

**BUSINESS PLAN**

**FOR**

**MANUFACTURING AND SELLING**

**OF**

**PLASTICPRODUCT,CHEMICAL RAW MATERIALS**

**AND**

**IMPORT AND EXPORTA TRADE**

## Executive Summary

**ZHONGXIN TECH COMPANY LIMITED** a private business company incorporated in the United Republic of Tanzania with Certificate of incorporation No.181253665 issued on 31<sup>st</sup> December 2024.

The proposed business plan is of Manufacturing of electrical appliances spare parts at **Region: Pwani District Kibaha, Ward: visiga , street:Zegereni ,Godowns no12,plot no 4,block no L.**

The proposed new project shall cost US\$500,000 and creating new employment of 50 local people and 5 foreign people.

## LEGAL STATUS AND COMPANY BACKGROUND BRIEF

**ZHONGXIN TECH COMPANY LIMITED** bears the certificate No. 181253665 issued in 2002 by BRELA.

The shareholders of **ZHONGXIN TECH COMPANY LIMITED** are **WANG ZHENYU AND WANG CHUNHUA**

The company is owned by two shareholders,namely:-

<b>Name</b>	<b>%of Shares</b>	<b>Nationality</b>
WANG CHUNHUA CHINA, PEOPLE'S REPUBLIC OF, ZHEJIANG,HANGZHOU,	51	China
WANG ZHENYU CHINA, PEOPLE'S REPUBLIC OF, ZHEJIANG, HANGZHOU,	49	China

### **LOCATION.**

The new project is located at **Region: Pwani District Kibaha, Ward: visiga , street:Zegereni ,Godowns no12,plot no 4,block no L.**

## 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 customer

## BANKERS

The company is currently maintaining bank account of the following bank.

NMB BANK

## AUDITED REPORTS

**ZHONGXIN TECH 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:

1. To carry on business of importers, exporters, manufacturers, agents and representatives and dealers in all kinds of plastic raw materials and products.
2. A plastic product business, encompassing manufacturing, recycling, or retail, offers diverse opportunities with a global market valued at billions, driven by applications ranging from packaging to household goods and automotive components
3. The plastic product business relies heavily on chemical raw materials, primarily petrochemicals derived from crude oil and natural gas, which are refined into monomers (building blocks) that are then polymerized to form various plastic.
4. To provide supporting documentation required for manufacturing plastic product at **Region: Pwani District Kibaha, Ward: visiga , street:Zegereni ,Godowns no12,plot no 4,block no L.**

## 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) 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 PLASTIC PRODUCT ; this will include construction of and installations of modern machines, purchasing vehicles, new generator etc.

The planned production capacity is 1200 metric tons per year.

Project planned business 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 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 Pwani.

# Project Objectives

## Development Objectives:

**ZHONGXIN TECH 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 Plastic product.

## Immediate Objectives:

- a) To manufacture plastic product things production capacity of 1200 metric tons 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

- **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 growing 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 926,333 TZS million.

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

# MANUFACTURING OF PLASTIC PRODUCTS

## Global Market Size:

The global plastic market was valued at around \$598.76 billion in 2022 and is projected to grow to \$827.12 billion by 2030, with a CAGR of approximately 4.12% between 2023 and 2030.

## Diverse Applications:

Plastic products are used in packaging, household goods, toys, automotive components, and more.

## Growing Demand:

The demand for plastic products is driven by factors like urbanization, infrastructure development, and the rise of small businesses.

## Sustainability Focus:

There's a growing emphasis on sustainable packaging and the use of recycled plastics, creating opportunities for businesses focused on eco-friendly solutions.

**ZHONGXIN TECH 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:**

**ZHONGXIN TECH 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 Production and sales of plastic products, chemical raw materials, and import and export trade. . 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:

**ZHONGXIN TECH 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, Production and sales of plastic products, chemical raw materials, and import and export trade.

# Market Potential:

## Market Research:

Thoroughly research the market for plastic products in your area and identify potential customer

**Market Overview**The Tanzania Plastic Injection Molding Market was valued at USD 113.16 Million in 2024 and is expected to reach USD 145.48 Million by 2030 with a CAGR of 4.12% during the forecast period.

Tanzania's plastic import market is projected to expand significantly, reaching approximately \$580 million by 2028. This marks an increase from about \$520 million in 2023, reflecting an average annual growth rate of 1.7%. Since the year 2000, the demand for plastic in Tanzania has risen steadily at an annual rate of 1.3%. On the export front, Tanzania's plastic exports are also on the rise. The export value is expected to climb to around \$210 million by 2028, up from nearly \$170 million in 2023. This represents a compound annual growth rate (CAGR) of 3.7%. Since 2002, the country's supply of plastic for export has seen modest annual growth of 0.5%.

## Competition:

**ZHONGXIN TECH COMPANY LIMITED** is expecting to face competition from existing-production and sales of plastic products, chemical raw materials, and import and export trade controls a sizeable market share of Production and sales of plastic products, chemical raw materials, and import and export trade., the company plan to increase market share by investing in a new and bigger manufacturing industry with production capacity of 1200 metric tons 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 from Production and sales of plastic products, chemical raw materials, and import and export trade.
- 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 **ZHONGXIN TECH 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.

ZHONG XIN TECH COMPANY LIMITED

<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>

**ZHONG XIN TECH COMPANY LIMITED**  
**FINANCIAL PROJECTION SUMMARY FROM 2025 TO 2029**  
**PROJECTED STATEMENT OF PROFIT/(LOSS) AND OTHER COMPREHENSIVE INCOME FOR 5 YEARS**

DETAILS	2025	2026	2027	2028	2029
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>					
Adminstration 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>

**ZHONG XIN TECH COMPANY LIMITED**  
**FINANCIAL PROJECTIONS SUMMARY FROM 2025 TO 2029**  
**PROJECTED STATEMENT OF FINANCIAL POSITION FOR 5 YEARS FROM 2025 -2029**

DETAILS	2025	2026	2027	2028	2029
CURRENCY	USD	USD	USD	USD	USD
<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>