

**NEW JARIFASHION LIMITED**

**BUSINESS PLAN**

**FOR**

**ESTABLISHMENT OF A MODERN WAREHOUSE FOR LEASE**

## **1.0. Executive Summary**

### **1.1 Project Concept**

This project proposes the establishment of a modern warehouse and logistics facility designed to provide safe, efficient, and technology-driven storage services for various sectors — including agriculture, FMCG, manufacturing, and imports/exports.

The facility will feature climate-controlled units, material handling systems, inventory management software, and secure truck loading bays.

The total project investment is USD 1.5 million, funded through a combination of equity (60%) and debt (40%).

#### **Key Highlights:**

- Land size: 20,416 sq mts
- Storage capacity: 5,000–6,000 metric tons
- Construction area: 12,000sq mts covered warehouse +offices/service areas
- Target clients: Importers, distributors, agro-traders, and industrial manufacturers
- Project timeline: 12 months construction + 3 months setup and commissioning

### **2.2 Company Overview**

NEW JARIFASHION LIMITED, a registered Limited company incorporated under the Companies Act, 2002 on the 27<sup>th</sup> October,

2022 with registration No.158610787 registered under BRELA, planning to set up a modern Warehousing and Logistics Service Provider

### **2.3 Vision**

To be Tanzania’s most reliable and technologically advanced warehouse service provider, enabling efficient supply chain operations for domestic and regional trade.

### **2.3 Mission**

To deliver high-quality, secure, and cost-effective warehousing solutions supported by modern infrastructure and digital management systems.

### **2.4 Objectives**

Construct and operate a modern, compliant warehouse facility

- Serve at least 300+ clients within the first 3 years
- Achieve operational profitability by Year 3.

### **2.5 Location**

The project will be located at un surveyed area of **Plot No 601, Block: SS, Chekeni mwasonga, Kigamboni Region-Tanzania**

### **2.6 The Sponsors**

**NEW JARIFASHION LIMITED** is being sponsoring this project. The Company is jointly owned by three shareholders

<b>Share Holders</b>	<b>% of Share</b>	<b>Nationality</b>
Mohamed Mubashir Noorhusein Jariwalla	40	Tanzania
SHABIR NOORHUSSEIN JARIWALLA	40	Tanzania
BATUL NOORHUSSEIN JARIWALLA	20	Tanzania

### **3.0 Market Analysis**

#### **3.1. Industry Overview**

Tanzania's growing economy and regional trade integration (EAC, SADC) have increased the need for modern logistics and warehousing facilities. The country's import/export and industrial sectors are expanding rapidly, yet most storage facilities remain outdated.

#### **3.2. Demand Drivers**

- Increased imports and exports through Dar es Salaam Port
- Expansion of agro-processing and manufacturing,
- Growth in e-commerce and distribution networks
- Government infrastructure and industrialization initiatives

#### **3.3. Target Market**

- Manufacturers (food, beverages, construction materials)
- Agro-traders and exporters (maize, rice, fertilizers, inputs)
- FMCG distributors
- Government and NGO storage tenders

#### **3.4. Competition**

- Current competitors include private warehouses around Dar es Salaam (e.g., NHC Industrial Area, Ubungu, Vingunguti).
- However, most lack automation, proper inventory tracking, and temperature control.

#### **3.5. Competitive Advantage**

- Digital inventory management (barcode/RFID)

- Modern racking and material handling systems
- Security systems (CCTV, access control)
- Multi-purpose storage (cold + dry)

#### 4.0 **Project Description**

##### 4.1 **Project Components**

- Land Acquisition and Site Preparation – 20,416 sq mts
- Warehouse Construction in phases 8,000 sq mts
- Reinforced steel structure, high roof, concrete floor
- Office & Admin Building 2,000 sq mts
- Forklifts, pallet racks, conveyor belts, weighing scales
- Cold storage units (for perishables)
- Warehouse Management System (WMS)
- CCTV and access control
- Backup generator, water storage, parking, fire safety

##### 5.0 **Project Management and Manpower requirements**

- The project will under a competent management of **NEW JARIFASHION LIMITED** comprising 15 employees such as
- Managing Director
- Operations Manager
- Finance/Admin Officer
- Warehouse Supervisor
- Technicians & Drivers

- Security & Support Staff

## 6.0 **Market Strategy**

According to expert, personal selling is the most effective method for because the customers and institutions. In order to reduce sunk costs, the project will use marketing agents who will be paid commissions on successful deals. Marketing in all types of media and publicity will support and enhance personal selling

The project will use internet for advertising to potential customers in the world.

## 6.1 **Pricing**

The pricing policy for the project will be based on the service cost and competition levels considering various variables namely:

- Service positioning
- Gain market share from competitors
- Stimulating and increasing demand and
- Achieving profitability and liquidity financial performance goals
- The average per sqm per month US\$ 8
- Sqm 10,000 will be available for lease

## 6.2 **Project Investment Cost**

The estimated capital investment cost of the project is U US \$ 2,550,000.

## NEW JARIFASHION LIMITED COST STRUCTURE US \$

Land and Buildings	1,500,000
Machinery & Equipment	800,000
Motor Vehicles	100,000
Furniture & Fixtures	25,000
Pre exp	10,000
Others	15,000
Working Capital	100,000
TOTAL	2,550,000

### 6.3 Financing Pattern

The project will be financed by equity by US\$ 1,050,000 and loan US\$1,500,000

### 6.4 Project Operating Costs

In order to realize its intended objective, the project will have to meet operating costs which will constitute 20% of total revenue.

### 7.0 Aspect of Project Sustainability

The project sponsors having studied market conditions and the infrastructure in Tanzania are convinced that the project will be able to operate undisturbed. The growing of Tanzania economy and increase of economic activities in Dar es Salaam City gives them assurance of a steady market. The peace and tranquility that exist in Tanzania is another aspect of assured business sustainability.

## 7.1 Monitoring and Evaluation

The monitoring and evaluation tools will be applied in running this project as well, the project sponsors are determined to cooperate fully with the government and other stakeholders for smooth business running.

## 7.2 Projected Risks

This is a real estate investment; no major risks have been identified for this kind of project so far. Unless a change in the country's political and economic stability occurs, the project is more likely to prosper very fast for a very long period. However, the following risk needs to be mitigated accordingly

### Risk Analysis & Mitigation

Risk	Description	Mitigation
• Construction delays	Weather, permits	Engage experienced contractor
• Market competition	Price pressure	Offer specialized storage, IT integration
• Utility disruptions	Power/water issues	Backup generator, water tanks
• Security risks	Theft/fire	CCTV, guards, fire systems

## 8.0 Financial Analysis

### 8.1 Considerations and Assumptions:

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.

It is assumed that the major building raw material will be procured from local market and other will be imported. Revenues have been conservatively estimated based on experience of the promoters and trends in the hospitality industry.

## **8.2 Projected Profit and Loss Statement**

The Income and Expenditure Statement show the projected income for the 5 years period. The position depicted is that the project earns profit throughout its life. Accumulated after tax profits grow from. US \$ 545,930 in first year to US \$ 2,826,017 in the 5<sup>th</sup> year.

## **8.3 Projected Cash Flows**

This is shown in the financial statements. The project has a positive accumulated cash flow, accumulated cashflows grows from 1<sup>st</sup> year US\$ 716,430 to the US \$ 4,020,382 in 5<sup>th</sup> year.

## **8.4 Projected Balance Sheet**

The projected Balance Sheet of the projected is shown in the financial statements under same heading. Shareholder's equity increases from US\$ 1,050,000 in the first year of operation to US \$ **3,876,017** in the 5<sup>th</sup> year.

## **8.5 Projected payback period**

Total investment is US \$ 2,550,000 cash accumulation in 4<sup>th</sup> year is US\$ 3,125,986 which is more than the initial investment, the project payback Period is exactly 4 years, only

## **9.0 Economic Aspects**

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

- The project is an ideal option for utilization of the prime site obtained in Kigamboni

- The project will increase number of quality storage facility and affordable available in Kigamboni
- The project will create employment for 15 people on permanent contract basis as well as on temporary basis and indirect 100+)
- It will create more business opportunities to local suppliers.
- It will generate substantial revenue to the government in the form of corporate tax; value added tax and pay as you earn.
- The project will transfer of knowledge and skills to other warehouses in the country.
- Increased efficiency in supply chains
- Support for export logistics
- Infrastructure development in host area

## 10.0 Implementation

Project implementation is expected to be relatively very short once project has been approved it is estimated that the project will be implemented as followings: -

S/N	Activity	Period
1	Processing TISEZA Certificate of Incentive	October 2025
2	Site preparation and Construction	October 2025 –August 2026
3	Procurement equipment and other facilities	August-October 2026
4	Recruitment	August-October 2026
5	In house training	October- December 2026
6	Commercial operations	January 2027

## **11.0 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 TISEZA Certificate of Incentives with its associated privileges and benefits as provided.

**APPENDIX I****NEW JARIFASHION LIMITED PROJECTED PROFIT AND LOSS STATEMENT US\$**

	1	2	3	4	5
Revenue	1,188,000	1,271,160	1,360,141	1,455,351	1,557,226
Total Cost	237,600	254,232	272,028	291,070	311,445
Profit before Depreciation & Interest	950,400	1,016,928	1,088,113	1,164,281	1,245,781
Interest	120,000	96,000	72,000	48,000	24,000
Depreciation	50,500	50,500	50,500	50,500	50,500
Gross Profit	779,900	834,493	965,613	1,065,781	1,171,281
Tax (30%)	233,970	250,348	289,684	319,734	351,384
Profit After Tax	545,930	584,145	675,929	746,047	819,896
Accumulated Profit	545,930	584,145	1,260,074	2,006,121	2,826,017

**APPENDIX II**

**NEW JARIFASHION LIMITED PROJECTED CASH FLOWS US\$**

<b>SOURCES:</b>		1	2	3	4	5
Profit before interest and depreciation	-	950,400	1,016,928	1,088,113	1,164,281	1,245,781
Equity	1,050,000					
Loan	1,500,000					
<b>Total Sources</b>	2,550,000	950,400	1,016,928	1,088,113	1,164,281	1,245,781
<b>Applications:</b>						
Capital expenditure	2,425,000	-	-	-	-	-
working Capital & Others	125,000					
Cash	-	716,430	766,580	798,429	844,547	894,396
Tax	-	233,970	250,348	289,684	319,734	351,384
<b>Sub total</b>	2,550,000	950,400	1,016,928	1,088,113	1,164,281	1,245,781
<b>Total applications</b>	2,550,000	950,400	1,016,928	1,088,113	1,164,281	1,245,781
Accumulated cash		716,430	1,483,010	2,281,439	3,125,986	4,020,382

**APPENDIX III**

**NEW JARIFASHION LIMITED PROJECTED BALANCE SHEET US\$**

Fixed Assets		1	2	3	4	5
Opening balance	-	2,425,000	2,374,500	2,324,000	2,273,500	2,223,000
Total Long-term Assets	-	2,425,000	2,374,500	2,324,000	2,273,500	2,223,000
Less depreciation	-	50,500	50,500	50,500	50,500	50,500
Closing balance	-	2,374,500	2,324,000	2,273,500	2,223,000	2,172,500
Working capital	125,000	125,000	125,000	125,000	125,000	125,000
Accumulated cash		716,430	1,483,010	2,281,439	3,125,986	4,020,382
Total assets	125,000	3,215,930	3,932,010	4,679,939	5,473,986	6,317,882
Financed by						
Equity	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000
Accumulated profit	-	545,930	584,145	1,260,074	2,006,121	2,826,017
Total equity	1,050,000	1,595,930	1,634,145	2,310,074	3,056,121	3,876,017
Long term loan	1,500,000	1,200,000	900,000	600,000	300,000	-
Total debts	1,500,000	1,200,000	900,000	600,000	300,000	-
Total equity and debts	2,550,000	2,795,930	2,534,145	2,910,074	3,356,121	3,876,017

APPENDIX IV

NEW JARIFASHION LIMITED FIXED ASSETS US\$

NAME OF ASSETS	1	2	3	4	5
Land And Buildings	1,500,000	1,470,000	1,440,000	1,410,000	1,380,000
Machinery, Tools & Equipment	800,000	792,000	784,000	776,000	768,000
Motor Vehicles	100,000	90,000	80,000	70,000	60,000
Furniture & Fixtures	25,000	22,500	20,000	17,500	15,000
Total	2,425,000	2,374,500	2,324,000	2,273,500	2,223,000
DEPRECIATION	1	2	3	4	5
Land and buildings	30,000	30,000	30,000	30,000	30,000
Machinery tools & Equipment	8,000	8,000	8,000	8,000	8,000
Motor Vehicles	10,000	10,000	10,000	10,000	10,000
Furniture & Fixtures	2,500	2,500	2,500	2,500	2,500
ANNUAL DEPRECIATION	50,500	50,500	50,500	50,500	50,500

**NEW JARIFASHION LIMITED PROJECTED LONG TERM LOAN REPAYMENT**

<b>Year</b>	<b>Principle</b>	<b>Loan Interest (8%)</b>	<b>Total Amount Paid</b>	<b>Loan Balance</b>
1	300,000	120,000.00	420,000.00	1,500,000.00
2	300,000	96,000.00	396,000.00	1,200,000.00
3	300,000	72,000.00	372,000.00	900,000.00
4	300,000	48,000.00	348,000.00	600,000.00
5	300,000	24,000.00	324,000.00	300,000.00