

GARRIESONN KAMARA LIMITED

Business Plan

for

Building materials (Corrugated iron

sheet) production Project

1.0 EXECUTIVE SUMMARY

GARRIESONN KAMARA LIMITED is engaged in building material businesses as its core business, and well known for quality products.

GARRIESONN KAMARA LIMITED potential customers include the following among other once customers: Real estate developer, individuals etc

The original project vision is to provide reasonably priced products, underpinned by increased supply of building materials into Tanzania market, relative to demand and thus the ability to maintain prices low. **GARRIESONN KAMARA LIMITED** will strive to work towards achieving the vision.

- 1.2 The main objective of the company is to establish itself in EAC countries and generate a turnover of more than US\$3 million in three years.

2.0 COMPANY OVERVIEW

GARRIESONN KAMARA LIMITED is a company incorporated in Tanzania with certificate of incorporation No. 182797375 dated 3rd March 2025, **GARRIESONN KAMARA LIMITED** is engaged in building materials manufacturing.

2.1 COMPANY OWNERSHIP

GARRIESONN KAMARA LIMITED is owned by five investors from India

Shareholders	Nationality	% of ownership
ANBARASAN SUBRAMANIAN P.O.BOX 1290 DAR ES SALAAM	India	45
VEERAMANIKANDAN GOVINDHARAJ P.O.BOX 1290 DAR ES SALAAM	India	55

2.2 BUSINESS PURPOSE

GARRIESONN KAMARA LIMITED is started when the current owners observed that there was a market gap, which created by the failure by the present industry players to cater for domestic market, **GARRIESONN KAMARA LIMITED** realised that customers were finding it difficult to get reasonable prices and prompt services. Building materials manufacturers in Tanzania is characterised by SMEs, with the majority struggling to build and establish their companies and brands. As I was experienced in industries which were more customers central; in terms of quality, cost effectiveness and last-minute delivery schedule saw the opportunity to enter into this segment (one stop shop). Where iron sheet galvanised will be provided at the same window

2-3 VISION

The vision of the company also extended to establishing branches in all EAC countries, however with HQ remaining in Tanzania.

GARRIESONN KAMARA LIMITED is a sole executive managed business with support from the lower management personnel like technician, accountant and drivers.

GARRIESONN KAMARA LIMITED is experienced and skilled in managing building materials production, the board of directors has experience of operating the same business in India, with an professional background of building materials production management and marketing. The Tanzania market is still un maturing and **GARRIESONN KAMARA LIMITED** the opportunity to enter this particular segment of the business, with ten years experience in this sector and ten years of experience in the same field, the company can see bright future.

2.3 **COMPANY MISSION**

To serve customers with the highest quality products and produced precisely to their requirements.

3.0 **BUSINESS MODEL**

GARRIESONN KAMARA LIMITED generates its revenue from galvanised iron sheet and **GARRIESONN KAMARA LIMITED** would like to strengthen the same opportunity to move us forward. Like in any other company, **GARRIESONN KAMARA LIMITED** has a revenue generation ratio of 60 % and others 40 %. as the target market segment being serviced is SMEs which are more price sensitive. It is envisaged that with the introduction of new capital, margins will improve to 50% and above, as the company will be able to serve big companies as well as big real estate developers like National housing, pension funds, private companies etc 's who are quality conscious and have sustained brand building initiatives, rather than the price sensitive SMEs category.

GARRIESONN KAMARA LIMITED is looking to streamline its profitability to take it to the next level by inducing new technology to cut down operating cost.

GARRIESONN KAMARA LIMITED has looked forward to work with their client to maintain relationships by offering value added services like advising them on the marketing strategy, in addition to creating new revenue generation

4.0 LOCATION.

The project production premises will be located at **Plot No.57, Port Access Road, Tabata, Ilala, Dar es Salaam Region**

5.0 THE PROJECT PROMOTERS

The shareholders of this project are all entrepreneurs with diverse professional and business backgrounds, the company is owned owned by five shareholders from India

6.0 PRODUCTS AND/OR SERVICES

GARRIESONN KAMARA LIMITED products:

- galvanised iron sheet,
- corrugated blocks etc

6.1 CAPACITY GENERATION

GARRIESONN KAMARA LIMITED is planning to produce various building materials s 20,000 meters per month of iron sheet units of and we will have a futuristic plan to increase the number every year manufacture those once we establish in the business and achieve our targets.

6.2 COMPETITIVE PROFILE

We have competitors at different levels and products, **GARRIESONN KAMARA LIMITED** is focused to quality and service every need of their clientele.

7.0 KEY SUCCESS FACTORS

A quality, value, prompts delivery, flexibility and relationship.

7.1 BARRIERS TO ENTRY INTO THE INDUSTRY

A typical barrier is the acquisition of the land, skilled workers, power reliability, and raw, technical knowhow.

7.2 UNIQUE CAPABILITIES/CREATING COMPETITIVE ADVANTAGE

GARRIESONN KAMARA LIMITED is engaged in building materials in China as its core business, at present we are known for our quality products and prompt delivery.

7.3 MARKETING STRATEGIES

As a marketing strategy **GARRIESONN KAMARA LIMITED** would target the corporate market as well as households. Looking for unique ideas/strategies to help me get my foot in the door, building up rapport and relationship with those clientele for lifelong will fetch more business.

7.4 ADVERTISING, PROMOTIONS, PUBLIC RELATIONS

GARRIESONN KAMARA LIMITED will advertise mainly through social media, online, print and billboards, this will lead to high conversion ratio of turning a prospective into a client and a client into a lifelong relationship.

7.5 SALES ORGANISATION

We will require a marketing and sales manager and **20** employees to be employed

8.0 PRICING STRATEGY

Pricing will be done on the competitiveness of the market and cost of the production and required.

8.1 SERVICE AND SUPPORT

Superior customer service builds loyalty and repeat business, and therefore ongoing revenue for your company. As our company establishes, we will have offices and representative across East Africa to ensure support and services.

8.2 STRATEGIC ALLIANCES UNDERTAKEN OR PROPOSED

As the company grows, we will have alliances with potential customers, real estates developers and supporting institutions

8.3 MANAGEMENT TEAM

We will have a qualified and experienced team of management under the much-experienced CEO and Founders

8.4 PERSONNEL TO BE ADDED IN ORDER TO BUILD A SUCCESSFUL TEAM

New personnel will be added as the company grows and in line with company strategy.

8.5 OPERATIONS AND FACILITIES

GARRIESONN KAMARA LIMITED will have production unit at Tabata, Port Access to cut down the cost and will have an office in Kariakoo for the wider reach to its clientele.

8.6 LICENSING AND REGULATORY ISSUES

GARRIESONN KAMARA LIMITED will have all the licenses required by the respective regulatory boards to carry on the business namely Certificate of incorporation TIN, VRN, OSHA, fire and safety, business license.

9.0 PROJECT'S INVESTMENT CAPITAL INVESTMENT

The estimated capital investment cost of the project is US\$1,050,000 out of which US\$ 870,000 will be fixed investment costs. Pre-production expenditures have been budgeted at US\$ 45,000; other cost will be US\$5,000, while capital is put at US\$ 130,000.

GARRIESONN KAMARA LIMITED COST STRUCTURE

PARTICULAR	AMOUNT USD
Land and Buildings	300,000
Machinery & Equipment	400,000
Motor Vehicles	150,000
Furniture & Fixtures	20,000
Pre expenditure	45,000
Others	5,000
Working Capital	130,000
TOTAL	1,050,000

9.1 Project Financing Plan

The shareholders of this company will finance the project using 40% equity and 60% loans as shown below.

Source/Type of financing	Foreign US\$
Equity (100%)	1,050,000

10.0 FINANCIAL ANALYSIS

10.1 Considerations and Assumptions:

Taxation and Depreciation

The corporate tax charged is 30% of the profits. 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.

10.2 Production and Revenue Assumptions

It is assumed that the major raw material will be procured locally and some imported from China. Revenues have been conservatively estimated based on experience of the promoters and trends in the building material production.

10.4 Project Profit and Loss Account

For projection purposes, it is assumed that the economic life of the project is five years, and that production of the different types of products commence from the first year of operation, project profit

grows from **US\$563,395** in the first year to **US\$ 648,109** in fifth year of operation

1st Year US\$ 563,395

2nd Year US\$631,571

3rd Year US\$640,608

4th Year US\$ 642,740

5th Year US\$ 648,109

For the detail refer appendix IV

10.5 Projected Cash Flows

This is shown in the financial statements. The project has a positive end of year cash flow from year 1 of operation to the 5th year.

1st Year US\$1,315,818

2nd Year US\$2,646,017

3rd Year US\$3,974,467

4th Year US\$5,307,455

5th Year US\$6,686,521

For the detail refer appendix V

10.6 Projected Balance Sheet

The projected Balance Sheet of the projected is shown in the financial statements under same heading. Net worth of the project

increases from **US\$ 1,613,395** in the first year of operation to **US\$ 1,698,100** in the 5th year.

1 th Year	US\$ 1,613,395
2 nd Year	US\$ 1,681,571
3 rd Year	US\$ 1,690,608
4 th Year	US\$ 1,692,740
5 th Year	US\$ 1,698,100

For the detail refer appendix VII

10.6 **Projected payback period**

Total investment is **US\$1,050,000** cash accumulation in year 2 is **US\$1,386,464** which is more than the initial investment by **US\$ 336,464** the project payback Period is almost 2year,

The project has a relatively short payback period. It is remarkably impressing for a manufacturing project being recovered in 1 year, for the details refer appendix VIII

11.0 **ECONOMIC ASPECTS**

Implementation of this project will have the following social and economic values

- Building materials production. At present 50% of building materials are mainly imported from China.
- The project will involve transfer of technology in building materials manufacturing.

- The project will create employment for **20** people on permanent contract basis as well as on temporary basis.
- It will create more business opportunities to local suppliers, which will also have a trickledown effect in the sub sector.
- It will generate substantial revenue to the government in the form of corporate tax, value added tax and royalties.
- The project will earn substantial amounts of foreign exchange.

12.0 IMPLEMENTATION

Project implementation is expected to be relatively very short once project has been approved it is estimated that construction will take approximately 12 months: -

	ACTIVITY	PERIOD
1	Processing TIC Certificate of Incentive	May 2025
2	Funds Mobilization	October-December 2025
3	Rehabilitation of industrial building	June-October 2025
4	Ordering of plant and machineries and Vehicles	June-September 2025
5	Arrival of Plant, Machinery and Vehicles	September 2025
6	Commercial Operations	June 2026

13.0 CONCLUSION AND RECOMMENDATIONS

The project is technically feasible, financially viable, and economically sound, provided the sponsors will manage it efficiently.

It is recommended that the project be approved by Tanzania Investment Centre and be granted the TIC Certificate of Incentives with its associated privileges and benefits as provided for under the Tanzania Investment Act, 2022.

APPENDIX (I)**GARRIESONN KAMARA LIMITED COST STRUCTURE**

PARTICULAR	US\$
Land and Buildings	300,000.00
Machinery & Equipment	400,000.00
Motor Vehicles	150,000.00
Furniture & Fittings	20,000.00
Pre exp	45,000.00
Others	5,000.00
Working Capital	130,000.00
TOTAL	1,050,000.00

APPENDIX (II)

GARRIESONN KAMARA LIMITED SUMMARY OF REVENUE “ US\$”

	1	2	3	4	5
Sales Revenue	1,660,800	1,760,800	1,779,805	1,785,901	1,795,000

GARRIESONN KAMARA LIMITED FIXED ASSETS SCHEDULE

NAME OF ASSETS	1 USD	2 USD	3 USD	4 USD	5 USD
Land And Buildings	300,000	270,000	240,000	210,000	180,000
Machinery, Tools & Equipment	300,000	270,000	240,000	210,000	180,000
Motor Vehicles	250,000	225,000	200,000	175,000	150,000
Furniture & Fixtures	20,000	18,000	16,000	14,000	12,000
Total	870,000	783,000	696,000	609,000	522,000
DEPRECIATION	1 USD	2 USD	3 USD	4 USD	5USD
Land and buildings	30,000	30,000	30,000	30,000	30,000
Machinery tools & Equipment	30,000	30,000	30,000	30,000	30,000
Motor Vehicles	25,000	25,000	25,000	25,000	25,000
Furniture & Fixtures	2,000	20,000	20,000	20,000	20,000
ANNUAL DEPRECIATION	87,000	105,000	105,000	105,000	105,000
CLOSING FIXED ASSETS	783,000	678,000	591,000	504,000	417,000

APPENDIX (IV)

GARRIESONN KAMARA LIMITED PROJECTED INCOME & EXPENDITURE STATEMENT

	US \$ 1	US\$ 2	US\$ 3	US\$ 4	US\$ 5
Sales Revenue	1,660,800.00	1,760,800.00	1,779,805.00	1,785,901.00	1,795,000.00
Cost of Sales	490,000.00	492,000.00	497,000.00	499,500.00	499,900.00
Gross Profit	1,170,800.00	1,268,800.00	1,282,805.00	1,286,401.00	1,295,100.00
Operating Expenses:					
Administrative Expenses	7,400.00	7,505.00	8,500.00	9,000.00	10,000.00
Motor vehicle running expenses	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
Salaries and Wages	108,000.00	108,000.00	108,000.00	108,000.00	108,000.00
Depreciation	87,000.00	87,000.00	87,000.00	87,000.00	87,000.00
Maintenance cost	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00
Marketing Costs	11,500.00	11,500.00	11,500.00	11,500.00	11,500.00
Utility costs	45,000.00	45,000.00	45,000.00	45,000.00	45,000.00
Insurance	5,250.00	5,250.00	5,250.00	5,250.00	5,250.00
Pension Contribution	10,800.00	10,800.00	10,800.00	10,800.00	10,800.00
Total Expenses	353,450.00	354,055.00	355,150.00	355,700.00	356,730.00
Profit before tax	817,350.00	914,745.00	927,655.00	930,701.00	938,370.00
Tax (30%)	245,205.00	274,423.50	278,296.50	279,210.30	281,511.00
Profit After Tax	572,145.00	640,321.50	649,358.50	651,490.70	656,859.00

APPENDIX (V)

GARRIESONN KAMARA LIMITED PROJECTED CASH FLOW US\$

CASH FLOW FROM OPERATIONS:		2	3	4	5
Rental Income	1,625,100.00	1,635,050.00	1,643,805.00	1,649,651.00	1,693,700.00
VAT Receipt	292,518.00	294,309.00	295,885.00	296,937.00	304,866.00
Subtotal cash Received	1,917,618.00	1,929,359.00	1,939,690.00	1,946,588.00	1,998,566.00
Expenditures from Operations:					
Purchases	510,000.00	512,000.00	518,000.00	520,000.00	525,000.00
VAT Payments	91,800.00	92,160.00	93,240.00	93,600.00	94,500.00
Subtotal Cash Payment	601,800.00	604,160.00	611,240.00	613,600.00	619,500.00
CASH FLOW FROM OPERATIONS:	1,315,818.00	1,325,199.00	1,328,450.00	1,332,988.00	1,379,066.00
CASH FLOW FROM INVESTMENTS:					
Purchase of Assets	(870,000.00)				
Working Capital and pre-expenses	(180,000.00)				
CASH FLOW FROM INVESTMENTS:	(1,050,000.00)				
CASH FLOW FROM FINANCING:					
Owners Equity Contribution	1,050,000.00				
CASH FLOW FROM FINANCING:	1,050,000.00				
NET CASH FLOW FOR PERIOD	1,315,818.00	1,325,199.00	2,646,017.00	5,292,034.00	10,584,064.00
CASH FLOW START OF YEAR	-	1,320,818.00	2,646,017.00	5,292,034.00	10,584,068.00
CASH FLOW AT THE END OF YEAR	1,315,818.00	2,646,017.00	5,292,034.00	10,584,068.00	21,168,132.00

GARRIESONN KAMARA LIMITED PROJECTED BALANCE SHEET US \$

Fixed Assets	1	2	3	4	5
Long-term Assets	870,000	783,000	696,000	609,000	522,000
Depreciation	87,000	87,000	87,000	87,000	87,000
Total Long-term Assets	783,000	696,000	609,000	522,000	435,000
Current Assets					
Cash	718,765	1,137,163	1,560,725	1,985,505	2,413,353
Accounts Receivable	12,500	12,345	14,500	14,624	13,430
Total Current Assets	731,265	1,149,508	1,575,225	2,000,129	2,426,783
Total Assets	1,514,265	1,845,508	2,184,225	2,522,129	2,861,783
Current Liabilities					
Accounts Payable	23,120	22,345	21,350	22,560	20,150
Subtotal Current Liabilities	23,120	22,345	21,350	22,560	20,150
Long-term Liabilities					
Total Liabilities	23,120	22,345	21,350	22,560	20,150
Net Assets	1,491,145	1,823,163	2,162,875	2,499,569	2,841,633
Owners Contribution	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000
Retained Earnings	563,395	631,571	640,608	642,740	648,109
Total Capital	1,613,395	1,681,571	1,690,608	1,692,740	1,698,109

APPENDIX (VIII)**GARRIESONN KAMARA LIMITED PAYBACK PERIOD**

Year	Profit After Tax	Depreciation	Total Cash Flow	Accumulative Cash Flow
1	572,143.00	87,000.00	659,143.00	659,143.00
2	640,321.00	87,000.00	727,321.00	1,386,464.00
2	649,358.00	87,000.00	736,358.00	2,122,822.00
4	651,490.00	87,000.00	738,490.00	2,861,312.00
	656,859.00	87,000.00	743,859.00	3,605,171.00
Initial Fixed Investment and Working capital for Expansion= USD 1,050,000				
From above table, payback period is calculated within two years				

