

BUSINESS PROPOSAL

STONE CRUSHING PLANT

IHUMWA CHILWANA,
DODOMA

2024 - 2036

LAND NETWORK LIMITED

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EXECUTIVE SUMMARY

Introduction

STONE CRUSHING PLANT, is a stone crushing operation business project of Land Network Limited company dedicated to providing high-quality stone products for use in the construction and landscaping industries that is located at Ihumwa, Chilwana Dodoma, Tanzania.

The project

The Stone Crushing Plant business aims to provide high-quality and cost-effective products and services to meet the needs of our customers while contributing to the development of the construction industry.

We are continuously seeking innovative ways to improve our products, services, and operations while treating our employees and stakeholders with respect and providing opportunities for growth and development.

The purpose of this plan is to establish TZS 2,534,600,000 for Stone Crushing Plant business. The fund shall be partly raised through loan and partly equity (company's own source). The funds will be utilized for several critical areas of investment including site preparation and building, power connection, transportation, equipment and working capital.

Additionally, the fund will enable us to hire new employees and purchase new trucks to improve our operations.

Overall, the fund will enable us to make significant investment to Stone Crushing Plant business, which will improve our operations' efficiency, create job opportunities



and contribute to the development of the construction industry and national development.

Objectives

- ▽ To provide high-quality stone products for use in the construction and landscaping industries.
- ▽ To meet the growing demand for stone products from consumer and businesses.
- ▽ To deliver exceptional services and quality products that meet the diverse needs of our clients
- ▽ To minimize our impacts on the environment through sustainable practices and responsible business practices.
- ▽ To maintain a competitive edge in the market by offering a wide range of products at a reasonable price.
- ▽ To achieve profitability and financial stability to ensure continued growth and success in the future.

Mission

our mission is to work in partnership with the government to invest in land and unlock its untapped potential, creating opportunities for all. We believe that land is a valuable resource that can be leveraged to improve the lives of individuals, families and communities.

Vision

Our vision is to exceed our customers' expectations by providing the highest quality stone crushing services in the safest possible environment. Through our commitment



to reliability and trust, we aspire to become the most reputable and dependable source of land materials in the country.

Key to Success



To achieve success in the stone crushing plant, it is important to have a clear understanding of the industry, a well-planned business strategy and a strong focus on customer satisfaction.

At Land Network limited stone crushing business the key to success factors will be achieved by investing by investing in modern equipment and technology, establishment of effective communication channels with customers and suppliers, maintaining a skilled and knowledgeable workforce and adhering to industry best practices and safety standards.

Additionally, a strong financial management system, effective marketing efforts and a commitment to sustainable practices is also an attribute to the long term success of the business.

Core Values

Safety: The safety of workers and customers is our business and operation top priority. We consider the application of appropriate safety measures such as protective gear and safety procedures in order to minimize the risk of accidents.

Environmental Responsibility: The company is aware of environmental impacts caused by stone crushing activities and due to that we take measures to minimize its carbon footprint and reduce waste.



Customer Services: We prioritize providing excellent providing excellent customer service, responding prompt to customer inquiries and providing solution to customer problems.



COMPANY SUMMARY

Land Network Limited is a company that was established on May 15th 2017 as a board corporate with certificate of incorporation no.135134, located in Dodoma region, Tanzania. Our team of professionals comprises of individual who have previously worked in various background, providing wealth of diverse experience and expertise to our work.

As a comprehensive real estate firm, we are committed to contributing to national development through professional practices working in collaboration with other development partners. Our services include real estate development, property management and consulting services, and we are dedicated to achieving technological innovation and providing cost effective services for our clients, regarding of the project scale.

At Land Network Limited, we believe that land is a crucial source of capital and wealth in the country and our key personnel are dedicated to transforming it into one. We are



passionate about providing high-quality services and delivering the results our clients expect.

We also have a technological unit that offers the selling of survey equipment and provides technical training to survey and construction practitioners as well as upcoming professionals in various academic centers.

At Land Network Limited, we strive to be at the forefront of driving growth in the real estate industry and contributing to national development through our professional practices.



PROJECT DESCRIPTION

A Stone Crushing Plant business involves the processing of raw materials (sandstone and granite) into various sizes of aggregates for use in construction projects. The project involves the purchase of machinery and equipment, setting up of the crushing plant and the production of the finished products.

The main components of the stone crushing plant include a primary crusher, secondary crusher, vibrating screens, convoy belts and a control panel. The raw materials would be fed into the primary crusher which would reduce them in size before they are transferred to the secondary crusher for further processing.

PRODUCTS

This plant will produce various sizes of aggregates, which are materials used in construction projects.

These aggregates include:

- ▽ **Crushed Stone:** This is a versatile material that can be used for variety of application including a base material for roads and driveways as well as for concrete.



Gravel: This is a coarse material that is commonly used in construction projects such as roads, driveways and landscaping.

MARKET ANALYSIS SUMMARY

According to market research, the Stone Crushing industry in Tanzania is experiencing significant growth due to the increasing demand for construction materials in the country. The market is driven by factors such as population growth, urbanization and infrastructure development.



In Tanzania, the demand for aggregate is particularly high due to the ongoing construction of roads, bridges and other infrastructure projects. This has created significant opportunity for entrepreneurs to invest in stone crushing plants and supply these materials to the construction industry.

Market Trends

The Stone Crushing Business in Tanzania is subjected to several market trends that impacts the industry. Some of the key trends include:

- ▽ Increase demand for construction materials: As the country continue to grow and urbanization accelerates, there is a growing demand for construction materials such as aggregates.
- ▽ Government Investment in infrastructure: Currently the government is investing heavily in infrastructures projects such as roads, bridges, and public buildings.
- ▽ Technological Advancements: The undergoing technological advancement such as the use of automation and digital technologies optimizes production processes and improve product quality leads us to gain the competitive advantage in the market.



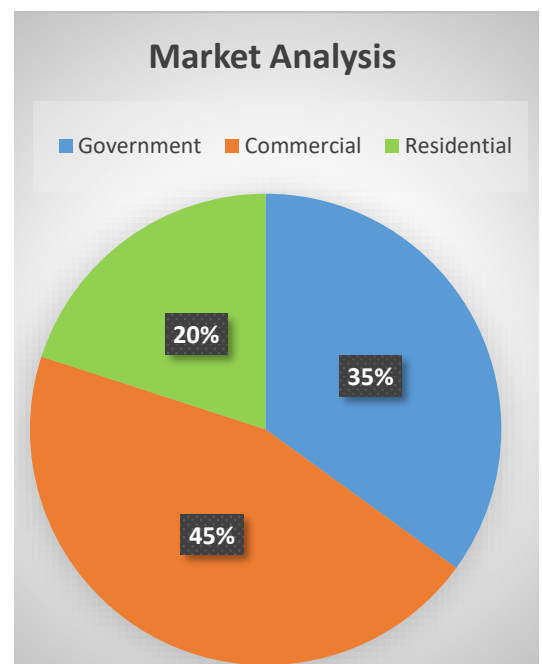
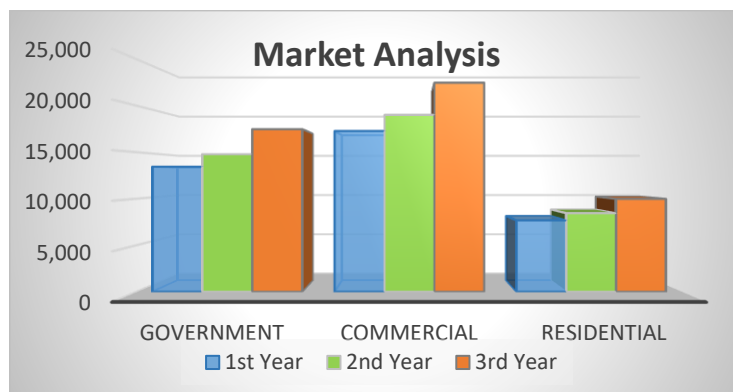
Market Segmentation

In order to adapt to different contract requirements, developing customized products and building relationships with key clients and stakeholders we recognize and target different market segments based on the specific needs and preferences of our customers as follows:

- ▽ Government contracts: We target to bid on government contracts for infrastructures projects, such as building roads, bridges, and public buildings.
- ▽ Commercial contracts: We also aim to secure contract with commercial clients such as construction companies, architects and developers. This contract may involve supplying aggregates for a specific project or providing ongoing supplies for a construction company's operations.
- ▽ Crook Country residential market segmentation: We segment our market to serve residential customers who need aggregates for landscaping, driveway construction and other home improvement projects.

Market Analysis

Market Analysis		1 st Year	2 nd Year	3 rd Year
Potential customer	Share			
Government	35	13,440	14,784	17,472
Commercial	45	17,280	19,008	22,464
Residential	20	7,680	8,448	9,984
Total (Tons)	100%	38,400	42,240	49,920



STRATEGY AND IMPLEMENTATION SUMMARY

Operation Plan

The operation plan for our stone crushing business includes the following components:

Production process: This involves a series of steps including crushing, screen, washing and sorting.

Equipment and Machinery: This plan involves equipment and machinery such as crushers, conveyers, screening and washing equipment.

Workforce: This involves the requirement of the workforce to operate and maintain the equipment as well as manage the production

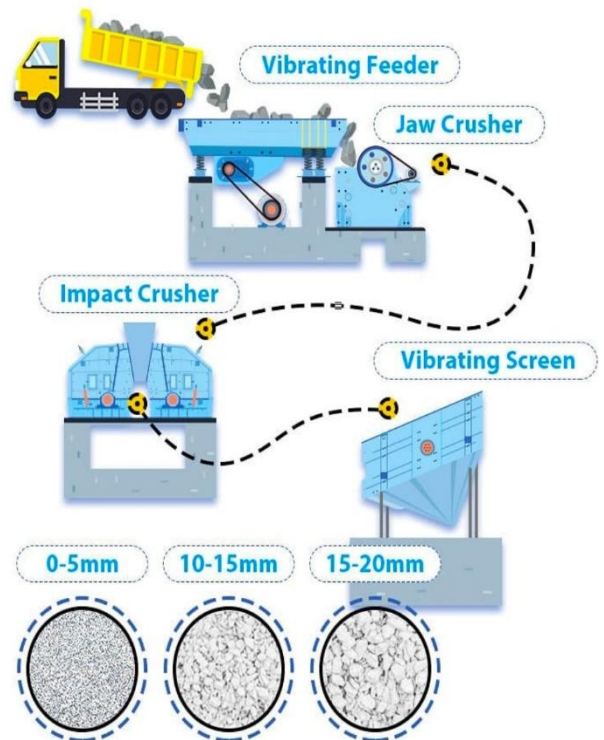
process, it include operators, technicians, mechanics and administrative staff.

Raw materials: We plan to ensure a steady supply of raw materials such as aggregates, sand and gravel by allocating our machines to the land full of resources.

Quality control: The establishment processes of monitoring the quality of raw materials and finished products, and procedures for addressing any quality issues that may arise.

Health and safety: Policies and procedures will be considered to ensure that all safety regulations and best practices are followed.

Maintenance and Repair: Regular maintenance and repairs are critical to the long-term success of our stone crushing plant operation.



SWOT Analysis

The SWOT analysis aids in displaying the internal strengths and weaknesses that Stone Crushing Plant business must address. It allows us to examine the opportunities presented to the project as well as potential threats.

STONE CRUSHING PLANT SWOT ANALYSIS



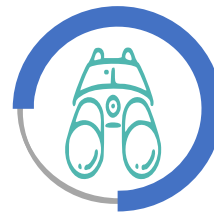
STRENGTHS

1. Access to high-quality raw materials.
2. Established relationships with suppliers, clients, and stakeholder.
3. Specialized knowledge and expertise in the stone crushing industry.
4. Efficient production processes and high-quality products.
5. Strong brand reputation and market presence.



WEAKNESSES

1. Dependence on a limited number of clients or suppliers.
2. High operating costs, particularly for equipment and machinery.
3. Vulnerability to changes in demand and market condition.
4. Limited ability to diversify products or services.
5. Limited ability to control pricing in a highly competitive market.



OPPORTUNITIES

1. Growing demand for construction materials in Tanzania.
2. Expansion into new geographic markets or customer segments.
3. Adoption of new technologies and production processes to improve efficiency and quality.
4. Strategic partnerships with other businesses or organizations.



THREATS

1. Increasing competition from other stone crushing businesses.
2. Changes in government regulations or policies.
3. Potential environmental and social concerns related to the stone crushing industry.



Marketing Strategy

The marketing strategy for our Stone Crushing Plant business is focused on developing a strong brand identity, targeting the right customers and delivering high-quality products and services that meet customer needs. By doing so, the business will build a loyal customer base and establish a strong position in the competitive market.

Competitive Edge

Our Stone Crushing business stands out through our focus on delivering high-quality crushed stone products at a competitive price, while providing excellent customer service and innovative approaches to stone crushing.

Sales Strategy

Our sales strategy includes establishing sales goals, building a strong sales team, identifying effective sales channels, developing a lead generation strategy, implementing a structured sales process, managing customer relationships and investing in sales training and development to drive revenue growth and establish a strong position in the competitive market.

Sales Forecast

Land Network Limited's projections for growth are founded on three key factors: Increased working days, targeted advertising campaigns and strategic expansion plans.

Table: Production

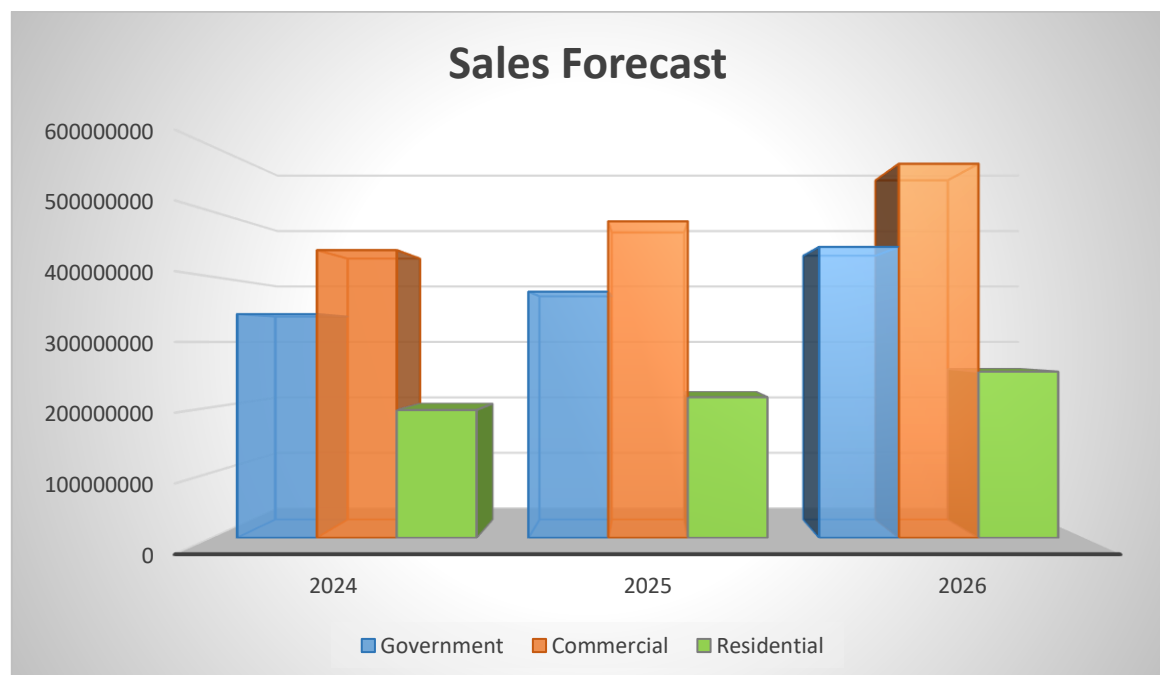
Details	2024	2025	2026
Working Days	240	264	312
Production (Tons)	19,200	21,120	24,960
Production (Cubic meter)	21,753.6	23,928.96	28,279.68
Price per Cubic meter (45,000 per m ³)	978,912,000	1,076,803,200	1,272,585,600

As the following table show the company plans to deliver sales of TZS 978,912,000 in 2024; TZS 1,076,803,200 in 2025 and TZS 1,272,585,600 in 2026.

Table: Sales Forecast

Sales Forecast		2024	2025	2026
Sales	Share			
Government Contracts	35	342,619,200	376,881,120	445,404,960
Commercial Contracts	45	440,510,400	484,561,440	572,663,520
Residential	20	195,782,400	215,360,640	254,517,120
Total Sales	100%	978,912,000	1,076,803,200	1,272,585,600

Chart: Sales Forecast





MANAGEMENT SUMMARY

Based on our team's extensive experience in various phases of the construction industry, including road, concrete work, underground utilities installation and stone and steel building, we have determined that a simple organizational structure is most effective for our company. With over 5 years of experience and personnel who possess more than 20 years of experience in the industry, we are well-equipped to manage and execute construction projects with efficiency and expertise. Our focus on simplicity in our organizational structure allows us to maximize our resources and deliver high quality results to our clients.

Personnel Plan

Our personnel plan is built on the foundation of responsibility and mutual respect, which we believe is essential to achieving productivity and success. We are committed to upholding these values in all aspects of our operations and ensure our employees feel empowered to contribute to their best work while fostering positive relationship with our customers.

In Land Network Limited company, employees are committed to:

- ▽ Providing a safe work environment to protect employees, the employees of customers, subcontractors and the public.
- ▽ Monitoring workplaces, enforcing safe work practices, and communicating the company's safety performance to employees and other stakeholders.

As a company we are operating with a limited number of full time employees. in order expand and improve the business, the company intends to hire additional skilled employees once the loan is received.

FINANCIAL PLAN

It is anticipated that the TZS 2,534,600,000 loan plus equity will provide necessary capital for the following:

- ∇ Equipment and purchase new Machinery.
- ∇ Hire additional employees
- ∇ Site Building and Installations
- ∇ Advertising
- ∇ Working capita

The following sections of this plan will serve to describe Land Network Limited's financial plan in more details:

- ∇ General Assumption
- ∇ Break-Even Analysis
- ∇ Profit and Loss
- ∇ Balance

General Assumption

- ∇ We assume a conservative presence and steady growth in the market.
- ∇ We assume there will be no further economic crashes that would greatly hinder our target market's access to their construction needs.
- ∇ And the most assumption is working days. Land Network Limited company would like to improve working days in order utilize full capacity of machines and taking pressure off of our working capital.

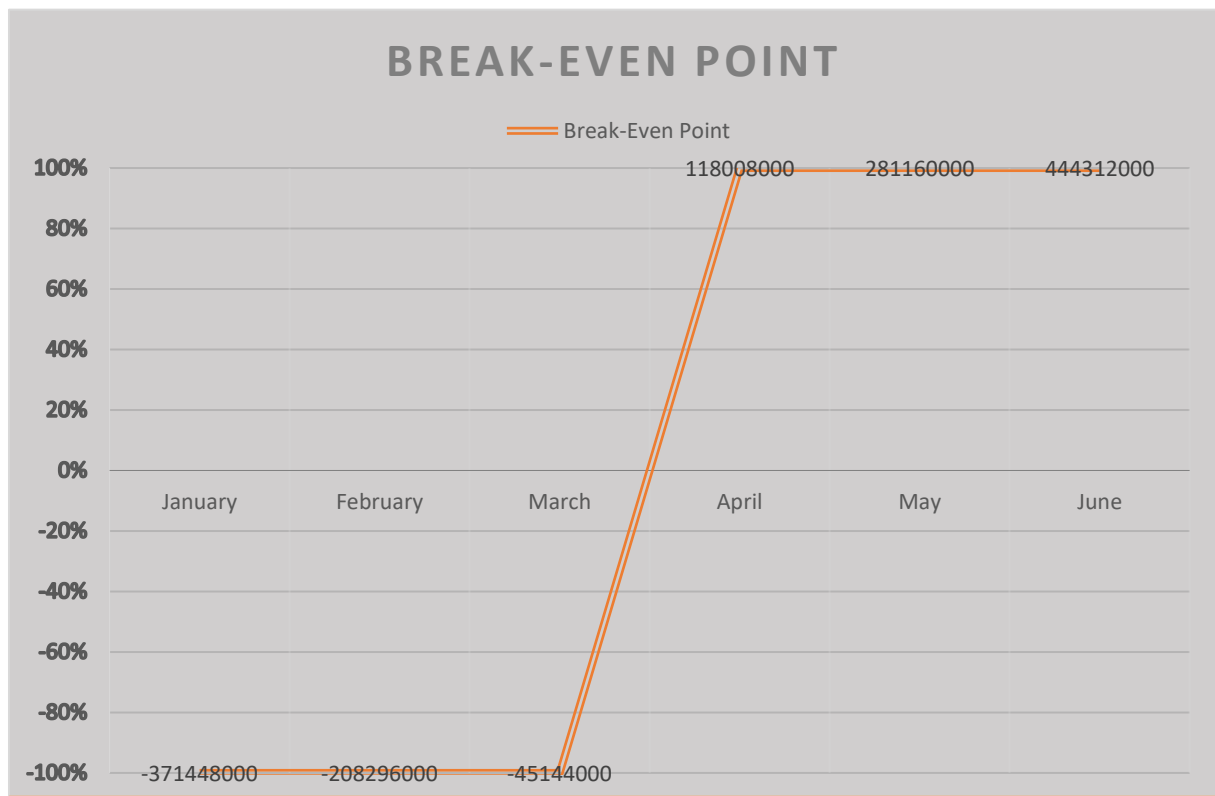
Break-Even Analysis

The break-Even analysis shows that TZS 81,576,000 is needed in Monthly revenue in order to break even in the 4th Month.

Table: Break-Even Point

Break-Even Point (BEP)			
Capital			2,534,600,000
Monthly Revenue	Month	Revenue	
	January	81,576,000	453,024,000
	February	81,576,000	371,448,000
	March	81,576,000	289,872,000
	April	81,576,000	208,296,000
	May	81,576,000	126,720,000
	June	81,576,000	45,144,000
	July	81,576,000	36,432,000
	August	81,576,000	118,008,000
	September	81,576,000	199,764,000
	October	81,576,000	281,340,000
	December	81,576,000	362,916,000

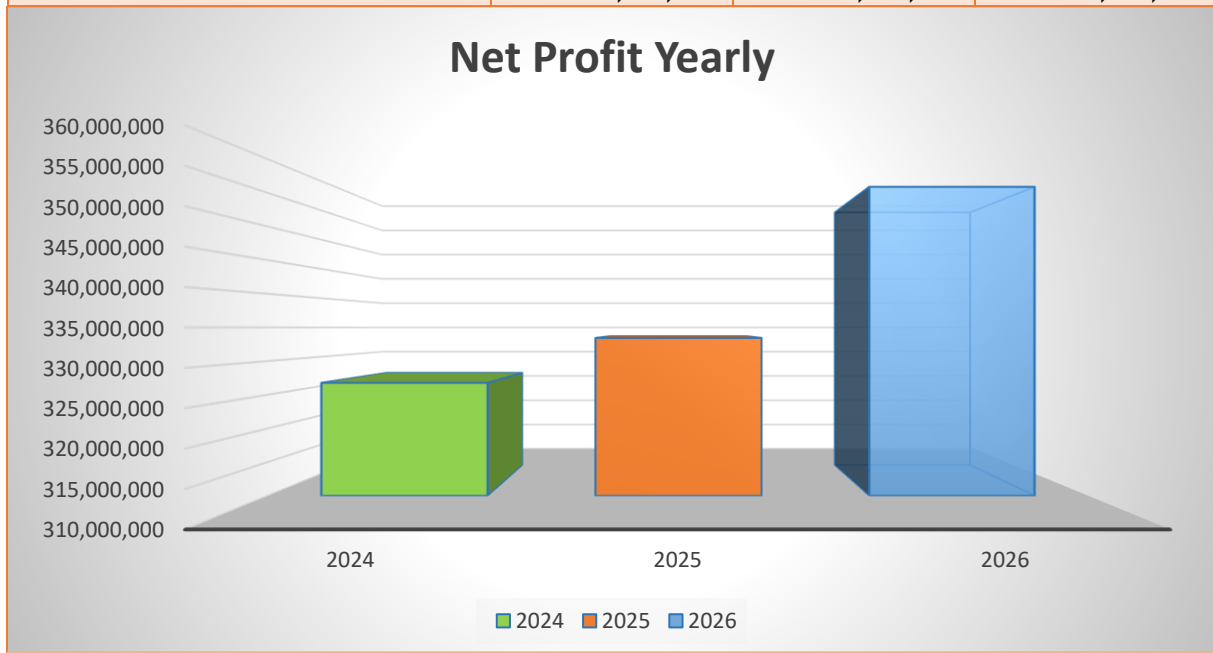
Chart: Break-Even Point



Projected Profit and Loss

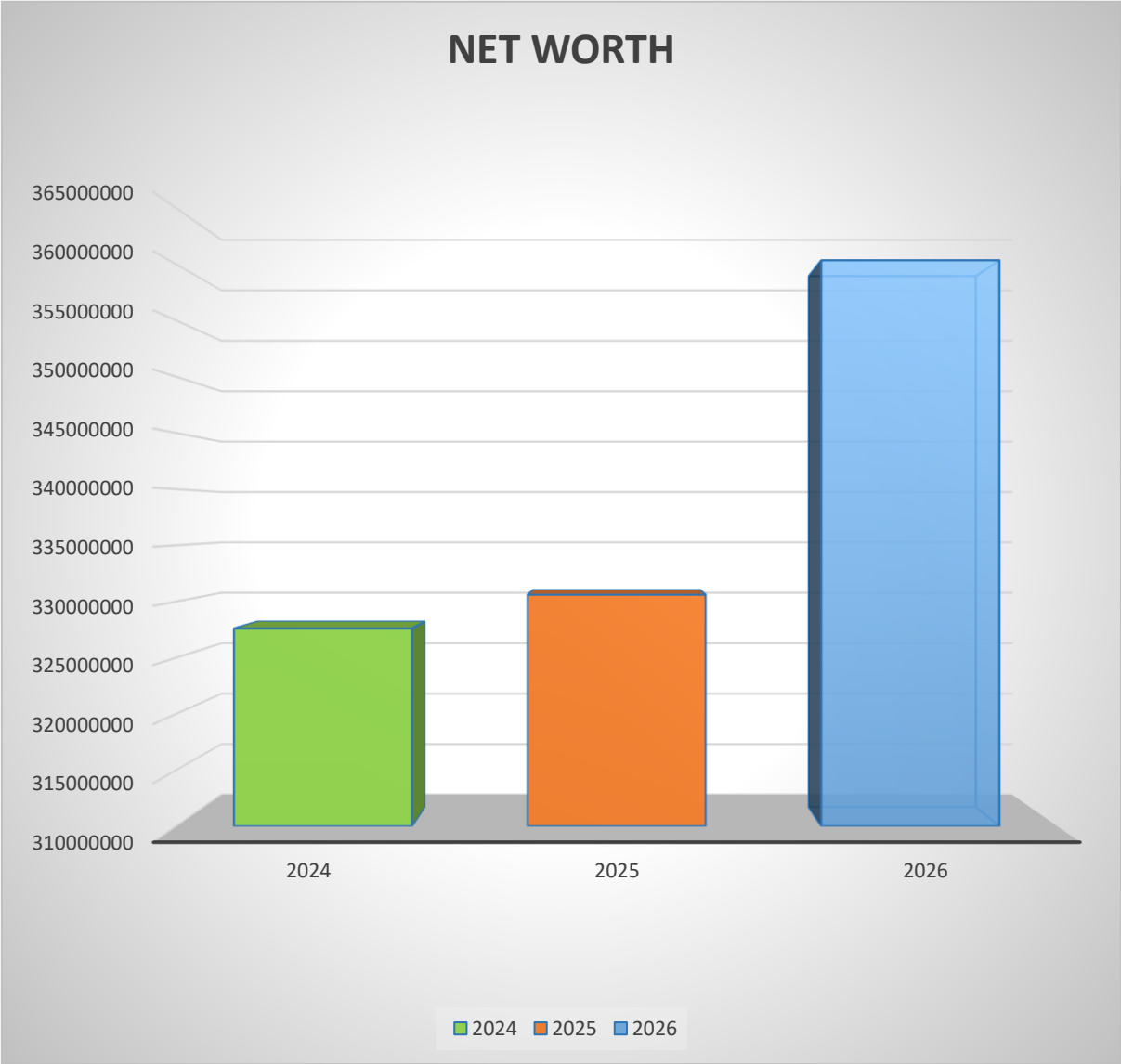
Table: Profit and Loss

Profit and Loss			
	2024	2025	2026
Sales	978,912,000	1,076,803,200	1,272,585,600
Expenses			
Payroll	18,000,000	19,800,000	23,400,000
Electricity	200,000,000	234,000,000	312,000,000
Gunpowder	10,000,000	12,000,000	15,000,000
Marketing and Promotion	3,000,000	4,000,000	5,000,000
Equipment Expense	30,000,000	35,000,000	40,000,000
Fuel	240,000,000	264,000,000	312,000,000
Travel	7,000,000	8,000,000	10,000,000
Phone	3,000,000	4,000,000	5,000,000
Legal	40,000,000	55,000,000	60,000,000
Office Equipment	4,000,000	5,000,000	7,000,000
Office Supplies	900,000	1,000,000	12,000,000
Repair and Maintenance	45,000,000	67,500,000	90,000,000
Insurance	10,000,000	15,000,000	20,000,000
Payroll Taxes	3,240,000	3,564,000	4,212,000
Auto/Tax Expenses	9,000,000	13,000,000	17,000,000
Uniforms and Safety boots	9,000,000	11,500,000	13,500,000
Other Expenses	20,000,000	22,000,000	26,000,000
Total Operating Expenses	652,140,000	783,364,000	976,712,000
Net Profit	326,772,000	333,439,200	355,873,600



Balance Sheet

Balance Sheet			
	2024	2025	2026
Assets			
Current Assets			
Cash	120,000,000	140,000,000	170,000,000
Other current Assets	36,899,500	40,000,000	50,000,000
Total Current Assets	49,900,000	160,000,000	200,000,000
Long-Term Assets			
Crushing Line Plant	264,019,500	290,421,450	319,463,595
Building Cost	87,480,000	88,354,800	97,190,280
Accumulated Depreciation	13,200,975	14,521,000	15,973,180
Other Long-term Assets	13,000,500	14,300,550	15,730,605
Total Long-term Assets	377,700,500	407,597,800	448,357,660
Total Assets	534,600,000	567,597,800	648,357,660
Liabilities and Capital			
Current Liabilities			
Account Payables	43,000,000	47,000,000	52,000,000
Current Borrowing	137,000,000	149,000,000	181,000,000
Other Current Liabilities	12,000,000	16,000,000	20,000,000
Total Current Liabilities	192,000,000	212,000,000	253,000,000
Long-term Liabilities			
Long-term payables	15,000,000	25,000,000	35,000,000
Total Long-term Liabilities	15,000,000	25,000,000	35,000,000
Total Liabilities	207,000,000	237,000,000	288,000,000
Paid-in Capital			
Earnings	534,600,000	567,597,800	648,357,660
Total Capital	534,600,000	567,597,800	648,357,660
Total Liabilities and Capital	741,600,000	804,597,800	936,357,660
Net Worth	327,600,000	330,579,800	360,357,660



ENVIRONMENTAL IMPACT ASSESSMENT

An Environmental Impact Assessment (EIA) is a process of evaluating the potential impacts of a proposed development or activity. In the case of this project of Stone Crushing business our company considers the following environmental impacts and mitigations as follows:

ENVIRONMENTAL IMPACTS		MITIGATIONS
Air pollution	Crushing of stones can cause air pollution and affect the health of nearby residents.	<p>We have assessed these potential environmental impacts and vouch for mitigations measures to minimize or eliminate them.</p> <p>This will include measures:</p> <ul style="list-style-type: none"> ▽ Dust Suppression Systems ▽ Wastewater Treatment ▽ Restoration of Degraded areas. <p>We will also consider the social and economic impacts of the project, such as the potential for job creation and economic development as well as social or cultural impacts on the community.</p>
Water pollution	The use of water for dust suppression can result in the discharge of contaminated water, which can pollute nearby water sources.	
Soil erosion	The excavation of stones from the ground can cause soil erosion, which can lead to the loss of soil fertility and reduce agricultural productivity.	
Noise pollution	The operation of crushing machinery and transportation of materials can create noise pollution that can impact nearby and wildlife.	
Biodiversity	The clearing of land for the stone crushing plant can lead to the loss of habitat for local wildlife species.	
Water Management	The generation of waste materials such as discarded stones and excess water can have negative impacts on the local environment if not managed properly.	



CONCLUSION

In conclusion, Land network Limited's Stone Crushing Business proposal presenting a promising opportunity for a successful venture in the construction industry. The proposal outlines a well-researched and comprehensive plan for establishing and managing the business, including marketing analysis, marketing strategies, financial projections and risk management.

The proposed business has significant potential for growth and profitability, and the loan from the Bank would provide necessary funding to get the project off the ground. With the right execution and management, the Land Network Limited's Stone Crushing Plant business has the potential to become a successful enterprise that contributes to the growth and development of the construction industry.

And also can become a profitable and sustainable venture that creates employment opportunities and enhance the local economy.