

BUSINESS PLAN

FOR

MANUFACTURING AND SELLING

OF

MOSQUITO COILS

Huiyang Company Limited

EXECUTIVE SUMMARY

HUIYANG COMPANY LIMITED a private business company incorporated in the United Republic of Tanzania with Certificate of incorporation No. 176550252 issued on 22ND July 2024.

The proposed business plan is of Manufacturing of mosquito coils at **Region: Pwani, District: Chalinze, Street: Vigwaza plot NO 18 Block B.**

HUIYANG COMPANY LIMITED The proposed new project shall cost US\$ 2,000,000 and creating new employment of 150 local people and 4 foreign people.

LEGAL STATUS AND COMPANY BACKGROUND BRIEF

The Company bears certificate No.176550252. issued in 2002 by BRELA.

The shareholders of HUIYANG COMPANY LIMITED are LEI LIYANG and LEI ZHIYUAN.

The company is owned by three shareholders, namely:-

Name	%of Shares	Nationality
LEI LIYANG	51	China
LEI ZHIYUAN	49	China

LOCATION.

The new project is located at **Plot No. 18, Block 'B,'** measuring 4 hectares. However, the said land is not yet registered under a title deed." (hereinafter referred to as the "Property"), situated at Vigwaza, Chalinze, PWANI.

MISSION

Prompt and professionally high-quality service delivery to customers, aimed at ensuring that they realize the highest value for money, thereby increasing the market share and seizure of every available opportunity for the company's growth.

CORE VALUES

Service provision with commitment, integrity and creativity while treating each customer as if they were the company's only customers.

BANKERS

The company is currently maintaining bank account at NMB BANK.

AUDITED REPORTS

HUIYANG COMPANY LIMITED will maintain good financial reports which will be audited by reputable auditor firm.

BASIS OF THE BUSINESS PLAN

A study based on rapid appraisal surveys was conducted prior to, and as the basis of preparation of this plan, the surveys were based on the following objectives and approach:

Study Objectives:

- a) To analyze the relevant market and other factors impacting up on the supply of mosquito coils.
- b) To carry on the business of mosquito coils.
- c) TO carry on the business of consumer mosquito coils.
- d) To provide supporting documentation required for manufacturing of mosquito coils at the new project is located at **Plot No. 18, Block 'B,'** measuring 4 hectares. However, the said land is not yet registered under a title deed." (hereinafter referred to as the "Property"), situated at vigwaza , chalinze, Pwani

Study Approach:

- a) Participatory: Semi- structured interview and discussion were held with the Company's Directors, stakeholders in packaging works and related businesses
- b) Physical visits to the company's main business premises
- c) A brief market survey on mosquito coils industries in Tanzania and Characteristics of demand and the general market structure of domestic appliances products, competition among suppliers and producers in the market.
- d) Conduction of profitability/viability test of the investment, using the appropriate financial projections for the initial period of five years proposed for the business operations.

THE PROJECT

Project Concept

The project involves establishing a new MANUFACTURING OF MOSQUITO COILS; this will include construction of and installations of modern machines, purchasing vehicles, new generator etc.

The planned production capacity is 1000 number of units per year.

Project planned business near Dar es salaam project will entail the following main activities:

- Making shopping visit to Tanzania, China and other supplier countries to identify the suitable and appropriate machinery for the planned project.
- Ordering of the material for production, machinery, motor vehicles and their assorted and equipment from China and other overseas suppliers and entering into agreements for the purchase/ acquisition of those assets.
- Consigning the purchased machinery and motor vehicles including all the equipment and accessories from countries of their origin to Tanzania
- Clearing of all the purchased goods from the ports of entry and transporting them to the company's premises in D
- Installation of the machinery, registration, insuring and licensing of the vehicles ready for deployment in the company's business

PROJECT OBJECTIVES.

Development Objectives:

HUIYANG COMPANY LIMITED aims at playing a significant role in the participation of the company in the efforts to maximize exploitation of the largely existing business potential in manufacturing industry particularly in mosquito coils industry.

Immediate Objectives:

- a) To manufacture mosquito coil things production capacity of 1000 units per year.
- b) Creating employment opportunities to skilled and semi-skilled Tanzanians in industrial operations, including their supplies and distribution in the company's business.
- c) Selling the product produce and sell them to customer and get profit.

Overview of the Manufacturing Sector and mosquito coils in Tanzania

- **The economy**

Tanzania is one of the fastest growing economies in Africa, thanks to the sustained economic reforms which are being undertaken since the late 1980's.

The country's economy has been constantly growing since mid- 1990 by average of 5.9%, and now grow in at average of 7% which make Tanzania economy to be among the fastest growing economy in Africa and world at large. The overall vision is to transform the sector of the economy from the present level of per capital GDP of about US\$867 to medium developed country with an average per capital GDP of around US\$2,500(National Development Vision 2025), the GDP from manufacturing 926,333TZSmillion.

- **Manufacturing Industry**

Tanzania manufacturing sector contributes 5.6% to the country GDP in 2014 with \$2.69bn compared to \$1.47bn in 2009 representing an increase of 82%.

Tanzania's manufactured goods imports tripled over the past 5 years increasing from US\$497.7m in 2010 to US\$1.4billion in 2015 accounting for 25% of Tanzania's total exports value.

MANUFACTURING OF MOSQUITO COILS.

MANUFACTURING CONSIDERATIONS:

1. Raw Materials Preparation

Common ingredients in mosquito coils include:**Active Ingredient (Insecticide):**Examples: Pyrethrin, allethrin, metofluthrin, transfluthrin. This is the component that repels or kills mosquitoes.

Base Materials (Combustible Substances): Examples: Wood powder, coconut shell powder, or sawdust. These act as fuel for the coil to burn slowly.

Binder: Examples: Starch, gum, or joss powder. Used to hold the coil together in its spiral shape.

Additives (Optional): Fragrances, dyes, or fillers to improve user appeal and burning properties.

2. Mixing

All dry ingredients (powdered wood, insecticide, binder) are thoroughly mixed with water to form a malleable dough-like paste.

3. Molding

The paste is fed into a mold or an extrusion machine that forms the distinctive spiral shape of the coil. Some factories use semi-automatic or fully automatic coil-forming machines.

4. Drying

Formed coils are dried to remove moisture, typically in Drying ovens (for faster production), or Sun drying (traditional method in some regions). This step ensures the coil will burn evenly and won't break easily.

5. Packaging

Dried mosquito coils are Separated (coils are usually sold in pairs or sets) Packaged with a metal or ceramic stand Wrapped in protective paper and packed into boxes for sale.

Material Selection:

The materials used to manufacture goods must be durable, reliable, and compatible with the original appliance.

Quality Control:

Strict quality control measures are essential to ensure that spare parts meet the required standards and specifications.

Distribution and Logistics:

Efficient distribution networks and logistics systems are needed to ensure that goods are readily available to consumers and repair technicians.

Environmental Impact:

The manufacturing process should minimize environmental impact, including the use of resources and the generation of waste.

Safety:

The manufacturing process should prioritize worker safety, including the use of appropriate safety equipment and procedures.

Legal Requirements:

Manufacturers must comply with relevant legal requirements, including those related to spare parts availability and access.

HUIYANG COMPANY LIMITED is poised to exploit to the maximum, the anticipated development in this Sector for its own enhanced growth.

BUSINESS ENVIRONMENT ANALYSIS;

Internal Approach;

Management:

HUIYANG COMPANY LIMITED as a corporate entity is managed under the Board of Directors. Day to day management of its conducted under the company's Managing Director who will be assisted by directors, Managers, senior officers etc.

The Managing Director will be closely assisted by well qualified professionals in the manufacturing of mosquito coils equipment and product. The company managers, heads of departments and operational staff for the production machines will be recruited for their competence, experience and good track record in their respective fields and in previous employments.

EXTERNAL ENVIRONMENT:

The market:

HUIYANG COMPANY LIMITED marketing policy aim at two objectives:

- Further penetration/entrenchment into the market's main Segments to increase and retain larger market share
- Early investment cost recovery to enhance economic viability Of the company's business and expedite its growth.

The policy will be hinged on continual conduction of market surveys as a way of establishing current market situations and also as the means of enabling the company to develop marketing strategies which will facilitate achievement of set out sales goals, on monthly and annual basis. Surveys will enable the company to identify the potential market for its products and plan strategies for its penetration.

The market surveys conducted during feasibility study for this project established that, demand for house hold and electronics item product in the country is growing with each passing year.

Market Potential

The **market potential of mosquito coils** is significant, especially in regions with high mosquito-borne disease prevalence and warm climates. Here's a breakdown of the factors that influence and support the strong market potential:

1. Global Market Size & Growth

The global mosquito repellent market (including coils, sprays, vaporizers, etc.) was valued at **over USD 6 billion in recent years**, with steady growth projected. Mosquito coils account for a **substantial share (20–30%)**, particularly in developing countries. **Asia-Pacific** is the dominant region, driven by large populations and tropical climates (notably India, Indonesia, Bangladesh, and the Philippines)

2. Key Market Drivers

High Disease Burden, Rising incidence of mosquito-borne diseases such as **malaria, dengue, chikungunya, Zika, and West Nile virus**. Governments and NGOs promote household-level mosquito control solutions.

Low-Cost & Accessibility, compared to electric repellents or sprays, mosquito coils are **affordable, easy to use, and require no electricity**—ideal for **rural and low-income** markets.

Urbanization and Population Growth, expanding urban slums and population density increase demand for low-cost mosquito repellents.

Seasonal Demand, Increased sales during rainy seasons or outbreaks of vector-borne diseases.

3. Consumer Trends

Rising awareness of vector control measures. Demand for **herbal and natural** mosquito coils (e.g., citronella, neem) is increasing. Growing **retail penetration** through supermarkets, local vendors, and e-commerce platforms.

4. Challenges

Health concerns over smoke and indoor air pollution. Increasing **regulatory scrutiny** on chemical content and emissions. **Competition** from electric repellents, sprays, creams, and mosquito nets.

5. Opportunities

Innovation in eco-friendly coils (low smoke, natural ingredients). Branding and **rural marketing campaigns**. Expansion in **Africa and Latin America**, where disease burden is high and market penetration is still growing.

Competition:

HUIYANG COMPANY LIMITED is expecting to face competition from existing mosquito coils industries which controls a sizeable market share of mosquito coils product, the company plan to increase market share by investing in a new and bigger manufacturing industry with production capacity of 1000 number of units per year.

PROJECT OPERATING COSTS

In order to realize its intended objective, the project operating costs will vary based on total revenue

REVENUE ASSUMPTIONS

- For the purpose of this project all revenue will come mosquito coils we sell.
- The annual revenue to grow by different percentages depending on market demand annually
- Revenue projections are based on experiences gained by the firm for being in the market for five years now.

CONCLUSION AND RECOMMENDATION

Conclusion

The project is viable and profit able throughout the project period, after the foregoing economic and financial evaluation of the project; we strongly recommend that **HUIYANG COMPANY LIMITED** Board of Directors approval and accept the business proposal. The new project deserves this support because of its viability, since it is technical feasible, economically viable and socially acceptable.

HUIYANG COMPANY LIMITED

INVESTMENT COST PLAN

PARTICULAR	US\$
Building	300,000.00
Machinery & Equipment	850,000.00
Motor Vehicles	120,000.00
Furniture & Fixtures	30,000.00
Pre-Operating Expenses	100,000.00
Others	100,000.00
Working Capital	500,000.00
TOTAL	2,000,000.00

HUIYANG COMPANY LIMITED
FINANCIAL PROJECTIONS SUMMARY FROM 2025 TO 2028
PROJECTED STATEMENT OF PROFIT/(LOSS) AND OTHER COMPREHENSIVE INCOME FOR 5 YEARS

DETAILS	2024	2025	2026	2027	2028
CURRENCY	USD	USD	USD	USD	USD
SALES	800,000	850,000	900,000	950,000	1,000,000
TOTAL INFLOW	800,000	850,000	900,000	950,000	1,000,000
COST OF SALES					
Opening Inventory	0	150,000	160,000	170,000	180,000
Add: Production Cost	500,000	520,000	530,000	540,000	550,000
Less: Closing Inventory	-150,000	-160,000	-170,000	-180,000	-190,000
TOTAL COST OF SALES	350,000	510,000	520,000	530,000	540,000
GROSS PROFIT	450,000	340,000	380,000	420,000	460,000
OPERATING EXPENSES					
Administration Expenses	90,000	92,000	95,000	98,000	100,000
Sales and Distribution Expenses	85,000	86,500	88,000	90,000	92,000
Finance Cost	40,000	39,000	38,000	37,000	36,000
Depreciation Expense	18,000	19,000	19,000	19,000	19,000
TOTAL OPERATING EXPENSES	233,000	236,500	240,000	244,000	247,000
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PROFIT FOR THE YEAR	217,000	103,500	140,000	176,000	213,000

HUIYANG COMPANY LIMITED

FINANCIAL PROJECTIONS SUMMARY FROM 2024 TO 2028

PROJECTED STATEMENT OF FINANCIAL POSITION FOR 5 YEARS FROM 2024 - 2028

DETAILS	2024	2025	2026	2027	2028
CURRENCY	USD	USD	USD	USD	USD
ASSETS					
NON-CURRENT ASSETS					
PPE	400,000	450,000	470,000	480,000	500,000
TOTAL NON-CURRENT ASSET	400,000	450,000	470,000	480,000	500,000
CURRENT ASSET					
Inventory	350,000	400,000	430,000	450,000	470,000
Trade Receivables	80,000	90,000	95,000	100,000	105,000
Working Capital	100,000	130,000	150,000	160,000	180,000
Cash and Cash Equivalent	40,000	50,000	60,000	70,900	80,000
TOTAL CURRENT ASSET	570,000	670,000	735,000	780,000	835,000
TOTAL ASSETS	970,000	1,120,000	1,205,000	1,260,000	2,000,000
EQUITY AND LIABILITIES					
EQUITY					
Share Capital	600,000	700,000	720,000	740,000	1,000,000
Retained Earnings	100,000	110,000	120,000	130,000	150,000
TOTAL EQUITY	700,000	810,000	840,000	870,000	1,150,000
LIABILITIES					
Trade Payables	120,000	130,000	140,000	150,000	160,000
Other Payables	150,000	180,000	225,000	240,000	290,000
TOTAL LIABILITIES	270,000	310,000	365,000	390,000	450,000
TOTAL EQUITY AND LIABILITIES	970,000	1,120,000	1,205,000	1,260,000	2,000,000

