

PROJECT REPORT

FOR

FUTURE COLOURFUL LIMITED

MANUFACTURERS OF PACKAGING MATERIALS

CONTACT

HEAD OFFICE

P.O. BOX 1408

DODOMA

TEL: 0743037102

E-mail: 562439043@gmail.com

Contact Person:

ZAKIA JUMA

Mob: +255 675 467 200

E-mail: smith.advocates@gmail.com

1. EXECUTIVE SUMMARY

The project of the Company was to establish a medium scale unit to manufacture packaging bags and pipes using recycled plastics.

Vision

The vision for a company dedicated to manufacturing packaging bags and pipes from recycled plastics is rooted in sustainability, innovation, and community engagement. As global awareness of plastic pollution increases, there is a pressing need for businesses to adopt eco-friendly practices that not only reduce waste but also contribute positively to the environment. This vision aims to position the company as a leader in the circular economy by transforming waste into valuable products while promoting responsible consumption.

Mission Statement

The mission of this company is to provide high-quality, durable packaging solutions and piping systems made entirely from recycled plastics. By leveraging advanced recycling technologies and sustainable manufacturing processes, we aim to minimize our carbon footprint, reduce landfill waste, and foster a culture of environmental responsibility among consumers and businesses alike.

Core Values

- **Sustainability:** Commitment to using 100% recycled materials in our products.
- **Innovation:** Continuous investment in research and development to enhance product quality and manufacturing efficiency.
- **Community Engagement:** Collaborating with local communities and organizations to promote recycling initiatives.
- **Transparency:** Open communication about our sourcing, production processes, and environmental impact.

Strategic Goals

To realize this vision, the company will focus on several strategic goals:

- **Product Development:** Create a diverse range of packaging bags (e.g., shopping bags, food-grade bags) and pipes (e.g., drainage pipes, plumbing pipes) that meet industry standards while being environmentally friendly.
- **Supply Chain Optimization:** Establish partnerships with recycling facilities to ensure a steady supply of high-quality recycled plastics. This includes developing relationships with local municipalities for effective collection programs.
- **Market Penetration:** Target industries such as retail, agriculture, construction, and plumbing where sustainable packaging solutions are increasingly demanded.
- **Brand Awareness:** Build a strong brand identity centred around sustainability through marketing campaigns that educate consumers on the benefits of using recycled products

2. COMPANY OVERVIEW

S.N	INFORMATION	DESCRIPTION
1.	Name of the Company	FUTURE COLOURFUL LIMITED
2.	Certificate of Incorporation Number	138843
3.	TIN Certificate No.	
4.	Company Communication Information	Mobile Number: 0743037102 E-mail Address: 562439043@gmail.com Physical Address: Plot No. 52 Block "A" House No. 52, Kizota Road, Relini Street, Kizota Ward, Dodoma City, Dodoma Region
5.	Contact Person	Name: ZAKIA JUMA Position: Secretary Mobile: 0675 467 200
6.	Shareholders Information	1. ZUOMIN WANG - 70% of shares (Chinese) 2. YANG LEI - 30% taken (Chinese)
7.	Authorized Share Capital	TSHS. 800,000,000/=
8.	Class of Shares	8000 Ordinary Shares of Tshs. 100,000/= each

3. PROGRESS AND ACHIEVEMENTS

Since the approval of the project, significant progress has been made in various aspects of the implementation:

a) Construction of Buildings:

The construction of the manufacturing facility is complete, with the main structure and utility systems are all complete. The facility is designed to adhere to the highest environmental and safety standards, ensuring a sustainable and safe working environment.

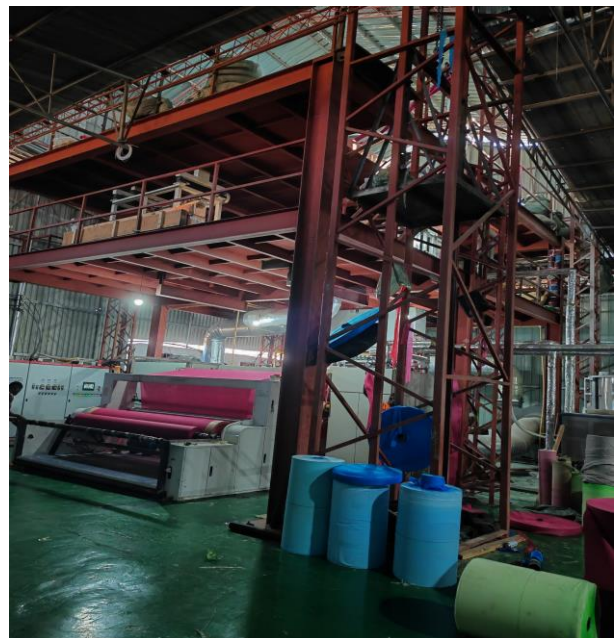
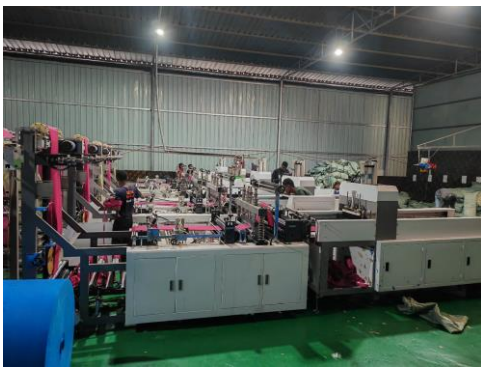
- **Land Acquisition:** Successfully acquired land via derivative right through The Tanzania Investment Centre located at Plot No. 52, Block “A” WIA Extension, Dodoma
- **Building Construction:** Successfully completed construction of the Manufacturing facility with the Main structure and Storage

b) Acquisition of Supplies/Raw Materials:

The procurement process for raw materials and specialized equipment has been completed with various raw materials having been supplied and imported. Contracts have been finalized with reputable suppliers to ensure a consistent and high-quality supply of raw materials essential for the production of the packaging bags and pipes.

c) Installation of Equipment:

Several key pieces of manufacturing equipment have been installed in the facility, including Roll Slitter, advanced extrusion, pouch bag making machine, and printing machinery. These installations mark a critical to the operational and the production line.



d) Workforce Development:

Recruitment and training programs for the operational workforce have been initiated and in operation. The emphasis is on equipping employees with the necessary skills to operate the advanced manufacturing equipment and ensuring a culture of safety and quality.

i. Recruitment Overview:

Total Workforce Needed: **150 employees**

Positions Filled: **100 positions**

Remaining Positions: **50 positions**

ii. Key Areas of Recruitment:

- **Production Staff:** 60% of required production staff have been hired. This includes machine operators, quality control technicians, and maintenance personnel.
- **Engineering and Technical Support:** 80% of engineering and technical roles are filled. This includes roles such as process engineers, mechanical engineers, and environmental specialists.
- **Administrative and Support Roles:** 70% of administrative positions have been filled. This includes HR, finance, and administrative support staff.
- **Management Team:** 90% of management positions are filled, including plant managers, production supervisors, and logistics coordinators.

iii. Recruitment Challenges:

- **Skilled Labor Shortage:** Difficulty in finding qualified candidates for specialized technical roles and machine operators.
- **Market Competition:** High demand for skilled workers in the manufacturing sector leading to increased competition.

iv. Recruitment Strategies:

- **Partnerships with Local Training Institutions:** Collaborating with vocational schools like VETA and universities to create a pipeline of skilled candidates.
- **Enhanced Recruitment Campaigns:** Utilizing online job portals, social media, and local job fairs to attract candidates.

v. Future Workforce Planning

- **Staffing Needs:**
Completion of Recruitment: Focus on filling the remaining 50 positions, particularly in technical and specialized roles.
Scaling Up: Plan for additional hiring as production ramps up and new operational needs emerge.

4. FINANCIAL ANALYSIS

a) FIXED ASSETS

- Total Fixed Assets

NO.	PARTICULAR	AMOUNT
1.	Land	4,400
2.	Building	4,950
3.	Boundary Wall & Gate	350
4.	<u>Plant & Machinery</u>	
	❖ Automatic Paper Bag	15,000
	❖ Stereo Press	5,000
	❖ Stereo Grinder	7,000
	❖ Roll Slitter	2,500
	❖ Testing Equipment	800
	❖ Punching Machine	500
5.	Furniture & Fixtures	1,500
6.	Electrification & Installation Charges	750
7.	Computer, Telephones & Fax Machine	1,000
Total		43,650

a) COST OF PRODUCTION

Sr.	Particulars	P.M.	P.A.
1.	Raw Material	7,897.5	94,770
2.	Staff & Labour	448	5,376
3.	Other Expenses	512.5	7,550
Total		8,858	10,7696

TOTAL WORKING CAPITAL REQUIREMENT

Sr.	Particulars	P.M.	P.A.
1.	Raw Material	7,897.5	94,770
2.	Staff & Labour	448	5,376
3.	Other Expenses	512.5	7,550
Total		8,858	107,696

TOTAL PROJECT FUND

Sr.	Particulars	Amount
1.	Fixed Cost	43,650
2.	Working Capital (2 months)	16,755.5
Total		60,405.5

SOURCES OF FINANCE

Sr.	Particulars	Rate	Amount
1.	Own Capital (40%)	8%	300
2.	<u>Borrowed Capital (60%)</u>		
	❖ Bank Loan	12%	225
	❖ Shareholders Investments	10%	225
Total			750

INTEREST ON CAPITAL

Sr.	Particulars	Rate	Amount
1.	Own Capital (40%)	8%	24
2.	<u>Borrowed Capital (50%)</u>		
	❖ Bank Loan	12%	27
	❖ Shareholders Investments	10%	22.5
Total			73.5

DEPRECIATION

Sr.	Particulars	Value	Amount
1.	Building (10%)	4,500	4.95
2.	Plant & Machinery (25%)	30,800	77
3.	Other Fixed Assets (15%)	3,100	4.65
4.	Computer (40%)	400	1.6
Total			88.2

ANNUAL COST OF PRODUCTION

Sr.	Particulars	Amount
1.	Raw Material	947.7
2.	Recurring Expenses	129.26
3.	Depreciation	88.20
4.	Interest on Investment	73.50
Total		1,238.66

Schedule of fixed & variable cost

Particulars	Variable cost	Fixed cost
	Amount	Amount
Depreciation	-	88.20
Int. on capital	-	73.50
Salary	32.256	21.50
Other expenses	45.30	30.20
Raw Materials	947.7	-
<i>TOTAL</i>	<i>102,525.6</i>	<i>21,340</i>

LOAN REPAYMENT SCHEDULE

<i>Period</i>	<i>Opening Balance</i>	<i>Instalment</i>	<i>Closing Balance</i>	<i>Interest</i>
1st Year	22,500	2,250	20,250	2,700
2nd Year	20,250	2,250	18,000	2,430
3rd Year	18,000	2,250	15,750	2,160
4th Year	15,750	2,250	13,500	1,890
5th Year	13,500	2,250	11,250	1,620
6th Year	11,250	2,250	9,000	1,350
7th Year	9,000	2,250	6,750	1,080
8th Year	6,750	2,250	4,500	810
9th Year	4,500	2,250	2,250	540
10thYear	2,250	2,250	0	270

SHAREHOLDERS INVESTMENTS

<i>Period</i>	<i>Opening Balance</i>	<i>Instalment</i>	<i>Closing Balance</i>	<i>Interest</i>
1st Year	22,500	1,500	21,000	2,250
2nd Year	21,000	1,500	19,500	2,100
3rd Year	19,500	1,500	18,000	1,950
4th Year	18,000	1,500	16,500	1,800
5th Year	16,500	1,500	15,000	1,650
6th Year	15,000	1,500	13,500	1,500
7th Year	13,500	1,500	12,000	1,350
8th Year	12,000	1,500	10,500	1,200
9th Year	10,500	1,500	9,000	1,050
10thYear	9,000	1,500	7,500	900
11thYear	7,500	1,500	6,000	750
12thYear	6,000	1,500	4,500	600
13thYear	4,500	1,500	3,000	450
14thYear	3,000	1,500	1,500	300
15thYear	1,500	1,500	0	150

PROJECTED OPERATING STATEMENT

	1st Year	2nd Year	3rd Year
<i>Particulars</i>	<i>Amount (USD.)</i>	<i>Amount (USD)</i>	<i>Amount (USD.)</i>
<i>SALES: [A]</i>	128,615	145,990	172,365
<u>Cost Of Operation:</u>			
<i>Raw Materials</i>	94,770	107,406	126,360
<i>Direct Wages to Workers:</i>			
Skilled	960	960	960
Unskilled	1,296	1,296	1,296
<i>Direct expenses & utilities:</i>			
Electricity	2,040	2,312	2,720
Freight inward	180	204	240
Water charges	240	272	320
	99,486	112,450	131,896
<i>Add: Opening stock of R/M</i>	-	-	-
<i>Opening stock of F/G</i>	-	1,972	4,245.6
<i>Less: Closing stock of R/M</i>	-	-	-
<i>Closing stock of F/G</i>	1,972	4,245.6	6,681.68
Total Cost Of Operation: [B]	97,514	110,176.4	129,460
GROSS PROFIT: [A - B]	31,101	35,813.6	42,905
<i>Indirect Expenses:</i>			
Total factory cost	9,035	9,067	9,115
Total office & admn. cost	7,065	7,212	7,150
Total selling & dist. cost	3,330	3,678	4,200
Total Indirect Expenses:	19,430	19,957	20,465
Earning Before Interest & Tax (Gross profit - Total indirect expenses)	11,671	15,856.6	22,440
<i>Less: Interest on Borrowed Capital</i>	4,950	4,530	4,110
Earning Before Tax (E.B.I.T - Interest)	6,721	11,326.6	18,330
<i>Less: Tax</i>	1,589.3	2,862.98	4,964
NET PROFIT AFTER TAX:	549.17	8,463.62	13,366

