

# **FAROO CAPITAL COMPANY LIMITED**

**Business Plan**

**For**

**Cargo Transportation by Road and Logistics Management**

## **1.0 INTRODUCTION**

FAROO CAPITAL COMPANY LIMITED is a company incorporated in Tanzania with certificate No. 166426995 dated 23rd June 2023 as private limited company under the Tanzanian Companies Act, 2002. FAROO CAPITAL COMPANY LIMITED is engaged in the business of Transportation and Logistics, passenger land transport Across Tanzania, Travel agency activities, Hotel and hospitality industry services etc, FAROO CAPITAL COMPANY LIMITED is currently planning to provide cargo transportation by road and logistics supply management within the country, East Africa, East and Central Africa region.

### **1.1 FAROO CAPITAL COMPANY LIMITED MISSION**

To become a leading cargo transportation and logistics management company providing business enabling solutions and exceeding customer expectations.

### **1.2 FAROO CAPITAL COMPANY LIMITED VISION**

To deliver customized and unique logistics solutions ensuring time and cost savings for customers.

### **1.3 FAROO CAPITAL COMPANY LIMITED VALUES**

At FAROO CAPITAL COMPANY LIMITED, we believe the customer comes first; the company management is focused to ensure customer delight, superior quality of delivery and increased customer profitability.

At FAROO CAPITAL COMPANY LIMITED, our operations all over the country, we practice an enduring value system based on an open culture, honest and fair business and personal conduct, earning the confidence and trust of our Associates and Customers.

At FAROO CAPITAL COMPANY LIMITED, we practice transparency with all agencies that we are involved with.

At FAROO CAPITAL COMPANY LIMITED, we value the importance of our colleagues, evolving a sense of togetherness and passion to deliver.

#### 1.4 **COMPANY OWNERSHIP AND BOARD OF DIRECTORS**

FAROO CAPITAL COMPANY LIMITED is promoted by four shareholders who are very experienced in transport and logistic business, the share capital of the company is Tanzania shillings 100,000,000/ ordinary

<b>Share Holders</b>	<b>% of Share</b>	<b>Nationality</b>
Mumin Alliy Mbarak	20	Tanzania
Hinnid Nassor Mahsein	20	Tanzania

#### 1.6 **PROJECT LOCATION**

Registered Head office of the FAROO CAPITAL COMPANY LIMITED is located at Plot No, 84 Block 84 Kinondoni, Dar es Salaam Tanzania and yard will be located at Mwandege, Mkuranga-Pwani

## **1.7 FLEET SIZE**

FAROO CAPITAL COMPANY LIMITED is planning to purchase **50** trucks and trailers. With capacity of carrying **15** tons truck and trailer, one truck conducting **3** trips per month operating for ten months per year, carrying **90,000** tons per year

FAROO CAPITAL COMPANY LIMITED **management** intends to continue building its fleet to a level of 100 trucks by 2025

Required number of trailers will also be added to existing fleet in order to cater to additional requirements in line with truck additions.

## **1.8 PROJECT ESTIMATED REVENUE**

The company has estimated that the project revenue to be US\$ 5000 per trip and one truck will conduct 3 trip per month and 30 trips per year

## **1.9 PROJECT OPERATING COST**

The company has estimated that the project operating cost and other cost to be 70% of the total annual revenue

## **1.10 PROJECT FINANCING**

The company has estimated that the project will be financed by long term loan amounting to US\$3,000,000 with interest rate of 6% repaid within 6 years and remaining US\$4,251,000 will be shareholders contribution and cashflows generated from business

### 1.11 PROJECT COST

The project has budgeted to cost the followings:

<b>PARTICULAR</b>	<b>US\$</b>
Land and Buildings	200,000.00
Machinery & Equipment	100,000.00
Motor Vehicles	4,420,000.00
Furniture & Fixtures	2,000.00
Pre exp	5,000.00
Others	4,000.00
Working Capital	2,520,000.00
<b>TOTAL</b>	<b>7,251,000.00</b>

### 2.0 ORGANISATION FLOW CHART

FAROO CAPITAL COMPANY LIMITED management is headed by Mumin alliy Mbarak working as Managing Director, the four will form Core management team to be assisted with, 1 HR and Admin Manager, 1 Logistics Manager, 1 Chief Accountant and 2 Junior accounting clerks. Operational team headed by 3 operational managers and includes drivers and cleaners.

### Employees Distribution Summary

Employment	Foreign	Local	Total
Women	0	10	10
Men	2	60	62
<b>TOTAL</b>	<b>2</b>	<b>70</b>	<b>72</b>

### 3.0 TANZANIA TRANSPORT OVER VIEW

The Tanzanian transport sector comprises surface transport (including roads, railways), inland waterways (lakes and rivers), air transport, and sea transport.

Tanzania's transport sector contributed 8.1% to the country's real GDP in 2018 with USD 3.8 billion, compared to USD 2.8 billion in 2014, representing an increase of 33%.

Main growth drivers include the increase in the number of passengers carried and freight handled through road transport.

According to Tanzania's 2025 Development Vision, investments in infrastructure, particularly in the development of the road network, are the Government's top priority.

The World Bank (WB) and the African Development Bank (AfDB) support Tanzania in achieving its infrastructure development goals by providing grants and credits for projects.

## Tanzania Road Transport

Road transport is the most widely used form of transport in Tanzania, carrying over 90% of the passengers and 75% of the freight traffic in the country.

The road network in Tanzania currently comprises 86,472 kilometers of roads, of which 12,786 kilometers are trunk roads, 21,105 kilometers are regional roads and the remaining 52,581 kilometers are district, urban and feeder roads.

Tanzania's Ministry of Works, Transport, and Communication through the Tanzania National Roads Agency (TANROADS) is managing the national road network of about 33,891 kilometers, comprising 12,786 kilometers of trunk and 21,105 kilometers of regional roads.

The remaining network of about 53,460 kilometers of urban, district and feeder roads is under the responsibility of the Prime Minister's Office Regional Administration and Local Government (PMO-RALG).

## **Tanzania Rail Transport**

Railway transport is the second most important mode of transport after road and critical for long distance freight along the main transport corridors in Tanzania.

Tanzania has a total of 3,676 kilometers of railway lines operated by two railway systems, Tanzania Railways Corporation (TRC) and Tanzania – Zambia Railways (TAZARA).

The mainline of TRC comprises the central corridor between the port of Dar es Salaam in the east, linking central and western areas of the country and terminating at Kigoma on Lake Tanganyika in the west.

The TAZARA line is 1,860 kilometers in length, of which 975 kilometers is in Tanzania and 885 kilometers in Zambia.

### **Tanzania Air Transport**

The total number of air passengers in Tanzania reached 6.2 million in 2019, compared to 5.2 million in 2015, representing an increase of 18%.

Currently (2020), there are 19 airline operators in Tanzania, including some of the leading international air carriers such as British Airways, KLM, Qatar Airways, and SWISS.

There are 58 airports in Tanzania and more than 300 private airstrips owned by mining companies and tour operators.

The Julius Nyerere International Airport (JNIA), located in Dar es Salaam, is the largest and busiest airport in Tanzania, accounting for over 70% of Tanzania's air passengers.

In August 2019, Tanzanian President John Magufuli inaugurated Terminal 3 of the JNIA. The new terminal, which cost USD 314 million set the airport capacity at 8 million passengers annually.

In 2019, the AfDB approved a USD 272.12 million loan to Tanzania for the construction of a new international airport in the capital Dodoma. The new airport will be built in the district of Msalato, 12 kilometers from the capital Dodoma.

The new facility is expected to handle at least 50,000 aircrafts and one million passengers per year.

### **Tanzania Water Transport**

Tanzania has a coastline of about 720 kilometers on the Indian Ocean, and also borders Lake Victoria, Lake Nyasa, and Lake Tanganyika.

Both sea and inland waterways ports in Tanzania are managed and operated by the Tanzania Ports Authority (TPA).

The TPA's main Indian Ocean ports are Dar es Salaam, Mtwara, and Tanga. Minor seaports serving coastal traffic include Lindi, Kilwa Masoko, Mafia Island, Bagamoyo, Pangani, and Kwale.

Dar es Salaam is Tanzania's principal port with intrinsic capacity of 10.1 tonnes per year. The port handles over 92% of the total maritime ports' throughput.

The port serves land-linked countries of Malawi, Zambia, Democratic Republic of Congo, Rwanda, Burundi, and Uganda.

These countries are connected to the port through two railway systems (TRL-1.0 metre gauge and TAZARA-1.067 cape gauge), road network, as well as the TAZAMA oil pipeline to Zambia.

TPA also operates Tanzania's lake ports, maintaining around 20 ports on Lake Victoria. Some major ports include Bukoba, Kemono Bay, Musoma, and Nansio-Ukerewe.

Principal lake ports on Tanganyika include Kigoma and Kasanga. Additionally, there are 15 smaller ports along the lake. These ports provide trade connections between Burundi, Eastern Democratic Republic of the Congo, and Zambia.

Lake Nyasa has 4 important ports, at Itungi, Mbamba Bay, Liuli, and Manda. There are up to 10 others smaller TPA ports on the lake that facilitate passenger movement along the lake and between the countries of Malawi, Mozambique, and Tanzania.

#### **4.0 TANZANIAN BUSINESS ENVIRONMENT**

In the African continent, TANZANIA is among the top ten investment destinations in Africa, thanks to reforms and a conducive investment environment set by the government.

The Rand Merchant Bank (RMB) ranked the country tenth in investment attractiveness, in the Where to Invest in Africa 2021 report released recently.

#### **4.1 THE TANZANIA DEVELOPMENT CORRIDORS**

Development of transport corridors has been one of the main strategies adopted by the Government of Tanzania to facilitate

trade. Tanzania serves as a transit country for the import and export of Malawi, Zambia, DR Congo, Burundi, Rwanda and Uganda, using the port of Dar es Salaam. The main rail and road connections in Tanzania are, therefore, in an east-west direction, linking the ports with the hinterlands of those neighbouring countries. Tanzania is devoting much attention to the corridor concept in its development policy by concentrating efforts in the

Mtwara Corridor, Dar-es-Salaam Corridor, Central Corridor and the Tanga Corridor. The major challenge is to link import, export and transit traffic from and to neighbouring countries with transport development efforts, making Tanzania a natural regional hub.

The geography of Tanzania, including its size, diversity and dispersion, give roads a special position in the integration of the national economy. In particular, roads serve rural areas, where the majority of the people live, more effectively than any other mode of transport. The current Tanzania Road Network length is about 85,000 km, which includes trunk and regional roads (35,000 km)

managed by the Tanzania National Roads Agency (TANROADS), and the urban, district and feeder roads with a total of 50,000 km, managed by Local Government Authorities (LGA). There are also some unclassified roads, such as those managed by the Tanzania Parks Authority (TANAPA), and by the Mining Companies and village authorities.

## 5.0 SWOT ANALYSIS

### STRENGTHS

Strengths of the business are –

- Promoters have sound experience in this business and have talented Management.
- Rapid growth in sector due to effective management
- Influence & Networking of Directors in the Business Sector.
- Business location is at prominent place.
- Good roads and highway in Tanzania.
- Confirmed business via agreement entered with few companies.

### WEAKNESSES

Weakness of the business are –

- New entry in logistics market
- Stiff competition from local market

- Limited market share growth

## OPPORTUNITIES

Opportunities of the business are –

- Potential market encourages foreign investors
- Increasing market share due to rail transport limitations
- Augmented demand for world –class logistics and warehousing services
- Increased use of logistics services in sectors such as technology, consumer retail, automotive and industrial

## THREATS

Threats of the business are –

- Complex Tax Structure
- Unorganised sector and competition
- Different laws in different countries
- Increasing fuel rates therefore increasing transportation costs

### **6.0 SERVICES OFFERED BY FAROO CAPITAL COMPANY LIMITED**

FAROO CAPITAL COMPANY LIMITED Management understands that your supply chain needs are unique and that's exactly why the company have engaged the best minds in the Transport industry to create specific transport solutions customized to suit your ever-changing cargo movement environment. FAROO CAPITAL

COMPANY LIMITED transport vans, trucks and trailers (closed body trailers, flat bed trailers and low loaders) from precision transport are designed to seamless execution, FAROO CAPITAL COMPANY LIMITED dedicated cargo transportation professionals are engaged at every step of the way to provide the services with the most accurate transport and economical transportation arrangement that the industry has to offer.

FAROO CAPITAL COMPANY LIMITED Transportation and the company Customs Brokerage Service allow the company to complete the supply chain, cargo transit and offers truly door-to-door

transportation service in the freight industry. The company optimized transportation translates to fast transit service and the door-to-door delivery of your freight on time, safely transported and damage free.

Transport integration with Customs Brokerage Service

- Allows FAROO CAPITAL COMPANY LIMITED Transport Logistics to complete the supply chain and offer truly door-to-door transportation service in the market
- Eliminates unnecessary customs delays, transport dispatch and improves communication between the shipping line, Customs, Client and our transport department.

- Provides greater control, handling and security of your freight transportation
- Full range of freight forwarding services are offered, including customs clearance, warehousing, in-bond storage, transportation, etc.
- Customer receives a single itemized invoice for door-to-door transportation eliminating additional administrative requirements

FAROO CAPITAL COMPANY LIMITED Transport Logistics plan to customize and design transportation solutions to transport client's freight at the speed and ease. FAROO CAPITAL COMPANY LIMITED Management has been in the transport logistics and our transport segment delivers freight to

numerous customers spread across east Africa namely Tanzania, Uganda, Northern Tanzania, Burundi, Rwanda, Southern Sudan and DR Congo.

FAROO CAPITAL COMPANY LIMITED plan to combine the economy of rail transport with road transport handling for seamless door-to-door service and savings. The company transport network throughout Tanzania, Uganda, Northern Tanzania, Burundi, Rwanda, Southern Sudan and DR Congo and large transport trucks, closed body trailers, flat bed trailers and low loaders fleet are aligned to offer transport applications suitable for all transportation

needs. Whether clients freight requires rail transport or road transportation service, door-to-door transport, coast-to-coast transport, or cross-border transportation, FAROO CAPITAL COMPANY LIMITED Transport Logistics is the solution.

Benefits of optimized door to door delivery and transportation

- FAROO CAPITAL COMPANY LIMITED Transportation is dedicated to creating win-win solutions by investing talent, capital, and transport resources.
- Dynamic transport route optimization systems at clients disposal to create supply-chain door to door and reduce transport costs.
- The largest transportation truckload fleet and terminal network in the transport industry.
- Satellite tracking on our transport
  
- Modern fleet of transport trucks
- One of the Safest operating fleets in the transport industry
- Heavy and fragile equipment transported using air hydraulic low loaders.
- Door-to-door control of transport equipment = less handling, better security, and increased efficiency
- Fully multilingual experienced transport staff to cater all our transportation routes
- Strict requirements for transport department staff and constant integrity checks transport and delivery.

### **Container Transport Mode (Container on Flat Bed)**

FAROO CAPITAL COMPANY LIMITED Capital offers a complete door-to-door service for all of your container transport requirements. Our road transport fleet is comprised of 400 trucks and transportation trailers. The company plans to have the most modern container transport fleet in the transport industry and our container transport trucks are all equipped with satellite tracking, permitting real time tracking of your loads.

FAROO CAPITAL COMPANY LIMITED Transport Logistics also supplement road transport fleet with our access to our East Africa railway transport line. FAROO CAPITAL COMPANY LIMITED Transport Logistics is capable of transporting heavy and bulk cargo on Low Loader, rail and can also transport transit cargo on rail and low-loaders.

### **Heavy Haulage – Low-Loader Transportation**

FAROO CAPITAL COMPANY LIMITED transportation Low Loaders comprise of a variety of unique low loader trailer configurations, FAROO CAPITAL COMPANY LIMITED Capital is still constantly engineering new low loader transport solutions for our customers' Low Loader Transportation requirements. FAROO CAPITAL COMPANY LIMITED Transportation Logistics is rapidly becoming the preeminent low loader transport provider for

importers and exporters of many commodities, including earth transporting equipment and engineering structures that has to be

transport on low loaders. Low loader as the industry's most dynamic carrier, FAROO CAPITAL COMPANY LIMITED Transportation plans to expand our diverse portfolio of service-sensitive, specialty operations to meet our clients' low loaders needs.

### **Heavy Equipment Transport**

Whether it is around town or interstater CAPITAL COMPANY LIMITED Transportation has the low loaders and heavy transport equipment to transport any sized machines. We have low loader expertise required to transport, arrange all the permits, liaise with police, load and unload cranes.

### **Mining Equipment Transport**

FAROO CAPITAL COMPANY LIMITED Low loader transport offers transportation services for heavy equipment utilizing their low loader trailers and has

experienced transporting a range of Mining equipment including Hitachi Excavators, Zoom Lion Cranes, Caterpillars and Komatsu Dump Trucks, concrete mixers, graders and bulldozers on low loaders.

### **Local cargo**

FAROO CAPITAL COMPANY LIMITED offers the fastest Local cargo service in Tanzania. This airport-to-airport service puts your cargo,

envelopes and other packages on the first scheduled flight and deliver them to the recipient at the airport of arrival within one hour after the landing time. No advance reservations are required for this service.

Tanzanian Cargo provides around-the-clock Local cargo service with same-day delivery across Tanzania.

### **Transit Cargo**

FAROO CAPITAL COMPANY LIMITED strive to extend standard services across vast distances and through rough terrain all across East Africa. Our motivated staff and our expertise in the industry always keep us on schedule by rail and road.

FAROO CAPITAL COMPANY LIMITED provide relocation and movement of both of bulk and containerized goods. FAROO CAPITAL COMPANY LIMITED offer a variety of transport solutions, be it grouping or other transport services such as part and full load shipments by road, railways or a combination of two.

## 7.0 **COMPETITION**

According to data available there are more than 15,000 trucks registered in Tanzania and FAROO CAPITAL COMPANY LIMITED plan to compete favorably with local and foreign companies

## 8.0 **FINANCIAL ASPECTS FOR THE PROJECT**

### **(i) Projected Profit and Loss Statement**

The attached Appendix I shows the projected income for the 8years period. The position depicted is that the project earns profit throughout its life. Accumulated after tax profits grow from. **US\$ 471,660** in the 1<sup>st</sup> year to **US\$ 11,351,996.78** in the 8<sup>th</sup> year.

### **(ii) Projected Cash Flows**

The project's cash flows are shown in Appendix II. They depict a good liquid position right from the first year. Cash accumulation builds up from **US\$ 877,860** in the first year to **US\$ 10,364,389.14** at the end of 8<sup>th</sup> years of the project's operations based on the 50 trucks and trailers obtained.

### **(iii) Projected Balance Sheet**

The project's assets cash flows are shown in Appendix III. Owners' equity grows from **US\$ 4,251,000** in the first year to **US\$ 15,602,996** at the end of 8<sup>th</sup> years of the project's operations based

### **(iv) Payback Period**

Total investment is **US\$US\$7,251,000** cash accumulation in 2nd year **US\$8,467,860.00**, which is more than the initial

investment by US\$1,216,860, The project payback Period is exactly 2 years. The project has a relatively short payback period.

**(v) Loan repayment**

Total investment loan is US\$3,000,000 to be repaid within 6 years.

**9.0 ECONOMIC ASPECTS OF THE PROJECTS**

Besides the financial/monetary returns to the owners, there are other benefits to be derived for the whole country viz.

**(i) Employment Opportunities**

Employment and poverty reduction are among the major concern of the Central and the Local Government authorities. It is gratifying to note that the company, is going to provide additional employment to 80 people. This is a significant contribution coming from local investors.

**(ii) Revenue to the Government**

The Project is expected to pay a substantial annual amount in the form of corporation tax and other taxes

**(iii) Foreign Exchange Earning**

Since the project's clientele is mostly towards neighbouring countries the project will thus earn foreign currency for the

United Republic of Tanzania. Out of all project expected cargo overhauling transactions will be settled in foreign

currencies. In this study we have assumed that the project will be paid in foreign currency

#### 10.0 **CONCLUSION**

- (i) The project is profitable and contributes to government revenue by way of taxes.
- (ii) The project provides employment to 80 people.
- (iii) The project is an encouraging sign to prove that we have good business environments and we have investors who have confidence in their country. Tanzania so much so that they are ready to invest such large sums of investment despite the odds of the sector in question.

#### 11.0 **RECOMMENDATION**

After the foregoing economic and financial evaluation of the project, we strongly recommend that this project be implemented and be given all the support required by all the concerned Government Ministries and Agencies, including the Tanzania

Revenue Authority, TRA and the Tanzania Investment Centre – (TIC). The project deserves this support because of its viability, since it is technical feasible, economically viable and socially acceptable.



## FAROO CAPITAL COMPANY LIMITED PROJECTED PROFIT AND LOSS STATEMENT US\$

-	1	2	3	4	5	6	7	8
Revenue	3,600,000.00	7,200,000.00	7,560,000.00	7,938,000.00	8,334,900.00	8,751,645.00	9,189,227.25	9,648,688.61
Operating Expenses:	2,520,000.00	5,040,000.00	5,292,000.00	5,556,600.00	5,834,430.00	6,126,151.50	6,432,459.08	6,754,082.03
Profit before Depreciation &Interest	1,080,000.00	2,160,000.00	2,268,000.00	2,381,400.00	2,500,470.00	2,625,493.50	2,756,768.18	2,894,606.58
Interest	180,000.00	160,000.00	120,000.00	90,000.00	60,000.00	30,000.00	-	-
Depreciation	226,200.00	226,200.00	226,200.00	226,200.00	226,200.00	226,200.00	226,200.00	226,200.00
Gross Profit	673,800.00	1,773,800.00	1,921,800.00	2,065,200.00	2,214,270.00	2,369,293.50	2,530,568.18	2,668,406.58
Tax (30%)	202,140.00	532,140.00	576,540.00	619,560.00	664,281.00	710,788.05	759,170.45	800,521.98
Profit After Tax	471,660.00	1,241,660.00	1,345,260.00	1,445,640.00	1,549,989.00	1,658,505.45	1,771,397.72	1,867,884.61
Accumulated Profit	471,660.00	1,713,320.00	3,058,580.00	4,504,220.00	6,054,209.00	7,712,714.45	9,484,112.17	11,351,996.78

## APPENDIX II

## FAROO CAPITAL COMPANY LIMITED PROJECTED CASH FLOWS US\$

<b>SOURCES:</b>									
Profit before interest and depreciation	0	1,080,000.00	2,160,000.00	2,268,000.00	2,381,400.00	2,500,470.00	2,625,493.50	2,756,768.18	2,894,606.58
Equity	4,251,000.00								0.00
Loan	3,000,000.00								0.00
<b>Total Sources</b>	<b>7,251,000.00</b>	<b>1,080,000.00</b>	<b>2,160,000.00</b>	<b>2,268,000.00</b>	<b>2,381,400.00</b>	<b>2,500,470.00</b>	<b>2,625,493.50</b>	<b>2,756,768.18</b>	<b>2,894,606.58</b>
<b>Applications:</b>									<b>0.00</b>
Capital expenditure	4,822,000.00	-	-	-	-	-			0.00
working Capital &Others	2,429,000.00								0.00
Cash	0	877,860.00	1,627,860.00	1,691,460.00	1,761,840.00	1,836,189.00	1,914,705.45	1,997,597.73	2,094,084.60
Tax	-	202,140.00	532,140.00	576,540.00	619,560.00	664,281.00	710,788.05	759,170.45	800,521.98
<b>Sub total</b>	<b>7,251,000.00</b>	<b>1,080,000.00</b>	<b>2,160,000.00</b>	<b>2,268,000.00</b>	<b>2,381,400.00</b>	<b>2,500,470.00</b>	<b>2,625,493.50</b>	<b>2,756,768.18</b>	<b>2,894,606.58</b>
<b>Total applications</b>	<b>7,251,000.00</b>	<b>1,080,000.00</b>	<b>2,160,000.00</b>	<b>2,268,000.00</b>	<b>2,381,400.00</b>	<b>2,500,470.00</b>	<b>2,625,493.50</b>	<b>2,756,768.18</b>	<b>2,894,606.58</b>
<b>Accumulated cash</b>		<b>877,860.00</b>	<b>2,505,720.00</b>	<b>4,197,180.00</b>	<b>5,959,020.00</b>	<b>7,795,209.00</b>	<b>2,625,493.50</b>	<b>8,270,304.54</b>	<b>10,364,389.14</b>

## APPENDIX III

## FAROO CAPITAL COMPANY LIMITED PROJECTED BALANCE SHEET US\$

<b>Fixed Assets</b>	-								
Opening balance	-	4,722,000.00	4,495,800.00	4,269,600.00	4,043,400.00	3,817,200.00	3,591,000.00	3,364,800.00	3,138,600.00
<b>Total Long-term Assets</b>	-	4,722,000.00	4,495,800.00	4,269,600.00	4,043,400.00	3,817,200.00	3,591,000.00	3,364,800.00	3,138,600.00
Less depreciation	-	226,200.00	226,200.00	226,200.00	226,200.00	226,200.00	226,200.00	226,200.00	226,200.00
<b>Closing balance</b>	-	4,495,800.00	4,269,600.00	4,043,400.00	3,817,200.00	3,591,000.00	3,364,800.00	3,138,600.00	2,912,400.00
Working capital	2,429,000.00	2,429,000.00	2,429,000.00	2,429,000.00	2,429,000.00	2,429,000.00	2,429,000.00	2,429,000.00	2,429,000.00
Accumulated cash	-	877,860.00	2,505,720.00	4,197,180.00	5,959,020.00	7,795,209.00	2,625,493.50	8,270,304.54	10,364,389.14
<b>Total assets</b>	2,429,000.00	7,802,660.00	9,204,320.00	10,669,580.00	12,205,220.00	13,815,209.00	8,419,293.50	13,837,904.54	15,705,789.14
Financed by									
Equity	4,251,000.00	4,251,000.00	4,251,000.00	4,251,000.00	4,251,000.00	4,251,000.00	4,251,000.00	4,251,000.00	4,251,000.00
Accumulated profit	-	471,660.00	1,713,320.00	3,058,580.00	4,504,220.00	6,054,209.00	7,712,714.45	9,484,112.17	11,351,996.78
<b>Total equity</b>	4,251,000.00	4,722,660.00	5,964,320.00	7,309,580.00	8,755,220.00	10,305,209.00	11,963,714.45	13,735,112.17	15,602,996.78
Bank overdraft	3,000,000.00	2,500,000.00	2,000,000.00	1,500,000.00	1,000,000.00	500,000.00	-	-	-
<b>Total debts</b>	3,000,000.00	2,000,000.00	2,000,000.00	1,500,000.00	1,000,000.00	500,000.00	-	-	-
<b>Total equity and debts</b>	7,251,000.00	6,722,660.00	7,964,320.00	8,809,580.00	9,755,220.00	10,805,209.00	11,963,714.45	13,735,112.17	15,602,996.78

**FAROO CAPITAL COMPANY LIMITED PAYBACK PERIOD**

<b>Year</b>	<b>Profit After Tax</b>	<b>Depreciation</b>	<b>Total Cash Flow</b>	<b>Accumulated Cash Flow</b>
1	471,660.00	226,200	697,860	7,000,000
2	1,241,660.00	226,200	1,467,860	8,467,860.
3	1,345,260.00	226,200	1,571,460	10,039,320
4	1,445,640.00	226,200	1,671,840	11,711,160
5	1,549,989.00	226,200	1,776,189	13,487,349

**FAROO CAPITAL COMPANY LIMITED PROPOSED FINANCING PATTERN US\$**

<b>LOCAL LOAN</b>	<b>LOCAL EQUITY</b>
3,000,000	4,251,000.00

**FAROO CAPITAL COMPANY LIMITED PROJECTED DEPRECIATION SCHEDULE**

US\$

<b>NAME OF ASSETS</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
Land And Buildings	200,000	196,000	192,000	188,000	184,000	180,000	176,000	172,000
Machinery, Tools & Equipment	200,000	99,000	98,000	97,000	96,000	95,000	94,000	93,000
Motor Vehicles	4,420,000	4,199,000	3,978,000	3,757,000	3,536,000	3,315,000	3,094,000	2,873,000
Furniture & Fixtures	2,000	1,800	1,600	1,400	1,200	1,000	800	600
<b>Total</b>	<b>4,822,000</b>	<b>4,495,800</b>	<b>4,269,600</b>	<b>4,043,400</b>	<b>3,817,200</b>	<b>3,591,000</b>	<b>3,364,800</b>	<b>3,138,600</b>
<b>DEPRECIATION</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
Land and buildings	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Machinery tools & Equipment	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Motor Vehicles	221,000	221,000	221,000	221,000	221,000	221,000	221,000	221,000
Furniture & Fixtures	200	200	200	200	200	200	200	200
<b>ANNUAL DEPRECIATION</b>	<b>226,200</b>	<b>226,200</b>	<b>226,200</b>	<b>226,200</b>	<b>226,200</b>	<b>226,200</b>	<b>226,200</b>	<b>226,200</b>

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**FAROO CAPITAL COMPANY LIMITED PROJECT IMPLEMENTATION SCHEDULE**

	<b>ACTIVITY</b>	<b>PERIOD</b>
1.	Processing TIC Certificate of Incentive	Dec 2023
2.	Funds Mobilization	Dec – Jan 2023
3.	Ordering of Vehicles	Jan 2023 – Dec 2024
5.	Arrival of Vehicles	Feb 2024– Feb 2024
6.	Trial Operations	March 2024
7.	Commercial Operations	May 2024

**FAROO CAPITAL COMPANY LIMITED PROJECTED LONG TERM LOAN REPAYMENT**

<b>Year</b>	<b>principle</b>	<b>Loan Interest (6%)</b>	<b>Total Amount Paid</b>	<b>Loan Balance</b>
<b>0</b>				
1	500,000.00	180,000.00	680,000.00	3,000,000.00
2	500,000.00	150,000.00	650,000.00	2,500,000.00
3	500,000.00	120,000.00	620,000.00	2,000,000.00
4	500,000.00	90,000.00	590,000.00	1,500,000.00
5	500,000.00	60,000.00	560,000.00	1,000,000.00
6	500,000.00	30,000.00	530,000.00	500,000.00