

R.V.EXPORTS LIMITED
TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146

R.V.EXPORTS LIMITED
BUSINESS PLAN FOR
OFFICE AND WAREHOUSE OF AGRICULTURE PRODUCTS
FIVE YEARS BUSINESS PLAN
FROM 2023-2028
TIN NO 105652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146

R.V.EXPORTS LIMITED
TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146

CORPORATE INFORMATION

Registration Number:

Business Activity: Office and yard of storage of goods (agriculture products) and exportation of groundnuts, sesame, beans, and choro.

Shareholders

Name	Address	Shares
GURU PRASAD RAVIVARMA	, P.O.BOX 7884 Dar es salaam, Temeke	
SUBRAHANI RAVIVARMA	, P.O.BOX 7884 Dar es salaam, Temeke	

Registered Office & Address

R.V.EXPORTS LIMITED
TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146

TABLE OF CONTENTS

Table of contents

CORPORATION INFORMATION	2
1. EXECUTIVE SUMMARY.....	4
1.1. Vision, mission, values	6
1.2. Project location	6
1.3. Implementation period	7
1.4. Project objectives	7
1.5. Project components and costs	8
2. BUSINESS DESCRIPTION	10
2.1. Sesame	11
2.2. Groundnuts	11
2.3. Choro	12
3. BUSINESS ENVIRONMENT	13
4. MARKET ANALYSIS	16
4.1. Market size	16
5. SWOT ANALYSIS	17
5.1. Marketing, distribution and communication strategy	18
6. OPERATION PLAN	20
6.1. Long term operation plan	20
6.2. Labour requirements	20
6.3. Raw material requirement	21
6.4. Production overhead	21
6.5. Total production cost	22
7. MANAGEMENT PLAN	23
8. FINANCIAL PLAN	24
8.1. Sources of funds	25
8.2. Profitability analysis	25
8.3. Operating expenses	25
8.4. The projected income statements	25
8.5. Projected balance sheet	27
8.6. Projected cash flows	28
8.7. Break even analysis	28
8.8. Internal rate of return (IRR%)	29
9. ECONOMIC ASPECTS	30
9.1. National economic and social benefits	30
10. Conclusion	31
10.1. Recommendation	31

1.0 EXECUTIVE SUMMARY

R.V. EXPORTS Limited is private company limited by shares registered in Tanzania with the main purpose to engage in buying, and exportation of agricultural products. Currently, the company has embarked on establishing a project aimed at storage and exportation of groundnuts, sesame, beans, and choro. This business plan was prepared to establish the viability of the agriculture products in Tanzania and guide the procurement, operational and marketing activities of the project. The plan establishes a strategic framework that provides a focus, direction and most importantly a common language that acts as a guide for at production, marketing brand activities creating cohesive strategic alignment between the company mission, vision and goals. There is a growing demand on the external country like India as we export groundnuts, sesame, beans, and choro that keeps on rising year after year. Reports indicates a current demand of 500,000 tonnes of agriculture product, costing about US\$ 294 million per year. The demand is projected to raise to 700,000 tonnes by the year 2030. This project wants to utilize this opportunity by establishing modern storage facilities utilizing locally available agricultural product that will cater for the rising demand in the country of India and substantially contribute to the economy and employment creation in the country.

The company requires a total of USD 584.295 that will be used to purchase equipment, raw materials, and cover some operational costs at the beginning of the project. The financial analysis indicates the feasibility of the project as the company will be able to recover all the invested capital within first two years of operations and start making substantial profits from the third year on wards. The financing of the project is expected to be 100% equity financing. The project expects to employ at least 40 persons, majority being Tanzanians who shall be directly employed by the project the project expects to create more that 100 indirect jobs through sales and commissioning agreements with local traders.

1.1 vision, Mission and core Values

Vision

Our vision is to emerge as the best practitioner in storage and export of agriculture product in the foreign markets.

R.V.EXPORTS LIMITED
TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146

Mission

Our mission is to provide professional commercial storage and export through modern facilities and clean environment of high quality groundnuts, sesame, beans, and choro.

Core Values

Quality – We strive to perform at an excellent level in everything we do. We are reliable. We are committed to export and delivering products to the highest standard possible every time.

Teamwork – We work together collectively to achieve our common vision and goals.

Honest & Integrity – We are truthful and our actions are consistent with our words. We are honest and direct in all of our communications.

Respect & Dignity – We demonstrate respect for and appropriate loyalty towards our customers, colleagues and suppliers.

Innovation & Improvement – We drive change and challenge the status quo to exceed our customers' expectation.

Safety – We are committed to the safety, wellbeing and security of the business, facilities, people whom we serve and our employees.

1.2 Project Location

The project is located at Plot No. 2689 Block 'D' in Temeke Municipality with a size of 5382 square meters. The site is owned by R.V. EXPORTS Limited vide a certificate of occupancy number 34240. The area has been surveyed by a survey plan number 46816. The area is accessible by road and has direct access to electricity and water necessary for the factory to operate. The facility has government approval for the kind of factory we want to establish and it is easily accessible and we are deliberate about that to facilitate easy movement of raw material and finished products.

1.3 Implementation Period

The project is expected to commence on 1st April , 2023. The project area has already been rented and prepared for the plant to be installed. The project shall be implemented in two phases. Phase one shall include preliminary stages such as site

R.V.EXPORTS LIMITED

TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146

acquisition, construction, plant installation and procurement of beginning agriculture products. These processes will commence in April, 2023 to December, 2023. Phase two shall include activities for project expansion such as construction of a more warehouse facilities, new equipment purchases and installation. The activities in phase two shall commence in January, 2024 through to the rest of the project. The installation of equipment and start of storage is described in the following Table.

Table 1.1: Implementation Schedule

No.	ACTIVITIES	PHASE ONE (APRIL 2023 – DEC, 2023)		PHASE TWO	
1	Leasing and site preparations are resource Mobilization				
2	Preparation of project facilities				
3	Installation of equipment Procurement of agriculture products				
4	Storage starts				
5	Procurement of equipment and Installation (Phase 2)				

1.4 Project Objectives

We are in the business of buying processing and distribution of agricultural products to cater for the need of international markets. We are also in business to make profits and at the same time to give our customers value for their money, we want to give people and businesses who patronize us the opportunity to be part of the success story of our business and serve the rising demand in the country and markets. Notably the business wall focus on the following specific objectives:

- To ensure availability and reliability of high-quality groundnuts, sesame, beans, and choro of different type and size.
- To generate sufficient income through sales to meet the needs of the owners and tax revenues to the government.
- To expand to a large exportation company and diversified agriculture products.
- Conduct research and development in the exportation company by capitalizing on the use of locally available materials so as to benefit the community at large.

R.V.EXPORTS LIMITED
TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146

- To employ at least 40 people and improve livelihood to the community and join hands with the government to reduce unemployment level in the country.

1.5 Project components and costs

The project is still at the initial stages; require some investments in terms of fixed assets, labour and materials. The Project has already obtained required documentations to allow its implementations. Some preliminary costs such as paying rent and grounds works where a storage plant shall be installed has started. The details of the requirements are explained in Table 1.2 below.

Table 1.2. Project Requirements (US\$)

Type of Investment	Cost/Unit
1.0 Land & Buildings	

R.V.EXPORTS LIMITED
TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146

Land Acquisition	50,000
Preliminary ground works	5,000
Construction and partitioning	16,595
Ware House	100,000
Total Land & Buildings	171,595
2.0 Storage Machinery	
2.1 storage and Machinery	60,000
2.1 Installation Cost	5,200
Total Machinery	65,200
3.0 Office Equipment	
3.1 Computer set	800
3.2 ACs	1,500
3.3 Furniture & Fixtures	1,200
3.4 Printer, telephone & Fax	500
Total Office Equipment	4,000
4.0 Motor Vehicles	
4.1 Pick-up (3.5ton)	20,000
Total Vehicles	20,000
Total Investment	260,000
4.0 Working Capital	
4.1 Raw Materials	134,500
4.2 Direct labour	158,400
4.3 Production Overheads	30,000
Total working capital	323,500
Total Project Requirements	584,295

2.0 BUSINESS DESCRIPTION

The major sources of exportation agriculture product in Tanzania to India is demandable in the market include groundnuts, sesame, beans, and choro. Reports indicate that groundnuts, sesame, beans, and choro are highly demandable and value chains per unit area, worldwide, this agriculture product are almost all regions in Tanzania. Tanzania is the fertile land and they can be grown in most parts of the country. However, agriculture production remains low and benefits from its value chain have not been adequately realized. Demand for in the market is at least growing with the rate of population growth. The agriculture production in Tanzania mainly focuses on ground nuts (40%). beans (40%), sesame (15%), and choro (5%).

2.1 Beans

R.V.EXPORTS LIMITED

**TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146**

Tanzania common bean (*Phaseolus vulgaris* L.) or haragwe in Swahili is perhaps the most essential leguminous staple in the whole of Sub-Saharan Africa. Only maize is more in circulation than the bean. It is the primary source of protein for the locals. It is a piece and parcel of any Tanzanian farm for both subsistence and cash crop reasons. In this East African nation, this legume is so diverse that it sometimes takes the place of popular cereals like maize, wheat, and rice during times of shortage. It constitutes a daily portion of diet for 80 percent of locals, all of whom depend on farming for a livelihood. It grows mainly in the highlands of the north, south, and east.

R.V.EXPORTS limited we source our crop of Tanzania common beans from all parts of the nation, especially the highlands of Morogolo, Arusha, and Iringa. We only make deals with family growers who have less than two acres of land. They typically intercrop this nitrogen-fixing legume with grains like maize and sorghum. They keep off harmful pesticides but double on their efforts in the application of farmyard manure.

We harvest the Tanzania common bean when it is completely dry, and the plant's leaves are almost dried up. This is usually about 55 to 60 days after the planting date. The seeds are all green at their most tender stages of development and qualify as 'eat-all' snap beans if picked then. We harvest them however as they near maturity when they turn to their speckled or uniform colors for diverse cultivars. We usually cut off the whole plant with its shriveled brown pods to take to the threshing and winnowing point.

We store Tanzania common beans in a well-ventilated, cool, dry environment in polythene bags to keep away weevils and other pests. We maintain a temperature of at least 10 degrees Celsius. With a moisture level of 5 to 7 percent, the seeds can store in their original condition for 12 months.

We also transport the harvest under the same low-temperature conditions via our trucks fitted with modified environment interiors. The cargo leaves the port of Dar-es-Salaam by sea on the same date of packing to expedite delivery to your destination.

2.2 Sesame

R.V.EXPORTS LIMITED

**TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146**

Sesame is grown primarily for its oil-rich seeds, which come in a variety of colors, from cream-white to charcoal-black, seed is used whole in cooking for its rich nutty flavor (although such heating damages their healthful polyunsaturated fats), and also yields sesame oil. Sesame seeds are sometimes added to brads, including bagels and the tops of hamburgers buns. Sesame seeds may be talked into crackers often in the form of sticks. Sesame seeds are also sprinkled only some such style foods whole seeds are found in many salads and baked snacks.

R.V.EXPORTS Limited strive to provide high-quality Tanzania sesame to the export markets. The company will source the product for exportation to India. Tanzania sesame comes from the plant of the same name that thrives in the south, east, central and south-western parts. So important has the become that some the of south-eastern formers are cutting new swathes of land to grow the lucrative crop. The leading export destination for the country is India. The production method of the yellowish-brown vegetable oil is cold pressing.

The use of sesame extends further than just cooking it acts as a source of cosmetic and perfume ingredients. The health benefits of the oil include lowering blood pressure and keeping ingredients. The health benefits of the oil include lowering blood pressure and keeping the heart healthy. It is also a tonic against depression Besides, it has high vitamin E and antioxidant content that helps to cure cancer. We will source sesame seeds for oil production from the southeast and southwest, particularly Lind and Mtwara. We will also have supplies from Mbeya, Tanga, Morogoro, Ruvuma, and Rukwa. We offer product in various flexible quantities that suit customers needs.

2.3 Groundnuts

According to Food and Agriculture Organization (FAO, 2018), Tanzania produced 940,000 tonnes of groundnuts making it the tenth oilseeds producer in the world.

Groundnut is also known as peanut or rachis, is a mild-tasting vegetable expressed from groundnut kernels. Groundnut is generally used in cooking, including frying, basting and the manufacture of margarine and shortenings. These will be sourced locally in Morogor, Dodoma and nearby regions mainly Singida, Iringa and Mbeya.

Groundnuts or peanuts are a popular source of food throughout the world. And the groundnut oil, however, can be used for cooking, they can be used as a shortening or as a base for confectioneries and they can be used to make peanut butter. Groundnut kernel contains 45 to 55% of oil. The groundnut oil obtained from the kernel is yellow to greenish-yellow in colour. The meal is a very important component of feeds for poultry and cattle. Groundnut oil is an organic material oil that derived from peanuts, noted to have the aroma and taste of its parent legume.

R.V.EXPORTS LIMITED

**TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146**

2.4 Choro

Choroko is a nutritious food and commercial crop of protein and iron and zinc for health human, It thrives in different types of soil which does not absorb water, is cultivated from sea level 0 meters up to 1500 and the yield is between 1000-1500kg per temple according to the monitoring of the Principles of good agriculture Charoco In Tanzania we have two types of the best choroko seeds LIGHT and STRONG proposed in 1982. Choroko production in 2016/17 is 73,073 tons per productivity of 4 sacks of 100 kg per hectare Production of more than 78 percent comes from the regions of Mtwara (27%), Simiyu (17%), Mwanza (14%), Tabora (12%) and Kilimanjaro (7%) Nutrients from choroko help to reduce sustainability and increase health for consumers This project aims to research the best choroko seeds, reduce the lack of Food and nutrition, change climate change and environmental degradation under development sustainable development of the United Nations Especially to reduce malnutrition among communities in areas prone to drought in East Africa.

3.0 BUSINESS ENVIRONMENT

The business may be affected by factors beyond owner's control, and these need to be taken into account before making any investment decision. The company has consisted many opportunities and challenges that may arise out of the expected changes. Thus, analysis of business environment key factors to paramount to the pan in order to determine external factors and how they are likely to effect the project.

Economically, Tanzania is now experiencing economic growth whereby the purchasing power of people is increasing and people's interactions is increasing as trade grows in the East African Region. The country is highly improving business environment to encourage investors in various sectors where agro-processing in one of the leading sectors which attracts the intention of the government in reducing post-harvest loss and improve livelihood of local farmers. The burning issue currently is the rate of inflation and continuous fail in domestic currency this would lead to increased cost of production as the price of founs are rising. Issues like common market for that east Community are opening up business performance and later opportunities for exportation which necessitates expansion of production.

Politically; the political environment is conductive for the business operators. The current government region is in support of industries. There have been adequate policies to support the industrial sectors as echoed in the National Development

R.V.EXPORTS LIMITED

**TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146**

vision 2025 (VISION 2025) which recognizes the heading role of the industrial sector in the process of transforming Tanzania economy to a self sustainable semi-industrial one by 2025. The suitable industrial Development Policy 1996-2020 (SIOP) declared the government's decision to phase the Public out of productive activities and allow the private sector to become the principal vehicle for economic growth.

Social-Cultural; The social aspect focuses on the faces within the society Family, friends, colleagues, neighbors and the media are social factors. These factors can affect our attitudes, opinions and interests. So, it can impact sales of products and revenues earned. There is no doubt that the society is continually changing. The tastes and preferences are a great example of the change for the Tanzanian culture. Most of Tanzanians currently are willing to pay a premium price for a product that satisfies their expectations. Demographically, the country is increasing in population where currently the country is estimated to have over 55 million people. The increase in population necessitates increase in products and services.

Technological factors; Technological factors are variables that are being used for evaluating available technologies with respect to technological capabilities. Our company considers it as an important tool for improving operations and functions. Technological factors are one of various external environment factors that affect businesses greatly and are also an integral component of the PESTLE analysis. In the present scenario, utmost dependence on equipment, technological factors can have more effect on business operations and success globally than ever before. Furthermore, development of technology has also introduced digital marketing strategies through which companies are able to sell their products and services. Even the research and development R&D divisions in companies have changed their way of functioning and more advanced techniques in the development of products and services have been introduced only through technological advancements. R.V. EXPORTS Limited is constantly looking for development and updates within the technological environment. In this way, we do not only improve our operations but we will also be well aware of business transformational phase. We will derive ground breaking strategies to grow exponentially.

4.0 MARKET ANALYSIS

The objective of market assessment is to determine demand level and whether the company shall be able to capture some of the market share. Also, the project shall determine methods of storage market size, pricing methods and competitor's analysis. Key stakeholders in the agriculture product are focusing on product differentiation by offering innovative, better quality and affordable products.

R.V.EXPORTS LIMITED

TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146

R.V. EXPORTS Limited is aware of all the market forces that are surrounding the agriculture business. We will utilize all reasonable means to ensure that our products meet the global standards and be able to sustain competition.

4.1 TARGET MARKETS AND THEIR CHARACTERISTICS

When it comes to selling agriculture products, there is indeed a wide range of available customers. In essence, our target market can't be restricted to just a group of people or organization, but all those who reside in our target market locations. In view of that, we have conducted our market research and we have ideas of what our target market is expecting from us. We are in business to engage in the exportation and wholesale distribution of agriculture products to the following groups of organizations:

- Households who make use of healthy and quality foods
- Restaurants and canteens that making and selling foods
- Small scale businesses that retail in the market

4.2 Market size

The market for agriculture products is promising in India. Our feasibility field survey indicated that, the market is poised to keep on growing as population grows. Highest demand comes from local traders. The exportation is expected to be done throughout the year feeding to a total products of 24,000 kg of food product per month. This amount is expected to generate total revenue of US\$ 55,400 per month that is 664,800 per annum. Table 4.1 below summaries the expected demand for the business during the first year of the project.

Table 4.1: Expected Demand of edible oils (US\$)

S/N	Potential Customer	Quantity demanded (kilograms) month	Price per kilogram	Estimated value month	Annual value
1	Wholesalers	10,000	200	20,000	240,000
2	Retailers	5,000	240	12,000	144,000
3	Direct sales	9,000	260	23,400	280,800
	Total	24,000		55,400	664,800

4.3 SWOT ANALYSIS

R.V EXPORTS Limited has conducted a thorough SWOT analysis that will help us achieve our business goals and objectives. This is the summary of the SWOT analysis that was conducted. The analysis is carried out to assess the strength that the business can leverage on, and then assess its weaknesses that need to be improved in this part also potential opportunities are identified and how the business

R.V.EXPORTS LIMITED

**TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146**

can utilize those opportunities. Lastly, the business has identified potential threats and challenges that are likely to face the business and the workable mitigation plan.

Strengths: Part of what is going to count as positives R.V. EXPORTS Limited is the vast experience and knowledge of our management team, we have people on board and the company intend to hire people who are highly experienced and who understand how to grow business from the scratch to profitability. So also, our distribution network and of course our excellent customer service culture will definitely count as a strong strength for the business.

Weakness: a major weakness that may count against us is the fact that we are still at infancy stage of export crops out the country; and we don't have the financial capacity to engage in the kind of publicity that we intend giving the business.

Opportunities: Limited modern exports out of the country opens up a huge opportunity to our business. We only need to position our business to take advantage of the existing market of edible oils and peanut butter and also to create our own new market. We know that it is going to require hand work, but we are determined to achieve it.

Challenges/Threats: We are quite aware that just like any other business, one of the major threats that we are likely going to face is economic downturn and unfavorable government policies. It is a fact that economic downturn affects purchasing power. Another threat that may likely confront us is the likelihood of other companies to start manufacture of ball pens in similar locations where we are, however, we understand on how to position ourselves in the market, at the same time making sure that our product meet the demand requirements.

4.4 Marketing, Distribution and Communication strategy

Various methods of marketing mix will be used to cub the existing and potential weaknesses and challenges/threats while utilizing the arising opportunities and leveraging on the key strengths of the company.

Pricing: The objectives of price strategy depend on a number of factor such as business economic and marketing objectives. Price sitting can be based on cost or market based. With demand and competition orientation concepts, a fair price can be set which customers are willing to pay at the same time covers operation cost with some profit margin. Our products will be competitively priced in relation to the dictates of the market. Due to the introductory nature of our products we intend to implement a penetration pricing strategy which will ensure that potential customers are not frightened away by our prices, up until our products are appreciated and fully operational. In this case our products will be priced a bit

R.V.EXPORTS LIMITED

TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146

cheaper. However, this will dictate that our costs are prudently kept so as to ensure our financial goals come to fruition.

Distribution: R.V.EPORTS Limited has arranged to start operations by looking at the most convenient market segment. The main targeted market is selling the products to identified wholesalers in all selected regions. This helps to save time and cost of establishing shops at the start. After production expansion, distribution shall be done through a hired car distributed monthly and regular follow-u shall be made. While for other customer segments, online marketing shall be fully applied to contact potential customers and make orders online. However, the company shall mainly focus to engage agents for distribution (wholesaler) in strategic regions in India.

Promotion: A word of mount has been the major promotion strategy for the business. This strategy is cheap and the product can effectively describe itself as it is clean and self-sufficient. The company shall make use of the trade fair and exhibitions in the country that will help to promote the products. The company will also be printing t-shirts and fliers as a communication strategy and promotional tools. The official website/blog will be launched and maintained by outsourcing IT technicians. This strategy will help to promote the company in foreign market. The expected marketing expenses amounts to TZS 2,070,000 (us\$ 900) per annum as summarized in Table 4.2

Table 4.2 Marketing expenses

S/N	Promotional tool	Qty	Price per unit	Amount per Year
1	T-shirts	20	16,000	320,000
2	Filiers	500	500	250,000
3	Trade exhibition costs		Lampsum	1,000,000
4	Website			500,000
	Total			2,070,000

5.0 OPERATIONAL PLAN

5.1 Long Term Operation Plan

The project is expected to be operated through two main departments; the finance and administration one hand; and operation and marketing on the other. The Finance and Administration department is responsible for all administrative and personnel issues; while the operation and precaution department is responsible for field operations and technical aspects of the business and marketing activities. The operations manager is a skilled salaried employee who work day to day to achieve plant preset largest. On the other hand the Finance and Administrative Manager will lead the strategic plans and make sure they correspond to available operational environment. The operational plan is associated with exportation costs as well as materials required as inputs in the export process.

5.2 Labour requirements

Labour is one of the most important inputs in any business enterprise. The proposed plant will require both skilled and unskilled labour who will be Tanzanians. Table 5.1 indicates labour required amounts to US\$ 13,200 per month that is US\$ 158,400 per year.

R.V.EXPORTS LIMITED
TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146

Table 5.1: Labour Requirement (US\$)

Description	Qty	Local Foreign	Unit price \$	Monthly Salary	Annual Salary
Managing Director	1	Local	1,500.00	1,500.00	18,000.00
Operations					
Operations Manager	1	Foreign	1,000.00	1,000.00	12,000.00
Section Operators	10	Local	150.00	1,500.00	18,000.00
Casual labourers	5	Local	100.00	500.00	6,000.00
Maintenance Department					
Maintenance Manager	1	Local	700.00	700.00	8,400.00
Safety & Health Officer	1	Local	500	500.00	6,000.00
Electricians	2	Local	300	600.00	7,200.00
finance & Administration Department					
Human Resources Manager	1	Local	700.00	700.00	8,400.00
Assistant Personnel Officer	1	Local	500.00	500.00	6,000.00
Procurement officer	1	Local	500.00	500.00	6,000.00
It officer	1	Local	500.00	500.00	6,000.00
Personal Secretary	1	Local	200.00	200.00	2,400.00
Office Attendants	2	Local	150.00	300.00	3,600.00
Drivers	2	Local	200.00	400.00	4,800.00
Security officer	3	Local	100.00	300.00	3,600.00
Finance Department					
Finance Controller	1	Local	800.00	800.00	9,600.00
Accountant	1	Local	700.00	700.00	8,400.00
Cashiers	1	Local	400.00	400.00	4,800.00

R.V.EXPORTS LIMITED

TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146

Store keeper	1	Local	300.00	300.00	3,600.00
Marketing Department					
Marketing manager	1	Local	700.00	700.00	8,400.00
Sales Officers	2	Local	300.00	600.00	7,200.00
Total	40			13,200.00	158,400.00

5.3 Raw Materials Requirements

The project requires raw materials that will be sourced within the Country and other nearby countries through imports. The project intends to procure raw materials every 3 months, thus annual material requirements amounts to USD 252,000

Table 5.2: Raw Materials Requirements per Month (US\$)

Type of raw materials	Price/Consignment	Amount per year (4times)
Sunflower seeds	28,000	112,000
Ground nuts	20,000	80,000
Sesame	3000	12,000
Packaging materials (200,000pcs	8500	34,000
Other materials 1000pcs	3500	14,000
Total Purchases	63,000	252,000

5.4 Production Overheads

Production overheads covers costs such utilities for water and electricity, postage and telephone maintenance and other costs directly associated with production. Table 5.3 shows production overheads amounting to US\$ 2,550 per month that is US\$ 30,600 per year.

Table 5.3: Production Overheads (US\$)

Item	Monthly Expenses	Estimated Annual Costs
Postage & Telephone	100	1,200
Electricity bills	300	3,600
Water bills	150	1,800
Maintenance Costs	1,000	12,000
Rent	500	6,000
Others	500	6,000
Total costs	2,550	30,600

R.V.EXPORTS LIMITED
TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146

5.5 Total production Cost

The estimated total production cost is US\$ 441,000 per annum as shown in Table 5.4 below. The raw materials are purchased 4 times a year, thus materials per consignment amounts to US\$ 63,000 therefore annual costs totals to US\$ 262,000. The costs labour and production overheads are calculated on monthly basis.

Table 5.4: Total production Cost (US\$)

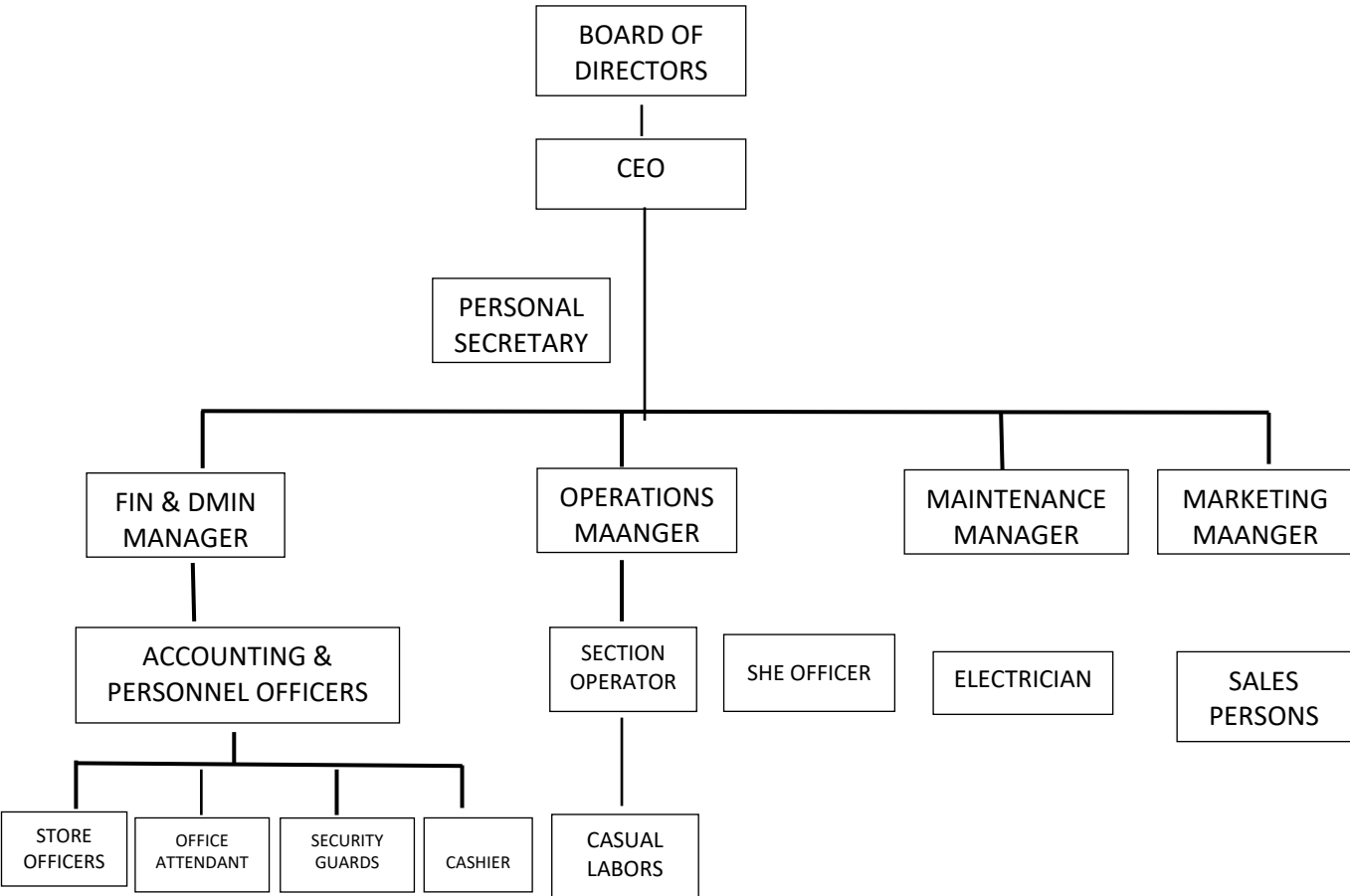
Item	Expenses/Month/Consignment	Estimated Annual Cost
Raw materials	63,000	252,000
Direct labour	13,200	158,400
Production overheads	2,550	30,600
Total costs	78,750	441,000

6.0 MANAGEMENT PLAN

The management structure of R.V.EXPORTS Limited will be headed by the CEO who shall be overseeing agriculture company's exportation on daily basis. The Operations Manager shall be responsible for day-to-day exportation and operations and manage all staff under his/her line. The finance and Administrative Manager shall be responsible for all administrative duties and finances and supervises all personnel under his/her line; The Marketing Manager shall be responsible for daily operations, sales and engaging casual workers at different levels when needed. The engineering and maintenance manager shall be responsible for technical issues of the plant. The following figure illustrates the organization structure of the company.

R.V.EXPORTS LIMITED
TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146

Figure 6.1: Organization Chart



7.0 FINANCIAL PLAN
7.1 Financial Assumption

R.V.EXPORTS LIMITED

**TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146**

Several assumptions were made and considered in the preparation of this financial plan and projection. The assumptions are based on professional judgment, economic trends and current financial market environment. These are as noted below:

- i) The focus market shall be domestic market through wholesalers, retailers, direct sales and later to other countries through exports;
- ii) All sales will take place throughout the month and billing will be done at the end of the month.
- iii) The annual sales is projected to grow by 5% per annum;
- iv) Depreciation will be charged on straight line method to allocate the cost of each value over its estimated useful life. The rates to be used are as follows;
 - a) Buildings 5%
 - b) Furniture & Fittings 10%
 - c) Equipment 10%
 - d) Motor vehicles 20%

The financial assumptions will also include issues on credit sales, payments of interest rates, taxes and other levies, From the beginning, we recognize that payment terms and hence collection days are critical, but not a factor we can influence easily. At least we are planning on the problem, and dealing with it. Interest rates, tax rates, and personnel burden are based on conservative assumptions. Some of the more important underlying assumptions are:

- We assume a strong economy, without major recession.
- We assume, of course, that there are no unforeseen changes in economic policy to make our service immediately obsolete or unwanted.
- We assume an inflation rate of 5% yearly.
- Maintenance costs 5% of Property Plant and Equipment
- Corporate tax is 30% of Net Income.

7.2 Sources of Funds

The project financing shall come from owners equity. The owners have already committed some funds into the project to the tune of used for paying rent and preliminary costs of the project.

7.3 Profitability Analysis

The project profitability analysis indicate that the project will be able to generate substantial amounts of profits throughout the project, table 7.1 summarizes the profit analysis for 5 years.

Table 7.1: Profit Projections (US\$)

R.V.EXPORTS LIMITED

TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146

Year	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Sales	664,600	698,040	732,942	769,589	808,069
Total exportation cost	441,000	463,050	486,203	510,513	536,036
Profit Margin (Loss)	223,800	234,990	246,740	259,076	272,030

Operating Expenses

The following table shows the projected operating costs for five years. All expenses reflect an annual inflation rate of 5% annually.

Table 7.2 Operating Expenses

Expenses	Year 1	Year 2	Year 3	Year 4	Year 5
Marketing expenses	900	945	992	1,042	1,094
Bank charges	522	548	576	604	634
Insurance	8,060	8,463	8,886	9,330	9,767
Office expenses	1,045	1097	1,152	1,210	1,270
Permits and licenses	435	457	480	504	529
Vehicle expenses	3,480	3,654	3,837	4,029	4,230
Professional fees	2,608	2,738	2,875	3,019	3,170
Provisional for bad & doubtful debts	3,670	3,854	4,046	4,248	4,461
Depreciations	15,250	16,012	16,813	17,653	18,536
Miscellaneous expenses	2,100	2,205	2,315	2,431	2,553
Total	38,070	39,973	41,972	44,070	46,274

7.4 The Projected income Statements

The projected income statements for five years indicate that the project shall be able to generate substantial amounts of profits as detailed below.

Table: 7.3 Projected Income Statements for five years

Description	Year 1	Year 2	Year 3	Year 4	Year 5
	US \$	US \$	US \$	US \$	US \$
TOTAL SALES	664,800	698,040	732,942	769,589	808,069
LESS Cost of sales:	441,000	463,050	486,203	510,513	536,038
Gross Profit	223,800	234,990	246,740	259,076	272,030
Less Operating Expenses	38,070	39,973	41,972	44,070	46,274
Earnings before Interest and Tax (EBIT)	185,730	195,017	204,768	215,006	226,756
LESS Loan interest	0	0	0	0	0
Earnings Before Tax	185,730	195,017	204,768	215,006	225,756
Less TAX 30%	55,719	58,505	61,430	64,502	67,727
NET PROFIT/ (Loss)	130,011	136,512	143,337	150,504	158,029
Dividend 30%	39,003	40,954	43,001	45,151	47,409
Retimed Earnings	91,008	95,558	100,336	105,353	110,621

R.V.EXPORTS LIMITED
TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146

7.5 Projected Cash Flows

The projected cash flows for five years indicates that the project shall be able to maintain sufficient cash required to meet all operational needs as shown in Table

Table 7.5 Cash Flow Projections for Five Years

DESCRIPTIONS	Year 1	Year 2	Year 3	Year 4	Year 5
	US \$	US \$	US \$	US \$	US \$
Cash from operations:					
Profits before tax	185,730	195,017	204,768	215,000	225,755
Adjustments for non – cas items					
Depreciations	-15,250	-16,012	-16,813	-17,653	-18,536
Change in working capital					
Receivables	-69,750	-40,950	-14,500	-87,400	-36,700
Trade payables & Accruals	12,500	14,300	17,600	12,400	13,700
Total	113,230	152,355	164,055	122,353	184,220
Tax payments	-13,930	-27,518	-38,579	-51,161	-65,437
Total Cash Inflow from Operating Activities	99,300	124,837	125,476	71,192	118,783
Cash from Investing activities					
Purchase of property, plant & equipment	-143,295	-88787	-46,571	-47,041	-61,374
Net Cash Outflow From Investing Activities		36,050	78,905	24,151	57,409
Cash from financing activities:	-143,295				
Dividends	-39,003	-40,954	-43,001	-45,151	-47,409
Change in Cash & cash equivalent	-182,298	-4,904	35,904	-21,000	10,000
Beginning Cash Balance	307,298	125,000	120,096	156,000	135,000
Ending Cash Balance	125,000	120,096	156,000	135,000	145,000

7.6 Break-even Analysis

A break-even analysis is a financial tool which helps to determine at what stage a company, or a new service or a product, will be profitable. In other words, it's a financial calculation for determining the number of products or services a company should sell to voter its costs (particularly fixed costs). Break-even analysis (or break-even point) was calculated to determine how much of a good or service need to be sold in order to cover the total fixed costs. Table 7.6 indicates the break-even analysis.

R.V.EXPORTS LIMITED

TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146

Obtained as: Break-even analysis in units = fixed costs / (sales price per unit – variable cost per unit)

Table 7.6 Break-Even Analysis

Description	Unit	Value
Total Sales in year 1	US\$	664,800
Total Volume in year 1	Cartons	24,000
Sales/per unit	US\$	27,7
Fixed cost	US\$	181,365
Variable cost	US\$	441,000
Variable cost/unit	US\$	18,375
Break-even units	Cartons	71,292.23
Break-even sales	US\$	1,974,794.64

The financial analysis indicates that the break-even point will be reached within the second year and the project will start making substantial profits in the following years. The break-even sale is US\$ 1,974,794.65 which could be realized in the third year of the project.

7.7 Internal Rate of Return (IRR%)

The proposed project is expected to have an IRR of 30.27% over its projected operational period of five years. This IRR is much higher than the cost of the borrowed funds from financial institutions. This implies even with borrowed funds the project is an attractive investment proposition.

Table 7.7 Internal Rate of Return

	Outlay	-584,295
	NPBT Yr 1	223,800
	NPBT Yr 2	234,990
	NPBT Yr 3	246,740
	NPBT Yr 4	259,076
	NPBT Yr 5	272,030
IRR		30.27%

Table 7.8: Projected results

R.V.EXPORTS LIMITED

**TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146**

Item	Value
Total investment (US\$)	584,295
Payback period	2 year; 10months
IRR	30.27%
Break-even revenue (US\$)	1,974,794.65

8.0 ECONOMIC ASPECTS

8.1 National economic and social Benefits

The economic and social impact of establishing the proposed project to Tanzania is expected to be positive. The positive impact is expected to be direct and indirect as explained below:

- i) **Direct economic Impact**
Direct positive economic impact is expected to come from three factors, namely.
 - a) Tax payments to the government
 - b) Foreign currency savings
 - c) Employment opportunities generation: 40 direct jobs expected to be created (35 locals and 5 Foreigners).
 - d) Technology transfer
- ii) **Indirect economic (job creation)**
In addition to the direct employment opportunities that the proposed project is expected to generate, its operations are expected to boost operations of their distributors and suppliers of goods/services that the project will need to sustain its operations. With the increase in the activities of these suppliers, there is great likelihood that the increase will create additional employment opportunities in their businesses.
- iii) **Corporate Social Responsibility**
The project is also expected to operate as a responsible corporate citizen by fulfilling some of its corporate responsibilities such as assisting some of the disadvantage communities by way of donations, starting from the communities living near the factory.

9.0 Conclusion

R.V.EXPORTS LIMITED

**TIN NO 104652360, P.O.BOX 7884 Dar es salaam, Temeke
phone number 0787156146**

The financial analysis in this plan indicates a positive growth and ability of the project to recover initial investments and make substantial profits in the successive years. The objectives indicated in this plan are likely to be met; hence it is feasible undertaking this project. In addition, the community where the project will operate is likely to benefit from employment created through exportation of agriculture products and sell at a reasonable price and thus create more indirect jobs to all stakeholders engaged in the purchase and sell of company's products. The project is also expected to benefit the social corporate responsibility activities of the company; and most importantly; the government will get taxes from the project and help to contribute to countries economic growth strategies.

9.1 Recommendation

We are highly encouraged to undertake this project, due to the fact that it has proven to have great potentials of meeting the locally available demand and foreign markets as well. The financial analysis also shows a significant contribution of the to the country's economic activities through employment creation and raising tax revenues to the government. Various stakeholders both from the public and private sector are highly requested to support this project at whatever capacity that may make this project a success.