

Executive Summary

This report examines the possibility of establishing a project for Development and operations of around **10 commercial complex** and business in Dar es Salaam and other cities, Tanzania. Recognition of market needs and demands will be the hallmark of the anticipated success in the company's business operations. The supermarket business will be established by **FLAMINGO SUPERMARKET LIMITED**, a Private Limited Company, which was officially incorporated in Tanzania in 2025, with Incorporation number **189192541**. **FLAMINGO SUPERMARKET LIMITED** is a vibrant industry investing, trading and active in Tanzania as well as in East African Community, focusing on construction of national industry, enhancing quality of people's life and contributing to the sustainable development of the society

The project will be properly developed using efficiency Management with collaboration with edge technology to enable **FLAMINGO SUPERMARKET LIMITED** to enjoy rapid expansion in all target markets. The company will develop the good supplier connections to procure product and deploy genuine marketing techniques as well as pricing strategies to suits its target market. Supermarket depends on the importation of products and local purchase of both food and non- food products such as; food items (processed and unprocessed), clothes, drinks, agricultural equipments, hardware and electronics and home supplements.

The model of business will include

1. Importation of product that will be sold in supermarket (food items and non-food items, drinks etc.)

2. Local purchase of products from suppliers (direct from manufacturing industries and wholesalers)
3. Complex lease and property management.

It is expected that best customer service, quality products and strong management skills in a business process will earn the company's name an international reputation for excellence. Development of specialized technology is expected to contribute in positioning the company as leader in retail business.

Founders of **FLAMINGO SUPERMARKET LIMITED** have enjoyed a proud history and the future looks even brighter for the proposed project in Dar es Salaam, Tanzania. The following are reasons why one should select the company's products

A strict code of professionalism, quality and service will place the company at the top of other supermarket retail business, and its reputation will be steadily extended through the obvious satisfaction of customers; and

The company will procure products from reputable suppliers and manufacturing industries which produces quality product. Its range of products will be of high quality. The supermarket management will maintain high quality standards certified to universally recognized criteria.

Market and marketing aspects implies that there is demand for proposed supermarket business operations in Dar es Salaam, Tanzania. In this regard business opportunity exists for establishing retail business to satisfy the market requirement. With this retail business, the country will

increase the tax base hence improve the revenue collection in year of income especially through value added tax.

The whole project will comprise about 150 permanent employees and several others may be employed on temporary basis. Initially there will be a few technical expatriates who will give training to the local staff. Maximum employment will be given to the local work force. The company will be organized into three major areas namely:

1. Procurement
2. Marketing
3. Finance and administration
4. Complex leasing and management

The implementation is expected to be immediate and scheduled in two phases within 1.5 years.

The project is planned to undergo two phases:

Phase I

In this phase, there will be preparation activities for the business start. The phase will have 6-8 months of implementation. Major activities to be involved include registration of the project and approvals by the Tanzania Investment and Special Economic Zone Authority (**TISEZA**). Other activities include registration to different government agencies and regulatory bodies for compliance; acquire the business premises through lease or purchase, renovation inside design of the building to suit the nature of the business, installation of computers and equipments. Finally open 3-5 commercial complexes.

Phase II

This stage will continue to open 5-6 complexes to make it 10 commercial complexes in total. This phase will take 8 to 10 months to accomplish the

targets. This includes buy or lease the land and construct the complexes and the followings.

Capital Investment Requirements Phase I and phase II

S/N	Cost Structure	Amount In Tsh
1	Vehicle	432,000,000
2	Construction,Furniture & Fittings	3200,000,000
3	Computer And ICT	180,000,000
4	Working Capital	3840,000,000
5	Operation and Office Equipments	800,000,000
	Total	8,452,000,000

*US\$ 1 = TSH 2550

The major expenditure item is the purchase of various imported and local product (Iron structures and other building materials, food items and non- food items) that will be use to build the commercial complexes and others will be sold in supermarket, some to mention include Clothes, Children's toys and baby stuffs, Home furnishing and home appliances, Fresh and frozen meat, Dairy products and Beverages (including alcohol) and Food product. Project revenue will accrue from sales of purchased local products and imported products from supplier and top manufacturing industries. Based on projected revenue at sustainable levels of operation the project is reasonably profitable.

The study shows the proposed project is both technically and financially a feasible undertaking. Furthermore, it will create local employment for the national benefit. In view of the findings, the project is recommended for implementation.

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1. Introduction

Commercial complex and Supermarkets retail business enjoys some of the most stable revenue streams of all business types because, while various consumer tastes and trends fluctuate, the demand for groceries and basic household items is fairly constant. For this reason, starting other commercial complexes can prove to become a strong and lucrative investment for some time to come. Whether you plan to start with one store or multiple stores, location is a key to success in such a venture.

This business plan is prepared to obtain debt-equity financing in the amount of Tshs 8452 Million, to begin work on site preparation and modifications, purchase equipment, and to cover expenses in the operations. The commercial complexes will be operating under **FLAMINGO SUPERMARKET LIMITED**. This will shield the owners and all other investors from issues of personal liability. The investors will be treated as shareholders and therefore will not be liable for more than their personal investment.

The financing, in addition to the capital contributions from the owner and shareholders and Loan financing, will allow our company to successfully open and maintain operations through the year. A large initial capital investment will allow our store to provide its customers with fully featured assorted products for their maximum satisfaction. A unique, upscale, and innovative environment is required to provide the customer with an atmosphere that will inspire repeated sales. The successful operation of year one will provide our commercial complexes (supermarkets and others) with customers that will allow it to be self-sufficient in year two.

FLAMINGO SUPERMARKET LIMITED, as shown in our plan, have an excellent profitability level and growth rate. Our competitive edge, along with new

retail techniques and accessibility, puts our shopping Centre in the forefront of the retailing of perishable and nonperishable consumer goods. We are living in an age where unique shopping retail services environments are in great demand. Our commercial complex will differ from the traditional retail stores because of our added personal touch.

2. Business Description

As a leading commercial complex operator, our commitment is to provide quality products and services in a cost-effective manner, enabling **FLAMINGO SUPERMARKET** commercial complexes to excel in serving their customers. If you're interested in being supplied by Flamingo supermarket limited in the initial, minimum objectives are:

1. A clean environment in which to shop
2. A safe place to shop
3. Value
4. Great, friendly service
5. Our shop will be good neighbours and will be involved in the community

2.1. Business location

These commercial complexes will be located at

Madale, Goba, Tabata Segerea and other 7 locations where is the urban-rural fringe The area is populous and easily accessible for our prospected customers.

2. Hours of Operation

The commercial complexes working schedule will be 7 days a week from 08:00 A.M. until 08:00 P.M. Mobile money of all telecommunication networks will be accepted (i.e. M Pesa, tiGo Pesa, Airtel Money and Easy

Pesa) and Bank transfer. A food stamp policy along with other policies will be in place.

a) Business Licenses and Permit

The following formalization has already followed up;

1. Business license
2. Liquor license
3. Food Permit
4. Financial capacity

The capital of Tshs 8452 Millions will be injected to start our commercial complexes. The amount will be used to import the iron structures and other building materials which cannot locally sourced. buy assorted products as supermarket consignments/stocks, to cover initial investment costs, hire and pay rent, import facilitation and other overheads and cover marketing and selling costs as it is shown on the financial plan.

b) Suppliers

Mohammed Enterprises LTD, Sunda T Investment CO LTD, ASAS Dairies Limited, Azam Dairy Products, Jambo Plastics LTD, Littlemore Company LTD, Happy Sausage LTD, Bakhresa Food Product, Burque Eastafrica LTD, Bonite Bottlers LTD, and other alike

3. Market Analysis and planning

By household size, retail spending ranges from an average of Tshs 50,000 per week in one-person households to Tshs 150,000 per week in households of five or more.

To make our advertising and printing costs work their smartest, we need a team that will work its hardest. The Flamingo supermarket Marketing Department is ready to meet those needs by providing everything from concepts and design to printing and signage.

They are experts in the process of creating and printing advertising, brochures, newsletters, business forms, stationery/business cards and screen-printed clothing/merchandise. However we need a new logo, billboard advertising, radio spots, TV commercials, or a video, their creative and professional team of associates and state-of-the-art printing equipment offer customers' high-quality products in a timely and efficient manner.

Strategies used on identifying the market and performing market analysis.

1. Visiting and searching for raw information about buying behaviour and preferences
2. By asking important information from different suppliers
3. Asking customers about their current dissatisfactions

4. Manpower, Management and Business Organization

The proposed project will have three independent departments, namely:

- i. Procurement;
- ii. Sales and Marketing; and
- iii. Administration and Finance

4.1. Organization

The Board of Directors of Flamingo Supermarket Limited shall manage the project at policy level. The top most people in the day to day running of the company will be the Managing Director. Under the Managing Director's office will be the three Departments mentioned above. Each will be under a Manager and will comprise a number of Sections each headed by a Section Head as follows.

Procurement Department- Sections: Goods Purchasing, Pricing, Stock Order and re-order.

Sales and Marketing Department- Sections: Research & Promotion, Sales.

Administration and Finance Department- Sections: Human Resources & Administration, Finance & Accounts.

Each Department will be manned by a number of personnel with varying education levels and work experiences. The management team of Flamingo Supermarket Limited will comprise the Managing Director, Procurement Manager, Finance & Administration Manager and Sales & Marketing Manager.

Responsibilities will be as follows:

4.2. Procurement Department

The procurement Manager will be responsible for planning and stock ordering, suppliers-company relationship and stock taking activities being carried out. He will further be responsible for budget planning and research and development activities. The Department will comprise Sections, namely:

The Procurement Section which would be responsible for overseeing stock maintenance and re- order activities.

4.3. Finance and Administration Department

An Administration and Finance Manager will head the Department. He will be responsible for the administration of the company as well as overseeing the financial aspects of the company. An Accountant will manage the finance function while a Human Resources Section Head will oversee company human resource issues. The following important units will be under the Department.

- i. The personnel and administration unit which will be responsible for the general administrative matters of the company as well as personnel issues;

- ii. The finance unit, which will be responsible for financial issues, It will also be responsible for the proper maintenance of books of accounts and financial planning; and
- iii. The purchasing unit which will be responsible for the purchase of stocks/ food products and non food products. This section will also be responsible for the receipt, storage and issue of purchased materials.

4.4. *Sales and Marketing Department*

This Department will be headed by the Sales and Marketing Manager who will be responsible for the development of a sustainable sales and customer relationship management. This will involve developing marketing technique and training of qualified and well-motivated marketing and sales personnel.

There will be two Section Heads under the Department. One Section will be responsible for Research & Promotion and another will handle Sales function.

4.5. *Manpower requirement*

The permanent manpower requirement for running the proposed project is 50. Several other employees may be contracted on temporary basis.

4.6. *Source of manpower*

Manpower for proposed project will be employed from local sources, except for a few expatriates who would basically be engaged in the training of local staff. The workers will be given on-the-job training for familiarizing them with the proposed retail business.

Table 1: Summary of Human Resource and Man Power Plan

Occupation	Experience	NO.	Monthly Salary	Total Amount
Branch Manager	General Management Skills	10	1,500,000	15,000,000
Assistant Accountant	Accounts And Tax Management Skills	10	800,000	8,000,000
Procurement Officer	Procurement Skills	10	500,000	5,000,000
Security/ Loss Prevention	Security Skills	10	300,000	3,000,000
Sales Officer	Sales And Customer Service Skills	150	500,000	75,000,000
Marketing Officer	Marketing Management Skills	20	500,000	10,000,000
Human Resource Officer	Hr And Organizational Behavior Skills	20	450,000	9,000,000
Cashier	Cash Handling Skill	40	300,000	12,000,000
		270		137,000,000

5. Investment and Financing

5.1. Assumptions

The financial projections to determine the viability of the project by Flamingo Supermarket Limited are based on the following key assumptions:

Importation and local purchases of product will start immediately. Thereafter operations commercial complexes business will commence.

The company market will be local only based on current operations

Financial calculations are based on current market prices and costs are assumed constant throughout the operating period under view on the assumption that if price and operation costs change, selling prices will change proportionally to preserve the profit margins.

The project has adopted the currency exchange rate of United States Dollar 1 = Tanzania Shilling 2,550 as prevailing during Sep. 2025.

5.2. Summary of capital costs

On completion of project implementation, the total investment will reach to TSH 8452 million as shown in attached schedules.

5.3. Retail Shop building and employees costs

The Retail Shop building will be obtained through renting or constructing. The main civil works required involves renovation of shop buildings in which the shelves, fridge and cashier computer (X-pos) will be installed. Other civil works will be electrification and water supply, etc. (See in Appendix)

5.4. Administration Office Cost

Flamingo Supermarket Limited will secure one building as an administration office. Installation of computers, office equipments, office furniture and Accounting software for accounts and inventories control, EFD for printout tax invoice will be employed. (See in Appendix)

5.5. Motor vehicles

For company work, Flamingo Supermarket Limited intends to procure various vehicles at total cost of 432,000,000/=.

5.6. Initial working capital

Initial net working capital requirement at maximum for the proposed project works out at about 3200,000,000. This is mainly for the procurement of the construction of the commercial complexes, and the initial stocks of

product which will be sold in the supermarket. Paying salary and wages, utility, vehicle fuel and administration expenses

5.7. *Financing pattern*

The financing of the project will be from both Investors' capital and loan from the bank, as shown in the following form

Table 2: Financing of the Project

NO	FINANCING OF PROJECT (TSH)	
1	INVESTOR	5542,000,000
2	LOAN	3000,000,000
	TOTAL	8542,000,000

5.8. *Loan repayment*

The money borrowed from the bank will be repaid back in 5 years installments with interest charge of 10% per year.

The loan payment schedule is illustrated in the figure below.

Table 3: Loans Repayment Schedule

Flamingo Supermarket Enterprises Limited				
<i>Loans Repayment Schedule</i>				
Interest Rate		10.00%		
Repayment Term		5.0		
Interest Only		No		
Year	Loan Amount	Loan Repayment	Remaining Loan	Interest Charges 10%
				300,000,000

	3000,000,000			
1		600,000,000	2400,000,000	240,5000,000
2		600,000,000	1800,000,000	180,000,000
3		600,000,000	1200,000,000	120,000,000
4		600,000,000	600,000,000	60,000,000
5		600,000,000	-	-

6. Cost of Operations

The anticipated costs for operating the project are detailed in the following sections and summarized in attached schedules. The summarized costs are based on the fifth year of operation.

6.1. Utilities

A total of 34,960,044 in a fifthly year will be required as water bills and for the purchase of electric power at sustainable operation level.

6.2. Vehicle running expenses

Vehicle running expenses include fuel, maintenance, lubricants, road licenses, etc. The cost has been estimated at 8,320,000 and 24,052,414 in first and fifth year respectively

6.3. Salaries and wages

The number of employees, along with their incomes, is shown in attached schedules. The total annual wage package is estimated at 1644,000,000 Tsh and 156,578,011 including fringe benefits and related taxes

6.4. Marketing and advertising

The marketing costs are estimated at 20,581,795 in the fifth year of operation as per attached schedules.

6.5. Depreciation

The following is a depreciation schedule for major assets to be employed in shop operations and administration of the project (We Assumed the straight-line Method of computing depreciation).

Table 5: Depreciation

FIXED ASSETS			
Category of Property, Plant and Equipments		Annual Rate	Depreciation
Vehicle	432,000,000	37.50%	162,000,000
Constructions, furniture and fitting	3200,000,000	12.50%	400,000,000
Office Equipment	800,000,000	12.50%	100,000,000
Computer and ICT	180,000,000	33.30%	59,940,000
Total	4612,000,000		721,940,000

7. Financial Analysis(1 commercial complex as example)

7.1. Income and expenditure

7.1.1. Income

The proposed project by Flamingo Supermarket Limited expects to earn its income through revenue generated from sale of food and non food product in the supermarket. The total sales are expected to stand at 48,246,227,772 in the fifth year of operation.

7.1.2. Expenditure

Some project operating and overhead costs have been shown in projected statement of comprehensive income and are summarized in detail in attached schedule.

7.1.3. Net income statement highlights

The project's annual after tax net income during the fifth year of operations is estimated to reach 1,260,771,923 as presented in the Income Statement (See in Appendix)

7.1.4. Cash flow highlights

This is shown in the financial statements. The project has a positive end of the year cash flow from year 1 of operation to the 5th year as shown Appendix.

7.1.5. Balance sheet

The projected Balance Sheet of the projected is shown in the financial statements under same heading. Net worth of the project increases from 2,341,465,383 in the first year of operation to 5,519,351,587 the 5th year. (See in Appendix)

8. Economic Analysis:

8.1. Assumptions and considerations

The basic assumptions underlying economic benefits and costs are:

Economic life of the project is assumed to be 20 years. Taxes on capital costs have not been considered. That in doing all the economic and financial assumptions, there was no consideration of taxes imposed on the capital invested in the project.

Economic benefits of the project

The successful operation of the Project will contribute significant economic benefits to Tanzania. In summary the benefits which will be realized are as follows:-

This project will boost investment in retail business sector which is important for the economy, contributing to research and other skills development.

Employment opportunities for at least 370 permanent staff when the project is fully operational. Permanent shop and administrative workers will have permanent income earning, and therefore to improve their social wellbeing by improving family education to their children, health improvement, and improve living conditions as well;

Transfers of business management skills to the employed staff, have opportunity to learn and acquire knowledge on new business handling skill on retail business which is the most common investment. This will create an opportunity for self-reliance, where such employee will have knowledge and confidence to apply such skill on small scale retail businesses, and therefore to create a room for employment.

The direct income for the workers, combined with other social benefits that the Management of Flamingo Supermarket Limited will provide, will help in overall efforts of alleviation of poverty in the Region.

Provision of a market for goods and services demanded by expanded tax base to the Treasury and local Government authorities and generation of substantial income to the Government

Recommendations

The project is technically feasible, financially and economically viable and environmental friendly. A fast implementation of the project is highly recommended to avoid cost overruns and for the project to be able to realize the benefits outlined above; especially at this juncture when the Government is making effort to boost investment in various sectors in the economy.

In view of the above it is further strongly 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 Tanzania Investment Act, 1997 to facilitate smooth implementation.

APPENDIX

Table 6: Projected Statement of comprehensive Income (one commercial complex)

Flamingo Supermarket Limited					
<i>Projected Statement of comprehensive Income</i>					
	2026	2027	2028	2029	2030
Turnover	3,795,534,774	8,769,151,837	9,207,609,429	9,852,142,089	10,246,227,772
Less: Cost of Sales	2,506,326,026	6,913,419,783	7,105,773,674	7,649,402,750	7,844,995,583
Total Gross Profit	1,289,208,748	1,855,732,054	2,101,835,755	2,202,739,339	2,401,232,190
Less: Operating and Overhead Cost	329,366,295	477,472,993	500,203,438	520,121,972	532,259,442
Profit/Loss Before Depr, Intr & tax	959,842,453	1,378,259,060	1,601,632,317	1,682,617,367	1,868,972,747
Less: Depreciation	61,870,000	61,870,000	61,870,000	61,870,000	61,870,000
Profit/Loss Before interest and tax	897,972,453	1,316,389,060	1,539,762,317	1,620,747,367	1,807,102,747
Less: Interest	30,000,000	24,000,000	18,000,000	12,000,000	6,000,000
Profit/Loss Before tax	867,972,453	1,292,389,060	1,521,762,317	1,608,747,367	1,801,102,747
Taxation	260,391,736	387,716,718	456,528,695	482,624,210	540,330,824
Net profit/Loss	607,580,717	904,672,342	1,065,233,622	1,126,123,157	1,260,771,923

Table 7: Projected Cash Flow Statement

Flamingo Supermarket Limited					
<i>Projected Cash Flow Statement</i>					
	2026	2027	2028	2029	2030
NET CASH FLOW FROM/ (USED IN) OPERATING ACTIVITIES	1,328,293,090	1,760,372,443	1,689,233,621	1,400,123,157	949,771,923
NET CASH FLOW FROM/ (USED IN) INVESTING ACTIVITIES	(400,000,000)	-	-	-	-
NET CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES	540,000,000	(60,000,000)	(60,000,000)	(60,000,000)	(60,000,000)
Cash and Cash Equivalents at the beginning of the Year	90,348,527	1,558,641,617	3,259,014,060	4,888,247,681	6,228,370,838
Increase in Cash and Cash Equivalents	1,468,293,090	1,700,372,443	1,629,233,621	1,340,123,157	889,771,923
Cash and Cash Equivalents at the End of the Year	1,558,641,617	3,259,014,060	4,888,247,681	6,228,370,838	7,118,142,761

Table 8: Projected Statement of Financial Position

Flamingo Supermarket Enterprises Limited					
<i>Projected Statement of Financial Position</i>					
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	2026	2027	2028	2029	2030
Net Book Value (A)	338,130,000	276,260,000	214,390,000	152,520,000	90,650,000
Current Assets (B)	2,662,877,617	4,654,614,060	6,689,819,681	7,917,785,638	8,591,616,081
Total Asset					

	3,001,007,617	4,930,874,060	6,904,209,681	8,070,305,638	8,682,266,081
<i>Less: Liabilities</i>	742,535,900	1,267,730,001	1,415,832,000	1,655,804,800	1,416,993,320
Net Assets	2,258,471,717	3,663,144,059	5,488,377,681	6,414,500,838	7,265,272,761
EQUITY					
Shareholders' Contributions	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000
Reserve	1,350,891,000	2,458,471,717	4,123,144,059	4,988,377,681	5,704,500,838
Retained Earnings	607,580,717	904,672,342	1,065,233,622	1,126,123,157	1,260,771,923
Total Capital	2,258,471,717	3,663,144,059	5,488,377,681	6,414,500,838	7,265,272,761