

BUSSINESS PLAN

FOR

MBEYA LINE COMPANY

LIMITED

OF

MBOZI – SONGWE REGION

TANZANIA

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1.0 EXECUTIVE SUMMARY

M/S MBEYA LINE COMPANY LIMITED is established and registered at Brela with Registration certificate No 155-844-981 Of 17th day of day of April 2022

Company products – assembling plant for T BETTER motorcycles – Two wheels and selling of necessary spare parts.

Marketability of these motorcycles in both rural and urban areas have no problem i.e. the markets is available all the time /Season, But during harvesting period the demand is increasing in the rural areas.

The Company is shared by the two share holders and is controlled by Board of Directors.

The Company intends to open selling points of the motorcycles all over Tanzania and has already established through purchasing of

- Motorcycles-Patent Name-T – Better
- Established the working Godown and needs to build /stabling assembling plants –

This has initial coast of Tsh 500,000,000

2.0 BUSSINESS PLAN

3.0 BUSINESS VISION AND MISSION

- 1.0 Provision of easy transport for rural areas
- 2.0 To create employment through usage
- 3.0 To generate income hence paying taxes
- 4.0 To have business cooperation with other motorcycle dealers of other countries.

This business has only one major goal -to increase profit and carpital-through short and long term planning

The company is to be established in many Regions, aiming to provide services to the existing customers surrounding the company premises also outside the region by establishing selling zone / station in order to provide / sale motorcycles to other parts in Tanzania.

Motorcycles are easily salable as it provide necessary transport at small scale users. BUT it provide transportation needs for rural areas of the country.

3.0 MARKET ANALYSIS AND PLAN

Marketing research and analysis has been made, showing shortage of transporting equipment, the use of bicycles which needs a lot of energy, increase customer demand of

motorcycles both in rural and urban. These phenomenons of changing from bicycles to motorcycles have made us to establish an assembling plant as .

No stiff competition is seen on – T – Better brand, it suits both in rural and urban areas; our motorcycles are light – easy to manage, also fuel consumption is low.

4.0 PRODUCTION /OPERATIONAL PLAN

The company at start will have one assembling plant for motorcycles. The start of motorcycles production will be 6,000 assembled motorcycles per year equivalent to 500 motorcycles to be assembled per moth i.e. 16.5 units to be assembled per day.

The company expects to gradual increase her production to 7000 units 2022/2023 8000 units 2023/2024, 10,000 units 2024/2025 and to reach 12.000 units by 2025/2026. During increase in production additional assembling plants will be established.

5.0 PROJECT PROPOSAL FOR ESTABLISHMENT

A SMALL /MEDIUM SCALE ASSEMBLING PLANTS FOR MOTOR CYCLES

5.1 Introduction

M/S MBEYA LINE COMPANY LIMITED intends to develop her business by establishing assembling plant for the motorcycles – BRAND NAME – T – Better.

The use of motorcycles within rural and urban is increasing considerably in rural and urban areas in Tanzania this is due to removal of bicycles which need a lot of energy to ride them.

Various parts in Tanzania where bicycles where used as transporting equipment people have change to motorcycles, bajaji, and toyos

Lack of discipline to users have resulted to fatal accident but we believe with proper training these fatal accident will be reduced to minimal

M/S MBEYA LINE COMPANY LIMITED has followed this phasing trend by of bicycles to motorcycles and came with the conclusion of establishment of assembling plant for two wheels motorcycles.

Marketability of these products ie two wheels motorcycles and their spare parts is ABUNDANT

Our product BRAND – T- Better in the market will change the taste of our customer as the quality of the brand is light –easy to manage, low fuel consumption with security guards to protect the user

The company is run by dedicated share holders the product /Brand will perform within national and international standards.

The company will be operated by more skilled staff and tends to establish a class room for training the artisans, operator of the motorcycles

- Provision of knowledge motorcycles parts
- Provision of knowledge of maintenance
- Provision knowledge of lubrications
- Provision knowledge if safety and precautions

The company intends to assemble and sell motorcycles of the value of Tsh 9,000,000.000 – 7,000pes X per year 500 units (motorcycles per month to the value of Tsh 750,000,000(X 500)).

5.2 BUSSINESS DESCRIPTION

The company /assembling plant intents to produce / assemble – 7000 motoreycles for 2022/2023 and to gradual increase the production. In this dire lection the industry has the following.

MISSION AND VISION

- To provide motorcycles of better quality according to internal and external standards.
- Through training we will provide better artisans for maintenance and repairs for T-Better brand.
- To provide awareness to the publics on better usage of motorcycles.

BUSINESS GOAL The overall goal of the company is creation of profits by producing best quality motorcycle s for internal and exporting and to have a better capacity utilization of the assembling plants.

SHORT AND LONG OBJECTIVES

The objectives of this project /company are as follows

SHORT TERM

To assemble better motorcycles to be used both urban and rural areas

LONG TERM

1. To provide training to the users and artisan in order to increase awareness and better maintenance motorcycles
2. To create jobs for those using of these motorcycles
3. T provide a stable transport for rural and urban
4. To expand our business in producing motorcycles gradually to reach up to 8,000 units by 2025.
5. To improve business by introducing new technologies and machineries hence creating a smooth running of the company

To improve profit (Net profit) in order to increase capital of the business net profit realization for 2022 Tsh 3,548,500,000 to 7,299,000.000 by 2027.

MBEYA LINE COMPANY LIMITED at this level will seek partners to run the business.

5.3 MARKETING ANALYSIS AND MARKETING PLAN

This project / company have done thorough market analysis – The trend of changing from BICYCLES TO MOTORCYCLE is in increase is both urban and rural areas in Tanzania; this convinced M/S MBEYA LINE co ltd to establish an assembling plants from one line at the start to end up with three lines of assembling plants.

MARKETING PLAN

YEAR	MOTORCYCLES	VALUE IN TSHS	
		MONTHLY	YEARLY
2022/23	7000units	950,000,000	11,400.0000
2023/24	8000units	1,108,333,333,	13,300.000
2024/25	10,000units	1,266,666,666	15,200.000
2025/26	12,000 units	1,583,33,333	19,000,000

The above market plan of the company /industry for the month and year has unique marketing strategies

The company will open selling points at every region in Tanzania mainland and Zanzibar.

5.4 PRODUCTION /OPERATIONAL PLAN

As explained in the marketing plan which is the production operational plan for the company / Industry

The company will start with one line assembling plant in year 2022/23 and second line assembling plant for 2023/24 and the third line assembling plant during 2024 /25 .

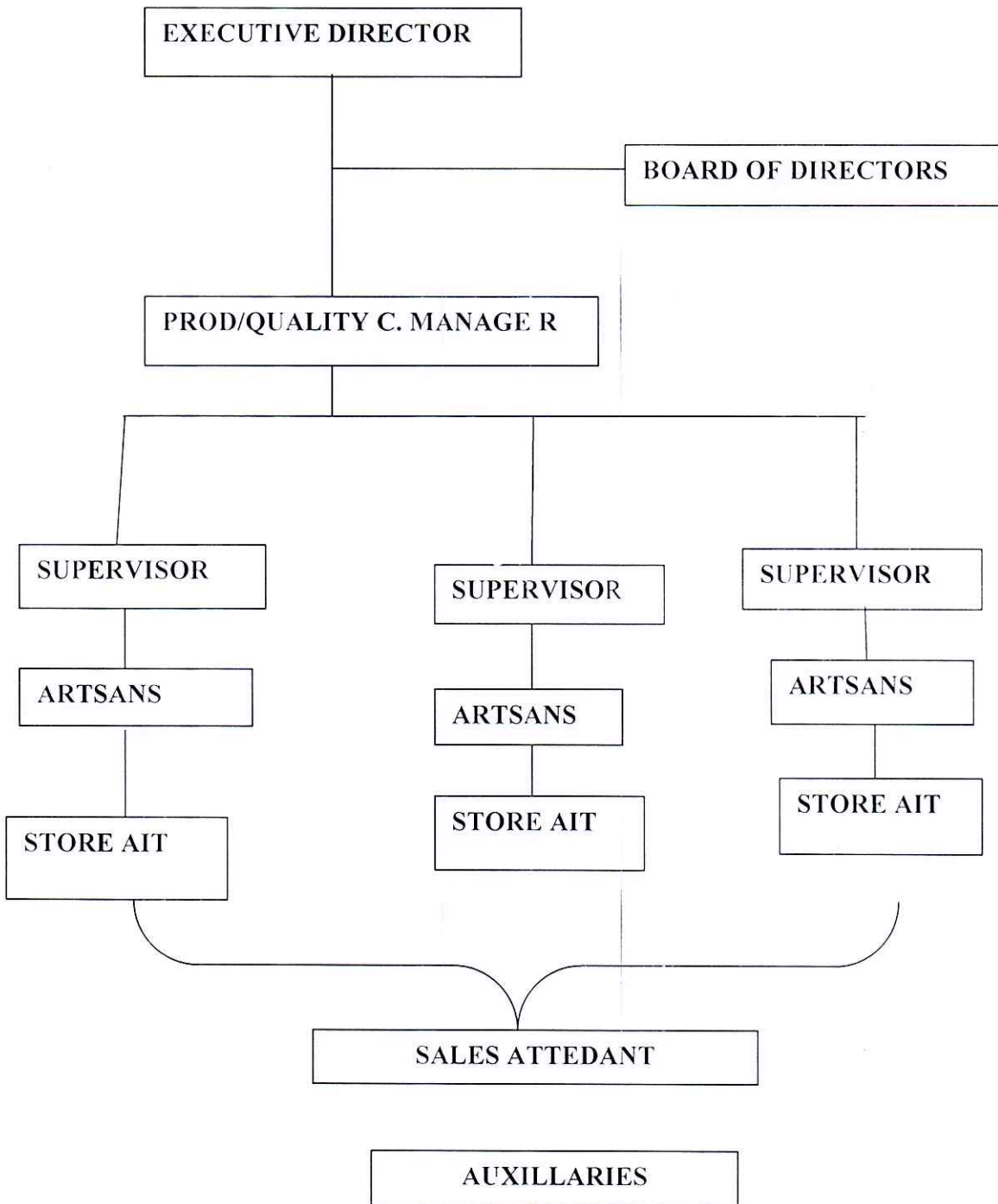
Manpower for one line assembling plan will be

1. Supervisors 1
2. Artisans 3
3. Store Attendants 1
4. Auxillaries 2

There for two lines the staffing will be 14 and 21 staffs for 3 lines assembling plant

5.5 ORGANISATIONAL & MANAGEMENT

The management of the company will be as shown below



SALARY STRUCTURE

- 1 EXECUTIVE DIRECTOR TSH. 1.8M
- 1 PROD/QUATY CONT MANAGER 1.2 M
- 3. SUPERVISORS TSH 0.75M each
- 9 ARTISANS TSH 0.60 M each
- 2 STOR E ATTENDANTS TSH 0.50 each
- 3. SALE, ATTENDANTS TSH. 0.50 each
- 6 AUXILLARIES TSH 0.35 each

Manpower Emoluments will be

Items POST	QTS	SALARY	Total month	Total @ Year
Director	1	2.5 m.	2.5 m	30,000,000
Prod /Qc manager	1	1.2 m	1.2 m	14,400,000
Supervisor s	3	0.75 m	2.25 m	27,000,000
Artisans	9	0.60 m	5.40m	64,800,000
Store attend	3	0.50 m	1.50 m	18,000,000
Sale,attend	3	050m	1.50 m	18,000,000
Auxillaries	6	0.35 mh	2.10 m	25,200,000
TOTAL			MANPOWER	@Months 16.45 mil
			COST	@Year 197,400 m

4.5 FINANCIAL ANALYSIS AND PLAN

The company intends to assemble for the year 2022 a total of 7,000 units motorcycles. The value of sales is to be Tsh 9,000,000,000

I/	Value in Tshs	
	Monthly	Yearly
Sales Volume Qty 6000units	750,000,0000	9,000,000,000
Purchasing cost	350,000,000	4200,000,000
Cosh of Ins Cost insurance, Freight handling	50,000,000	600,000,000
Transportation Dar - Mbozi	37,500,000	450,000,000
Labour cost	16,450,000	197,400,000
Cost of power / water	200,000	2,400,000
Cost of taxes	-	500,000
Cost of incidentants	100,000	1,200,000
Total operating cost	454,250,000	5,451,500,000
Net profit /loss	295,750,000	3,548,500,000

Note: Gradual increase of sales volume will change:

Value of sales per year and month

Total operating cost per year and month and

Net profit / loss per and month

5. 7 FINANCIAL PROJECTION & PLANNING

The Company Financial projection for 4 years concedes in the production and marketing of motorcycle to be produced.

Item\Period	2022/23	2023/24	2024/25	2025/26
motorcycle	7,000	8,000	10,000	12,000
Sale volume	10,500,000,000	12,000,000,000	15,000,000,000	18,000,000,000
Purchase volume	4,900,000,000	5,600,000,000	7,000,000,000	8,400,000,000
Cost ins. freight handling	700,000,000	800,000,000	1,000,000,000	1,200,000,000
Transport Dar- Mbozi	525,000,000	600,000,000	750,000,000	900,000,000
Labor cost	197,400,000	197,400,000	197,400,000	197,400,000
Cost power and water	2,400,000	2,400,000	2,400,000	2,400,000
Cost of taxes	500,000	500,000	500,000	500,000
Incidentals	1,200,000	1,200,000	1,200,000	1,200,000
Total operating cost	6,326,500,000	6,601,500,000	8,951,500,000	10,701,000,000
Net profit /loss	4,173,500,000	5,398,500,000	6,048,500,000	7,299,000,000

5.8 Environment Impact

The project /industry mainly deals with assembling of motor cycle part brought in boxes /soft wood. These will be accumulation of hard waste only. Therefore the environmental is not affected like industries producing gases , acid water act.