

AZKA
INTERNATIONAL
LIMITED
BUSINESS PLAN
For
AGRICULTURE

SETTING UP FACILITIES FOR OPERATING AGRICULTURE PROJECT SERVICES

1. INVESTMENT PLAN:

The Business Plan was prepared by **AZKA INTERNATIONAL LIMITED** for setting up Crop production to cover the whole Eastern part of Tanzania (Tanga).

The investment proposal was prepared to clearly show an analysis of the financial, human, technical and other resources required for crop production and also assess its economic viability and commercial viability in order to allocate funds for agriculture project especially in importation of agriculture equipment's like trucks, tractors etc.

The TIC certificate will enable the project to qualify for duty exemption Deemed capital Goods and VAT Deferment on capital goods. The deemed capital goods tractors and trucks for the agriculture productions and also to enjoy the services under one stop center at Tanzania Investment Centre such as licenses, incentives of other departments like land, and tax exemptions during the importation of some items from overseas.

2. COMPANY BACKGROUND:

AZKA INTERNATIONAL LIMITED is a private Company based in Dar es salaam Region was incorporated in Tanzania by Registrar of companies under companies Act with Certificate of incorporation No: 131843 since 2016.

The company has been incorporated with a different objectives like crop production, to grow agriculture crops and seeds of different crops, process and sell agricultural products, cultivate, grow, buy, prepare any kind of fruit juice.

The company has head office in Tanga as Head Quarter.

The main purpose of the proposed project is to provide increase agriculture growth in Tanzania for both inner use and external use.

There is a very big demand for such facility in Tanzania, east Africa and central Africa to serve food demands. The above reasons the management resolved to invest in establishing and operating a project for agriculture.

3. TARGETED MARKET

There is very big Demand for the agriculture business in Tanzania and the whole East and central Africa especially land locked countries and those countries that are in unrest in war.

The target markets of the project are land locked neighboring countries such as DRC that is at war, and the rest of other competitors like Rwanda, Burundi, Uganda and Zambia etc.

4. ECONOMIC GROWTH

The economic growth influenced such competition from other agriculture companies in Tanzania that have put in a lot of money as investment in agriculture. Introduction of technology in agriculture production.

5. CARGO TRANSPORTATION FACILITIES

- ✚ Fleet of trucks.
- ✚ Tractors.
- ✚ Pick-ups.
- ✚ Workshops equipment.
- ✚ Communication equipment.

6. THE COMPANY OBJECTIVES

AZKA INTERNATIONAL LIMITED a project for agriculture business in Tanzania Mainland and the whole of east and central Africa especially the countries that are still recovering from the covid 19 period land locked countries.

The mission of proposed agriculture project is basically aimed at agriculture production and marketing/ promotion of the crop growing in order to increase farming from Tanzania or what is grown in Tanzania to other the neighboring countries due to the following objectives;

- ✦ To promote growth and expansion of private sector.
- ✦ The company will create more employments (drivers, accountants, managers etc.)
- ✦ Skill development (human resources development) through on job training use of modern vehicles and new technology applications.
- ✦ Income generation, alleviation of poverty and improve their social welfare employees such as drivers, and other staff etc.
- ✦ The company contributes to the government revenue through taxes and other levies like corporate taxes, PAYE.

7. PLAN/PROSPECTS

- ✦ For efficient and effectiveness in operation and increase crop production and delivery.
- ✦ To increase the volume of agriculture and crop growing as an activity in Tanzania.

8. SHAREHOLDERS (PROMOTERS)

AZKA INTERNATIONAL LIMITED is a project for agriculture. And the following are the shareholders/promoters AZKA INTERNATIONAL LIMITED;

NO.	NAME OF SHAREHOLDER	NATIONALITY	PERCENTAGE
1	ABDURAHMAN AHMED AI AMOUDI	SAUDI	80
2	AHMED ABDURAHMAN AI AMOUDI	SAUDI	10
3	ALI AHMED ALI	SUDANESE	10

Therefore, the authorized capital of the company as per the beginning was Tshs. 2,000,000,000/= divided into 2,000,000/= ordinary shares of Tshs. 1,000/= each. The company shall have power to increase its capital and to divide the shares in its capital for the time being to classes of stock or shares and to attach thereto respectively such profits, special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the company.

9. LOCATION

The company's business premises are located at Tanga Region, District Tanga CRD, Road Pangani, Plot number 101, Block number KBV, House number 10.

10. COMPANY'S IMPLEMENTATION SCHEDULE

12.1 FEBRUARY-2025

- ✚ Preparing feasibility study for the project.
- ✚ Registration of all necessary licenses from government institutions.
- ✚ Getting the certificate of incentives.

12.2 MARCH-2025

- ✚ Application for import duty exemption on tractors, trucks and pick-ups after being

awarded certificate of incentives in the establishment programmer.

- ✦ Clearing the fleet of vehicles from customer control.

13.3 APRIL-2025

- ✦ Recruiting new drivers, Employees and other administration staff of more than 50 employees.

11. CAPITAL INVESTMENT COST

Land/ Building	USD \$ 100,000
Plant/ Machinery	USD \$ 50,000
Vehicles	USD \$ 400,000
Furniture and fittings	USD \$ 10,000
Pre-expenses	USD \$ 50,000
Other expenses	USD \$
Working Capital	USD \$ 175,938
TOTAL CAPITAL	USD \$785,938

The intended agriculture and raw material project is to be implemented within 3 years.
The company's shareholders have resolved to register the agriculture project under Tanzania Investment Center (TIC) securing the certificate of incentives.

12. FINANCIAL PLAN (SOURCE OF FUNDS

AZA INTERNATIONAL LIMITED has firmed up finances for the implementation programmed by its own fund and loan.

Own fund (equity)	USD \$	392,975	
Foreign loan	USD \$	392,975	
Local Loan	USD \$		
TOTAL		USD \$	785,950

13. SUBMISSION

AZKA INTERNATIONAL LIMITED submits the investment proposal and application to the Tanzania Investment Centre (TIC) for registration and award of certificate of incentives for the commencement of agriculture and raw materials project.

The project will soon commence after the company is registered by Tanzania Investment Center and being issued the certificate of incentives. Thereafter, the company will import necessary facilities, the certificate of incentives will enable the project to qualify for duty exemptions on capital/ deemed capital goods.

14. ECONOMIC GROWTH

The current economic growth which had been registered in Tanzania, as the result investment, business, mining has attracted more investments as well as agriculture in the Tanzania such as the intended agriculture project. The economic growth with influence such as crop production of good yards especially cash crops and food crops as the demand and competition is growing day by day in the region.

15. COMPETITION/MARKET

Despite there being numbers of the agriculture companies, still the it's not enough at the field of the agriculture facility is not enough compared to the level of demand.

However, the intended agriculture project will provide efficient and effective services to dominate the local and outside market because the project ensures high quality, promptness and goodwill.

16. ADVERTISEMENT

Advertisement which forms part of the marketing strategy, will be embarked upon newspapers, streets banners and later on in the televisions in a manner benefiting promotional role of any company of private institutions.

17. BUSINESS STRATEGY

In order to meet the current demand and high productivity the management of the company will develop and implement additional strategy which will capture markets.

- ✚ Technology / quality vehicles.
- ✚ Advertisement/ promotion.
- ✚ Employment qualified and experienced drivers.
- ✚ Job training.
- ✚ Business discipline.

18. ENVIRONMENTAL ISSUE

The agriculture business and raw material project is environmentally friendly. And the use of manure will not harm or cause any harm to the people.

19. PROJECT MANAGEMENT

AZKA INTERNATIONAL LIMITED being the agriculture project in its commence will usher in the technology.

(Transfer of knowledge/technology) by using modern technology equipment and workshop activates. The advantages to the country are quite significate and will get the advantage of value addition due to the incoming technology.

Further the country can also increase more of the agriculture companies as the competition market increases.

20. CONCLUSION AND RECOMMENDATION

The financial evaluation of the agriculture project done so far in this project will be profitable both economically and financially viable venture are many other benefits direct and indirect of this project.

The management being experienced businessmen possess sample managerial capabilities in various business disciplines. Based on the above factors, it is recommended that the company should be granted certificate of incentives for the implementation of the agriculture project so that the project will import and enjoy tax exemption on capita/Deemed Goods and increase its production capacity.

21. FINANCIAL AND ECONOMIC ANALYSIS

Projected Profit and Loss Account

The company envisages generating a profit of USD \$ 300,000 this operating. The profit amount is expected to steadily rise to USD \$ 360,000 a year, USD \$ 370,000 in a year three and USD \$ 380,000 in year four.

Projected cash flows

The projected cash flows for the next five years indicate that the company will have enough funds to service/repay the loan and interest payments. Hence to financial

obligations will be met in a timely fashion.

22. SENSITIVITY ANALYSIS

To assess further the viability of the implementation project, sensitivity analysis has worked out on the basis of several unfavorable conditions that might affect negatively the operations of AZKA INTERNATIONAL LIMITED.

24.1 Effect of cost increase on profitability (on the basis of year II AGRICULTURE INCOME in “.....”USD.

INCOME	COSTS	INCREASE	PROFIT BEFORE DEPRECIATION
760,000	500,000	%	260,000
760,000	525,000	5%	235,000
760,000	550,000	10%	210,000

24.1 Effect of AGRICULTURE INCOME

Decrease/drop on profitability (on the basis of year II costs in. ...USD

INCOME	INCOME DECREASE	COSTS	PROFIT BEFORE DEPRECIATION
760,000	%	500,000	260,000
722,000	5%	500,000	222,000
684,000	10%	500,000	184,000

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The viability/profitability of the company operations appears more sensitive to sale Income/revenue than increase in the operating costs. This implies that the company should strive to maintain the existing market and undertake an aggressive marketing strategy to hire more clients and expand its market or clients' base.

Appendix I

**AZKA INTERNATIONAL LIMITED
PROJECTED INCOME
STATEMENT**

(Fig. USD \$ '000')

INCOME				
	I	II	III	IV

SALES INCOME	720.0	760.0	800.0	850.0
TOTAL INCOME	720.0	760.0	800.0	850.0
Utilities	150.0	150.0	150.0	150.0
Salaries and Wages	80.0	85.0	90.0	100.0
Transportation/fuel	100.0	105.0	110.0	120.0
Administrative Expenses	100.0	110.0	120.0	130.0
Other Expenses	40.0	50.0	60.0	70.0
TOTAL EXPENDITURE	470.0	500.0	530.0	570.0
NET PROFIT (PRE-TAX AND DEPRECIATION)	250.0	260.0	270.0	280.0

Appendix II

**AZKA INTERNATIONAL LIMITED
PROJECTED CASHFLOW
STATEMENT**

(Fig. USD \$ '000')

Year	I	I	II	I	V	Total
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		I	I	V		
Cash inflow						
Income from operation	250.0 250.0	260.0 260.0	270.0 270.0	280.0 280.0	290.0 290.0	1350.0 1350.0
Cash outflow						
Interest payments	50.0	45.0	40.0	35.0	30.0	200.0
Loan re-payment	50.0	50.0	50.0	50.0	50.0	250.0
Wear & tear	10.0	12.0	14.0	16.0	18.0	70.0
Taxes	10.0 120.0	10.0 117.0	10.0 114.0	10.0 111.0	10.0 108.0	50.0 570.0
Surplus cash generated	130.0	143.0	156.0	169.0	182.0	780.0

Appendix III

**AZKA INTERNATIONAL LIMITED
PROJECTED LONG TERM LOAN REPAYMENT**

(Fig. USD \$ '000')

		Repayment		
Year	Principal	Interest	Total	Amount
I	50.0	50.0	100.0	450.0
II	50.0	45.0	95.0	400.0
III	50.0	40.0	90.0	350.0
IV	50.0	35.0	85.0	300.0

V	50.0	30.0	80.0	250.0
VI	50.0	25.0	75.0	200.0
VII	50.0	20.0	70.0	150.0
VIII	50.0	15.0	65.0	100.0
IX	50.0	10.0	60.0	50.0
X	50.0	5	55.0	0.0

Appendix IV

**AZKA INTERNATIONAL LIMITED
PROJECTED BALANCED SHEET**

(Fig. in USD \$USD)

No.	ITEM YEAR I	YEAR II YEAR III	YEAR IV	YEAR V
	Source of funds			
1	Shareholders 100.0 funds	150.0 200.0	250.0	350.0
2	Long term Loan 100.0	95.0 90.0	85.0	80.0
3	Associated Cos/ 100.0 Director	100.0 100.0	100.0	100.0
4	Current 200.0	250.0 300.0	350	400

	Liabilities				
	500.0	595.0	690.0	785.0	930.0
	Application of funds				
1	Fixed Assets 300.0	300.0	300.0	300.0	300.0
2	Current Assets 200.0	295.0	390.0	485.0	630.0
	500.0	595.0	690.0	785.0	930.0