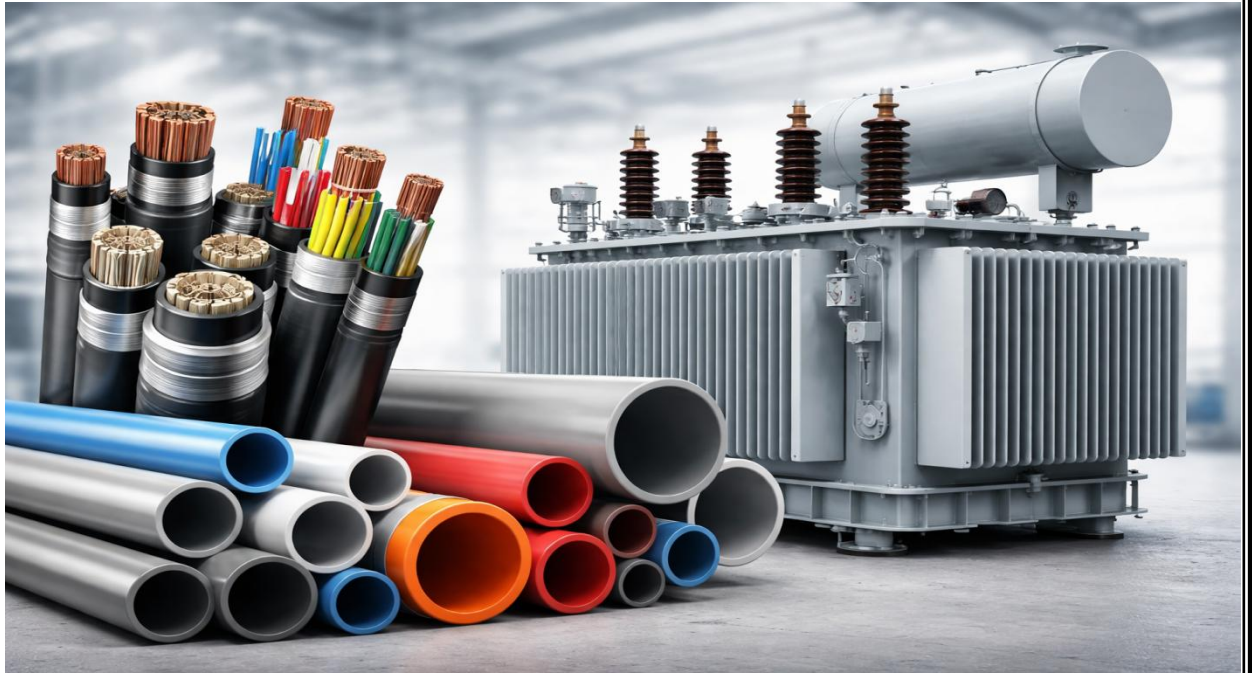


Kilimanjaro Cables (T) Limited



BUSINESS PLAN

**EXPANSION PROJECT FOR MANUFACTURING OF
ELECTRICAL CONDUCTING CABLES,
TRANSFORMERS, AND RELATED PRODUCTS**

FIVE YEARS: 2026-2030

FEBRUARY, 2026

CORPORATE INFORMATION

Date of Incorporation : 12th February 2001

Company Registration

Number : 40786

TIN : 101-049-566

Project Activity: To establish and operate a project for the manufacturing of electrical conducting cables, transformers, and related products.

Shareholders:

Name	Address	Number of shares Taken
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2. YUSUF HATIMALI EZZI	P.O.BOX 2562, DAR ES SALAAM.	24,600,040
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5. YUSUF MANSOOR MOIZ HUSSEIN	P.O.BOX 2562, DAR ES SALAAM	3,000,000
6. MUFADDAL MULLA ALI ASGAR EZZI	P.O.BOX 2562, DAR ES SALAAM	3,000,000
TOTAL		100,000,000

Registered Office & Address:

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LIST OF ABBREVIATIONS

AfCFTA	-	African Continental Free Trade Area
CEO	-	Chief Executive Officer
CIF	-	Cost Insurance and Freight
EAC	-	East African Community
NGOs	-	Non-Government Organisations
SADC	-	Southern African Development Community
SWOT	-	Strengths, Weaknesses, Opportunities and Threats
TIC	-	Tanzania Investment Centre
TIN	-	Taxpayer Identification Number
US\$	-	United States Dollar

1.0 EXECUTIVE SUMMARY

KILIMANJARO CABLES (T) LIMITED is a company registered under the Laws of the United Republic of Tanzania on 12th February 2001 and granted Certificate of Incorporation No. 40786. The company is also registered for tax purposes and has already registered this project with TIC in November,2023 and was issued with a certificate of incentives No. 040501-E3. The company has a wide range of activities that it can undertake, but for this specific plan, its focus is on expanding its manufacturing project for electric cables, pipes and transformers.

Kilimanjaro Cables (T) Limited is a local company owned by Tanzanians by 100%. The shareholders of the company are thus local. The company's authorized share capital is TSh. 50,000,000,000 divided into 100,000,000 ordinary shares of TSh. 500 each. The value of the share capital is approximately USD 18,867,925. So far, 100% of the authorized shares have been taken.

The company is owned and managed by experienced persons in the manufacturing sector. The project is expected to be financed through internal equity and loans from internal sources, where the total project requirement amounts to **US\$ 30,000,000 (United States Dollar Thirty Million only)**. Equity capital is expected to be 85% equivalent to USD 20.5 million which shall come from equity and internal capital injections; while 15% equivalent to USD 4.5 million shall be contributed by Internal/local financing from commercial banks. During the first year of operations, the project intends to employ at least 2500 locals and 500 foreigners, making a total of 3,000 direct employment.

1.1 Company Vision, Mission and Core Values

Our Vision: Our vision is to become a leading and trusted manufacturing company in the region, recognized for producing high-quality electric cables, PVC pipes, and transformers that meet international standards, support infrastructure development, and contribute to sustainable industrial growth.

Our Mission: The Company is committed to leveraging modern technology, skilled human resources, and sustainable production practices to deliver reliable electrical and infrastructure solutions. Through continuous innovation, strong partnerships, and customer-focused service, we aim to support industrial growth, infrastructure development, and economic transformation in Tanzania and the wider region.

Our Belief: Is that, success depends entirely on our exceptional teamwork approach, while constantly striving to leave our clients with an everlasting positive customer experience.

Core Values: Through our dedicated, competent, professional and motivated organization, modernized, and experienced personnel, we are committed to the following principles:

- We ensure total continual customer satisfaction and optimum returns.
- We are committed to listening and responding to the needs of the community we serve;
- We are by international standards and a system that is uncompromised quality, achieved by individuals and as a team.
- To inspire and connect with our community to put their best selves forward every day.

1.2 Project Objectives

The main objective of the project is to establish and operate a modern, efficient, and internationally competitive manufacturing company dedicated to the production of high-quality electric cables, PVC pipes, and transformers that comply with recognized international standards, reliably support infrastructure development

across the region, and promote sustainable industrial growth through innovation, operational excellence, and responsible business practices.

Specifically, the project aims to achieve the following objectives;

1. **To establish modern manufacturing facilities** equipped with advanced machinery and technology for the production of electric cables, PVC pipes, and transformers in compliance with recognized international quality and safety standards.
2. **To increase local production capacity** in order to reduce dependence on imported electrical and construction materials and enhance regional self-sufficiency.
3. **To promote innovation and technological advancement** through continuous research, product improvement, and adoption of energy-efficient and environmentally friendly production processes.
4. **To expand market reach regionally and internationally** by developing competitive pricing strategies, strong distribution networks, and strategic partnerships.
5. **To create employment opportunities and build technical skills** through recruitment, training, and capacity development of local workforce.
6. **To ensure environmental sustainability and compliance** by adopting waste management systems, energy-efficient technologies, and environmentally responsible manufacturing practices.
7. **To build a trusted brand reputation** recognized for reliability, safety, durability, and contribution to national and regional industrial development.

1.3 Project Location

The project aims to expand its manufacturing of electricity-conducting cables, transformers, and related products. It is located in Dar es Salaam's Temeke District, within the Kigamboni Kimbiji area, plot number P12159. The project is within the Africab Industrial Park.

1.4 Project components and costs

The project is an expansion of the existing one, the expansion project is expected to commence its activities after all the project requirements are obtained. Table 1.1 provides a summary of project requirements.

Table 1.1: Project Requirements (Cost in US\$)

Descriptions	Quantity	Value per unit (USD)	Total value (USD)
Land and Buildings:			
Land & Buildings	Lampsum		4,300,000
Sub-total Land & Buildings			4,300,000
Machinery & Equipment			
66 kV XLPE Triple Layer CCV Line.	12	250,000	3,000,000
Cable Sheathing Extrusion Line.	12	170,000	2,040,000
Final Rewinding Line for HT Cable.	12	100,000	1,200,000
Φ80+45 High-Speed Wire Insulation Line 650m/min.	12	200,000	2,400,000
Drum-type laying-up machine CPD-320.	12	300,000	3,600,000
Copper tape screening machine PRT630	12	230,000	2,760,000
Rigid strander JLK630/6+12+18+24.	12	150,000	1,800,000
Copper Electrolysis System	10	150,000	1,500,000
TBJ350 Extrusion Machine for Copper Busbar, Earthrod, Copper Tape.	6	1,150,000	6,900,000
Sub-total Machinery			25,200,000
Others			
Motor vehicles	3	70,000	210,000
Furniture & Fixtures	Lampsum		40,000
Working Capital	Lampsum		250,000
Sub-total Others			500,000
TOTAL			30,000,000

The project requirement amounts to **US\$ 30,000,000 (United States Dollar Thirty Million only)** which covers the cost of land, buildings, plant, machineries and equipment and working capital required at the commencement of the project.

1.4 Implementation Plan

The project is expected to commence its activities in March 2026 after all the preliminary arrangements and permits are obtained. The project office and some office equipment have already been prepared. The project shall be implemented in two phases. Phase one shall include preliminary stages such as site preparations, construction, office installation and procurement and installation of machineries and equipment for operational activities. Phase two shall include additional activities for project expansion such as the construction of more production facilities; new equipment purchases and the installation of a new plant. The activities in phase two shall commence in January, 2027 through the rest of the project. The implementation programme is well described in the Table 1.2

Table 1.2: Implementation Schedule

	DESCRIPTION		PHASE I		PHASE II	
No.	Activities	March-June 2026	July-Sept, 2026	Oct-Dec 2026	Jan-Dec,2027	Jan 2028-Dec 2030
1	Permits acquisition, Site preparations and mobilization of resources.					
2	Purchase of machineries, equipment					
3	Building Construction and Installation of the Plant					
4	Procurement of materials, Recruitments of Staff, engagements					
5	Commencement of Production					
6	Project Expansion, setting up the New Extraction Plant					

Upon completion of site preparations, construction, and installation of the Plant, machinery and equipment, and other facilities, the process of hiring and engaging

qualified personnel shall follow. The project shall pay attention to expertise in the sector. The project shall conduct a periodical assessment of its machinery and equipment and replace obsolete ones through disposal and procurement of new equipment. Project monitoring and evaluation shall be maintained throughout the duration of five years.

1.5. Project Benefits

The Implementation of this project will have economic and social benefits to the community and the country at large notably:

1. **Economic Growth and Revenue Generation:** The project will contribute significantly to national and local economic growth through increased production, export earnings, taxes, royalties, and foreign exchange inflows.
2. **Employment Creation:** Direct and indirect employment opportunities will be created across the energy, construction, processing, logistics, and support services, improving livelihoods in host communities.
3. **Value Addition and Industrial Development:** By additional facilities for manufacturing electrical and related products, the project promotes value addition, reduces imports, promote exports, and supports the development of downstream industries.
4. **Technology Transfer and Skills Development:** The project will introduce modern technologies, enhance technical skills and build long-term capacity within the local workforce.
5. **Community Development and Social Impact:** Investments in education, healthcare, and social infrastructure will improve the quality of life in surrounding communities and strengthen social cohesion.
6. **Environmental Responsibility and Sustainability:** Adoption of best environmental management practices will minimize ecological impacts and ensure sustainable use of natural resources.

2.0 PROJECT DESCRIPTION

The project involves establishment of a modern manufacturing plant dedicated to the production of high-quality electric cables, PVC pipes, and power transformers to serve the growing infrastructure and industrial needs of the region. The project is designed to strengthen local manufacturing capacity, reduce reliance on imported electrical and construction materials, and contribute to sustainable industrial development.

The manufacturing facility will be equipped with advanced production machinery and technology to ensure efficiency, precision, and compliance with internationally recognized standards for quality and safety. The electric cables to be produced will cater to residential, commercial, and industrial power transmission and distribution needs. PVC pipes will serve water supply, drainage, irrigation, and construction sectors, while transformers will support power distribution networks, renewable energy systems, and industrial power requirements.

The project will incorporate comprehensive quality control systems, testing laboratories, and certification processes to ensure that all products meet national and international standards. Emphasis will be placed on durability, safety, and energy efficiency to meet the evolving demands of infrastructure development.

2.1 Key Success Factors

Provision of high-quality products to meet the local and foreign markets demands is our core competency. The project is designed to have modern, decent, well-managed facilities with immaculately humanitarian services during service delivery. We will ensure we have enough materials and equipment's that are operated by highly professional persons, who are ready to produce high quality products of nearly any requirement.

2.2 Our Staff

Kilimanjaro Cables (T) Limited is well placed to implement its policy of “safety-first” that guarantees safe handling and delivery of our clients' requirements. The project shall maintain its policy to hire staff who have years of experience in the extraction sectors. The hired staff shall comprise both Tanzanians and foreigners, creating

opportunity for hundreds of jobs, providing fair pay in an excellent work environment. We will conduct periodical orientations and team building seminars so that our staff continue to be on the same page and properly trained to meet our objectives.

3.0 BUSINESS ENVIRONMENT AND SECTOR ANALYSIS

3.1 Business environment

Businesses may be affected by factors beyond owner's control, and these need to be taken into account before making any investment decision. The company has considered many opportunities and challenges that may arise out of the expected changes. Thus, analysis of business environment key factors is paramount to this plan in order to determine external factors and how they are likely to affect the project.

Economically; Tanzania is now experiencing economic growth whereby the purchasing power of people is increasing and people's interactions is increasing as trade grows in the East African Region, SADC and AfCFTA. This has called for a lot of business opportunities in the regions. The burning issue currently is the rate of inflation and exchange rates fluctuations; this would lead to increased cost of operations as the price of materials are rising.

Politically; Tanzania has enjoyed political stability since it gained her independence in 1961, which has allowed for a degree of continuity and coherence in the organisation of both the state and the private sector. The country retains strong national unit with an engaged civil society and private sector. The government of Tanzania is in support of investments through a number of policies and strategies that aims at making the business environment more conducive.

Social-Cultural: The social aspect focuses on the forces within the society. Family, friends, colleagues, neighbours and the media are social factors. These factors can affect our attitudes, opinions and interests. So, it can impact sales of products and revenues earned. There is no doubt that the society is continually changing. The tastes and preferences are a great example of this change for the Tanzanian culture.

Most of Tanzanians currently are willing to pay a premium price for a product that satisfies their expectations. Demographically, the country is increasing in population where currently the country is estimated to have over 63 million people. The increase in population necessitates increase in demand of goods and services.

Technological factors: Technological factors are one of various external environment factors that affect businesses greatly and are also an integral component of the environment analysis. Our project considers technology as an integral part and important tool for improving operations and functions. In the present scenario, utmost dependence on equipment, technological factors can have more effect on business operation and success globally than ever before. Furthermore, development of technology has also introduced digital marketing strategies through which companies are able to sell their products and services. Even the research and development (R&D) divisions in most companies have changed their ways of functioning and more advanced techniques in the development of products and services have been introduced only through technological advancements. We will ensure we keep up the pace of technology to suit the needs of our customers.

4.0 MARKETING PLAN

The marketing plan aims to achieve the main objectives of the project by positioning the company as a trusted regional manufacturer of high-quality electric cables, PVC pipes, and transformers. The project thrives to achieve a strong market penetration within the first 3–5 years of operation and secure long-term supply contracts with infrastructure developers, utility companies, and construction firms in the country and regional export markets within East and Southern African countries.

4.1 Target Market

Our target market comprises of various consumers with different categories as described hereunder:

a) Primary Markets

This category consists of primary users including; Power utility companies (national and regional); Government infrastructure projects; Construction companies and real estate developers; Water authorities and irrigation projects; Renewable energy developers; and Industrial manufacturing plants.

b) Secondary Markets

This comprises of Electrical wholesalers and distributors; Hardware retailers; Contractors and electrical installers; NGOs and donor-funded infrastructure projects.

c) Geographic Focus

The project entail serving a wider scope of the market based on the geographical distribution with initial focus on the domestic market and expansion to regional markets including East African Community (EAC); SADC and AfCFTA.

4.2 Marketing Strategies

4.2.1 SWOT Analysis

The SWOT analysis is conducted in order to assess our internal strengths and drawbacks that we need to improve. We have also analyzed external factors which may provide opportunities or pose threats to our project. Finally, we have indicated how we can best utilize the available opportunities and mitigate potential threats and overcome our weaknesses.

Table 4.1: SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Ability of the project implementers to solicit required funds for the project. • Modern equipment and facilities and safe environment for production of high-quality products. • Cost-competitive compared to imports. • Reliable with local technical support. 	<ul style="list-style-type: none"> • The project requires high initial capital investment: Sourcing of required funds may cause delay in starting operations on time. • Dependence on Imported Raw Materials • The project requires High Energy Consumption. Energy shortage may disrupt operations.
OPPORTUNITIES	THREATS/CHALLENGES
<ul style="list-style-type: none"> • Growing demand in the country and regional markets due to increase in population and regional integration. • Government commitment to support industries. • Economic growth and rising in purchasing power of individuals provides opportunities for the project. 	<ul style="list-style-type: none"> • High expectations of customers and changing customer preferences. • Ensuring punctuality, safety, health and hygiene of our products. Strong Competition from Imported Products. • Raw Material Price Volatility.

From the SWOT analysis, we have been able to identify our strengths, weaknesses, opportunities and threats. The project will capitalize on the key strengths to provide best services to customers. The available opportunities create a room for business expansion and the company sees that this prevailing opportunity cannot be left in vain. The project shall make use of the marketing mix in making sure that high quality product is maintained in the market, our services reach to high demand locations (place), reasonable price is charged to our clients and appropriate promotional tools are employed to increase awareness of our products and services.

Product: The products will be positioned as high quality and certified; durable and compliant with international standards. The modern equipment and facilities shall be an added advantage to compete in the market through determination to provide high quality products and services. A sufficient budget shall be allocated for repair and

maintenance to ensure that all machineries and equipment and facilities remain in a good quality all the time so as to maintain products of high quality.

Pricing: The objectives of price strategy depend on a number of factors such as business economic and marketing objectives. Price setting can be based on cost or market based. With demand and completions orientation concepts, a fair price will be set which customers are willing to pay at the same time covers operational costs with some profit margin. In this regard, price setting shall be based on demand, and competition but also cost of operation.

Place: The project shall invest in modern and sophisticated technology and facilities and conducive environment. The project has arranged to start operations by looking at the most convenient market segment.

Promotion: Branding and Media advertisements both digital and print media shall be widely employed by the project. We will engage in positive promotion of the project through developing appropriate marketing strategies. The project will make advertisement of the available services via a number of media such as digital media, leaflets, TV, radio, and Internet. Different procedures of promotion will be applied, such as providing price discounts to regular customers.

4.2 Revenue Projections

Based on the combined plant producing electric cables, PVC pipes, and distribution transformers. The project will be able to produce an equivalent finished cables about 11,500 metric tons per year; 6,000 metric tons of PVC Pipes per year; and 1,200 units of Distribution Transformers, size between 50kVA – 2500kVA range.

The combined production is expected to generate an annual turnover of USD 58,150,000 per annum. Production is projected to grow over the years of operation of the project he description of revenue projections is shown in the Table below.

Table 4.1: Description of Revenue Projections

S/N	Revenue Source	Qty	Price/unit (USD)	Amount per year (USD)
1	Electric Cables (MT)	7,700	3,500	26,950,000
2	PVC Pipes (MT)	6,000	2,200	13,200,000
3	Transformers (pcs)	1,200	15,000	18,000,000
	Total			58,150,000

5.0 OPERATIONAL/MANUFACTURING AND MANAGEMENT PLAN

5.1 Manufacturing Process

The plant will operate under three main production divisions; Electric Cable Production Division; PVC Pipe Production Division; and the Transformer Production Division. The plant will operate on a semi-continuous basis, targeting efficiency, environmental compliance, and product quality.

5.2 Raw Material Supply and Handling

Raw materials shall be sourced both within the country and imports. The main raw materials requirements are as follows;

Electric Cables

- Copper rods
- Aluminium rods
- XLPE / PVC insulation materials
- Steel tape for armouring

PVC Pipes

- PVC resin
- Stabilizers and additives
- Pigments

Transformers

- Silicon steel laminations
- Copper winding wire

- Transformer oil
- Insulation paper and components

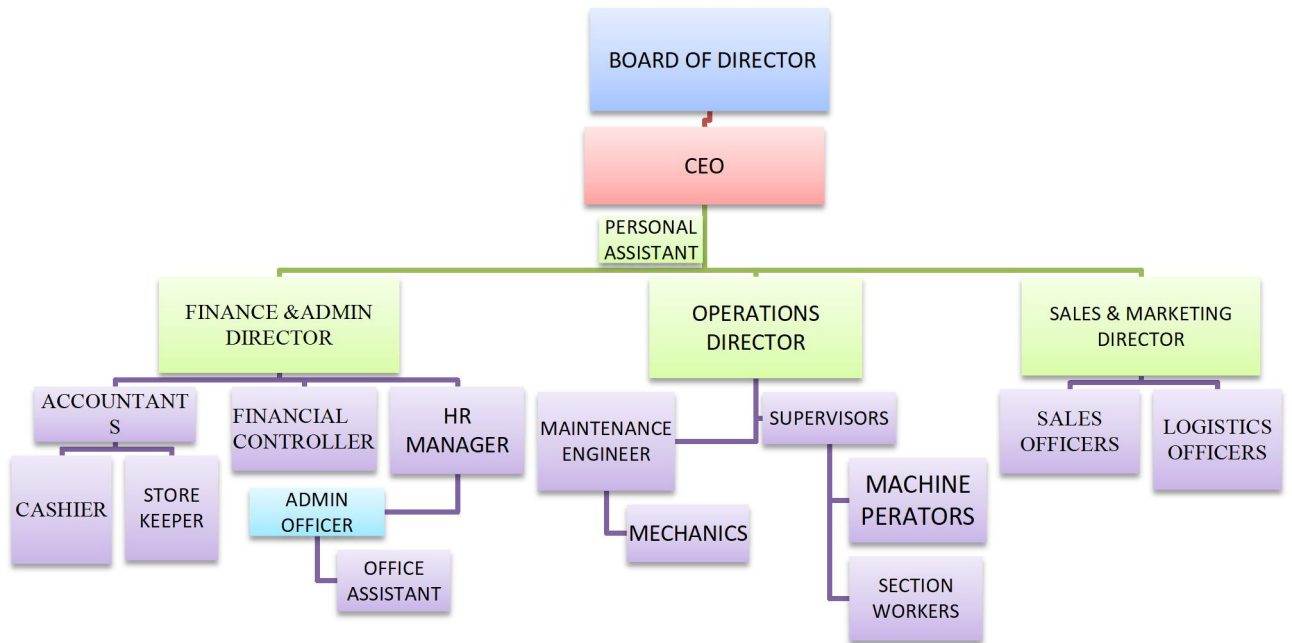
The procurement and sourcing of materials shall consider proper planning of production timelines, diversification of suppliers to reduce risks, and forward contracts to hedge price volatility where possible.

5.3 The Organization Structure

The project shall maintain the hierarchical mode of organization structure. The organization structure comprises of the Project Implementation Team led by the CEO and other supporting staff.

The Organization structure comprises of three main departments which shall report to the CEO; Finance and Admin Department which shall include the Finance and Administrative Director, Accountants, Cashiers, revenue collectors and store keepers; HR Officers, Administrative Officers and Office Assistants as well as watchmen/security guards and drivers. Marketing and Sales Department shall include the Director of Sales and Marketing, Marketing Manager; Sales Officers and Logistic Officers. The Operations Department shall include the Director of Operations, Technical and maintenance Manager, Mechanics, Machine Operators, Drivers and section workers; The figure 5.1 describes the organization structure and the reporting lines for each category.

Figure 5.1 Organization Chart



5.4 Management

The Chief Executive Officer shall be responsible for day-to-day running of the project and direct reports to the Board of Directors. Director of Operations shall be responsible for day-to-day operational activities of the project including sourcing of materials, manage the personnel under him, repair and maintenance and control the timetable for operations. Finance and Administrative Director shall be responsible for all financial and administrative issues. Accounting and Administrative officers shall be responsible for all financial and administrative issues respectively. The financial controller shall ensure monitoring resource allocation especially funds and making sure that the fund is used in a desired manner.

6.0 PROJECT MONITORING AND EVALUATION

The project will be subject to a structured Monitoring and Evaluation (M&E) framework to ensure effective implementation, performance tracking, and timely identification of challenges. Monitoring activities will be conducted on a regular basis to assess operational progress against planned targets. Key performance indicators will include, among others, the type of materials procured and deployed, marketing and distribution, improvements in service coverage, and measurable reductions in products delivery time and operational costs.

The evaluation component will assess the overall impact and outcomes of the project. This will include measuring improvements in plant efficiency and reliability, job creation, enhanced operational capacity, increased revenue generation, and the overall contribution of the project to the Company's economic growth and competitiveness.

The Monitoring and Evaluation plan will be specifically tailored to align with the unique objectives and operational requirements of the project. However, it will be guided by the following core principles:

- i) **Relevance** – The M&E framework will be directly aligned with the project's objectives, expected outputs, and intended outcomes.
- ii) **Accuracy** – Data collection and reporting systems will ensure reliability, consistency, and evidence-based assessment.
- iii) **Timeliness** – Monitoring reports will be prepared regularly to provide up-to-date information for informed decision-making and corrective action where necessary.
- iv) **Transparency** – The M&E process will promote accountability by ensuring that findings and performance results are accessible and clearly communicated to key stakeholders.

7.0 RISK ASSESSMENT AND KEY ASSUMPTIONS

The project has the potential to significantly improve the efficiency of transport service in Dar es salaam and hence promote increase in economic activities and incomes of people. However, there are also a number of risks associated with the project. Some of the key risks may include:

- i) **Competition:** There is relative competition due to presence of other players in the industry. Majority of competitors have already covered a huge share in the market; the company intends to capitalize on a niche in which the company can best serve than others. The project shall utilize the existing gaps in the local market and exploit export potentials to various markets.
- ii) **Price changes:** Due to inflation, the price of materials is expected to rise up particularly fuel and spare parts. In order to cater for this price increase, the project shall review the project panning, timelines and make price adjustments from time to time.
- iii) **Accidents:** Manufacturing is prone to accidents. One of the major causes of these accidents is overworking of employees without being given enough time to rest. We intend to employ qualified staff and use modern technology to ensure employees gets enough rest. The company also intends to secure the machineries and equipment through a comprehensive insurance cover in case of any accident, theft or any other disaster.

Despite likelihood of these risks, the project potentials to make significant contribution to the economic development are inevitable. If the project is successful, it could help to improve the development of the sector and ensuring availability of high-quality products in the country and ultimately boost economic growth.

8.0 FINANCIAL PLAN

8.1 Sources of Funds

The project financing is expected to be through both owners' equity and debt financing through loans from commercial banks. The amount of revenue shall be clearly allocated to the parties as per profit calculations of the project. The project financing shall be in the following mode;

Table 8:1 Project Financing

S/N	Type of Financing	Source	Amount (\$)
1	Equity	Internal	25,000,000
2	Loan	Local	5,000,000
TOTAL			30,000,000

8.2 Financial Assumptions

Several assumptions were made and considered in the preparation of this financial plan and projection. The assumptions are based on professional judgment, economic trends and current financial market environment. These are as noted below;

- (i) The focus market shall be both domestic market and foreign markets including EAC, SADC, ACFTA and beyond the African Continent.
- (ii) Investment shall be progressively made throughout the project;
- (iii) The annual sales are projected to grow by 10% per annum; while operating expenses will rise at the rate of 5%. The revenue is expected to double in year 3 after having installed the additional plant.
- (iv) Depreciation will be charged on straight line method to allocate the cost of each value over its estimated useful life. The rates to be used for vehicles and equipment are as follows;
 - (a) Buildings 5%
 - (b) Furniture & Fittings 10%
 - (c) Equipment 10%
 - (d) Motor vehicles 20%

The financial assumptions will also include issues on credit sales, payments of interest rates, taxes and other levies. From the beginning, we recognize that

payment terms and hence collection days are critical, but not a factor we can influence easily. At least we are planning on the problem, and dealing with it. Interest rates, tax rates, and personnel burden are based on conservative assumptions. Some of the more important underlying assumptions are:

- We assume a strong economy, without major recession.
- We assume, of course, that there are no unforeseen changes in economic policy to make our service immediately obsolete or unwanted.
- We assume an inflation rate of 5% yearly.
- Maintenance costs 5% of Property Plant and Equipment
- Corporate tax is 30% of Net Income

8.3 Projected Financial Sstatements

The projected financial statements for five years indicate that the company shall be able to generate substantial amounts of profits as detailed below.

Table 8.2: Projected Income Statements for Five Years

Description	YEAR 1 (US\$)	YEAR 2 (US\$)	YEAR 3 (US\$)	YEAR 4 (US\$)	YEAR 5 (US\$)
Revenue	58,150,000	63,965,000	70,361,500	77,397,650	85,137,415
Less: Cost of sales	38,217,760	40,128,648	42,135,080	36,781,347	40,620,414
Operating Profit	19,932,240	23,836,352	28,226,420	40,616,303	44,517,001
<i>Less: Op. expenses</i>	<i>5,642,067</i>	<i>5,924,170</i>	<i>6,220,379</i>	<i>6,531,398</i>	<i>6,857,968</i>
Earnings Before Interest and Tax	14,290,173	17,912,182	22,006,041	34,084,905	37,659,033
Less: Charges					
Interest	750,000	750,000	750,000	750,000	750,000
Earnings/(Loss) Before Tax	13,540,173	17,162,182	21,256,041	33,334,905	36,909,033
<i>Corporate Tax (30%)</i>	<i>4,062,052</i>	<i>5,148,654</i>	<i>6,376,812</i>	<i>10,000,472</i>	<i>11,072,710</i>
Earnings After Tax (Loss)	9,478,121	12,013,527	14,879,229	23,334,434	25,836,323
<i>Dividends (60%)</i>	<i>5,686,873</i>	<i>7,208,116</i>	<i>8,927,537</i>	<i>14,000,660</i>	<i>15,501,794</i>
Retained Earnings	3,791,248	4,805,411	5,951,691	9,333,773	10,334,529

Table 8.3 Projected Balance Sheet for Five Years

DESCRIPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	US\$	US\$	US\$	US\$	US\$
NON-CURRENT ASSETS					
Land & Buildings	4,085,000	3,870,000	3,657,500	3,360,000	3,162,500
Machinery & Equipment	22,680,000	20,160,000	17,640,000	17,612,674	17,348,135
Motor vehicles	168,000	126,000	84,000	142,000	104,000
Total Non-Current Assets	26,933,000	24,156,000	21,381,500	21,114,674	20,614,635
Stocks	1,392,133	1,827,291	4,678,625	4,522,500	4,446,134
Debtors & Prepayments	1,100,781	1,685,160	1,452,755	4,315,400	5,196,700
Cash and Bank balance	582,586	674,221	795,185	668,389	621,220
Total Current Assets	3,075,500	4,186,672	6,926,565	9,506,289	10,264,054
TOTAL ASSETS	30,008,500	28,342,672	28,308,065	30,620,963	30,878,689
Equity Capital	18,867,925	18,867,925	18,867,925	18,867,925	18,867,925
Retained Earnings	3,791,248	4,805,411	5,951,691	9,333,773	10,334,529
Total Equity	22,659,173	23,673,335	24,819,616	28,201,698	29,202,454
Bank loan	5,000,000	4,000,000	3,000,000	2,000,000	1,000,000
Total Non-Current Liability	5,000,000	4,000,000	3,000,000	2,000,000	1,000,000
Trade Creditors and Accruals	2,330,827	649,574	477,710	400,765	658,135
Taxation	18,500	19,763	10,739	18,500	18,100
Total Current Liabilities	2,349,327	669,337	488,449	419,265	676,235
TOTAL EQUITY & LIABILITIES	30,008,500	28,342,672	28,308,065	30,620,963	30,878,689

Table 8:4 Projected Cash Flow for Five Years

DESCRIPTIONS	Year 1	Year 2	Year 3	Year 4	Year 5
	US\$	US\$	US\$	US\$	US\$
Receipts:					
Sales	58,150,000	63,965,000	70,361,500	77,397,650	85,137,415
Capital fund	18,867,925				
Bank Loan	5,000,000	-	-	-	-
Total Receipts:	82,017,925	63,965,000	70,361,500	77,397,650	85,137,415
Less: Payments					
Cost of sales	38,217,760	40,128,648	42,135,080	36,781,347	40,620,414
Operating Expenses	5,642,067	5,924,170	6,220,379	6,531,398	6,857,968
Tax Payments	4,062,052	5,148,654	6,376,812	10,000,472	11,072,710
Dividends	5,686,873	7,208,116	8,927,537	14,000,660	15,501,794
Purchase of assets	23,146,580	4,973,471	5,634,242	8,744,787	9,701,483
Other purchases	2,930,007	490,305	946,485	1,465,782	1,430,215
Loan Repayment	1,750,000				
Total Payments	81,435,339	63,873,365	70,240,536	77,524,446	85,184,584
<i>Beginning Cash Balance</i>	-	582,586	674,221	795,185	668,389
<i>Ending Cash Balance</i>	582,586	674,221	795,185	668,389	621,220

9.0 ECONOMIC ASPECTS

9.1 National economic and social Benefits

The establishment of the proposed Project is expected to generate significant positive economic and social impacts for the United Republic of Tanzania. These impacts will accrue at both direct and indirect levels, contributing to national development objectives, industrial growth, and improved livelihoods, as outlined below.

a) Direct Economic Impacts

The project will generate direct positive economic benefits through the following mechanisms:

1. **Increased Government Revenue:** The project will contribute to national and local government revenues through the payment of taxes, levies, royalties, and other statutory charges throughout the project life cycle.
2. **Improved Access to electric cables, PVC pipes, Transformer and other related Products:** The project will enhance domestic and regional access to high-quality, reliable, and competitively products, supporting industrial development, technology applications, and value addition within Tanzania and the region.
3. **Employment Creation:** The project is expected to create over 3,000 direct employment opportunities during construction and operational phases. These jobs will span skilled, semi-skilled, and unskilled categories, thereby contributing to income generation and poverty reduction.
4. **Technology and Skills Transfer:** Engagement of specialized technical experts from different parts of the world will facilitate knowledge, technology, and skills transfer to local employees, enhancing national human capital and long-term technical capacity in the mining and mineral processing sector.

b) Indirect Economic and Social Impacts

In addition to direct benefits, the project will generate broader indirect economic and social impacts, including:

- **Stimulation of Local and National Economies:** Increased demand for local goods and services such as transportation, catering, maintenance, and accommodation will stimulate business growth and employment in surrounding communities.
- **Corporate Social Responsibility (CSR):** The project proponent intends to operate as a responsible corporate citizen by implementing CSR initiatives, including support for disadvantaged groups, education, healthcare, and community development projects, with priority given to communities located near the project area.
- **Contribution to National Development Goals:** By promoting industrialization, value addition, and export earnings, the project will support Tanzania's broader economic development strategies and regional integration efforts.

10.0 CONCLUSION

The analysis presented in this business plan demonstrates that the project is technically viable, financially feasible, and strategically aligned with national industrial development objectives. Based on projected production capacity, revenue potential, market demand, and operational efficiency, the project presents a strong case for investment and long-term sustainability.

The project plays a vital role in supporting energy transmission, water distribution systems, housing development, and industrial expansion. Reliable access to high-quality cables, transformers, and piping systems is fundamental to sustainable infrastructure development and national electrification goals. As infrastructure remains a cornerstone of industrial growth, this manufacturing initiative will serve as a strategic enabler of broader economic progress.

Furthermore, the project integrates sustainable operational principles, including quality assurance systems, efficient resource utilization, environmental compliance, and responsible manufacturing practices. These elements ensure not only regulatory compliance but also long-term operational resilience.