

**RUHUDJI LIMITED T/A NIMALI AFRICA
LUXURY CAMPS AND LODGES**

BUSINESS PLAN

PREPARED ON BEHALF OF:
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1.0 EXECUTIVE SUMMARY

1.1 Introduction

This report presents business plan and evaluates the opportunity for developing the **Ruhudji Limited T/A Nimali Africa** to cater for the needs of affluent tourists. The proposed renovation and construction is designed to serve pleasure tourists as opposed to business tourists.

This business plan is being submitted to present the viability of the proposed investment and the financial projections for the purposes of Tanzania Investment Centre and the related Authorities.

Nimali Tarangire is a hidden gem. Small and intimate, this tented camp nestles under the shade of acacia trees overlooking a pretty dry riverbed bordered by huge and dramatic granite boulders. Nimali Tarangire sits contentedly in its own private concession, bordering Tarangire National Park. The concession, together with the surrounding Wildlife Management Area, is simply an extension of the Park and offers exclusive game viewing far from the crowds. There are no fences between our private concession, the surrounding Wildlife Management Area or the National Park and animals wander freely between these areas. The area in Tarangire has been earmarked for tourism by department Tanzania National Park.

Ruhudji Limited T/A Nimali Africa (LT Property Development and Luxury camps and lodges Service provider company) is a company based owned by Polish citizen who aim to develop several projects in USA, UK and Russia. The main business directions are on the one side offering clients

from all over the world lodging/leisure at African luxury Camps and Lodges in National Parks .

1.2 Project concepts:

The project concept is intended to attract visitors characterized as “high class” in the range of tourists seeking intimate and peaceful vacation. The proposed Luxury camps and Lodges is to be known as **Ruhudji Limited T/A Nimali Africa.**

Objectives

Ruhudji Limited T/A Nimali Africa is a new destination in Serengeti offering customers the combination of a dream holiday in the African Paradise. The Luxury camps and Lodges are integrated in the nature which gives the project a unique attraction .We plan to locate the business in Serengeti, where we already Lease with Tanapa land on the National Park with the focus on developing Luxury Camps with main buildings – ten of them its 12 rooms. Luxury camp, and also service buildings such as - office and service area, bar/lounge and restaurant, swimming pool, barbecue area, and 1 technical building. This project assumes the Luxury camps and lodges/investment area in National Park.

Short description of Nimali Africa Luxury Camps and Lodges

Ruhudji Limited T/A Nimali Africa:

Photography

The project sites are located in Serengeti /Tarangire National Park , at the inside area. Area is more than 3 acres and is Nice view in the direction of the rooms , covered by with fence. The area is accessible by car from the National parks.

Programme

The plot development consists of: guest accommodation comprising twelve rooms in ground floor holiday Luxury camps and Lodges, private swimming pool , parking space and separate building comprising restaurant , office-reception, also one technical buildings swimming pool with bar, and well with cesspit.

Design features

Paths, platforms and walls should be constructed with stones and bricks covered with tents /combined with Tanga stone as seen in the drawing of the site plan. The car area should be made of gravel, forming solid surface. Side walls should be constructed in the distance from the plot's borders commanded by local authorities. The project uses local materials and environmentally friendly solutions, such as eco friendly solar panels or generator.

Programme, design features

Each of the luxury tents comprise of common sitting area / lounge / with one bedroom, bathroom, separate wc /balcony .

Structure and materials

External and internal structural and partition walls – concrete blocks and coral rock , partly covered with cement plaster. Some of partition walls made of plasterboards on aluminum grid.

Foundation – concrete strip foundation.

concrete and hardcore bed.

Roof – Tents on Top.

Doors, windows – front-aluminium windows, and local wood carpentry construction, windows glazed.

RESTAURANT - OFFICE - 1 TECHNICAL Building

Programme, design features

Buildings for serving Luxury camps and lodges guests (restaurant, bar, toilets, laundry room, storage spaces).

Structure and materials

External and internal structural and partition walls – concrete blocks and coral rock , partly covered with cement plaster. Some of partition walls made of plasterboards on aluminum grid.

Foundation – concrete strip foundation.

Roof – traditional makuti roof .

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Doors, windows – aluminium and local wood carpentry construction, windows glazed.

CONSTRUCTION WORKS

Preparation works – development of the construction site - prepared before the start of the works, at least in terms of:

- renovation of the existing fence and determine the danger zones or marking the area with warning signs and, if necessary, provide supervision
- discharge of sewage
- equipment in hygienic sanitation, social and administration office and the the medical aid devices
- provide lighting and other necessary installations
- storage of devices, materials and articles, which should be properly positioned relative to other elements of the development site and the running power lines. Distribution of materials stored, the amount of storage and how to retrieve the materials should be in accordance with the regulations.
- organize parking spaces for machinery and construction vehicles.
- organize fire protection

Earthworks:

- a) Excavations – for buildings , swimming pool and underground installations
- b) Foundations - for buildings , swimming pool , walls
- c) Installations – outside and underground
- d) Grading [leveling] the terrain levels

Construction works - Structural partitions , such as :

- a) Supply / connection of installation system to the buildings and swimming pool - external part
- b) External walls /including reinforcement works/
- c) Structural walls /including reinforcement works/
- e) Roofs
- f) Arrangement of the parking space
- g) Other works / in which heavy equipment is necessary /
- h) Other installations – electric spots on the plot [outdoor lighting , swimming pool water supply and disposal etc]

Interior design :

- a) Painting, plastering, cladding , floor finishings [wooden floors and coloured concrete floors]
- b) Equipment with montage [toilet, sink, bathtub, shower, mixer, sink, oven, dishwasher etc]
- c) Furniture
- d) Lamps and other electrical equipment [sockets and power points]
- e) Other interior details and small equipment

Exterior/plot design:

- a) External design details - walking paths on the plot; wooden ladder

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b) Furniture - for example sun beds

Specification of the project:

1) INSTALATIONS:

there will be 1 technical buildings on site [near the wall] designed to store water and agregate generator on mezzanine . There is also room for working staff., laundry and some equipments, storage area - part of the building for employees, the main function of technical buildings is the media facilities.

2) CONSTRUCTION WORKS - there is a need to build external wall/fence, reach about 2 meters high , coral rock cliffs - about 1,60 meter above the level of the park and site level ; also we plan to elevate the level of whole site by using soil from excavation [from under the buildings and swimming pools]

3) MATERIALS :

walls of buildings are designed from concrete blocks - some of them with facades [cladding] from coral rock. Some of partition walls made of plasterboards on aluminum grid.

windows and doors – wooden and aluminum

traditional makuti roof or reinforced concrete flat roof

footbridges/platforms - wood

paths - sandstone

interiors:

floors - coloured concrete NIERO

bathtubs/washbasins - terrazzo

furniture - local Tanzania wooden

Summary of services offered at Nimali Africa Luxury Camps and Lodges

- lodging
- Food/beverage at the restaurant
- Leisure activities
- Local cultural lessons

1.3 The Company and the Sponsors:

The New project company is established as a limited liability company.

Ruhudji Ltd T/A Nimali Africa Luxury camps and Lodges is owned by

Tanzania citizens of Mr. Harpreet Singh Brar and Mrs Harjot Kaur Mann

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and will be run by him and is employees. Mr.Harpreet Singh Brar have more than 15 years of experience in Tourism business in countries of Central Europe and Asia. With many contacts especially in USA AND UK we consider that with a lot of marketing and ideas Tanzania can be made more attractive to the European customers.

The owner:

1	Mr. Harpreet Singh Brar	Tanzanian	99 %
2	Mrs. Harjot Kaur Mann	Tanzania	1%

1.4 Economic and Social Benefits:

The direct economic benefits of the project to Tanzania include:-

- ◆ TAX receipts.
- ◆ Creation of employment:
- ◆ Increase new technology
- ◆ Build competitiveness to local in labour market.

In addition the project will provide considerable demand for consumable food items such as fruit, fish and vegetables, which will create indirect employment to Tanzania specially villagers.

2.0 PROJECT DESCRIPTION:

2.1 Nimali Africa Luxury Camps and Lodges buildings, and all technicals, restaurant, office, pool, bar, **etc**

Alimentation

- Food will be served in the open-air restaurant, local dishes and oriental dishes

Sportive activities

- Swimming pool exercises
- Snorkelling

Cultural activities, trips

Get in contact with the country by visiting different villages on the surrounding areas and Trips to National Parks.

The project will operate on the original name to maintain its goodwill and reputation on southern west of Tanzania.

The policy is for all amenities with the exception of and bar costs to be provided in the all inclusive rates for visitors, for ease of management and to provide full value to visitors.

2.2 Design and Layout:

The promoters are widely experienced in project management. Their accumulated knowledge and experience will be useful and greatly needed during the construction stage. The sponsors are currently working architectural designs and detail drawings of the Luxury camps and lodges will be provided in a separate document.

Each guestroom would contain double bed, chairs, a cupboard (just a local handicraft from Nungwi) a private shower/bath and WC, hot and cold water . For efficient communication with tourist agents abroad and in particular for business purposes, e-mail and internet facilities will be installed.

Public places would include a car park, pedestrian pavements with roundabouts, and swimming pool.

There will be restaurant, bar and dinning hall. There will be offices for administration staff, ops and laundry in technical building.

The Luxury Tents will be comfortably furnished and tastefully decorated with furniture based on typical Tanzania designs, demonstrating a blend of Arabic and African art and traditional crafts. Windows and doors will be made and installed in the typical Arab way familiar on the parks. The sponsors will abide themselves with laws and regulation of Tanzania in construction. The full design of the project will be submitted after the approval of the project.

2.3 Location and site description:

The Luxury camps and lodges will be located at Serengeti Northern Serengeti national Parks of Tanzania . The proposed site is located on a long stretch of secluded parks fronting the national park

The developed grounds will be landscaped and planed to tropical fruits, trees and shrubs to maximize privacy and emphasize the tropical nature of the climate: these gardens and orchards are expected to be a prominent feature of the Luxury camps and lodges.

2.4 Access to Northern Region:

The existing roads on the parks generally satisfy the needs of an expanding tourist industry. Extensive discussions with donors were held and there is evidence from the government of Tanzania that a programmed for upgrading all the roads in Tanzania and Serengeti. The road to Northern Region from Tanzania Town has been upgraded as far journey now takes less than six hours as compared to 8 hours in 1989/90.

2.5 Management and supervision:

The construction of the Luxury camps and lodges is to take place under a contractor taking prime responsibility. The project architects and planners will be responsible for supervision and contract specifications and quantities. The sponsors will be represented on site by one of the manager to ensure close control and adherence to contract schedules as far as possible.

2.6 Staff and Training:

The Luxury camps and lodges will have two distinct management departments under a General Manager and controlled by for other senior staff:-

Department	Personnel
Administration and General	General Manger
Accommodation (rooms) Food and Beverage Entertainment (sport and tours)	Local Manager Technical Manager
Technical services	

Applications are sought in this proposal to the Tanzania Government for two expatriate positions for the management of the Luxury camps and lodges in the medium term; Local Manager, and Technical Manager.

There will be hostesses to ensure all visitors' requirements are met at all time for room service, entertainment and food and beverages.

Training will be provided in-house for all junior staff. For key positions such as Deputy Manager, receptionist, room matrons, training courses

will be provided at Tanzania Tourism Institution. There will be an incentive award each season for staff performances.

It is projected that the proposed development of **Ruhudji Limited T/A Nimali Africa** will employ 65-85 people.

3.0 MARKETING RESEARCH:

3.1 *Tourism in Tanzania:*

With 476 billion dollars in 2000, tourism is doubtless the primary source of international trade receipts. WTO expected over one billion international tourist arrivals in 2010 and over 1.5 billion tourists and US\$ 2 trillion receipts in 2020. WTO's vision 2020 presents an optimistic picture for the tourism sector in Africa with growth of 5.5 per cent a year forecast of the period 1995 – 2020, as against the global rate of 4.1 per cent of the 77 Million international tourist arrivals anticipated in the continent in 2020, an estimated 17 million will be in the countries of East Africa producing an average growth of 5.3 per cent. Tourism has become the biggest economic activity of this day in Tanzania. Tanzania tourism, began in the

late 1980's, is still a new industry, struggling to improve standards, with 87,511 tourists an increase of 43 per cent, US\$ 4,471,000 foreign earnings in 2002. According to figures compiled by the Commission for Tourism, there are currently 173 tourist accommodation establishments

in Tanzania, with a total of 3,089 rooms and 6,139 beds. The majority are located in Serengeti, with only 14 establishments (with a total of 110 rooms and 214 beds) in Ngorongoro. Outside the Luxury camps and lodges, there are approximately twenty restaurants of International standard, with several new high quality establishments opened in Stone Town in the past few years. In addition, there are 108 licensed ground tour operators and diving units. Despite the large number of licensed operators, this sector is dominated by a comparatively small number of major companies, which account for the bulk of the business.

Taking into consideration the vision of the Government of Tanzania to become one the top tourism destinations of the Indian Ocean, offering an upmarket, high quality product across the board within the coming 17 years our business idea just fits into this plan offering not only nice accommodations on the beach but also nutritional programs, which is an innovation for Tanzania today. Until we reach the main business purpose – targeting international tourists for nutritional programs – we focus on leisure tourism, which is the main important source of income in Tanzania today. Offering nutritional programs can introduce a new tourism model in Tanzania and increase the reasons why to choose Tanzania as a holiday destination. Today approximately 96% of tourists coming to Tanzania are for leisure purpose and introducing a new

tourism product on the market can lead to higher incomes and diversification of the clients' structure.

Competition can be seen based on two criteria: **geographical** and **prices**.

Geographical competitors within our region – Northern East – are as follows: Katavi Lodge -Kibo Guides , Ewanjan Lodge -Lemala, Bush Top Mobile camp , etc. Regarding **prices** the competitors are as follows: Katavi Lodge -Kibo Guides (\$315 / night), Ewanjan -Lemala (\$ 355), Bush Top (\$295), Asilia Lodges and Camps (\$365) Nomad Tanzania Ltd (\$380 / night). Price quotas are based on Tripadvisor information

3.2 The targeted market and Marketing Strategy:

Ruhudji Limited T/A Nimali Africa has been set up for the development of one business lines: focused on offering lodging at nice intimate romantic accommodations on the parks.

the image of Luxury Camps and Lodges based on following measures:

- 1 Restaurant – vegan, vegetarian and normal,
- Organic products from local farm,
- Tents and Rooms with special hill view architecture,
- Flower gardens landscaped by specialists,
- Fee agreements with tourism offices,
- Online advertising in USA, Asia and Europe.

3.3 Pricing Policy

The different occupancy periods of the year and the relevant room rates are given in table below. The rates quoted are the expected net rates paid by agents and tour operators to the Luxury camps and lodges. The rates are applicable for bed since most room are sold on a double occupancy basis and supplement charged for a single occupancy.

Re-state items such as alcoholic beverages and shop stock and entertainment and sea sports activities have not been included in cost estimates. It is assumed a small trading margin will be obtained on these items to cover administration and management to that, in general income will equal expenditure.

4.0 FINANCIAL EVALUATION INVESTMENT COST

The initial investment of our project is estimated as follows.

The total investments after finishing Luxury camps and Lodges amount to USD 2 000 000 and is distributed as follows:

Particulars	Estimated Cost
Cost of Buildings	830,000
Furniture & fittings	550,000

Equipment and machinery	145,000
Solar equipment's	325,000
Pre-Operation Expenses	65,000
Working Capital	50,000
Miscellaneous	35,000
Grant Total (US\$)	2,000, 000

building all

Note: Pre-operational expenses include expenses incurred by sponsors in securing the site and project preparation costs and fees.

4.1 Proposed Financial Plans:

The project will finance under the following arrangements;

- ◆ financing from a loan given by LC Solutions Company 100%

4.2 Revenue projections:

Revenue projection will be determined by seasonal occupancy level and the seasonal accommodation rates. The seasonal rates assumed are the average rates for quality Luxury camps and lodges on the Northern Serengeti of Tanzania National Parks. The rate excludes the use of entertainment facilities, balloon safaris, alcoholic beverages and other re-sales items. Re-sales items such as alcoholic beverage and shop and

other services such as laundry, international telephones, fax, and internet, have not been included in the profit and loss Account projection. It is assumed a small trading margin will be obtained to cover administrative and management cost so that, in general, income will equal expenditure.

5.0 PERSONNEL SUMMARY

Luxury camps and Lodges offers at Serengeti Luxury camps lodging, food/beverage and leisure activities in a 10 tents including a pool, restaurant and pool bars. A total of 85 local and 4 foreign people will be hired and the forecast of the cost involved is shown in the following table

TABLE 1

Staff number	Quantity
Manager (foreign)	4
Menager (local)	8
Receptioner (local)	1
Cook (foreign)	2
Cook help (local)	6
Gardener (local)	2
Drivers	4
Guides	4
Waiter/waitress (local)	16
Bartender (local)	8
Security (local)	15
Cleaning lady	15
Total	85

TABLE 2

Staff costs Serengeti	In \$/month
Manager	700
Sales	800
Reception	150
Cook	400
Cook help	300
Gardener	150
Waiter	250
Security	200
Cleaning lady	200
Drivers	300
Guides	400
Total	17,500

6.0 FINANCIAL PLAN

We assume that no major crisis locally and worldwide will occur in the next 20 years and Serengeti project can be finalised and well prosper.

6.1. General assumptions

- No major crisis in Tanzania and worldwide
- Stable tax rate
- Stable inflation rate

- Favourable business climate in Tanzania

6.2. Sales/ Profit & Loss Projections

TABLE

rates/sales in \$	
no rooms	36 rooms for rent and 33 rooms for sale
Occupancy	45%
room rate	315
days/year	275
sales Serengeti	x.000

figures in TSD	
Sales	X
Total cost of sale	x
Commissions intermediaries 15%	x
Marketing 10%	x
Gross margin	x
In %	75,00%
Expenses	
Payroll	x
Depreciation	x
Rent Serengeti	x
Utilities	x
Insurance	x
Payroll taxes 20%	x