

GREEN ARGOSOM COMPANY LIMITED

BUSINESS PLAN *FOR* *PROVIDING AGRONOMIC SERVICES*

PREPARED FOR

GREEN ARGOSOM COMPANY LIMITED.

Dar es Salaam

1.0 Executive Summary

GREEN ARGOSOM COMPANY LIMITED will provide consultancies to companies and individual that want to be engaged in commercial farming in Tanzania. the company plan to provide agronomic services providing detailed content on crops, best crop management techniques, fertilizers & pesticides and a host of other agriculture related material to boost crop productivity.

Agronomic practices are the techniques, strategies, and practices used in the cultivation of crops. These include methods of planting, fertilization, pest control, irrigation, and harvest. The goal is to maximize crop yields while minimizing damage to the environment and ensuring the sustainability of the system.

Many farms available today are not well organized and managed properly that results to low productivity and high operational cost

GREEN ARGOSOM COMPANY LIMITED recognizes that new ventures in Agronomic services require technical excellence grounded in economic realities. We seek to serve as management consultants to those individuals and companies that intend to lead the agriculture revolution. The expected customer base includes emerging commercial farming companies, large and medium. We will help our clients realize commercial farming at less cost and/or in less time than they could do alone – with a guarantee of top-quality, professional service. With our assistance our clients will also achieve sustainability from the perspective of the triple

bottom lines – economic, environmental, and social responsibilities in all their business activities.

The potential market is enormous. Experts have estimated that Agriculture contributed roughly 33.3 trillion Tanzanian shillings (TZS), around 13.13 billion U.S. dollars, to Tanzania's Gross Domestic Product (GDP) in 2023. Compared to the previous year, the sector's value increased slightly by 3.3 percent.

GREEN ARGOSOM COMPANY LIMITED will open for business in Iringa, Ruvuma, Arusha, Manyara, Tanga and Morogoro, starting with 10 experts local and foreigners to be recruited, and one secretary., the plan projects a modest profit over the three-year period and a healthy net worth at the end of year 3. At this point the firm should be well-positioned to add consultants to grow the business.

1.2 **Mission**

GREEN ARGOSOM COMPANY LIMITED will be the leading company in providing Agronomic services in Tanzania providing expertise in the technical and economic analysis of integrated commercial farming projects. We will provide this service while adhering to our economic, social, and environmental responsibilities for our clients, our industry, and ourselves.

1.3 Objectives

We seek to establish the industry standard for technical and business excellence in the pursuit of visionary agriculture-refining platforms, according to customer-satisfaction and industry surveys. To accomplish this objective, the following elements are crucial:

- Unique consulting services that are clearly proven.
- Ability to manage confidentiality and intellectual-property issues among competitors.
- Professional relevance (state-of-the-art awareness) and knowledge growth in rapidly expanding industry.
- Demonstrated concern for clients' well-being, leading to repeat business and a good reputation for our firm.
- Retention of our own employees and partners.

1.4 Keys to Success

- Professional quality in all consulting
- Ability to manage confidentiality and intellectual-property issues among competitors
- Professional relevance (state-of-the-art awareness) and knowledge growth in rapidly expanding industry
- Retention of existing clients (repeat business)

2.0 Company Summary

GREEN ARGOSOM COMPANY LIMITED is a new consulting venture that is planned to officially open for business on January 1.

Headquartered in Dar es Salaam, Tanzania, there will be external affiliates around the globe. We sell consulting services only in industries and activities associated with agriculture.

2.1 Project's Investment Capital

The estimated capital investment cost of the project is US\$ **600,000** to be implemented in phases

GREEN ARGOSOM COMPANY LIMITED COST STRUCTURE US\$

PARTICULAR	US\$
Land and Buildings	100,000.00
Machinery & Equipment	250,000.00
Motor Vehicles	200,000.00
Furniture & Fixtures	5,000.00
Pre exp	10,000.00
Others	5,000.00
Working Capital	30,000.00
TOTAL	600,000.00

For the project to be a reality a total investment amounting to US \$ 600,000 is required.

2.2 Financing pattern

Project will be financed by US\$600,000 by contribution from company shareholders and cash flow from business.

2.3 Considerations and Assumptions

The corporate tax charged is 30% of the profits for 8 years. Capital investment allowance is 50%. The capital assets are exempted from custom duty and Value Added Tax. The straight-line method to depreciate the project's capital items has been applied.

Revenues have been conservatively estimated based on experience of the promoters and trends in the industry.

2.2 Company Ownership

The company will be organized as a limited-liability company (LLC), which will allow easy changes of ownership in the future, Start-up investment is needed. The total valuation of the firm has been estimated to be modest, and a net worth to be realized during year 4 of the operation (according to the plan). As of this writing, \$ 600,000 equity shares This plan presents an exit strategy but also offers the long-term upside of the business to any initial investors.

Names	%	Nationality
ABDIRAHMAN HUSSEIN ISSE	47.5	Canada
KHALIF A HUSSEIN	47.5	American
AHMED OSMAN MUSA	5	Tanzania

2.3 Company Locations and Facilities

Office space will be rented at Plot No.739/23, Kariakoo, Ilala, Dar es Salaam, Tanzania. Kariakoo Business Area. A downtown office location will be advantageous

2.4 Services

GREEN ARGOSOM COMPANY LIMITED sells consulting services to help clients at various stages of their own farming activities. The nature of the work we do is a combination of technical engineering, economic forecasting, and management strategy, all on a strict confidential basis. Our basic hourly rate of \$125/hr will apply to most of our services. In certain circumstances, we will be negotiated.

2.5 Service Description

The management-consulting services of GREEN ARGOSOM COMPANY LIMITED can be classified as follows:

- These include methods of planting, fertilization, pest control, irrigation, and harvest. The goal is to maximize crop yields while minimizing damage to the environment and ensuring the sustainability of the system.
- Market research and business development.
- Global agriculture produces supply and demand.

- Confidential discussions with possible partners and vendors.
- Economic analysis of projects and plans.
- R & D projects.
- Pilot and a farm preparation and development facilities (preliminary and engineered designs).
- Financial assessment (risk-adjusted NPV) of capital-investment options.
- Affiliate Network services.
- Engineering and construction of farm infrastructure.
- Intellectual-property management and competitive-advantage strategies.
- Search for project funding (network to include potential investors).
- Client education (seminars, training, etc.)

2.6 Who Will Buy

Potential customers are expected to be local and foreign investors who are investing in commercial farming

Our goal is to save our clients time and money by doing a combination of research studies, calculations and simulations, and report writing. We will utilize our proprietary computer model, our education and experience, the literature/internet, and the Affiliate Network. Past experience, always utilized in a confidential manner, will be a crucial piece of our value proposition. Presentations, as often as appropriate, will be made to the client team. General communication will be accomplished through

teleconferences, face-to-face meetings, e-mail, and fax. Travel will be scheduled as needed for efficient project completion.

2.7 Competitive Comparison

The key reasons that clients will use our services include:

- By removing technical obstacles, GREEN ARGOSOM COMPANY LIMITED will save our clients' money, or make them more profitable, compared to doing the work themselves.
- Technical expertise and market knowledge from actually working in the agriculture industry (the founder as well as top personnel expected to be recruited).
- We are committed to an in-depth understanding of agriculture technologies and economics. The larger management-consulting firms will apply general knowledge and tools gained from a variety of practices, but they will not necessarily have specific agriculture expertise. This is our business.
- Strategic vision is not always automatic; we can help a client see the future before their competitor does, and gain essential competitive advantage.
- GREEN ARGOSOM COMPANY LIMITED will work to become an all-purpose agriculture consulting firm. While obviously it would not be possible for one small firm to do everything, our efficient use of the Affiliate Network means that clients can feel comfortable about hiring

GREEN ARGOSOM COMPANY LIMITED for large, integrated, strategic projects.

- Because our firm is devoted to commercializing agriculture, we consider ourselves part of the agriculture industry more than the consulting industry in general. we will have the expertise that these giants will be seeking to acquire by buying out our firm.
- Our primary competitors, then, in the first few years are likely to be the clients themselves. They may decide to do the work in-house. Many companies involved in agriculture, as with most other emerging industries, are extremely pressed for time and personnel resources, so there should be a driver for outside help. Also, the unique collection of partners' experiences will hopefully give the client something they could not provide themselves, even if time allowed.

2.7 Sales Literature

A variety of sales literature will be created. A sample brochure can be mailed or e-mailed as a PDF to interested parties. The website of GREEN ARGOSOM COMPANY LIMITED will also be important. We will provide our philosophy and mission statement, along with many links to interesting agriculture-industry resources. Rate information will not be posted, instead requiring an inquiry. We will welcome questions and comments by e-mail, which will go to a dedicated e-mail address for this purpose. Finally, and most importantly, jobs will be managed utilizing the website, for efficient exchange of information with the client. Each project will have its own unique and password-protected site, allowing two-way exchange of

progress, ideas, calculations, reports, and presentations which are often difficult to send by e-mail.

2.8 **Fulfillment**

The key fulfillment and delivery will be provided by the partners and associates of the firm. The real core value is professional expertise, provided by a combination of experience, education, and hard work. The service is mostly provided by directly employing professionals, including the firm's founding partner full-time. The remainder of the service is supplied through a network of professional affiliates, which will have agreed to such collaboration with GREEN ARGOSOM COMPANY LIMITED. We refer to these allies as our Affiliate Network throughout this plan. Every project will be led by a partner.

Of course we will use the latest electronic communications tools. Every consultant with GREEN ARGOSOM COMPANY LIMITED will be equipped with a cable-internet connection, dedicated fax line, land line, cell phone, and personal digital assistant (e.g. Palm Pilot) with internet and e-mail capabilities. We will also communicate with the clients through their own dedicated web page, linked through our internet site, as described in Section 3.6 below.

2.8.1 **Proprietary Computer Model**

We will build a proprietary computer model (to be trademarked) of the agriculture concept, using simulation software. This model will be capable of analyzing multiple feedstocks and multiple product scenarios, and it will be tied directly to operating and capital costs. Using this technology tool, GREEN ARGOSOM COMPANY LIMITED will be able to effectively assess the business potential of various options explored by the client. The management has significant experience building such models with simulation (and other) software.

The following list highlights specific agriculture technical challenges that can be addressed by the various program, and how the client's bottom line will be positively impacted:

Most agriculture platforms can be fed many feedstocks, depending on local conditions. The software will consider the possibilities of feeding rice straw the net economics of the various scenarios will be simulated.

2.8.2 **Future Services**

Every business is an evolving one. As we work with the industry, we might uncover issues that we did not intend to address as a consulting company but for which we can add value. Over time, some of our core activities could change, as we build reputation and experience in a particular area. Such activities could emanate from agriculture.

2.8.3 **Affiliate Network**

The Affiliate Network will be very important for the success of GREEN ARGOSOM COMPANY LIMITED. We have access to and experience with top agribusiness, engineering and construction companies that can build plan and execute agriculture project, industrial and government laboratories and facilities, non-government organizations, intellectual-property lawyers, and potential investors. In addition, the network includes several industry experts with up to 60 years of individual experience that is directly relevant to the agriculture sector.

A margin of 15% will usually be added to all work outsourced or sub-contracted by GREEN ARGOSOM COMPANY LIMITED. One exception is for engineering and construction, for which only initial work requiring our cooperation has the 15% surcharge.

3.0 **Tanzania Agriculture Overview.**

Agriculture is the main part of Tanzania's economy, Tanzania have over 44 million hectares of arable land with only 33 percent of this amount in cultivation. Almost 70 percent of the rich population live in rural areas and almost all of them are involved in the farming sector, land is a vital asset in ensuring food security, and among the nine main food crops in Tanzania are maize, sorghum, millet, rice, wheat, beans, cassava, potatoes, and bananas. The agricultural industry makes a large contribution to the country's foreign exchange earnings, with more than US\$1 billion in earnings from cash crop exports.

The 6 main cash crops are cashewnuts, coffee, cotton, sisal, tea and tobacco. At one point in its agricultural history, Tanzania was the largest producer of sisal in the world.

Soil and topography

Tanzania has an area of 945,000 square kilometres (365,000 sq mi) with inland lakes covering 6 percent of that (59,000 square kilometres (23,000 sq mi)). The Great Rift Valley runs north to south and contains most of the country's lakes. The country is home to the highest point in Africa, Mount Kilimanjaro, and the lowest point in the continent, Lake Tanganyika.^[13]

Soil types vary drastically throughout the country. There are six main types of soil types in the country as follows;

- Volcanic soils: predominantly in the northern highland regions.
- Sandy soils: predominantly in the coastal regions and used mainly for grazing.
- Granite/Gneiss soil: predominantly in the northern regions of Mwanza and Tabora.
- Red soils: predominantly in the central plateau, including the Dodoma Region.
- Ironstone soils: predominantly in the western regions like Kagera and Kigoma.
- Vertisol: called mbuga black soil, spread across most of the country.

Cash crops

Cash crops output since independence.

Coffee production

Coffee is grown on a large scale on both estates and by smallholders that form co-operatives and involves over 400,000 farmers. Coffee has been grown in the country since the colonial times and is a major export crop, earning over 17 percent of the country's foreign exchange. Tanzania mainly grows the arabica type; however, small farms in the Kagera Region grow Robusta coffee. Tanzanian coffee is globally more commonly known as Kilimanjaro Coffee.

Sisal production

Sisal plantation at Mt Uluguru in Tanzania.

Sisal was brought to Tanzania from Mexico by the German East Africa Company in the late 19th century. Sisal is grown in the northern regions of the country, such as Tanga and Kilimanjaro. At the time of independence in 1961, Tanzania was the largest producer of sisal in the world. Sisal production continued to decline after the Ujamaa movement and the continued depreciation of world prices. In recent years, the government has tried to liberalize the sector to encourage growth and increase export revenues.^[17]

Cashew production

Tanzania is one of the largest cashew producers in Africa, with exports providing 10-15 percent of the country's foreign exchange. The country is the eighth-largest grower of cashew nut in the world and ranks fourth in

Africa. The country provides 20% of Africa's cashew nut and only trails in production of Nigeria, Cote D'Ivoire, and Guinea-Bissau, according to figures released in 2012 by United Nations Food and Agricultural Organization (FAO). The country has been engaged in the production of the cash crop since before independence in the years 1960s however, poor regulation and lack of reliable payments to farmers have posed significant challenges to the Cashew Nut farming industry in Tanzania. Guinea-Bissau, a country a tenth of the area of Tanzania's, has a significantly greater yield.

The cash crop is usually cultivated in the southern coastal regions of the country, near the towns of Mtwara, Kilwa and Dar es Salaam. The sale and marketing of the product is run by the Cashewnut Board of Tanzania, through various farmer co-operatives. More than ninety percent of the exports are destined for India and almost entirely in raw form. The lack of domestic processing firms costs the country vital foreign revenues and thousands of jobs. The Tanzanian government has been facing challenges for finding potential investors in order to revive the cashew processing industry in Tanzania.

Food Crops

The 11 food crops grown in Tanzania are as below list;

- i. Bean
- ii. Cassava
- iii. Maize
- iv. Millet

- v. Oil palm
- vi. Potato
- vii. Rice
- viii. Sorghum
- ix. Sugarcane
- x. Sunflower
- xi. Wheat

Herbs, vegetables and spices in Tanzania

Herbs, vegetables and spices in Tanzania include in the list below;

- i. Cabbage
- ii. Capsicum
- iii. Carrot
- iv. Clove
- v. Cinnamon
- vi. Cucumber
- vii. Garlic
- viii. Mint
- ix. Onion
- x. Pea
- xi. Spinach

Fruits in Tanzania

Fruits in Tanzania include in the list below;

- i. Avocado
- ii. Banana
- iii. Coconut
- iv. Clementine
- v. Guava
- vi. Grape
- vii. Jackfruit
- viii. Lemon
- ix. Lime
- x. Lychee
- xi. Mangoe
- xii. Orange
- xiii. Okra
- xiv. Passion fruit
- xv. Papaya
- xvi. Pear
- xvii. Pineapple
- xviii. Tamarind
- xix. Tomato
- xx. Strawberry
- xxi. Watermelon

Statistics

Main crop production

The ten non-cash crop production from 2013 as reported by the Food and Agriculture Organization of the United Nations as below table:

Number	Food Crop	Area Harvested	Yield Hg/Ha	Production, 1000 tonnes
1	Casava	950,000	56,842	5,400
2	Maize	4,000,000	11,750	4,700
3	Sweet Potatoes	675,000	45,926	3,100
4	Sugar Cane	30,000	1,000,000	3,000
5	Rice, Paddy	900,000	20,889	1,880
6	Potatoes	175,000	74,286	1,300
7	Beans, dry	1,300,000	8,846	1,150
8	Sunflower seed	810,000	13,370	1,083
9	Sorghum	900,000	9,444	850
10	Groundnuts, with shell	740,000	10,608	785

4.0 Market Analysis Summary

GREEN ARGOSOM COMPANY LIMITED will focus on consulting to existing agriculture related projects seeking to modernize their projects, as well as new organizations that intend to develop and/or build a agriculture related projects. For the most part, the existing agriculture related projects are large, global corporations. The newer entities are typically smaller and embrace an entrepreneurial spirit, often matching our own philosophies. We will work with any organization that hopes to accelerate commercialization of bio-refining technologies.

4.2 Target Market Segment Strategy

In terms of strategy, it is hypothesized that the agriculture sector probably offers more-immediate business opportunities for us than the other sectors, and thus targeting them early makes sense. These large corporations might look to us as relatively affordable, with respect to their overall budgets and business goals. On the other hand, agriculture companies might have existing relationships with other firms and be more willing to use them even if agriculture is outside the expertise of those consultancies.

The medium and small start-ups are going to shape the industry, so we want to work with them. Their excitement and vision match our own aspirations. However, because they are usually cash-strapped, they might not be so willing to pay large fees even if they see the value of the work. Here our equity-pricing option comes into play. There will be similar

opportunities in the agricultural sector, especially with cooperatives having dispersed ownership structures.

4.3 Market Trends

There are many market trends which are speeding up the emergence of modern farming. Key concepts are sustainability and the “triple bottom line” – paying attention to not only the economic but also the environmental and social aspects in all business activities.

Most companies, organizations, and individuals would probably characterize the perceived benefits of modern farming using at least one of the following:

- To develop modern farming, transportation and other fuels, and energy from renewable sources.
- To increase the food security.
- To provide favorable effects on conservation, public health, and the environment.
- To diversify markets for raw agricultural and forestry products.
- To create jobs and enhance the economic development of the rural economy.

These five points are closely linked to the concepts of sustainability and the triple bottom line.

4.4 **Competition and Buying Patterns**

Why would someone choose another consulting company over us?

- Previous experience with another consulting firm.
- Our rates perceived to be too high.
- They don't see the need to hire any consultants.
- They do not think we have appropriate experience to add value to their project(s).

In aggregate, the viability of consulting firms tracks overall economic conditions or specific industries, depending on the targeted clients. However, the success of individual firms varies widely, regardless of how an industry is doing. Word of mouth is an important device, and repeat business is crucial. Reputation is immensely important, and reputation building in fact already started with the past experiences of anyone associated with GREEN ARGOSOM COMPANY LIMITED.

4.5 **Main Competitors**

Well-known management-consulting firms

Strengths: International locations managed by partners with a high level of understanding of general business; enviable reputations which make purchase of consulting an easy decision for a manager, despite the very high prices.

Weaknesses: General business knowledge does not substitute for specific (does not) expertise; fees are extremely high, and work is generally done by very junior-level consultants even though sold by high-level partners; focus on strategy but less emphasis on implementation, which is where many does not start-ups need the most help.

Strengths: International offices; specific technical knowledge and good relationships with potential client companies.

Weaknesses: Technical knowledge of the modern farming industries, but not necessarily the does not industries; reduced emphasis on business solutions.

Strengths: These firms have actual experience consulting to organizations that seek to commercialize industrial applications of modern farming; they often have extensive network relationships (some of these would be good candidates for our Affiliate Network).

Weaknesses: These firms are often having few employees with vast experience of modern farming which might not leverage the collective experience of a larger team of consultants; sometimes they do not have a well-developed mission and are somewhat academic in nature.

5.0 **Marketing Strategy**

We want to maintain a professional image, delivering high relative value while enjoying a comfortable, working relationship with clients. Although some confidential customers of ours will not promote us by word of

mouth, it can be assumed that a client with a bad experience will freely communicate that message to other companies.

5.1 CUSTOMER FOCUS

GREEN ARGOSOM COMPANY LIMITED. will target domestic markets especially medium and small commercial farming. We will also target large sugar, wheat, palm oil, rice, coffee, tea, avocado, horticulture plantation, and other.

5.2 MANAGEMENT TEAM

GREEN ARGOSOM COMPANY LIMITED's most valuable asset is the expertise and experience of its founder who have been in the industry for the past 15 years, so he has in-depth knowledge and experience running a business in this industry., the Board of directors of GREEN ARGOSOM COMPANY LIMITED. will be comprised three directors mentioned above.

The Board will be assisted by competent and experienced employees with various areas of specialty.

The company's management team has years of business and marketing experience that allows them to market and serve customers in an improved and sophisticated manner than the competitors. A total of 10 people are to be employed

5.3 RELATIONSHIPS

Having lived and worked with big agriculture consulting firms for 15 years board of directors know all big agriculture consulting firms in The East

African Community (EAC), The Southern African Development Community (SADC), The Common Market for Eastern and Southern Africa (COMESA), The United Arab Emirates (UAE), The European Union (EU) and other influencers. As such, it will be relatively easy for GREEN ARGOSOM COMPANY LIMITED. to build brand awareness and an initial customer base.

5.4 BRAND & VALUE PROPOSITION

GREEN ARGOSOM COMPANY LIMITED. will offer a unique value proposition to its clientele:

- Quality services at affordable pricing
- Providing excellent customer service

6.0 MARKETING PLAN

6.1 PROMOTIONS STRATEGY

6.1.1 SOCIAL MEDIA MARKETING

Social media is one of the most cost-effective and practical marketing methods for improving brand visibility. The company will use social media to develop engaging content, such as sharing pictures of the commercial farms developed by our company and creating educational content about the modern commercial farming industry.

6.1.2 WEBSITE/SEO

GREEN ARGOSOM COMPANY LIMITED. will develop a professional website that showcases pictures of the farms developed by our team. It

will also invest in SEO so that the company's website will appear at the top of search engine results.

6.1.3 WORD OF MOUTH/REFERRALS

The Board of Directors of GREEN ARGOSOM COMPANY LIMITED. has a plan to build up an extensive list of contacts over Tanzania, SADC, the EAC region, and other parts of the World will be clients.

6.1.4 BILLBOARD

GREEN ARGOSOM COMPANY LIMITED. will highlight our location and services provided on a major billboard facing the busiest highway in town. The billboard will provide the location of GREEN ARGOSOM COMPANY LIMITED. and the website URL.

6.1.5 Pricing Strategy

GREEN ARGOSOM COMPANY LIMITED is priced lower than some prominent management-consulting firms but higher than most individual consultants usually charge. Billing rates can be negotiated somewhat at the early stages of the business, to generate sales. Generally, we need to avoid the temptation to drop fees to gain jobs, however. When a potential client questions the cost of a project, we need to be able to clearly explain the benefits of our high-level does not expertise. If their budget is reduced, then we must offer less service. Compensation by equity building will only be done after a thorough, careful evaluation of the client's business, and we might turn down jobs if it does not make sense to work on an equity-only basis.

6.1.6 Promotion Strategy

Our firm will be promoted through publishing articles in trade journals and engineering magazines, and presenting at relevant conferences attended by members of the potential client pool. Another form of reputation building, as a branding strategy, includes media opportunities at trade shows or other events. Direct mail, e-mail, and a strong internet presence will all play a part in the promotion strategy.

6.1.7 Marketing Programs

Marketing activities to be undertaken:

December 2024–This is when feelers are sent out to see what potential clients might have interest in consulting services; discussions and network building to begin.

February 2025–Network building continues, with emphasis on building an initial Affiliate Network; attendance at industrial-biotechnology conferences and trade shows.

April 2025–Brochures sent out by mail and e-mail (PDF) to top prospective clients, along with offer to come give a free seminar at their site in May. 2025; attendance at all relevant conferences and trade shows.

July 2025–Seminars at clients; attendance at all relevant conferences and trade shows, with presentations/posters where possible; continue direct mailing of brochures.

September 2025–While most of time will be engaged in client work, there is still much marketing to be done, and time is available for it; continue with activities similar to previous 6 months

6.1.8 Positioning Statement

For agriculture related and others who want to enter the does not industry, GREEN ARGOSOM COMPANY LIMITED. offers very specialized professional expertise through an extensive network of expert affiliates along with the company management with vast experience. Unlike in-house teams, our services can be applied to technical and market-entry problems as a variable, temporary expense.

6.1.9 Implementation

Project implementation is expected to be relatively very short once TIC approval is received. Currently, the investor is finalizing the expert's employment contract, employees have already been identified and are awaiting instructions from the project promoters. In this respect, services provision can be done in less than 6 months.

7.0 Project Operating Costs

To realize its intended objective the project will have to meet the operating costs estimated to be 20% of total revenue.

GREEN ARGOSOM COMPANY LIMITED's revenues will come from the consultancies. The major operating costs for the company will be

operational costs. In the initial years, the company's marketing spend will be high, as it establishes itself in the market.

7.1 Project Revenue

The following outlines the key assumptions required to achieve the revenue and cost numbers in the financials and pay off the startup business loan.

- Number of clients served per year
- Number of 1920 hrs used to provide consultancies per year
- The average price is US\$125 per hrs

8.0 Financial aspects of The Project

(i) Projected Profit and Loss Statement

The schedule below shows the projected income for the 5 years. The position depicted is that the project earns profit throughout its life. Accumulated after-tax profits grow from **US\$ 116,900** to **US\$ 655,145** in the 5th year.

(ii) Projected Cash Flows

The project's cash flows depict a good liquid position right from the first year. Cash accumulation builds up from **US\$ 141,900** in the first year to **US\$ 780,145** at the end of the 5th year of the project's operations.

(iii) Projected Balance Sheet

The project's owners' equity grew from **US\$ 600,000** in the first year to **US\$ 1,255,145** at the end of 5th year of the project's operations

(iv) Payback Period

Total investment is **US\$600,000** with projected cash projections has brought the net positive inflow of **US\$ 609,281** in the 4th year making the Pay Back Period of **4** years. So, the project payback period is within 4 years.

9.0 Conclusion and Recommendation

9.1 Conclusion

- (i) Improving performance; GREEN ARGOSOM COMPANY LIMITED will contribute increase of productivity and quality to agriculture sector by providing consultancy services to farmers.
- (ii) Technical support; GREEN ARGOSOM COMPANY LIMITED will provide technical support to farmers, including follow-up visits, to ensure improved output, quality, and incomes.
- (iii) The project will contribute in reducing rural-urban migration, alleviate hunger and malnutrition, and empower women and youth.
- (iv) Bridging the gap between theory and practice; the modern commercial farming project will make educational partnerships to bridge the gap between what they're learning in the classroom and how they would apply it in the real world. By collaborating with local educational institutions and training providers, the company will design customized training programs that equip individuals with the specific skills needed for the jobs

- (v) Driving Innovation through Access to Industry Expertise; industry. Though practical training and working together schools and GREEN ARGOSOM COMPANY LIMITED
- (vi) , it's possible to drive innovation to solve problems with creative solutions.
- (vii) GREEN ARGOSOM COMPANY LIMITED services will provide links to larger national and export markets, access to high-quality, and reduce risk.
- (viii) GREEN ARGOSOM COMPANY LIMITED will be engaged in providing Corporate social responsibility (CSR)
- (ix) The contributes to government revenue by way of taxes.
- (x) The project has multiplier effect in the economy whereas it brings in modern farming management technologies, create employment through different initiatives.
- (xi) The project employs 10 people.
- (xii) The project is an encouraging sign to prove that investors have confidence in this country. Tanzania so much so that they are ready to invest such large sums of investment.
- (xiii) The project is good and profitable with promising profits and cash flow trends whereas in addition accounting tools shows the Pay Back Period to be within 3 years.

9.2 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), the Tanzania Investment Centre – (TIC), National Environment Management Council (NEMC), Local Government Authorities (LGAs), Government Ministries etc. The project deserves this support because of its viability, since it is technical feasible, economically viable and socially acceptable

10.0 Appendices

Appendix (I)

GREEN ARGOSOM COMPANY LIMITED COST STRUCTURE

PARTICULAR	US\$
Land and Buildings	100,000
Machinery & Equipment	250,000
Motor Vehicles	200,000
Furniture & Fixtures	5,000
Pre exp	10,000
Others	5,000
Working Capital	30,000
TOTAL	600,000

GREEN ARGOSOM COMPANY LIMITED FIXED ASSETS US\$

NAME OF ASSETS	1	2	3	4	5
Land And Buildings	100,000	98,000	96,000	94,000	92,000
Machinery, Tools & Equipment	250,000	247,500	245,000	242,500	240,000
Motor Vehicles	200,000	180,000	160,000	140,000	120,000
Furniture & Fixtures	5,000	4,500	4,000	3,500	3,000
Total	555,000	530,000	505,000	480,000	455,000
DEPRECIATION	1	2	3	4	5
Land and buildings	2,000	2,000	2,000	2,000	2,000
Machinery tools & Equipment	2,500	2,500	2,500	2,500	2,500
Motor Vehicles	20,000	20,000	20,000	20,000	20,000
Furniture & Fixtures	500	500	500	500	500
ANNUAL DEPRECIATION	25,000	25,000	25,000	25,000	25,000

**GREEN ARGOSOM COMPANY LIMITED PROJECTED INCOME & EXPENDITURE
STATEMENT (US\$)**

	1	2	3	4	5
Revenue	240,000	252,000	264,600	277,830	291,722
Operating Expenses:	48,000	50,400	52,920	55,566	58,344
Profit before Depreciation &Interest	192,000	201,600	211,680	222,264	233,377
Depreciation	25,000	25,000	25,000	25,000	25,000
Gross Profit	167,000	176,600	186,680	197,264	208,377
Tax (30%)	50,100	52,980	56,004	59,179	62,513
Profit After Tax	116,900	123,620	130,676	138,085	145,864
Accumulated Profit	116,900	240,520	371,196	509,281	655,145

GREEN ARGOSOM COMPANY LIMITED PROJECTED CASH FLOW US\$

SOURCES:		1	2	3	4	5
Profit before interest and depreciation	-	192,000	201,600	211,680	222,264	233,377
Equity	600,000					
Total Sources	600,000	192,000	201,600	211,680	222,264	233,377
Applications:						
Capital expenditure	555,000	-	-	-	-	-
working Capital & Others	45,000					
Cash	-	141,900	148,620	155,676	163,085	170,864
Tax	-	50,100	52,980	56,004	59,179	62,513
Sub total	600,000	192,000	201,600	211,680	222,264	233,377
Total applications	600,000	192,000	201,600	211,680	222,264	233,377
Accumulated cash		141,900	290,520	446,196	609,281	780,145

GREEN ARGOSOM COMPANY LIMITED PROJECTED BALANCE SHEET US \$

Fixed Assets	-	1	2	3	4	5
Opening balance	-	555,000	530,000	505,000	480,000	455,000
Total Long-term Assets	-	555,000	530,000	505,000	480,000	455,000
Less depreciation	-	25,000	25,000	25,000	25,000	25,000
Closing balance	-	530,000	505,000	480,000	455,000	430,000
Working capital	45,000	45,000	45,000	45,000	45,000	45,000
Accumulated cash	-	141,900	290,520	446,196	609,281	780,145
Total assets	45,000	716,900	840,520	971,196	1,109,281	1,255,145
Financed by						
Equity	600,000	600,000	600,000	600,000	600,000	600,000
Accumulated profit	-	116,900	240,520	371,196	509,281	655,145
Total equity	600,000	716,900	840,520	971,196	1,109,281	1,255,145
Total equity and debts	600,000	716,900	840,520	971,196	1,109,281	1,255,145

GREEN ARGOSOM COMPANY LIMITED PAYBACK PERIOD

Year	Profit After Tax	Depreciation	Total Cash Flow	Accumulated Cash Flow
1	116,900	25,000	141,900	141,900
2	123,620	25,000	148,620	290,520
3	130,676	25,000	155,676	446,196
4	138,085	25,000	163,085	609,281
5	145,864	25,000	170,864	780,145