

# Executive Summary

**ASTRA CAPITAL LIMITED** is a private hospitality venture registered in Tanzania, aiming to establish a premium hotel in Dar es Salaam. The hotel will provide high-quality accommodation, dining, conference, and leisure services, catering to both business and leisure travelers. With a total investment of **USD 2.8 million**, the project will feature modern facilities, exceptional service, and strategic location advantages.

The hospitality sector in Tanzania is growing due to increasing tourism, business travel, and regional economic integration. ASTRA CAPITAL LIMITED aims to capture this demand by offering world-class hospitality services, creating employment, and contributing to the local economy through taxes and tourism promotion.

---

## 1. INTRODUCTION

This business plan outlines the establishment of a hotel in Dar es Salaam, Tanzania. The project aligns with national tourism development goals and aims to enhance the quality of hospitality services in the region.

### 1.1 Background

Tanzania's tourism and hospitality sector is a key economic driver, supported by natural attractions, wildlife, and growing business activity. Dar es Salaam, as the commercial capital, faces a shortage of upscale, mid-range, and business-friendly hotels. ASTRA CAPITAL LIMITED seeks to fill this gap by developing a well-equipped, service-oriented hotel that meets international standards.

The hotel will be registered under the Tanzanian Companies Act, with all necessary licenses and permits to operate.

### 1.2 Vision, Mission, Values and Objectives

#### Mission

To become the leading provider of exceptional hospitality experiences in Tanzania, combining comfort, luxury, and authentic Tanzanian warmth.

## **Vision**

To be the hotel of choice for travelers seeking quality, convenience, and memorable stays in Dar es Salaam.

## **Core Values**

- Guest-Centered Service
- Excellence in Hospitality
- Integrity and Sustainability
- Teamwork and Local Empowerment

## **Project Objectives**

- To operate a profitable 4-star hotel within three years of launch.
- To achieve an average occupancy rate of 65% in Year 2.
- To create over 50 direct employment opportunities.
- To contribute significantly to local tourism and government revenue.

## **1.3 Products and Services**

- **Accommodation:** 70 well-appointed rooms and suites.
- **Dining:** All-day restaurant, bar, and room service.
- **Conference & Events:** Meeting rooms and banquet facilities.
- **Leisure:** Swimming pool, fitness center, and spa services.
- **Business Services:** Wi-Fi, business center, and shuttle service.

## **1.4 RATIONALE AND DESCRIPTION OF THE BUSINESS**

Dar es Salaam is a hub for international business, diplomacy, and tourism. The city's current hotel supply is often fully booked, especially during peak seasons. ASTRA CAPITAL LIMITED will leverage this demand by offering competitive pricing, prime location, and superior guest experiences. The hotel will be situated in a strategic area with easy access to the airport, business districts, and tourist attractions.

---

## **2. OPERATIONAL PLAN**

- **Location:** Dar es Salaam, close to key commercial and transport hubs.
- **Facilities:** 70 rooms, restaurant, conference hall, pool, fitness center, spa, and parking.

- **Staffing:** Experienced hotel manager, chefs, hospitality staff, security, and administrative personnel.
- **Supply Chain:** Partnerships with local suppliers for fresh produce, beverages, and hotel amenities.
- **Marketing:** Digital campaigns, travel agency partnerships, corporate tie-ups, and social media presence.
- 

## 3. OWNERSHIP AND MANAGEMENT

ASTRA CAPITAL LIMITED is owned by two shareholders with experience in hospitality and business management.

### 3.1 Shareholding Structure

1. JOEL CHARLES MAKAYAGA (Tanzanian) 95%
2. EPHRAIM STANLEY FIMBO (Tanzanian) 5%

### 3.2 Funding

Total project capital: **USD 2.8 million** (approx. TZS 7.2 billion).

#### Capital Breakdown:

- Land & Building: USD 1.85 million
- Vehicles: USD 50,000
- Furniture & Fittings: USD 800,000
- Working Capital: USD 100,000

Funding sources include equity from shareholders, director advances, and bank financing.

---

## 4. ECONOMIC ASPECTS

### 4.1 Investment Priority

The project supports Tanzania's tourism development goals and will enhance the hospitality infrastructure in Dar es Salaam.

## **4.2 Employment Opportunity**

Over 50 direct jobs will be created in areas such as hospitality, management, culinary, security, and maintenance.

## **4.3 Government Revenue**

The hotel will generate revenue through:

- Corporate tax
  - VAT
  - Payroll taxes (PAYE, SDL)
  - Business licenses and tourism levies
- 

# **5. MARKET ASSESSMENT**

## **5.1 Industry Analysis**

The hotel will compete on:

- Service quality
- Location
- Pricing
- Facilities
- Customer experience

## **5.2 SWOC Analysis**

### **Strengths**

- Prime location
- Modern facilities
- Strong shareholder backing

### **Weaknesses**

- New brand in a competitive market

- High initial setup costs

### Opportunities

- Growing tourism and business travel
- Government support for tourism

### Challenges

- Competition from established hotels
- Seasonal demand fluctuations

## 5.3 Strategic Priority Areas

- Build brand awareness through marketing.
- Develop loyalty programs and corporate partnerships.
- Focus on guest satisfaction and repeat business.
- Implement sustainable and eco-friendly practices.

# 6. FINANCIAL PROJECTIONS

## 6.1 Capital Investment Summary

Item	Amount (USD)	Amount (TZS approx.)
Land & Building	1,850,000	4,775,000,000
Vehicles	50,000	129,000,000
Furniture & Fittings	800,000	2,064,000,000
Working Capital	100,000	258,000,000
<b>Total</b>	<b>2,800,000</b>	<b>7,226,000,000</b>

## 6.2 5-Year Financial Projection

Year	Revenue (TZS)	Expenses (TZS)	Net Profit (TZS)
Year 1	800,000,000	1,200,000,000	-400,000,000

<b>Year</b>	<b>Revenue (TZS)</b>	<b>Expenses (TZS)</b>	<b>Net Profit (TZS)</b>
Year 2	1,500,000,000	1,100,000,000	400,000,000
Year 3	2,000,000,000	1,300,000,000	700,000,000
Year 4	2,400,000,000	1,500,000,000	900,000,000
Year 5	2,800,000,000	1,700,000,000	1,100,000,000

### **6.3 Trial Balance (Sample)**

<b>Account</b>	<b>Debit (TZS)</b>	<b>Credit (TZS)</b>
Cash at Bank	200,000,000	0
Land & Building	4,775,000,000	0
Furniture & Equipment	2,064,000,000	0
Operating Expenses	500,000,000	0
Room Revenue	0	800,000,000
Food & Beverage	0	400,000,000
Loans Payable	0	3,000,000,000
Equity Capital	0	4,000,000,000

## **7. CONCLUSION**

The proposed hotel project is a timely and viable investment in Tanzania's growing hospitality market. With a clear operational strategy, strong funding structure, and focus on quality service, ASTRA CAPITAL LIMITED is positioned to become a respected player in Dar es Salaam's hotel industry, delivering sustainable returns to shareholders and value to the community.