

POLTAN AFRICA LIMITED

**BUSINESS PLAN
FOR
LEASING OF HEAVY PLANT & MACHINERY EQUIPMENTS**

1.0 EXECUTIVE SUMMARY

POLTAN AFRICA LIMITED is a locally registered private company limited by shares in Tanzania with a certificate of incorporation 112605 dated 3rd November 2014.

Through years of experience in construction, real estate development, engineering, and related sectors, the shareholders have built strong market networks and expertise. The company is now ready to establish a specialized business in the leasing of heavy construction and mining equipment.

1.1 The Project

POLTAN AFRICA LIMITED proposes an investment in the establishment of a heavy construction and mining equipment leasing operation in Tanzania, to be located at:

PHYSICAL LOCATION:

Plot No. 86/2, Block No. 45A
Street Area: Kolumna - Kijitonyama Victoria
Kinondoni Municipal Council
Dar es Salaam, Tanzania.

The company will import machinery, equipment, and other facilities required for the project, scaling operations according to market demand.

The macro-objectives of the project are to support economic, social, and administrative activities in Tanzania.

1.2 The Project Promoters

The project is promoted by **POLTAN AFRICA LIMITED**, a registered company in Tanzania whose shareholders are as follows:

Name of Shareholders	% of Ownership	Nationality
ROBERT JOSEPH TAIRO	60	Tanzanian
GRAZYNA TAIRO	40	Polish

1.3 Overview of Tanzania Infrastructure

Tanzania is undertaking major infrastructure developments, including:

- A new standard gauge railway (SGR) network covering approximately 2,707 km with multiple branches.
- Expansion of Dar es Salaam Port (7 berths deepened to 15 meters, completion targeted around 2020, increasing capacity significantly).
- A US\$30 billion Liquefied Natural Gas (LNG) plant in Lindi region.
- Construction of a new international airport in Msalato, Dodoma, with capacity for 1 million passengers annually.

These projects drive strong demand for heavy construction and mining equipment.

1.4 The Products and Services

POLTAN AFRICA LIMITED will lease a wide range of heavy construction and mining equipment to clients in the construction, mining, and related industries. Specialized equipment will also be provided according to customer needs and specifications.

Key offerings:

- Heavy construction equipment
- Heavy mining equipment
- Heavy building construction plant, etc.

1.5 The Company Vision

To become the leading brand in heavy construction and mining equipment leasing in East Africa.

1.6 The Company Mission

To establish a world-class heavy construction and mining equipment leasing company whose products are used by both small and large corporations.

1.7 The Company Business Structure

The company aims to build a standard heavy equipment leasing operation in Tanzania, employing qualified, honest, and customer-centric staff. Performance-based bonuses will be available for senior management.

Employees Distribution Summary

Employment	Foreign Skilled	Local Skilled	local Unskilled	Total
Women	0	4	4	8
Men	2	6	6	14
TOTAL	2	10	10	22

1.8 Competition

Tanzania has limited heavy equipment leasing companies. Purchasing new imported equipment is expensive for most medium-sized firms, creating a clear market gap that POLTAN AFRICA LIMITED will fill.

1.9 Special Strengths of POLTAN AFRICA LIMITED

- Excellent customer care
- Use of new technology
- Directors' extensive experience in construction and related businesses
- Outstanding reputation
- Guarantee of work with highest-quality equipment

Weaknesses

- Limited initial funding for rapid growth (available funds will be used for equipment purchase, expansion, website, advertising, and staffing)

Opportunities

- Growing market with many potential customers still unaware of the company
- Potential for strategic alliances and joint marketing

Threats

- Economic downturns in Tanzania and neighbouring countries

Our Target Market

- Mining companies
- Construction companies
- Individuals

2.0 MARKETING STRATEGY

- Focus on customer satisfaction to generate referrals
- Direct sales force and relationship selling
- Advertising in Yellow Pages, local newspapers, and online
- Company website with full information and contact details
- Email marketing campaigns, including video-embedded and drip campaigns

2.1 Product Pricing

Pricing will be based on service costs and competitive levels, aiming to:

- Position services effectively
- Gain market share
- Stimulate demand
- Achieve profitability and liquidity

Average leasing price: US\$350 per day

2.2 Production Capacity

The company plans to start with 33 units of equipment.

2.3 Monitoring and Evaluation

Management is committed to maintaining safety and quality standards through routine checks and customer feedback.

2.4 Aspect of Project Sustainability

Strong market conditions, ongoing infrastructure development, and political stability in Tanzania ensure long-term sustainability.

2.5 The Market

Economic reforms since the 1980s have increased demand for construction and mining activities, attracting substantial foreign and local investment. This creates a strong market for affordable heavy equipment leasing.

2.6 Project Description

POLTAN AFRICA LIMITED proposes investment in a heavy equipment leasing operation. Key requirements include:

- Mobilization of financial and human resources
- Importation of equipment
- Procurement of office equipment (telephones, computers, air conditioners, LAN setup)

2.7 Project Location

Plot No. 86/2, Block No. 45A, Kolumna - Kijitonyama Victoria, Kinondoni, Dar es Salaam. The company has secured suitable premises for office and showroom.

2.8 Project Investment Cost

POLTAN AFRICA LIMITED COST STRUCTURE

PARTICULAR	US\$
Land and Buildings	30,000.00
Machinery & Equipment	5,000,000.00
Motor Vehicles	80,000.00
Pre-expenses	00.00
Others	60,000.00
Working Capital	60,000.00
Furniture & Fixtures	7,000.00
Total	5,277,000.00

2.9 Financing Pattern

Equity: US\$2,277,000

Foreign loan: US\$3,000,000

3.0 Financial Analysis

Assumptions: 30% corporate tax, 50% capital allowance, exemption from customs duty and VAT on capital assets, straight-line depreciation.

Projected revenue growth over 5 years, with consistent profitability.

Payback period: approximately 3 years

Loan repayment: US\$3,000,000 over 4–5 years at 8% interest.

3.1 Implementation Schedule

Activities include TIC incentive processing, fund mobilization, building renovation, equipment

ordering, training, and commercial launch (targeted from 2025–2026).

3.2 Conclusion & Recommendations

The project is technically feasible, financially viable, and economically beneficial. It will create employment, increase tax revenue, and provide affordable equipment to support Tanzania's infrastructure growth.

It is recommended that the project be approved by the Tanzania Investment Centre and granted a TIC Certificate of Incentives under the Tanzania Investment Act.