

MOROGORO HOTEL LIMITED

BUINESS PLAN

FOR

REHABILITATION OF A PURCHASING NEW FURNITURE AND FIXTURES INTENDED TO
IMPORT

- Dining Chairs
- Dining Tables
- Outdoor Chairs
- Outdoor Tables
- Sofa Loungers
- Poolside Beds
- Coffee Tables
- office Chairs

1.0 Executive Summary

Morogoro Hotel, a prestigious residence for business travelers, tourists and weekenders. Located at the foot of the splendid Uluguru Mountain in the town of Morogoro Tanzania, Morogoro Hotel lies on a beautiful landscape overlooking an 18-hole Golf course.

Morogoro Hotel, a prominent establishment in Morogoro, Tanzania, offering accommodation, conference facilities, and dining services. Our hotel features approximately 60 guest rooms, a swimming pool, a squash court, a tennis court, conference venues, a bar, and a restaurant.

1.2 The Rehabilitation 's Features:

Since our purchase of Morogoro Hotel Ltd in 1999, we have undertaken significant renovations, with major updates occurring in 2003 and 2004. During these renovations, we upgraded all areas of the hotel, including guest rooms, dining facilities, and the pool. We imported tiles and sanitary ware from Dubai, UAE, and received a Certificate of Incentive. Local furniture in the guest rooms was polished and retained, except for the dining chairs, which were imported at a later date.

As it has been nearly 20 years since our last major renovation, and given the increasing competition from new hotels in Morogoro, we recognize the need to update our facilities to remain competitive and meet the rising demand for upscale accommodation. We have already renovated approximately half of our rooms and are continuing improvements in the main areas this year. Over the past two years, we have sourced furniture from local carpenters in Morogoro and procured tiles and sanitary ware from Dar es Salaam to support local vendors

To ensure that our standards align with the expectations of our government, NGO, and tourist clientele, we plan to import new furniture for our main building areas from Turkey. We are confident that this high-quality furniture will serve us well for the next 10-15 years.

The items we intend to import include:


- Dining Chairs
- Dining Tables
- Outdoor Chairs

- Outdoor Tables
- Sofa Loungers
- Poolside Beds
- Coffee Tables
- office Chairs

2.0 Project location the project is located at BLOCK 56485 PO BOX 1144, RAWEGASORE ROAD, FOREST AREA, MOROGORO

2.1 Project Annual capacity the company is planning to Turn Over More than 2 billion

2.2 Accommodation and Conference price scheduled below:

 MOROGORO HOTEL RACK RATES 2025-2026 INCLUSIVE OF BED AND BREAKFAST			
ROOM	Resident (<i>Tshs</i>)	Non-Resident (US \$)	
STANDARD DOUBLE	120,000.00	60	
DELUXE DOUBLE	150,000.00	70	
JUNIOR SUITE	200,000.00	100	
SUITE	250,000.00	120	
Extra Person	50,000.00	20	
CONFERENCE CHARGES PER PERSON 45,000/= INCLUDING TAX			

2.4 Shareholders

SHARE HOLDERS NAME	% OF SHARES	NATIONALITY
KARIM B WALJI	59.5	TANZANIAN
YASMIN K WALJI	25.00	TANZANIAN
AGRICULTURAL IMPLEMENT & SPARES LIMITED	15.50	TANZANIAN

2.5 Project Investment Cost

MOROGORO HOTEL LIMITED COST REHABILITATION STRUCTURE US\$

PARITUCLER	US \$
Furniture & Fixtures	34,085
TOTAL	34,085

2.6 Our Products and Services

At MOROGORO HOTEL LIMITED intend to offer our clients the service of ensuring that they are able to get Accommodation and conference facilities from our permanent facility.

2.7 Our Mission and Vision Statement

To provide exceptional hospitality and comfortable accommodation to visitors of Morogoro, creating memorable experiences through quality service, modern amenities, and a genuine commitment to guest satisfaction. Our vision is to be the preferred brand for all our existing and even potential customers.

2.8 Project Execution Schedule

The company will start to import furniture and Fixtures from Turkey from the Month of April 2025

3.0 Sales and Marketing

The Company Plans to have increasing Market for our Accommodation and conference services

The Company would market our products under different strategies

- **Direct Sales & Marketing**

The company having Marketing Team to promote our business. This Marketing Team would be comprising NGO's and Travel Agent

- **Media Marketing**

Social media, Print Media & advertising would be used for the marketing tools to promote these products

- **Tie ups & Government Contracts**

- The Company already registered with NEST and already we get business from NBAA, National Construction Council, TRA, Workers Compensation Fund, Mzumbe University, University of Dodoma, and our marketing team frequently check with NEST for applying Tender.

4.0 Morogoro Hotel Limited Opportunities

Following the completion of our maintenance and rehabilitation efforts, our aim is to welcome back our valued clients as the business expands, we anticipate the need to employ more people to support this growth

5.0 Government Policies & Key Factors

- For many years, the Government of Tanzania via TIC, has started to promote the investment at local level to boost the economy and generate employment through these capital investments. Our investments are routed through TIC, which embarks on the mutual benefits for the company & the locals.
- TIC registration would certainly bring many tangible & intangible benefits to the company in the preoperative & post- operative stages of the project
- With TIC interventions, a lot of investments are getting on the floor, where our group company would also diversify to cater to these upcoming investments to foster local growth

6.0 Organizational Structure

It is proposed that the company's operations be headed by a director who will assist the General Manager, by a General Manager who will assist the Hotel Manager, Front office Manager, House Keeping Manager, Food and Beverage Manager and Other Department Manager

The Director will be functionally and General Manager responsible for achieving the Business plan prepared every year. He will also be responsible for the entire function of the company and The Marketing officers will be responsible for both the domestic sales and marketing. The job responsibilities will include market planning and development, sales promotion, and sales coordination.

6.1 Manpower Requirement and Emoluments

The estimated manpower requirement for our hotel is 50 people as shown below

Employment	Foreign Skilled	Local Skilled	Local Unskilled	Total
Women		17	3	20
Man	3	23	9	35
TOAL	3	40	12	55

7.0 Financing pattern

The project will be financed by Our Own Fund

7.1 FINANCIAL ANALYSIS

7.2 Projected Sales Revenue

We have included the revenue from the three years (2025, 2026, & 2027 as well as the projected revenue for this year up to June 2025.

	2021	2022	2023	2024	Upto June 2025
REVENUE	1,091,056,270	1,534,916,207	1,625,186,441	2,066,115,581	1,222,932,225

7.3 Profit and Loss Statement

The Income and Expenditure statement shows the income for the Projected 4 years i.e. 2021, 2022, 2023 & 2024 and January to June 2025. The Position depicted is that the earns profit upcoming years. Accumulated after tax profits grow from Tshs.951,798,190/- for the 1st year of 2021, to Tshs 1,344,517,211 in the 4th years i.e. 2024

7.4 Cash Flows

This is shown in the financial statements. The project has a positive end-of-year cash flow from year 2021 623,992,708/- of operation to the 4th year i.e. 2024 Tshs.943,279,788/-

7.5 Balance Sheet

The Balance Sheet Assets shown in the financial statements under the same heading. The net worth of the Assets increases from Tshs.1,905,549,577/- in the first year of operation to Tshs.2,323,213,152 in the 4th year of 2024.

7.6 Payback Period

Please note that the section regarding the payback period is not applicable to our situation, as the funding for Morogoro Hotel Limited was secured through our own funds

8.0 ECONOMIC ASPECTS

- The project will create employment on a permanent contract basis as well as temporarily.
- Provision of a market for goods and services demanded by expanded tax base to the Treasury and local Government authorities and generation of substantial income to the Government.
- It will generate substantial revenue for the government in the form of corporate tax, value-added tax, and pay-as-you-earn

9.0 IMPLEMENTATION

Project implementation is expected to be relatively very short once the project has been approved: -

	ACTIVITY	PERIOD
1	Processing TIC Certificate of Incentive	April 2025
	Importing of Furniture's and Fixtures	April 2025 to May 2025
	Arrival of Furniture's and Fixtures	May 2025
	Fixing Furniture's and Fixtures	June 2025
	Commercial operation	June 2025

10.0 CONCLUSION AND RECOMMENDATIONS

The project is technically feasible, financially viable, and economically sound so Morogoro Hotel Limited its efficiently.

It is recommended that the project be approved by the 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, 1997.

MOROGORO HOTEL LIMITED INCOME AND EXPENDITURE STATEMENT

	2021	2022	2023	2024	2025 (UP TO June 2025)
REVENUE	1,091,056,270	1,534,916,207	1,625,186,441	2,066,115,581	1,107,222,665
OPERATING EXPS	711,762,280	911,153,200	994,202,318	1,120,230,823	487,239,398
PROFIT BEFORE DEPRICIATION & INTEREST	230,491,041	217,672,188	262,754,186	358,361,187	288,053,573
INTEREST	-	-	-	-	-
DEPRICIATION	82,067,539	76,214,958	87,658,895	82,675,495	81,889,055
GROSS PROFIT	860,458,782	1,052,610,429	1,169,297,609	1,395,916,515	857,182,026
TAX 30%	40,230,843	49,550,214	60,445,654	89,523,323	117,843,471
PROFIT AFTER TAX	108,492,659	91,907,016	114,649,637	186,162,369	252,099,157
ACCUMULATED PROFIT	951,798,189	1,043,705,205	1,158,354,842	1,344,517,211	1,671,010,652

MOROGORO HOTEL LIMITED CASH FLOW STATEMENT TSHS

SOURCES		2021	2022	2023	2024	2025 (UP TO June 2025)
PROFIT BEFORE INTEREST AND DEPRICIATIN		230,491,041	217,672,188	262,754,186	358,361,187	369,942,628
EQUITY	-					
LOAN	-					
TOTAL SOURCES	-	230,491,041	217,672,188	262,754,186	358,361,187	369,942,628
APPLICATIONS	-					
CAPITAL EXPENDITURE	-					
WORKING CAPITAL & OTHERS	-	3,916,069	-181,605,568	29,395,614	29,719,595	-8,582,348
CASH	-	234,707,110	36,066,619	292,149,799	388,080,782	443,249,334
TAX	-	16,868,136	33,554,227	44,965,821	71,882,831	33,554,227
SUB TOTAL	-	251,575,246	69,620,846	337,115,620	459,963,613	409,695,107
TOTAL APPLICATIONS		251,575,246	69,620,846	337,115,620	459,963,613	409,695,107
ACCUMULATED CASH		623,992,708	586,117,471	741,982,642	943,279,788	1,444,171,950

MOROGORO HOTEL LIMITED BALANCE SHEET TSHS

FIXED ASSETS	2021	2022	2023	2024	2025 (UP TO June 2025)
OPENING BALANCE	1,043,090,847	1,007,263,519	1,010,923,431	1,043,148,744	1,035,522,673
TOTAL LONG- TERM ASSETS	1,043,090,847	1,007,263,519	1,010,923,431	1,043,148,744	1,035,522,673
LESS DEPRICIATION	82,067,539	76,214,958	87,658,895	82,675,495	-
CLOSING BALANCE	961,023,308	931,048,561	923,264,536	960,473,249	1,035,522,673
WORKING CAPITAL	498,487,455	575,765,336	769,446,623	394,515,562	145,067,415
ACCUMULTED CASH	446,03 8, 814	490,642,695	419,395,070	968,224,341	1,444,171,951
TOTAL ASSETS	1,905,549,577	1,997,456,592	2,112,106,229	2,298,268,598	2,624,762,039
FINANCED BY					
SHARE CAPITAL	953,000,000	953,000,000	953,000,000	953,000,000	953,000,000
ACCUMULATED PROFIT	951,798,190	1,043,705,205	1,158,354,842	1,344,517,211	1,671,010,652
TOTAL EQUITY	1,905,549,577	1,997,456,592	2,112,106,229	2,298,268,598	2,624,762,039
LONG TERM LOAN					
TOTAL DEBTS					
TOTAL EQUITY AND DEBTS	1,905,549,577	1,997,456,592	2,112,106,229	2,298,268,598	2,624,762,039

MOROGORO HOTEL LIMITED PAY BACK PERIOD

Please note that the section regarding the payback period is not applicable to our situation, as the funding for Morogoro Hotel Limited was secured through our own funds