

**AHADI MOTORS (T) LIMITED COMPANY**

**BUSINESS PLAN**

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## **AHADI MOTORS (T) LIMITED COMPANY**

### **Business Profile**

#### **A. Executive Summary**

##### **1. Company & Project concept**

**AHADI MOTORS (T) LIMITED COMPANY** is a limited liability company incorporated in Tanzania under the Companies Act of 2002, bearing Certificate of Incorporation number 156242683. We are dedicated to providing comprehensive local and cross-border logistics services. Our core commitment lies in ensuring efficiency, security, and the timely delivery of cargo, offering exceptional service to our clientele.

In pursuit of business growth and alignment with our operational objectives, we are submitting this business plan as part of our application for the Certificate of Incentive. This certification will enable us to expand our services and enhance our contribution to Tanzania's economic development, particularly in the logistics and transportation sectors.

##### **Company Goals and Objectives:**

In Summary **AHADI MOTORS(T) LIMITED COMPANY** aims to: -

- Provide efficient and reliable local and cross-border logistics services.
- Enhance the security and timely delivery of cargo.
- Maintain a competitive edge by integrating advanced technology into our logistics operations.
- Contribute to the economic development of Tanzania by improving transportation services.

##### **2. Purpose of Business Plan**

This document is prepared to serve the purpose of the application. We are dedicated to providing logistic transportation services that offer unmatched performance, advanced technology, and environmental responsibility. Our purpose is to set a new standard in the transportation service industry by blending cutting-edge technology with exceptional customer experience.

To advance the state of automotive technology through logistic transportation service and development to offer the best in performance, safety, and efficiency transportation. In the United Republic of Tanzania.

##### **3. The project promoter**

The project will be managed and operated by AHADI MOTORS (T) LIMITED, which is owned by body corporates with the following shareholders percentages distribution is listed below.

## LETTER HEAD

<b>NAME OF SHAREHOLDERS</b>	<b>NATIONALITY</b>	<b>NUMBER OF SHARES</b>
TIAN JICHEN, 1400 HANGZHOU ROAD BINHAJ NEW DISTRICT, TIANJIN, CHINA	CHINESE	750
JIMMY MAFURU MAFURU P.O.BOX 7416, DAR ES SALAAM	TANZANIAN	50
TOTAL NUMBER OF SHARES OF THE COMPANY = 80000 Ordinary Shares		

#### **4. Intended Investment Amount:**

The capital amount 20770920000 TZS

#### **5. Company Legality**

The legal certificates, and documents such as Memorandum and Article of Association, Certificate of Incorporation and Tax Identification Number, justify that **AHADI MOTORS (T) COMPANY** is operating within the ambit of the law of Tanzania.

#### **6. Project Organization Structure**

The following organization constitutes the management of AHADI MOTORS (T) LIMITED COMPANY set up, the Board of Directors who are responsible for the supervision of the entire operations of the Company and the company's operational team, which implements the project goals and vision.

#### **7. Investment Structure**

The project is estimated to cost a total approximation of USD 500,000, which will increase from time to time. The money will cover working Capital, material, purchase of lubricant and other company expenses. However, a financial policy of the Company states that the profits generated will be re-invested.

#### **8. Statement of Purpose**

This profile is drawn for the purpose of commencement of the application for logistic transportation services.

#### **Purpose of Investment**

This document is prepared to serve the purpose of a feasibility study of logistic transportation service in the United Republic of Tanzania/Zanzibar.

#### **Summary of the Expected Results**

In the end, the project is expected to achieve the following: -

## LETTER HEAD

- To maximize revenue and profitability by offering a variety of transportation options while maintaining quality and efficiency in The United Republic of Tanzania.
- To ensure safeguards of all transportation service are in place to be vulnerable quality service and comply with regulatory standards.
- Seek to comply with all statutory legislation and other external relevant authorities. Define and keep under review Company policy, allowing flexibility for local requirements and quality transportation service.
- Adopt best commercial practices and ethical standards of the transportation service dealing with logistic transportation.

### **Mission and Vision**

- **Innovation:** Continuously push the boundaries of automotive technology to deliver the most advanced and efficient and quality transportation service.
- **Sustainability:** Prioritize the local and cross border logistic services and promise to give customers with quality, efficiency, security and timely cargo deliver.
- **Customer Focus:** Enhance customer satisfaction by delivering their products with quality and safe transportation service.
- **Integrity:** Maintain the highest standards of honesty and transparency in all services regarding transportation.

### **9. Operations**

The project will be managed and operated by **AHADI MOTORS(T) LIMITED COMPANY**. The company is finalizing the acquisition of operation permits in its project of integrating the use of logistic transportation. Management will establish sound operating guidelines to conduct the day-to-day operations of this project.

### **10. Project Location**

The project shall be located at Dar es Salaam region, Temeke district, Keko ward, Postal code 15104 Keko Street, Nyerere Road, Plot number 2384/75, Block number 451, House number 87. **Postal Address, P.O. Box 33790, Dar es Salaam, Tanzania**

### **11. Logistic transportation service in Tanzania**

#### **a. The Logistic transportation services**

Logistics and transport services involve the planning, implementation, and management of the movement and storage of goods and services from their origin to their final destination. This sector plays a crucial role in ensuring that products reach consumers efficiently and cost-effectively. Here's a detailed explanation of logistics and transport services:

## LETTER HEAD

1. **Overview of Logistics and Transport Services** **Logistics** refers to the comprehensive process of coordinating and managing the flow of goods, services, and information from the point of origin to the final destination.

This includes.

- **Transportation:** Moving goods using various modes such as trucks.
- **Warehousing:** Storing goods in facilities before they are shipped to their final destination.
- **Inventory Management:** Tracking and controlling the amount of goods stored and ensuring the right amount of stock is available.
- **Order Fulfillment:** Processing customer orders, picking, packing, and shipping goods.
- **Supply Chain Management:** Overseeing the entire supply chain to ensure that all parts work efficiently and effectively together.
- **Distribution:** Managing the delivery of goods to retail or wholesale locations and end consumers.
- **Transport Services** focus specifically on the physical movement of goods. This includes:
  - **Freight Transport** involves moving goods over land, sea, or air. Various types of vehicles, such as trucks, railcars, ships, and aircraft, are used for this purpose.
  - **Logistics Planning:** Developing routes and schedules to ensure timely delivery and cost-effectiveness.
  - **Customs and Compliance:** Handling regulatory requirements for cross-border shipments, including customs clearance and adherence to international trade laws.

## LETTER HEAD

- **Fleet Management:** Overseeing a company's vehicle fleet, including maintenance, routing, and driver management.
- **Cargo Handling:** Managing the loading and unloading of goods, ensuring safe and efficient handling.

### 2. Importance of Logistics and Transport Services

- **Efficiency:** Effective logistics and transport services ensure that goods are delivered quickly and efficiently, minimizing delays and reducing costs.
- **Customer Satisfaction:** Reliable delivery times and accurate order fulfillment enhance customer satisfaction and build trust.
- **Cost Management:** Optimizing transportation routes, managing inventory levels, and reducing waste help control costs and increase profitability.
- **Market Reach:** Efficient logistics enable companies to expand their market reach by providing access to new regions and countries.
- **Competitive Advantage:** Companies with strong logistics and transport capabilities can respond faster to market demands and maintain a competitive edge.

### 12. Project Justification

The proposed project is under management of **AHADI MOTORS (T) LIMITED COMPANY** and is in line with Tanzanian government efforts in attempt to develop and ensure industrial efficiency in the transportation sector. This also has been complemented by the fact that the government is making a critical effort in ensuring good transportation services is enhanced in the country.

Regarding the initiative undertaken by **AHADI MOTORS (T) LIMITED COMPANY**, is justified by the following facts: -

- The Company has ensured that it follows the procedure to attain a certificate for the incentive for transportation.
- The Company has made efforts to establish safety protocols for ensuring quality and efficient transportation
- The company also collaborates with relevant certification bodies to understand the requirements and work towards compliance.

#### a. Social and Economic Impact of the Project

The proposed project will result in the following social and economic impacts:

##### 1. Accessibility and Convenience,

- **Improved Access:** Logistics and transportation services enhance access to goods and services, including essential items like food, medicine, and household goods, contributing to overall quality of life.
- **Urban Mobility:** Transportation systems improve mobility within cities, allowing people to commute more efficiently and access various services.

## LETTER HEAD

### 2. **Quality of Life:**

- **Reduced Travel Time:** Efficient transportation reduces travel time, which can lead to improved work-life balance and increased leisure time for individuals.
- **Enhanced Safety:** Modern logistics and transportation services often include advancements in safety technology, contributing to safer travel conditions for both passengers and goods.

### 3. **Social Inclusion:**

- **Job Opportunities:** The sector provides job opportunities across different skill levels, contributing to social inclusion and economic participation for diverse populations.
- **Rural Connectivity:** Logistics services improve connectivity for rural and remote areas, reducing isolation and providing access to essential services.

### 4. **Environmental and Health Considerations:**

- **Environmental Impact:** Transportation services contribute to environmental issues such as pollution and greenhouse gas emissions. However, advancements in green logistics and sustainable practices are working to mitigate these impacts.
- **Public Health:** Efficient logistics can ensure the timely delivery of medical supplies and vaccines, which is crucial for public health.

### 5. **Community Development:**

- **Local Economic Impact:** Local logistics hubs and transportation services can stimulate community development by supporting local businesses and increasing regional economic activity.

## **Industry Analysis**

### a. Sourcing and Technology

#### i. Sourcing

The company shall ensure quality, efficiency, and trustworthiness in transportation by using durable as well as professionals to deliver quality service is ensured

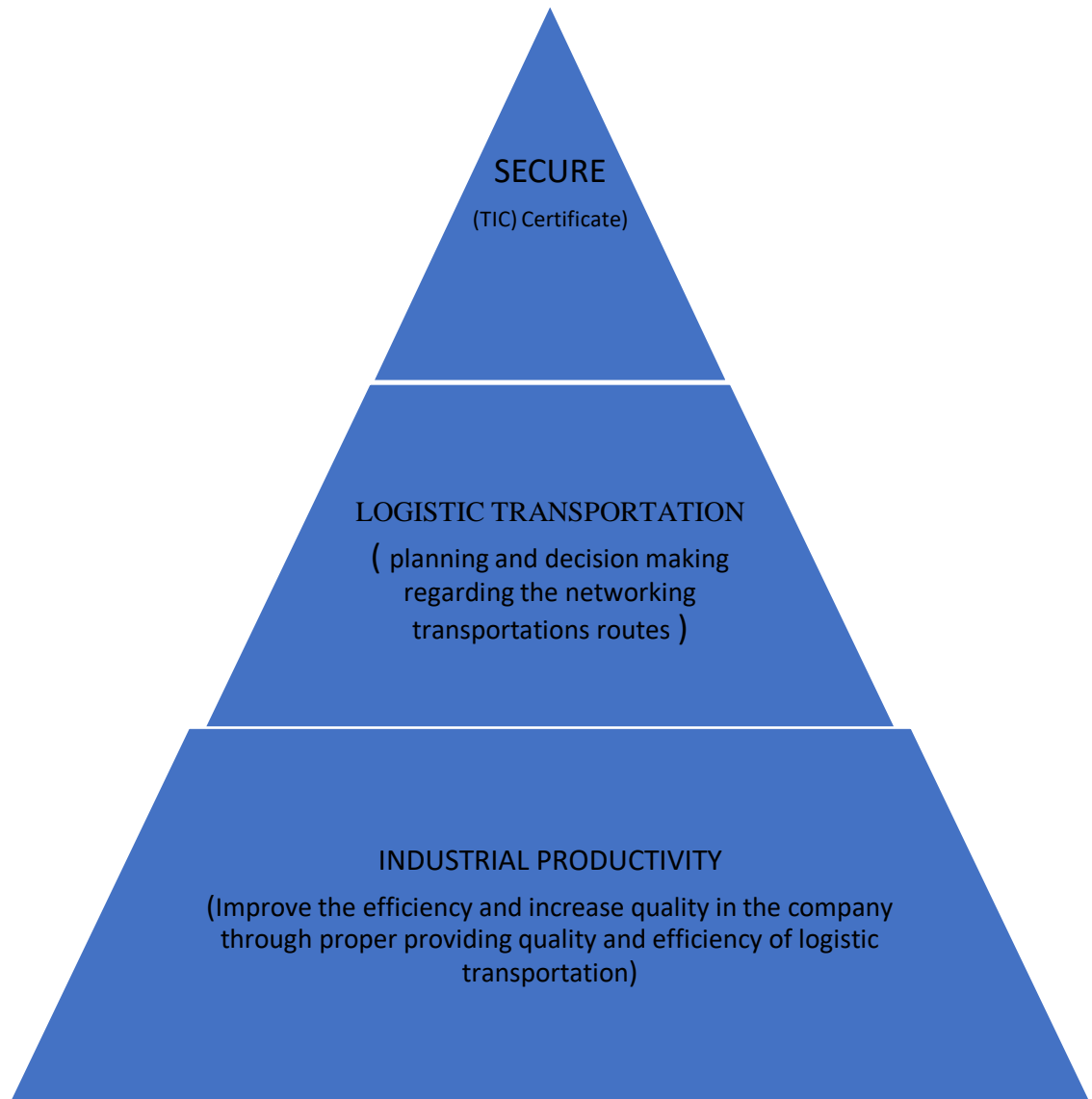
#### ii. Technology

The company aims to incorporate high-quality and advanced logistics into its transportation, which would improve its function and match new technologies related to transportation services.

### **b. Future Services**

The company foresees exploring various advanced logistic trucks for use in the company, such as quality service that is environmentally friendly. Further, the company seeks to source logistic transportation for the domestic industries to support transportation services industries within and outside the country.

Strategy Pyramid



**c. Competitive Edge**

The Company will have a rather bigger advantage from their competition due to the following reasons: -

**1. Market Analysis and Positioning**

**Market Research:**

## LETTER HEAD

- **Industry Trends:** Analyze current trends in logistics and transportation, including technological advancements, regulatory changes, and market demands.
- **Competitive Landscape:** Identify key competitors, their strengths and weaknesses, and their market share. Understand their service offerings, pricing strategies, and customer base.

### Target Market:

- **Customer Segmentation:** Define and segment your target market based on industry, size, location, and logistics needs. Tailor your services to meet specific customer requirements.
- **Value Proposition:** Clearly articulate what makes your service unique and why customers should choose you over competitors. This could include specialized services, superior technology, or exceptional customer service.

### d. Opportunities

#### 1. Direct Job Creation

##### a. Transportation Roles:

- **Truck Drivers:** One of the most visible roles, truck drivers are essential for moving goods over long distances. This includes long-haul drivers, local delivery drivers, and specialty drivers (e.g., for hazardous materials).
- **Train Conductors and Engineers:** Operate and manage freight trains, ensuring the safe and efficient transportation of goods.
- **Ship Captains and Crew:** Handle the transportation of goods by sea, including managing cargo operations and ensuring maritime safety.
- **Aircraft Pilots and Ground Crew:** Manage the transportation of goods by air, including pilots, cargo handlers, and airport ground staff.

### e. Analysis of Strengths, Weaknesses, Opportunities, and Threats

The table below presents the analysis of the company's Strengths, Weaknesses, Opportunities and Threats (SWOTS)

LETTER HEAD

<b>Strengths</b> <ul style="list-style-type: none"><li>• Availability of enough logistic trucks.</li><li>• Quality service is ensured</li></ul>	<b>Weaknesses</b> <ul style="list-style-type: none"><li>• Capital Injection</li></ul>
<b>Opportunities</b> <ul style="list-style-type: none"><li>• Suitable facilitative policy.</li><li>• Government development of the sector and rise of transportation service companies.</li></ul>	<b>Threats</b> <ul style="list-style-type: none"><li>• High competitive</li><li>• High Tax costs</li></ul>

The company has prepared for the action plans by doing the following: -

**i. Maintenance Information**

The company will employ qualified people to conduct maintenance and proper handling of logistic truck.

**g. Maintenance Strategy**

i. Overview

The success of **AHADI MOTORS LIMITED COMPANY** will be achieved by ensuring the proper use of logistic transportation to run its machinery to promote machine and equipment longevity during the transportation process. Today's industries require more lubricant use due to heavy machinery and goals to make **AHADI MOTORS (T) COMPANY** successful **AHADI MOTORS LIMITED COMPANY** will constantly strive to enthusiastically channel advanced transportation in the market, which would promote more efficiency to the running and maintenance of its trucks and equipment. The following exemplifies some of the tactics we will use to ensure effective use of logistic transportation:

i. Costs

The costs of the transportation service are managed by **AHADI MOTORS LIMITED COMPANY**. The costs take into consideration various needs of the company, whether





LETTER HEAD

	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
Revenue	1,415,232.00	1,429,384.32	1,443,678.16	1,458,114.94	1,472,696.09	1,487,423.06
<b>Operating Expenses:</b>	1,202,947.20	1,214,976.67	1,227,126.44	1,239,397.70	1,251,791.68	1,264,309.60
<b>Profit before Depreciation &amp;Interest</b>	<b>212,284.80</b>	<b>214,407.65</b>	<b>216,551.72</b>	<b>218,717.24</b>	<b>220,904.41</b>	<b>223,113.46</b>
<b>Interest</b>	18,000	14,400	10,800	7,200	3,600	-
<b>Depreciation</b>	<b>14,025.00</b>	<b>14,025.00</b>	<b>14,025.00</b>	<b>14,025.00</b>	<b>14,025.00</b>	<b>14,025.00</b>
<b>Net Profit</b>	<b>180,259.80</b>	<b>185,982.65</b>	<b>191,726.72</b>	<b>197,492.24</b>	<b>203,279.41</b>	<b>209,088.46</b>
Tax (30%)	54,077.94	55,794.79	57,518.02	59,247.67	60,983.82	62,726.54
<b>Profit After Tax</b>	<b>126,181.86</b>	<b>130,187.85</b>	<b>134,208.71</b>	<b>138,244.57</b>	<b>142,295.59</b>	<b>146,361.92</b>
Accumulated Profit	126,181.00	256,368.85	390,577.56	528,822.13	671,117.72	817,479.64

LETTER HEAD

**AHADI MOTORS LIMITED COMPANY PROJECTED CASH FLOW US\$**

	0	1	2	3	4	5	6
<b>SOURCES:</b>							
<b>Profit before interest and depreciation</b>	0	212,284.80	214,407.65	216,551.72	218,717.24	220,904.41	223,113.46
<b>Equity</b>	200,000.00						
<b>Loan</b>	300,000.00	-	-	-	-	-	
<b>Total Sources</b>	500,000.00	212,284.80	214,407.65	216,551.72	218,717.24	220,904.41	223,113.46
<b>Applications:</b>							
<b>Capital expenditure</b>	375,000.00	-	-	-	-	-	
<b>working Capital &amp;Others</b>	125,000.00	125,000.00	125,000.00	125,000.00	125,000.00	125,000.00	125,000.00
<b>Cash</b>	0	87284	89,407.00	91,551.00	93,717.00	95,904.00	98,114.00
<b>Tax</b>	-	54,077.94	55,794.79	57,518.02	59,247.67	60,983.82	62,726.54
<b>Sub total</b>	500,000.00	212,284.00	214,407.00	216,551.00	218,717.00	220,904.00	223,114.00
<b>Total applications</b>	500,000.00	212,284.00	214,407.00	216,551.00	218,717.00	220,904.00	223,114.00
<b>Accumulated cash</b>		87,284.00	176,691.00	268,242.00	361,959.00	457,863.00	555,977.00

**Appendix III**

**FINANCING PLAN FOR AHADI MOTORS LIMITED COMPANY FOR THE NEXT 5 YEAR TERM**

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
<b>N Number of Trucks</b>	10	5	5	5	5	30
<b>Revenue (USD)</b>	500,000	700,000	900,000	1,100,000	1,300,000	4,500,000
<b>Debt (USD)</b>	400,000	200,000	200,000	200,000	200,000	1,200,000
<b>Self-Financing (USD)</b>	600,000	300,000	300,000	300,000	300,000	1,800,000

LETTER HEAD