of the project

5.1.4. Opportunity drivers

##### 6.0 ANALYSIS OF STRENGTHS, WEAKNESSES, OPPORTUNITY AND THREATS

#### 7.0 MARKETING INFORMATION

##### 7.1. Costing and Pricing

##### 7.2. Sales Projection

##### 7.3. Customers

##### 7.4. Marketing Plan

#### 8.0 MANAGEMENT & ADMINISTRATION

---

## 8.1. Management

## 9.0 FINANCIAL PROJECTIONS

---

---

---

## LIST OF APPENDICES

1. Certificate of Incorporation
2. Tax Payer Identification Certificate
3. Memorandum and Articles of Association
4. Bank Reference Letter.
5. Evidence of Land

---

# 1. Executive Summary

## Company & Project concept

GIANT GROUP TANZANIA ELECTRIC (GGTE) COMPANY is limited Company incorporated in Tanzania under the Company act of 2002. The Company was incorporated 16<sup>th</sup> January 2025, Registration number is 181267569. Company implements project which is under manufacturing sector.

Company now is located in Kerege Street, Bagamoyo, Dar es Salaam; workshop and warehouse are located at Bagamoyo, more details refer to the house rental contract.

## Vision

To become a leading provider of innovative, reliable, and sustainable electrical equipment solutions in both domestic and international markets.

## Mission

To design, manufacture, and distribute high-quality electrical equipment that powers industries, homes, and infrastructures while embracing energy efficiency and safety.

## Purpose of Business Plan

This document is prepared to serve the purpose as a Business Plan for Giant Group Tanzania Electrical Company for **electrical equipment manufacturing & distribution** plant. But also the Business Plan shall be submitted to TIC for an award of Certificate of Incentives. The implementation of this project will compromise the following activities:-

- Procurements Machineries and Equipments for assembling plant.
- Equipping the project will all necessary modern furniture and facilities

**The project promoter**, the project will be managed and operated by Giant Group Tanzania Electrical (GGTE) Company is owned by a Chinese entrepreneurs with the following share distribution.

NAME OF SHAREHOLDERS	NATIONALITY	SHARES
XINZHI CAO	Chinese	90,000
ZHAOYANG CAO	Chinese	10,000

**Company Legality**, the legal certificates and documents such as Memorandum and Article of Association, certificate of incorporation, Tax Identification Number, and value added Tax certificates Justify that GGTE Company is operating within the ambit of the law.

**Project Organization Structure**, the management of GGTE COMPANY constituted by the following organization set up:- Board of Directors, General Manger who is responsible on the supervision on the entire operations of the Company, a company accountant, a Production Manager who will be directly responsible for all matters pertaining manufacturing of the products.

---

Investment Structure, the project is estimated to cost Tanzania Shillings One Hundred Million Only (TShs.100,000,000.00) the money covers Machineries and Equipments, furniture and fittings, pre expenses and working Capital. The equity contributed by the shareholders is 500,000\$ equivalent to 100%. However a financial policy of the Company state that the profits generated will be re-invested

Forecasted financial Information, Financial information of GGTE COMPANY is projected within five years. The company projected profit and Loss; account show a respectable turnover of more than 104,272 \$ in the second year. The profits gained on fifth year are projected to be 130,090 \$. The projected balance sheet, shows the net worth increase of more than 566,013 \$ in the second year of operation and more than 648,739 \$ in the 3<sup>rd</sup> year of the usefully lifetime of the implementation during which the business will be evaluated again. The financial documents show that the business has a positive net cash flow.

---

## 2. Statement of Purpose

Business Plan is drawn for the purpose of seeking CERTIFICATE OF INCENTIVES from the TANZANIA INVESTMENT CENTRE and to establish a plant for electrical equipment manufacturing & distribution.

### 2.1 Purpose of Investment

This document is prepared to serve the purpose as a feasibility study for GIANT GROUP TANZANIA ELECTRICAL COMPANY for establishment of plant for electrical equipment manufacturing & distribution

- Buying of Industrial plot for this purpose.
- Developing workshop and installation Machineries and Equipments for this project.
- Equipping the project will all necessary modern furniture and facilities
- Procurements semi -processed raw materials
- Employing more than 26 people.

### 2.2. Investment financing plan

The company expect to invest 100 million TZS from shareholders' funds and. Profits generated from business operation will be re-invested. Table below show

<b>COST INVESTMENT STRUCTURE \$</b>	
<b>Current assets</b>	
Working capital	150,000
Opening inventory	
Other	0
<b>Sub Total</b>	<b>150,000</b>
<b>Property and equipment</b>	
Land	0
Building	50,000
Equipment	44,000
Furniture and fixtures	50,000
Leasehold improvements	3,000
Plant & Machines	150,000
Motor Vehicles	50,000
Pre-operating	3,000
	350,000
<b>Total assets</b>	<b>500,000</b>
<b>Financing</b>	<b>\$</b>

<b>Long-term liabilities</b>	
Long-term loan	250,000
<b>Owner's equity</b>	
Cash	250,000
Contributed asset value	-
<b>Total</b>	<b>500,000</b>

### 2.3 Summary of the Expected Results

At the end, the project is expected to achieve the following:-

- Provide an opportunity for availability of electrical plastic Equipments
- Increase 26 direct employment opportunities.
- Direct Domestic investment of more than 100 Million TZS within 2025 -2029.
- Increase tax contributed to the government
- Generate foreign currency.

## 3. BUSINESS DESCRIPTION

### 3.1 Background of the Company

Our business, Giant Group Tanzania Electrical Company Limited, is a distribution company that specializes in the importation, storage, and wholesale/retail distribution of electric equipment and components throughout Tanzania. We aim to meet the growing demand for quality and affordable electric equipment across residential, commercial, and industrial sectors. Our product range includes circuit breakers, switches, wires and cables, transformers, lighting systems, control panels, meters, solar components, and other electrical installation materials.

With Tanzania's increasing electricity access rates, urbanization, industrialization, and rural electrification initiatives led by the government and private sector, the market for electric equipment is expanding rapidly. Our company positions itself to be a leading distributor that ensures consistent availability, quality assurance, and excellent customer service.

---

### **3.1.1. Legal Status**

Legal certificates and documents such as Memorandum and Article of Association, certificate of incorporation, business license, Tax Identification Number, and value added Tax certificates Justify that GGTE Company is operating within the ambit of the law of the Land.

### **3.1.2. Mission and Vision**

The company vision is to become a leading provider of innovative, reliable, and sustainable electrical equipment solutions in both domestic and international markets.

The current mission of the company is to design, manufacture, and distribute high-quality electrical equipment that powers industries, homes, and infrastructures while embracing energy efficiency and safety

- Setting up a assembling plant in Tanzania
- Proper and reasonable remuneration of the personnel
- Continuing networking with our esteemed clients.

### **3.1.3 Operations**

The project will be managed and operated by GGTE Company. When the company being normally operated, both of the shareholders shall increase investing capitals, where as to strengthen power of the company. Furthermore, company will provide more work opportunities for the local people when more Tanzanians will be hired by the company. Management will establish sound operating guidelines to conduct the day to day operations of this project.

### **3.1.4. Project Promoters**

The project will be managed and operated by GGTE Company. The Company is owned by Local Chinese entrepreneurs with diverse business in Tanzania and China. Current shareholding status is hereby shown below.

<b>NAME OF SHAREHOLDERS</b>	<b>NATIONALITY</b>	<b>SHARES</b>
XINZHI CAO	Chinese	90,000
ZHAOYANG CAO	Chinese	10,000

### **3.1.5. Project Location**

Currently the project is being implemented at constructed factory, at Kerege Street, Bagamoyo, Dar es Salaam

---

## **4. Core Activities of the Company**

GGTE Company will be dealing with establishing and operating the following facilities;

### **4.1. Installation of Electrical Equipment Manufacturing & Distribution plant**

In the first phase of the implementation of this project, the Company has rented a warehouse which is being used to accommodate installation of Machineries and Equipments.

### **4.2 Technical requirements of the project**

The project implementation shall require some of technical facilities among others include: -

- For the beginning electrical equipment manufacturing & distribution, it is needed to hire 30 workers for production and 5 workers for management positions. Other 15 worker will be hired for branches as salesman and branches managers. At the later period, the amount of local people hiring will reach 100 to 200 if accessories production localized.

---

## **5 MANUFACTURING INDUSTRY**

### **5.1 MANUFACTURING SECTOR IN TANZANIA**

In the last 10 years, manufacturing activities in Tanzania have taken a steady growth, registering average annual growth of over 4 percent, with 10% contrition to GDP. Most activities concentrate on manufacture of simple consumer goods such as food, beverages, tobacco, textiles, furniture and wood allied products. After economic liberalisation in the mid-1980s, many erstwhile public enterprises could not withstand free market competition. Some died and others underwent

privatisation. These measures helped enhance competitiveness of local industries and readied them for venturing into export markets. On the other hand, the sector is not a big employer (145,000 employees), compared to agriculture for example, but it is the most reliable source of government revenue in form of import, sales, corporate and income taxes, accounting for over half of government annual revenue collection. Manufacturing earns the country a fifth of total foreign exchange earnings, thus ranking third after agriculture and tourism. Most production is however concentrated in the Dar es Salaam region.

Great prospects are pinned on development of a robust SME sector, whose promotion, as government has already realized, still lacks appropriate policy backing. A strong and productive industrial structure can only be achieved where SMEs and large enterprises not only coexist but also function in a symbiotic relationship. In this regard, successful promotion of agro-businesses can be considered in the SME development context.

Among the comparative advantages of Tanzania's manufacturing sector are the availability of a potentially large domestic market and Tanzania's adhesion to the EAC and the SADC organization, as they are potentially important market destinations. But Kenya is proving to be competing better in the region.

#### 5.1.1. IMPORTANCE OF MANUFACTURING SECTOR IN TANZANIA

The reason why Tanzania needs a vibrant manufacturing sector today is to ensure economic independence in the long-run. This can be achieved because of different advantages attached to the manufacturing sector which include: Firstly, it helps to diversify the economy away from primary sector towards manufacturing and hence reduce risks and vulnerability to the long-term deteriorating commodity terms of trade and the associated loss in the real income. Secondly, the sector has substantial forward and backward linkages with other sectors of the economy, especially agriculture. Thirdly, with proper choice of technology, the sector can create significant employment. Fourthly, large manufacturing sector can enable export diversification that is necessary to reduce Tanzania's vulnerability to external shocks. Fifthly, the sector provides opportunity to transfer and adapt and create new technology. Sixthly, a large manufacturing sector can enable income smoothing at the household level through the creation of non-farm jobs that are more stable and fetch higher incomes. On average, the monthly income from a manufacturing job is Tshs. 103,407 compared to 76,277 in mining, 49,693 in construction, 31,301 in trade and only 15,234 in agriculture, presently the largest source of livelihood for Tanzanians.

#### 5.1.2. ELECTRIC EQUIPMENT MANUFACTURING INDUSTRY IN TANZANIA

##### 1. Industry Overview:

Tanzania's electric equipment manufacturing sector is in its early stages, with most products imported from China, India, South Africa, and Europe. The growing demand for electrical infrastructure—driven by urbanization, rural electrification, and energy projects—creates a strong case for local manufacturing.

##### 2. Market Opportunity:

- **Growing Demand:** Driven by national electrification goals (75% access by 2030), construction growth, and major energy projects like the Julius Nyerere Hydropower Project.

---

- **Import Substitution:** Local manufacturing can reduce costs and improve delivery times.

- **Government Support:** Vision 2025 promotes industrialization, supported by incentives in SEZs.

### 3. Target Markets:

- Utility companies (e.g., TANESCO), construction firms, industrial clients, solar integrators, and retail distributors in Tanzania and neighboring countries.

### 4. Competitive Landscape:

- **Local Players:** Limited—mostly small-scale or cable manufacturers.

- **International Brands:** Dominant but costly.

- **Market Gap:** High demand for affordable, quality-compliant local alternatives.

### 5. Regulations:

- Products must meet TBS and EWURA standards.

- SEZ incentives include tax holidays, duty exemptions, and VAT relief.

### 6. Operations Strategy:

- **Location:** Preferably Dar es Salaam or Dodoma, within SEZs.

- **Products:** Low-voltage switchgear, control panels, solar components, industrial plugs, and transformers.

- **Technology:** Semi-automated lines, OEM partnerships, and ISO-compliant systems.

- **Workforce:** Skilled technicians trained through VETA and similar institutions.

### 7. Financial Outlook:

- **Investment:** \$2.5-\$5 million for setup and operations.

- **Revenue:** From B2B sales, retail distribution, and custom manufacturing.

- **Break-even:** In 3-4 years with a 20-25% projected ROI.

### 8. Risks & Mitigation:

- **Capital cost:** Offset by incentives and financing.

- **Cheap imports:** Countered by warranties and local service.

- **Skill gaps:** Addressed via training and expert hiring.

- **Regulation:** Early engagement with authorities.

### 5.1.3 PROJECT JUSTIFICATION

The proposed project is under management of GGTE company is in line with Tanzania Government efforts in attempt to revamp the Manufacturing Sector. This has also been noted of recent drive of attracting investors in Tanzania in order to maximize her annual earnings from investment and also compete effectively with regional competitors. This also has been complemented by following measures

- i. The government is making a critical review of all existing laws and regulations, taxation and policies with ultimate aim of improving and creating conducive environment for private sector Investment, tourism sector is inclusive.
- ii. In 2007/2008 the Government reviewed the existing Industry and trade Policy, taking into consideration the social economic base and the dynamism of Manufacturing industry in Tanzania.
- iii. In depth studies have been carried out in the following area
  - SMEs development study
  - Trade Integration Strategy, 2009-2013

Regarding the initiative undertaken by GGTE company sponsors, is justified by the following facts.

- The sponsors have a special invested interest in assembling of motor bikes and three wheelers motor cycles and have been importing motorbikes or several years now.

Therefore, the establishment and operation of motor bikes assembling plant facility will boost and at the same time strength manufacturing sector in the Tanzania. The Company's marketing strategy and intention is to have a wide products base which focuses both to Ordinary consumers and Industrial use.

### 5.1.4 SOCIAL AND ECONOMIC IMPACT OF THE PROJECT

The proposed project will result into the following social and economic impacts:

#### 1. Economic Impact

##### a. Industrial Growth and Job Creation:

The increased availability and use of electrical equipment, such as motors, transformers, and generators, significantly boost industrial productivity across sectors like agriculture, mining, and manufacturing. Electrified operations reduce dependency on manual labor and enable 24/7 production cycles, leading to greater output and efficiency. This growth translates directly into job creation, both in technical roles (e.g., electricians, technicians, engineers) and in value-added services such as maintenance and logistics.

##### b. SME Empowerment:

Access to reliable and affordable electrical equipment empowers small and medium

---

enterprises (SMEs) by automating operations and lowering production costs. This creates opportunities for business expansion and entrepreneurship, especially in rural and peri-urban areas.

**c. Infrastructure Development:**

Increased demand for electrical equipment drives investments in infrastructure, including power generation, transmission, and distribution networks. This contributes to broader national development goals, including improved energy access under Tanzania's Power System Master Plan.

**2. Social Impact**

**a. Rural Electrification and Quality of Life:**

Electrical equipment plays a key role in rural electrification programs, enabling communities to access lighting, water pumping, refrigeration, and communication technologies. This enhances quality of life, improves safety, and supports essential services such as healthcare and education.

**b. Educational Opportunities:**

Electrification enables schools to use digital learning tools, computers, and internet access, contributing to improved learning outcomes and bridging the urban-rural education gap.

**c. Gender Inclusion:**

Electrification helps reduce the time women and girls spend on manual tasks (e.g., fetching water or grinding grain), allowing more time for education and income-generating activities. Women-led enterprises also benefit from electrical tools that enable productivity and scalability.

---

## 5.1.5. OPPORTUNITY DRIVERS

### Increased demand of electrical equipment in Tanzania

The growing demand for electrical equipment in Tanzania is largely driven by:

- **Infrastructure Development:** Government-led construction projects in roads, housing, and commercial buildings require extensive electrical installations.
- **Rural Electrification Initiatives:** Under the National Rural Electrification Program (managed by REA - Rural Energy Agency), thousands of rural homes and businesses are being connected to the grid, increasing demand for transformers, meters, cables, etc.
- **Manufacturing Sector Growth:** As local industries grow, there's increased need for industrial-grade electrical machinery and automation equipment.
- **Renewable Energy Push:** Tanzania's commitment to solar and hydropower increases the demand for solar panels, batteries, inverters, and control systems.
- **Telecommunications and ICT Expansion:** Data centers, telecom towers, and ICT infrastructure require high-grade electrical power management systems.

### Government Policy

The Government of Tanzania has made the policy that intends to improve and promote Manufacturing Industry. This sector employs many people and it is a key driver towards transforming and developing the national economy.

### Government Incentives package

In 1997 Tanzania Government enacted Investment law that offers and guaranteed reasonable incentives to both local and foreign investors.

**Strengths (Internal Positive Factors)**

1. **Growing Demand**
  - Expansion of electrification projects (e.g., rural electrification, national grid extensions) is driving demand for electrical equipment.
2. **Strategic Geographic Location**
  - Proximity to neighboring landlocked countries (e.g., Rwanda, Burundi, Uganda, Zambia) offers export potential.
3. **Young and Trainable Workforce**
  - Tanzania has a large, youthful labor pool that can be trained for manufacturing, assembly, and technical roles.
4. **Government Incentives**
  - Industrial development policies and tax incentives under Tanzania Investment Centre (TIC) encourage local manufacturing.
5. **Import Substitution Potential**
  - Local manufacturing can replace expensive imports, improving supply chain efficiency and reducing costs.

**Weaknesses (Internal Negative Factors)**

1. **Inadequate Technical Skills**
  - Shortage of experienced engineers, technicians, and quality control experts in high-precision manufacturing.
2. **Limited Industrial Infrastructure**
  - Power reliability, transport logistics, and access to industrial zones may be inconsistent in certain areas.
3. **High Initial Capital Requirement**
  - Establishing manufacturing facilities for electrical equipment involves significant upfront investment in machinery and tooling.
4. **Dependence on Imported Raw Materials**
  - Many raw materials and components must still be sourced internationally, exposing the business to currency and shipping risks.
5. **Weak Local Supply Chain Ecosystem**
  - Limited availability of local suppliers for components, tools, and calibration services affects production efficiency.

---

### Opportunities (External Positive Factors)

1. **National Development Projects**
  - Ongoing infrastructure, energy, and housing projects (e.g., REA, Julius Nyerere Hydropower Project) demand significant electrical hardware and systems.
2. **Regional Trade Agreements**
  - Access to EAC and SADC markets facilitates expansion and export of locally manufactured goods.
3. **Urbanization and Industrialization**
  - Rapid urban growth and investment in industrial parks (e.g., Benjamin William Mkapa SEZ) will spur further electrical equipment needs.
4. **Technology Transfer & Partnerships**
  - Opportunities to collaborate with international manufacturers for joint ventures, franchising, or technical licensing.
5. **Growing Awareness of Quality Standards**
  - Rising demand for certified, high-quality electrical equipment boosts market space for trusted manufacturers.

### Challenges (External Negative Factors)

1. **Intense Competition from Imports**
  - Cheap products (mainly from China and India) dominate the market, often undercutting local manufacturers on price.
2. **Regulatory & Standards Compliance**
  - Navigating certification, TBS (Tanzania Bureau of Standards), and EWURA regulations can be time-consuming.
3. **Access to Financing**
  - Limited availability of long-term, low-interest financing options for capital-heavy industries.
4. **Fluctuating Exchange Rates and Inflation**
  - Volatility in the Tanzanian Shilling impacts import costs, operating margins, and pricing.
5. **Counterfeit & Substandard Goods**
  - Prevalence of counterfeit electrical items creates distrust in the market and challenges for legitimate players



**7.1 Marketing Strategy****7.1.1 Overview**

The success of GGTE COMPANY will be achieved by providing high quality products, providing friendly service and employing an aggressive marketing plan to build customer traffic. Today's market requires more than just products and service to make a GGTE COMPANY successful. GGTE COMPANY will constantly strive to enthusiastically win more customers by being proactive rather than reactive in our marketing efforts.

Management will endeavour to create and maintain a positive, appealing image for the customers. This image will be consistently portrayed throughout all marketing channels and sales promotions. The following exemplifies some of the tactics we will use to drive more sales.

**7.1.2 Customer Database**

GGTE Company will aggressively seek to build a database of Customers. Customers will have an opportunity to be included in the database so they can participate in sales promotions such as birthday or anniversary cards; email notification of upcoming specials; coupons; etc. The database will be gathered and maintained on special software GGTE COMPANY will gather names in a variety of manners including staff requests; business card drop for free lunch; guests' sign up book with promotional signage; menu insert promotion; etc

**7.1.3 Advertising**

GGTE Company will adopt an aggressive advertising strategy. Outdoor signage for GGTE Co. Ltd will describe outdoor and changeable copy advertisement and elaborate design signage depends upon lease space restrictions; designed within allowable limits to achieve maximum exposure.

GGTE Company will utilize both traditional non-traditional methods of advertising. Management's viewpoint on advertising is state in your own words, the philosophy GGTE COMPANY will adopt towards the use of traditional advertising such as radio, newspaper, billboards or television.

**7.1.4 Costing and Pricing**

The costing and pricing is done by the management of GGTE Company. The costing takes into consideration various aspects depending on the cost which has already been incurred, inflation factor and Operating costs. The project promoters of the company are in business for long time i.e. they are business oriented personnel.

**7.1.5 Customers**

GIANT GROUP TANZANIA ELECTRICAL COMPANY is targeting to all regions in Tanzania. Sales team of the company is being formed and it is planned to set up branches in some relatively large cities such as Moshi, Arusha, Mwanza, Mbeya and so on. With efforts to be taken, company will develop more agents all around Tanzania

**7.1.6 Products**

As it has been explained in preamble chapters, GGTE Company will set project which will be indulging in realizing motorcycle and tri-cycle production and assembling with engine emission from 50CC to 250CC. The business model provided is to be wholesale and retailing on the competitive manner.

---

## 8.2 Marketing Plan

---

The company has both short term and long-term marketing plan:

***The short term marketing plan includes:***

- Participating in business show case exhibitions
- Building sustainable long-term relationship with client
- Training of sales staff sales and Marketing.

***Long Term Plans includes:***

- Join to the network of assembling companies to market to exploit more business opportunities
- Investing Market Research and Development

---

## **8 Management & Administration**

### **8.1 Management**

The management team of GIANT GROUP TANZANIA ELECTRIC COMPANY planned to be constituted by the following management team:-

#### **8.1.1 Board of Directors**

GGTE Company shall be managed by the board of Directors which is the apex body for strategic decision making of the project. Directors of the Company are the ones who having shares in GGTE Company, The Company which shall manage this project.

#### **8.1.2 General Manager**

Immediate after Board of Director the shall be a General Manager who will be responsible to take care of mater pertaining operation and managing daily activities of the project as well as other staffs welfares and report them to the board of directors.

#### **8.1.3 Production Manager**

Production Manager will be employed who expected to have an extensive background in the electricity manufacturing industry. As the production Manager will be directly responsible for all production functions including manufacturing all types of electricity plastics related products, maintenance of quality standards of the products; training of employees in methods of producing these products, etc.

Under production manager there shall be reasonable number of technical staffs who will be involved in daily production within this project.

#### **8.1.4 Accountant/cash**

An accountant will be employed who expected to have good experience in accounting system as well as he will be responsible in managing cash of GGTE Company but also keeping books of accounts properly.

#### **8.1.5 Management Agreements**

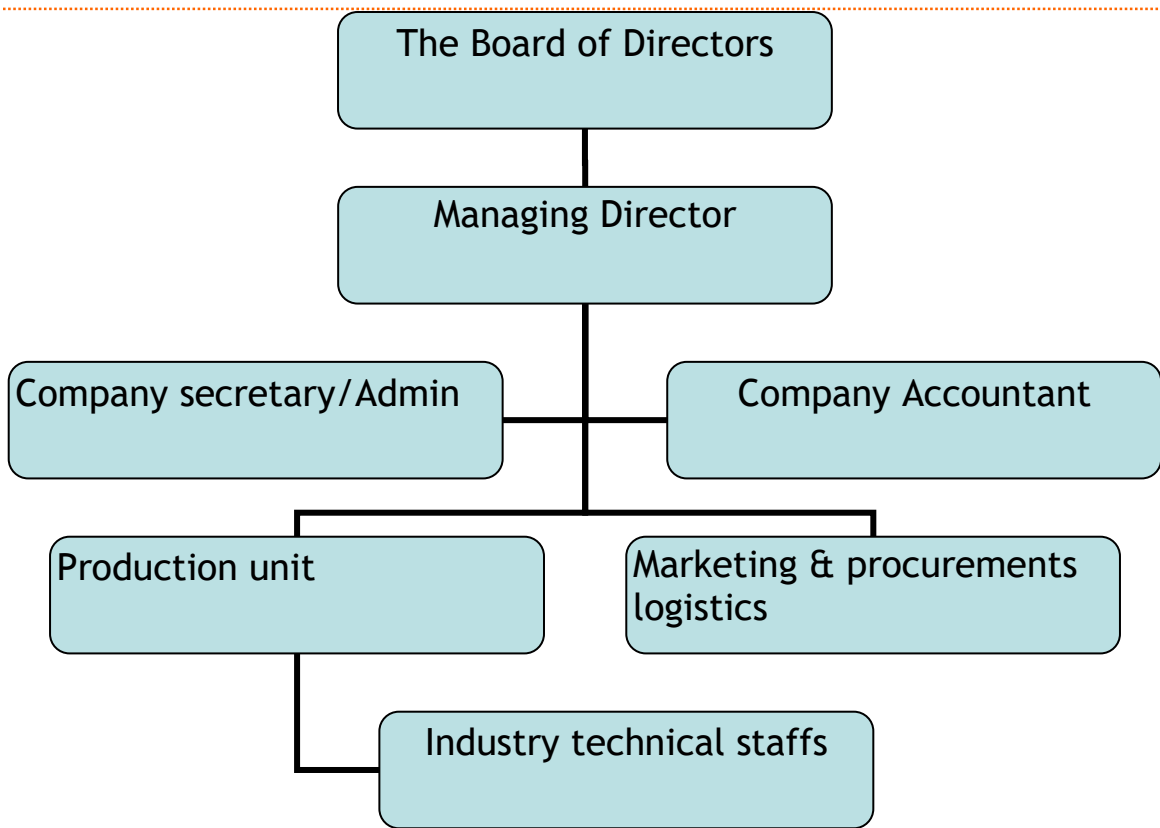
Management Agreements will be executed between GGTE Company and other team managers. The purpose of these agreements is to define the expectations of both parties, establish an incentive structure, and define the grounds under which the agreement may be terminated.

#### **8.1.6 Confidentiality Agreements**

GGTE Company will enforce that all employees sign a confidentiality agreement. Confidentiality agreements with our employees and partners will protect our products, operating systems, policies and procedures. Having a confidentiality agreement in place is essential to protect the company's trade secrets, and show our employees that we take our business seriously.

#### **9.1.7 Organization Structure**

The management of GGTE COMPANY is planning to have the following organization structure.



# GIANT GROUP TANZANIA ELECTRIC COMPANY

## FINANCIAL STATEMENTS PROJECTION

GGTE COMPANY					
Projected Income Statement					
For Five Years of Operations					
	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021
	\$	\$	\$	\$	\$
<b>SALES</b>	1,950,000	2,274,000	2,424,000	2,453,088	2,482,525
				-	-
<b>COST OF SALES</b>	1,235,000	1,416,260	1,489,760	1,507,637	1,525,729
				-	-
<b>GROSS MARGIN</b>	<b>715,000</b>	<b>857,740</b>	<b>934,240</b>	<b>945,451</b>	<b>956,796</b>
<b>OPERATING COSTS</b>				-	-
Advertising	17,000	18,700	20,570	20,817	21,067
Automotive	12,000	13,200	14,520	14,694	14,871
Bank charges	61,400	67,540	74,294	75,186	76,088
Business taxes	92,000	101,200	111,320	112,656	114,008
Casual wages	19,000	20,900	22,990	23,266	23,545
Depreciation	67,500	67,500	67,500	68,310	69,130
Dues, licenses and fees	25,000	27,500	30,250	30,613	30,980
Insurance	18,000	19,800	21,780	22,041	22,306
Interest on long-term debt	6,683	4,867	2,995	3,031	3,068
Management salaries	2,140	2,140	2,140	2,166	2,192
Miscellaneous expenses	16,000	17,600	19,360	19,592	19,827
Office costs	15,000	16,500	18,150	18,368	18,588
Postage	13,000	14,300	15,730	15,919	16,110
Professional fees	18,000	19,800	21,780	22,041	22,306
Property taxes	8,000	8,800	9,680	9,796	9,914
Repairs and maintenance	26,000	28,600	31,460	31,838	32,220
Rent	6,000	6,600	7,260	7,347	7,435
Salaries and benefits	215,160	219,463	223,852	226,539	229,257
Telephone	6,200	6,820	7,502	7,592	7,683
Utilities	24,500	26,950	29,645	30,001	30,361

	668,583	708,780	752,779	761,812	770,954
				-	-
<b>INCOME BEFORE TAXES</b>	46,417	148,960	181,461	183,639	185,843
				-	-
<b>INCOME TAXES</b>	(13,925)	(44,688)	(54,438)	(55,092)	(55,753)
				-	-
<b>NET INCOME</b>	<b>32,492</b>	<b>104,272</b>	<b>127,023</b>	<b>128,547</b>	<b>130,090</b>

**GGTE COMPANY**

**PROJECTED BALANCE SHEET**

	Opening	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021
	\$	\$	\$	\$	\$	\$
<b>ASSETS</b>						
<b>CURRENT</b>						
Cash	150,000	202,263	338,989	478,501	535,921	600,231
Accounts receivable		81,250	94,750	101,000	113,120	126,694
Inventory						
Other assets						
<b>Total</b>	<b>150,000</b>	<b>283,513</b>	<b>433,739</b>	<b>579,501</b>	<b>649,041</b>	<b>726,925</b>
<b>CAPITAL ASSETS</b>						
Land						
Building	50,000	50,000	50,000	50,000	56,000	62,720
Equipment	44,000	44,000	44,000	44,000	49,280	55,194
Furniture and fixtures	50,000	50,000	50,000	50,000	56,000	62,720
Leasehold improvements	3,000	3,000	3,000	3,000	3,360	3,763
Computer equipment	150,000	150,000	150,000	150,000	168,000	188,160
Auto/equipment	50,000	50,000	50,000	50,000	56,000	62,720
Other	3,000	3,000	3,000	3,000	3,360	3,763
<b>Total</b>	<b>350,000</b>	<b>350,000</b>	<b>350,000</b>	<b>350,000</b>	<b>392,000</b>	<b>439,040</b>
Acc/depreciation	-	(67,500)	(135,000)	(202,500)	(226,800)	(254,016)
	350,000	282,500	215,000	147,500	165,200	185,024
<b>Total</b>	<b>500,000</b>	<b>566,013</b>	<b>648,739</b>	<b>727,001</b>	<b>814,241</b>	<b>911,949</b>
<b>LIABILITIES</b>						
<b>CURRENT</b>						
Accounts payable		79,316	88,543	93,439	104,652	117,210
Income taxes payable		13,925	44,688	54,438	60,971	68,288
long-term debt	59,720	61,536	63,408	65,336	73,177	81,958
<b>Total</b>	<b>59,720</b>	<b>154,777</b>	<b>196,639</b>	<b>213,214</b>	<b>238,800</b>	<b>267,456</b>
<b>LONG-TERM DEBT</b>						
Long-term loan	250,000	190,280	128,744	65,336	73,177	81,958

Less current portion	(59,720)	(61,536)	(63,408)	(65,336)	(73,177)	(81,958)
	190,280	128,744	65,336	0	0	0
<b>Total</b>	<b>250,000</b>	<b>283,521</b>	<b>261,976</b>	<b>213,214</b>	<b>238,800</b>	<b>267,456</b>
<b>OWNER'S EQUITY</b>						
Cash	250,000	250,000	250,000	250,000	280,000	313,600
Contributed asset	0	0	0	0	0	0
Accumulated earnings	0	32,492	136,764	263,787	295,441	330,894
	250,000	282,492	386,764	513,787	575,441	644,494
<b>Total</b>	<b>500,000</b>	<b>566,013</b>	<b>648,739</b>	<b>727,001</b>	<b>814,241</b>	<b>911,949</b>

<b>GGTE COMPANY</b>					
<b>PROJECTED STATEMENT OF CASH FLOWS</b>					
<b>For Five Years Ending</b>					
	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021
	\$	\$	\$	\$	\$
<b>CASH PROVIDED BY THE FOLLOWING ACTIVITIES</b>					
<b>OPERATING</b>					
Net earnings	32,492	104,272	127,023	142,265.70	159,337.58
Depreciation	67,500	67,500	67,500	75,600.00	84,672.00
<b>Total</b>	<b>99,992</b>	<b>171,772</b>	<b>194,523</b>	<b>217,865.70</b>	<b>244,009.58</b>
Changes in working capital accounts					
Accounts receivable	(81,250)	(13,500)	(6,250)	(7,000.00)	(7,840.00)
Inventory	-	-	-	-	-
Other assets	-	-	-	-	-
Accounts payable	79,316	9,227	4,896	5,483.27	6,141.26
Income taxes payable	13,925	30,763	9,750	10,920.48	12,230.93
<b>Total</b>	<b>111,983</b>	<b>198,262</b>	<b>202,919</b>	<b>227,269.44</b>	<b>254,541.77</b>
<b>FINANCING</b>					
Repayment of long-term loan	(59,720)	(61,536)	(63,408)	(71,016.73)	(79,538.74)
				-	-
<b>CHANGE IN CASH</b>	<b>52,263</b>	<b>136,726</b>	<b>139,511</b>	<b>156,252.71</b>	<b>175,003.04</b>
				-	-

CASH, BEGINNING OF YEAR	150,000	202,263	338,989	379,667.86	425,228.01
				-	-
CASH, END OF YEAR	202,263	338,989	478,501	535,920.57	600,231.04

OPERATING COSTS					
	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021
	\$	\$	\$	\$	\$
Advertising	17,000	18,700	20,570	23,038	25,803
Automotive	12,000	13,200	14,520	16,262	18,214
Bank charges	61,400	67,540	74,294	83,209	93,194
Business taxes	92,000	101,200	111,320	124,678	139,640
Casual wages	19,000	20,900	22,990	25,749	28,839
Dues, licenses and fees	25,000	27,500	30,250	33,880	37,946
Insurance	18,000	19,800	21,780	24,394	27,321
Miscellaneous expenses	16,000	17,600	19,360	21,683	24,285
Office costs	15,000	16,500	18,150	20,328	22,767
Postage	13,000	14,300	15,730	17,618	19,732
Professional fees	18,000	19,800	21,780	24,394	27,321
Property taxes	8,000	8,800	9,680	10,842	12,143
Repairs and maintenance	26,000	28,600	31,460	35,235	39,463
Rent	6,000	6,600	7,260	8,131	9,107
Telephone	6,200	6,820	7,502	8,402	9,411
Utilities	24,500	26,950	29,645	33,202	37,187
<b>Total</b>	<b>377,100</b>	<b>414,810</b>	<b>456,291</b>	<b>511,046</b>	<b>572,371</b>

Salaries & Wages							
			Annual Salary:				
			Year 2017	Year 2018	Year 2019	Year 2020	Year 2021
<b>General salaries and benefits:</b>							
<u>Position:</u>	<u>Name:</u>						
<u>Directors</u>	2		60,000	61,200	62,424	63,672	64,946
<u>Mangers</u>	2		24,000	24,480	24,970	25,469	25,978
<u>Operation staffs</u>	13		93,600	95,472	97,381	99,329	101,316
<u>Clerck</u>	3		10,800	11,016	11,236	11,461	11,690
<u>watchmen</u>	4		7,200	7,344	7,491	7,641	7,794
<u>Total</u>	24					-	-
			195,600	199,512	203,502	207,572	211,724
	Estimated benefits (10%)		19,560	19,951	20,350	20,757	21,172
	<b>Total salaries and benefits</b>		<b>215,160</b>	<b>219,463</b>	<b>223,852</b>	<b>228,330</b>	<b>232,896</b>
<u>Position:</u>	<u>Name:</u>					-	-
<u>Project Manager</u>	1		1,000	1,000	1,000	1,020	1,040
<u>Marketing</u>	1		1,000	1,000	1,000	1,020	1,040
						-	-
						-	-
			2,000	2,000	2,000	2,040	2,081
	Estimated benefits (7%)		140	140	140	143	146
	<b>Total management salaries</b>		<b>2,140</b>	<b>2,140</b>	<b>2,140</b>	<b>2,183</b>	<b>2,226</b>
						-	-
	<b>Total salaries</b>		<b>217,300</b>	<b>221,603</b>	<b>225,992</b>	<b>230,512</b>	<b>235,123</b>

<b>COST INVESTMENT STRUCTURE \$</b>	
<b>Current assets</b>	
Working capital	150,000
Opening inventory	
Other	0
<b>Sub Total</b>	<b>150,000</b>
<b>Property and equipment</b>	
Land	0
Building	50,000
Equipment	44,000
Furniture and fixtures	50,000
Leasehold improvements	3,000
Plant & Machines	150,000
Motor Vehicles	50,000
Pre-operating	3,000
	350,000
<b>Total assets</b>	<b>500,000</b>
<b>Financing</b>	<b>\$</b>
<b>Long-term liabilities</b>	
Long-term loan	250,000
<b>Owner's equity</b>	
Cash	250,000
Contributed asset value	-
<b>Total</b>	<b>500,000</b>

<b>Depreciation rates:</b>				
Depreciation will be calculated by the straight-line method				
at the following rates:				
		<u>Depreciation</u>		
Land	0%	-		
Building	5%	2,500		
Equipment	20%	8,800		

Furniture and fixtures	20%	10,000		
Leasehold improvements	20%	600		
Plant & Machines	20%	30,000		
Motor Vehicles	30%	15,000		
pre operating	20%	600		
	<b>Total</b>	<b>67,500</b>		

## 9 Conclusion

Giant Group Tanzania Electrical Co. Ltd is positioned to become a **leading supplier of high-quality electrical cables** in Tanzania. With the increasing demand for electrical infrastructure, the company is set for rapid growth. By leveraging **strong industry partnerships, advanced production technology, and a focus on quality assurance**, the business will establish itself as a trusted name in the industry.

With a well-structured financial plan, a clear market strategy, and a robust risk management framework, the factory is expected to achieve **sustainable profitability and long-term success**. The investment in local manufacturing will not only generate **employment opportunities** but also **support Tanzania's industrialization and electrification goals**.