



GIANTE WINE AND SPIRITS COMPANY LIMITED

BUSINESS PLAN DOCUMENT

REVISION No. 1

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1. COMPANY'S BACKGROUND INFORMATION

Giante Wine and Spirits Company Limited is a locally owned company lawful registered by BRELA under the Companies Act, 2002 with No. **151419151** in the 1st of April 2023 observing the laws of the people of the United Republic of Tanzania.

The company's offices and factory are located in the industrial are of Mkuu Township – Rombo district, Plot 36 Block C.

The company was established under the foresight of Mr. Shanel J. Ngowi who is a local entrepreneur with several other investments.

2. COMPANY'S MAIN OBJECTIVES

Among other objectives, the company is intended to manufacture and supply plastic packaging materials such as preforms and caps. For the purpose of packaging still water and other soft drinks.

This will help local manufacturers of soft drinks to obtain input materials for their products in the simplest way possible which will also reduce their operations costs.

3. COMPANY'S VALUES

The company is committed towards an open governance system whereby its activities will be managed and undertaken ethically, transparently, and in the interests of all concerned stakeholders.

This shall be undertaken through implementation of the following company values:

1. Conduct the business ethically and transparently, respecting all applicable laws.
2. Making business decisions by giving appropriate weight and consideration to social and environmental impacts.



COMPANY'S VALUES

3. Provide products of uncompromising quality to meet the needs of our customers.
4. Optimize the creation of wealth to provide fair reward and recognition for the contributions of our stakeholders.

Through promotion and implementation of the above stated company values we believe that we will be able to attain our corporate and stakeholders' goals and objectives for the benefit of all concerned, in particular the communities in which we will operate.



4. BUSINESS IDEA

The investment is expected to bring about changes in the Mkuu Township where there is a rising demand for manufacturers of packaging materials because new food factories are established almost every year and one of the biggest challenge is the availability of packaging materials most of which are purchased from Dar es Salaam, which increases production costs and risk of wasting production hours.

For example; over 90% of soft and alcoholic drinks producers in Kilimanjaro Region are purchasing their preforms/bottles from Dar es Salaam.

5. PRODUCTS





6. INVESTMENT PLAN

The company is intended to invest over USD 235,000 for the accomplishment of the project these funds will be directed mostly in machinery and running capital of the company.

These funds are intended to be raised from the company directors' savings.

6. INVESTMENT PLAN CONT'D ...

6.1 INVESTMENT BREAKDOWN		
S/No.	ITEM	AMOUNT
1.	Machinery	260,786,000.00
2.	Installation and training	10,000,000.00
3.	Estimated TAX while importing (Approximately)	50,000,000.00
4.	Accommodation costs	2,000,000.00
5.	Repair/Fittings/Furniture	5,000,000.00
6.	Pre-expenses	10,000,000.00
7.	Working capital	203,000,000.00
8.	Miscellaneous	10,000,000.00
	Total	550,786,000.00

6. INVESTMENT PLAN

6.2 MACHINES.

The company has invested in the purchase of an injection mold machine which will be used to produce both preforms and caps. This investment will help local manufacturers to save production time and save transportation costs.

Furthermore, this investment will open employment opportunities to local people both skilled and unskilled ones.

Also, the company will be able to rise enough revenue to invest in her other projects and bigger ones which shall also open doors for more employments and more revenue to the government.

INVESTMENT PLAN CONT'D ...



INVESTMENT PLAN CONT'D ...

6.3 PURCHASE OF LOGISTICS TRUCKS

In order to make operations easier, the management of the company is intended to purchase logistics trucks which will transport raw materials to the company and products to customers.

INVESTMENT PLAN CONT'D ...

Activity	November, 2021	January, 2022	July, 2023	August, 2023	September, 2023
Advance payments by GWSCl	by GWSCl. (US\$30,000)				
Making of the machine and packing by Shanghai OK Machinery Co. Ltd		GWSCl US\$40,000 was deposited to Shanghai OK Machinery Co. Ltd to top up the purchase			
Shipping			from Shanghai Port, China to Tanzania.		
Installation, commissioning and training				By both GWSCl and Shanghai OK Machinery Co. Ltd	
Operations by GWSCl					Starting of opetations

7. FINANCIAL STATEMENTS PROJECTIONS

7.1 FORECASTED CASHFLOW STATEMENT FOR FIVE PRODUCTION YEARS

Cash Inflows	Year 1	Year 2	Year 3	Year 4	Year 5
Opening Balance	200,000,000.00	172,308,128.00	202,423,283.20	172,308,128.00	238,190,156.80
Sales	1,689,600,000.00	2,058,240,000.00	2,304,000,000.00	2,549,760,000.00	3,072,000,000.00
Total Inflows	1,889,600,000.00	2,230,548,128.00	2,506,423,283.20	2,722,068,128.00	3,310,190,156.80
Cash Outflows					
Expenditures on operations					
Raw Material Purchases	1,309,476,960.00	1,595,181,024.00	1,785,650,400.00	1,976,119,776.00	2,380,867,200.00
Carriage inwards	35,000,000.00	36,000,000.00	40,000,000.00	44,000,000.00	48,000,000.00
Payroll	112,000,000.00	112,000,000.00	114,000,000.00	116,000,000.00	120,000,000.00
Utilities costs	46,000,000.00	46,000,000.00	56,000,000.00	56,000,000.00	60,000,000.00
Staff Meals	17,160,000.00	18,360,000.00	20,280,000.00	21,480,000.00	23,400,000.00
Sales and marketing expenses	12,000,000.00	12,000,000.00	10,000,000.00	10,000,000.00	10,000,000.00
Maintenance costs	48,000,000.00	48,000,000.00	54,000,000.00	58,000,000.00	60,000,000.00
Factory cleaning and maintainance	1,800,000.00	1,800,000.00	1,800,000.00	2,000,000.00	2,000,000.00
Additional expenses					
TAX	45,396,912.00	69,017,692.80	81,284,880.00	94,632,067.20	126,489,840.00
Medical expenses	12,000,000.00	12,000,000.00	12,000,000.00	15,000,000.00	17,000,000.00
Depreciation	50,000,000.00	50,000,000.00	50,000,000.00	50,000,000.00	50,000,000.00
Insurance	10,000,000.00	10,000,000.00	12,000,000.00	12,000,000.00	12,000,000.00
Other Expenses	18,458,000.00	17,766,128.00	32,361,283.20	28,646,128.00	52,908,156.80
Total Outflows	1,717,291,872.00	2,028,124,844.80	2,269,376,563.20	2,483,877,971.20	2,962,665,196.80
Net In/Out Flows	172,308,128.00	202,423,283.20	237,046,720.00	238,190,156.80	347,524,960.00
Cash Balance	172,308,128.00	202,423,283.20	237,046,720.00	238,190,156.80	347,524,960.00

FINANCIAL STATEMENTS PROJECTIONS CONT'D ...

7.2 FORECASTED INCOME STATEMENT

	Year 1	Year 2	Year 3	Year 4	Year 5
Sales	1,689,600,000.00	2,058,240,000.00	2,304,000,000.00	2,549,760,000.00	3,072,000,000.00
Direct Cost of Sales	12,000,000.00	12,000,000.00	10,000,000.00	10,000,000.00	10,000,000.00
Raw Material costs	1,309,476,960.00	1,595,181,024.00	1,785,650,400.00	1,976,119,776.00	2,380,867,200.00
Total Cost of Sales	1,321,476,960.00	1,607,181,024.00	1,795,650,400.00	1,986,119,776.00	2,390,867,200.00
Gross Margin	368,123,040.00	451,058,976.00	508,349,600.00	563,640,224.00	681,132,800.00
Gross Margin %	22%	21.91%	22.06%	22.11%	22.17%
Expenses					
Payroll	112,000,000.00	112,000,000.00	114,000,000.00	116,000,000.00	120,000,000.00
Maintenance	48,000,000.00	48,000,000.00	54,000,000.00	58,000,000.00	60,000,000.00
Payable	3,000,000.00	3,200,000.00	3,600,000.00	4,200,000.00	5,500,000.00
Utilities	42,000,000.00	46,000,000.00	52,000,000.00	56,000,000.00	60,000,000.00
Insurance	10,000,000.00	10,000,000.00	12,000,000.00	12,000,000.00	12,000,000.00
Factory cleaning and maintainance	1,800,000.00	1,800,000.00	1,800,000.00	2,000,000.00	2,000,000.00
Total Operating Expenses	216,800,000.00	221,000,000.00	237,400,000.00	248,200,000.00	259,500,000.00
Profit Before Interest and Taxes	151,323,040.00	230,058,976.00	270,949,600.00	315,440,224.00	421,632,800.00
Taxes Incurred	45,396,912.00	69,017,692.80	81,284,880.00	94,632,067.20	126,489,840.00
Net Profit	105,926,128.00	161,041,283.20	189,664,720.00	220,808,156.80	295,142,960.00
Net Profit/Sales	6%	7.82%	8.23%	9%	10%

FINANCIAL STATEMENTS PROJECTIONS CONT'D ...

7.3 Projected Balance Sheet					
Assets	Year 1	Year 2	Year 3	Year 4	Year 5
<i>Current Assets</i>					
Cash	1,689,600,000.00	2,058,240,000.00	2,304,000,000.00	2,549,760,000.00	3,072,000,000.00
Accounts Receivable	-	-	-	-	-
Other Current Assets	-	-	-	-	-
Total Current Assets	1,689,600,000.00	2,058,240,000.00	2,304,000,000.00	2,549,760,000.00	3,072,000,000.00
<i>Long-term Assets</i>					
Accumulated Depreciation	50,000,000.00	50,000,000.00	50,000,000.00	50,000,000.00	50,000,000.00
Machinery	239,382,000.00	239,382,000.00	239,382,000.00	239,382,000.00	239,382,000.00
Long-term Assets	30,000,000.00	30,000,000.00	30,000,000.00	30,000,000.00	30,000,000.00
Total Long-term Assets	319,382,000.00	319,382,000.00	319,382,000.00	319,382,000.00	319,382,000.00
Total Assets	2,008,982,000.00	2,377,622,000.00	2,623,382,000.00	2,869,142,000.00	3,391,382,000.00
Liabilities and Capital	Year 1	Year 2	Year 3	Year 4	Year 5
<i>Current Liabilities</i>					
Accounts Payable	1,309,476,960.00	1,595,181,024.00	1,785,650,400.00	1,976,119,776.00	2,380,867,200.00
Other Current Liabilities	216,800,000.00	221,000,000.00	237,400,000.00	248,200,000.00	259,500,000.00
Subtotal Current Liabilities	1,526,276,960.00	1,816,181,024.00	2,023,050,400.00	2,224,319,776.00	2,640,367,200.00
<i>Long-term Liabilities</i>					
TAX	45,396,912.00	69,017,692.80	81,284,880.00	94,632,067.20	126,489,840.00
Financing other investments	255,000,000.00	280,000,000.00	270,000,000.00	300,000,000.00	265,000,000.00
Earnings	10,000,000.00	10,000,000.00	12,000,000.00	12,000,000.00	12,000,000.00
Subtotal Long-term Liabilities and Capital	310,396,912.00	359,017,692.80	363,284,880.00	406,632,067.20	403,489,840.00
Total Liabilities and Capital	1,836,673,872.00	2,175,198,716.80	2,386,335,280.00	2,630,951,843.20	3,043,857,040.00
Net Worth	172,308,128.00	202,423,283.20	237,046,720.00	238,190,156.80	347,524,960.00

Conclusively, the success of this project will have a great impact in the local society as well as the government at large. As it is expected to raise revenue which can be reinvested in other projects and also support local manufacturers by lowering their operations costs.

Therefore I call upon all concerned stakeholders to facilitate in its accomplishment for a long and everlasting development of our country.

