

MINI HOLDINGS (T) LIMITED

BUSINESS PLAN

**DEVELOPMENT OF PLOT UNDER
CERTIFICATE OF TITLE TO RIGHT OF
OCCUPANY**

Introduction:

Mini Holdings (T) Limited (Company) is a Limited Liability Entity registered in the United Republic of Tanzania under the Certificate of Incorporation number 29906 dated 16th May, 1996. One of the Business objectives of the Company is to Own, Develop, Rent Properties in the Republic of Tanzania.

Company is the registered owner of an undeveloped plot situated at Kijitonyama in Dar-Es-Salaam City bearing Title Number 121327/1 issued on 22nd May, 2013. The plot size is 15,441 sqft.

The Company has invested in the properties and rented them for Manufacturing purpose.

Project Promoters:

The Directors of the Company are

Mr. Amin A.H. Manji

Mr. Shamash A. Manji

Who are astute Businessmen invested in the Tanzanian Market through which they provide direct and indirect employment to many people and contribute to Government Revenue by way of various taxes as applicable.

Tanzania:

Tanzania is a large country geographically about 945,000 sqkm with population of over 60 million. The country has rich deposit of natural resources Gold, Diamond, Coal, Steel and many more. The long coast line along eastern side offers very good

opportunity for beach lovers. Tanzania is the home of Africa's tallest mountain ice caped Kilimanjaro which attracts trekkers from many countries of the globe. World famous African Safari of Serengeti earn large amount of Foreign exchange into Tanzania.

Economy:

Country's economy is dominated by Tourism, Mining, Agriculture. Manufacturing industry is taking up a leap with the new investor friendly government policies. Service industry covering the Banking, Insurance, Telcom, Software, Construction providing large number of employment opportunities to the educated youth.

Manufacturing:

Most manufacturing activity takes place in the commercial capital Dar-Es-Salaam. Food processing, Pharmaceutical, Steel/Metal, Plastic are the main sectors engaged in Manufacturing process.

Educated youth moving into urban places in search job and better opportunities results in rapid increase in population of urban centres like Dar.

Food processing sector covers mainly Grain Milling, Bakeries, Water, Soft drink (aerated and non-aerated), Sweets and Chocolate dominate the market.

Rapid urbanisation results in change of food habits of the people due to busy city life and liking for processed food. This change results in increased demand for ready food like Bakery products.

Increase in the demand for manufactured products raised the demand for ready to occupy warehouse or manufacturing facilities as well.

Project Description:

The undeveloped plot situated in Kijitonyama area of Dar-Es-Salaam is an industrial plot where the project proponent proposes to build Commercial Building for rental purposes.

The proposed built up area is as follows:

Built Area in 2 levels – Ground & 1 st Floor	-	11,440 sqft
Open area to provide for Parking & Utilities	-	6,360 sqft

The proposed Commercial Premises is block of twin warehouses suitable for any small manufacturing activity supported with utilities like Electricity, Water, Sewer, Internet access, Security system for seamless manufacturing activity.

Project proponent proposes to sink a borehole for regular supply of Water and Generator for backup power supply.

Investment Proposal:

Project Proponents have already invested in acquiring the undeveloped plot whose value stands at about US\$ 445,000.00. The development activity is as per the projections is expected about US\$ 360,000.00. In total when the project gets completed Proponents’ investment is projected at US\$ 805,000.00.

Project Cost Summary:

Appended below is the Project Cost Summary showing the costs under each of the sub heads:

Land Registry Title Number 121327		
Plot Area - square feet	15,441	
Proposed Built up Area - square feet	9,081	on Ground
Proposed Built up Area - square feet	11,440	Incl 1st level
Proposed Free Area	6,360	

COST ESTIMATE FOR THE PROPOSED CONSTRUCTION

Sl. No	Description	US\$	Tshs
1	Particular Preliminaries	2,844	6,400,000
2	- General Preliminaries	7,796	17,540,000
3	Main works	149,308	335,943,700
4	Power and Generator Room	14,008	31,518,950
5	Boundary wall	40,492	91,108,000
6	Driveway and parking	15,345	34,527,200
7	Septic tank and soak pit	5,611	12,624,400
8	Prime Cost and Provisional Sums	91,111	205,000,000
9	Borehole	7,362	16,564,500
10	Consultancy Fee	26,121	58,772,980
	TOTAL COST OF WORKS	360,000	809,999,730
	Value of the Land	444,444	1,000,000,000
		804,444	1,809,999,730
	Inclusive of Vat		

Funding Proposal:

Funding of the project will be by way of local and/or international finance and internally generated resources.

Compliances:

Project Proponents will obtain all the approvals and licence needed in line with the requirements and comply with all the conditions that may be imposed for proper project completion.

Project Benefits:

The construction period of the project is expected to take about 12 months once all the approvals and licences are obtained.

Employment:

As generally known, construction activity requires many skilled and unskilled man power for the project to get implemented. Proponents expect to employ available human capital in the project thereby provide employment to the labour force.

Business Activity:

Dar-Es-Salaam is a port city and hub for some of the land locked countries in the East and Southern African region. Dar City offers large variety of construction materials like Steel, Hardware, Plumbing, Electrical, Sand, Stone required for the construction process.

Project Proponents intend to procure all their construction requirement locally thereby give a boost to Economic Activity of the Country.

Project Management & Manpower Requirement:

Proponents will identify and recruit experience Project Management team to implement the proposed project. Qualified and Experienced Architects, Quantity Surveyors, Contractors will be hired to ensure the Project is implemented and completed with compliances to all the statutory requirement like NEMC, Labour Laws, Structural requirements, respect to human rights.

Government Revenue:

Construction project requires supplies from various sources. Supplies of Cement, Steel, Hardware items, Plumbing related fittings, Electricals, Borehole sinking will generate vat revenue to the Government exchequer. Services like Architects, Contractors payments will generate vat as well as withholding tax remittance.

SWOT Analysis:

Every project either Construction or otherwise will have its own challenges and opportunities. Ways and means of taking advantages of such opportunities and countering challenges to overcome them will bring success to the project.

Strengths:

The Project Promoters have long history of operating in Tanzania and are familiar with the requirements under the various statutes. They are also familiar with the process and are able to source the construction inputs easily and competitively. This is the biggest strength the project carried.

Weakness:

The project depends on the external sources for supply of construction inputs which is not within the control of the Proponents. It poses the risk of cost over run, non-availability of timely supply. But the Proponents are confident that such challenges can be easily overcome with multiple suppliers available within the reach.

Opportunities:

In any growing economy, there are opportunities come up on regular basis due to educated young population venturing into new ventures moving away from traditional way of doing things. Such opportunities are more challenging than the risk they pose. If taken in right spirit the solutions evolve their own.

Threat:

Covid like situation will really through all the plans and projections out of equation. A weak shilling currency caused by external factors may result in cost escalations. A timely solution will give ray of hope when such a situation.

Conclusion:

From the foregoing brief, highlighted social, economic, financial aspects of the proposed project, it can be easily concluded that the project is economically feasible and socially justifiable.

Recommendation:

It is further pleaded that the project be approved and awarded Tanzania Investment Centre licence to enable the project to avail incentives offered to the Investors.

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