

**BUSINESS PLAN FOR AGRO BUSINESS-CASHEW NUT
SHELL TRADING AND SUPPLY**

FOR

TANUGA ENTERPRISES LIMITED

P.O.BOX 79575, DAR ES SALAAM

**PLOT NO. P18597, MABWEPANDE- VIWANDANI,
KINONDONI DISTRICT, DAR ES SALAAM REGION,
TANZANIA**

Business Overview

When society develops, demand for personal and commercial goods also rises. The proposed business involves the collection, purchase, processing (where necessary), and sale of cashew nut shells to cement manufacturing companies for use as an alternative source of fuel in clinker production. Cashew nut shells, a by-product of cashew nut processing, are abundant in Tanzania and provide an affordable, sustainable, and eco-friendly energy substitute for fossil fuels.

This project will create value from agricultural waste, support local cashew processors by providing an additional market, and contribute to environmental sustainability.

Executive Summary

TANUGA ENTERPRISES LIMITED is a registered company under the Laws of the United Republic of Tanzania with its offices located in Dar es Salaam, Tanzania, serving both domestic and international clients. We are a trading and supply company engaged in the buying, processing, and supply of cashew nut shells to industries such as cement manufacturers and other energy-dependent sectors as an eco-friendly alternative fuel and raw material.

Having extensively studied this market, we are confident that our strategic approach and operational capacity will enable us to compete favorably with other biomass and raw-material suppliers in Tanzania and across the region. In addition to trading cashew nut shells, we intend to offer related services—such as collection, bulk logistics, and supply chain management—to give us a competitive edge and deliver greater value to our customers.

Our goal is to become one of the top three leading suppliers of cashew nut shells and related agro-industrial raw materials in Tanzania. We aim to achieve this by maintaining high product quality standards, ensuring timely delivery, and fostering strong partnerships with cashew processors and industrial end-users.

TANUGA ENTERPRISES LIMITED seeks to set the standard for professionalism and efficiency in the biomass trading and supply industry. We will continually invest in improved handling and processing equipment, maintain a reliable logistics network, and provide continuous training to our team to ensure that they stay abreast of best practices and technological innovations in sustainable energy and agro-waste utilization.

We are committed to providing excellent customer service by ensuring consistent communication, prompt resolution of inquiries, and flexibility in meeting our clients' industrial supply needs. We also welcome feedback and suggestions that will help us improve our operations and strengthen long-term partnerships with our customers.

Our Products and Services

- **Primary Product:** Dried cashew nut shells for use as industrial fuel.
- **Secondary Products (future expansion):**
 - Cashew Nut Shell Liquid (CNSL) extraction.
 - Briquetted or pelletized cashew shell fuel.
 - Supply of other agro-waste fuels such as coconut shells and coffee husks.

Raw Materials

The main raw material is **cashew nut shells**, sourced from:

- Local cashew processing factories and cooperatives.
- Small-scale processors and farmers in Mtwara, Lindi, and Ruvuma regions.
- Collection centers in cashew processing zones.

Other materials include:

- Packaging materials (sacks, pallets).
- Fuel for trucks and logistics.
- Protective gear for workers.

The Manufacturing Process

1. **Collection and Procurement:** Sourcing shells from processors.
2. **Sorting and Drying:** Ensuring moisture content is below industrial fuel standards.
3. **Crushing (if necessary):** To improve combustion efficiency.
4. **Bagging and Storage:** Packaging in transportable quantities.
5. **Transportation:** Delivering to cement factories via contracted trucks.

Our Vision Statement

To become the leading and most reliable supplier of eco-friendly agro-industrial fuel solutions in East Africa.

Our Mission Statement

To transform agricultural residues into sustainable industrial energy sources while empowering farmers, promoting green manufacturing, and reducing environmental pollution.

Our Business Structure

To have a strong structure on ground, we at TANUGA ENTERPRISES LIMITED intends to ensure that we start on the right footing by getting the right employees to carry out the defined tasks that will make the company grow and make profit. We intend to invest in their welfare so that they could remain focused on growing the company.

We intend to partner with our distributors in such a way that we would both benefit from the relationship. Our distributors would be carefully selected for their wide reach, and other benefits to us. We would constantly make sure we work at perfecting the relationship and listen to their complaints and suggestions on the way forward for the company.

We also plan to offer other products and services at TANUGA ENTERPRISES LIMITED and to this effect, we know we would need more hands to be able to ensure that the business grows and expand smoothly in achieving our business objectives. Listed below are those we believe will build TANUGA ENTERPRISES LIMITED;

Staff and their roles

Chief Executive Officer

- Provides a clear strategic direction for the organization and communicate these strategies to appropriate channels
- Has an experience with the budgets as well as allocate resources appropriately
- Ensures that the right professionals are hired into the management team
- Builds corporate culture that would influence employees attitude and decision

Human Resources and Admin Manager

- Ensures the development, management as well as implementation of personnel policies
- Recruits, retain and terminates staff appropriately
- Ensures that office practices are adhered to and in line with employment related laws
- Ensures that the administrative systems are constantly reviewed with an aim to being proactive instead of reactive
- Ensures that staff welfare and incentive packages are appropriately done.

Sales and Marketing Executives

- Carries out promotional activities that will project the image of the company as well as bring in revenue
- Devises marketing and sales strategy for Manages campaigns on all of the

company's social media platforms

- Plans and organizes product and service exhibitions' for the company
- Monitors performance and change weak strategies

Accountants

- Ensures that tax returns are prepared and that tax requirements, preparation and reporting are complied with
- Works with management and report all the finances regarding TANUGA ENTERPRISES LIMITED
- Ensures that budgets are developed, and maintained periodically and also compare budgeted costs to actual costs
- Prepares and analyzes of accounting records, financial statements and reports in order to determine accuracy and conformance with accounting standards
- Carries out analysis of business operations including costs and revenues and use this to not only project future income and expenses but to proffer advice as well.

Truck Drivers

- Ensures that cargoes are loaded and unloaded at the appropriate times
- Ensures that all traffic laws are followed
- Inspects truck before and after every trip, and report any major defects found to the appropriate department
- Carries out light repairs and maintenance on trucks as at when due
- Ensures that clients get their products on time

Customer Service Executives

- Ensures that they answer calls that deal with complaints, orders, and inquiries professionally
- Ensures that records of all customer interactions as well as transactions with the company are well kept
- Follows up on inquiries and complaints to ensure that appropriate actions had been taken by the company

Security Guard

- Protects the property of the factory
- Prevents security problems that are likely to arise during the course of carrying out security duties
- Responds to security issues that might crop up
- Enlightens employees by providing security tips

SWOT Analysis

Having a SWOT analysis is very important as this would help us know what our chances of succeeding in this market are and how well we can improve on our weakness while eliminating totally or reducing threats to the barest minimum. In carrying out a thorough SWOT analysis, we hired a reputable business consultant who has several years of experience in helping start-ups with carrying out this analysis.

The aim of the SWOT has also helped us determine if this is a business that we should pursue or not. We are glad to say our strengths and opportunities were in high percentages and that the threats posed to our business is few and our weaknesses will be worked on.

Here is what the SWOT analysis carried out by an expert on behalf of TANUGA ENTERPRISES LIMITED revealed;

Strengths

- Steady supply of raw materials from cashew processors.
- Environmentally sustainable product.
- Strong demand from the cement industry.

Weaknesses

- Dependence on seasonal cashew processing.
- High initial logistics costs.

Opportunities

- Growing shift to green energy in industrial production.
- Potential expansion to export CNSL.

Threats

- Competition from other biomass suppliers.
- Market fluctuations in fuel demand and transport costs.

The Project Promoters

The project is being promoted by TANUGA ENTERPRISES LIMITED, a limited liability company incorporated under the laws of the Republic of Tanzania whose shareholders are as follow;

S/N	NAME OF SHAREHOLDERS	NUMBER OF SHARES	NATIONALITY
1	NELLIN ANGERUS NJOVU	55	TANZANIAN
2	NICHOLAS KAHOZA	45	UGANDAN

MARKET ANALYSIS

Market Trends

- Increased demand for alternative fuels in cement and industrial sectors.
- Government promotion of green energy and waste utilization.
- Growth in the cashew processing industry in Tanzania.

Our Target Market

- Cement manufacturing industries.
- Biomass energy traders and exporters.
- Industrial fuel distributors.

Our Competitive Advantage

- Reliable sourcing network from multiple cashew regions.
- Quality assurance through drying and sorting.
- Strong logistics and client relationship management.

SALES AND MARKETING STRATEGY

Sources of Income

TANUGA ENTERPRISES LIMITED is being established with the purpose of generating revenue and invariably making profit in Tanzania. To ensure that we have a healthy bottom line, we intend to ensure that we have other sources of income for our business as well by producing other related products as well as provide services too.

At TANUGA ENTERPRISES LIMITED, we are not only well-positioned to take on the available market in Tanzania, but we are also quite confident that we will generate enough revenue in our first year of business to cover all operations and overheads, so much so that the business will begin to pay itself and then invariably grow and expand.

Our confidence stems from the fact that we have critically evaluated this industry especially the production and distribution line and our chances are strongly positive. The sales projection we have carried out is based on information that was gathered on the field and some of the assumptions are based on factors that are peculiar to start-ups in Tanzania.

Below are the sales projections for TANUGA ENTERPRISES LIMITED, which are based on our location and other factors intended to grow our business.

First Fiscal Year-: 3,300,000,000

Second Fiscal Year-: 5,750,000,000

Third Fiscal Year-: 8,625,000,000

N.B: It should be noted that the sales projection above is based on the assumption that all favorable factors will remain constant and that there won't be any change. However as time changes, there the projections might be lower or higher.

Marketing Strategy and Sales Strategy

Every business man knows how important marketing is to a business and how deploying the right marketing strategies will help the companies generate income as well as boost its own profile as well. After a thorough research on what marketing strategies would be best for us to not only penetrate the market but also compete favorably with other leading brands as an upcoming company, we were able to come up with reliable data and information that will ensure our business is marketed effectively in Tanzania.

Also, knowing the importance of marketing to our business, our sales and marketing executives have been empowered to deliver our corporate sales goals, shore up our revenue base, and positively promote the company's image.

We also know how important technology is in these times especially when it comes to marketing and so we have perfected plans to develop an app that will bring us closer to our existing and potential clients. We would also make our official website and social media platforms as active as possible for our audience.

We intend in summary, to leverage on the following approaches to market our products and services at TANUGA ENTERPRISES LIMITED;

Advertise our products via local newspapers, national newspapers, and radio stations

and on television.

Encourage our loyal customers by giving out incentives for referrals

Engage in word of mouth marketing

Engage in direct marketing through our sales and marketing executives

Ensure our business is listed in Yellow pages and other local directories as well as online directories

Use our website to sell our products and services

Make use of our social media platforms to actively promote and sell our products and services.

Regardless of the fact that our brand is a well-known one that has a high standard, we know how important creating awareness for a business is. Every business established for the purpose of making profit and competing favorably with other leading brands must have good publicity and advertising strategies laid out, and this we have in place.

TANUGA ENTERPRISES LIMITED intend to explore all available means of publicity in Tanzania. Our publicity strategies will ensure that we not only promote our products and services but project our image positively to intending and existing clients.

Listed below are the platforms we intend to leverage on in promoting TANUGA ENTERPRISES LIMITED;

- Provide distribution benefits to all our distributors and partners
 - Place adverts on print media (local newspapers as well as relevant magazines) and electronic media (radio stations and televisions)
 - Use our social media platforms – such as Facebook, Twitter, and Instagram to seriously engage our existing and potential clients and promote our brands
 - Sponsor social shows such as community pageants and educational fairs
 - Distribute our handbills and fliers in various target areas
 - Install our billboards in various strategic locations around Tanzania
 - Give our distribution trucks an attractive color that will visibly show and promote our products
-
- Our Pricing Strategy

Our pricing module will however not be too different from that of our competitors, as we would during the first six months of operations offer our products at a little less

price than that of our competitors; we might however raise the prices a bit after our brand has become well known. We would never offer prices that are below our cost of production as well as overheads as we intend to be in business for a long time.

Payment Options

Because we know how an easy payment option will keep more of our customers with us, at TANUGA ENTERPRISES LIMITED, we have crafted a payment policy that will ensure our customers find it easy to pay. We also have different payment options for various clients.

Our payment options below are available for most of our clients;

Check payment via banks

Online bank transfer

Payment via Point of Sale

The banks that we have partnered with for these payment options are those that will ensure that customers will have a smooth experience without hitches when making payments.

Start-Up Expenditure (Budget)

Starting a standard manufacturing business is not the easiest task, as most of one's start-up capital has to go into ensuring that hitches and glitches are reduced to the barest minimum. The bulk of this capital usually goes into equipment and machinery purchases, utility bills, and employee salaries, at least for a certain period of time.

INVESTMENT COST - FINANCING PATTERN

The Total development cost is estimated at USD 100,000. A summary of the breakdown is as indicated in the table below

Item	Description	Estimated Cost (TZS)	Estimated Cost (USD)
Purchase of land	Acquisition of land for business setup	100,000,000	43,478
Trucks	Used 10-ton trucks	80,000,000	34,783
Collection equipment	Bags, tools, drying racks	15,000,000	6,522

Salaries (first 6 months)	Staff wages and allowances	20,000,000	8,696
Licensing & registration	BRELA, TRA, NEMC	4,500,000	1,957
Working capital	Fuel, logistics, utilities	10,500,000	4,565
Total Estimated Start-Up Cost		230,000,000	100,000/=

From the above requirements, we would need an estimate of **100,000 USD** to successfully start and operate our manufacturing company in Tanzania. This amount can successfully cover our first six months of operations.

ENVIRONMENTAL IMPACT

People, practices, philosophy and passion are all part of sustainable manufacturing. Through our comprehensive policies and high standards, we protect health and safety of our member, act as good stewards to the environment and produce quality sustainable products.

Reduce, Reuse and Recycle Program

The "Reduce, Reuse and Recycle" (3R) resources conservation and pollution prevention program is an important part of sustainability in our manufacturing factory. Reducing the consumption of fuel, plastics, paper and wood products through the 3R program preserves natural resources while providing financial savings for us.

Environmental management

Our manufacturing facilities use a process of continual improvement to implement sustainable practices that ensure a safe and eco-friendly company. We meet our health, safety and environmental goals and objectives through the following tools:

- Standardized policies and procedures
- Conducting internal regulatory audits and inspections
- Training
- Tracking resources
- Eliminating conserving energy hazards

Prevention of Pollution

TANUGA ENTERPRISES LIMITED is committed to identifying and implementing opportunities to prevent pollution. We encourage pollution prevention ideas generated by our employees, suppliers and customers. We give a high priority to products and manufacturing process that use non-hazardous materials, minimize waste and emissions, reduce environmental impact and facilitate recycling.

Sustainability and Expansion Strategy

Every entrepreneur knows how important it is to sustain a business. A business can be sustained through various factors such as increasing the retention rate of your loyal customers. Ensuring the efficiency of our employees by hiring the right people and giving them regular training, and also having the right business structure so that the company can continue to exist for as long as possible.

CASH FLOWS PROJECTIONS FOR TANUGA ENTERPRISES LIMITED

Item	Year 1 (USD)	Year 2 (USD)	Year 3 (USD)	Year 4 (USD)	Year 5 (USD)
Authorised Share Capital	100,000	-	-	-	-
Sales Revenue	130,435	228,261	358,696	500,000	600,000
Scrap Sales & Other	5,609	7,500	10,000	12,500	12,500
Total Cash Inflows	236,044	235,761	368,696	512,500	612,500
Land Acquisition	5,217	-	-	-	-
Legal Fees and Permits	434	-	-	-	-
Factory Construction	10,217	3,913	1,957	-	-
Machinery (Extruders)	8,696	3,913	3,913	-	-
Raw Materials	-	3,913	8,696	12,826	17,391
Factory Labor Wages	-	1,957	2,609	3,261	3,913
Utilities (Electricity, Water)	-	869	1,087	1,304	1,522
Admin Salaries	-	1,522	1,739	2,217	2,522
Marketing and Sales	-	652	869	1,087	1,304
Insurance and Licenses	500	500	500	500	500
Total Cash Outflows	46,913	46,956	42,522	45,000	51,435
Net Cash Inflow/(Outflow)	189,130	188,804	326,174	467,500	561,065
Balance Brought Forward	189,130	377,934	704,109	1,171,609	1,738,654
Balance Carried Forward	189,130	377,934	704,109	1,171,609	1,738,654