

**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 22<sup>ND</sup> 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\$ 500,000 and creating new employment of 40 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.

**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**

<b>PARTICULAR</b>	<b>US\$</b>
Building	100,000.00
Machinery&Equipment	200,000.00
MotorVehicles	50,000.00
Furniture&Fixtures	10,000.00
Preexp	20,000.00
Others	20,000.00
Working Capital	100,000.00
<b>TOTAL</b>	<b>500,000.00</b>

**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	808,000	830,000	980,000	990,000
<b>TOTAL INFLOW</b>	<b>800,000</b>	<b>808,000</b>	<b>830,000</b>	<b>980,000</b>	<b>990,000</b>
<b>COST OF SALES</b>					
Opening Inventory	0	204,407	384,084	495,000	498,000
Add: Production Cost	597,549	590,538	540,700	580,980	582,000
Less: Closing Inventory	-204,407	-384,084	-495,000	-498,000	-500,000
	<b>393,142</b>	<b>410,861</b>	<b>429,784</b>	<b>577,980</b>	<b>580,000</b>
<b>GROSS PROFIT</b>	<b>406,858</b>	<b>397,139</b>	<b>400,216</b>	<b>402,020</b>	<b>410,000</b>
<b>OPERATING EXPENSES</b>					
Administration Expenses	120,000	100,267	100,313	100,000	107,900
Sales and Distribution Expenses	90,000	90,100	90,200	90,800	107,000
Finance Cost	50,210	50,130	50,227	50,112	50,014
Depreciation Expense	20,000	20,160	20,127	19,102	19,484
-	0	0	0	0	0
<b>TOTAL OPERATING EXPENSES</b>	<b>280,210</b>	<b>260,657</b>	<b>260,867</b>	<b>260,014</b>	<b>284,398</b>
-					
<b>PROFIT FOR THE YEAR</b>	<b>126,648</b>	<b>136,482</b>	<b>139,349</b>	<b>142,006</b>	<b>214,560</b>

**HUIYANG COMPANY LIMITED**  
**FINANCIAL PROJECTION SUMMARY FROM 2024 TO 2028**  
**PROJECTED STATEMENT OF FINANCIAL POSITION FOR 5 YEARS FROM 2024 - 2028**

DETAILS	2024	2025	2026	2027	2028
<b>CURRENCY</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
PPE	73,000	74,100	76,000	77,000	80,000
<b>TOTAL NON-CURRENT ASSET</b>	<b>73,000</b>	<b>74,100</b>	<b>76,000</b>	<b>77,000</b>	<b>80,000</b>
<b>CURRENT ASSET</b>					
Inventory	204,407	384,084	495,000	498,000	500,000
Trade Receivables	120,000	90,500	50,000	50,800	50,900
Working Capital	100,000	100,000	100,000	100,000	100,000
Cash and Cash Equivalent	30,000	30,600	30,800	36,900	37,000
<b>TOTAL CURRENT ASSET</b>	<b>454,407</b>	<b>605,184</b>	<b>675,800</b>	<b>685,700</b>	<b>687,900</b>
<b>TOTAL ASSETS</b>	<b>527,407</b>	<b>679,284</b>	<b>751,800</b>	<b>762,700</b>	<b>767,900</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Share Capital	300,000	300,000	300,000	300,000	300,000
Retained Earnings	60,000	82,455	99,260	99,900	99,990
<b>TOTAL EQUITY</b>	<b>360,000</b>	<b>382,455</b>	<b>399,260</b>	<b>399,900</b>	<b>399,990</b>
<b>LIABILITIES</b>					
Trade Payables	66,382	97,800	152,540	162,000	167,910
Other Payables	101,025	199,029	200,000	200,800	200,000
<b>TOTAL LIABILITIES</b>	<b>167,407</b>	<b>296,829</b>	<b>352,540</b>	<b>362,800</b>	<b>367,910</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>527,407</b>	<b>679,284</b>	<b>751,800</b>	<b>762,700</b>	<b>767,900</b>

