

C4 LOGISTICS (T)CO. LIMITED

BUSINESS PLAN

CARGO TRANSPORTATION  
PROJECT

*PREPARED FOR*

*C4 LOGISTICS (T)CO. LIMITED*

*Dar es Salaam*

## 1.0 INTRODUCTION

**C4 LOGISTICS (T)CO. LIMITED** is a company registered in the country under the Companies Act 2002 and bears Certificate of Incorporation No.184378434 issued on 24th April 2025.

The project promoters are well established business in China and Tanzania carrying out various businesses but majoring in distribution, Transportation and the like. Having been in the business for more than 10 years the directors are now well prepared for expansion of transportation project and they see a very bright future in the transport sector.

This document has been prepared to serve as a business plan for C4 LOGISTICS (T) CO. LIMITED Transporter for their transport project.

### 1.1 Mission

To provide reliable, efficient, and cost-effective cargo transportation services across Tanzania and the East African region.

## 1.2 Vision

To be a leading logistics provider renowned for fleet reliability, technological integration, and customer satisfaction.

## 1.3 COMPANY OWNERSHIP

C4 LOGISTICS (T)CO. LIMITED is promoted by local and foreign investors who are very experienced in transport and logistic business

## 1.4 PROJECT LOCATION

The project head office will be located at Mwaninga ,Mwasonga, Kigamboni, Dar es Salaam

## 1.5 COMPANY VALUE

At C4 LOGISTICS (T)CO. LIMITED, we believe the customer comes first; the company management is focused to ensure customer delight, the superior quality of delivery and increased customer profitability.

C4 LOGISTICS (T)CO. LIMITED, our operations all over the country, we practice an enduring value system based on an open culture, honest and fair business and personal conduct, earning the confidence and trust of our Associates and Customers.

At C4 LOGISTICS (T)CO. LIMITED, we practice transparency with all agencies that we are involved with.

At C4 LOGISTICS (T)CO. LIMITED, we value the importance of our colleagues, evolving a sense of togetherness and passion to deliver.

#### **1.5 FLEET SIZE**

C4 LOGISTICS (T)CO. LIMITED is planning to purchase **300** trucks and trailers, one truck conducting **2** trips per month operating for ten months per year.

#### **1.6 PROJECT ESTIMATED REVENUE**

- The company has estimated that the project revenue to be US\$ 4000 per trip and one truck will conduct 2 trip per month.
- The project is planning to start with 100 vehicles in first year to be increased by 25%every year

#### **1.7 PROJECT OPERATING COST**

The company has estimated that the project operating cost and other cost to be 75% of the total annual revenue.

#### **1.8 PROJECT FINANCING**

The company has estimated that the project will be financed by long term loan amounting to US\$8,000,000 with interest rate of 8% repaid within 8 years and remaining US\$

2,300,000 will be shareholders contribution and cashflows generated from business

## 1.9 PROJECT COST

The project has budgeted to cost the followings:

Land and Buildings	800,000
Machinery & Equipment	800,000
Motor Vehicles	7,500,000
Furniture & Fixtures	10,000
Pre exp	20,000
Others	10,000
Working Capital	1,160,000
<b>TOTAL</b>	<b>10,300,000</b>

## 2.0 ORGANISATION FLOW CHART

C4 LOGISTICS (T)CO. LIMITED management is headed by Managing Director, the three will form Core management team to be assisted with, 1 HR and Admin Manager, 1 Logistics Manager, 1 Chief Accountant and 2 Junior accounting clerks. The operational team headed by 3 operational managers and includes drivers and cleaners, total of 320 people to be employed

## 3.0 INDUSTRY & MARKET ANALYSIS

### 3.1 Industry Overview

- Freight transport demand grows with industrial activity, agriculture exports, construction, and e-commerce.
- Regional integration (EAC & SADC) boosts cross-border cargo movement.
- Government initiatives (infrastructure, trade facilitation) create opportunities.

### 3.2 Target Market

- Importers/exporters
- Manufacturers
- Agricultural firms
- Retail and distribution companies
- Third-party logistics (3PL) partners

### 3.3 Market Size

Estimate based on freight volume growth (ton-km), port throughput growth (Dar es Salaam), and cargo originating/terminating inland.

### 3.4 Competitive Landscape

Key competitors include local fleets, leasing operators, and international logistics firms. Competitive edges include:

- Larger scale fleet
- Lower maintenance costs due to newer trucks
- Integrated tracking and route optimization

### 3.5 Services Offered

Service	Description
Full Truck Load (FTL)	Dedicated cargo per client
Less Than Truckload (LTL)	Shared space services
Cross-Border Transport	EAC & Southern Africa Routes
Dedicated Contract Logistics	Long-term contracted logistics
Cold Chain (Optional)	Temperature-controlled cargo

## 4.0 FLEET PROCUREMENT AND SETUP

### 4.1 Procurement Plan

- Source Country: China
- Truck Type: Heavy-duty cargo trucks (10–20 tons), tractor heads, semi-trailers

- Estimated Cost/Truck: USD 80,000–120,000 (depending on specs)

#### 4.2 Import Logistics

- Select port of entry (e.g., Dar es Salaam)
- Shipping, port charges, inspection
- Duties and taxes
- Compliance with local road regulations

### 6.0 **MARKETING & SALES STRATEGY**

#### 6.1 Value Proposition

- Large scale capacity
- On-time performance
- Transparent billing
- Real-time tracking

#### 6.2 Channels

- Direct sales teams
- Partnerships with exporters & manufacturers
- Digital marketing (website, LinkedIn)
- Logistics fairs/conferences

### 6.3 Pricing Strategy

- Competitive per km rates plus fees
- Contract discounts for volume clients
- Seasonal pricing adjustments

### 6.4 Customer Retention

- Loyalty programs
- Dedicated account managers
- Performance guarantees

### 6.5 Competition

According to data available there are more than 15,000 trucks registered in Tanzania and C4 LOGISTICS (T)CO. LIMITED plan to compete favorably with local and foreign companies.

## 7.0 RISK ASSESSMENT & MITIGATION

Risk	Mitigation
Regulatory Changes	Maintain compliance team
Fuel Price Fluctuation	Fuel surcharge model
Driver Shortages	Training programs & incentives
Maintenance Costs	Preventive maintenance schedules
Cross-Border Delays	EAC customs facilitation partnerships

## 7.1 Legal & Compliance

- Business registration and licensing
- Road transport permits
- Commercial vehicle insurance
- Tax compliance (import duties, VAT)
- Safety and emissions standards
- Cross-border transit permits (EAC/SADC)

## 7.2 Sustainability & ESG

- Fuel efficiency optimization
- Driver welfare & safety training
- Digital documentation (paperless)
- Emission monitoring & eventual transition to greener fleet

## 8.0 SWOT ANALYSIS

### STRENGTHS

Strengths of the business are –

- Promoters have sound experience in this business and have talented Management.
- Rapid growth in sector due to effective management
- Influence & Networking of Directors in the Business Sector.
- Business location is at prominent place.

- Good roads and highway in Tanzania.
- Confirmed business via agreement entered with few companies.

## WEAKNESSES

Weakness of the business are –

- New entry in logistics market
- Stiff competition from local market
- Limited market share growth

## OPPORTUNITIES

Opportunities of the business are –

- Potential market encourages foreign investors
- Increasing market share due to rail transport limitations
- Augmented demand for world –class logistics and warehousing services
- Increased use of logistics services in sectors such as technology, consumer retail, automotive and industrial

## THREATS

Threats of the business are –

- Complex Tax Structure
- Unorganised sector and competition
- Different laws in different countries

- Increasing fuel rates therefore increasing transportation costs

## 9.0 FINANCIAL ASPECTS FOR THE PROJECT

- **Projected Profit and Loss Statement**

The attached Appendix I shows the projected income for the 8years period. The position depicted is that the project earns profit throughout its life. Accumulated after tax profits grow from. **US\$ 441,700** in the 1<sup>st</sup> year to **US\$ 37,424,312** in the 8<sup>th</sup> year.

- **Projected Cash Flows**

The project's cash flows are shown in Appendix II. They depict a good liquid position right from the first year. Cash accumulation builds up from **US\$ 1,310,700** in the first year to **US\$ 42,376,312** at the end of 8<sup>th</sup> years of the project's operations.

- **Projected Balance Sheet**

The project's assets cash flows are shown in Appendix III. Owners' equity grows from **US\$ 2,300,000** in the first year to **US\$ 39,724,312** at the end of 8<sup>th</sup> years of the project's operations based

- **Payback Period**

Total investment is **US\$ 10,300,000** cash accumulation in 4th year **US\$ 15,178,800** which is more than the initial

investment. The project payback Period is exactly 4years.  
The project has a relatively short payback period.

- **Loan repayment**

Total investment loan is **US\$8,000,000** to be repaid within 8 years.

## 10.0 ECONOMIC ASPECTS OF THE PROJECTS

Besides the financial/monetary returns to the owners, there are other benefits to be derived for the whole country viz.

- **Employment Opportunities**

Employment and poverty reduction are among the major concern of the Central and the Local Government authorities. It is gratifying to note that the company, is going to provide additional employment to 320 people. This is a significant contribution coming from local investors.

- **Revenue to the Government**

The Project is expected to pay a substantial annual amount in the form of corporation tax and other taxes

- **Foreign Exchange Earning**

Since the project's clientele is mostly towards neighbouring countries the project will thus earn foreign currency for the United Republic of Tanzania. Out of all project expected cargo overhauling transactions will be settled in foreign currencies. In this study we have assumed that the project will be paid in foreign currency.

## 11.0 CONCLUSION

- The project is profitable and contributes to government revenue by way of taxes.
- The project provides employment to 320 people.
- The project is an encouraging sign to prove that we have good business environments and we have investors who have confidence in their country. Tanzania so much so that they are ready to invest such large sums of investment despite the odds of the sector in question.

## 12.0 RECOMMENDATION

After the foregoing economic and financial evaluation of the project, we strongly recommend that this project be implemented and be given all the support required by all the concerned Government Ministries and Agencies, including the Tanzania

Revenue Authority, TRA and the TISEZA. The project deserves this support because of its viability, since it is technical feasible, economically viable and socially acceptable.

## APPENDIX I

## C4 LOGISTICS (T)CO. LIMITED PROJECTED PROFIT AND LOSS STATEMENT US\$

	1	2	3	4	5	6	7	8
Revenue	6,000,000	12,000,000	18,000,000	24,000,000	25,200,000	26,460,000	27,783,000	29,172,150
Total Cost	4,500,000	7,800,000	11,700,000	15,600,000	16,380,000	17,199,000	18,058,950	18,961,898
Profit before Depreciation & Interest	1,500,000	4,200,000	6,300,000	8,400,000	8,820,000	9,261,000	9,724,050	10,210,253
Interest	400,000	320,000	240,000	160,000	80,000	-	-	-
Depreciation	469,000	469,000	469,000	469,000	469,000	469,000	469,000	469,000
Gross Profit	631,000	3,411,000	5,591,000	7,771,000	8,271,000	8,792,000	9,255,050	9,741,253
Tax (30%)	189,300	1,023,300	1,677,300	2,331,300	2,481,300	2,637,600	2,776,515	2,922,376
Profit After Tax	441,700	2,387,700	3,913,700	5,439,700	5,789,700	6,154,400	6,478,535	6,818,877
Accumulated Profit	441,700	2,829,400	6,743,100	12,182,800	17,972,500	24,126,900	30,605,435	37,424,312

## C4 LOGISTICS (T)CO. LIMITED PROJECTED CASH FLOWS US\$

<b>SOURCES:</b>		1	2	3	4	5	6	7	8
Profit before interest and depreciation	-	1,500,000	4,200,000	6,300,000	8,400,000	8,820,000	9,261,000	9,724,050	10,210,253
Equity	2,300,000								
Loan	8,000,000								
<b>Total Sources</b>	10,300,000	1,500,000	4,200,000	6,300,000	8,400,000	8,820,000	9,261,000	<b>9,724,050</b>	<b>10,210,253</b>
<b>Applications:</b>									
Capital expenditure	9,110,000	-	-	-	-	-			
working Capital &Others	1,190,000								
Cash	-	1,310,700	3,176,700	4,622,700	6,068,700	6,338,700	6,623,400	6,947,535	7,287,877
Tax	-	189,300	1,023,300	1,677,300	2,331,300	2,481,300	2,637,600	2,776,515	2,922,376
<b>Sub total</b>	10,300,000	1,500,000	4,200,000	6,300,000	8,400,000	8,820,000	9,261,000	<b>9,724,050</b>	<b>10,210,253</b>
<b>Total applications</b>	10,300,000	1,500,000	4,200,000	6,300,000	8,400,000	8,820,000	9,261,000	<b>9,724,050</b>	<b>10,210,253</b>
Accumulated cash		1,310,700	4,487,400	9,110,100	15,178,800	21,517,500	28,140,900	35,088,435	42,376,312

## C4 LOGISTICS (T)CO. LIMITED PROJECTED BALANCE SHEET US\$

<u>Fixed Assets</u>		1	2	3	4	5	6	7	8
Opening balance	–	9,110,000	8,335,000	7,560,000	6,785,000	6,010,000	5,235,000	4,460,000	3,685,000
Total Long-term Assets	–	9,110,000	8,335,000	7,560,000	6,785,000	6,010,000	5,235,000	4,460,000	<b>3,685,000</b>
Less depreciation	–	775,000	775,000	775,000	775,000	775,000	775,000	775,000	775,000
Closing balance	–	8,335,000	7,560,000	6,785,000	6,010,000	5,235,000	4,460,000	3,685,000	<b>2,910,000</b>
Working capital	1,190,000	1,190,000	1,190,000	1,190,000	1,190,000	1,190,000	1,190,000	1,190,000	1,190,000
Accumulated cash	–	1,485,700	4,172,400	8,060,100	13,148,800	18,458,500	24,001,450	29,814,513	35,911,193
Total assets	1,190,000	11,010,700	12,922,400	16,035,100	20,348,800	24,883,500			
Financed by									
Equity	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000
Accumulated profit	–	441,700	2,829,400	6,743,100	12,182,800	17,972,500	24,126,900	30,605,435	37,424,312
Total equity	2,300,000	2,741,700	5,129,400	9,043,100	14,482,800	20,272,500	26,426,900	32,905,435	39,724,312
Long term loan	8,000,000	7,000,000	6,000,000	5,000,000	4,000,000	3,000,000	2,000,000	1,000,000	–
Total debts	8,000,000	7,000,000	6,000,000	5,000,000	4,000,000	3,000,000			
Total equity and debts	10,300,000	9,741,700	11,129,400	14,043,100	18,482,800	23,272,500	26,426,900	32,905,435	<b>39,724,312</b>

## C4 LOGISTICS (T)CO. LIMITEDPROJECTED DEPRECIATION SCHEDULE US\$

NAME OF ASSETS	1	2	3	4	5	6	7	8
Land And Buildings	800,000	784,000	768,000	752,000	736,000	720,000	704,000	688,000
Machinery, Tools & Equipment	800,000	792,000	784,000	776,000	768,000	760,000	752,000	744,000
Motor Vehicles	7,500,000	6,750,000	6,000,000	5,250,000	4,500,000	3,750,000	3,000,000	2,250,000
Furniture & Fixtures	10,000	9,000	8,000	7,000	6,000	5,000	4,000	3,000
<b>Total</b>	9,110,000	8,335,000	7,560,000	6,785,000	6,010,000	5,235,000	4,460,000	3,685,000
<b>DEPRECIATION</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
Land and buildings	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Machinery tools & Equipment	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Motor Vehicles	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Furniture & Fixtures	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
<b>ANNUAL DEPRECIATION</b>	775,000	775,000	775,000	775,000	775,000	775,000	775,000	775,000

## C4 LOGISTICS (T)CO. LIMITED PROJECTED LONG TERM LOAN REPAYMENT

Year	Principle	Loan Interest (8%)	Total Amount Paid	Loan Balance
1	1,000,000	640,000.00	1,640,000.00	8,000,000.00
2	1,000,000	560,000.00	1,560,000.00	7,000,000.00
3	1,000,000	480,000.00	1,480,000.00	6,000,000.00
4	1,000,000	400,000.00	1,400,000.00	5,000,000.00
5	1,000,000	320,000.00	1,320,000.00	4,000,000.00
6	1,000,000.00	240,000.00	1,240,000.00	3,000,000.00
7	1,000,000.00	160,000.00	1,160,000.00	2,000,000.00
8	1,000,000.00	80,000.00	1,080,000.00	1,000,000.00



