

# **ROSTAR VEHICLE EQUIPMENT LIMITED**

## **BUSINESS PLAN**

The information contained in this business plan is confidential and The property of **ROSTAR VEHICLE EQUIPMENT LIMITED** and is intended only for person to whom it is transmitted by the company or represented; any reproduction of this document in whole or part or divulgence of any of the contents without prior written consent is prohibited.

# **ROSTAR VEHICLE EQUIPMENT LIMITED**

## **Business Profile**

### **A. Executive Summary**

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

**ROSTAR VEHICLE EQUIPMENT LIMITED** is a limited liability Company incorporated in Tanzania under the Company Act of 2002. The Company was incorporated on 30/11/2023 and bears a Certificate of Incorporation number 170447727. The Company intends to implement a project of Manufacturing of Assembling plant in Tanzania.

**ROSTAR VEHICLE EQUIPMENT LIMITED's project** will be located at Plots No. 272,278 and 279, Located at Kegere, Bagamoyo District, Pwani Region. The outreach office is located at Dar es salaam Region.

Our goals and objectives are straightforward and seek to ensure we run a professional, profitable, and ethical company, building relationships with customers, suppliers, and investors. **ROSTAR VEHICLE EQUIPMENT LIMITED** aims to become one of the leading assembling plant manufacturing developer prioritizing professionalism, profitability, and ethical practices. Activities include assembling plant manufacturing development, and property management.

#### **2. Company Goals and Objectives:**

In Summary **ROSTAR VEHICLE EQUIPMENT LIMITED** aims to: -

- Enhance production processes to increase output and meet market demand for trucks.
- Achieve a production capacity of 1500 units per month within the first year of operation.
- Increase assembly line efficiency to produce 50 trucks per day, ensuring a steady output to fulfill customer orders.
- Maintain stringent quality standards throughout the assembly process to ensure reliable and durable trucks.

- Implement a quality control system that results in less than 7% warranty claims or product defects reported by customers within the first year.
- Set quality benchmarks and standards for the manufactured or assembled products.
- Exceed customer expectations by delivering trucks that meet their needs and preferences.
- Maintain a customer satisfaction rating of 90% based on post-purchase surveys, addressing any issues promptly and effectively.
- Provide 108 hours of training per employee annually, focusing on technical skills, safety protocols, and teamwork to enhance productivity and morale.
- Foster a skilled and motivated workforce to drive innovation and operational excellence.
- Incorporate innovative technologies to improve assembly processes and enhance truck performance.
- Minimize environmental impact through sustainable manufacturing practices.
- Maintaining that assembly plant complies with all relevant regulations, regulatory authority, and standards.

With these goals, the resources available, market conditions, and the competitive landscape, we strive to become a respected and influential assembling plant manufacturing company, delivering lasting value to our customers, investors, and communities.

### **3. Purpose of Business Plan**

This document is prepared to the serve the purpose of application for a certificate of incentives with Tanzania investment center to enable **ROSTAR VEHICLE EQUIPMENT LIMITED** to proceed with the project of **Manufacturing of assembling plant** in the United Republic of Tanzania.

### **4. The project promoter**

The project will be managed and operated by **ROSTAR VEHICLE EQUIPMENT LIMITED**, which is owned by private individuals with the following shareholders percentages distribution is listed below.

<b>NAME OF SHAREHOLDERS</b>	<b>NATIONALITY</b>	<b>NUMBER OF SHARES</b>
ROGIANT{DALIAN}VEHICLE INDUSTRY INVESTMENT DEVELOPMENT CO. LTD	CHINESE	60
CU AUTO PLAZA INC	UNITED STATE	5
TOTAL NUMBER OF SHARES OF THE COMPANY = 65 Ordinary Shares		

**5. Intended investment Amount:**

The investment amount is USD 500,000.

**6. Company Legality**

The legal certificates, and documents such as Memorandum and Article of Association, Certificate of Incorporation and Tax Identification Number, justify that **ROSTAR VEHICLE EQUIPMENT LIMITED** is operating within the ambit of the law of Tanzania.

**7. Project Organization Structure**

The management of **ROSTAR VEHICLE EQUIPMENT LIMITED** is constituted by the following organization set up, the Board of Directors who are responsible on the supervision on the entire operations of the Company and the company’s operational team which implement the project goals and vision.

**8. Investment Structure**

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

## **B. Statement of Purpose**

This Profile is drawn for the purpose of commencement of the business and application for the certificate of Incentives from the Tanzania Investment Centre (TIC).

## **C. Purpose of Investment**

This document is prepared to serve the purpose as a feasibility study for **ROSTAR VEHICLE EQUIPMENT LIMITED** on the establishment of assembling plant manufacturing project in the United Republic of Tanzania/Zanzibar.

## **D. Summary of the Expected Results**

The assembling plant manufacturing project aims to achieve the following:

- Increase direct employment opportunities.
- Achieve high levels of production efficiency and output.
- Meet or exceed stringent quality standards.
- Deliver truck products that consistently meet customer expectations and regulatory requirements.
- Establish the manufacturing or assembling plant as a leader in the market.
- Attain sustainable revenue growth.
- Achieve profitability through cost-effective operations and strategic financial management.
- Embrace innovation and incorporate cutting-edge technologies.
- Stay ahead of industry trends, ensuring relevance and competitiveness.
- Minimize environmental impact through responsible resource management.
- Foster high levels of customer satisfaction.
- Foster a positive work culture that contributes to employee satisfaction and retention.
- Explore opportunities for market expansion and diversification.
- Identify and enter new markets or product lines based on strategic analysis.

- Establish a robust regulatory compliance framework to mitigate legal risks.
- Ensure the long-term viability and sustainability of the manufacturing or assembling plant.
- Develop strategies for adapting to changing market conditions and maintaining resilience.
- Contribute to the local economy through increased property taxes and business revenue.
- Direct Domestic investment of more than USD 500,000 within 2023 -2028

## **E. Mission and Vision**

### **Mission:**

Our mission is to lead the way in manufacturing and assembly, delivering innovative and dependable solutions that empower the global trucking industry. We are dedicated to precision engineering, sustainable practices, and surpassing customer expectations. Through a culture of continual improvement and a skilled workforce, we strive to advance the success of our clients and the communities we serve.

### **Vision:**

As a premier manufacturing and assembly plant specializing in trucks, our vision is to set the standard for technological innovation, operational excellence, and environmental responsibility. We aim to become the preferred partner for businesses seeking cutting-edge truck solutions, known for our unwavering commitment to quality and reliability. By embracing emerging technologies and fostering a culture of collaboration and integrity, we envision a future where our contributions drive positive impact and sustainable growth in the global trucking industry.

## **F. Operations**

The project will be managed and operated by **ROSTAR VEHICLE EQUIPMENT LIMITED**. The Company is finalizing acquisition of operation permits to start the implementation of Management will establish sound operating guidelines to conduct the day-to-day operations of this project.

## **G. Project Location**

- The project shall be located at **Plots No. 272, 278 and 279, located at Kerege, Bagamoyo District, Pwani Region.**

## **H. Assembling plant manufacturing sector in Tanzania**

### **a. Assembling plant manufacturing in Tanzania**

The assembling plant manufacturing sector in Tanzania plays a vital role in economic growth, generating jobs and attracting investments. To ensure success, the government must focus on infrastructure development, land management, and workforce transition. Creating assembling of plant manufacturing Development Authority, promoting availability of trucks at an affordable price, and spare parts. Continuous monitoring and evaluation will be crucial for progress.

### **b. Tanzania's assembling of plant manufacturing sector**

The Tanzanian manufacturing sector has witnessed notable growth and diversification, spurred by the government's commitment to industrialization and economic development. With a focus on value addition, there is a rising demand for assembling plants that contribute to the production of finished goods, creating employment opportunities and enhancing local production capabilities. The value of Tanzania's properties accounted for 3.7% of the country's real GDP with USD 1.5 billion in 2019, compared to USD 1.2 billion in 2015, an increase of 25%. Due to the said growth the assembling plant industry has grown immensely hence the need for a manufacturing industry for plant.

### **c. Project Justification**

The proposed project is under management of **ROSTAR VEHICLE EQUIPMENT LIMITED** and is in line with Tanzania Government efforts in attempt to develop real manufacturing. This also has been complemented by the fact that the government is making a critical effort in improving the assembling plant manufacturing sector.

Regarding the initiative undertaken by **ROSTAR VEHICLE EQUIPMENT LIMITED**, it is justified by the following facts:

- The company has a special invested interest in the assembling plant manufacturing sector and therefore decided to seek additional plant manufacturing projects in their company.

- The involvement of the company in the assembling of plant manufacturing sector will boost and at the same time strengthen the assembling plant manufacturing sector in Tanzania.
- The company's marketing strategy and intention is to have a wide customer base both locally and internationally which focuses on solving private and public.

#### **d. Social and Economic Impact of the Project**

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

- The project will ensure car dealers acquire the trucks at an affordable price, and spare parts will also be well available at competitive prices.
- The project will contribute in enhancing the skills and employability of the local workforce.
- Increased competitiveness among local assembling plant manufacturing companies and export markets in Tanzania.
- The project will provide employment for people in Tanzania and training the employees to further improve their knowledge on the assembling of plant manufacturing activities.
- The project will contribute to technology transfer and knowledge sharing within the local context, through training or education programs related to technology advancement.
- Satisfactory contribution to the overall economic growth of the country.
- Increase of local supply chain, including sourcing materials and services locally.
- The Government and other agencies will benefit from various taxes, fees and commissions that will be paid to the Treasury etc. by this Company.

## **e. Industry Analysis**

### a. Sales Literature, Technology and Future services

#### i. Sales Literature

The company shall utilize various marketing materials and training programs to promote its assembling plant manufacturing to customers.

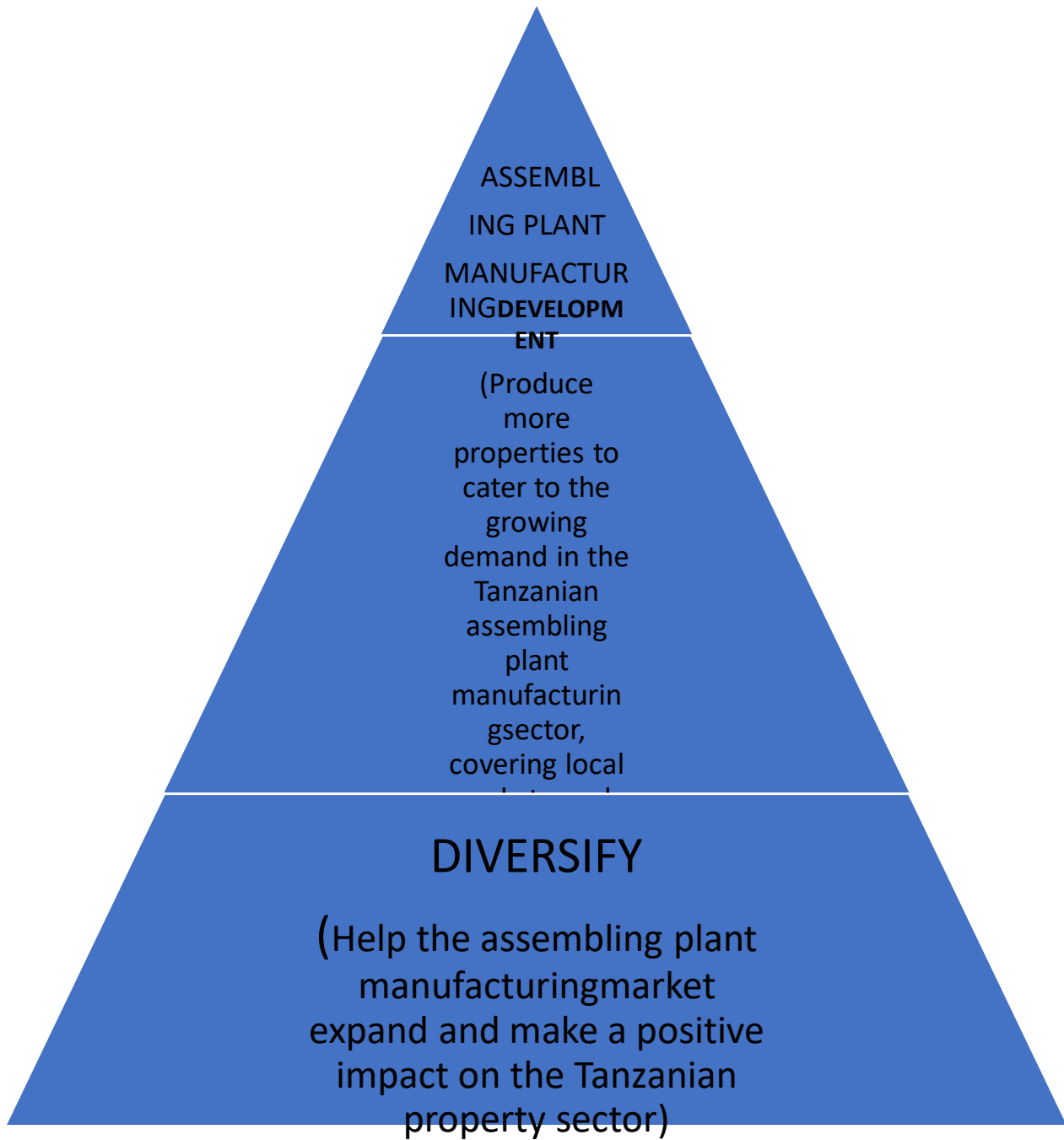
#### ii. Technology

The company aims to the company aims to develop and manage assembling plant manufacturing properties, which will involve acquiring both imported and locally sourced construction materials. Advanced construction machinery and technologies will be employed to enhance efficiency and quality in assembling plant manufacturing development.

#### iii. Future Services

The company's future plans involve diversifying its assembling plant manufacturing business by venturing into other related activities. This includes ensuring car dealers acquire the trucks at an affordable price, Spare parts will also be well available at competitive prices.

## Strategy Pyramid



#### b. Competitive Edge

Competitive Edge the Company will have a significant advantage over its competitors in the assembling plant manufacturing industry due to the following reasons: -

- The assembling plant manufacturing development projects undertaken by the company will be advanced and of higher capacity compared to competitors.
- Many assembling plant manufacturing companies often price their properties at a premium, whereas our company will offer products at more affordable and competitive prices.
- The opening of Tanzania for international investment has created a huge demand for assembling plant manufacturing projects, resulting in a thriving market and ensuring a quick return on investment for the company.

#### f. Opportunities

- a. Increased demand for assembling plant manufacturing activities.

Tanzania is experiencing a surge in demand for assembling plant manufacturing properties as the country's economy continues to grow backbone of the economy.

- b. Uniqueness location of the project

**ROSTAR VEHICLE EQUIPMENT LIMITED** project will be one of the assembling plant companies, which is located at Coast Region, Tanzania. The location presents an opportunity for be strategically located in Tanzania to serve people in all locations. This project provides an opportunity to **ROSTAR VEHICLE EQUIPMENT LIMITED** to easily capture the market around Coast Region Which is growing together with Dar es Salaam Region and even extending its borders to the new road that connects to Tanga and other central regions of other parts of Tanzania.

Unique location of the project **ROSTAR VEHICLE EQUIPMENT LIMITED's** assembling plant manufacturing project will be strategically located in Coast Region, Tanzania. The location presents an opportunity for **ROSTAR VEHICLE EQUIPMENT LIMITED** to capture

the market in all areas in Coast Region and Dar es salaam, and even extend its reach to the new road that connects to Tanga and other central regions of Tanzania.

c. Government Policy

The Government of Tanzania has made the policy that intends to improve and promote the Manufacturing sector locally and across borders.

d. Government Incentives package

The Government has enacted laws that offer reasonable incentives example removal of taxes on some importations and deferment.

d. Analysis of Strengths, Weaknesses, Opportunity, and Threats

Table below present the analysis of the company's Strengths, Weaknesses, Opportunities and Threats (SWOTS)

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Availability of market</li> <li>• The plant is equipped with state-of-the-art technology and machinery.</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• The brand and market presence may be limited.</li> <li>• The rapid pace of technological change may lead to the obsolescence of existing equipment.</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Supportive government policies</li> <li>• Capitalize on the increasing demand for assembled products in various industries.</li> <li>• Embrace technological advancements in assembly processes.</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• Increment of inflation</li> <li>• Market competition from existing and new players in the assembling plant industry.</li> <li>• Rapid changes in technology are rendering current assembly</li> </ul>

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

#### e. Marketing Information

The company will employ qualified professionals to conduct marketing activities for its assembling plant manufacturing project.

#### g. Marketing Strategy

##### i. Overview

The success of **ROSTAR VEHICLE EQUIPMENT LIMITED** in the assembling plant manufacturing market will be achieved by providing high-quality services, a customer-centric approach, and an aggressive marketing plan to attract potential customers. The assembling plant manufacturing market requires a different set of strategies, includes to focus on offering attractive properties, providing exceptional customer service, and maintaining a positive brand image throughout all marketing efforts amplifies some of the tactics we will use to drive more sales and distribution.

##### ii. Customer Database

**ROSTAR VEHICLE EQUIPMENT LIMITED** will aggressively build a database of potential buyers, investors, and other key stakeholders in the assembling plant manufacturing market. We will encourage interested individuals to sign up for our database to receive updates on property listings, exclusive offers, and relevant market insights. The database will be maintained and updated regularly to ensure effective communication with our target audience.

##### iii. Advertising

**ROSTAR VEHICLE EQUIPMENT LIMITED** will adopt an aggressive advertising strategy. **ROSTAR VEHICLE EQUIPMENT LIMITED** will process outdoor and changeable copy advertisement and elaborate design signage depends upon derivative right restrictions on the land. **ROSTAR VEHICLE EQUIPMENT LIMITED** will utilize both traditional non-traditional methods of advertising. Management's viewpoint on advertising is state in your own words, the philosophy **ROSTAR VEHICLE EQUIPMENT LIMITED** will adopt towards the use of traditional advertising such as radio, newspaper, billboards, or television.

#### iv. Costing and Pricing

The pricing strategy in the manufacturing market will be based on thorough market research and analysis of the good's value and market demand. We will offer competitive pricing to attract potential buyers and investors. Additionally, we will design promotional campaigns for specific properties or projects, offering discounts for bulk or repeat purchases and communicate discount options to encourage long-term relationships with client among potential buyers.

#### v. Customers

**ROSTAR VEHICLE EQUIPMENT LIMITED** is targeting to all regions in Tanzania and whole of East Africa specifically targeting the companies, businesses, and individual customers.

As it has been explained in preamble chapters, **ROSTAR VEHICLE EQUIPMENT LIMITED** will set project which will be indulging in assembling plant business.

#### vi. Marketing Plan

The company has both short term and long-term marketing plan:

The short-term marketing plan will focus on establishing a strong online presence through social media marketing, and email campaigns. We will also participate in local assembling plant manufacturing events and collaborate with assembling plant manufacturing agents to expand our network.

Long Term Plans includes:

The long-term marketing plan focus to be a leading and trusted player in the assembling plant industry. Over the next [five years], our strategic marketing initiatives will focus on building a strong brand, expanding market presence, and fostering lasting relationships with our target customers.

### **g. Management & Administration**

#### a. Management

The management team of **ROSTAR VEHICLE EQUIPMENT LIMITED** will consist of the Board of Directors, who will make strategic decisions in line with the assembling plant manufacturing market dynamics and investor expectations.

i. Board of Directors

**ROSTAR VEHICLE EQUIPMENT LIMITED** will be managed by the board of Directors which is the apex body for strategic decision making of the project in line with the resolutions from the shareholders.

ii. Accountant

An internal accountant will be employed to work with the existing external accountant who is expected to have good experience in accounting system as well as he will be responsible in managing cash of **ROSTAR VEHICLE EQUIPMENT LIMITED** but also keeping books of accounts properly.

iii. Management Agreements

Management Agreements will be executed between **ROSTAR VEHICLE EQUIPMENT LIMITED** and other team managers. The purpose of these agreements is to define the expectations of both parties, establish an incentive structure, and define the grounds under which the agreement may be terminated.

iv. Confidentiality Agreements

**ROSTAR VEHICLE EQUIPMENT LIMITED** will enforce that all employees sign a confidentiality agreement. Confidential agreements with our employees and partners will protect our assembling plant's business, operating systems, policies, and procedures. Having a confidentiality agreement in place is essential to protect the company's trade secrets and show our employees that we take our business seriously.

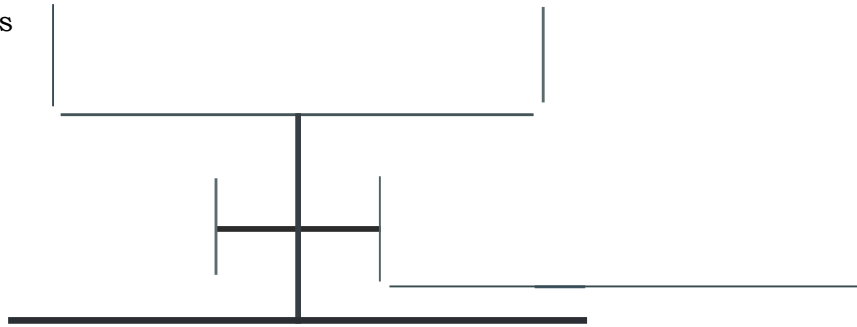
v. Organization Structure

The management of **ROSTAR VEHICLE EQUIPMENT LIMITED** is planning to have the following organization structure.

Managing Director



The Board of Directors



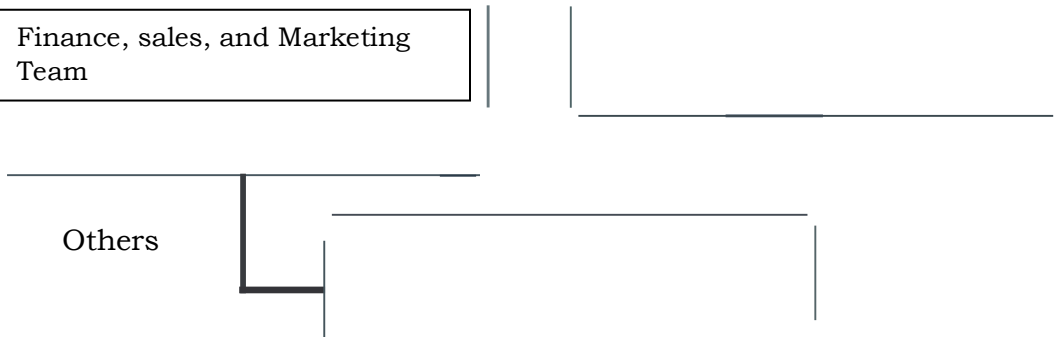
General manager

Chief Operation Manager



Finance, sales, and Marketing Team

Others



vi. Job creation

The following table illustrates the forecasted job creation throughout the coming five years.

Job Title /Year	2024	2025	2026	2027	2028	Total
Country Manager	1	0	0	0	0	1
Finance Manager	1	0	0	0	0	1
Office Manager	1	1	0	0	0	2
Sales Manager	1	0	0	0	0	1
Operations Manager	1	1	1	0	0	3
Office staff	5	5	5	0	0	15
Equipment Operators	10	5	5	5	5	30
Technician	10	10	10	10	10	50
General worker	50	40	30	20	20	160
Grand Total	80	62	51	35	35	263

**Appendix I****ROSTAR VEHICLE EQUIPMENT LIMITED PROJECTED INCOME & EXPENDITURE  
STATEMENT (US\$)**

	<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

**ROSTA VEHICLE EQUIPMENT LIMITED 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 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>	<b>500,000.00</b>	<b>212,284.00</b>	<b>214,407.00</b>	<b>216,551.00</b>	<b>218,717.00</b>	<b>220,904.00</b>	<b>223,114.00</b>
<b>Accumulated Cash</b>		<b>87,284.00</b>	<b>176,691.00</b>	<b>268,242.00</b>	<b>361,959.00</b>	<b>457,863.00</b>	<b>555,977.00</b>

### Appendix III

#### FINANCING PLAN FOR ROSTAR VEHICLE EQUIPMENT LIMITED FOR NEXT 5 YEAR TERM

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