

**WSTAR COMPANY LIMITED**

**PRE-FEASIBILITY STUDY REPORT ON:**

**INVESTMENT IN MANUFACTURING AND DISTRIBUTION OF ELECTRICAL SWITCHES  
AND POWER ACCESSORIES**

**Presented To:**

**TANZANIA INVESTMENT CENTRE**

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**DAR ES SALAAM, TANZANIA**

**MAY 2025**

## **WSTAR COMPANY LIMITED**

### **Strategic Pre-feasibility Report**

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**BRIEF SUMMARY PROJECT**

**COMPANY:** WSTAR COMPANY LIMITED

**LOCATION:** PWANI, MKURANGA, VIKINDU, BLOCK E, PLOT NO:  
54

**CONTACTS:** P. O. Box 36552 DAR ES SALAAM,

**OBJECTIVE:** Investment In Manufacturing and Distribution of Electrical  
Switches and Power Accessories

**PROJECT VALUE:** USD 505,000

**BENEFITS:** JOBS CREATION, GOVERNMENT INCOME, IMPORT  
SUBSTITUTION,

**IMPLEMENTATION PERIOD:** 5 YEARS

## **1.0 EXECUTIVE SUMMARY**

### **1.1 Introduction**

This Business Plan is designed for investment of a project for Wstar Company Limited. Strategies are laid out on this business plan which will be used for investment purposes in the course of Manufacturing and Distribution of Electrical Switches and Powe Accessories.

This business plan details the strategy and implementation roadmap for WSTAR COMPANY LIMITED, a Tanzanian private company aiming to locally manufacture and distribute a range of electrical switches and power accessories.

The current market in Tanzania and East Africa is heavily dependent on imports from countries such as China, India, and the UAE. Local production will reduce dependency, stabilize pricing, and enable job creation while ensuring product standards and safety compliance.

Through a phased setup of manufacturing capacity, WSTAR aims to scale from an initial 15,000-unit/month output to over 50,000 units/month by year three. Our offerings will include switches, socket combinations, protective modules, and customized assemblies for real estate developers.

The company is seeking USD 90,000 in initial investment to launch production, establish its brand, and build a robust sales-distribution framework targeting wholesalers, housing projects, and public procurement programs.

### **1.2 Company Description**

Wstar Company Limited is a Limited company registered under the Companies Act. The Company was incorporated 08<sup>th</sup> January 2025, and bears Certificate of Incorporation No. 181007540. Wstar Company Limited has its registered office in Ilala Municipality. Our company goals and objectives seek to ensure we generate an income that benefits both Nationals and non-Nationals so that we strengthen the economic status of the society. The company believes in customers, suppliers, and investors therefore it struggles to create good Rapport with both parties.

### **1.3 Business Description**

Wstar Company Limited is limited Company incorporated in Tanzania under the Company Act. The Company was incorporated 08<sup>th</sup> May, 2025 and bears Certificate of Incorporation No. 181007540. The

Company will be responsible in investing in Manufacturing and Distribution of Electrical Switches and Power Accessories Project.

#### **1.4 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 Oro Commercial and Industrial Limited is operating within the ambit of the law of Tanzania land.

#### **1.5 Project Promoters**

The project will be managed and operated by **WSTAR COMPANY LIMITED**.

<b>NAMEOF SHAREHOLDERS</b>	<b>NATIONALITY</b>	<b>SHARE PERCENTAGE</b>
<b>1. WANG XUEQING</b>	CHINESE	80
<b>2. ZHU CHENGLIANG</b>	CHINESE	20

#### **1.6 Operations**

The project will be managed and operated by **WSTAR COMPANY LIMITED**. The Company will run its activities in a more professional way and it seeks to satisfy its customers by meeting customer expectations. Although the company will use an automated system, people will also be used to manage the operations.

#### **1.7 Project Location**

The project shall be located at Plot No.54, Block No. E, Vikindu, Mkuranga District in Pwani Region.

#### **1.8 Products**

WSTAR will manufacture and assemble a range of electrical accessories with the following categories:

- One-Gang to Four-Gang Light Switches (white, ivory, silver finishes)
- Combination Switch-Socket Units (13A & 16A universal sockets with neon indicators)
- Waterproof Outdoor Switches (IP-rated enclosures for industrial use)

- Distribution Box Accessories (switches, mini-circuit breakers, panel faceplates)
- OEM Branding Options for bulk clients such as real estate developers

Each product will undergo 100% quality testing, including thermal and overload resistance tests, to meet IEC and TBS standards.

The electrical fittings industry in Tanzania is estimated at over USD 80 million annually. However, 60–70% of this demand is met through imports.

There is a growing need for standard-compliant and reliable electrical products due to increased construction, rural electrification, and enforcement by Tanzania Bureau of Standards (TBS).

WSTAR's local production addresses this gap, offering faster supply, reduced costs, and the opportunity to customize offerings for specific developer or government needs.

**1.9 Industry Overview**

The electrical fittings industry in Tanzania is estimated at over USD 80 million annually. However, 60–70% of this demand is met through imports.

There is a growing need for standard-compliant and reliable electrical products due to increased construction, rural electrification, and enforcement by Tanzania Bureau of Standards (TBS).

WSTAR's local production addresses this gap, offering faster supply, reduced costs, and the opportunity to customize offerings for specific developer or government needs.

**1.10 Financial Overview**

WSTAR has prepared a 3-year financial projection based on conservative growth assumptions. The figures include production scaling, sales growth, and operational cost breakdowns. Key inputs include production cost per unit, estimated selling price, gross margin, and reinvestment into logistics and marketing.

Item	Year 1 (USD)	Year 2 (USD)	Year 3 (USD)	Notes
Units Sold	75,000	150,000	250,000	Monthly avg x 12

Revenue	120,000	280,000	450,000	Avg USD 1.6/unit
COGS	67,500	120,000	180,000	USD 0.90/unit
Gross Profit	52,500	160,000	270,000	Revenue - COGS
Operating Expenses	32,000	50,000	70,000	Admin, salaries
Marketing Budget	8,000	12,000	18,000	Branding & fairs
Net Profit	12,500	98,000	182,000	EBIT

### 1.11 Organization Mission

To design, manufacture, and deliver high-quality, reliable, and innovative electrical switches and power accessories that empower our customers with safe, efficient, and sustainable energy solutions. We are committed to excellence in engineering, operational efficiency in distribution, and exceeding customer expectations through superior service, continuous improvement, and a dedication to safety and environmental responsibility.”

### 1.12 Vision Statement

To be a global leader in providing cutting-edge electrical switchgear and power solutions, shaping a safer, smarter, and more connected world through innovation, quality, and sustainable practices.”

### 1.13 Goals and Objectives

- **Ensure Product Quality and Safety**  
Deliver products that meet or exceed international safety and performance standards.
- **Drive Innovation**  
Continuously develop new and advanced electrical solutions to meet evolving market demands.
- **Expand Market Reach**  
Grow regional and international distribution networks to increase market presence.

- **Enhance Customer Satisfaction**  
Provide exceptional service, technical support, and product reliability to build lasting customer relationships.
- **Promote Sustainability**  
Adopt environmentally responsible manufacturing processes and promote energy-efficient products.
- **Operational Excellence**  
Improve production efficiency, reduce waste, and optimize supply chain management.
- **Launch at least three new product lines within the next 18 months focused on smart and energy-efficient switches.**
- **Achieve ISO 9001 and ISO 14001 certifications within the next 12 months to reinforce quality and environmental standards.**
- **Reduce production costs by 10% over the next two years through lean manufacturing practices.**
- **Expand into five new international markets within the next three years.**
- **Maintain a customer satisfaction rating above 90% through improved after-sales service and product reliability.**
- **Implement sustainable packaging for all products by the end of next fiscal year.**

## **2.0 COMPANY OVERVIEW**

### **2.1 Ownership**

Wstar Company Limited the project of Manufacturing and Distribution of Electrical switches and Power Accessories in Plot No. 54, Block No. E, Vikindu, Mkuranga District in Pwani Region.

## **3. OVEVIEW OF MANUFACTURING SWITCHES AND POWER ACCESSORIES**

The manufacturing and distribution of electrical switches and power accessories form a critical segment of the electrical and electronics industry. This sector supports residential, commercial, and industrial infrastructure by providing components essential for controlling and distributing electrical power safely and efficiently.

## **MANUFACTURING PROCESS:**

The manufacturing process typically involves:

- **Design & Engineering:**  
Electrical switches and accessories are designed with a focus on safety, functionality, and compliance with international standards (e.g., IEC, UL).
- **Material Sourcing:**  
Raw materials such as plastics, metals (copper, aluminum), and conductive materials are sourced based on durability, conductivity, and thermal resistance.
- **Component Fabrication:**  
Parts like contact points, casings, terminals, and frames are manufactured using processes like molding, stamping, and machining.
- **Assembly:**  
Automated and manual assembly lines are used to integrate the components into final products, followed by rigorous quality control testing.
- **Quality Assurance:**  
Each product undergoes electrical, mechanical, and endurance testing to ensure safety and reliability.
- **Packaging:**  
Finished products are packaged for protection and compliance, often including user manuals and certifications.

## **POWER ACCESSORIES**

The power accessories include;

- a) Plug sockets
- b) Extension cords
- c) Circuit breakers
- d) Terminal blocks
- e) Power strips
- f) Voltage stabilizers
- g) Surge protectors

## **DISTRIBUTION PROCESS:**

- **Warehousing & Inventory Management:**  
Products are stored in strategically located warehouses to ensure timely delivery.
- **Logistics & Transportation:**  
Distribution relies on a network of transport partners, ERP systems, and tracking technologies for efficient delivery.
- **Sales Channels:**  
Distribution occurs via multiple channels including direct sales, electrical wholesalers, retail outlets, and e-commerce platforms.
- **After-Sales Support:**  
Technical support, product replacement, and warranty services are key to customer retention.

## **INDUSTRY TRENDS:**

- I. Growing demand for smart home solutions and IoT-enabled devices
- II. Emphasis on energy-efficient and eco-friendly products
- III. Expansion into developing markets with rising electrification needs
- IV. Shift toward automated manufacturing and supply chain digitalization

## **4. MARKETING STRATEGY**

### **A. MARKET SEGMENTATION**

- Target key customer segments based on usage, geography, and industry:
- Residential: Homeowners, contractors, builders
- Commercial: Office complexes, retail spaces, educational institutions
- Industrial: Factories, manufacturing plants, infrastructure projects
- Export Markets: Emerging economies with growing electrification needs

### **B. POSITIONING STRATEGY**

- Position the brand as a reliable, innovative, and safety-focused provider of high-quality electrical solutions.
- Emphasize safety standards and compliance certifications (e.g., CE, UL, ISO)
- Highlight durability, ease of installation, and modern design
- Showcase smart technology integration (IoT, automation)

### **C. PRODUCT STRATEGY**

- Offer a diverse product portfolio covering switches, sockets, circuit breakers, extension boards, surge protectors, etc.
- Regularly launch new products incorporating energy-efficient and smart features
- Ensure products cater to both budget-conscious and premium market segments

### **D. PRICING STRATEGY**

- Use value-based pricing for high-end, innovative products
- Maintain competitive pricing in mass-market segments
- Offer volume discounts to distributors and project contractors

### **E. PROMOTION STRATEGY**

- Run targeted digital marketing campaigns (SEO, social media, Google Ads)
- Participate in trade shows, expos, and electrical industry conferences
- Offer training and demo sessions to electricians, contractors, and engineers
- Provide product catalogs, brochures, and technical documentation

### **F. DISTRIBUTION STRATEGY**

- Build a strong network of authorized dealers, wholesalers, and retailers
- Partner with electrical contractors and system integrators
- Expand e-commerce presence via company website and platforms like Amazon, Alibaba, etc.
- Develop an efficient logistics system for fast, reliable delivery

### **G. CUSTOMER RETENTION STRATEGY**

- Offer warranties, technical support, and after-sales service
- Collect customer feedback to drive product improvements
- Establish a loyalty program for recurring clients and partners

### **H. COMPETITIVE STRATEGY**

- Continuously benchmark against top competitors in terms of price, technology, and service
- Invest in R&D and automation to reduce costs and stay ahead in innovation
- Focus on brand building and trust through consistent quality and reliability

## **5. PROJECT DESCRIPTION**

### **5.1 Location and Site**

The project will be based in Tanzania, Pwani Region, Mkuranga District, Vikindu Ward, Block No.E , Plot No. 54

### **5.2 Promotion Strategy**

#### **1. Branding and Awareness**

- Develop a strong brand identity emphasizing quality, safety, and innovation.
- Design a professional logo, product packaging, and promotional materials with a consistent look and message.

#### **2. Digital Marketing**

- Website: Create an SEO-optimized, mobile-friendly website showcasing products, certifications, technical specs, and contact info.
- Social media: Regular posts on platforms like Facebook, LinkedIn, and Instagram targeting electricians, builders, and procurement professionals.
- Email Marketing: Send newsletters with product updates, tips, and exclusive offers to distributors and customers.
- Online Ads: Run targeted Google Ads and social media campaigns to increase visibility and generate leads.

#### **3. Trade Shows and Exhibitions**

- Exhibit at local and international electrical and construction expos to showcase new products and build partnerships.
- Offer live product demos and distribute branded materials like brochures and catalogs.

#### **4. Point-of-Sale (POS) Promotion**

- Provide display stands, banners, and demo units to retailers and distributors.
- Use in-store promotions, such as bundle offers or discounts, to drive sales.

#### **5. Technical and Contractor Engagement**

- Host training sessions, workshops, and product seminars for electricians, engineers, and installers.
- Provide certified installer programs to promote brand loyalty and product knowledge.

## **6. Sales Incentives**

- Offer discounts, rebates, or commissions to distributors and contractors who meet sales targets.
- Launch loyalty programs for recurring customers.

## **7. Public Relations (PR)**

- Publish press releases on new product launches, certifications, or milestones.
- Seek media coverage in industry magazines and blogs.

## **8. Customer Testimonials and Case Studies**

- Share success stories, case studies, and testimonials from satisfied clients to build credibility.
- Use before-and-after visuals or videos to showcase product impact.

## **9. Community Involvement**

- Sponsor electrical trade schools, skills competitions, or community electrification projects.
- Use CSR activities to build goodwill and social visibility.

## **5.3 Pricing Strategy**

### **1. Cost-Plus Pricing**

Establish a base price by calculating total production cost (materials, labor, overhead) and adding a reasonable profit margin.

Suitable for standardized products with stable input costs and established demand.

### **2. Market-Oriented Pricing**

Conduct competitive analysis to benchmark prices against key players in the electrical components market.

Adjust pricing based on perceived value, brand reputation, and unique selling points such as design, durability, or smart features.

### **3. Tiered Product Pricing**

Develop a multi-tiered pricing structure to serve various customer segments:

Economy Line: Affordable, basic models for cost-sensitive markets.

Mid-Range Line: Reliable, feature-rich products for mainstream use.

Premium Line: Smart, high-end, or designer switches with advanced safety or IoT features.

### **4. Volume-Based Discounts**

Offer bulk pricing and volume discounts to wholesalers, retailers, and large-scale contractors.

Implement tiered pricing based on order quantities to incentivize larger purchases.

### **5. Penetration Pricing (for New Markets or Products)**

Launch new products or enter emerging markets with temporarily lower prices to quickly build market share.

Gradually increase prices as brand recognition and demand grow.

### **6. Promotional Pricing**

Use limited-time offers, seasonal sales, or bundle discounts to attract customers and clear out inventory.

Apply introductory pricing on newly launched products to drive early adoption.

### **7. Geographic Pricing**

Adjust prices based on regional cost differences, logistics, and local purchasing power.

Maintain competitive pricing in developing markets to support expansion.

### **8. Value-Based Pricing**

Price high-quality or smart products based on the value they deliver (e.g., energy savings, safety, design appeal), not just manufacturing cost.

Useful for differentiated products in commercial or smart-home segments.

#### **5.4 Customer Segmentation**

Customer segmentation in the electrical switches and power accessories industry includes residential users who seek stylish, safe, and cost-effective solutions for homes. Commercial clients such as offices, hotels, and malls prioritize durability, modern design, and energy efficiency. Industrial customers require high-performance, safety-certified products suited for heavy-duty operations. Distributors and retailers focus on competitive pricing, product variety, and reliable supply for resale. Contractors and electricians value easy-to-install, dependable products backed by strong technical support.

#### **5.5 Competitive Analysis**

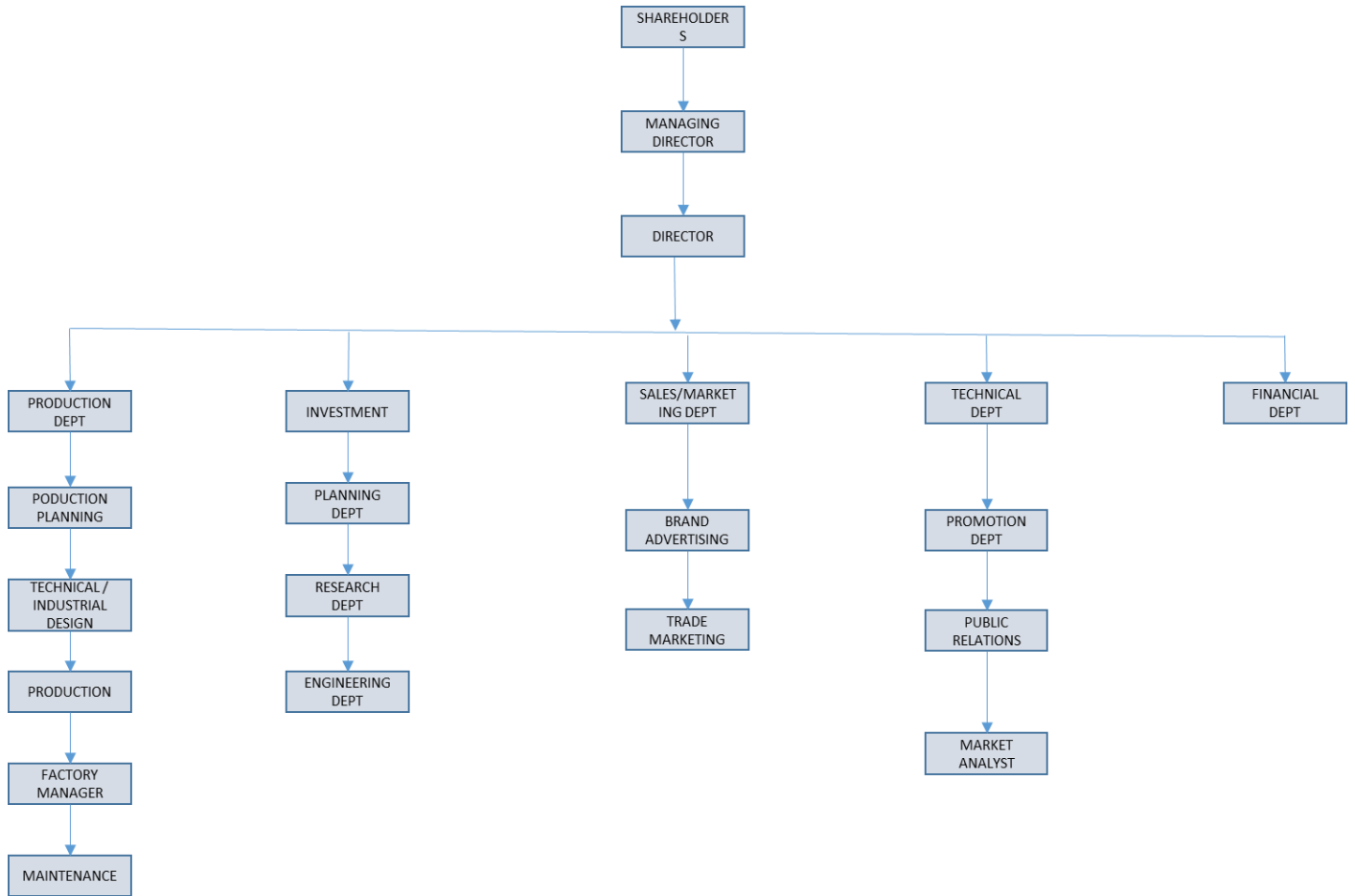
Competitive analysis in the electrical switches and power accessories market involves evaluating key players based on product quality, pricing, innovation, and brand reputation. Leading competitors often offer a wide range of certified products with strong distribution networks and established customer trust. Some focus on advanced features like smart technology and energy efficiency, while others compete on affordability and bulk supply. Analyzing their marketing strategies, after-sales service, and regional presence helps identify gaps and opportunities. Understanding these factors enables a company to position itself uniquely, whether through superior value, innovation, or service. This strategic insight is crucial for sustaining growth and gaining market share.

#### **5.6 Competitive Advantage**

Competitive advantage in the electrical switches and power accessories industry stems from delivering high-quality, reliable products that meet international safety standards at competitive prices. Companies gain an edge through continuous innovation, offering smart and energy-efficient solutions tailored to evolving customer needs. A strong distribution network ensures product availability and timely delivery across regions. Exceptional after-sales service and technical support build customer loyalty and trust. Customization options and flexible pricing further enhance appeal to diverse market segments.

## 6. ORGANIZATION AND MANAGEMENT PLAN

### 7.1 Organizational Structure



## **MANAGEMENT STRATEGY**

The management strategy will focus on building a strong leadership team with the CEO overseeing strategic direction, and key managers handling operations, sales, finance, and technical support. The company will start with a flat organizational structure for efficient decision-making and collaboration. Performance will be monitored through operational efficiency, financial performance, customer satisfaction, and employee productivity, with regular reviews and incentives for staff development. The strategy also prioritizes leadership development to ensure a skilled workforce capable of supporting growth. This approach aims to ensure smooth operations, high customer satisfaction, and long-term success in the Tanzanian manufacturing sector.

### **7. BUDGET MANAGEMENT**

Budget management will focus on maintaining financial discipline and ensuring that funds are allocated effectively across all business areas. The Finance Manager will oversee the budgeting process, tracking revenue, costs, and investments to ensure that the business operates within its financial means. Regular financial reports will be generated to monitor cash flow, identify potential issues, and adjust the budget as needed. Additionally, cost controls will be put in place to minimize waste and maximize profitability, while ensuring that funds are available for critical operational needs and future growth. This approach will help maintain financial stability and support the company's long-term objectives.

### **8. TIME MANAGEMENT**

Time management will be a key factor in ensuring the successful execution of the project. The company will implement a detailed project timeline with clear milestones and deadlines for each phase, from the initial installation to full deployment and ongoing maintenance. The Operations Manager will be responsible for tracking progress and ensuring that all tasks are completed on schedule. Regular team meetings will be held to address any delays or bottlenecks and adjust timelines accordingly. By prioritizing tasks and setting realistic deadlines, the company aims to optimize productivity, reduce downtime, and ensure that all projects are completed efficiently, helping the business meet its goals in a timely manner.

## **9. RISK MANAGEMENT**

Risk management will involve identifying, assessing, and mitigating potential risks that could impact the business's success. The company will conduct regular risk assessments to evaluate potential threats, including financial risks, operational challenges, regulatory changes, and market fluctuations. A risk mitigation plan will be developed, outlining strategies to minimize the impact of these risks, such as diversifying suppliers, maintaining emergency funds, and ensuring compliance with local regulations. The management team will regularly review and update the risk plan, ensuring that the company is prepared for unforeseen challenges. By proactively managing risks, the business aims to safeguard its operations and ensure long-term sustainability in the Tanzanian mining sector.

## **10.SOCIAL AND ECONOMIC IMPACT OF THE PROJECT**

The manufacturing and distribution of electrical switches and power accessories have significant social and economic impacts at both local and national levels. Socially, the project contributes to improved living standards by enhancing electrical safety, accessibility, and energy efficiency in homes, schools, businesses, and public infrastructure. It supports community development through job creation in manufacturing, logistics, sales, and technical support roles. Economically, the project promotes industrial growth, stimulates the local supply chain, and contributes to GDP through manufacturing output and export potential. Additionally, by supporting the expansion of electrification in underserved regions, it plays a vital role in bridging the energy access gap and enabling further socio-economic development. The project also encourages skills development and technical training, empowering the workforce and fostering innovation in the electrical sector.

## **11.DRIVERS TO INVESTMENT IN MANUFACTURING AND DISTRIBUTION OF ELECTRICAL SWITCHES AND POWER ACCESSORIES**

The drivers of investment in the mining sector in Tanzania are influenced by several key factors that make the country an attractive destination for Manufacturing and distribution of electrical switches and power accessories investments. These include:

### **12.1 Rising Demand for Electrification**

Rapid urbanization, industrialization, and rural electrification initiatives are increasing the demand for electrical infrastructure, especially in developing countries.

### **12.2 Growth in Construction and Real Estate**

Expansion in residential, commercial, and industrial construction fuels the need for quality electrical components like switches, sockets, and circuit protection devices.

### **12.3 Smart Technology Integration**

Growing interest in smart homes and buildings creates opportunities for IoT-enabled switches and power accessories, attracting tech-savvy investors.

### **12.4 Government Policies and Infrastructure Development**

Supportive government initiatives, subsidies, and infrastructure investments drive demand and reduce barriers to entry in the electrical manufacturing sector.

### **12.5 High Market Potential and Export Opportunities**

Emerging markets in Africa, Asia, and the Middle East present significant growth potential for manufacturers looking to expand globally.

### **12.6 Shift Toward Energy Efficiency and Sustainability**

Increasing consumer and regulatory focus on energy-efficient and eco-friendly products drives innovation and opens new market segments.

### **12.7 Import Substitution and Local Manufacturing Push**

National policies encouraging local manufacturing (e.g., "Made in [Country]" initiatives) offer incentives and tax benefits, making domestic production more attractive.

### **12.8 Stable and Recurring Demand**

Electrical accessories are essential components in all buildings, ensuring consistent demand and stable long-term revenue streams.

## 12.FINANCIAL ANALYSIS

### 15.1 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. Revenues have been conservatively estimated based on experience of the promoters and trends in the packaging materials products industry.

### 15.2 Project Investment

The estimated capital investment cost of the project is US\$ **505,000** out of which US\$**375,000** will be fixed investment costs.

#### WSTAR COMPANY LIMITED COST STRUCTURE

<b>PARTICULAR</b>	<b>US\$</b>
Land and Buildings	25,000.00
Machinery & Equipment	220,000.00
Motor Vehicles	75,000.00
Furniture & Fixtures	5,000.00
Pre exp	0.00
Others	5,000.00
Working Capital	175,000.00
<b>TOTAL</b>	<b>505,000.00</b>

For the project to be a reality a total investment amounting to US \$505,000 is needed

## Financing pattern

The project will be financed by equity **US\$375,000** and loan **US\$ 130,000**

## Project operating costs

In order to realize its intended objective, the project will have to meet operating cost not exceeding 15% of annual total revenue and 75% of total revenue is cost of sales

## Projected Revenue

For projection purposes, it is assumed that the economic life of the project is five years, and that revenue from the project commences from the first year of operation.

### **WSTAR COMPANY LIMITED SUMMARY OF REVENUE "US\$"**

	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Revenue	2,610,000	2,818,800	3,044,304	3,287,848	3,550,876

## Projected Profit and Loss Statement

The Income and Expenditure Statement shows the projected income for the 5 years' period. The position depicted is that the project earns profit throughout its life

Accumulated after tax profits grow from. US\$ in first year **154,875** to US\$ in the year 5<sup>th</sup> **858,503**

**WSTAR COMPANY LIMITED PROJECTED INCOME &  
EXPENDITURE STATEMENT (US\$)**

	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Revenue	2,610,000.00	2,818,800.00	3,044,304.00	3,287,848.32	3,550,876.19
<b>Cost of Sales</b>	1,957,500.00	2,114,100.00	2,283,228.00	2,465,886.24	2,663,157.14
<b>Operating Expenses</b>	391,500.00	422,820.00	456,645.60	493,177.25	532,631.43
<b>Profit before Depreciation &amp; Interest</b>	<b>261,000.00</b>	<b>281,880.00</b>	<b>304,430.40</b>	<b>328,784.83</b>	<b>355,087.62</b>
<b>Interest</b>	24,000.00	180,000.00	16,000.00	6,000.00	-
<b>Depreciation</b>	15,750.00	15,750.00	15,750.00	15,750.00	15,750.00
<b>Gross Profit</b>	<b>221,250.00</b>	<b>86,130.00</b>	<b>272,680.40</b>	<b>307,034.83</b>	<b>339,337.62</b>
Tax (30%)	66,375.00	25,839.00	81,804.12	92,110.45	101,801.29
<b>Profit After Tax</b>	<b>154,875.00</b>	<b>60,291.00</b>	<b>190,876.28</b>	<b>214,924.38</b>	<b>237,536.33</b>
Accumulated Profit	154,875.00	215,166.00	406,042.28	620,966.66	858,503.00

**Projected Cash Flows**

This is shown in the financial statements. The project has a positive end of year cash flow from year 1 US\$**194,625**. of operation to the 5th year US\$ **1,183,25**

**WSTAR COMPANY LIMITED PROJECTED CASH FLOWS STATEMENT (US\$)**

	0	1	2	3	4	5
<b>SOURCES:</b>						
Profit before interest and depreciation	0	<b>261,000.00</b>	<b>281,880.00</b>	<b>304,430.40</b>	<b>328,784.83</b>	<b>355,087.62</b>
Equity	205,000.00					
Loan	300,000.00					
<b>Total Sources</b>	<b>505,000.00</b>	<b>261,000.00</b>	<b>281,880.00</b>	<b>304,430.40</b>	<b>328,784.83</b>	<b>355,087.62</b>
<b>Applications:</b>						
Capital expenditure	325,000.00		-	-	-	-
working Capital &Others	180,000.00	-	-	-	-	-
Cash	0	194,625.00	256,041.00	222,626.00	256,674.00	253,286.00
Tax	-	66,375.00	25,839.00	81,804.12	92,110.45	101,801.29
<b>Sub total</b>	<b>505,000.00</b>	<b>261,000.00</b>	<b>281,880.00</b>	<b>304,430.12</b>	<b>348,784.45</b>	<b>355,087.29</b>
<b>Total applications</b>	<b>505,000.00</b>	<b>261,000.00</b>	<b>281,880.00</b>	<b>304,430.12</b>	<b>348,784.45</b>	<b>355,087.29</b>
Accumulate dcash		194,625.00	450,666.00	673,292.00	929,966.00	1,183,252.00

## **9.1 Projected Balance Sheet**

The projected Balance Sheet of the projected is shown in the financial statements under same heading. Shareholder's equity increases from US\$**205,000** in the first year of operation to US\$**547,536** in the 5<sup>th</sup> year.

**WSTAR COMAPNY LIMITED PROJECTED BALANCE SHEET STATEMENT (US\$)**

<b>Fixed Assets</b>		1	2	3	4	5
Openin gbalance	-	<b>325,000</b>	<b>290,250</b>	<b>255,500</b>	<b>220,750</b>	<b>186,000</b>
<b>Total Long- term Assets</b>	-	<b>325,000.00</b>	<b>290,250.00</b>	<b>255,500.00</b>	<b>220,750</b>	<b>186,000</b>
<b>Less depreciation</b>	-	15,750.00	15,750.00	15,750.00	15,750	15,750
<b>Closing balance</b>	-	<b>309,250.00</b>	<b>274,500.00</b>	<b>239,750.00</b>	<b>205,000</b>	<b>170,250</b>
Workin gcapital	180,000	180,000.00	180,000.00	180,000.00	180,000	180,000
Accumulate dcash	-	194,625.00	450,666.00	673,292.00	929,966	1,183,252
<b>Total assets</b>	<b>180,000</b>	<b>683,875.00</b>	<b>905,166.00</b>	<b>1,093,042.00</b>	<b>1,314,966</b>	<b>1,533,502</b>
Financed by						
Equity	205,000	310,000.00	310,000.00	310,000.00	310,000	310,000
Net profit	-	<b>154,875.00</b>	<b>60,291.00</b>	<b>190,876.28</b>	<b>214,924</b>	<b>237,536</b>
Total equity	205,000	464,875.00	370,291.00	500,876.28	524,924	547,536
Long term loan	<b>300,000</b>	225,000	150,000	75,000	0	0
<b>Total debts</b>	<b>300,000</b>	<b>225,000.00</b>	<b>150,000.00</b>	<b>75,000.00</b>	-	-
<b>Total equity and debts</b>	<b>505,000</b>	<b>689,875.00</b>	<b>520,291.00</b>	<b>575,876.28</b>	<b>524,924</b>	<b>547,536</b>

## **PROJECTED PAYBACK PERIOD**

Total investment is **US\$505,000** cash accumulation in 54<sup>th</sup> years is **US\$683,966** which is more than the initial investment by **US\$ US\$ 17,8966**, the project payback Period is within **3 year**

**WSTAR COMPANY LIMITED PROJECTED PAYBACK PERIOD STATEMENT**

(US\$)

Year	Profit After Tax	Depreciation	Total Cash Flow	Accumulated Cash Flow
1	<b>154,875.00</b>	15,750.00	170,625.00	170,625.00
2	<b>60,291.00</b>	15,750.00	76,041.00	246,666.00
3	<b>190,876.28</b>	15,750.00	206,626.28	453,292.28
4	<b>214,924.38</b>	15,750.00	230,674.38	683,966.66
5	<b>237,536.33</b>	15,750.00	253,286.33	937,252.99

Projected loan repayment

Total loan is **US\$505,000** to be repaid within 4years withinterest of 8%

**WSTAR COMPANY LIMITED PROJECTED LONG TERM LOAN REPAYMENT**

Year	Principle	Loan Interest (8%)	Total Amount Paid	Loan Balance
<b>0</b>				
1	75,000	24000	99,000	<b>300,000</b>
2	75,000	18000	93,000	225,000
3	75,000	12000	87,000	150,000
4	75,000	6000	81,000	75,000
5	0	0	0	0
6	0	0		0

### 13.PROJECT MAN POWER AND INVESTMENT

**Management:** The project will be managed by **39** key staffs; the Management Officer will be the Chairperson. Under him/her will be the General manager, the Manufacturing department, the Finance Manager and the Marketing manager.

**Manpower:** The project will have a high -tech installment of machinery and new technology application

#### Employees Distribution Summary

<b>Employment</b>	<b>Foreign Skilled</b>	<b>Local Skilled</b>	<b>Local Unskilled</b>	<b>Total</b>
Women	10	15	20	45
Men	10	15	30	55
<b>TOTAL</b>	<b>20</b>	<b>30</b>	<b>50</b>	<b>100</b>

**Training:** All workers inclusive will benefit from the internal training for proper operations, quality and security observance. There will be out-dooring trainings for recommended staffs depending on their working requirements. Generally, the plant will apply sophisticated machinery of high technology, it is through the trainings that the Management team plans to transfer technology and skills to local workers and makeSure, those foreign workers are employed where inevitable.

**Health and Insurance:** The project will provide medical treatments to its workers as per Country policy requirements and will enroll workers to social security institutions as per the country policy too.

## **14. Analysis of Strengths, Weaknesses, Opportunities, and Threats (SWOT)**

### **Strengths:**

- High-quality, durable, and safety-certified product range.
- Strong distribution and supply chain network ensuring market reach and availability.
- In-house design and R&D enabling continuous product innovation (e.g., smart switches).
- Competitive pricing with a wide product portfolio catering to various market segments.
- Established brand reputation and loyal customer base in key regions.

### **Weaknesses:**

- Dependence on third-party suppliers for raw materials may affect production costs.
- Limited brand recognition in new or international markets.
- Inadequate online sales infrastructure compared to more tech-driven competitors.
- High initial investment in technology and compliance for advanced product development.
- Potential delays in adapting to rapid technological trends (e.g., IoT integration).

### **Opportunities:**

- Growing demand for smart home and energy-efficient electrical solutions.
- Expansion into emerging markets with increasing electrification and construction growth.
- Strategic partnerships with contractors, developers, and e-commerce platforms.
- Development of eco-friendly and sustainable product lines to meet green standards.
- Government initiatives promoting infrastructure and housing projects.

### **Threats:**

- Intense competition from local and international manufacturers with lower production costs.
- Fluctuating raw material prices and global supply chain disruptions.
- Changing regulatory requirements and compliance costs.
- Rapid technological changes making current products obsolete.

- Economic downturns affecting construction and housing demand.

## **15.RECOMMENDATION**

To strengthen its position in the electrical switches and power accessories market, the company should focus on expanding its product line to include smart and energy-efficient solutions that meet the growing demand for modern electrical infrastructure. Investing in branding and digital marketing will boost visibility, especially in emerging and international markets. The company should also enhance its e-commerce and online distribution channels to stay competitive in a digital-first world. Strengthening partnerships with contractors, electricians, and large developers can drive bulk sales and brand loyalty. Lastly, implementing lean manufacturing and sustainable practices will reduce costs, support environmental goals, and appeal to eco-conscious consumers.