

# **TANSUD INDUSTRIES LIMITED**

## **BUSINESS PLAN**

Prepared by:

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### **1. EXECUTIVE SUMMARY**

#### **Who we are:**

TANSUD INDUSTRIES LIMITED is a foreign owned company registered in Tanzania to operate in logistics and transportation specializing in container, fuel, and loose cargo transport across Tanzania and neighboring regions. Leveraging strategic partnerships, an experienced management team, and a robust fleet, TANSUD INDUSTRIES LIMITED aims to provide efficient, reliable transportation solutions that meet the demands of regional trade and industry.

#### **Vision**

To become the preferred logistics partner in East and Central Africa, renowned for safety, efficiency, and reliable service.

#### **Mission**

To deliver exceptional logistical solutions with a focus on safety, timely delivery, and environmental responsibility, supporting Tanzania's economic growth and regional trade connectivity.

#### **Core Values**

- **Customer Satisfaction:** Ensuring timely and efficient delivery.
- **Integrity:** Upholding ethical business practices.
- **Safety:** Prioritizing the security of cargo and personnel.
- **Innovation:** Employing modern technology for optimal service.
- **Sustainability:** Reducing environmental impact.

## 2. COMPANY OVERVIEW

### Legal Entity and Ownership

TANSUD INDUSTRIES LIMITED is a private limited company established in accordance with the Tanzanian Companies Act and assigned the Taxpayer Identity Number (TIN) 159-365-425. The company is solely owned by the following shareholders.

Table 1: Shares ownership

SN	NAME	SHARES
1	MOHAMED SIRELKHATIM ABDALLA EDRISS	200
2	MOHAMED AWAD ABDELRAHMAN SIDAHME	200

This share structure positions the company to leverage shareholder expertise in logistics and business management for sustainable growth and expansion.

### Primary Objectives

- To maintain a competitive pricing model alongside high service quality.
- To expand into neighboring countries, including Uganda, Kenya, Rwanda, and Zambia.
- To continuously upgrade and expand the fleet to meet growing market demands.

## 3. PRODUCTS AND SERVICES

### Container Transportation

Transporting 20' and 40' containers to various destinations within Tanzania and across borders.



### **Fuel Transportation**

Safe and efficient transport of fuel to industries, fuel stations, and other clients across Tanzania.



### **Loose Cargo**

Bulk transport of various loose goods, including agricultural produce, construction materials, and other industrial products.



### **Specialized Cargo Services**

Transportation of oversized, heavy-duty machinery and equipment for industries like mining and construction.



## **4. MARKET ANALYSIS**

### **Industry Background**

The transportation sector in Tanzania is growing, driven by expanding trade routes and government infrastructure investments. With major transport corridors connecting Tanzania to landlocked countries, TANSUD INDUSTRIES LIMITED is well-positioned to capture opportunities in the logistics market.

### **Target Market**

Primary clients include fuel suppliers, industrial manufacturers, construction companies, and agricultural producers.

### **Competitive Advantage**

- Extensive industry experience and a network across Tanzania and East Africa.

- An emphasis on timely delivery, supported by a reliable fleet and trained personnel.
- Flexible and scalable services that can accommodate both full and partial cargo loads.

## STRATEGY AND IMPLEMENTATION

### Marketing Strategy

- **Customer Relationship Management:** Build long-term relationships with major clients in industries such as fuel, agriculture, and construction.
- **Digital Marketing:** Develop an online presence with a user-friendly website and active social media accounts.
- **Pricing Strategy:** Competitive pricing combined with high service standards to retain and attract clients.

### Milestones

- **Q1 2025:** Secure initial fleet and operational licenses.
- **Q2 2025:** Begin operations and secure contracts with at least five major clients.
- **Q4 2025:** Expand fleet to support increasing demand.

### SWOT Analysis

Table 2: SWOT Analysis

Category	Details
<b>Strengths</b>	
1. Experienced Ownership and Management Team	Founding team members have substantial expertise in logistics, transportation, and business management, enabling effective operations and strategic decision-making.
2. Reliable Fleet and Modern Equipment	A well-maintained, modern fleet ensures high-quality service with minimal downtime, building customer trust and supporting major industrial contracts.
3. Strategic Location and Regional Connectivity	Located in Tanzania, providing access to trade corridors connecting neighboring countries like Uganda, Kenya, Rwanda, and Zambia.
4. Safety and Compliance Focus	Adherence to safety and compliance standards, particularly crucial for high-stakes industries, reduces accident risk, minimizes penalties, and enhances reputation.
<b>Weaknesses</b>	

<b>Category</b>	<b>Details</b>
1. High Capital Requirements for Fleet Expansion	Fleet expansion and maintenance require significant capital, posing a challenge for growth in new regions or specialized equipment acquisition.
2. Limited Brand Recognition in Broader Markets	As a new company, brand reputation needs to be built in East Africa through marketing, networking, and partnerships to compete with established providers.
3. Initial Dependency on Local Market	Revenue is primarily dependent on the domestic Tanzanian market, which may limit growth potential and expose the company to local economic fluctuations.
4. Cash Flow Management	Managing cash flow for operational expenses can be challenging due to the timing of receivables, especially with large contracts.
<b>Opportunities</b>	
1. Growing Demand for Cross-Border Logistics Services	Regional integration in East Africa has led to rising demand for cross-border logistics, offering contract opportunities in neighboring countries.
2. Government Infrastructure Investments	Improvements in road, rail, and port facilities by the Tanzanian government enhance operational efficiency and reduce costs, improving reliability.
3. Expansion into Specialized Logistics Services	Demand for heavy machinery and other specialized transportation services presents an opportunity for premium service offerings.
4. Digital Transformation and Process Automation	Adopting digital logistics solutions (e.g., GPS tracking, fleet management) can streamline operations, optimize costs, and improve client satisfaction.
<b>Threats</b>	
1. Rising Operational Costs	Fluctuations in fuel prices, inflation, and maintenance costs can impact profitability and client retention if passed onto customers.

<b>Category</b>	<b>Details</b>
2. Intense Competition in the Logistics Sector	Strong competition from established regional and international logistics providers may challenge contract acquisition and pricing competitiveness.
3. Regulatory and Compliance Risks	Changes in safety, environmental, and trade regulations can impact costs and limit expansion, requiring administrative resources to ensure compliance.
4. Political and Economic Instability in the Region	Instability in East African countries (e.g., trade restrictions, currency fluctuations, border closures) can disrupt operations and revenue.

## **MANAGEMENT AND ORGANIZATION**

### **Management**

Led by industry veterans, the TANSUD INDUSTRIES LIMITED team combines logistics expertise with strong leadership. Both directors Miss. MOHAMED AWAD ABDELRAHMAN SIDAHMED and Mohamed Sirelkhatim Abdalla Edriss have robust experience, qualifications and skills in transport industry, that will help to grow the business to the profitability within the shortest time possible.

### **Job Creation and Employment Plan**

TANSUD INDUSTRIES LIMITED LOGISTICS LTD intends to grow big in order to compete favorably with in transport industry in Tanzania. We are aware of the importance of transport sector in building the economy of the nation. That is why we are committed to employ more qualified workers in each area including transport officers, managers, drivers, mechanicals and others. We intend to employ more than 15 drivers, 2 transport and logistic officers, 1 supervisors and 1 managers. We are intending to provide employment opportunities to Tanzania youth who are talented, hard workers, and creative.

## FINANCIAL PLAN

### Projected Revenue Streams

Revenue will be primarily generated through fees for transportation services, with additional revenue from premium services like specialized cargo handling and expedited delivery options.

## Investment Structure and Financing Pattern for TANSUD INDUSTRIES LIMITED

The total initial investment in fixed assets and working capital for TANSUD INDUSTRIES LIMITED is estimated at TZS 1,340,000,000. The breakdown of this investment and the financing structure are as follows.

### Investment Structure Breakdown (in TZS '000')

Item	Amount (TZS '000')
Land and Building (depots, yards, offices)	805970
Machinery & Equipment (workshop, ICT systems, logistics equipment)	967164
Motor Vehicles & Fleet (trucks, trailers, support vehicles)	2820896
Operational & Working Capital (fuel, salaries, maintenance, insurance, admin)	805970
GRAND TOTAL	5400000

### Financing Pattern Breakdown (in TZS '000')

SOURCE	Amount (TZS '000')
FIXED ASSETS (1,140,000)	nan
Equity (40%)	1837612.0
Long-term Loan (60%)	2756418.0
Sub Total for Fixed Assets	4594030.0
WORKING CAPITAL (200,000)	nan
Bank Overdraft (75%)	604478.0
Equity (25%)	201493.0
Sub Total for Working Capital	805970.0
GRAND TOTAL	5400000.0

# TANSUD INDUSTRIES LIMITED

## Projected Statement of Financial Position (2025–2029)

(Figures in TZS)

<b>Item</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Property, Plant & Depots	375000000	750000000	937500000	1125000000	1312500000
Vehicles & Fleet	1125000000	1687500000	2062500000	2437500000	2812500000
Total Non-Current Assets	1500000000	2437500000	3000000000	3562500000	4125000000
Cash & Cash Equivalents	450000000	337500000	412500000	525000000	600000000
Inventory	750000000	1125000000	1500000000	1875000000	2250000000
Accounts Receivable	1125000000	1875000000	2625000000	3375000000	4500000000
Total Current Assets	6375000000	6375000000	8250000000	10500000000	12750000000
<b>TOTAL ASSETS</b>	<b>2137500000</b>	<b>3075000000</b>	<b>3825000000</b>	<b>4612500000</b>	<b>5400000000</b>

## EQUITY & LIABILITIES

<b>Item</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Share Capital	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Retained Earnings	5,000,000	25,000,000	60,000,000	120,000,000	200,000,000
Total Equity	205,000,000	225,000,000	260,000,000	320,000,000	400,000,000
Long-term Loans	300,000,000	500,000,000	600,000,000	700,000,000	800,000,000
Short-term Liabilities	65,000,000	95,000,000	160,000,000	210,000,000	240,000,000
Total Liabilities	365,000,000	595,000,000	760,000,000	910,000,000	1,040,000,000
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>570,000,000</b>	<b>820,000,000</b>	<b>1,020,000,000</b>	<b>1,230,000,000</b>	<b>1,440,000,000</b>

## Projected Cash Flow Statement (2025–2029)

<b>Item</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Share Capital	750000000	750000000	750000000	750000000	750000000
Retained Earnings	190000000	940000000	2250000000	4500000000	7500000000
Total Equity	769000000	844000000	975000000	1200000000	1500000000
Long-term Loans	1125000000	1875000000	2250000000	2625000000	3000000000
Short-term Liabilities	244000000	356000000	600000000	788000000	900000000
Total Liabilities	1369000000	2231000000	2850000000	3413000000	3900000000
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>2138000000</b>	<b>3075000000</b>	<b>3825000000</b>	<b>4613000000</b>	<b>5400000000</b>

## Projected Comprehensive Income Statement (2025–2029)

Item	2025	2026	2027	2028	2029
Revenue	562500000	1125000000	1875000000	2625000000	3750000000
Operating Expenses	375000000	562500000	937500000	1312500000	1687500000
EBITDA	187500000	562500000	937500000	1312500000	2062500000
Depreciation	56250000	93750000	150000000	206250000	262500000
EBIT	131250000	468750000	787500000	1106250000	1800000000
Finance Costs	75000000	150000000	225000000	337500000	450000000
Profit Before Tax	56250000	318750000	562500000	768750000	1350000000
Income Tax (30%)	16875000	95625000	168750000	230625000	405000000
Net Profit	39375000	223125000	393750000	538125000	945000000