

CARRIBEAN ENGINEERING AND CONSTRUCTION Co. LTD

BOTTLED DRINKING WATER BUSSNESS PLAN

- PROJECT NAME/TITTLE** : Mineral bottled water production.
- QUALITY AND STANDARDS** : TBS Specification for packaged drinking/Mineral water will be followed
- PRODUCTION CAPACITY** : The Project is for processing and bottling of mineral drinking water of 4000 bottles (2000 Litres) per hour. The total quantity of water processed and packed will be 48000 Litres a day.
- MONTH AND YEAR OF PREPARATION** : March, 2023
- PREPARED BY** : Carribean Engineering and Contractors Co.LTD
Chigongwe Village, Bahi District
Phone: 0754 746 797
E-Mail- sangimaro@gmail.com

INTRODUCTION / PROJECT SUMMARY

It is important to mention that water, a compound of Hydrogen and Oxygen is a precious natural gift which is very essential for survival of mankind including animals. The water used for potable purposes should be free from undesirable impurities. The water available from untreated sources such as Well, Boreholes and spring is generally not hygienic and safe for drinking. Thus it is desirable and necessary to purify and process the water under hygienic conditions for human drinking purpose. As the name implies, the mineral water is the purified water fortified with requisite amounts of minerals such as Barium, Iron, Manganese, etc. which can be absorbed by human body. It is either obtained from natural resources like spring and drilled wells or it is fortified artificially by blending and treating with mineral salts.

In this new project, underground water will be obtained processed and packed under hygienic conditions in properly washed and cleaned bottles in sterilized conditions.

Our Mineral Water Processing Unit is proposed to be located in Chigongwe Area, Bahi District, Dodoma Region 40 kilometers from Dodoma city town center. Dodoma City presents an opportunity for establishment of Mineral Water Processing Unit due to high population, less availability of clean drinking water in majority of areas and awareness of hygiene with respect to drinking water.

This proposed project presents an investment opportunity for establishing a Mineral Water Processing Plant with a capacity of **4,000 (@500g) bottles per hour**. Total installation production capacity of processed bottled water will be **16,800,000** liters per year, where initial capacity utilization will be **50%**.

The total project cost for setting up a Mineral Water Processing Unit is estimated at **108,695.65 US\$**. The project is proposed to be financed through **100%** local equity.

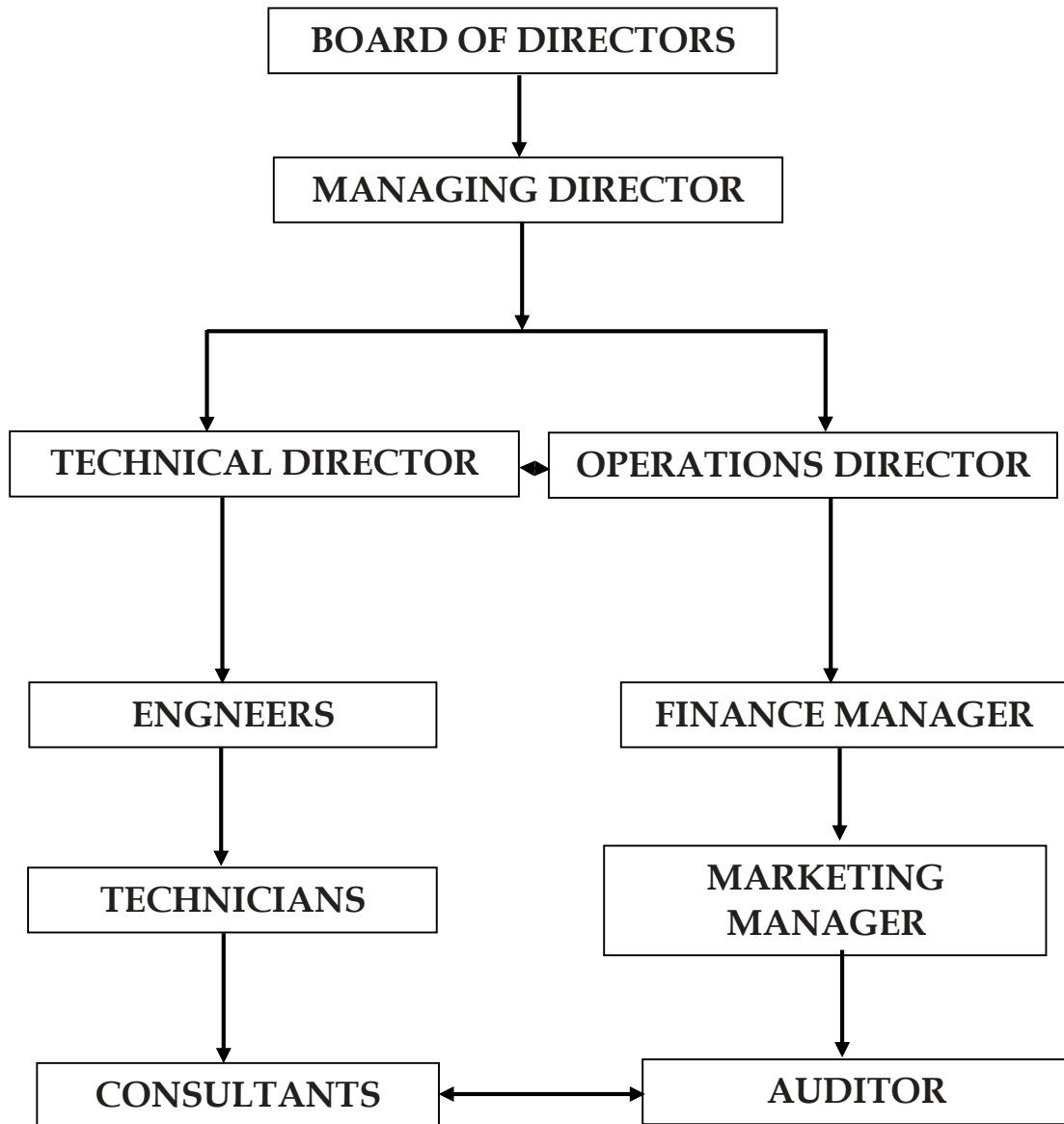
The most critical considerations or factors for success of this project are:

- Good site location with respect to source of water.
- Compliance with required standards.
- Maintenance of quality and hygiene standards.
- Efficient marketing & bulk supply to wholesalers.
- Reasonable & competitive prices.

COMPANY LEGAL STRUCTURE/FORMATION

Carribbean Engineering and Construction Co. Limited is a company registered under the companies Act, 2002 and that the Company is Limited by share with Brela Certificate of Incorporation No. 85183.

The chart below shows the company legal structure.



COMPANY SHARE HOLDING STRUCTURE

According to the company MEMAT, the shareholding structure is as summarize below:-

No.	NAMES,ADDRESS AND DESCRIPTION OF SUBSRIBERS	NATIONALITY	PERCENTAGE OF ORIGINAL SHARES
01	FAUSTINE MARO RUGE P.O BOX 10404 MUSOMA	TANZANIAN	70
02	SANGI F.M.RUGE P.O BOX 10404 MUSOMA	TANZANIAN	30

PROJECT LOCATION

The project will involve obtaining and processing underground water in Chigongwe Area, Bahi District, Dodoma Region 40 kilometers from Dodoma city town center. The preliminary study of the location shows that, the site is a 5 acres plain land with planted and natural shrubs and some variety of scattered trees and little fruits.

PROJECT OBJECTIVE

- To be the best project for processing and packing suitable and safe water for drinking purposes in Tanzania with the capacity of producing 4,000 bottles per hour.
- The create employment opportunities to Tanzanian youths both skilled and non-skilled that will be involved in different factory activities and distribution of the products.
- To simplify availability of safe and clean water at affordable price in Dodoma city and Tanzania at large.

PROJECT MARKET ANALYSIS

Unfortunately sufficient safe potable water is not available everywhere in our country, either harmful chemical substances are found in the layers of earth which enter into water or it may be contaminated due to pathogenic micro-organisms. If such water is consumed, the body suffers from water borne diseases. Due to this, it has become imperative to process and bottle safe potable water for the mankind in prevailing conditions.

The demand for purified water in Tanzania has increased more due to the use of bottled water by most Tanzanians in their normal activities or in various events. Although few companies have already entered in the bottling of safe potable water and mineralized water, but still huge gap is still there in between demand and supply in all towns in Tanzania.

Our project will be implemented in Bahi District Dodoma region, but we expect to get customers in all areas of Tanzania Dodoma City being the main target. As Dodoma region is rapidly growing economically and population wise, our product will be widely accepted in offices, restaurants, railway stations, airport, bus stands, hospitals and to some extent even in rich house-holds. So there is good scope for establishing the units for processing and bottling mineralized drinking water in Dodoma region.

PROJECT DESCRIPTION SUMMARY

This proposed project presents an investment opportunity for establishing a Mineral Water Processing Plant with a capacity of **4,000 (@500 g) bottles per hour**. Total installation production capacity of processed bottled water will be **16,800,000** liters per year. In this project, underground water will be obtained processed and packed under hygienic conditions in properly washed and cleaned bottles in sterilized conditions where reverse osmosis and ion exchange techniques will be the main purification methods.

It is our expectations that the project will create employment opportunities to both skilled and non-skilled personnel most of them being Tanzanians. The processing and packing unit will require 20 workers while distribution will involve more than 50 workers.

PROJECT INVESTMENT COST

The total project cost is estimated at **108695.65 US\$**.

Total cost breakdown

Land/Building	-	17,391.304 US\$.
Plant	-	52,173.91 US\$.
Vehicles	-	19,565.22 US\$.
Furniture and Fittings	-	2,173.91 US\$.
Pre – Expenses	-	2,173.91 US\$.
Others	-	2,173.91 US\$.
Working capital	-	13,043.91 US\$.
Total	-	108,695.65 US\$.

PROJECT FINANCING PATTERN

As stated in project investment cost, the total project cost is estimated at **108695.65 US\$**. The project is proposed to be financed through **100%** local equity.

PROJECT IMPLEMENTATION SCHEDULE

It is expected that total time of about 9 months will be taken from the date of approval of the scheme for complete implementation. Break-up of the activities and relative time for each of them is shown below:

Nature of Time Period	Activity (In months)
1. Preparation of Project and its approval	0-1 month
2. TIC and other Registrations	1-2 months
3. Machinery and equipment importation	2-4 months
4. Installation of machinery and equipment	4-6 months
5. Power connection	6 -7 months
6. Appointment of staff	7- 8 months etc.
7. Trial run	8 -9 months
8. Commencement of production and permanent registration/Marketing	9 months onwards

PROJECT FINANCIAL PROJECTION

This project has been drawn on the basis of following projections.

1. Working hours : 8 per shift
2. Number of shifts : 3 shifts
3. Number of working days per annum : 350 Days
4. Working efficiency : 75%
5. Total period of achieving maximum
Capacity utilization : Third year from the date of
Commencemen.
6. Construction Cost of Building, Cost of Land, Labour Charges and Cost of Plant,
Machinery and Equipment have been considered as per prevailing rates in the market.
7. Cost of Installation and Electrification of Machinery and Equipment has been taken at the
rate of 10% of the cost of Plant and Machinery.
8. Operative period of the project has been considered as 10 years.

CONCLUSION

Water purification for the bottled water industry is brimming with opportunities. The demand for convenience and high disposable income is driving the consumption of bottled water across the country. The implementation of this project will at least cover bottled clean water demand and create employment opportunities in Tanzania.