

**EMAD ELDIN COMPANY LIMITED**

**BUSINESS PLAN**

**FOR**

**ESTABLISHMENT**

**OF**

**Agriculture business in Tanzania**

**EMAD ELDIN COMPANY LIMITED**  
**SETTING UP AGRECULTURE BUSINESS THROUGH FACILITIES AND**  
**OPERATING WERHOUSES.**

**1. INVESTMENT PLAN**

1 EXECUTIVE SUMMARY

Emad Eldin company Ltd is a domestic company limited by shares registered in Tanzania under the Companies Ordinance (CAP 212) now Companies Act, 2002 with Certificate of Incorporation number 200004297 given in 2023. The company has complied with all legal requirements and obtained all necessary certificates including, but not limited to Certificate of incorporation number 157406507, TIN certificate number 157406 507, Tax clearance certificate for the year 2023 number 581-0153-9327 and Business license number 200004297.

**2. COMPANY BACKGROUND**

EMAD ELDIN COMPANY LTD is a private company based in Dar es salaam, The company has been incorporated with a major objective of establishing an agriculture business in Tanzania .

The main purpose of the company is agriculture business and to introduced the Tanzanian agriculture products to the international markets.

There is a very big demand for agriculture business in international markets like Europe, America (north and south) ASIA and Australia.

Plus, the demand in Africa like north African countries (Egypt, Libya, Algeria, Tunisia, Morocco

Also outside Tanzania, and the East and central Africa to serve client needs,

Increasing the world population lead to increase the demand, plus the international climate change is increasing the areas of desert around the world.

Plus the geopolitical factor, which affect the international demand , which lead to the great impact in the land of Africa to produce agriculture food products to cover the demand increased internationally.

This is a big opportunity for Africa to shine and rise to increase its GDP by exporting the agriculture products

Hence the establishment programmer of three years, in setting up facilities for the project is estimated to be USD 1.6 million.

### **3. TARGETED MARKET**

There is very big demand for agriculture products in international markets especially Europe, Asia, north and south America , north Africa .

## **BUSINESS WITH FAR REGION IN TANZANIA MAINLAND**

The agriculture business is a main business line in Tanzania and could be introduced to the international market through the value products cultivated in Tanzania regions example like Mbeya regions

### **ECONOMIC GROWTH:**

The economic growth influenced such movement of goods especially food demands and food industries and businessmen as the demand is growing day by day due to increase of the population for countries.

The business module will be used as international company working in international market to promote the products under their umbrella, in various countries located in different continent.

#### **4. THE COMPANY main stratégie OBJECTIVES**

Emad eldin company Ltd business in concentration in agriculture business in country in Tanzania Mainland and promote this business to the international market as whole plus the East and Central Africa.

International market areas like but not limited to Europ , Asia, North Africa , south America m north America .

#### **The main strategy points are :**

(a) To carry on the business of agriculture in Tanzania to implements a new technology and machinery to carry on the business as general and technology like **aquaponics**.

(b) To carry on the business of agriculture, to plant, grow, import, export, manufacture, blend cure and in any way deal in maize, wheat flour, coconuts, cashew nuts, cotton, kapok, sugar, tea, coffee, cocoa, rice, corn, vegetables, fruits and another produce and all its products and preparations, and to carry on business as planters, farmers, dairymen, fruiterers, timber merchants.

(c) To carry on the business of exporting agriculture products , we will deal with several other companies like clearing and forwarding, warehousing, air charter/ freight, container operators, marine and/ or general insurance brokers, farmers, stock farmers, cattle hearers, dairymen, livestock and poultry breeders.

(d) To carry on the business as general merchants, whole sellers or retailers or both commission agents, manufacturers representatives, importers and exporters and to buy, and sell.

## **5. PLAN OR PROSPECTS**

(a) Smooth running of the agriculture business.

(b) For efficient and effectiveness in operation and increase of the agriculture business to neighboring countries and hence resulting foreign earnings in addition to the prevailing local market.

(c) To increase more facilities for the agriculture work with introduction of new technology.

(d) To increase the volume of the agriculture and capacity of the export for the processed in the manufacturing.

The investment proposal was prepared to show clearly an analysis of the financial, human, technical and other resources required for the company activities and also assess it economic viability and commercial viability.

The document has been prepared to serve as a business plan for EMAD ELDIN COMPANY LIMITED . The implementation of the agriculture will comprise of the following activities:

- Acquire an agriculture products to export it to the international market .
- Use our own warehouses in different Areas in Tanzania like Mbeya, dar es slam , ...etc
- Have modern office .
- Equipping the company with relevant facilities.
- The purchasing of company vehicles.

The proposed project is estimated to cost about TZS 1,200,000,000 OR ( 600,000 USD )  
The company main shareholder will provide full funding amount.

## **6. THE COMPANY PROMOTERS**

The shareholders of this COMPANY are all entrepreneur with a diverse professional and business backgrounds. The company is owned by 2 shareholders, namely;

Name, POSTAL ADDRESS AND DESCRIPTION OF SUBSCRIBERS	NUMBER OF SHARES TAKEN	NATIONALITY	Remarks
EMAD ELDIN IBRAHIM P.O BOX 530 DAR ES SALAM (TANZANIA)	950	EGYPTAIN	Run business and Financial source
JUMA MAKBOSSI	50	TANZANIAN	local

P.O BOX 530 ARUSHA (TANZANIA)			Professional
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## **7. LOCATION:**

The project head quarter will be In DAR ES SALAM, TAN HOUSE TOWER. The operation will in several areas like Mbeya

## **8. COMPANYS IMPLEMENTATION SCHEDULE**

### 8.1 March - 2023

- (a) Preparing feasibility study for the agriculture activities.
- (b) Registration of the project with Tanzania Investment Centre i.e Application for the Certificate of Incentives.
- (c) Getting the Certificate of Incentives.

### 8.2 MAY -2023

- (a) Application for import Duty exemption on trucks, tractors, lorries, supporting vehicles, workshop equipment, communication equipment, cargo lifting-equipment after being awarded certificate of incentives in the establishment programmer.
- (b) Ordering or exporting the graphite substance and importing of cargo lifting equipment, generators, transformers etc.

### 8.3 JUNE -2023

- (a) Recruiting new employees, turn boys, mechanics and other administration staff.
- (b) Fully commencement of the project and the manufacturing process.

## 9. CAPITAL INVESTMENT COST

### 2 COSTS AND ESTIMATE VALUE

#### 2.1 Investment costs and estimate value

SN	Item	Description	Amount (In USD)
1	Investment Costs	Investment Cost	200,000.00
		Working Capital	400,000.00
		<b>Total</b>	<b>600,000.00</b>
2	Cost & Estimate Revenue Loss	Estimate of total annual revenue	1,600,000.00
		Total Operational Expenses of Project (Annual)	1,200,000.00
		Interest of bankFacilities	7%
		Commissioning cost 10% materialTotal annual depreciation expenses	
		Annual Income Tax 30%	
		Total Profit & Loss: (Annual)	
		3.	Project Fixed Capital

		Land & Landscaping	100,000.00
		Civil & Building Implement	0.00
		Machinery, Office, Workshop & Lab Supplies	100,000.00
		<b>Total</b>	<b>500,00.00</b>
4.	The costs before commissioning	Costs before commissioning including feasibility study, periodical visits, acquiring investment permits, technology, TIC License of Incentive, Environment License, EWURA, Port Authority (TPA), Municipality, Road Administrative etc	150,000.00
		Training Before Commissioning	15,000.00
		<b>Total</b>	<b>165,000.00</b>
6.	Transport, Work place & LSupplies	Truck	50,000.00

		Electricity	50,000.00
		<b>Total</b>	<b>100,000.00</b>
7.	Salary and Wages	Staff	20,000
		Operators	15000
		Other Staffs	20,000
		<b>Total</b>	<b>65,000.00</b>

## 2.2 Fixed capital depreciation

S/N	Description	Production (Estimated)	Unit Price (USD)	Amount (USD)
1.	Production Average	1000 T per year	1000	1,000,000
<b>Total Cash Income</b>				<b>600,000</b>
Deduction (Current Costs)				400,000
Deduction (Depreciation Costs)				50,000
Deduction (Banking Fees 12%)				20,000
<b>Net Profit (USD):</b>				<b>130,000</b>

## 2.3 Period of Investment & Capital Return

1.	Period of Investment & Capital Return	Purchase of machinery, equipment, transport, set-up and putting into operation	1 year
		Commissioning, trial operation, financing & administrative affairs	1 year
		Settling the principal with	1 year

		interest	
		Capital Annual Rate	1 year

### 3 COMPANY FINANCING

Description	Total (USD)	Banking Loan	Customer Share
Fixed Costs of Project	400,000.00	0	1000
Cost of Circulating Capital 15% of Current Expenses	-	-	-
<b>Total</b>	<b>400,000.00</b>	<b>0</b>	<b>1000</b>

The intended project is to be implemented within 1 year. The company promoters (shareholders) have resorted to register the project with Tanzania Investment Center (TIC) and securing the certificate of incentives.

### **10. FINANCIAL PLAN (SOURCE OF FUNDS)**

EMAD ELDIN COMPANY LIMITED has firmed up finances for the implementation programmer by its fund and Loan.

**Own fund**

**USD \$ 300,000**

### **11. COMPANY PROCESS**

(i) Trucks

(ii) WEARHOUSES

(iii) Générateurs FOR ELECTRICITY ,

(iv) Pickups

(v) Folk-lift.

(vi) GPS AND car Tracking system

## 12. SUBMISSION

EMAD ELDIN COMPANY LIMITED submits the investment proposal and application to the Tanzania Investment Centre (TIC) for registration and award of certificate of Incentives for the commencement of the COMPANY activities.

The company will soon commence after the company is registered by Tanzania Investment Centre and being issued the Certificate of Incentives. Thereafter the company will start work to provide export agriculture products to international clients.

Also the certificate will help us to tax exemption in case of any imports required for the company activities such as, trucks and lorries, heavy duty machines, cargo handling equipment, generators, transformer, Certificate of Incentives will enable the project to qualify for Duty exemptions on Capital and Deemed Capital Goods etc.

## 13. ECONOMIC GROWTH

The current economic growth which had been registered in Tanzania, as the result of investment, business and manufacturing have attracted more investments as well as processing and business in the Tanzania such as the intended agriculture company. The economic growth influenced such movement of goods especially agriculture business as the demand is growing day by day for the increased population demand internationally.

#### **14. COMPETITION OR MARKET**

Despite there being numbers of other agriculture companies in Tanzania, still the companies is not enough compared to the level of demand.

However, the intended company will provide trustworthy, efficient and quality services to dominate the local and export market. Because the company is to ensure high quality, promptness and goodwill.

#### **15. ADVERTISEMENT**

Advertisement which forms part of the marketing-strategy will be embarked upon in the newspapers, street banners and later on in the television in a manner benefiting the promotional role of any company or private institutions.

#### **16. BUSINESS STRATEGY**

In-order to meet the current demand and high productivity the management of the company will develop and implement additional strategies which will capture markets.

- (i) Technology and quality fleet of vehicles.
- (ii) Advertisement and Promotion,
- (iii) Employing qualified and experienced drivers, mechanics,
- (iv) On job training,
- (v) Business Discipline.

#### **17. ENVIRONMENTAL ISSUE**

The manufacturing project business and the whole company implementation is environmental friendly. The wearhous activities of services will not cause any harm to people.

## **18. PROJECT MANAGEMENT**

The overall management of the company is vested in the Board of Directors. Mr. EMAD ELDIN IBRAHIM as a main shareholder of the company. He is well versed in international market in several continent and added value for distribution of the business.

## **19. MANPOWER AND TRANSFER OF TECHNOLOGY**

EMAD ELDIN COMPANY LIMITED being a main player in agriculture business in Tanzania over a period for 26 month from its commencement will usher in the technology by using modern workshop activities. The advantages to the country are quite significant, and will get the advantage of value addition due to such in coming technology.

Further the country can increase its source of international income and GDP from neighboring countries, hence Tanzania business famers.

The proposed company will cause more people to be employed in as drivers, mechanic, security guards, accountant, logistic manager and about 100 local people and 2 foreigners will increase their income, improve their social welfare and pay-taxes; it is poverty alleviation programmer to them.

Local employees will get on training for programs in a long run will improve the international competence in international market.

## **20. CONCLUSION AND RECOMMENDATION**

The financial evaluation of the project done so far indicates that this COMPANY will be profitable both economically and financially viable venture. There are many other benefits directs and indirect of this agriculture activities of the company .

The management being experienced businessmen possesses ample managerial capabilities in various business disciplines.

Based on the above factors, it is recommended that the company should be granted the certificate of incentives for the implementation of the project so that the project will

operate and enjoy tax exemption on capital and deemed goods and increase its production capacity.

## **21. FINANCIAL AND ECONOMIC ANALYSIS**

### **21.1 company Profit and LossAccount ;**

The company envisages generating a profit of USD \$ 150,000 this operating year. The profit amount is expected to steadily rise to USD \$ 200, 000 in year two, USD \$230,000 in year three and USD \$250,000 in year four.

### **21.2 Projected cash flows ;**

The projected cash flows for the next five years indicate that the company will have enough funds to service and repay the loan and interest payments. Hence the financial obligations will be met in a timely fashion.

### **23.3 Proposed balanced sheet;**

The projected balance sheet shows healthy financial situation. Short term liabilities are all times covered by fixed assets. Also current liabilities are adequately covered by current assets.

## **22. SENSITIVITY ANALYSIS**

To assess further the viability of the implementation of the company , sensitivity analysis has been worked out on the basis of several unfavorable conditions that might negatively affect the operations of EMAD ELDIN COMPANY LIMITED.

22.1 Effect of cost increase on profitability (on the basis of year II EMAD ELDIN COMPANY LIMITED. INCOME in “.....” USD \$)

<b>INCOME</b>	<b>COSTS</b>	<b>INCREASE</b>	<b>PROFIT BEFORE DEPRECIATION</b>
760,000	500,000	%	260,000
760,000	525,000	5%	235,000
760,000	550,000	10%	210,000

22.2 Effect of EMAD ELDIN COMPANY LIMITED. INCOME decrease/ drop on profitability (on the basis of year II costs in “.....” USD \$)

<b>INCOME</b>	<b>INCOME DECREASE</b>	<b>COST</b>	<b>PROFIT BEFORE DEPRECIATION</b>
760,000	%	500,000	260,000
722,000	5%	500,000	222,000
684,000	10%	500,000	184,000

The viability/ profitability of the company operations appears more sensitive to sale income/revenue than increase in the operating costs. This implies that the company should strive to maintain the existing market and undertake an aggressive marketing strategy to hire more clients and expand its market or clients base.

### **Appendix 1**

**LIMITED  
STATEMENT**

**EMAD ELDIN COMPANY  
PROJECTED INCOME**

(Fig. USD \$ '000')

<b>INCOME</b>	1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
Sales Income	720.0	760.0	800.0	850.0	900.0
Total Income	720.0	760.0	800.0	850.0	900.0
Utilities	150.0	150.0	150.0	150.0	150.0
Salaries and wages	80.0	85.0	90.0	100.0	110.0
Transportation/fuel	100.0	105.0	110.0	120.0	130.0
Administrative Expenses	100.0	110.0	120.0	130.0	140.0
Other Expenses	40.0	50.0	60.0	70.0	80.0
Total Expenditure	470.0	500.0	530.0	570.0	610.0
Net Profit (pre tax and depreciation)	250.0	260.0	270.0	280.0	290.0

**Appendix II**

**EMAD ELDIN COMPANY LIMITED  
PROJECTED CASHFLOW**

**STATEMENT**

(Fig. USD \$ '000')

YEAR	1	11	111	1V	V	TOTAL
<b>Cash inflow</b>						

Income from operation	250.0	260.0	270.0	280.0	290.0	1350.0
	250.0	260.0	270.0	280.0	290.0	1350.0
<b>Cash outflow</b>						
Interest payments	50.0	45.0	40.0	35.0	30.0	200.0
Loan re-payment	50.0	50.0	50.0	50.0	50.0	250.0
Wear and tear	10.0	12.0	14.0	16.0	18.0	70.0
Taxes	10.0	10.0	10.0	10.0	10.0	50.0
	120.0	117.0	114.0	111.0	108.0	570.0
<b>Surplus cash generated</b>	130.0	143.0	156.0	169.0	182.0	780.0

**Appendix III**

**LIMITED**

**EMAD ELDIN COMPANY**

## PROJECTED LONG TERM LOAN

### REPAYMENT

(Fig. in USD \$'000')

YEAR	PRINCIPAL	INTEREST	TOTAL	AMOUNT
0				500.0
I	50.0	50.0	100.0	450.0
II	50.0	45.0	95.0	400.0
III	50.0	40.0	90.0	350.0
IV	50.0	35.0	85.0	300.0
V	50.0	30.0	80.0	250.0
VI	50.0	25.0	75.0	200.0
VII	50.0	20.0	70.0	150.0
VIII	50.0	15.0	65.0	100.0
IX	50.0	10.0	60.0	50.0
X	50.0	5	55.0	00.0

**Appendix IV****LIMITED****SHEET****EMAD ELDIN COMPANY****PROJECTED BALANCE****(Fig. in USD \$ '000')**

NO.	ITEM	YEAR 1	YEAR II	YEAR III	YEAR IV	YEAR V
	<b>SOURCE OF FUNDS</b>					
1.	Shareholders funds	100.0	150.0	200.0	250.0	350.0
2.	Long Term Loan	100.0	95.0	90.0	85.0	80.0
3.	Associated Cos/ Directors	100.0	100.0	100.0	100.0	100.0
4.	Current liabilities	0.0	0.0	0.0	0.0	0.0
		0.0	0.0	0.0	0.0	0.0
	<b>Application of funds</b>					
1.	Fixed Assets	300.0	300.0	300.0	300.0	300.0
2.	Current Assets	200.0	295.0	390.0	485.0	630.0
		500.0	595.0	690.0	785.0	930.0