

From : **MAISHA Bottlers & Beverages Limited**

To : **Tanzania Investment Centre (TIC)**

Date : **10<sup>th</sup> April 2022**

Re : **Progress Report**

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## **1. Planned Activities (in the past 6-months)**

### **Response**

- Maisha Bottlers & Beverages Ltd is a soft drinks manufacturing company intending to establish industrial production of carbonated soft drinks, bottled water and flavored juice in four regions of Tanzania – Dar-es-salaam, Mbeya, Mwanza, Kilimanjaro (Moshi) and Zanzibar.
- The company plan is to establish soft drinks production plants in the above four regions.
- Planned activities include:
  1. Dar es salaam
    - Construction of industrial buildings
    - Procurement and installations of plants and machineries for manufacturing of soft drinks.
    - Procurement of support facilities including:
      - Utilities connection – water and electricity
      - Motor vehicles
      - Office furniture
      - Office equipment
    - Commencement of Production which entailed the following:
      - Employment of:
        - Industrial workers
        - Agents
      - Mobilization of production materials including:
        - Industrial raw materials
        - Packaging materials
        - Utilities – water and electricity
      - Products marketing including:
        - Products promotion
        - Products distribution
  2. Mbeya
    - **Civil work**
      - Mobilization of material and man power
      - Floor repair works
      - Toilet block
      - Admin finishing work
      - Utility building
      - Preparation area construction
      - Sugar store
      - Carbon dioxide tank
      - Cooling tower foundation
    - **Plant installation**

- Plant installation and commissioning
- Syrup
- Syrup preparation
- Chiller for Mixer and Syrup preparation
- With water balance Effluent identification
- Electrical power
- Chiller for Mixer and Syrup preparation
- HP air compressor
- LP air compressor
- Cold room construction
- Weighbridge installation
- **Compliances and commercial Product lunch**

## **2. Project Achievements (in the past 6-months)**

### **Response**

#### 1. Dar es salaam

MAISHA BOTTLERS was planned to invest in physical facilities including land and buildings, machinery and equipment, and other support facilities for production of soft drinks and packing products.

We have completely expanding our business at Dar with two more high speed lines which is almost 5000 sq.mt expansion for line 2(line 10). This I completely done, all necessary required installation and commissioning of machine and other equipment's is done and the machine currently status is producing.

We have planned to expand 7000 sq.mt facility for CSD and Juices segment for which we have started working and this will cover line 3 (line 11) here in Dar es Salaam plant. Clearing of the facility by removing existing juice line is already done, design of the machine which will be installed is done and 50% payment of the machine is already made.

#### 2. Mbeya

Maisha bottlers and beverage ltd Mbeya branch, civil work is on progress but for most part is complete, admin finishing is done, toilet block complete, preparation area building done, and cooling tower foundation done dispensing room complete.

On plant installation and machine commissioning is still pending, we are waiting for some machine to arrive which has been ordered from supplier, once all necessary equipment's and machine are arrived the commissioning will immediately start.

## **3. Status of General Information**

s/no.	Information	Description	Current Project Status
1	Shareholder's information	Current shareholders names, nationality and % of ownership	a) Dixita Mohammed Gulamabbas Dewji – 90%, Tanzanian b) Hussein Gulamabbas Hassanali Fazal Dewji – 5%, Tanzanian c) Hassan Gulamabbas Dewji – 5%, Tanzanian
2	Company Communication Information	E-mail Address	<a href="mailto:mbb@metl.net">mbb@metl.net</a>
		Mobile Number	+255 (0) 764 030 079
		Landline Telephone Number	+255 22 286 137112
		Physical Address (Plot No. Block No, Street, District and Region)	Plot no. 71, Kipawa Industrial Area, Kiwalani Ilala District, Dar-es-salaam P.O. Box 22196, Dar-es-salaam
3	Contact Person	Name	C B Reddy
		Position	Chief Executive Officer
		Communication Details (Email, Mobile and Telephone)	<a href="mailto:cbreddy@metl.net">cbreddy@metl.net</a> +255 (0)764 030079 +255 22 286 137112
4	Incorporation	Certificate of Incorporation No.	135462
5	TIN information	TIN Certificate No.	133 986 243
6	Project Objective	Project Core Activity	Industrial production of soft drinks
7	Capacity	Project Capacity Per Year	<ul style="list-style-type: none"> <li>Dar-es-salaam Plant- 40,000 bottles/hour, equivalent to 144 million bottles/Year</li> </ul>
8	Direct Employment	Foreign – Men	15
		Foreign – Women	5
		Local – Men	209
		Local – Women	140
		<b>Total</b>	<b>369</b>
9	Indirect Employment	Estimated Total No.	1,000 people
		Type/areas of Indirect Employment	<ul style="list-style-type: none"> <li>Retailers and wholesalers of soft drinks</li> <li>Food vendors to factory workers</li> <li>Suppliers of various industrial materials</li> <li>Suppliers of factory spare parts</li> <li>Water supplier</li> </ul>

			<ul style="list-style-type: none"> <li>• Electricity supplier</li> <li>• Etc</li> </ul>
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#### 4. Project Financial Expenditure

<b>Maisha Bottlers – CAPEX to September 2021</b>			
	<b>Foreign (USD)</b>	<b>Local (USD)</b>	<b>Total (USD)</b>
Land & Buildings		10989	10989
Plant & Machinery		25830	25830
Vehicles/Aircrafts		2730	2730
Furniture		297	297
Office Equipment		4840	4840
Insurance Cover			
Pre-Operational Expenses		449	449
<b>Sub-total</b>		<b>45135</b>	<b>45135</b>
Working Capital		13357	1357
<b>Grand Total</b>		<b>58492</b>	<b>58492</b>

#### 5. Project Financing

<b>Maisha Bottlers – Source of Finance</b>		
	<b>Amount (USD)</b>	<b>Source Country</b>
Local Equity	35086	Tanzania
Local Loans	23500	Tanzania
Foreign Equity		
Foreign Loans		
<b>Total Investment</b>	<b>48586</b>	Tanzania

#### 6. Implementation Problems and Solutions

##### Response

The biggest challenges we encounter on the implementation of this project It was the delay of materials and some installation faults which affect the effectiveness of the machine productivity. For the part which has already been completely installed and start production we just face some few challenge in distributing our products in country side as a result we requested your good office to assist us on getting exemption on deemed capital Goods to TRA refer our letter with the reference no. MTL/TIC.02 of 21/06/2021, but unfortunately our request of Exemption of Deemed capital Good was not successfully accepted by TRA, so we still facing the same challenge of distributing our products which is the result of new production line 3 installed

## **7. Future Plans (in the next 6-months)**

### **1. Dar Es Salaam**

We are planning to install New KHS Germany line (line 3) which will come to enhance production capacity of CSD plant at Dar. New production line with new syrup preparation section and auxiliaries- utility to support production lines will generate more employment and revenue for our country growth.

## **8. Recommendations**

### **Response**

Tanzania is a Country with population of over 50 million people. People belonging to different income levels use different brands, which fall under different segments, but all income level uses soft drinks.

Rural consumers in Tanzania constitute 80% of the population. Rural is growing, with more and more soft drink brand being launched in discount segment targeting the lower socio-economic strata of consumers. Maisha Bottlers and Beverages ltd will target its products to the lowest income strata in urban as rural areas, positioning its brands as a way to remove dirt and clean body.

We kindly thank and appreciate the support we are having from Government institutions concerning investment which are made by Maisha bottlers and beverage ltd.