

**AGILITY COMPANY LIMITED**

**DAR ES SALAAM**

**BUSINESS PLAN**

**PREPARED FOR:**  
**AGILITY COMPANY LIMITED.**  
**Dar es Salaam -ILALA.**

## **1.0 EXECUTIVE SUMMARY**

AGILITY COMPANY LIMITED is a private company limited by shares incorporated in 2020 whose main activity among several others is to be engaged in transportation of dry goods in and outside the country especially land locked neighbouring countries within East, Southern & central African region. The business intends to be one of the biggest local logistical companies in the country where by we have identified a great deal of good opportunities across several industries of our ever thriving economy, given the fact that Tanzania serves all neighbouring landlocked countries. The plan is to keep importing more trucks and trailers thus always adding and improving on our fleet services potential which will help on ever improving the quality & output of our operations of the business as planned. In order to reduce operation costs and due to the fact that the business is on a steady rise since its inception in terms of logistics/transportation side of the business as the main activity, we therefore see the necessity to register our investment through the Tanzania Investment Centre to ensure & secure a great future of our business.

## **2.0 LOCATION OF THE BUSINESS.**

The offices are located in Dar es salaam region, District Ilala, Ward Ilala, Postal code 12101, Street Lindi, Road Lindi, Plot no. 85, Block number 187.

## **3.0 INTRODUCTION.**

### **BACKGROUND.**

AGILITY COMPANY LIMITED among many other registered activities, Intends to mainly consider and attach special attention to its logistics/transportation section of activities and intentionally aspire to be a world-class provider of SERVICES incidental to land transportation within the country and is to be headquartered in Dar es Salaam - Tanzania, with an extensive network across Africa and around the World. We aspire to take pride in being regarded as one of the most reliable, efficient and affordable logistical & transportation services provider to link up the main economic cities in the country and region at large and beyond our regional borders. Working together with leading international entities, we are able to offer complete range of very competitive logistical services for both full and part load carriages to

and from any neighboring destination. Our dedication to excellence enables our customers to achieve a competitive advantage in every part of their supply chain. Whatever your requirement we can take care of it by offering a personalized logistical solution that meets your business needs.

Given the nature of our previous operations with a number of profound trading entities and companies in the country, it has become necessary for us to establish a firm hand of the business which is logistics. The idea came after noticing various opportunities across a number of thriving economic activity spheres whereby at all times if any business needs to transfer goods/products to several locations, who handles the managing of transportation? Or If a company needs to pick up resources, materials, supplies from another location, who do they turn to? THE LOGISTICS COMPANY. That is how significant a logistical company is. More than just the traditional mail & parcel house to house delivery, logistics understandably has evolved into this huge, complex operation that handles transportation for goods/products of literally all sizes, & delivery or distribution. Aside from hiring services of thirdparty logistics companies, rational/logical companies prefer to have their own in-house logistics team. To do that, they need a process to set up their logistics team thus the decision to create a sound business plan as a clear guidance to ensure our business success.

### **3.1 Mission.**

To strive for East, Southern & central African regional leadership mainly in the logistics industry by committing ourselves to the task of providing excellence through our services and professional approach.

### **3.2 Vision.**

To be one of the market leaders across the nation focused on customer satisfaction, redefining logistics solutions through our dedicated and motivated team. We are committed to be responsible citizens, building trust among other professional standard qualities.

### **3.3 Values.**

**Strength:**

Based on our handy professional experience strengths obtained over our long time participation in this industry, the business will keep growing fast given the fact that there is backward linkage of the business from transportation side. We have transported a lot of goods in the past working with other logistical companies in the country. We therefore know of/have a substantial number of clients on our ladder and database who transport goods on regular basis and want them to be transported to various areas inside and outside the country.

**3.4 Our Services.**

Through AGILITY COMPANY LIMITED, these are some activities which shall be performed:

- a) Logistics operations within the country and neighboring countries
- b) Transportation of goods and time optimization
- c) Intelligent route planning services
- d) Fleet management services
- e) Cargo handling
- f) Courier activities

**3.5 OVERALL OBJECTIVES.**

Overall objectives of the business among others include:

- (i) To keep Expanding on the investment capitals of the business so as to enable us meet customers' demands and in this regard the business will need either a bank facility existing capital which is inadequate to meet proposed business needs.
- (ii) To Increase number of fleet so as to tap market potentials based on the business experience of the **company director**.

- (iii) To Create various employment opportunities to the Tanzanians and stimulating business growth thus contributing to the country's economic growth.
- (iv) To reduce lead time and ensure timely deliveries which we understand is a non negotiable in today's fast-paced logistics business environment.
- (v) To enhance transportation services for smooth operations within the country and neighboring land locked countries.

### **3.6 Business Overview**

#### **3.6.1 Ownership.**

This is a private owned company limited by shares & registered As AGILITY COMPANY LIMITED operated by Directors/shareholders Mr. ABDALLA MOHAMED OMAR & Mr. AHMAD MOHAMED OMAR.(Tanzanian locals & citizens)

#### **3.6.2 Strategic Initiatives: Financials Operating Capital**

The business 's directors intend to set aside a total of TZS 2 billion as an operating investment (to support day-to-day operating expenses such as salaries, marketing, and purchases of trucks and other related business operating expenses. A five years strategic financial plan has been created to ensure that the business accomplishes its commercial aims while preserving efficiency and profitability.

In addition to the capital contributions from investors, the incentives as TIC registered company will enable the business to successfully operate and thrive. The investment will enable AGILITY COMPANY LIMITED to provide a value-driven, outstanding experience to its customers by using the creative abilities and innovation of its shareholders.

TABLE1: OPERATING CAPITAL

NO.	REQUIREMENTS	AMOUNT
	(1) Item A	
01	Trucks	TZS. 900,000,000
02	Trailers	TZS. 550,000,000
03	Light Vehicles	TZS. 250,000,000
04	Working Capital	TZS. 200,000,000
05	Furniture & Equipment	TZS. 100,000,000
	<b>Sub-Total Item A</b>	<b>TZS 2,000,000,000</b>

*Note: The office will be rented at TZS 10.7 million per annum.*

The business will define financial goals, alter objectives, and alter the present budget using historical and current financial data. The business will look at ongoing operations, long-term financial plans, and attempt to connect financial aims to these activities and come up with concrete financial management model and policy that aligns with objectives for the next three to five years.

Will put in place strategic efforts to monitor for fraud, mistakes, compliance problems, or other inconsistencies in the distribution of funds, as well as to gauge the effectiveness and performance.

We anticipate to import a SUBSTANTIAL number of trucks within five years to steady & smoothly facilitate movement of goods as per our contracts from our off takers.

In addition to the capital contributions from the Directors, TIC incentives will enable this investment to successfully operate and expand its business. Through the

creative abilities and innovation of its already vetted would be employees and already vastly experienced Directors, the investment will enable the business to always provide its consumers a satisfactory value-driven experience.

### **3.6.3 Long-term Goals**

To be the most exemplary & reliable logistic company with a fleet of good conditioned trucks together with highly competent and seasoned professional team members. The business will sign good contracts with good off takers given the fact that the company has got backward linkage of its business from clearing and forwarding companies like Adventure logistics Ltd, Instant logistics Co. Ltd, Red Sea Co. Ltd among others of which this ensures availability of goods to be transported. Within five years our revenue will grow from TZS 591million to TZS 2.9 billion with bottom line of TZS 117 million to TZS 531M (refer financial projection attached)

### **Strategic Initiatives: Research**

Tanzania has long been considered a strategic gateway in the African logistics and supply chain market. Its strategic location along the Indian Ocean, coupled with its great network of roads, rail, air transportation and port infrastructures makes it a natural hub for trade and commerce within the region. In recent years, the Tanzanian government has invested heavily in modernising its transport and logistics infrastructure, with the aim of attracting more foreign investment and boosting economic growth.

### **3.6.4 Strategic Initiatives: Business Model**

According to the analytical data, given the strategic location of Tanzania to serve landlocked countries such as Rwanda, Burundi, Uganda, SouthSudan, Congo, Zambia, Mozambique among others, the demand for transportation is very high, with continued investments in trucks there is good opportunity for the business to excel. There is always cargo to be transported.

## Our Approach

The business will much rely on our long-time forged relationships with various thriving business entities to ensure that there is an always sufficient goods to be transported. Through our long-term passed business relationships with customs & clearing entities/agents, there is good assurance of getting reliable customers for goods to be transported within the country and its neighbours.

### **3.6.5 Strategic Initiatives: Marketing**

We have built well-structured network channels through our passed business dealings on transportation of goods from customs and clearing agent entities which has already established for us a sufficient enough base familiarity and trust with various customers:

#### **Below The Line Marketing**

All on-the-ground efforts aimed at increasing logistics and building trust in communities). This includes events attending, trade fairs, business meetings, and other methods.

#### **•Branding**

We will develop a brand identity that will be included into all services we are offering in the market.; the identity will communicate the distinctive value of the things we offer in order to compete in the regional market.

## **4.0 MANAGEMENT.**

The business will be well managed by the following team;

- (i) Director –AHMAD MOHAMED OMAR. Will be dealing with daily activities of the proprietorship business, getting orders from international customers, attending international trade fairs to get customers to do business with and other day to day activities of the company.
- (ii) Finance Manager/Co. Secretary –Mr ABDALLA MOHAMED OMAR Is a well qualified accountant with CPA. He will be responsible for daily

finance issues of the business. He will be in charge of all finance and accounting activities.

(iii) Operation Manager - Andrew Nyembe. Will be responsible for all operations activities ensuring that all customer orders are executed on time. Ensuring cargo safety and all other business compliance.

NB: Truck drivers among other portfolios of employees shall be introduced as the business grows and takes successful shape as per our intended objectives.

## 5.0 MARKETING ANALYSIS

### 5.1 AN OVERVIEW OF THE MARKET.

The Tanzanian transport sector systems consists of surface transport (roads and railways), air transport, and sea and inland waterways (lakes and rivers) transport. Tanzania's transport sector rose by 55% in value during 2009–2014, from USD1. 3b to USD2. 1b, contributing 4.4% to the country's GDP.

The logistics industry in Tanzania plays an essential role in growing and improving the other industries as well. So here we are going to discuss/write about the significance of logistics in Tanzania and the world at large.

Logistics helps in cost reduction and thus maximizes the profit. This becomes possible due to improved material handling, safe and speedy transportation, convenient location of warehouses, etc.

Logistics mainly helps in the efficient flow of manufacturing operations. It makes on-time delivery of raw materials possible and results in the proper utilization of these materials and then finished goods.

Logistics provides a competitive edge to the industry by increasing sales by providing better customer service, which is only possible due to logistics. It helps to arrange for a **reliable delivery without errors** in order processing of any product. Moreover, logistics help in developing an effective communication system for any

enterprise as well. Because of the continuous interaction with suppliers and delivery, companies can improve customer service.

## **5.2 MARKET SIZE.**

Dar es Salaam Port serves as a gateway that handles cargo not only for Tanzania but also transit cargo for neighboring landlocked countries. The proportion of total cargo accounted for by transit cargo has been about 35%. The volume of containerized traffic handled at Dar es Salaam Port increased 3.3 times from 2000 to 2010, from 125,000 TEUs to 410,000 TEUs. If the volume of container cargo continues to increase at a comparable rate, Dar es Salaam Port will reach its capacity over the next decade of which this creates good source of goods to be transported by local transporters.

## **5.3 SUPPLY SOURCES.**

As said earlier, the strategic location of Tanzania gives reliable sources of goods to be transported. There is substantial amount of imports coming into the country to be transported to various places of the country and other landlocked countries. This gives assurance that our investment proposal will be viable.

## **5.4 COMPETITION**

Like any other business, **AGILITY COMPANY LIMITED** will be facing competition from other transporter companies however given the fact that it has backward linkage with a great deal of friendly customs and clearing companies within the country, it will be able to penetrate, **SURVIVE AND THRIVE BETTER** into the market.

## **MARKETING STRATEGIES**

The marketing strategies will be in force and will be used in future by the **SHAREHOLDERS** in expanding the market include; product strategy , attending

various trade fairs inside and outside the country whereby he will be meeting various businessmen and customs and clearing agent companies.

#### **5.5 PRODUCTS AND SERVICES STRATEGY.**

The main strategy is to upgrade the business image by expanding and providing customers with what is needed in terms of quality and reliability. In order to safeguard its market share, the management will always be careful to offer high quality services to its clientele.

#### **PRICE STRATEGY.**

The pricing differs from one supplier/service provider to another. However, the price is fixed as per contracts signed. For upcountry region, the price is negotiated and agreed while for outside the country, the price is almost the same across the country however it depends on the clientele's goods destinations.

#### **5.6 DISCUSSION WITH THE PROMOTER.**

The report started with the discussion on the current status of the promoter's business activities followed by an analysis for the proposed business expansion/diversification programme which include capital investment expansion, management market analysis, demand and supply, financial and economic matters, all these aspects indicate that the future business is economically sound, feasible and financially viable. The business needs more capital in terms of fixed assets so that it can be able to keep thriving in the ever changing and highly competitive economy.

## **6 FINANCIAL AND ECONOMIC ANALYSIS**

### **6.2 FINANCIAL ANALYSIS.**

The objective is to invest sum of TZS 2.3 billion into this new venture so that signed contracts can be executed

### **6.3 BASIC ASSUMPTIONS:**

1 Requesting TIC certificate to facilitate importation of 100 trucks, the said trucks will be imported on instalment basis.

2 Investment plan is for five years.

3 Currently we are hiring trucks at the rate of TZS 165,000 per tone (VAT Inclusive). This is very expensive to the business.

After getting TIC certificate, the business will be able to import trucks due to reduced price in terms of taxes and duties

5.0 The business will be at least steadily adding two trucks every year for the next five years to 2028.

**AGILITY COMPANY LIMITED**  
**PROJECTED STATEMENT OF PROFIT OR LOSS**

	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
	<b><u>TZS</u></b>	<b><u>TZS</u></b>	<b><u>TZS</u></b>	<b><u>TZS</u></b>	<b><u>TZS</u></b>
	<b><u>12 Months</u></b>	<b><u>12 Months</u></b>	<b><u>12 Months</u></b>	<b><u>12 Months</u></b>	<b><u>12 Months</u></b>
<b>Revenue</b>	591,360,000	1,182,720,000	1,774,080,000	2,365,440,000	2,956,800,000
Direct costs	254,284,800	603,187,200	1,064,448,000	1,537,536,000	1,951,488,000
<b>Gross Profit</b>	<b>337,075,200</b>	<b>579,532,800</b>	<b>709,632,000</b>	<b>827,904,000</b>	<b>1,005,312,000</b>
<b>Other Income</b>					
	337,075,200	579,532,800	709,632,000	827,904,000	1,005,312,000
<b>Expenses</b>					
Operating expenses	150,415,756	165,457,331	182,003,064	200,203,371	220,223,708
Depreciation	18,779,561	16,756,383	18,500,075	20,458,652	25,573,315
	169,195,317	182,213,714	200,503,140	220,662,022	245,797,022
<b>Profit/ (Loss) before Tax</b>	<b>167,879,883</b>	<b>397,319,086</b>	<b>509,128,860</b>	<b>607,241,978</b>	<b>759,514,978</b>
<b>Taxation</b>	<b>50,363,965</b>	<b>119,195,726</b>	<b>152,738,658</b>	<b>182,172,593</b>	<b>227,854,493</b>
<b>Net Profit</b>	<b>117,515,918</b>	<b>278,123,360</b>	<b>356,390,202</b>	<b>425,069,384</b>	<b>531,660,484</b>

**AGILITY COMPANY LIMITED**  
**PROJECTED STATEMENTS OF THE FINANCIAL POSITION**

	2023 TZS	2024 TZS	2025 TZS	2026 TZS	2027 TZS	2028 TZS
<b>Non Current Assets</b>						
Property, Plant and Equipment	1,104,298,695	1,265,385,800	1,288,467,261	1,056,682,423	1,189,317,558	1,793,339,563
<b>Total non-current assets</b>	<b>1,104,298,695</b>	<b>1,265,385,800</b>	<b>1,288,467,261</b>	<b>1,056,682,423</b>	<b>1,189,317,558</b>	<b>1,793,339,563</b>
<b>Current Assets</b>						
Trade and Other Receivable	204,417,183	224,858,901	247,344,791	272,079,270	299,287,197	329,215,917
Cash and Cash Equivalent	105,016,478	91,967,010	394,197,542	992,108,074	1,287,788,074	992,108,074
<b>Total current assets</b>	<b>309,433,661</b>	<b>316,825,911</b>	<b>641,542,333</b>	<b>1,264,187,344</b>	<b>1,587,075,271</b>	<b>1,321,323,991</b>
<b>Total Assets</b>	<b>1,413,732,355</b>	<b>1,582,211,709</b>	<b>1,930,009,592</b>	<b>2,320,869,765</b>	<b>2,776,392,827</b>	<b>3,114,663,552</b>
<b>Non Current Liabilities</b>						
<b>Total Current Liabilities</b>						
<b>Current Liabilities</b>						
Trade and Other Payable	7,661,475	8,427,623	9,270,385	10,197,424	11,217,166	12,338,883
Tax Payable	166,676	50,363,965	119,195,726	152,738,658	182,172,593	227,854,493
Bank overdraft						
<b>Total current liabilities</b>	<b>7,828,152</b>	<b>58,791,588</b>	<b>128,466,111</b>	<b>162,936,082</b>	<b>193,389,759</b>	
<b>Equity and Liabilities</b>						
Share Capital	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Retained earnings	1,385,904,202	1,503,420,120	1,781,543,480	2,137,933,682	2,563,003,067	3,094,663,551
<b>Total equity</b>	<b>1,405,904,202</b>	<b>1,523,420,120</b>	<b>1,801,543,480</b>	<b>2,157,933,682</b>	<b>2,583,003,067</b>	<b>3,114,663,551</b>
<b>Total Equity and Liabilities</b>	<b>1,413,732,355</b>	<b>1,582,211,709</b>	<b>1,930,009,592</b>	<b>2,320,869,765</b>	<b>2,776,392,827</b>	<b>3,114,663,552</b>

## 6.4 CASHFLOW PROJECTIONS

*Attached at the back of this proposal*

### (1) PROFITABILITY

Income statement is shown in the financial statements attached with this application. On the basis of the income generated and operation of expenses the business shows that it is profitable.

Cash flow projections are shown at the back of this application. Net Cash flow shows a healthy situation over the period of investment.

## 7 ECONOMIC AND FISCAL BENEFITS

### 7.1. ECONOMIC ANALYSIS

The business will stimulate its business interactions with other people of similar or different activities in the economy and hence increase employment opportunities within the country as well as taxes to the government.

### 7.2 FISCAL BENEFIT

The Government will receive revenue in the form of licences, corporation taxes among other legal avenues.

## 8 CONCLUSION.

The financial relief sought in this proposal will help the business to increase its fleet size hence boost its revenue. Also, the analysis in this business plan reveals that the project is financially, economically sound and socially feasible. The business will stimulate economic activities in the overall economy.

BEFORE ME,

NURU JUMA MAMBO 

