

# LEVITIQUE GENERAL BUSINESS AND TRADING LIMITED

## (REG. 157-238-043)

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### BUSINESS PLAN CONCERN STONE CRUSHER AND QUARRY

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#### 1. The Executive Summary

A stone quarry business is a business that involve excavation of different dimension of stones, rocks, ripraps, construction aggregates, slates and gravels for the construction industries, no doubt, the stone quarry line of business is a key sector in the building cum construction industry: they supply important building cum construction raw materials

Although Company intend starting out on a small scale as a cottage company deal with stone Crush and quarry as well as supplying building and decorative stones, crushed granite, dimension granite, paving slabs, slates, gravels, aggregates – stones, rocks, ripraps, limestone, lime burning (calcimine).

#### 2. Project Location

We are intend to allocate our project at Visiga, Kibaha, Pwani Region

#### 3. Objective

Our business goal as a stone quarry company is to become the number one choice of companies in stone crushing and supplying building and decorative stones, crushed granite, dimension granite, paving slabs, slates, gravels, aggregates – stones, rocks, ripraps, limestone, lime burning (calcimine) – used as cement with sand, to make mortar and also in agriculture for the purpose of improving soil quality and cement et a

As a business, we are willing to go the extra mile to invest in owning our own world – class and environmental friendly stone quarry and also to hire efficient and dedicated employees. We have been able to secure permits and license from all relevant departments both at local government level and state level in Edo state.

#### 4. Our Products and Services

The aim of our Company to establish this project it was to maximizing profits in stone crushing cum in supplying building and decorative stones, crushed granite, dimension granite, paving slabs, slates, gravels, aggregates – stones, rocks, ripraps, limestone. We want to compete favorably with the leaders in the industry which is why we have but in place a competent team that will ensure that our products are of highest standard.

## 5. Vision

Our vision as a stone quarry company is to engage in national distribution of building and decorative stones, crushed granite, dimension granite, paving slabs, slates, gravels, aggregates – stones, rocks, ripraps, limestone, lime burning (calcimine) – used as cement with sand, to make mortar and also in agriculture for the purpose of improving soil quality and cement et al across major construction sites in Tanzania.

Our mission is to establish a standard and world class – environmental friendly stone quarry company that in our own capacity will favorably compete with leaders in the industry on the global stage. We want to build a stone quarry company that will be listed amongst the top 5 stone quarry company brands in Africa.

## 6. Our Business Structure

Ordinarily, we would have succeeded in running a stone quarry business with few employees, but as part of our plan to build a top flight stone quarry production company in Tanzania mainland, we have perfected plans to get it right from the onset which is why we are going the extra mile to ensure that we have competent employees to occupy all the available positions in our company.

The picture of the kind of stone quarry company we intend building and the business goals we want to achieve is what informed the amount we are ready to spend to ensure that we build a business with dedicated workforce and robust distribution network.

In view of that, we have decided to hire qualified and competent hands to occupy the following positions at **Levitique General Business and Trading Limited;**

- Chief Executive Officer (Owner)
- Stone Quarry Manager/Quality Assurance Manager
- Human Resources and Admin Manager
- Sales and Marketing Officer
- Accountants/Cashiers
- Stone Quarry Casual Workers
- Truck/Tipper Drivers

## 7. Stone overview

Stone is marketable properties because it's applicable in construction road, building and decoration house in Tanzania as well as in Africa

## 8. Market Competitor Analysis

### (a) Market Trends

It is common trend in the stone quarry line of business to find stone quarry companies positioning their business in locations and communities where they can easily have access to rocks and stone mines and labor.

If you make the mistake of positioning this type of business in a location where you would have to travel a distance before you can access rocks and stone mines in commercial quantities, then you would have to struggle to make profits and maintain your overhead and logistics.

So also, another trend in this line of business is that most registered and well organized stone quarry companies look beyond the market within their locations or state; they ensure that they strike business deals with leading construction companies in Tanzania.

## **(b) Our Target Market**

When it comes to supplying product from a stone quarry, there is indeed a wide range of available customers. In essence, our target market can't be restricted to just a group of people or organizations. This goes to show that the target market for products from a stone quarry companies and far reaching, you can create your own make niche yourself to serve a specific purpose.

In view of that, we have conducted our market research and we have ideas of what our target market would be expecting from us.

We are in business to engage in supply of building and decorative stones, crushed granite, dimension granite, paving slabs, slates, gravels, aggregates – stones, rocks, ripraps, limestone, lime burning (calimine) and cement et alto the following organizations;

- Building and construction companies
- Road construction companies
- Cement production plants
- Blocks molding companies

## **(c) Our Competitive Advantage**

The fact that anybody with interest in the stone quarry business can decide obtain the required license and permit to start the business means that the business is open to all and sundry hence it is expected that there will be high – level competition in the industry.

This is so because the technology involved in stone quarry line of business is not complicated. As a standard and licensed stone quarry company, we know that gaining a competitive edge requires a detailed analysis of the demographics of the surrounding area and the nature of existing competitors.

## 9. Sales and Marketing Strategy

### (a) Sources of Income

**Levitique General Business and Trading Limited** is a Company established with the aim of maximizing profits in the construction cum building industry located in Tanzania mainland, We are going to go all the way to ensure that we do all it takes to sell our products to a wide range of customers.

Furthermore, **Levitique General Business and Trading Limited** will generate income by simply supplying the following;

- Building and decorative stones
- Crushed granite
- Dimension granite
- Paving Slabs and slates
- Gravels
- Ripraps
- Aggregates – stones
- Limestone
- Lime burning (Calcimine) – Used as cement with sand, to make mortar and also in agriculture for the purpose of improving soil quality

### (b) Sales Forecast

One thing is certain when it comes to stone quarry business, if your business is strategically positioned and you have good relationship with players in the construction industry, you will always attract customers cum sales and that will sure translate to increase in revenue generation for the business.

We are well positioned to take on the available market in Tanzania and we are quite optimistic that we will meet our set target of generating enough income / profits from the first six month of operations and grow the business and our clientele base.

We have been able to critically examine the stone crushing and quarry line of business and we have analyzed our chances in the industry and we have been able to come up with the following sales forecast. The sales projections are based on information gathered on the field and some assumptions that are peculiar to startups in Tanzania.

## 10. Marketing Strategy and Sales Strategy

Before choosing a location to start stone crushing and quarry, we conduct a thorough market survey and feasibility studies in order for us to be able to be able to penetrate the available market in Tanzania. We

have detailed information and data that we were able to utilize to structure our business to attract the numbers of customers we want to attract per time and also for to compete with other stone quarry companies.

We hired experts who have good understanding of the stone line of business to help us develop marketing strategies that will help us achieve our business goal of winning a larger percentage of the available market for our products.

**(a) Our Pricing Strategy**

Levitique General Business and Trading Limited we will keep the prices of our products below the average market rate for all of our customers by keeping our overhead low and by collecting payment in advance from well – established construction companies that would require constant supply of building and decorative stones, crushed

In addition, we will also offer special discounted rates to all our customers at regular intervals. We are aware that there are some one – off supply contracts especially from government contractors or construction giants which are always lucrative, we will ensure that we abide by the pricing model that is expected from contractors or organizations that bid for such contracts.

**11. Investment Cost estimation**

Our Company intend to invest \$ **504,600.00** in stone crush plant. This includes the cost of machinery, equipment, raw materials, and labor, furthermore, this amount financed by shareholders equity. No external financing arrangements shall be leveraged at this stage. However, the Share capital allotment provides for additional capital financing opportunities if necessary

The Capital expenditure budget for the acquisitions is envisaged as follows:-

	<b>Item Description</b>	<b>amount</b>
1	<b>Plant and equipment include installation and training</b>	<b>300,000.00</b>
2	<b>Office equipment's</b>	<b>2,000.00</b>
3	<b>Generator</b>	<b>5,000.00</b>
4	<b>Transport</b>	<b>10,000.00</b>
5	<b>Wheel loader</b>	<b>20,000.00</b>
6.	<b>Tipper truck</b>	<b>100,000.00</b>
		<b>3,000.00</b>
	<b>Sub Total A (Capital Cost)</b>	<b>5040,000.00</b>

	<b>Recurrent Coast/Working capacity</b>	<b>Initial cost</b>
1	<b>Administrative expenses</b>	<b>10,000.00</b>
2	<b>Maintenance</b>	<b>50,000.00</b>
3	<b>Explosive , fuel and lubricant</b>	<b>1,600.00</b>
4	<b>Professional fees</b>	<b>3,000.00</b>
5	<b>Sub Total B (Working Capacity)</b>	<b>64,600.00</b>
	<b>Total Capitalization (A+B)</b>	<b>564600.00</b>

## 12. Revenues estimates

Revenue estimation is as presented in the accompanying table

year	Capacity utilization	Output tones 000	Price per tones	Revenue 000
1	60	150	1400	209664
2	65	162	1400	227,136
3	70	175	1400	244,608
4				
5				

### Notes

Installed plant capacity	120 ton/ hour
Assumed production capacity	100 ton/ hour
8 hours	8hours per day
From above, full production capacity	$100*8*260=208000$
X factory price	Tshs. Per ton
Factory price	Tshs.....per ton

## 13. Financial Projections and Analysis

Consistent with the Revenues, costs and expenses assumptions at capacity levels under the projections, the revamping of our operations as per company objectives and the overall vision our financial outlook shall be represented under the followings:-

- i. Projected Income & Expenditure statement, in Appendix 01
- ii. Cash flow statement, in Appendix 02
- iii. Financial Position of the Balance Sheet in Appendix 03.