

VOLSMART LIMITED

BUSINESS PLAN

FOR

MANUFACTURING, ASSEMBLING,

INSTALLATION

AND

SALE OF REFRIGERATORS

AND

DOMESTIC APPLIANCES

1.0 EXECUTIVE SUMMARY

VOLSMART LIMITED is a locally registered company in Tanzania with Certificate of Incorporation No.183934929. The company is established to engage in the manufacturing, assembly, installation, and sale of modern refrigerators and other domestic electrical appliances tailored to the Tanzanian and East African market.

The shareholders bring extensive experience from successful operations in the home appliances sector in China and are committed to introducing high-quality, energy-efficient, and affordable refrigeration products in Tanzania. VOLSMART LIMITED will collaborate with reputable international technology partners to ensure product reliability and competitiveness.

1.1 The Project

VOLSMART LIMITED proposes to invest in the establishment of a modern facility for the manufacturing, assembly, installation, and distribution of refrigerators and domestic appliances. The facility will be located at Plot No. 48607 at Kisarawe area, Kigamboni Municipal , Dar Es Salaam.

The company will import components, machinery, and technology necessary for local assembly and gradual progression toward higher local manufacturing content, in line with Tanzania's industrialization objectives.

1.2 The Project Promoters

The project is promoted by VOLSMART LIMITED, whose shareholders are:

Name of Shareholder	% of Ownership	Nationality
LI XIA	95	Chinese
HE ZE	5	Chinese

1.3 Overview of Tanzania's Growing Demand for Domestic Appliances

Tanzania's rapid urbanisation, rising middle class, expanding electrification under the Rural Energy Agency (REA) programmes, and increasing household incomes have significantly boosted demand for modern domestic appliances, particularly refrigerators.

The government's ongoing infrastructure development, including expansion of the national electricity grid and renewable energy initiatives, continues to improve access to reliable power, further driving demand for energy-efficient refrigeration products.

2.0 PRODUCTS AND SERVICES

VOLSMART LIMITED will focus on the following core activities:

- Assembly and manufacturing of domestic refrigerators (single-door, double-door, and frost-free models)
- Manufacturing and sale of related domestic appliances
- Installation and after-sales service for refrigerators and appliances
- Supply of spare parts and maintenance services

The company will offer energy-efficient models designed for tropical climates, with emphasis on durability, affordability, and low power consumption to meet local market needs.

2.1 Company Vision

To become the leading manufacturer and supplier of reliable, energy-efficient refrigerators and domestic appliances in Tanzania and East Africa.

2.2 Company Mission

To establish a world-class manufacturing and assembly facility that delivers high-quality, affordable refrigeration solutions to Tanzanian households and businesses while creating sustainable local employment.

2.3 Company Business Structure

VOLSMART LIMITED aims to build a professional, customer-focused organisation. The company will employ qualified technical, administrative, and sales staff.

Projected Employees Distribution Summary

Local Skilled	Local Unskilled	Total
6	5	13
8	5	17
14	10	30

2.4 Competitive Analysis

The Tanzanian market currently relies heavily on imported refrigerators, which are often expensive and not always optimised for local conditions. Few local manufacturers exist, creating a significant gap that VOLSMART LIMITED intends to fill by offering:

Strengths

- High-quality, energy-efficient products tailored for tropical use
- Competitive pricing through local assembly
- Strong after-sales service and installation support
- Experienced management in appliance manufacturing

Weaknesses

- Initial dependence on imported components
- Need for brand establishment in the local market

Opportunities

- Growing demand driven by electrification and rising incomes
- Government support for local manufacturing and industrialisation
- Limited local competition in assembled/manufactured refrigerators

Threats

- Fluctuations in foreign exchange rates affecting import costs
- Competition from established imported brands

2.5 Target Market

- Urban and peri-urban households
- Retail appliance shops and distributors
- Hotels, restaurants, hospitals, and institutions
- Government and NGO procurement programmes

3.0 MARKETING STRATEGY

VOLSMART LIMITED will adopt a multi-channel approach:

- Direct sales to distributors and major retailers
- Partnerships with appliance dealers across Tanzania
- Digital marketing, including website, social media, and email campaigns
- Participation in trade fairs and exhibitions
- Advertising in newspapers, radio, and television
- After-sales service excellence to drive referrals and repeat business

3.1 Product Pricing

Pricing will be competitive, targeting mid-range consumers while ensuring profitability. Prices will reflect production costs, market positioning, and value-for-money compared to fully imported alternatives.

3.2 Production Capacity

The company plans to commence operations with an initial assembly capacity of 15,000 refrigerator units per year, scaling up as demand grows and local manufacturing capability increases.

3.3 Quality Assurance and Sustainability

Management is committed to maintaining international quality standards. The company will implement routine quality checks, customer feedback systems, and compliance with Tanzania Bureau of Standards (TBS) requirements.

The project benefits from Tanzania's stable political and economic environment, ensuring long-term sustainability.

4.0 PROJECT DESCRIPTION AND LOCATION

The facility will be located at Plot No. 48607 at Kisarawe area, Kigamboni Municipal , Dar Es Salaam – a rented industrial premise suitable for assembly, storage, showroom, and offices.

5.0 PROJECT INVESTMENT COST

VOLSMART LIMITED COST STRUCTURE (US\$)

PARTICULAR	AMOUNT (US\$)
Rent and Renovation	50,000
Machinery & Equipment	2,800,000
Motor Vehicles	80,000
Furniture & Fixtures	20,000
Pre-operating Expenses	30,000
Working Capital	200,000
TOTAL	3,180,000

5.1 Financing Pattern

Equity contribution: US\$ 1,500,000
Foreign loan: US\$ 1,680,000

6.0 FINANCIAL PROJECTIONS (SUMMARY)

Assumptions:

- Corporate tax: 30%
- Depreciation: straight-line over 10 years
- Conservative revenue growth of 12–15% annually

Projected Revenue (Years 1–5, US\$)

Year 1: 2,500,000
Year 2: 2,875,000
Year 3: 3,306,250
Year 4: 3,802,188
Year 5: 4,372,516

The project shows consistent profitability from Year 1, with accumulated after-tax profits reaching approximately US\$ 4.2 million by Year 5. Payback period is estimated at 3.5 years.

7.0 IMPLEMENTATION SCHEDULE

Activity	Period (Quarter and Year)
TIC Certificate of Incentives processing	1-2 2026
Work and residence permits	1-3 2026
Facility renovation	1-3 2026
Machinery ordering and importation	2-4 2026
Staff recruitment and training	3-4 2026
Trial production and testing	3-4 2026
Commercial operations commence	January 2027

8.0 CONCLUSION AND RECOMMENDATION

VOLSMART LIMITED presents a viable investment in local manufacturing of refrigerators and domestic appliances – a sector with strong growth potential in Tanzania.

The project will contribute to industrialisation, technology transfer, employment creation (30 direct jobs), foreign exchange savings through import substitution, and increased availability of affordable, energy-efficient appliances.

It is recommended that the project be approved by the Tanzania Investment Centre and granted the Certificate of Incentives under the Tanzania Investment Act, 2022 (as amended), to facilitate smooth implementation.