

Business Plan SANVI FREIGHT & LOGISTICS LIMITED

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1.0 EXECUTIVE SUMMARY

1.1 The Company

SANVI FREIGHT & LOGISTICS LIMITED is a private limited liability company incorporated in TANZANIA on 11TH SEPTEMBER 2024, with a paid-up share capital of 10,000,000,000 made of 10000 shares with a par value of 1,000,000 each.

The Company's principal business is the transportation services (bulk fuel transportation services).

1.2 Operations

The Company is a newly registered company planning to start its operations. The management is assured of a reasonable growth and going concern of the company due to experienced management team and general visions and missions set for the company's growth.

In order to meet customer demands (both local and overseas), competition in the market the company is committed to provide quality customer service and effective strategic objectives for sustainable growth of the company.

The company is now seeking to apply for the TIC license as per the country's rules to start its operations.

1.3 Keys to Success

We believe that our future success will be derived from a handful of important assets:

- Management dedication to quality, to profit and to enhancing competitive position in the market for our products.
- Supplying our customers with perfect service thus focusing on customer needs in terms of quality.
- Responding to changing markets.
- Continued emphasis on operational efficiency.

2.0 THE COMPANY

2.1 Mission

The mission of SANVI FREIGHT & LOGISTICS LIMITED is ‘To become a leading FREIGHT & LOGISTICS company in East and Central Africa while maintaining good corporate citizenship’.

2.2 Company Objectives

- Our objective is ‘To earn and maintain trust of our Clientele, adding social and economic value through high-quality services’

2.3 Ownership

- The current shareholders of the company is:

SANTOSH KUMAR JAISWAL 75%
GEETESH RANI 25%

2.4 Location and Facilities

SANVI FREIGHT & LOGISTICS Limited has its head office located on Plot no 6/7, Ghana/Ohio street, Ilala, Dar-es-Salaam, Tanzania, P.O Box 19080. The company will have the Transportation agreement with the reliable depot owner in Tanzania and Transit customer from neighboring countries for Transportation of petroleum products.

Transport and Distribution system.

The major means of transport for its supplies is through trucks which have been proved to be reliable and cost effective.

Some trucks that will be in the names of the company are to assist in the day-to-day-own use and others in the operational activities of distributing petroleum products to customers.

2.5 Organization and Management

The overall governing body of SANVI FREIGHT & LOGISTICS Limited is the Board of Directors composed of the Shareholders, the Managing Director and other members.

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The company is lead by the Managing Director responsible for all day-to-day decisions, overall running of business, setting up business plans, monitoring implementation and achievements against set goals, financial planning and administration.

The management team SANVI FREIGHT & LOGISTICS Limited comprises of the following;

1. Santosh Kumar Jaiswal – Managing Director
Qualifications: Graduate
Age: 48 years
Experience: 14 years in East Africa
2. Geetesh Rani – Director
Qualifications: Graduate
Age: 43 years
Experience: 4 years in East Africa

3.0 THE MARKET

3.1 Market Analysis Summary

In Tanzania there is still a gap between demand for oil Transport services and level of services so far offered.

3.2 Market Segmentation and Analysis

Basically, there are two major markets:

The Exporting companies

SANVI FREIGHT & LOGISTICS Limited will be engaged into the business of export services, plans are under way to start exporting into the neighboring countries like **of** Zambia, Burundi, Malawi and DRC-Congo.

General local markets

SANVI FREIGHT & LOGISTICS LIMITED is dedicated in providing reliable and effective services to both corporate and retail customers all over the country.

3.3 Market Strategies

Marketing Objectives:

1. Increase market share by 15% within 2 years.
2. Boost revenue by 50% annually.
3. Enhance brand visibility and reputation.

Target Market:

1. Importers and exporters
2. Manufacturers
3. Wholesale traders
4. Shipping lines and airlines
5. Freight forwarders and logistics providers
6. Mining & Constructions

Market Segmentation:

1. Geographic: Tanzania, East Africa, and Southern Africa.
2. Industry: Agriculture, manufacturing, mining, and construction.
3. Service-based: Freight forwarding, logistics, warehousing, and customs clearance.

Marketing Strategies:

Offline Strategies:

1. Networking: Attend industry events, conferences, and trade shows.
2. Referrals: Incentivize current clients to refer new business.
3. Partnerships: Collaborate with complementary businesses.
4. Direct Sales: Engage experienced sales professionals.
5. Advertising: Print and billboard ads in strategic locations.

Online Strategies:

1. Website: Develop a user-friendly, informative website.
2. Social Media: Utilize LinkedIn, Twitter, and Facebook.
3. Email Marketing: Regular newsletters and promotional emails.

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4. Search Engine Optimization (SEO): Improve online visibility.
5. Digital Advertising: Google Ads, targeted online ads.

Pricing Strategy:

1. Competitive pricing.
2. Value-added services.
3. Discounts for long-term contracts.
4. Flexible pricing for bulk shipments.

Promotional Strategies:

1. Loyalty programs.
2. Referral incentives.
3. Special promotions for new clients.
4. Free consultations and assessments.

Public Relations:

1. Media outreach: Press releases, interviews, and feature articles.
2. Community engagement: Sponsor local events, charity participation.
3. Thought leadership: Industry publications, speaking engagements.

Performance Metrics:

1. Website traffic.
2. Social media engagement.
3. Lead generation.
4. Conversion rates.
5. Customer satisfaction.

Budget Allocation:

1. Offline marketing (40%).
2. Online marketing (30%).
3. Pricing and promotional strategies (15%).
4. Public relations (10%).
5. Research and development (5%).

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Timeline:

Quarter 1: Establish online presence, launch marketing campaigns.

Quarter 2-3: Intensify offline marketing, partnerships, and referrals.

Quarter 4: Evaluate performance, adjust strategies.

4.0 SWOT ANALYSIS

Strengths:

1. Strategic Location: Dar-es-Salaam, Tanzania, provides access to key ports and transportation hubs.
2. Experienced Management: Seasoned professionals with industry expertise.
3. Diversified Services: Comprehensive logistics solutions (freight forwarding, warehousing, customs clearance).
4. Strong Network: Established relationships with suppliers, carriers, and customers.
5. Modern Fleet: Well-maintained vehicles and equipment.
6. Competitive Pricing: Flexible pricing strategy to attract clients.

Weaknesses:

1. Limited Geographic Reach: Operations primarily in Tanzania.
2. Dependence on Key Personnel: Few experienced staff could impact operations.
3. Limited Financial Resources: Constraints on investing in technology and expansion.
4. Vulnerability to Economic Fluctuations: Market downturns affect demand.
5. Inefficient Processes: Manual systems hinder efficiency.

Opportunities:

1. Growing Demand: Increasing trade volumes in East Africa.
2. Expanding Regional Presence: Entering neighboring countries.

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3. Diversifying Services: Adding value-added services (e.g., supply chain management).
4. Partnerships and Collaborations: Strategic alliances with industry players.
5. Government Initiatives: Support for logistics sector development.

Threats:

1. Intense Competition: Market saturation with established players.
2. Regulatory Changes: Stricter laws and regulations.
3. Economic Instability: Global economic downturns.
4. Security Concerns: Theft, piracy, and terrorism.
5. Technological Disruption: Emergence of digital logistics platforms.

Action Plan:

Strengths:

- Leverage strategic location and experienced management.
- Enhance diversified services and network.

Weaknesses:

- Expand geographic reach through partnerships.
- Develop succession planning and training programs.
- Invest in technology and process automation.

Opportunities:

- Conduct market research for regional expansion.
- Develop value-added services.
- Pursue strategic partnerships.

Threats:

- Monitor regulatory changes and comply.
- Enhance security measures.

- Invest in digital transformation.

5.0 SAFETY AND ENVIRONMENTAL CONSIDERATIONS

Safety Considerations:

1. Vehicle Maintenance: Regular maintenance to ensure fleet safety.
2. Driver Training: Comprehensive training on defensive driving, safety procedures.
3. Cargo Securement: Proper loading, securing, and handling of cargo.
4. Personal Protective Equipment (PPE): Provision of PPE for drivers, warehouse staff.
5. Emergency Response Plan: Established procedures for accidents, incidents.
6. Workplace Safety: Safe working conditions, regular risk assessments.
7. Compliance: Adherence to Tanzanian and international safety regulations.

Environmental Considerations:

1. Fuel Efficiency: Optimizing routes, vehicle maintenance for reduced emissions.
2. Waste Management: Proper disposal of hazardous materials, waste recycling.
3. Sustainable Packaging: Encouraging clients to use eco-friendly packaging.
4. Carbon Footprint Reduction: Exploring alternative fuels, electric vehicles.
5. Environmental Compliance: Adherence to Tanzanian and international environmental regulations.
6. Green Logistics: Implementing environmentally friendly logistics practices.
7. Community Engagement: Participating in local environmental initiatives.

Health and Safety Policy:

SANVI FREIGHT & LOGISTICS LIMITED is committed to:

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1. Providing a safe working environment.
2. Ensuring driver and employee well-being.
3. Protecting the environment.
4. Complying with regulations.
5. Continuously improving safety and environmental standards.

Environmental Policy:

SANVI FREIGHT & LOGISTICS LIMITED aims to:

1. Minimize environmental impact.
2. Promote sustainable practices.
3. Reduce carbon footprint.
4. Comply with environmental regulations.
5. Educate clients, employees on environmental responsibility.

Implementation Plan:

1. Conduct regular safety audits.
2. Provide ongoing training for drivers, staff.
3. Invest in fuel-efficient vehicles.
4. Implement waste reduction and recycling programs.
5. Monitor and report environmental performance.

Key Performance Indicators (KPIs):

1. Accident frequency rate.
2. Employee training participation.
3. Fuel consumption reduction.
4. Waste reduction.
5. Compliance with regulations.

Budget Allocation:

1. Safety training and equipment (10%).
2. Vehicle maintenance and upgrade (15%).

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3. Environmental initiatives (5%).
4. Compliance and regulatory fees (5%).

6.0 THE PROJECT'S DEVELOPMENTAL ASPECTS

6.1 Turnover

Despite of stiff competition, company turnover is expected to be growing, and a marginal increase will be recorded 2026, it is anticipated that turnover will start to grow.

2025 YEAR SALES

Transportation services – USD 25,000 PER MONTH

2026 YEAR SALES

Transportation services – USD 75,000 PER MONTH

6.2 Socio-Economic Benefits

The following are the major economic and social benefits that the project is generating:

- Providing high quality services in Transportation of petroleum products both locally and foreign, hence generating export revenue to contribute to the maintenance of a well-balanced economy.
- Increasing competition in the market, thus facilitating provision of more efficient services to consumers/end-users.
- By offering competitive prices, the project will increase the use of petroleum products.
- Currently, the project will offer employment to local people.
- Facilitation of capacity building through technology transfer, facilitated by interactions with business counterparts.
- The Government will benefit from the various taxes, fees and commissions that are by SANVI FREIGHT & LOGISTICS LIMITED.

7.0 IMPLEMENTATION SCHEDULE

The major operational tasks will start in JAN 2025, by contracting the depot owner for

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Transport services, funds mobilization and applying for bank accounts on the chosen bank.

8.0 KEY ASSUMPTIONS for financial planning

8.1. Basic Assumptions

8.2 Turnover

Turnover is expected to increase by 300% in 2026 and by 30% thereafter.

8.3. Taxation & Depreciation

The corporate tax charged is 30% of the profit. The straight-line method to depreciate the project's capital items has been applied

8.4 Commercial Interest Rates

The interest rate on financing is assumed to be 15%

Annexure - A- Bussiness Plan Sanvi Freight & Logistics Limited

Financial Projections - Sanvi freight & Logistics Limited

Details	Year 1	Year 2	Year 3	Year 4	Year 5
Production per annum: number of cubic meters = A	2500	5000	10000	10000	15000
Price per unit (USD) = B	\$ 210.00	\$ 210.00	\$ 210.00	\$ 210.00	\$ 210.00
Sales per annum (USD) C = A*B	\$ 525,000.00	\$ 1,050,000.00	\$ 2,100,000.00	\$ 2,100,000.00	\$ 3,150,000.00
Costs of Production (USD) = D	\$ 131,250.00	\$ 262,500.00	\$ 525,000.00	\$ 525,000.00	\$ 787,500.00
Gross Profit (USD) E = C – D	\$ 393,750.00	\$ 787,500.00	\$ 1,575,000.00	\$ 1,575,000.00	\$ 2,362,500.00
Operating Costs (USD) = F	\$ 131,250.00	\$ 262,500.00	\$ 525,000.00	\$ 525,000.00	\$ 787,500.00
Earning Before Interest and Tax (USD) G = E – F	\$ 262,500.00	\$ 525,000.00	\$ 1,050,000.00	\$ 1,050,000.00	\$ 1,575,000.00
Tax (USD) H = 30%*G	\$ 78,750.00	\$ 157,500.00	\$ 315,000.00	\$ 315,000.00	\$ 472,500.00
Earning before Dividends(USD) I = G – H	\$ 183,750.00	\$ 367,500.00	\$ 735,000.00	\$ 735,000.00	\$ 1,102,500.00