



AM-PM LIMITED

Project Proposal Report

Project: Acquisition of Trucks & Trailers for Transportation Business

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Executive Summary

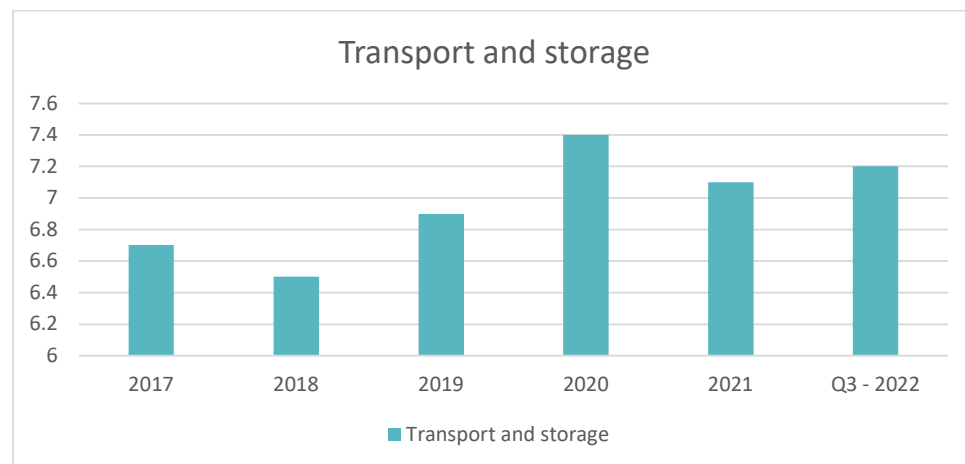
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1.0 Executive Summary

1.1 Forward

The Tanzanian transport sector comprises surface transport (including roads, railways), inland waterways (lakes and rivers), air transport, and sea transport. Road transport is the most widely used form of transport in Tanzania, carrying over 75% of the freight traffic in the country. Main growth drivers include the increase in the number of freights handled through road transport. According to Tanzania’s 2025 Development Vision, investments in infrastructure, particularly in the development of the road network, are the Government’s top priority. The World Bank (WB) and the African Development Bank (AfDB) support Tanzania in achieving its infrastructure development goals by providing grants and credits for projects. Tanzania’s transport & storage sector contributed 7.2% to the country’s real GDP in Q3 of 2022 as represented below the.

Gross domestic product by activity - Current Prices prices –Percentage



Source: - [National Bureau of Statistics - Gross Domestic Product \(GDP\) \(nbs.go.tz\)](https://nbs.go.tz)

According to Tanzania Port Authority (TPA) DR Congo is the largest customer of the Dar Port, attracting almost three million tonnes of transit cargo, followed by Zambia at 2 million tonnes and Rwanda at about 1.5 million tonnes.

AM-PM Limited envision to contribute by acquiring the additional fleets to cater the requirements of transportation sector.



1.2 Objective of Study

An established local organization **AM-PM Limited** has realized the potential in the transportation sector. They are contemplating to acquire additional 131 fleets to provide Cargo transportation services in Tanzania, The Democratic Republic of the Congo (DRC), Republic of Zambia. A thorough techno-economic evaluation has been carried out to determine the viability of this proposed project.

1.3 The Company

AM-PM Limited offers premier and integrated logistics services to international clients with efficient, effective logistics and transit cargo solutions. The Company established in 2011 with only 2 Trucks operating the routes between Tanzania, DR Congo & Zambia. As on December, 2022 the total number of fleets increased to 169 trucks catering to transport various types of transit cargo in Container as well as loading loos, carrying Chemicals, Project Machineries & Supplies, Dangerous Goods, Mix-Goods etc.

The company incorporated as a Limited Liability Company on the 25th November 2011 under the certificate of incorporation number 87428. It has obtained Tax Identification Number 116-942-410 & VRN No. 40-028420-D, National Social Security Fund Registration Number 999488. We are also registered with various Authorities as such as Business Registrations and Licensing Agency (BRELA) - Licences number 20000033081, Tanzania Medium and Small Truck Owners (TAMSTOA) - Certificate No. CERT/ISMATA/2022/122, Tanzania Revenue Authority (TRA) – Customs & Excise Department - Certificate No. COT/00443/2023, Land Transport Regulatory Authority (LATRA) - Certificate No. – 2020 11 002592. The registered office of the company is situated at P.O. Box 77007, 9 & 10th Floor, Exim Tower, Ghana Avenue, Dar es Salaam, Tanzania.

OUR FLEET HISTORY



MAJOR CLIENTS





1.4 Project Promotors

The proposed project is being promoted by a team of suitably qualified professionals who have extensive commercial acumen and many years of demonstrated experience. They have capitalized on the company adequately to venture into the expansion of the business in Tanzania. **AM-PM Limited** has the following shareholders:

Name of the shareholder	Nationality	Shareholding
Chirag Kiritkumar Tanna	Tanzania	79.58%
Rehmatullah Habib Rehmatullah	Tanzania	20.00%
Ojas Pankajkumar Chug	Indian	0.42%

1.5 The Project

AM-PM Limited incorporated with the objective to carry on the business of transport & conveyance by road, transit and local goods and merchandise. During the year 2023 the company will import the approximately another 131 fleets (31 + 100) to be used in the running of transportation business to fulfill a long-term commitment. These fleets will be used in the transporting mainly transit cargo, local goods and merchandise to supply to various customers in neighboring countries of Tanzania including, The Democratic Republic of the Congo (DRC), Republic of Zambia, Rwanda & others.

1.6 Market and Marketing Aspects

Since the base for **AM-PM Limited** has always been in Tanzania and the objective is to expand the business operations, appropriate and sufficient incentives are of utmost importance to make these entire operations feasible and viable. The Company envisages expanding its operations in Tanzania to provide for transporting rapidly increasing volume of transit cargos from the region, especially from Dar es Salaam Port. This will assist in the quicker movement of cargo from the region considering the increasing volume. Proposed expansion will increase the sovereign capability of Tanzania to enhance and strengthen the supply chain between various customers in neighboring countries of Tanzania. The market survey carried out supports these facts. The survey also concludes that the proposed acquisition of fleets will not face any market challenges. The proposed project will have economies of scale to make them quicker, reliable, and efficient movement of transit cargos in times to come.



Tanzania connects with 7 neighboring countries and 75% of cargo movement done by road whereby transportation sector takes majority of stake.

1.7 Raw Materials

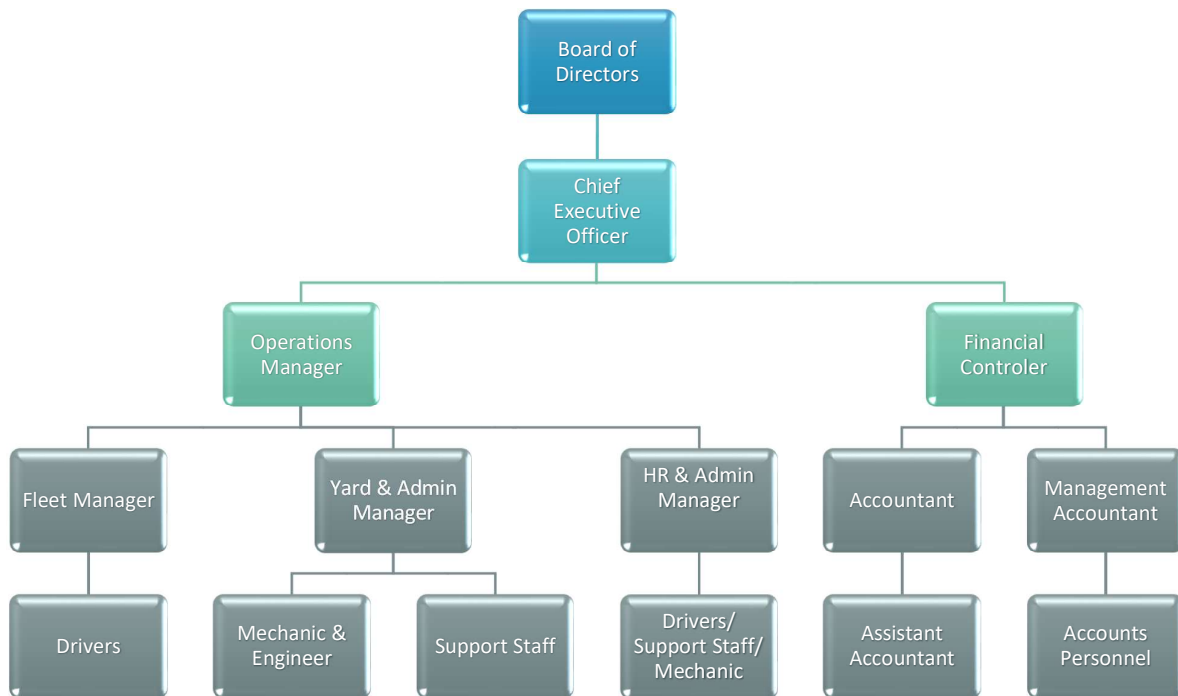
The added value and employment effects of transportation services usually extend beyond those generated by that activity; indirect effects are salient. The proposed acquisition of additional fleets will need Inputs (like fuel, spares & supplies for maintenance) as a major raw material component. The project will ensure these raw materials are sourced locally which will generate additional value & employment for local economy. In turn, the local suppliers purchase goods and services from other local firms. There are further rounds of local re-spending, which generate additional value-added and employment. Also, additional revenue for will be generated for government if form of taxes & these raw materials will used in the providing the transportation services.

1.8 Human Resources Requirements

The proposed project plan to provide the Employment opportunities in Transportation Sector with employment of additional personnel such as drivers and also along with that company will also employ Ton Boys to assist driver to run the additional fleets acquired under this project. Initially in first phase of project company will employ 31 Drivers, 31 Ton Boys. In Later phase of Project Company will employ additional 100 Drivers, 100 Ton Boys also 5-10 Spare drivers & Ton Boys. In doing so Only Tanzanian Nationals will be given preference considering the skills and experience required for the role match.

1.9 The Management

AM-PM Limited is governed by the qualified Board of Directors. The requirement of human resources is based on low production volume and more resources will be added as the business expands. The high-level human resources chart can be found as below:



1.10 Implementation

The Major activities include registration and approval by the Tanzania Investment Centre and mobilization of funds from shareholders and banking institutions. Acquisition of fleet will be carried out immediately after the project is approved.

1.11 Recommendation

The detailed due diligence of the project suggests it will be in the national interest of the country to allow this project to proceed. The Transportation Sector will be Equipped with additional high-quality fleets with and will be able to transport at quickest possible lead time. It will also generate employment & also strengthen the supply chain of the country with neighbouring countries. At the same, time this project is technically and financially feasible. It is therefore recommended for implementation.

The Project

- 2.1 • Acquisition of Additional fleets
- 2.2 • Employment
- 2.3 • Project Timelines and Milestones
- 2.4 • Project Risk Summary



2.0 The Project

AM-PM Limited has been incorporated in Tanzania - certificate of incorporation no. 87428, dated 25th November 2011 with the objective to provide a safe, punctual, competitive and reliable service for the road transportation for all the goods throughout east and central Africa. The project will involve acquiring the additional fleets that will be used in the transporting mainly transit cargo, local goods and merchandise to supply to various International Customers to fulfill a long-term commitment in neighboring countries of Tanzania including, The Democratic Republic of the Congo (DRC), Republic of Zambia, Rwanda & others. The proposed acquisition will increase the additional capacity of the company to transport transit cargo by more than 75% p.a. The business plan submitted is to complement previous efforts undertaken to ensure the expansion of transportation activities at **AM-PM Limited** and to attract new investments.

2.1 Acquisition of Additional fleets

As per the Tanzania Port Authority (TPA), Dar Es Salaam port is going to have a tremendous increase in the handling capacity to approximately 30 million tons by 2030. **AP-PM Limited** has decided to contribute by assisting in quicker movement of transit cargos from port to the destination. **AM-PM Limited** will cater in assisting growth of transportation between Tanzania and neighboring countries.

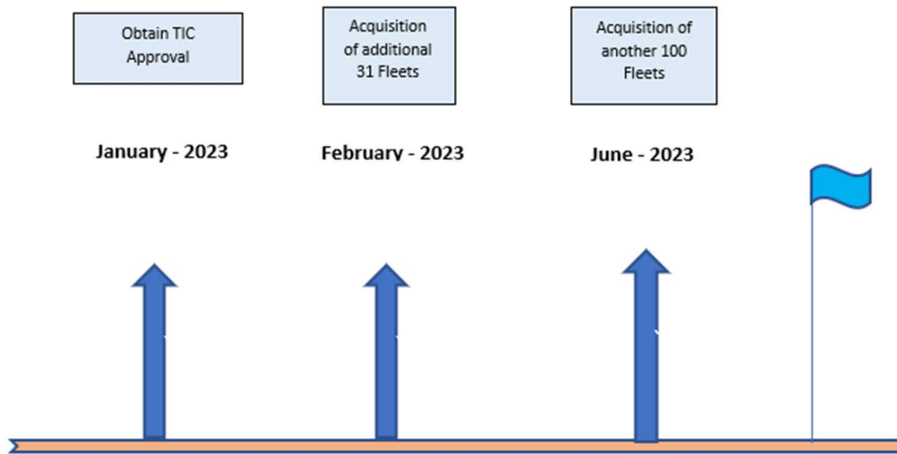
2.2 Employment

This proposed project will create job opportunities for many local Tanzanian nationals to serve in transportation sector as drivers, Ton boys etc. The company plans to employ 131 drivers & 131 Ton boys, also 5-10 spare drivers and company will also need to recruit mechanical & support personnel for maintenance of the existing & additional acquired fleets which will be allocated to Local Tanzanian nationals based on skills and experience in the mechanical & support activities. **AM-PM Limited** will aim to employ more than 300 local personnel on a full-time basis.

2.3 Project Timelines and Milestones

The project sponsors are committed to implementing the project as soon as the Tanzania Investment Centre approves it. The project sponsors are determined to

start the acquisition activities immediately with funds from both from sponsors and banking institutions. Fleet suppliers indicated their readiness to deliver the 31 fleets within a period of one month and another 100 fleets within a period of next five months. Key project activities and indicative timelines agreed during the planning phase are as below:



2.4 Project Risk Summary

During the planning phase, detailed risk analysis was conducted using the best available information available. Following is a summary of the important risk items which is followed by risk mitigation strategy:

Key Risks Summary:

Key Risk	Impact
Reliance on Borrowings from the Bank	Green
Human Resources availability	Yellow
Waiver of Import Duty on Importation of Trucks & Trailers	Red

Legend





Risk Mitigation Strategy:

Risk Areas	Mitigation Plan
Reliance on Bank Borrowings	Got the pre-approval from banks to release funds for this project
Human Resources Availability	Utilising the existing (Hiring local) recruitment agency to help with extensive search
Waiver of Import Duty on Importation of Trucks & Trailers	There are ways to reduce the transportation costs to be competitive in the market when import duty waiver will be granted to acquire additional fleets

Project Cost and Funding

- 3.1 • Project Costs Summary
- 3.2 • Project Costs Funding
- 3.3 • Operating Cost



3.0 Project Costs and Funding

3.1 Project Costs Summary

The project capital costs are detailed and summarised below:

Description of Investment	Amount in US\$
Acquisition of Trucks	\$ 74,29,000
Acquisition of Trailers	\$ 33,37,000
Total Investment Required	\$1,07,66,000

3.2 Project Costs Funding

The project funding source has the following mix

Description of Investment	Amount in US\$
Equity Capital	\$ 5,66,000
Long Term Bank Loan	\$ 1,02,00,000
Total Funds	\$1,07,66,000

3.3 Operating Costs

The operating costs of this plan is US\$1.7m in the first year increasing to US\$2.2m in the 3rd year of operation.

Management & Organisation

- 4.1 • Governance Body Management Team
- 4.2 • Executive Management Team
- 4.3 • Functional Management Team

4.0 Management and Organisation

The company is being managed and run to the highest professional standards in the industry. It will have 3 broad layers of management as below:

4.1 Governance Body Management Team

Board of Directors are the highest governing body with directors from diverse field to provide expert knowledge and exert influence on the decision-making process. They are at the top of the pyramid structure of the company. Board of Directors are primarily responsible for the following:

- establish a governance framework, including a compliance framework to ensure the company meets its obligations
- set the strategic direction to help the company achieve its purpose
- oversee financial performance of the company
- oversee a risk management strategy and risk management performance
- play an active role in building a culture of integrity by modelling the behaviour based on the public sector values and standards
- oversee the performance and remuneration of the company head
- operate within its statutory powers and policies
- oversee the occupational health and safety of the company
- manage stakeholders

Board have responsibility to keep certain procedures and documentation in order. They are catering to:

- following their company's rules on holding meetings and making decisions
- keeping records of meetings
- following the code of conduct for directors
- keeping good financial records
- putted controls in place to prevent fraud
- Framed processes to deal with conflicts of interest in directors
- keeping good financial records for at least 3 years for auditing
- having a strong risk management system that relevant ministers and department heads know about



4.2 Executive Management Team

Companies Board appoints the members of the Executive Management Team. The Executive Management Team is chaired by the Chief Executive Officer. Chief Executive Officer appointed is solely responsible for managing company's core business operations. This requires planning of various development processes, Group principles and Group practices, as well as monitoring the development of financial matters and Group business plans. The Executive Management Team convenes monthly and minutes are kept of the meetings. The Board of Directors have approved the charter of the Executive Management Team.

The executive team is characterized by 3 vital threads that run through everything they do.

- **Strategic focus**
Executive team will establish a vision for the organization and invest considerable time and energy at the strategic level. They will balance risk and innovation, anticipate future needs and opportunities, and seek to ensure the organization's sustainability.
- **Collective approach**
Executive team will work together, taking an enterprise-wide view of their individual and team functions. They model for the entire company ways to break down silos and develop solutions to business problems together. Individuals on top-performing executive teams prioritize the interests of the organization over individual gains.
- **Team interaction**
Finally, they will be intentional in their interactions. They value their differences, listen and communicate well, seek input from each other, and trust and respect one another. These behaviors make teams more effective. Crucially, they also model for the rest of the enterprise what team interactions should look like.

The executive team is responsible for managing the senior executives from the different functions of the company. Functional and Departmental heads will look up to them to seek clarification, guidance and get inspiration.

4.3 Functional Management Team

Functional Management Team is departmental in nature and represented by different heads from different departments. A functional manager manages and owns the resources in a specific department, such as Operations, Finance & Human Resources. They generally direct the technical work of individuals from that functional area who are working in that department. There will be high degree of involvement of a functional manager in the day-to-day running of each department.

The required skill set for each functional head can be summarized in key points below:

Technical skills are essential for functional managers, because they require specific knowledge and capabilities to accomplish their tasks.

Communication skills refer to a functional manager's ability to transfer the information to others effectively and efficiently. Functional managers need to convey information to subordinates so that subordinates can understand what is expected from higher authorities. Once they better understand overall goals and requirements, they work with colleagues to achieve the organization's goals.

Decision making skills require functional managers to have the ability to weight the positives and negatives of each decision. Moreover, this skill also requires functional managers to recognize problems and opportunities quickly and correctly. They should then take appropriate actions to solve the problems or to capitalize on the opportunities.

Functional managers also need **interpersonal skills** because they need to get along with people within or outside their function, for example, senior managers or investors. Sometimes they need to face customers as well.

Time management skills are also essential for functional managers, as they need to manage their work efficiently and delegate appropriately. A good functional manager should be able to accomplish tasks on time.

Although the skills above are important for all types of managers, their relative importance tends to vary by function. For example, finance functional managers need to have skills in fundraising and financial analysis.

AP-PM Limited has appointed following functions heads with their respective roles and responsibilities:



Operations Manager

An Operation Manager is responsible for overseeing the work of the subordinate staff managers managing the operations of the company. Operation Manager will operate from company office and main duties and responsibilities include taking responsibility for fleets maintenance, striving to reduce expenses and increase efficiency of operations, maintaining hygienic conditions for both employees Fleets and the yard itself, implementing all the company's procedures and policies, communicating any problems or obstacles to senior management, monitoring productivity rates, standards and quality control, training and coaching Yard Mechanics and Support Staff, implementing safety, health, environment and quality requirements.

Yard & Admin Manager

Yard Manager will oversee the Mechanic and engineering activities of the Machinal Engineers & Support staff. They will be responsible for ensuring the maintenance of fleets, including providing supervision and guidance to engineers and mechanics. Their focus is on goals and the management of issues between business and delivery. Key responsibilities include proposing and managing budgets, expenses to be incurred for fleets maintenance, supervising the work of drivers reports, determining the need for training and talent development for drivers or other Mechanical & Support Staff, hiring contractors and building teams, ensuring staff have the support of upper management and providing clear and concise instructions to engineering teams.

This role also assumes the Admin Manager duties which are mainly managing yard supplies stock and placing orders for spares & tools, preparing regular reports on expenses and yard budgets, organizing, managing and maintaining filing systems for documents.

Human Resources & Admin Manager

Human Resources & Admin Manager plays key role in attracting and retaining human resources within the company. Main duties and responsibilities include managing company staff, including coordinating and supporting the recruitment process, onboarding newcomers to the company, determining suitable salaries and remuneration, providing the necessary support systems for payroll



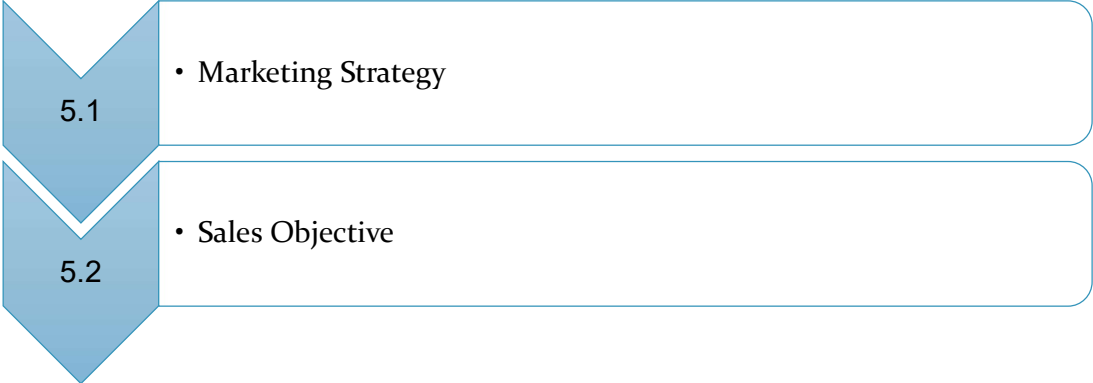
requirements, developing adequate induction and training, supporting employee opportunities for professional development, managing succession planning of staff, assisting with the performance management and review process.

This role also assumes the Admin Manager duties which are answering queries by employees and clients, updating office policies and communicating them to the wider team, maintaining individual, team and company calendars and scheduling appointments, preparing and formatting documents, reports and presentations, booking meeting rooms, printing and photocopying.

Financial Controller

Financial Controller plays a key role in managing financial actions of the company. Financial Controller's duties include tracking cash flow and financial planning as well as analyzing the company's financial strengths and weaknesses and proposing corrective actions. The role of a Financial Controller is like a treasurer because they are responsible for managing the finance and accounting divisions and for ensuring that the company's financial reports are accurate and completed in a timely manner. Financial Controller will interact with various members of a company, both senior and junior. A Financial Controller job duties will include providing leadership, direction and management of the finance and accounting team, providing strategic recommendations to the CEO and members of the executive management team, managing the processes for financial forecasting and budgets, and overseeing the preparation of all financial reporting, advising on long-term business and financial planning, establishing and developing relations with senior management and external partners and stakeholders and reviewing all formal finance, HR and IT related procedures.

The Market



5.0 The Market

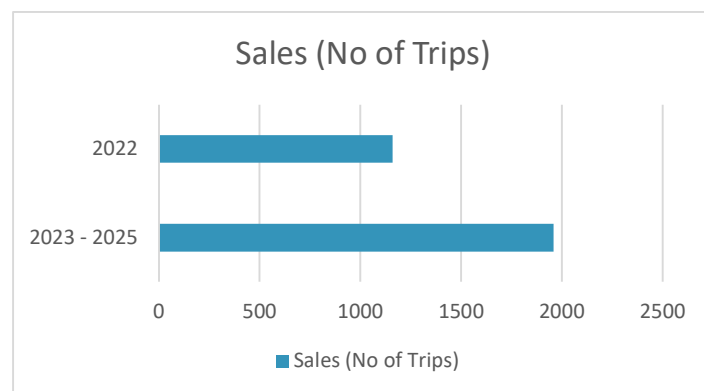
AP-PM Limited intends to provide the additional fleets to transportation, construction & mining sectors who will have wished to transport the transit cargo at affordable prices. Over the last years, the transport of cargo in Tanzania has shown an important increase, particularly through Dar es Salaam port, especially for all the neighboring countries like Zambia, D.R. Congo, Rwanda, Malawi and Burundi. Zambia border (Tunduma / Nakonde), Malawi border (Kasumulo), Rwanda border (Rusumo) and Kenya border (Horo Horo). This situation has increased the demand for more fleets to meet the ever-increasing cargo in East African countries and SADC countries. There is also a potential market for export which can be mainly found among the surrounding countries. The average total road transportation is very high 75%p.a. of total road transportation in Tanzania.

5.1 Marketing Strategy

The marketing strategy will be implemented in Tanzania & neighboring countries like Zambia & DR Congo, Rwanda & others primarily using existing network of customers emphasizing the expansion undertaken.

5.2 Sales Objective

The base for AM-PM Limited operations will always be the movement of Transit Cargos from the region. The sales volume (No. of Trips) of transit cargo is expected increased by 75% with the implementation of this project. The potential trips for transporting export cargoes are in addition to these figures. The main condition for achieving this will be a successful implementation of the outlined marketing strategy.



Financial Analysis

- 6.1 • Basic Assumptions
- 6.2 • Projected Profit and Loss Account
- 6.3 • Projected Cash Flow



6.0 Financial Analysis

6.1 Basic Assumptions

In the financial analysis the following major assumptions have been made:

- a. Capital foreign costs have been based on an exchange rate of T. Shs.2,370 per one US Dollars.
- b. Taxation is 30% of taxable profit.
- c. Salaries and wages have been based on the current scale in the country.
- d. The fixed assets of the Company are depreciated on a straight-line method over a period of five years.
- e. Operating costs have been taken as 61% of the total revenue the details of these costs are shown in annexes.
- f. Sales are expected to be US\$ 22.83m in the first year, increasing to US\$ 28.46m in the third and subsequent years.
- g. For revenue purpose, for existing 169 trucks & additional 31 trucks to be acquired - No. of Trips considered for full year and for additional trucks to be acquired in July 2023 No. of Trips considered for 6 months only.
- h. The prices of the Inbound Cargo have been increased by 1.3% per annum & Outbound Cargo have been increased by 3.1% per annum throughout the project period of this study.
- i. Customers are offered 2 months credit and 25% of total sales are assumed to be on credit terms with customers.

6.2 Projected Profit and Loss Account

The project will generate a net profit after tax of US\$ 36.56m in the first year to second year to US\$ 48.56m in the third year of expansion.

6.3 Projected Cash Flow

The projected cash flow statement reveals a very healthy inflow throughout the project period with surplus cash rising from US\$318k in the first year of expansion to US\$ 9,236k in the third year. The forecasts show a very good cash position despite this being highly capital intensive in nature. There is no doubt that the project will be able to meet all its financial obligations including overdraft repayment and interest without any defaults.

Economic Evaluation

- 7.1 • Transfer of Technology
- 7.2 • Geographic specialization
- 7.3 • Employment Effects
- 7.4 • Increased Competition
- 7.5 • Foreign Exchange Effects
- 7.6 • Other Development Values



7.0 Economic Evaluation

7.1 Transfer of Technology

The project involves transfer of technology from Chinese countries to Tanzania for the acquisition of vehicles.

7.2 Geographic Specialization

Improvements in transportation and communication favour a process of geographical specialization that increases productivity and spatial interactions. Through geographic specialization supported by efficient transportation, economic productivity is promoted. This Project will ensure to Improve transport & communications with the neighbouring countries of Tanzania like The DR Congo, Zambia, Rwanda & Others.

7.3 Employment Effects

Transport sector contributes to economic development through job creation and its derived economic activities. Accordingly, many direct (freighters, managers, shippers) and indirect (insurance, finance, packaging, handling, transit operators) employment are associated with transport. The project will create hundreds of jobs giving the local Tanzanian Nationals to add value to their earning & Welfare.

7.4 Increased Competition

When transport is efficient, the potential market for a given product or service increases, and so does competition. A wider array of goods and services becomes available to consumers through competition, which tends to reduce costs and promote quality and innovation. As an existing established transporter, through this expansion project the company will thrive to provide & promote cost effective & qualitative aspect of providing transportation services in order to achieve competitive advantage.

7.5 Foreign Exchange Effects

Through this project company intends to provide its services in several neighbouring countries of Tanzania, like The Democratic Republic of the Congo (DRC), Republic of Zambia, Rwanda and Others, which will generate additional foreign exchange inflow in the Tanzania Economy. All of the fleets will be used in providing such Cargo Transportation services.

The project will have an import substitution effect and hence will save the much-needed foreign exchange. The Company intends to export its services in several countries. Also, Tanzania provides geographical benefits for exports in neighbouring countries

7.6 Other Development Values

- a. The project will contribute additional fleets for transporting the Transit Cargo without any delays as and when needed.
- b. The government will earn revenue in terms of taxes and other levies.
- c. The project will have economies of scale effects.

Conclusion and Recommendation

8.1

- Conclusion

8.2

- Recommendation

8.0 Conclusion and Recommendation

8.1 Conclusion

It is evident that the proposed acquisition project is financially and economically viable. The project is therefore highly recommended to be given a certificate of incentives so that it can implement its project as planned and hence contribute to the economic and social development of this country.

8.2 Recommendation

We seek recommendation that the government takes the following actions to support the acquisition proposed by **AM-PM Limited** in order to benefit from the positive effects this feasibility study has pointed out:

- To give sufficient incentives
- Assuring that the incentives are stable and remain unchanged for at least five years. This will allow necessary investment decisions to be taken.
- Every assistance from concerned parties is expected to make this expansion a success. The sponsor's desire is to start the project immediately to avoid cost escalations.

Appendices

- 1 • Revenue
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Appendix - I

Revenue

REVENUE			
	2023	2024	2025
Total Revenue	22,830,280	27,917,720	28,457,760
Revenue Inbound Cargo	14,685,000	17,844,800	18,079,600
169 Units	9,900,000	10,032,000	10,164,000
31 Units	1,860,000	1,884,800	1,909,600
100 Units	2,925,000	5,928,000	6,006,000
Revenue Outbound Cargo	8,145,280	10,072,920	10,378,160
169 Units	5,491,200	5,662,800	5,834,400
31 Units	1,031,680	1,063,920	1,096,160
100 Units	1,622,400	3,346,200	3,447,600
Sales Revenue	22,830,280	27,917,720	28,457,760



Appendix - II

Direct Cost

Direct Cost			
	2023	2024	2025
Total Direct Cost	12,090,650	14,733,702	14,968,505
Fuel Inbound & Outbound Cargo	6,030,640	7,466,640	7,701,440
Trip Exps. Inbound & Outbound Cargo	920,260	1,103,560	1,103,560
Rod Toll Inbound & Outbound Cargo	4,013,900	4,813,400	4,813,400
Border Clearing Exps.	352,440	422,640	422,640
Tyre & Spare Parts	225,170	270,020	270,020
Repairs & Maintenance	548,240	657,440	657,440
Total Direct Cost	12,090,650	14,733,702	14,968,505



Appendix - III

Expenses

Expenses			
	2023	2024	2025
Total Expenses	\$ 1,744,932	\$ 2,160,827	\$ 2,229,718
Salary Exps.	\$ 737,040	\$ 773,892	\$ 812,587
Additional Salary Exps.	\$ 204,000	\$ 428,400	\$ 449,820
Employee-Related Expenses	\$ 137,392	\$ 175,535	\$ 184,311
Administrative Charges	\$ 522,000	\$ 522,000	\$ 522,000
Additional Administrative Charges	\$ 130,500	\$ 261,000	\$ 261,000
Amortization of Other Current Assets	\$ 14,000	\$ -	\$ -
Total Expenses	\$ 1,744,932	\$ 2,160,827	\$ 2,229,718



Appendix - IV

Assets

Assets			
	2023	2024	2025
Total Assets	\$ 16,625,312	\$ 15,697,030	\$ 17,446,133
Current assets	\$ 1,450,012	\$ 4,592,430	\$ 10,412,233
Cash	\$ 318,992	\$ 3,439,100	\$ 9,236,593
Accounts Receivable	\$ 1,131,020	\$ 1,153,330	\$ 1,175,640
Other Current Assets	\$ -	\$ -	\$ -
Long-term assets	\$ 15,175,300	\$ 11,104,600	\$ 7,033,900
Trucks & Trailers- 169 Unit	\$ 5,752,500	\$ 3,835,000	\$ 1,917,500
Trucks - 31 Unit	\$ 1,463,200	\$ 1,097,400	\$ 731,600
Trailers - 31 Unit	\$ 669,600	\$ 502,200	\$ 334,800
Trucks 100 Unit	\$ 5,040,000	\$ 3,920,000	\$ 2,800,000
Trailers 100 Unit	\$ 2,250,000	\$ 1,750,000	\$ 1,250,000
Total Expenses	\$ 16,625,312	\$ 15,697,030	\$ 17,446,133



Appendix - V

Financing

Financing			
	2023	2024	2025
Amount received	\$ 10,200,000	\$ -	\$ -
Credit Supply	\$ -	\$ -	\$ -
Exim Loan - \$1m	\$ -	\$ -	\$ -
Exim Loan - \$2.5m	\$ -	\$ -	\$ -
Long Term Bank Loan 31 Unit - \$2.2m	\$ 2,200,000	\$ -	\$ -
Long Term Loan for 100 Unit - \$8m	\$ 8,000,000	\$ -	\$ -
Payments	\$ 5,919,627	\$ 5,991,626	\$ 3,394,640
<u>Credit Supply</u>	\$ 1,508,004	\$ 1,507,996	\$ -
Principal Paid	\$ 1,508,004	\$ 1,507,996	\$ -
<u>Exim Loan - \$1m</u>	\$ 309,444	\$ 309,444	\$ 309,444
Principal Paid	\$ 250,375	\$ 265,817	\$ 282,213
Interest Paid	\$ 59,069	\$ 43,627	\$ 27,231
<u>Exim Loan - \$2.5m</u>	\$ 1,520,091	\$ -	\$ -
Principal Paid	\$ 1,470,828	\$ -	\$ -
Interest Paid	\$ 49,263	\$ -	\$ -
<u>Long Term Bank Loan 31 Unit - \$2.2m</u>	\$ 1,088,990	\$ 1,187,989	\$ 98,999
Principal Paid	\$ 967,601	\$ 1,134,015	\$ 98,384
Interest Paid	\$ 121,389	\$ 53,974	\$ 615
<u>Long Term Loan for 100 Unit - \$8m</u>	\$ 1,493,098	\$ 2,986,197	\$ 2,986,197
Principal Paid	\$ 1,211,897	\$ 2,564,038	\$ 2,763,091
Interest Paid	\$ 281,202	\$ 422,159	\$ 223,106
Closing Balance	\$ 10,376,123	\$ 4,904,257	\$ 1,760,569
<u>Short-Term Debt</u>	\$ 5,471,866	\$ 3,143,688	\$ 1,760,569
Credit Supply	\$ 1,507,996	\$ -	\$ -
Exim Loan - \$1m	\$ 265,817	\$ 282,213	\$ 299,595
Exim Loan - \$2.5m	\$ -	\$ -	\$ -
Long Term Bank Loan 31 Unit - \$2.2m	\$ 1,134,015	\$ 98,384	\$ -
Long Term Loan for 100 Unit - \$8m	\$ 2,564,038	\$ 2,763,091	\$ 1,460,974
<u>Long-Term Debt</u>	\$ 4,904,257	\$ 1,760,569	\$ -
Credit Supply	\$ -	\$ -	\$ -
Exim Loan - \$1m	\$ 581,808	\$ 299,595	\$ -
Exim Loan - \$2.5m	\$ -	\$ -	\$ -
Long Term Bank Loan 31 Unit - \$2.2m	\$ 98,384	\$ -	\$ -
Long Term Loan for 100 Unit - \$8m	\$ 4,224,065	\$ 1,460,974	\$ -
Balance	\$ 10,376,123	\$ 4,904,257	\$ 1,760,569



Appendix - VI

Projected Profit & Loss

Projected Profit & Loss Account			
	2023	2024	2025
Revenue	\$ 22,830,280	\$ 27,917,720	\$ 28,457,760
Revenue Inbound Cargo	\$ 14,685,000	\$ 17,844,800	\$ 18,079,600
169 Units	\$ 9,900,000	\$ 10,032,000	\$ 10,164,000
31 Units	\$ 1,860,000	\$ 1,884,800	\$ 1,909,600
100 Units	\$ 2,925,000	\$ 5,928,000	\$ 6,006,000
Revenue Outbound Cargo	\$ 8,145,280	\$ 10,072,920	\$ 10,378,160
169 Units	\$ 5,491,200	\$ 5,662,800	\$ 5,834,400
31 Units	\$ 1,031,680	\$ 1,063,920	\$ 1,096,160
100 Units	\$ 1,622,400	\$ 3,346,200	\$ 3,447,600
Direct Costs	\$ 12,090,650	\$ 14,733,700	\$ 14,968,500
Fuel Inbound & Outbound Cargo	\$ 6,030,640	\$ 7,466,640	\$ 7,701,440
Trip Exps. Inbound & Outbound Cargo	\$ 920,260	\$ 1,103,560	\$ 1,103,560
Rod Toll Inbound & Outbound Cargo	\$ 4,013,900	\$ 4,813,400	\$ 4,813,400
Border Clearing Exps.	\$ 352,440	\$ 422,640	\$ 422,640
Tyre & Spare Parts	\$ 225,170	\$ 270,020	\$ 270,020
Repairs & Maintenance	\$ 548,240	\$ 657,440	\$ 657,440
Gross Margin	\$ 10,739,630	\$ 13,184,020	\$ 13,489,260
Gross Margin %	47.04%	47.22%	47.40%
Operating Expenses	\$ 1,744,932	\$ 2,160,827	\$ 2,229,718
Salary Exps.	\$ 737,040	\$ 773,892	\$ 812,587
Additional Salary Exps.	\$ 204,000	\$ 428,400	\$ 449,820
Employee Related Expenses	\$ 137,392	\$ 175,535	\$ 184,311
Administrative Charges	\$ 522,000	\$ 522,000	\$ 522,000
Additional Administrative Charges	\$ 130,500	\$ 261,000	\$ 261,000
Amortization of Other Current Assets	\$ 14,000	\$ -	\$ -
Profit before Tax & Depreciation	\$ 8,994,698	\$ 11,023,193	\$ 11,259,542
Indirect Expenses			
Depreciation and Amortization	\$ 3,260,700	\$ 4,070,700	\$ 4,070,700
Interest Expense	\$ 510,923	\$ 519,760	\$ 250,952
Income Taxes @ 30%	\$ 1,566,923	\$ 1,929,820	\$ 2,081,367
Net Profit	\$ 3,656,153	\$ 4,502,913	\$ 4,856,523
Net Profit %	16%	16%	17%



Appendix - VII

Projected Balance Sheet

Projected Balance Sheet			
	2023	2024	2025
Assets	\$ 16,625,312	\$ 15,697,030	\$ 17,446,133
Current Assets	\$ 1,450,012	\$ 4,592,430	\$ 10,412,233
Cash	\$ 318,992	\$ 3,439,100	\$ 9,236,593
Accounts Receivable	\$ 1,131,020	\$ 1,153,330	\$ 1,175,640
Other Current Assets	\$ -	\$ -	\$ -
Long-Term Assets	\$ 15,175,300	\$ 11,104,600	\$ 7,033,900
Long-Term Assets	\$ 18,436,000	\$ 18,436,000	\$ 18,436,000
Accumulated Depreciation	\$ (3,260,700)	\$ (7,331,400)	\$ (11,402,100)
Liabilities & Equity	\$ 16,625,312	\$ 15,697,030	\$ 17,446,133
Liabilities	\$ 10,841,959	\$ 5,410,764	\$ 2,303,344
Current Liabilities	\$ 5,937,702	\$ 3,650,195	\$ 2,303,344
Accounts Payable	\$ -	\$ -	\$ -
Income Taxes Payable	\$ 445,408	\$ 485,676	\$ 521,541
Sales Taxes Payable	\$ 20,428	\$ 20,831	\$ 21,234
Short-Term Debt	\$ 5,471,866	\$ 3,143,688	\$ 1,760,569
Long-Term Liabilities	\$ 4,904,257	\$ 1,760,569	\$ -
Long-Term Debt	\$ 4,904,257	\$ 1,760,569	\$ -
Equity	\$ 5,783,353	\$ 10,286,266	\$ 15,142,789
Paid-In Capital	\$ 522,000	\$ 522,000	\$ 522,000
Retained Earnings	\$ 1,605,200	\$ 5,261,353	\$ 9,764,266
Earnings	\$ 3,656,153	\$ 4,502,913	\$ 4,856,523



Appendix - VIII

Projected Cash Flow

Projected Cash Flow			
	2023	2024	2025
Net Cash from Operations	\$ 6,130,869	\$ 8,591,974	\$ 8,941,181
Net Profit	\$ 3,656,153	\$ 4,502,913	\$ 4,856,523
Depreciation and Amortization	\$ 3,274,700	\$ 4,070,700	\$ 4,070,700
Change in Accounts Receivable	\$ (725,020)	\$ (22,310)	\$ (22,310)
Change in Accounts Payable	\$ (46,800)	\$ -	\$ -
Change in Income Tax Payable	\$ (48,592)	\$ 40,268	\$ 35,865
Change in Sales Tax Payable	\$ 20,428	\$ 403	\$ 403
Net Cash from Investing	\$ (10,766,000)	\$ -	\$ -
Assets Purchased or Sold	\$ (10,766,000)	\$ -	\$ -
Net Cash from Financing	\$ 4,868,123	\$ (5,471,866)	\$ (3,143,688)
Change in Short-Term Debt	\$ 2,319,487	\$ (2,328,178)	\$ (1,383,120)
Change in Long-Term Debt	\$ 2,548,636	\$ (3,143,688)	\$ (1,760,569)
Net Change in Cash	\$ 232,992	\$ 3,120,108	\$ 5,797,493
Cash at Beginning of Period	\$ 86,000	\$ 318,992	\$ 3,439,100
Cash at End of Period	\$ 318,992	\$ 3,439,100	\$ 9,236,593