

CELEDES COMPANY LIMITED

P.O.BOX 472

KAHAMA

BUSINESS PLAN

EXECUTIVE SUMMARY

1.0 INTRODUCTION

CELEDES COMPANY LIMITED, is the company that's owned by 2 members with a business located in Shinyanga region, Kahama District as the main Office.

The business has its head office in Kahama District of Shinyanga Region. The business management has objectives and visions to engage effectively in the business of buying and selling cereal crops and exportation, Rice Milling etc, and ensuring favorable competition environment, contribution to community development and economic growth to the country.

We conducted the market research and found that the trend of business in East Africa countries and in relation with the business is promising considering the high demand and necessity of the products to daily life

The geography of Kahama District size, diversity and population give cereal crops business, Exportation and rice milling a special position in integration of the district economy. In particular the rural areas and town areas (where the majority of people live) more effectively than any other places.

CELEDES COMPANY LTD, has identified five key factors which will be instrumental to its sustainability;

1. To ensure 100% client satisfaction, this makes the clients to come back for his services.
2. Markets: Search for more markets
3. To design and implement more effective financial control and debt collection
4. To avoid unsystematic risk through the business
5. Portfolio investment so as to diversifies business risk.



2.0 BUSINESS JUSTIFICATION

- The business shall earn revenue through sales thus create a culture of entrepreneurship
- The government will earn revenue through taxes paid.
- To provide consumable commodities to various groups in the region that will have economic impact in their livelihood.

2.1 VISION

- To establish ourselves as the most reliable supplier of cereal crops, exportation and rice milling activities especially in east Africa countries all regions in and international markets
- To make our business grow through profits originated from sales generated from our Portfolios.

2.2 OUR MISSION

- To ensure that all clients' expectations will be guaranteed with stultification resulting in making our business grow.

3.0 BUSINESS FINANCING

- The business finance is mainly members contribution' funds and other external financiers. The business requests a total amount of Tshs. 2 billion from cash in hand to be used as working capital for financing the procurement of stocks. As its classified here below.
 1. 1 billion for Investing in Buying Crops and exportation
 2. 1 billion for other the last business (rice milling service)

4.0 LEGAL STATUS

- TIN; 178-588-362
- Business License NO. BL01431482024-2500002587
- Certificate of Incorporation: 178588362

4.1 LOCATION

The business is located in Kagongwa ward (Street) Kahama District in Shinyanga Region.

5.0 BUSINESS IMPLEMENTATION ACTIVITIES

The major activities of the plan include Advertisement, monitoring and evaluation of the business.

5.1 PROGRESS MONITORING

The plan will be reviewed twice per annum by the management.

The purpose of the reviews is to see if the plan is on the right track. In any case of noticeable anomaly, remedial action be taken to bring the plan on the right track.



As a guiding document this plan will be reviewed 2 times yearly. All such major reviews will be carried out by the external consultant.

The first major review is to be carried out during the 6 months of the year while the last review will be carried out at the close of the same year. The significance of the reviews is to monitor the progress of the plan against key performance indicators/targets.

6.0 OPERATIONAL BUDGET

There are a series of operations that have to be financed over the plan period. Hence, costs related to administrative expenditure.

6.1 PERFORMANCE TARGETS

Any sound Business Plan has to be measurable.

To be measurable, a Business Plan needs to have both quantitative and qualitative targets against which performance can be measured. This particular Business Plan is no exception.

6.2 COMPETITION

If we want to consolidate our position and take our rightful share, we have to relentlessly adopt modern technology and respond quality levels demanded in the business.

Competitiveness itself is a product of multiple factors. It is assessed and compared as factors of: cost competitiveness, quality competitiveness and service to customer competitiveness.

Quality is an absolute pre-requirement that is regarded as a natural component of the product while customer services have become the most influential factors, as in a market with little or no growth the existing customer and his needs are the main focus points.

Different consumable merchandise business in the area is at different levels of their exposure to threats. Based on the fluid market changes that characterize competition, each participating entity in this industry has to make its own assessment of its existing positioning *viza* , its close competitors and plan a strategy to combat the situation with sole objective of consolidation and re-developing competitiveness.

6.3 DISTRICT DESCRIPTION

6.4 AGRICULTURE



The majority of the population (85 percent) depend on Agriculture for both food and cash income. The major food crops grown in the district include maize, Rice, cassava, sweet potatoes sorghum, millet, beans and bambara nuts and yellow gram. Cotton, tobacco and rice constitute the main cash crops. Cultivation is generally rain fed with exception of rice which is commonly grown on low lying lands (Mbuga) to promote flooding.

7.0 BUSINESS DESCRIPTION

7.01 Legal issues

The business of supplying and exporting food products, as well as rice milling requires to comply with some government regulations which the sponsor has to comply with. The business has in possession of the following the following documents.

- Valid Trading Business license
- Registered with TRA for TIN. 178-588-362
- Godown which is used for grading rice as well as storage.
- Exportation with good and quality motor vehicles
- Enough educated Employees



7.02 PRODUCTS, EXPORTATION AND RICE MILLING

PRODUCTS AND EXPORTATION

The sponsor is mainly supplying food products particularly rice, maize, groundnuts, beans to various customers including local customers, neighboring countries of Rwanda, Uganda and other near countries like Kenya, Burundi etc.

The business normally purchases rice and cereal crops from individuals or farmers in various villages within Kahama District and far as Mpanda and transported by the sponsor to the Godown in Kahama.

RICE MILLING

Rice is then processed by hauling and degrading machinery.

7.03 FINANCIAL REQUIREMENT

The Company has the total cash of 2 billion for the two purposes.

The first Purpose of investing the amount of Tshs.1,000,000,000/= is to prepare themself for heavy purchases of rice and other crops during this year and the next coming years, expected bumper crop harvest and then to export in all east Africa countries.

And The Next Purpose of remaining cash the company is expected to invest Tshs.1,000,000,000/= in order to invest in business of rice milling so as to increase the trading of grading and other related business supported in our environment.

7.04 ENVIRONMENTAL AND INDUSTRIAL ANALYSIS

7.04 Environmental Analysis

Food products business is affected by a number of regulations, licensing and certification which is large part dictate how the business should be conducted. For instance, some of the issues are:

- Food exporting requires phytosanitary certificate and foreign trade standard testing services.
- Government always restricts exportation of food to foreign countries.
- Economy out looks

Since the District economic performance is greatly improving and therefore it is expected that farmers will have ready market for their produce.

7.05 Marketing strategy & Action programs

7.06 Pricing Strategy

The company pricing shall take into consideration the following

- Competitors selling price.
- Processing costs which include laborers, storage and cost of transportation
- Price trend in the market.
- Market risk like inflation and exchange rates.

Due to the fact that food products market is more sensitive there are possibilities that other competitors to imitate sponsors strategies.

We have the following plans

- Seeking financial assistance from local financial institutions in form of loans to buy large quality and quantity at moderate price
- Consistently ensuring high quality crops to our customers.
- Continually keeping the management cost minimal.
- Consistently ensuring high quality of exportation services

7.07 Facilities

The existing facilities include;

1. Goodwins



2. Plant & machinery
3. Quality Buildings
4. Land with enough space for Filling stations
5. Motor vehicles for transportation of crops
6. Trained Company management.



8.0 Stock Management

Stock Handling is another area which the proprietor of the business has gained experience.

To meet the market demand, the policy has been determined that there must be sufficient stock enough to meet at least 182 days demand.

Food products are necessary commodities to our daily lives. Reliable source of supply, effective mode of distribution, effective mode of payment and affordable prices are among the vital components of the business.

8.1 SWOT ANALYSIS

Strength	Weakness
<ul style="list-style-type: none"> • Capable management and experienced. • Long trading history • Availability of good supporting environment. • Good facilities owned by the entity. 	<ul style="list-style-type: none"> • Over reliance on key staff which can results to unsystematic risk/firm risk • Over reliance on few suppliers of food products from local farmers. • Over reliance on small scale customer base.
Opportunities	threat
<ul style="list-style-type: none"> • High availability of demand of crops and fuels • Favorable climate in Kahama. • Higher population • Good business environment created between business man and government 	<ul style="list-style-type: none"> • Sudden Increase of other competitors. • Economic uncertainty such as failure by farmers to get proper inputs at the right time. • Market risk and unsystematic risks
<ul style="list-style-type: none"> • Experience with Kahama business Environment particularly in rural areas and town areas 	<ul style="list-style-type: none"> • Drought • Influx of foreign products which might be cheap.

9.0. PRODUCTS AND MARKET ANALYSIS

An analysis is hereby made of the performance of the entity, its internal strengths and opportunities to assess managerial ability to position the business in the market being considered.

In exploiting the market opportunities CELEDES COMPANY LIMITED, business has set long term and short-term strategies: -

- Market share expansion through effective customer share services.
- Cost – benefit share in financial allocation
- Product reliability
- Long term relationship with potential customers
- Profitable relationship with suppliers
- Bulk purchases which will attract purchase discount.
- Price management

Pricing decision

The pricing policy is flexible and depends upon existing market situation. Pricing is one of the major components in marking consumable items. Market demand is very sensitive to prices. The prices are always set to the level of which direct cost must be covered and margins between 10% to 12.5% are set to cover operational cost and profit.

Stock Management

Stock Handling is another area which the proprietor of the business has gained experience.

To meet the market demand, the policy has been determined that there must be sufficient stock enough to meet at least 6month demands.

Rice and food crops are among the necessary commodities to all people. Reliable source of supply, effective mode of distribution, effective mode of payment and affordable prices are among the vital components of the business.



: FINANCIAL ASPECTS

N1: Past financial years performance.

We have not yet operating any business for the privious year because the company is new.

10.0 CONCLUSION AND RECOMMENDATION

be paid in one installment of the last 12th month. (Refer Cash flow).

CONCLUSION

The business plan has demonstrated technically feasibility, financially viable economical desirability. A fast implementation of the venture is therefore recommended so that the demonstrated benefits is available as its planned.

It suffices to wind ups this plan by the following concluding remarks “This particular Business Plan for CELEDES COMPANY LIMITED is simply SMART” It is simply specific, measurable, achievable and realistic. Above all, it covers a reasonable time frame.

S= SPECIFIC: The plan has been prepared specifically for CELEDES COMPANY LIMITED

In simple terms, it addresses the business environment within Kahama.....

MEASURABLE: It has both quantitative and qualitative targets upon which performance will be measured

A= ARCHIEVABLE: For any plan to be of practical use, it has to be achievable, the targets indicated in this plan will be achieved within the specified time frame since they are realistic.

R = REALISTIC

T= TIMEFRAME: The plan has been prepared within a time frame of 2 year.



CELEDES COMPANY LIMITED													
P.O.BOX 472 KAHAMA,													
CASH FLOW PROJECTION FOR 60 MONTHS FROM APRIL 2025 TO APRIL 2030													
YEAR ONE(1-5)	EXPORTATION OF CERAL CROPS, AND RICE MILLING AND												
Fig. In Tshs. 000													
PERIOD/MONTHS	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	TOTAL
	(Tshs.)	(Tshs.)	(Tshs.)	(Tshs.)	(Tshs.)	(Tshs.)	(Tshs.)	(Tshs.)	(Tshs.)	(Tshs.)	(Tshs.)	(Tshs.)	(Tshs.)
CASH IN FLOWS													
Sales	415,314	308,457	316,000	305,000	294,120	320,300	294,300	324,400	348,500	315,700	290,500	318,300	3,850,891
Debtors & Other Collection	45,000	5,400	21,000	25,000	-	-	2,500	2,450	3,200	-	-	-	104,550
loan	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan	-	-	-	-	-	-	-	-	-	-	-	-	-
Total cash Inflows	460,314	313,857	337,000	330,000	294,120	320,300	296,800	326,850	351,700	315,700	290,500	318,300	3,955,441
Cash Outflows													
Purchases	285,000	240,180	258,610	257,610	221,400	265,000	243,000	250,130	298,104	270,000	234,500	250,240	3,073,774
Transportation	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	198,000
licences	500	-	-	-	-	-	-	-	-	-	-	-	500
Consultation Fee	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Salary and wages	12,400	12,400	12,400	12,400	12,400	12,400	12,400	12,400	12,400	12,400	12,400	12,400	148,800
Repayments	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest repayment	-	-	-	-	-	-	-	-	-	-	-	-	-
Bank charges	225	225	225	225	225	225	225	225	225	225	225	225	2,700
Bussiness Licence	-	-	-	-	-	250	-	-	-	-	-	-	250
TRA taxes	-	-	500	-	-	500	-	-	500	-	-	500	2,000
Total Cash Outflow	314,825	269,505	288,435	286,935	250,725	295,075	272,325	279,455	327,929	299,325	263,825	280,065	3,428,424
Cash Movement	145,489	44,352	48,565	43,065	43,395	25,225	24,475	47,395	23,771	16,375	26,675	38,235	527,017
Opening Balance	0	145,489	189,841	238,406	281,471	324,866	350,091	374,566	421,961	445,732	462,107	488,782	6,120
Closing Balance	145,489	189,841	238,406	281,471	324,866	350,091	374,566	421,961	445,732	462,107	488,782	527,017	533,137

Summary of Finacial cash projection for 5 Years

YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
TOTAL (Tshs.)	TOTAL (Tshs.)	TOTAL (Tshs.)	TOTAL (Tshs.)	TOTAL (Tshs.)

3,850,891	3,920,001	4,010,100	4,060,300	4,250,500
104,550	110,550	136,700	150,230	120,000
-	-	-	-	-
-	-	-	-	-
3,955,441	4,030,551	4,146,800	4,210,530	4,370,500

3,073,774	2,930,100	3,102,000	3,280,300	4,015,000
198,000	210,600	250,000	285,000	130,300
500	500	500	500	500
2,400	2,400	2,400	2,400	2,400
148,800	150,200	150,200	150,200	130,500
-	-	-	-	-
-	-	-	-	-
2,700	2,000	2,800	1,910	2,500
250	250	250	250	250
2,000	2,500	2,500	2,350	7,800
3,428,424	3,298,550	3,510,650	3,722,910	4,289,250

527,017	732,001	636,150	487,620	81,250
6,120	533,137	1,265,138	1,901,288	2,388,908
533,137	1,265,138	1,901,288	2,388,908	2,470,158