

**BUSSINESS PLAN**

**FOR**

**OLI SUPERMARKET LIMITED**

**FOR**

**HARDWARE AND  
CONSTRUCTION MATERIAL**

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## **1.0 INTRODUCTION**

**OLI SUPERMARKET LIMITED** is a Tanzanian-based manufacturing company specializing in the production and supply of a wide range of construction materials and hardware products such as tiles, gypsum, concrete, doors closes and pipe and fittings. The Company is engaged in the processing, fabrication, and assembly of essential building inputs, including cement-based products, metal and plastic hardware components, and other construction-related materials designed to meet the needs of diverse construction projects.

Positioned to support the growing demands of Tanzania's construction industry and the broader East and Central African market, the Company is committed to delivering high-quality, durable, and cost-effective construction materials and hardware solutions. Its product offerings are tailored to enhance efficiency, safety, and structural integrity in residential, commercial, and infrastructure developments.

The Company's strategic plan is supported by a robust investment of USD 900,000, comprising USD 450,000 in foreign equity and USD 450,000 in local financing. These funds will facilitate the establishment of a fully equipped manufacturing facility with integrated production lines for construction materials and hardware products, ensuring scalability and consistent output to meet market demand. The target clientele includes construction companies, real estate developers, hardware retailers, government infrastructure projects, and independent contractors requiring reliable and competitively priced construction inputs.

In line with its growth strategy, the Company will create approximately 150 local employment opportunities across production, mechanical and plant engineering, quality control, logistics, sales and marketing, and administrative functions. Through a strong emphasis on innovation, quality assurance, and sustainable manufacturing practices, **OLI SUPERMARKET LIMITED** aims to become a leading player in advancing industrial development and supporting economic growth in Tanzania and the wider region.

### **1.1 Mission and Vision Statement**

#### **1.1.1 Vision**

To be recognized as a leading manufacturer and supplier of innovative, high-quality, and sustainable construction materials and hardware products across East Africa. We aspire to set industry standards by consistently delivering reliable solutions that enhance construction efficiency, durability, and safety while supporting regional infrastructure development.

### **1.1.2 Mission**

Our mission is to manufacture and supply durable, cost-effective, and environmentally responsible construction materials and hardware products that meet the evolving needs of the construction industry. We are committed to improving the quality and performance of buildings and infrastructure through advanced manufacturing techniques, continuous innovation, and customer-focused service. By promoting local production, job creation, and sustainable practices, we aim to contribute to industrial growth and economic development in Tanzania and the wider region.

### **1.1.3 Location**

The Company, will be located at Plot number. 2476, Block number "B" , Yombo Vituka, Temeke, Dar es Salaam, The The Company is also expecting to expand and establish other branches in different parts of Tanzania

## **1.2 Statement of the Investment Objectives, Sector and Products**

### **1.2.1 Objectives**

The primary objective of the Company is to establish a modern and fully operational manufacturing facility focused on the production of a diverse range of construction materials and hardware products. Through the use of advanced manufacturing technologies and integrated production lines, the Company will process raw materials, fabricate components, and assemble high-quality construction inputs, including cement-based products, metal hardware, plastic fittings, and other essential building materials to serve various construction and infrastructure projects across Tanzania.

Within the first year of operation, the Company aims to achieve a strong production capacity across its product lines by leveraging modern equipment and adhering to rigorous standards of safety, efficiency, and quality assurance. The focus will be on ensuring consistent supply, product reliability, and the ability to meet growing market demand.

In line with its commitment to social and economic development, the Company plans to create at least 150 employment opportunities, engaging both skilled and semi-skilled workers. This initiative will contribute to local job creation while promoting capacity building through continuous training and skills development programs, thereby strengthening the technical workforce and enhancing the region's industrial capabilities.

A key strategic objective is to establish a strong presence in major urban markets across Tanzania within the first year, followed by planned expansion into regional markets in East and Central Africa within three years. The Company will prioritize the development of efficient distribution networks, strategic partnerships, and a competitive portfolio of construction materials and hardware products tailored to the specific needs of regional construction industries.

The Company is committed to maintaining strict compliance with national and international standards for quality, safety, and environmental responsibility. All

manufacturing processes will be guided by industry best practices, sustainability principles, and regulatory requirements, ensuring product excellence while minimizing environmental impact.

The Company also places high importance on innovation and continuous product development. By investing in research and development, the business will continuously improve the quality, durability, and performance of its construction materials and hardware products to meet the evolving demands of the construction sector.

Ultimately, the Company aims to generate long-term value for its stakeholders by promoting a sustainable, ethical, and growth-driven business model. Through transparency, community engagement, and environmentally responsible practices, the Company is well-positioned to become a trusted leader in the construction materials and hardware manufacturing industry in Tanzania and beyond.

### **1.2.2 Activities**

To achieve its strategic objectives, the Company will engage in integrated activities focused on the manufacturing, marketing, and distribution of high-quality construction materials and hardware products. Its core operations include the production of cement-based materials, metal and plastic hardware components, and other essential building inputs designed to meet the needs of construction projects across Tanzania and the wider East and Central African region.

The Company will operate a modern manufacturing facility equipped with advanced machinery and automated systems to ensure efficiency, consistent quality, and scalable production across its product lines.

A strong emphasis will be placed on research and development to improve product quality, durability, and cost-effectiveness, while promoting environmentally sustainable solutions.

To support clients, the Company will provide reliable customer service, technical support, and efficient logistics to ensure timely delivery and proper application of its products.

Quality assurance will be maintained through strict control measures at every stage of production, ensuring compliance with national and international standards.

Through innovation, operational excellence, and customer-focused service, the Company aims to become a trusted supplier of construction materials and hardware, contributing to the growth of the construction industry and the broader economy.

## **2.0 STATEMENT OF INVESTMENT COSTS AND SOURCES OF FINANCE**

### **2.1 Investment Costs**

To successfully launch and operate The Company, a total capital investment of USD 900,000 is required. This funding will establish a modern manufacturing

facility, procure essential equipment, support staffing, and enable operations to meet growing market demands for construction material and hardware in Tanzania and beyond.

## **2.2 Capital Requirements**

The total required capital of USD 900,000 will be financed through a combination of foreign equity and local borrowing, as follows:

Foreign Equity: USD 450,000

Local Loan: USD 450,000

Provided by international partners or strategic investors, the foreign equity injection represents long-term capital participation in the business and will

support infrastructure development, equipment procurement, and start-up operations.

A commercial loan from a domestic financial institution will supplement the equity capital, enabling the The Company to manage operating costs, working capital needs, and market entry expenses.

## **2.3 Use of Funds**

The investment will be allocated as follows to ensure efficient and sustainable operations:

Land/Building: USD 160,000

Factory Setup and Equipment: USD 300,000

Raw Materials and Initial Inventory: USD 20,000

Working Capital: USD 300,000

Furniture and Fittings: USD 50,000

Vehicles: USD 50,000

Licensing, Compliance, and Staff Recruitment: USD 20,000

These allocations are designed to cover all critical aspects of business setup and initial operations, ensuring that The Company can enter the market effectively and meet its performance objectives.

## **2.4 Revenue Projections**

The Company anticipates robust growth driven by increasing infrastructure development and demand for construction materials in the region. Projected revenues for the first three years are:

Year 1: USD 450,000

Year 2: USD 900,000

Year 3: USD 1,200,000

These forecasts are based on conservative market penetration estimates and the The Company's expected monthly production capacity of 12000 tonnes, strategic pricing, and a growing customer base across Tanzania and the broader East African region.

### **3.0 JOB CREATION**

One of the core objectives of The Company is to contribute significantly to local economic development through the creation of sustainable employment opportunities. The The Company plans to employ a total of **150 individuals** across various operational, technical, and administrative roles. These employment opportunities will be distributed across the production, quality

control, logistics, marketing, sales, and finance departments, providing a balanced workforce that supports both skilled and semi-skilled labor.

Out of the total workforce, **85 positions** will be dedicated to production and warehouse operations, forming the backbone of the manufacturing process. These roles will primarily be filled by local workers, offering on-the-job training to equip them with specialized skills in handling chemicals, operating machinery, and maintaining safety and quality standards. The The Company will also hire **20 technical and engineering professionals**, responsible for overseeing product development, production optimization, and ensuring adherence to regulatory and quality requirements.

In addition, **30 sales and marketing executives** will be recruited to promote the The Company's products, build client relationships, and expand market reach across Tanzania and the broader East and Central African region. Administrative efficiency will be ensured by **15 finance and support staff**, handling human resources, procurement, accounting, and regulatory compliance. The Company is committed to implementing regular training programs and performance-based incentives, with a focus on capacity building and employee development, ultimately aiming to foster long-term careers and promote inclusive economic growth.

### **SOURCE OF SUPPLY INPUT**

To ensure consistent product quality and timely delivery of effective hardware, and construction materials, the Company will establish reliable and strategic sourcing partnerships for all essential raw materials and input supplies. The core inputs required for the manufacturing process include cement, aggregates (sand, gravel, crushed stone), and chemical additives such as water-reducing

agents (WRAs), concrete admixtures, and performance-enhancing cement additives.

The Company will adopt a balanced sourcing strategy by procuring materials from both local and international suppliers. Locally, the Company will collaborate with trusted Silicone sealant, structural adhesive producers and chemical distributors within Tanzania and the broader East African region. This approach will help reduce transportation lead times, lower logistics and import costs, and promote the growth of local industries.

For specialized effective hardware and construction materials that are not readily available within the region, the Company will engage with reputable international suppliers recognized for maintaining high standards in quality and regulatory compliance. This diversified procurement model will help mitigate supply chain disruptions and support continuous production.

Furthermore, the Company will prioritize building long-term relationships with suppliers who can guarantee consistent supply schedules, competitive pricing, and adherence to environmental and safety standards. Regular evaluations and quality assurance checks will be implemented to verify that all raw materials meet the Company's technical and performance specifications.

Through this proactive and well-structured sourcing framework, the Company will maintain operational efficiency, ensure the durability and reliability of its hardware and construction materials and meet the dynamic needs of construction projects across Tanzania and beyond.

### **3.0 IMPLEMENTATION SCHEDULE**

The The Company intended to implement the project in the following schedule and phrase

#### **3.1 Registration of the Projects and Compliance Phase**

The The Company intends at the beginning to register the Project with Tanzania Investment Centre and Export Processing Zone Authority and to apply for certificate of Incentives. The Company shall also comply with other requisites laws, local and international standard and requirements.

#### **3.2 Legal and Regulatory Compliance**

The company will comply with all local and international regulations, including NEMC (environmental), OSHA (safety), and TMDA or TBS (standards for

chemical manufacturing). All operational licenses and permits will be secured prior to production commencement.

### 3.3 Constructions

The The Company at initial phases intended to lease land for factory, warehouse, offices and staff houses and later later the The Company intend to buy land for construction of of factory, warehouse offices and staff houses.

### 3.4 Project Operation

That after obtaining all necessary licence and installation of plants and machinery the The Company intend to start operations.

## 4.0 FINANCIAL PROJECTIONS (5 YEARS)

The Company projects strong financial performance from its venture in the production and distribution of hardware and construction materials. This forecast is based on rising demand driven by increased infrastructure development and the growing need for hardware and construction materials in Tanzania and the surrounding region.

The company expects production to reach 12,000 Pieces per year, with steady market growth and expanding client base. Revenue projections are based on conservative market penetration, stable pricing, and efficient operations.

Year	Revenue (USD)	Operating Costs (USD)	Net Profit (USD)	ROI (%)
<b>Year 1</b>	450,000	430,000	20,000	3%
<b>Year 2</b>	900,000	550,000	250,000	42%
<b>Year 3</b>	1,200,000	750,000	450,000	75%
<b>Year 4</b>	1,000,000	900,000	450,000	67%
<b>Year 5</b>	900,000	580,000	320,000	53%
<b>Total</b>	4,450,000	2,910,000	1,440,000	240% (5 yrs)

### 4.1 Key Assumptions:

Production stabilizes at full capacity by mid-Year 2.

Operating costs include raw materials, labor, utilities, and maintenance.

Marketing and distribution scale up progressively with sales.

Conservative revenue growth based on demand trends in infrastructure and construction.

Prices are benchmarked against competitive regional suppliers.

#### **4.2 Break-even Point:**

The company is expected to reach break-even by the end of Year 1, recovering initial working capital and operational expenses by leveraging high-margin sales and controlled costs.

#### **4.3 Return on Investment (ROI):**

With an average annual ROI of 40%–50%, the project projects a total return of 240% over five years, demonstrating significant financial viability and investment appeal for both equity partners and lenders.

### **5.0 ORGANIZATION STRUCTURE**

The Company will adopt a functional organizational structure that promotes efficiency, accountability, and strategic alignment across its operations. The Company will be led by a **Managing Director**, who will oversee the overall strategic direction, governance, stakeholder engagement, and long-term growth of the Company. The Managing Director will coordinate closely with departmental heads to ensure smooth execution of the Company's mission and objectives.

The **Production Manager** will be responsible for overseeing all plant operations, including manufacturing processes, equipment maintenance, workforce supervision, and ensuring that production meets the required quality and safety standards. The **Sales and Marketing Team** will handle market penetration, customer relationship management, brand promotion, and expansion into regional markets. This team will play a key role in achieving revenue targets and growing the Company's market share.

The **Finance and Administration Team** will manage budgeting, financial reporting, procurement, human resources, and regulatory compliance. This unit ensures efficient resource use and transparent financial practices. Supporting product development and continuous improvement, the **Research & Development and Quality Unit** will focus on the formulation and testing of construction material, maintaining high-quality standards and ensuring compliance with national and international specifications.

This structure is designed to facilitate coordination, ensure accountability, and enable the Company to scale efficiently as operations expand.

### **6.0 ENVIRONMENTAL AND SOCIAL IMPACT**

The Company is committed to carrying out its manufacturing and distribution operations for high-performance hardware and construction materials. The company acknowledges that industrial activities can impact both the natural environment and the surrounding community, and has adopted proactive

measures to ensure positive outcomes across all aspects of its operations.

### **Sustainable Production Practices**

The company will prioritize the use of environmentally friendly raw materials and promote resource-efficient production techniques to minimize emissions and waste. Preference will be given to suppliers who follow green manufacturing standards.

### **Energy and Water Efficiency**

Factory operations will integrate energy-saving equipment and systems, including high-efficiency motors, lighting, and production machinery. Water usage will be minimized through recycling systems and controlled consumption technologies.

### **Waste Management**

An industrial waste management plan will be implemented to ensure safe disposal and treatment of chemical and packaging waste, in line with Tanzania's National Environmental Management Council (NEMC) regulations and global best practices.

### **Emissions and Pollution Control**

Emission control systems and dust suppression measures will be put in place to mitigate air and environmental pollution. Routine monitoring will be conducted to ensure compliance with environmental standards.

### **Green Landscaping**

The company premises will include green spaces and tree planting to improve air quality and contribute to carbon offset efforts.

## **08. CAPACITY OF THE PROJECT**

The The Company project is designed with a strong operational capacity to meet both current market demand and future growth in the construction m at er i a l sector. The core production facility will have an initial installed capacity to manufacture **12000 Pieces of water reducing agents (WRAs) per month**, translating to **1,200 Pieces annually**. This initial capacity will adequately serve a broad client base across Tanzania's

construction industry, including infrastructure contractors, real estate developers, and cement manufacturers. The facility is designed for scalability,

with **plans to increase production to 18600 Pieces per month in Year 2** and **20000 Pieces per month in Year 3** to meet rising market demand.

In addition to WRAs, The Company will manufacture a wide range of effective hardware and construction materials. The production site will be equipped with modern blending, packaging, and quality control systems to ensure efficiency, consistency, and compliance with both national and international standards.

With a dedicated workforce of

**186 employees**, including engineers, production workers, and sales professionals, the The Company is well-prepared to operate at full capacity and scale progressively in line with its strategic growth objectives.

## **09. CONCLUSION**

The Company is strategically positioned to become a key player in the effective hardware and construction materials industry in Tanzania and the broader East and Central African region. With a clear vision, strong operational framework, and a scalable production capacity, the The Company is equipped to meet the growing demand for high-performance, cost-effective, and environmentally friendly construction solutions. The initial investment of USD 900,000 supported by a combination of foreign equity and local financing, will enable The Company to establish a fully functional manufacturing facility, create 186 employment opportunities, and introduce a diverse range of innovative products to the market.

Through a focused marketing strategy, robust distribution network, and commitment to quality and compliance, The Company aims to build long-term partnerships with clients and contribute meaningfully to infrastructure development in the region. Backed by a dedicated management team and skilled workforce, the The Company is confident in achieving its financial and operational goals while promoting sustainable industrial growth and job creation. The Company is not just a business venture it is a catalyst for progress in the construction sector