



BARWAAQO INVESTMENTS LIMITED
Dealer in: Transportation MANDELA ROAD VETERINARY
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Executive Summary:

Barwaaqo Investment Ltd. Is seeking to expand its transportation capabilities by purchasing 20 trucks, including Trailers and hoses. The estimated cost for this investment is as follows: \$33,500 for each Trailer, \$51,500 for each hose, and additional spare parts with a cost of \$60,000. This investment will enhance operational efficiency, increase market share, and contribute to the overall growth of Tanzania's transportation and logistics industry. Barwaaqo Investment Ltd. Is committed to compliance and corporate social responsibility, and anticipates significant financial success from this investment.

Objectives:

Our primary objective is to acquire a Certificate of Incentive from the Tanzania Investment Centre to support the purchase of 20 new trucks. This strategic investment aims to:
Upgrade and expand our fleet to meet the growing demand for transportation services.
Enhance operational efficiency, reliability, and safety standards.
Contribute to job creation and skills development in the local community.

Market Analysis:

The transportation industry in Tanzania has witnessed significant growth due to the country's expanding economy and increasing demand for goods and services. Barwaaqo Investment Ltd. Aims to capitalize on this market opportunity by investing in trucks that can transport fuel across the country. This investment will cater to the growing demand for fuel transportation in various industries, such as construction, agriculture, and manufacturing. Barwaaqo Investment Ltd. Holds a competitive advantage in terms of its experience, network, and reputation in the industry.

Investment Details:

We are seeking the Certificate of Incentive to support the acquisition of 20 new trucks. The estimated investment for this fleet expansion is 20 trucks comprising of Trailers and hoses. Each Trailer costs \$33,500 and each hose costs \$51,500. Additionally, spare parts with an estimated cost of \$50,000 will be purchased to ensure efficient and timely repairs and maintenance of the trucks. The total investment required for this project is calculated as follows:

20 Trailers: $20 \times \$33,500 = \$670,000$
20 hoses: $20 \times \$51,500 = \$1,030,000$
Spare parts: \$60,000
Furniture and equipment: \$30,000
Working Capital: 300,000
Total Investment: \$2,090,000



Benefits to Tanzania:

The acquisition of new trucks will result in the following benefits for Tanzania:
Job Creation: The expansion of our fleet will create new job opportunities for drivers, maintenance personnel, and administrative staff.

Improved Logistics: Our enhanced fleet will contribute to the efficient movement of goods, supporting various industries and economic activities.

Safety and Environmental Standards: The new trucks will comply with the latest safety and environmental regulations, contributing to a safer and more sustainable transportation sector.

Compliance and Corporate Social Responsibility:

Barwaaqo Investment Ltd Is committed to adhering to all regulatory requirements and ensuring compliance with local and international standards. The company will obtain all necessary permits, licenses, and certifications to operate as a fuel transporter in Tanzania. Barwaaqo Investment Ltd. Will also adopt sustainable practices and invest in modern equipment that meets environmental standards. Furthermore, the company will actively engage in corporate social responsibility initiatives, such as supporting local community development, promoting road safety, and offering training and employment opportunities to Tanzanian citizens.

Financial Projections:

Based on a detailed financial analysis, it is projected that the investment in purchasing 20 trucks will result in significant revenue generation for Barwaaqo Investment Ltd. Over the next five years. The financial projections highlight the anticipated increase in the company's market share, profit margins, and return on investment. Factors such as fuel prices, operating costs, depreciation, and maintenance expenses have been taken into account to provide a comprehensive financial forecast.

PROJECTED PROFIT AND LOSS STATEMENT

YEAR	1	2	3	4	5
	USD (\$)	USD (\$)	USD (\$)	USD (\$)	USD (\$)
REVENUE	\$ 8,846,000.00	\$ 9,288,300.00	\$ 9,752,715.00	\$ 10,240,350.75	\$ 10,752,368.29
DIRECT COST	\$ -7,076,800.00	\$ -7,430,640.00	\$ -7,802,172.00	\$ -8,192,280.60	\$ -8,601,894.63
GROSS PROFIT	\$ 1,769,200.00	\$ 1,857,660.00	\$ 1,950,543.00	\$ 2,048,070.15	\$ 2,150,473.66
ADMINISTRATIVE EXPENSES					
Salaries & wages	\$ 223,846.15	\$ 226,084.62	\$ 228,345.46	\$ 230,628.92	\$ 232,935.21
NSSF and WCF Contribution	\$ 23,503.85	\$ 23,738.88	\$ 23,976.27	\$ 24,216.04	\$ 24,458.20
Skill and Development levy	\$ 7,834.62	\$ 7,912.96	\$ 7,992.09	\$ 8,072.01	\$ 8,152.73
Transport & Conveyance	\$ 1,800.00	\$ 1,818.00	\$ 1,836.18	\$ 1,854.54	\$ 1,873.09
Electricity	\$ 2,307.69	\$ 2,307.69	\$ 2,307.69	\$ 2,307.69	\$ 2,307.69
Audit & Professional Charges	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Bank Charges / Finance cost	\$ 55,000.00	\$ 55,550.00	\$ 56,105.50	\$ 56,666.56	\$ 57,233.22
Security Expenses	\$ 898.62	\$ 898.62	\$ 898.62	\$ 898.62	\$ 898.62
Telephone & Post Charges	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
Insuarance,Sumatra, comesa and c28	\$ 131,636.36	\$ 132,952.73	\$ 134,282.25	\$ 135,625.08	\$ 136,981.33
Tracking Devices	\$ 6,720.00	\$ 6,787.20	\$ 6,855.07	\$ 6,923.62	\$ 6,992.86
Donations	\$ 1,661.54	\$ 1,661.54	\$ 1,661.54	\$ 1,661.54	\$ 1,661.54
Depreciation	\$ 884,600.00	\$ 893,446.00	\$ 902,380.46	\$ 911,404.26	\$ 920,518.31
Total Expenses	\$ 1,340,858.83	\$ 1,354,208.23	\$ 1,367,691.14	\$ 1,381,308.87	\$ 1,395,062.78
Progit Before Tax	\$ 428,341.17	\$ 503,451.77	\$ 582,851.86	\$ 666,761.28	\$ 755,410.88
Corporate tax	\$ 128,502.35	\$ 151,035.53	\$ 174,855.56	\$ 200,028.38	\$ 226,623.26
Retained Earnings	\$ 556,843.53	\$ 654,487.29	\$ 757,707.42	\$ 866,789.66	\$ 982,034.14

CASHFLOW PROJECTION					
	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
CASHFLOW AT THE END OF THE YEAR	\$ 1,441,443.53	\$ 1,547,933.29	\$ 1,660,087.88	\$ 1,778,193.93	\$ 1,902,552.45

PROFIT PROJECTION					
	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Profit after Tax	\$ 556,843.53	\$ 654,487.29	\$ 757,707.42	\$ 866,789.66	\$ 982,034.14

Conclusion:

In conclusion, Barwaaqo Investment Ltd Is looking to expand its fleet and transportation capabilities by purchasing 20 trucks, including Trailers and hoses, to cater to the growing demand for fuel transportation in Tanzania. This investment will not only benefit the company by increasing its fleet size and revenue potential but will also contribute to the overall growth of Tanzania's transportation and logistics industry. Barwaaqo Investment Ltd. Is committed to compliance, corporate social responsibility, and sustainable growth. With the projected financial success and the anticipated benefits to Tanzania's economy, this investment presents a valuable opportunity for Barwaaqo Investment Ltd.

Therefore we believe that obtaining the Certificate of Incentive will not only benefit Barwaaqo investment ltd but will also contribute to the economic growth and development of Tanzania. We are committed to operating responsibly, adhering to all regulations, and actively participating in the advancement of the local community.

We appreciate your consideration of our application and look forward to the opportunity to contribute to Tanzania's thriving transportation sector.



PROGRESS REPORT

This document provides an overview on the content of the Project Progress Report (PPR)

1. Planned Activities for the period

Project Name	STATUS	Percentage of completion	Date of report	Approved date
Acquisition of new Truck and Trailer	Ongoing	10%	1/12/2023	01/08/2023
Acquisition of spare parts	Ongoing	0%	1/12/2023	01/08/2023
Acquisition of new furniture and equipment	Ongoing	0%	1/12/2023	01/08/2023

3. Financial expenditure to date

Project Name	Foreign	Local	Total
Acquisition of new Truck and Trailer 8 Units	61,488	286,000	347,488
Acquisition of spare parts	-	-	-
Acquisition of new furniture and equipment	-	-	-
Grand Total	61,488	286,000	347,488

4. Project financing

The Project is finance by equity 20% and Loan 80% without interest from KCB Bank Payable in 18 months.

5. Problems and Solutions

- The cashflow problem; Because the 20% of the project is financed by the equity and the cash dependable from the customers it took longer to collect from customers and therefore we had to do in piecemeal especially for the trucks, however in the end we were able to complete the project.

6. Future Plans

- Our future plans for the coming six months (finishing the previous project) and increase more trucks below is the schedule.

Project Name	STATUS	Percentage of completion	Date of report	Approved date
Aquisition of new Truck and Trailer 20 Units	On going	16%	1/12/2023	1/08/2023
Aquisition of spare parts	On going	0%	1/12/2023	1/08/2023
Aquisition of new furniture and equipments	On going	0%	1/12/2023	1/08/2023

7. Recommendations/Comments

We are striving our best to provide good service to the industry therefore we would like to extend our incentive certificate so as to improve more in our business and community around us.

