

**BUSINESS PLAN**

**FOR**

**ESTABLISHMENT**

**OF**

**KILI AGRO & LIVESTOCK PRODUCTS LIMITED PROJECT**

Kili Agro & Livestock Products Limited  
P.O Box 2346  
Arusha, Tanzania

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# **1 INVESTMENT PLAN**

## **1.1 Executive Summary**

KILI AGRO & LIVESTOCK PRODUCTS LIMITED is a domestic company limited by shares registered in Tanzania under The Companies Act, (CAP 212) of 2002 as amended with Certificate of Incorporation number 59062 given in January 2017. The company has complied with all legal requirements and obtained all necessary certificates including, but not limited to Certificate of incorporation number, TIN certificate number, Tax clearance certificate and Business License for Poultry Industry.

## **1.2 Company Background**

- 1.2.1 KILI AGRO & LIVESTOCK PRODUCTS LIMITED is a private company based in Arusha, and was incorporated on Tanzania by Registrar of Companies under the Companies Act, (CAP 212) of 2002 with Certificate of Incorporation number 59062 given on 26<sup>th</sup> January, 2017.
- 1.2.2 The company has complied with all legal requirements and obtained all necessary certificates including, but not limited to Certificate of incorporation number, TIN certificate number Tax clearance certificate and Business License.
- 1.2.3 The main purpose is to carry on business of Poultry farmers across the country and in the neighbouring countries. There is a big demand in Tanzania, East and Central Africa to serve the clients needs, where it is on this basis the management resolved to the interest to establish the said project. The quality of the company business will guarantee clients satisfaction in proposed programmer.
- 1.2.4 The project will be implemented in Five (5) years for an estimated capital investment cost of USD 3,000,000 which will be used for operation costs including purchase of Land cruisers and Pickups, fleet of trucks, fuel tankers, cargo handling equipment, Poultry Machines; incubator, hatcher, brooder, electrical heaters, beak trimmer, manure cleaning equipment, Communication equipment; Radio calls, base station, GPs, Car tracking system, workshop equipment and generators.

## **1.3 Targeted Market**

The projected business will cover Tanzania, East Africa and Central Africa Countries, hence **KILI AGRO & LIVESTOC PRODUCTS LIMITED**, targets to import 50 vehicles and machines that will be used to accomplish the project business.

## 2 THE COMPANYS OBJECTIVES

KILI AGRO & LIVESTOCK PRODUCTS LIMITED is a project established for carrying on the Poultry industry in Tanzania, particularly;

- a) To carry on business of poultry farmers including the erection and purchase of broilers houses and sale by wholesale or retail of the live poultry and eggs, breeders of every variety of animals whether bred as pedigree stock or for the purpose of its sale only.
- b) To import, export, prepare, deal in game and other live dead and dead stock of every kind.
- c) To conduct agricultural projects including farming, processing, value adding and selling, animal husbandry and other related to agricultural commerce.
- d) To carry on the business of ware housing facility, commodity exchanging and creating a systematic farming method in boosting agricultural sector ect.

## 3 PLAN OR PROSPECTS

The project aims at having about 50 vehicles and poultry processing equipment that shall operate to proposed project inside and outside the country to achieve the following plans; smoothing running poultry farming for efficient in operation, to increase more facilities for project work machinery with introduction of a new technology and increase of the project business to neighbouring countries and hence resulting foreign earning in addition to the prevailing local market.

## 4 THE PROJECT PROMOTERS

The shareholders of the project are all entrepreneurs, with diverse professional and business background. The company is owned by 5 shareholders namely;

<b>NAME, POSTAL ADDRESS AND DESCRIPTION OF SUBSCRIBERS</b>	<b>NUMBER OF SHARES TAKEN</b>	<b>NATIONALITY</b>
SALEH. S BATHAWAB P. O. Box 2346 Arusha	60	TANZANIAN
AMIN. S. BATHAWAB P. O. Box 2346 Arusha	10	TANZANIAN
ABDULSALAM. S. BATHAWAB P. O. Box 2346 Arusha	10	TANZANIAN
SALEM. S. BATHAWAB P. O. Box 2346 Arusha	10	TANZANIAN

ABDULLAH. S. BATHAWAB P. O. Box 2346 Arusha	10	TANZANIAN
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## 5 PROJECT LOCATION:

The project head quarter will be in Arusha municipality Title No 5189, Nduruma, Arusha District, Tanzania.

## 6 IMPLEMENTATION SCHEDULE

### 6.1 October - 2024

- a) Preparing feasibility study for the land space and the project area.
- b) Registration of the project with Tanzania Investment Centre i.e Application for the Certificate of Incentives.
- c) Getting the Certificate of Incentives.

### 6.2 November - 2024

- a) Application for import Duty exemption on Poultry Processing equipment and other related machinery, trucks other supporting vehicles such as land cruises and pickups, communication equipment, Generators after being awarded certificate of incentives in the establishment programmer.

### 6.3 December - 2024

- a) Recruiting new employees, Engineers, Food technicians, Drivers, mechanics, logistics officer, procurement officers, store keepers and other administration staff.
- b) Fully commencement of the project and the construction process.

## 7 CAPITAL INVESTMENT COST

### 7.1 Costs and Estimate Value

SN	Item	Description	Amount (In USD)
1	Investment Costs	Fixed Cost	2,000,000.00
		Working Capital	500,000.00
		<b>Total</b>	<b>2,500,000.00</b>
2	The Costs before commissioning	Costs before commissioning including acquire permit, technology, TIC certificate	250,000.00

		of incentive, environnement License, Municipality, Road, administrative etc.	
		Training before commission	15,000.00
		<b>Total</b>	<b>265,000.00</b>
3	Land	Project Land	<b>1,000,000.00</b>
4	Machinery & Workshop	Vehicles	500,000.00
		Electricity	50,000.00
		<b>Total</b>	<b>550,000.00</b>
5		Operators	300,000.00
		Other Staff	300,000.00
		<b>Total</b>	<b>600,000.00</b>

## 7.2 PERIOD OF INVESTMENT & CAPITAL RETURN

1.	Period of Investment & Capital Return	Purchase of machinery, equipment, transport, set-up and putting into operation	1 year
		Commissioning, trial operation, financing & administrative affairs	1 year
		Settling the principal with interest	1 year
		Capital Annual Rate	1 year

## 8 PROJECT FINANCING

Description	Total (USD)	Banking Loan	Customer Share
Fixd costs of project	3,000,000/=	500,000/=	2,500,000/=
Cost of circulating capital 15% of current expenses	-	-	-
<b>Total</b>	<b>3, 000,000/=</b>	<b>500,000/=</b>	<b>2,500,000/=</b>

The intended project is to be implemented within 6 year. The company promoters (shareholders) have resorted to register the project with Tanzania Investment Center (TIC) and securing the certificate of incentives.

## **9 FINANCIAL PLAN (SOURCE OF FUNDS)**

KILI AGRO & LIVESTOCK PRODUCTS LIMITED has firmed up finances for the implementation programmer by its fund and Loan.

<b>Own fund (Equity)</b>	<b>USD \$ 2,500,000.00</b>
<b>Local loan</b>	<b><u>USD \$ 500,000.00</u></b>
<b>TOTAL</b>	<b>USD \$ 3,000,000.00</b>

## **10 SUBMISSION**

10.1 KILI AGRO & LIVESTOCK PRODUCTS LIMITED submits the investment proposal and application to the Tanzania Investment Centre (TIC) for registration and award of certificate of Incentives for the commencement of the construction of houses project.

10.2 The project will soon commence after the company is registered by Tanzania Investment Centre and being issued the Certificate of Incentives. Thereafter the company will import the project facilities such as, Poultry processing equipment, Vehicles, communication equipment and other related machinery. Certificate of Incentives will enable the project to guarantee consistent high-quality finished houses that meet the set out standard and satisfaction of the client etc.

## **11 ECONOMIC GROWTH**

The current economic growth which had been registered in Tanzania, as the result of investment and business have attracted more investment as well as processing and business in Tanzania such as the intended Poultry Farming project.

## **12 COMPETITION OR MARKET**

Despite there being numbers of other Poultry Companies in Tanzania, still the facility is not enough compared to the level of demand. The project will provide trustworthy, efficient and quality service to dominate the local and export market.

## **13 ADVERTISEMENT**

Advertisement which forms part of the marketing-strategy will be embarked upon in the newspapers, street banners, and social media and later on in the television in a manner benefiting the promotional role of any company or private institutions.

## **14 BUSINESS STRATEGY**

In-order to meet the current demand and high productivity the management of the company will develop and implement additional strategies which will capture markets.

- (i) Advertisement and Promotion,
- (ii) Technology and quality fleet of vehicles.
- (iii) Employing qualified and experienced architectures, civil engineer, interior designers
- (iv) On job training
- (v) Business Discipline.

## **15 ENVIRONMENTAL ISSUE**

The whole project implementation is environmentally friendly. The workshop activities will not cause any harm to people.

## **16 PROJECT MANAGEMENT**

The overall management of the company is vested in the Board of Directors. Saleh. S. Bathawab, Amin. S. Bathawab, Abdulsalam. S. Bathawab, Salem. S. Bathawab and Abdullah. S. Bathawab are the shareholders of theCompany. They are well versed in distribution of the business.

## **17 MANPOWER AND TRANSFER OF TECHNOLOGY**

- 17.1 KILI AGRO & LIVESTOCK PRODUCTS LIMITED being the project in its commencement will usher in the technology by using modern poultry farming activities. The advantages to the country are quite significant, and will get the advantage of value addition due to such incoming technology.
- 17.2 Further the country can reduce its dependence on the Poultry farming project from neighbouring countries, hence Tanzania business men.
- 17.3 The proposed project will cause more people to be employed in as architectures, engineers, food technicians, drivers, mechanic, security guards, accountant, logistic manager and about 100 local people and 2 Foreigners will increase their income, improve their social welfare and pay-taxes; it is poverty alleviation programmer to them.
- 17.4 Local employees will get on training for Poultry farming in a long run will improve the technical competence in the project.

## **18 CONCLUSION AND RECOMMENDATION**

- 18.1 The financial evaluation of the project done so far indicates that this project will be profitable both economically and financially viable venture. There are many other benefits directs and indirect of this project.
- 18.2 The management being experienced businessmen possesses ample managerial capabilities in various business disciplines.
- 18.3 Based on the above factors, it is recommended that the company should be granted the certificate of incentives for the implementation of the project so that the project will operate and enjoy tax exemption on capital and deemed goods and increase its production capacity.

## **19. FINANCIAL AND ECONOMIC ANALYSIS**

### **19.1 Projected Profit and Loss Account;**

The company envisages generating a profit of USD \$ 260,000 this operating year. The profit amount is expected to steadily rise to USD \$ 300,000 in year two, USD \$ 350,000 in year three and USD \$ 400,000 in year four.

### **19.2 PROJECTED CASH FLOWS ;**

The projected cash flows for the next five years indicate that the company will have enough funds to service and repay the loan and interest payments. Hence the financial obligations will be met in a timely fashion.

**19.3 PROPOSED BALANCED SHEET ;**

The projected balance sheet shows healthy financial situation. Short term liabilities are all times covered by fixed assets. Also, current liabilities are adequately covered by current assets.

APPROVED with the SIGNATURE of the Managing Director and OFFICIAL STAMP this 8<sup>th</sup> Day of October, 2024.

**Abdullah S. Bathawab**



MANAGING DIRECTOR,  
**KILI AGRO & LIVESTOCK PRODUCTS LIMITED**



**ASBATH LOGISTICS LIMITED**  
**PROJECTED INCOME STATEMENT**

(Fig. USD \$ '000')

<b>INCOME</b>	1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
Sales Income	720.0	760.0	800.0	850.0	900.0
Total Income	720.0	760.0	800.0	850.0	900.0
Utilities	150.0	150.0	150.0	150.0	150.0
Salaries and wages	80.0	85.0	90.0	100.0	110.0
Transportation/fuel	100.0	105.0	110.0	120.0	130.0
Administrative					
Expenses	100.0	110.0	120.0	130.0	140.0
Other Expenses	40.0	50.0	60.0	70.0	80.0
Total Expenditure	470.0	500.0	530.0	570.0	610.0
Net Profit (pre tax and depreciation)	250.0	260.0	270.0	280.0	290.0

**ASBATH LOGISTICS LIMITED**  
**PROJECTED CASHFLOW STATEMENT**

(Fig. USD \$ '000')

YEAR	I	II	III	IV	V	TOTAL
<b>Cash inflow</b>						
Income from operation	250.0	260.0	270.0	280.0	290.0	1350.0
<b>Cash outflow</b>	250.0	260.0	270.0	280.0	290.0	1350.0
Interest payments	50.0	45.0	40.0	35.0	30.0	200.0
Loan re-payment	50.0	50.0	50.0	50.0	50.0	250.0
Wear and tear	10.0	12.0	14.0	16.0	18.0	70.0
Taxes	10.0	10.0	10.0	10.0	10.0	50.0
	120.0	117.0	114.0	111.0	108.0	570.0
<b>Surplus cash generated</b>	130.0	143.0	156.0	169.0	182.0	780.0

**ASBATH LOGISTICS LIMITED**  
**PROJECTED LONG TERM LOAN REPAYMENT**

(Fig. in USD \$'000')

YEAR	PRINCIPAL	INTEREST	TOTAL	AMOUNT
0				500.0
I	50.0	50.0	100.0	450.0
II	50.0	45.0	95.0	400.0
III	50.0	40.0	90.0	350.0
IV	50.0	35.0	85.0	300.0
V	50.0	30.0	80.0	250.0
VI	50.0	25.0	75.0	200.0
VII	50.0	20.0	70.0	150.0
VIII	50.0	15.0	65.0	100.0
IX	50.0	10.0	60.0	50.0
X	50.0	5	55.0	00.0

**ASBATH LOGISTICS LIMITED**  
**PROJECTED BALANCE SHEET**

(Fig. in USD \$ '000')

NO.	ITEM	YEAR I	YEAR II	YEAR III	YEAR IV	YEAR V
	<b>Source of Funds</b>					
1.	Shareholders' funds	100.0	150.0	200.0	250.0	350.0
2.	Long Term Loan	100.0	95.0	90.0	85.0	80.0
3.	Associated Cos/ Directors	100.0	100.0	100.0	100.0	100.0
4.	Current liabilities	200.0	250.0	300.0	350.0	400.0
		500.0	595.0	690.0	785.0	930.0
	<b>Application of funds</b>					
1.	Fixed Assets	300.0	300.0	300.0	300.0	300.0
2.	Current Assets	200.0	295.0	390.0	485.0	630.0
		500.0	595.0	690.0	785.0	930.0