

**BUSINESS PLAN FOR THE  
IMPLEMENTATION PROGRAMME**

**OF**

**M/S BULK DISTRIBUTORS LIMITED**

**IN**

**ESTABLISHING AND OPERATING A PROJECT FOR  
CARGO TRANSPORTATION**

**PREPARED BY  
M/S BULK DISTRIBUTORS LIMITED  
P. O. BOX 3091  
ARUSHA**

---

**M/S BULK DISTRIBUTORS LIMITED  
TABLE OF CONTENTS**

	Page
1. Investment Plan.....	2
2. Company's Background.....	2
3. Targeted Market.....	4
4. The Company's Objectives.....	5
5. Plan/Prospects.....	6
6. Shareholders (Promoters) .....	7
7. Location.....	7
8. Capital Investment Cost.....	9
10. Financial Plan (Source of Funds).....	9
11. Submission.....	10
12. Economic Growth.....	10
13. Competition/Market .....	10
14. Advertisement.....	11
15. Business Strategy .....	11
16. Environmental Issue.....	11
17. Project Management.....	11
18. Manpower and Transfer of Technology.....	12

19. Conclusion and Economic Analysis.....	12
20. Financial and Economic Analysis .....	13
21. Sensitivity Analysis.....	13

## **M/S BULK DISTRIBUTORS LIMITED**

### **SETTING UP FACILITIES FOR OPERATING CARGO TRANSPORTATION PROJECT**

#### **1. INVESTMENT PLAN**

The Business Plan was prepared by **M/S BULK DISTRIBUTORS LIMITED** for setting up cargo transportation Project to cover the whole East and central Africa.

The investment proposal was prepared to show clearly an analysis of the financial, human, technical and other resources required for the cargo transportation project and also assess its economic viability and commercial viability in order to allocate funds for the cargo haulage Project especially in importation of Trucks, tractors, Horse, supporting vehicles, communication equipment, workshop equipment, cargo handling equipment, generators, transformer 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 such as utility vehicles, communication equipment, workshop equipment, cargo handling equipment, generators, transformer etc and enjoy services under one stop shop at Tanzania investment Centre such as approvals, licenses and permits such as resident / work permits, Business License, protection of investment, arbitration and transfer of foreign currency etc

## 2. COMPANY'S BACKGROUND

**M/S BULK DISTRIBUTORS LIMITED** is a private company based in Arusha, was incorporated in Tanzania by Registrar of Companies under company's ordinance on 1<sup>st</sup> day of December 2000 with Certificate of Incorporation No: 40466

The company has been incorporated with a major objective of establishing and operating a project for cargo transportation. Currently the Company intends to import facilities for cargo haulage Project such as trucks, tractors, horse, Tipper, pickups, hardtop, Fork lift, trailers, forklifts, crane, reach stacker, Communication equipment, workshop equipment, generators etc.

The company intends to lease office, vehicle yard and will have modern workshop in order to service and maintain the vehicles for cargo haulage activities.

The main purpose of the proposed project is to provide quality facility for cargo transportation business to correspond with the clients' demand especially in this competitive market. The quality of company's cargo haulage business will guarantee clients satisfaction in proposed programme.

There is a very big demand for such facility in Tanzania, East and central Africa to serve cargo haulage clients. The Project services which will be efficiently provided by M/S BULK DISTRIBUTORS LIMITED. It is on the basis of the above reasons the management resolved to invest in establishing and operating a project for cargo transportation.

In setting up the facility, the intended cargo transportation project will import trucks, tractors, Tipper, horse, pickups, hardtop, Fork lift, trailers, forklifts, crane, reach stacker, Communication equipment, workshop equipment, generators etc.

Hence the establishment programme of three years in setting up facilities for cargo transportation project is estimated to be USD 5,500,000. The estimated capital investment cost of USD 5,500,000 will be on trucks, tractors, horse, pickups, hardtop, Fork lift, trailers, forklifts, crane, reach stacker, Communication equipment, workshop equipment, generators etc.

### **3. TARGETED MARKET**

There is very big Demand for the cargo transportation business in Tanzania and the whole East & Central Africa especially Land Locked Countries.

#### **BUSINESS WITH FAR REGION IN TANZANIA MAINLAND**

In Tanzania Mainland there are far places/ very remote with poor roads and acute shortage of this facility. And another reason is the growth of business in remote areas. They need merchandise from Dar es salaam where is the source of business.

#### **ECONOMIC GROWTH**

The economic growth influenced such movement of goods especially industries and businessmen as the demand is growing day by day for the increased imported goods, transit and transshipment of containers to landlocked countries

#### **LANDLOCKED COUNTRIES**

Land locked countries need cargo haulage services to transport fuel and containers from Dar es Salaam Port to their countries which do not have Ports. And the market is growing day by day due to growth of business, industries, oil marketing companies (OMC) etc.

The market survey conducted by the company has noticed that there is high demand for cargo transportation business in Tanzania as well as Land locked countries which do not have the ports to receive the imported or export their cargo. They get their containers of imported goods through Dar es salaam Port.

High quality, efficient and goodwill are the factors which will make the cargo transportation project to win the competitive market. There are few cargo haulage companies which can compete with the company's services due to efficient, goodwill, promptness and having new fleet of vehicles.

M/S BULK DISTRIBUTORS LIMITED intends to increase cargo transport services such as Transit, Transshipment, Internal cargo transportation within Tanzania Mainland where there is acute shortage of such services due to remoteness and poor roads.

4. CARGO TRANSPORTATION FACILITIES:

- Fleet of trucks, tractors, fuel tankers, horse, Tipper
- supporting vehicles such as hardtops & Pickups,
- Cargo handling equipment; forklift, reach stackers, crane,
- Communication equipment; Radio calls, Base Station, GPS, car tracking systems.
- Workshop equipment, generators
- etc

5. **THE COMPANY'S OBJECTIVES**

**M/S BULK DISTRIBUTORS LIMITED** is a project for cargo transportation business in Tanzania Mainland and the Whole East & Central Africa especially the Land Locked countries.

The mission of proposed cargo transportation project is basically aimed at cargo transportation business and marketing/ promotion of the cargo transportation in order to increase customers from Tanzania Mainland and neighboring countries to achieve the following objectives.

- ❖ To foster the growth of cargo transportation industry in Tanzania.

- ❖ To reduce dependence on external cargo transporters for cargo transportation especially cargo transporters from neighboring East & Central African countries especially the Land Locked Countries.
- ❖ To promote Import & Export, business, transit, transshipment, agriculture and industries by cargo transportation services.
- ❖ To promote growth and expansion of private sector.
- ❖ The Company will create more employments (drivers. Turnboys, mechanic, accountants, managers etc.)
- ❖ Skill development (human resources development) through on job training and use of modern vehicles and new technology application.
- ❖ Income generation, alleviation of poverty and improve their social welfare employees such as drivers, turnboys, mechanics and other staffs etc.
- ❖ The Company contributes to the government revenue through taxes and other levies like Corporate taxes, PAYE etc

## 6. PLAN/PROSPECTS

- ❖ Smooth running of cargo transportation business
- ❖ For efficient and effectiveness in operation and increase cargo transport business to neighboring landlocked countries and hence resulting foreign earnings in addition to the prevailing local market.
- ❖ To increase more facilities for cargo transportation i.e. vehicles with introduction of new technology.

- ❖ To increase the volume of cargo or capacity of cargo to be transported.

## 7. SHAREHOLDERS (PROMOTERS)

M/S BULK DISTRIBUTORS LIMITED is a project for cargo transportation. The following are the shareholders/ promoters of M/S BULK DISTRIBUTORS LIMITED and their shareholder's position are: -

No	Name of Shareholders	Nationality	Number of shares	Shareholding %
1.	Mrs Rashida R. Nurbhai	Tanzanian	90,000	15%
2.	Taher R. Nurbhai	Tanzanian	318,000	53%
3.	Miss Rukaiya R. Nurbhai	Tanzanian	192,000	32%
	<b>TOTAL</b>		<b>600,000</b>	<b>100%</b>

Therefore, the authorized capital of the company is Tshs. 600,000,000/= divided into 600,000 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 into several classes of stock or shares and to attach thereto respectively such preferential, deferred or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company.

## 8. LOCATION

The company's business premises are located at Plot No. 56, Block W situated at Levolosi / Arusha Municipality – Arusha Region. Postal Address P. O. Box 3091 Arusha.

## **9. COMPANY'S IMPLEMENTATION SCHEDULE**

### **9.1 JAN- 2026**

- ❖ Preparing feasibility study for the liquid and dry Cargo transportation Project.
- ❖ Registration of the liquid and dry cargo haulage project with Tanzania Investment Centre i.e., Application for the Certificate of incentives.

- ❖ Getting Certificate of Incentives

### **9.2 FEBRUARY - 2026**

- ❖ Application for Import Duty exemption on trucks, tractors, Tipper, supporting vehicles, workshop equipment, communication equipment, cargo lifting equipment after being awarded certificate of incentives in the Establishment Programme.
- ❖ Ordering/Importing trucks, tractors, supporting vehicles, workshop equipment, communication equipment, cargo lifting equipment, generators, transformer etc.
- ❖ Clearing the Fleet of cargo haulage vehicles from customs control.

### **9.3 MARCH - 2026**

- ❖ Recruiting new Drivers. Turn boys, Mechanics and other administration staffs.
- ❖ Fully commencement of liquid and dry cargo transportation

## 10. CAPITAL INVESTMENT COST

Land/Building	USD \$	500,000
Plant/Machinery	USD \$	600,000
Vehicles	USD \$	4,100,000
Furniture and Fittings	USD \$	-
Pre-expenses	USD \$	100,000
Other expenses	USD \$	100,000
Working Capital	USD \$	<u>100,000</u>
<b>TOTAL CAPITAL</b>	<b>USD \$</b>	<b><u>5,500,000</u></b>

## 11. FINANCIAL PLAN (SOURCE OF FUNDS)

**M/S BULK DISTRIBUTORS LIMITED** has firmed up finances for the implementation programme by its own fund and Loan: -

Own fund (equity)	USD \$	3,820,000
Local loan	USD \$	<u>1,680,000</u>
<b>TOTAL</b>	<b>USD \$</b>	<b><u>5,500,000</u></b>

## 12. CARGO HAULAGE FACILITIES

- i. -Trucks.
- ii. - Tractors,
- iii. - Horse,
- iv. - Hard Top,
- v. - Pickups.
- vi. - Forklift.
- vii. - Crane,
- viii. - Radio Calls and Radio Base Station.
- ix. - GPS & Car tracking Systems.
- x. - Mobile workshop, Tool boxes
- xi. - Weigh bridge, Generators, Transformers etc

## 13. SUBMISSION

**M/S BULK DISTRIBUTORS 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 cargo transportation Project.

The cargo transportation Project will soon commence after the Company is registered by Tanzania Investment Centre and being issued the Certificate of incentives. Thereafter the Company will import cargo transportation facilities such as trucks, tractors, Tipper, supporting vehicles, workshop equipment, communication equipment, cargo handling equipment, generators, transformer. Certificate of incentives will enable the project to qualify for Duty exemptions on Capital/Deemed Capital Goods etc.

#### **14. ECONOMIC GROWTH**

The current Economic growth which had been registered in Tanzania, as the result of investment, business, mining has attracted more investments as well as transportation and business in the Tanzania such as the intended cargo transportation project. The economic growth influenced such movement of goods especially industries and business as the demand is growing day by day for the increased imported goods, transit and transshipment of containers to landlocked countries.

#### **15. COMPETITION/MARKET**

Despite there being numbers of cargo transporters of containers still the facility is not enough compared to the level of demand.

However, the intended cargo transportation project will provide trustworthy, efficient and quality services to dominate

the local and export market because the project ensures high quality, promptness and goodwill.

## **16. ADVERTISEMENT**

Advertisement, which forms part of the marketing strategy, will be embarked upon in the newspapers, street banners and later on in the televisions in a manner benefiting the promotional role of any company or 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 strategies which will capture markets

- ❖ Technology/quality fleet of vehicles,
- ❖ Advertisement/promotion,
- ❖ Employing qualified and experienced drivers, mechanics,
- ❖ On job training,
- ❖ Business Discipline.

## **18. ENVIRONMENTAL ISSUE**

The cargo transportation business and the whole vehicle servicing is environmental friendly. The workshop activities of services vehicles will not cause any harm to people.

## **19. PROJECT MANAGEMENT**

The overall management of the company is vested in the Board of Directors. Mr. Taher R. Nurbhai is the Managing Director of the Company; he is well versed in distribution business/ cargo transportation. The other Directors are Mrs. Rashida R. Nurbhai, and Miss Rukaiya R. Nurbhai.

## **20. MANPOWER AND TRANSFER OF TECHNOLOGY**

M/S BULK DISTRIBUTORS LIMITED being the cargo transportation in its commencement will usher in the technology (Transfer of knowledge/technology) by using modern cargo vehicles and workshop activities. The advantages to the country are quite significant, and will get the advantage of value addition due to such incoming technology.

Further the country can reduce its dependence on cargo transporters from neighboring countries. Hence Tanzania business men, farmers, miners. Oil marketing companies, importers and industries will be able to get the service from local Transporters at affordable price.

The Proposed cargo haulage project will cause more people to be employed in as drivers, turn boys, mechanic, security Guards, accountant, logistic manager and about 100 local people and 10 foreign people will increase their income, improve their social welfare and pay taxes; it is poverty alleviation programme to them.

Local employees will get on training for driving and safety and in a long run will improve the technical competence in the cargo transportation.

## **21. CONCLUSION AND RECOMMENDATION**

The financial evaluation of the cargo transportation done so far indicates that this project will be profitable both economically and financially viable venture. There are many other benefits direct and indirect of this project.

The management being experienced businessmen possesses ample managerial capabilities in various business disciplines. Based on the above factors, it is recommended that the company should be granted the certificate of incentives for the

implementation of the cargo transportation project so that the project will import and enjoy tax exemption on Capital/Deemed Goods and increase its production capacity.

## **22. FINANCIAL AND ECONOMIC ANALYSIS**

### **22.1 Projected Profit and Loss Account**

The company envisages generating a profit of USD \$ 250,000 this operating year. The profit amount is expected to steadily rise to USD \$ 260,000 in year two, USD \$ 270,000 in year three and USD \$ 280,000 in year four.

### **22.2 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 the financial obligations will be met in a timely fashion.

### **23.3 Proposed Balance Sheet:**

The projected balance sheet shows healthy financial situation. Short term liabilities are at all times covered by fixed assets. Also, current liabilities are adequately covered by current assets.

## **24. SENSITIVITY ANALYSIS**

To assess further the viability of the implementation project, sensitivity analysis has been worked out on the basis of several unfavorable conditions that might negatively affect the operations of **M/S BULK DISTRIBUTORS LIMITED**

### **24.1 Effect of cost increase on profitability (on the basis of year II CARGO TRANSPORTATION INCOME in “.....” USD \$)**

<b>Income</b>	<b>Costs</b>	<b>Increase</b>	<b>Profit before depreciation</b>
760,000	500,000	%	260,000
760,000	525,000	5%	235,000
760,000	550,000	10%	210,000

24.2 Effect of CARGO TRANSPORTATION INCOME decrease/drop on profitability (on the basis of year II costs in “.....” USD \$)

<b>Income</b>	<b>Income Decrease</b>	<b>Cost</b>	<b>Profit before depreciation</b>
760,000	%	500,000	260,000
722,000	5%	500,000	222,000
684,000	10%	500,000	184,000

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 client base.