SNOW INDUSTRIES (E.A) LIMITED

BUSINESS PLAN FOR INTEGRATED PROJECT - PLASTIC AND BEVERAGE INDUSTRIES AT NYAKATO INDUSTRIAL AREA NYAMAGANA DISTRICT, MWANZA REGION, TANZANIA.

Prepared by:
KASWALALA BENJAMIN,
PHONE 0766488398,
P O BOX 119,
MWANZA,
TANZANIA

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List of Abbreviations

BSF- Blow-Fill-Seal
CAPEX – Capital Expenditure
COMESA- Common market for eastern and Southern Africa
CSI - Corporate Social Investment
EAC – East Africa community
EIA – Environment Impact Assessment
GDP – Growth Domestic Products
KVA –Kilovolt Amperes
MT – Metric Ton
NBS – National Bureau of standard
NEMC – National Environment Management Council
OPEX – Operating Expenditure
SADC –Southern Africa Development Community
SKU- Standard keeping units
SWOC - strengths, weaknesses, opportunities and threats.
TANESCO – Tanzania Electric Supply Company
TIC- Tanzania Investment Centre
TZS – Tanzania Shilling
TZS-Tanzania Shillings
US – United State Dollar
US$ - United State Dollar
VAT – Value Added tax

EXCUTIVE SUMMARY

Tanzania has become a key player in plastics and packaging industries. The industry has high growth rates as demand for plastic goods and machinery in Tanzania registers a steady growth. The country's overall economy is currently on a growth path. The country have experienced several years of strong economic growth (ranging from 6.5-7.2% in 2020 and it is now one of the fastest growing markets for plastic goods and machinery in eastern Africa.

In an effort to strengthening the country economy, the Government of Tanzania cited integrated of plastic and beverage industries as one of the potential revenue and job creation sector, its important is not only to social economic development, but has positive significantly towards economic development.

The Snow Industries (E.A) Limited decided to establish integrated industries in Mwanza region for production of plastic and beverage products whereas some of raw material will be collected locally and some will be imported for factory productions.

Snow Industries (E.A) Limited is a limited liability company, registered in Tanzania under Certificate of Incorporation No 154135340 issued on the 16th November, 2012. The project will be located at Nyakato industrial area, Mwanza Region, Tanzania.

The proposed integrated project is estimated to cost a total of US$ 1,264,000, The Current asset of US$ 473,923 fixed assets 1,187,915US$ and total liabilities of 2,368,130US$. The business plan has an assumption all capital investment will be recovered within 3 years for 5 year projected economic life,

The production capacity of the plant is based on 300 working days excluding Holidays and Sunday. The factory capacity is 26.7MT and 16MT of plastic and beverage respectively per day. Capacity utilization of the plant is 60% - 75%. The proposed project is a complete set of modern technology with output capacity of 1,666KG of plastic per Hours and beverage 1,000KG per hours.. All machines are from well known Asia brands (India/China), after being over hauled, run 20-25 years.

The development of a large and complex project such as Snow Industries (E.A) Limited is necessarily accompanied by multiple risks during all the phases of the project development, construction, operation and maintenance. The right approach to manage risk must be taken into account. Based on the Impact Investment Index analysis, the company can develop projections that the project can deliver both value for money in the context of broad socioeconomic impact and return on investment while complying with Governance requirements.

The development of this integrated plant will be funded by private finances. The company acting through its various shareholders and structures will provide the initial risk capital amounting to 1,264,000 US$, the whole amount will be raised from shareholders.

1.0. INTRODUCTION

1.1. Plastic Manufactures industry in Tanzania

Tanzania has become a key player in plastics and packaging industry where plastic goods and expertise are in high demand. Tanzania's plastic industry is reporting high growth rates as demand for plastic goods and machinery in Tanzania registers a steady growth. The country's overall economy is currently on a growth path. The country have experienced several years of strong economic growth (ranging from 8-12% in 2020) and it is now one of the fastest growing markets for plastic goods and machinery in eastern Africa. Some of the areas identified as opportunities for international companies include plastics production machinery (PME) as well as plastics material resins (PMR). Not to mention the high demand for plastic goods that has been growing throughout Africa. Many entrepreneurs often see an opportunity where others see hurdles. As expected, the growing African economy is spurring growth in the continent's plastics industry.
SNOW INDUSTRIES (E.A) LIMITED is matching grants opportunity for businesses in Tanzania that wish to develop or increase their ability to trade, support product quality improvement and the meeting of international standards to access potential markets within and outside Tanzania. In this respect the company is planning to establish integrated project of plastic manufacture and beverage in Mwanza region in Tanzania that will support government initiatives endeavour to develop the business sector as an engine of pro-poor economic growth, in line with Tanzania's National Strategy for Growth and Reduction of Poverty (MKUKUTA).
The company has experience in plastic manufacture for several years in Africa managed to establish different factory in Africa but still their outputs/products are not processed to meet domestic and international market standard. Modern storage of plastic and beverage products will helps to increase preservation, improve traditional method of storage by controlling drying, acidification, fermentation, sterilization, pasteurization, labeling, Increase fruits and fruit by product safety (traceability, food safety audits), trade development (effective trade fair participation, branding, supply chain management) and packaging.

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1.2. Why plastic industry in Tanzania?

In the East Africa region, one of the largest markets for plastics and packaging goods is Tanzania. The country has been importing plastic goods and machinery from all across the world in increasing quantities over the last five years and has emerged as a lucrative market for plastic goods in the region. Tanzania's plastic imports include plastics consumer items, writing instruments, rope & twines, plastics & metal spectacle frames, strainers, laminated & non laminated packaging material, bio-medical products, kitchenware, woven sacks & bags, pet preforms,

gift & novelties & other plastic products.In fact some enterprising companies in Tanzania are turning waste plastic bottles into Coronavirus face shields and meeting the rising demand for face shields in East Africa.
In an effort to strengthening the country economy, the Government of Tanzania cited integrated industry of plastic and beverage industries as one of the potential revenue and job creation sector, its important is not only to social economic development, but has positive significantly towards economic development. SNOW INDUSTRIES (E.A) LIMITED decided to expand integrated industry in Mwanza - Tanzania factories as major expansion of related products from purchasing used plastic materials from end use products (recycling) as raw materials for production and some will be imported as additives to factory demand to suit customer satisfaction in Tanzania.
Considering such level of market growth and demand driven variables with notably absence of local manufacturing facilities already functioning in Tanzania and neighboring countries, the investment venture will become potentially profitable business.
As a part of integrated project, Snow Industries)EA) limited considering packaging is alternatives of the synthetic polymer and help to enhance the shelf life of the food products while retaining their nutritional, biological and sensory quality. It helps in minimizing lipid oxidation; reducing weight loss, retarded respiration and enzymatic browning of the food products, that is, fruits & and others. The present review explores about the edible packaging, physiochemical properties and edible film forming ability of fruit wastes of apple, banana peel, citrus, grapes, jack fruit, mango, pomegranate, pineapple, and tamarind. Therefore, the by-products of the fruit processing can be utilized to develop edible coating and film to enhance the shelf life of food products at commercial scale.

1.3. Integration beverage and plastic packaging products

Snow Industries (E.A) Limited as part of integrated of beverage and plastic, the company aimed to expand her production capacity by producing beverage and packaging materials ''What is the necessity of all packaging in food products?''. Plastic packaging degrades over time, which produces microplastics. Microplastics accumulate in the environment and nowadays traces of it can be found everywhere. To counter the accumulation of microplastics, less leakage of plastic waste should be achieved. This could be done by selling less single-use packaging and sorting waste better. A contribution to a solution for the packaging waste problem is performed in this project, by making a reusable packaging solution for the fresh fruits and vegetable sector. The designed packaging the company has should be convenient for the consumer, which is why was set that the packaging solution should maintain or improve the consumer packaging experiences with reusable packaging. Snow Industries (E.A) Limited plastic production company produces plastic products of quality design and sizes for company consumption

and for other industries. The goal of project is to expand her production from fruit processing to plastic production and meet the market demand for plastic products at competitive price to be used in different sector to contribute to the development of Tanzania economy. The entire product range manufactured should follow the Weight and Measurement Act and packed accordingly in different standard keeping units (SKU). The product should be stored as per batch number allocated to particular product.

2.0. PROJECT OVERVIEW

2.1. The Industry ownership and share distribution

Snow Industries (E.A) Limited is a limited liability company, registered in Tanzania under certificate of incorporation No 154135340 issued on the 16th November, 2012. The project is located at Plot No.84 Nyakato industrial area, Block KK, P O Box 2287 Mwanza Region, Tanzania. Currently, the company is anticipated to employ 30+ direct and indirect in plastic and beverage chain.
Integrated factories will be located in Mwanza region. Anticipated raw material of factory will be collected from MSE (Recycle) in Tanzania and some of additive chemicals and plastic material will be imported from abroad. The establishment involves adding two line of production for plastic and beverage processing factories. This will involves cost of machine and fixing, operational and management cost, distribution of commodities etc.
The initial Authorized Share Capital of the company is TZS 500,000,000/= divided into 100,000/- ordinary shares of Tshs 5,000/- each and the company have the power to divide the original or any increased capital into several classes, and to attach thereto any preferential, deferred, qualified or other special rights privileges, restrictions or conditions. Unless the conditions of issues shall otherwise expressly declare, every issue of shares, whether preference or otherwise, or any such rights, privileges or conditions shall not be altered or modified except in accordance with the registered Articles or Association. The liability of the members is limited and the following names compromise the company ownership and principal shareholding as illustrated on

Table 1 below.

Table 1: Company Ownership and Principal Shareholders

S/No.	Shareholder's Name	Address	Number of Shares
1	Mr. Ketan Lalitkumar Maradia (Business men)	P O Box 2287, MWANZA	2,500
2	Ms. Tong Chen (Business women)	P O Box 2287, MWANZA	2,500

The address for this company is;
SNOW INDUSTRIES (E.A) LIMITED;
P O Box 2287,
Plot 84, Nyakato Industrial Areas,
MWANZA,
TANZANIA.

2.2. Project Description

2.2.1. Plastic and beverage processing factoría overview

SNOW INDUSTRIES (E.A) LIMITED is part of beverage manufacturing industry for produce processed beverage products which include pure water, Juice, Dried fruits / dehydrated fruits, fruit leathers, Pickles, Marmalade and fruit cheeses. Proposed fruit processing process plant consists of four steps. In the first step, washing, cleaning, grading and peeling of matured and fully ripe fruits is done. Thereafter, juice is extracted from fruits and then it is filtered to remove seeds, fibers, etc. This juice is then processed, sterilized and bottled after adding preservatives. In case of squash, syrup of sugar along with preservatives is added to juice and this mixture is stirred till a uniform solution is formed and then it is bottled.

The company produce plastic packaging whereas, the automated technology used is Blow-Fill-Seal (or BFS for Short) three-in-one technology is a sterile package technology. The machine adopting this technology achieves whole process of blow, fill and seal under sterile circumstance. The Technology combines all technical advantages to innovate and develop a Series plastic bottle blow-fill-seal machine self-independently. The machine has the advantages of good sterile stability, high inner quality and low cross contamination rate with low production cost and management cost. It could be widely used in production area for final sterilization products and sterile products, raising high attention of manufacturer for sterile fruits and food products.

2.2. Project Description

Snow Industries (E.A) Limited aimed at establishing her own production line by importing complete set of two lines of productions by importing Machine and equipments, the company will produce plastic and beverage products of different types according to market and demand of her customers. The machines will have the capacity of producing 1,667 bottles of plastic per hour equivalent of producing 26,667bottles per day double shift of 16 hours per day. In beverage the plant will have the capacity of producing 1,000 bottles per hour, equivalent to 10,000 bottles per day double shift of 16 hours per day.

The project is expected to start by early December 2021 whereas raw materials some will be purchased to a local market as recycling products and others will be imported from abroad.

Production process of plastic involves heated and pushing through a heated chamber by a screw molding. The plastic is forced though a die that creates the final stage of the part. Cooling the extruded plastic is cooled, cut or spool, continues shape is spoiled or cut into length.

The most popular and widely used methods are,

- Blow Molding,
- CNC Machining,
- Vacuum forming,
- Polymer casting,
- Injection Molding,
- 3D Printing,
- Extraction and Rotational Molding.

For beverage: The basic steps for beverage production process may be similar, each type has its own peculiarities. From beer to to bottled water processing and production – every products type must go through a series of rigorous steps to meet strict regulatory compliance

- Clarification and prefiltration
- Final filtration,
- Processing monitoring,
- Tank venting,
- Gas Filtration,
- Housings
- Integrity testing and Diffusion test

The project envisages setting up modern equipment in installation of complete set for both production lines from Asian countries, all machines and equipments will cost 544,869.52US$ this includes plastic, Beverage, Laboratory equipments and flight charges.

2.3. Project Cost & Financing Pattern

The proposed integrated project is estimated to cost a total of US$ 1264,000 this including, own equity of 100% as proceeds from capital contribution of the project,, total loan debt of zero. The Current asset of US$ 473,923 fixed assets 1,187,915US$ and total liabilities of 2,368,130US$. The project will be implemented within 5 years.

Equity + Loan	
Equity 100%	**1,264,000.00**
Loan 0%	**-**
Total Equity	**1,264,000.00**

2.4. Business Plan Objectives

The objectives of this study are two-fold. First is to determine the viability of the proposed project and serve as a business plan for the company's development program. Secondly, the business plan will act as a supporting document in the company's application for Tanzania Investment Centre (TIC) Certificate of Incentives so as to access exemptions on duties, VAT deferments and other

benefits and protections as statutorily provided for under Tanzania Investment Act (1997).
The project promoters have commissioned a reputable engineering and project planning consulting firm to advice on detailed technical and economic evaluation of the project and in determining its viability. As the report will be used to raise debt financing for the project, it is tailored to meet standard requirements of financial institutions in the region.

2.5. Product: Demand and Market Analysis

2.5.1. Market analysis - Plastic Products

The market analysis conducted indicates that there are few industries in Mwana region producing plastic products for the beverage industries and other packaging products. The trade volume is still highly needed no other high volume suppliers of different design according to customer demand and the company as consumable product for beverage. At present, companies source their requirements in Dar es salaam and some are imported from Kenya and Uganda. . The plastic supply base in Mwanza is geared towards the manufacturing of low volume, hand-crafted, expensive products to service a niche market; this market requires the supply of a quality, volume fulfillment and pack-off service.

The Snow Industries (E.A) Limited produce plastic products in different uses some includes, for water, fruits packaging, soft drinks, hard drinks, chemical etc. the company will sales at a whole marketing price so as to provide profit margin to other distributors. The company will sales her products at a wholesale price of start at 1500TZS equivalent to 0.65US$ per 200ml bottles. The price depends on customer design and preference and beverage will be sold at price of 0.85US$ per 200ML.

2.5.2. Market potential for the Plastic products:

As indicated in the previous section, a plastic market has been identified. Market research indicates the lake zone regions market for plastic products is estimated to be US$813.75 million annually. Snow Industries (E.A) Limited has set its sales target at US$ 680,529 in year one, increasing to 3.76US$ in year five. Year one target equates to a 4.9%%, the sales increases by 5% There is the possibility of extending the business into the area of order fulfillment, which means on-line packing of products for customers. This will lead to efficiency, costs savings and shortened lead-time for potential customers. However, it is the director's intention not to enter this sector in the initial three years of operation.
The market for plastic products in world is to remain dominant for the highest growth in revenue as compared to other regions over the forecasted period, 2017-2025. The market in East Africa for plastic products is expected to witness above average growth for the further few years. The economic development in East

Africa is projected to have a positive impact on the market for plastic products. In Tanzania plastic market is expected to have considerable growth in terms of market value owing to technological advancements in the plastic industries for these emerging economies which will witness a sizeable increase in the revenue contribution of the sales.
From the analysis in the preceding chapter, the marketing of the final products in the country will not pose a problem either as even if the export markets collapsed the local market itself is able to take up whatever the project will produce.

2.6. Technical Characteristic of the project.

2.6.1. Project Site analysis

Based on physical inspection of the proposed site, the availability of basic and essential industrial infrastructure such transport, water supply, effluent disposal, electric power supply, telecommunication system and security were all checked out and are ok for factory establishment. The realization of the project development requires successful completion of a number of necessary activities and facilities to enable a successful development of the project. The project location is already installed necessary utilities such as reliable supplies of energy, water, transportation, telecommunications services, waste disposal and other services are in place.

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2.6.2. Buildings and related fixed cost

The floor plan and elevation of buildings and other related structures will be rehabilitating to Snow Industries (E.A) Limited as rented by the share holders. However, the total cost of Land acquisition and registration, factory buildings, Storage of raw materials and finished plastic and beverage products structure has been done by the owner, the estimated cost of the structure is estimated to 30,000US$ as cost associate to rehabilitation of the structure, project fixed cost have been estimated at US$ 1,187,913, which includes purchasing of machines, motor vehicles and structure rehabilitation.
The industry also set budget as working capital which involves purchase of raw materials and factory overhead cost of 65,217.39US$.. The minor rehabilitations costs are inclusive of contingency and reflect prevailing cost of building materials and labour costs in the country. Mostly local building materials will be used in the construction of the same.

2.6.3. Machinery and Equipment.

Proper machinery selection is one of the key problems in the development of an industry. The machinery must suit the two-fold requirements of the developing

countries, i.e. it should be up-to-date to allow for competitive production. In view of the foregoing, an effort has been made to choose from modern technological alternatives, a level that strikes a balance between fixed costs based on depreciation and variable costs based essentially on wages.
The requirements of various items of equipment have been worked out taking into consideration the production programs, average equipment utilization and normal productivity level of an average worker etc. While working out details of equipment required, it has been assumed that the plant will be working in a double shift of 16 hours a day, 25 days a month or a total of 300 days a year.

The projects machinery and equipment will be sourced from China and are estimated to cost 544,869.57US$, this includes, complete set plastic production, beverage, laboratory equipment for testing quality, flight charge. These cost assumptions are C.I.F Dar es Salaam and include installation, commissioning, consultancy, port charges and transport to the project site. Calculated depreciation of machines and other working facilities is estimated to cost 68,929US$. Others working facilities have already in place this includes weighing scales, mini laboratory equipment, communications, computers and other office equipment, standby power generator and miscellaneous machinery and equipment.

2.6.4. Motor Vehicles

5 heavy Box body trucks will purchased in the first of production whereas truck will be purchased at a price of 65,217.39US$ each totaling to 326,086.96US$, and 10 Light Vehicles Lorries for indoor distribution at a price of 21,391.30US$ will added for smoothening distribution. Total cost for all type of truck is estimated to 543,478.26US$.

2.6.5. Furniture & Fittings and computers

This cost item includes the purchase of various office furniture: tables, chairs cabinets, safes, telecommunication gadgets, firefighting equipment, air conditioners etc. A budget of 4,347.83US$ will be allocated from general administration budget for furniture fittings and computer accessories. The total budget for furniture and fittings is small due to nature of industry as few or minor requirement of furniture and fittings.

2.6.6. Pre-Operational Expenses

Under pre-operational expenses are considered costs like company formation, preliminary project studies, business plan preparation costs, licenses, permits and authorization, including processing of TIC Certificate of Incentives, and legal fees, travelling expenses, initial recruitment and training expenses, and interest accrued during project construction period. Budget allocated for this is 60,000US$

2.6.7. Initial Working Capital

This item will mainly cover initial imports of raw materials estimated to last for the first three months of operations. Otherwise, raw materials will generally be maintained at one month's stock and debtors at one month's sales volume constitute the biggest portion of current assets. Trade credits will be 15 days for the items listed. The initial working capital allocated budget is 10,869.57US$.

2.6.8. Project Capital Investment Summary

INVESTMENT SUMMARY	
Fixed Assets	
A. Land and Buildings	
Land rent @2500 US$	30,000.00
B. Moto vehicles	
5 Heavy Vehicles 32MT @65,217.39	326,086.96
10 Light Vehicle Lorries @21,739.13	217,391.30
Subtotal - Moto vehicles	**543,478.26**
C. Machineries and Equipments	
Complete set Plastic production line	165,217.18
Complete set of beverage production line	232,609.52
Laboratory + equipments	19,565.22
Generator	108,695.00
Flight charges	18,782.65
Sub Total Machineries	**544,869.57**
D. Furniture and fittings	4,347.83
E. Contiguous/others	65,217.39
Sub total Fixed Assets	**108,565.22**
Total Fixed asset	**1,187,913.05**
Current Asset	
F. Pre operational expenses	10,869.57
G. Initial working capital	65,217.39
Sub total current Assets	**76,086.96**
Total Investment	**1,264,000.01**
Equity + Loan	
Equity 100%	**1,264,000.01**
Loan 0%	**-**
Total Equity	**1,264,000.01**

2.6.9.Project Financing

The project costs, including fixed costs (machinery, equipment, building renovations, motor vehicles, office furniture and equipment and pre-operation expenses will be financed by shareholders own resources 100%. Working capital requirements will be financed by shareholder or seeking short term bank financing

in form of overdraft facility. The project promoters are planning to finance project cost in the following pattern:

2.6.10. Project Implementation

Full implementation of the project is planned to take place by early December 2021. Machineries and motor vehicles will be imported immediately while construction/renovation works are in process.

2.6.11. Explanatory Notes

The production capacity of the plant is based on 300 working days excluding Holidays and Sunday. The factory runs per day with a maximum of 26.7MT and 16MT of plastic and beverage respectively per day. Capacity utilization of the plant is 60% - 75%. The proposed project is a complete set of modern technology with output capacity of 1,666KG of plastic per Hours and beverage 1,000KG per hours.. All machines are from well known Asia brands (India/China), after being over hauled, run 20-25 years.

2.6.12.Auxiliary Materials/ services

Falling under this category is plastic packing for bran, lubricants, grease and other miscellaneous items.

Utilities and service facilities that will need to be provided in this plant are as follows:

(i) Workshop
(ii) Electric power
(iii) Water supply
(iv) Miscellaneous facilities {Canteen; First Aid Kit, Storage and transport and Office Facilities}

(i) Workshop

It is necessary to make provision for a small workshop in the plant premises so that certain maintenance operations could be carried out following sudden breakdowns and major routine matters.

The facility will comprise of necessary machines like small centre lathe, drilling machine, welding set, soldering and gas-cutting equipment including complete electrical kit to take care of necessary electrical maintenance as well as to replace worn-out parts and periodic oil and greases needs for the plant. Equipment provision has been restricted to the minimum.

(ii) Electric Power and Generator

The proposed site will be supplied with industrial production 3-phase standard power supply from Tanzania Electric Supply Company (TANESCO), the electricity is available through the National Grid Line from Shinyanga to Mara Region. There also a thermal power plant located at Nyakato Industrial area known as 60MW power plant that save as alternative two for power supply from government agency. As part of an alternative power supply, the company is already install a heavy duty 500KVA power generator automated generator that will be connected to the plant and premises for standby power supply costing to 108,695US$
The Snow Industries (E.A) Limited will install an online UPS system that secures clean and uninterrupted power free of surges, brownouts, fluctuations and other power problems. The client manufactures PP non-woven fabrics in a high-temperature, high-pressure environment, in which electricity interruptions cause economic and material losses. The total cost of generator not included to business plan as it's already in place.

(iii) Water Supply

Apart from the needs of electric power, water is also required for the actual process and other social needs. The proposed site has close to MWAUWASA water network, the agency is major supplier of water to urban and peri urban area in the city. While depending on water supply from MWAUWASA, the main line is close to the proposed industry from Mwanza city to Nyakato area. The main line from this source will be tapped and let to the land site and water collected in an overhead reservoir provided at the top of the building of the plant. Adequate provision has been made in the project cost for the overhead tank and supply and laying of pipelines etc.

(iv) Miscellaneous Facilities e.g. First Aid Kit, Storage and Transport, Office Facilities etc

- Provision has been made in the project costs for necessary facilities for external telephones and fire alarm system;
- Sickness and ill-health are recognized to be among the cause of absenteeism and low morale leading to decreased production, increased waste and bad employee-management relations. Therefore, necessary provision has been made for the canteen and first aid facilities in case of accidents, sudden sickness etc.
- Storage and transport needs of the plant have been duly recognized and been attempted mostly manual. Regarding transport, five (5) trucks with a capacity of 32 MT will be

purchased and other 10 heavy trucks will be purchased and some will be hired for plastic and beverage distribution

- Necessary provision for furniture and office equipment has been made in the Capital Cost estimates.
- Provision has also been made for the various types of weighing equipment in various sections for material-handling equipment etc.

2.6.13..Warehousing and distribution

Snow Industries (E.A) Limited's warehousing service is ready to meet 24/7/365 with produced plastic products and raw materials imported. The efficiency of on-site combined with focal lift is already accommodated all needs and reduce supply chain costs. The industry uses electronics inventory management system means will ready for the efficiently movements of goods to next level.
The industry will use quick dispatch for fast distribution of final products and packed by manual means or by semi-automatic machines. The industry will take Extra care is therefore taken to make it hygienic so that the products do not get spoiled during storage.

2.6.14.Waste management for industry

In order to create a sustainable society, it is necessary to develop effective utilization of all sorts of wastes. One of the major wastes from our living is fiber wastes. Fiber wastes are generally divided to nonindustrial (organic chemicals) and industrial wastes (inorganic Chemicals)
In his strategic management for a Snow Industries (E.A) Limited; the industry has to move from an understanding of improvement at all costs to an understanding of continuous and balanced improvement once established. In modern times, environmental protection is being implemented not because it is enforced law, but as an administrative philosophy.
Rapid degradation in environmental conditions has changed at attitude of industrial managers toward ecological environment and had them consider ecology a significant factor while taking decisions related to industrial management. Parameters responsible for environmental pollution include chemicals discharged into air, water and soil as well as energy pollution all these will taken into consideration of the proposed project.

Noise pollution caused by poorly planned settlement programs is also included in this plan. Furthermore, safety and health of those working in production will be also taken into account by installing modern machines free from noise pollution.

3.0. MANPOWER REQUIREMENT - SALARY PROJECTION

3.1. Employment

The whole process of production lines is looking at providing direct employment to at least 21 permanent jobs on full implementation and operation of the project. The industry is divided into 2 Departments; Corporate (2), Production (34), Marketing & sales, finance and administration department are already in place.

3.2. Recruitment

Recruitment of the 34 persons will be carried out by giving first preference to ex-technician from our local technical institutes such as Vocation Education Training Authority "VETA" and employees of Plastic and beverage factories in Tanzania, based on demonstration of skills and aptitude basis and their willingness to work for Snow Industries (E.A) Limited.Careful methodology is being worked out by a competent management consultant who will set the job descriptions. To ensure that the right calibre is recruited. Recruitment of expatriate personnel will be carried out in consultation with the relevant authorities in Government and the collaborating agencies.

3.3. Training and the use of Consultants

The Company plans to initially carry out on the job training for most of the technical staff to be dispatched to the project site by the suppliers of the plant which will be specified under sales agreement. In general the company will ensure that employees acquire new skills and procedures to increase their productivity fourfold. Educational materials will be subsidized or paid for to motivate the workers to develop themselves.

Whereas the company will endeavor to obtain the best talents to fill the permanent posts in the organization, it is intended where necessary, to continue with the policy of hiring out some specialized skills by way of consultants. Alternatively, those skills not required throughout the year will be left to consultants. These include legal counsels, systems and management consultants. To ensure efficient and scientific management, operational manuals will be prepared for the core functions of the company.

3.4. Organization and Management

The project will be managed by qualified professionals given the vast experience that the promoters have acquired over years in running and managing similar businesses. The Board of Directors formulates policy and offer strategic business guidance to management and regularly monitor and evaluate performance of the company.
All the production line will be under the administrator under which the day to day leader/management of production line will be vested in the management team headed by a Administrator. The Administrator is to be assisted by qualified and experienced personnel.

Table 3.1. Proposed organization and manpower requirement for the plant is as follows:

S/NO.	CATEGORY	NOs	MONTHLY SALARY (US$)	TOTAL ANNUAL SALARY (US$)
CORPORATE OFFICE				
1	Administrators	1	600	7,200
2	Drivers	1	180	2,160
SUB TOTAL		**2**	**600**	**9,360**
PRODUCTION DEPARTMENT				
2	Production Manager	1	350	4,200
3	Operators	4	240	11,520
4	Helpers		180	0
5	supervisor- Plastic Factory	2	280	6,720
6	supervisor- Beverage Factory	2	280	6,720
7	Driver trucks	10	180	21,600
8	Hired labors	15	100	18,000
SUB TOTAL		**34**	**1,610**	**68,760**
GRAND TOTAL		**35**	**2,210**	**78,120**

4.0. FINANCIAL ANALYSIS

4.1. Production, Revenue and project viability

- The estimated revenue gain in selling plastic and beverage annually 1,224,953US$ in the first year of production whereas plastic will contribute 680,529US$ and beverage will contribute 544,423US$ excluding Value Added Tax.
- Net profit before tax is 774,923US$, second year earning is 821,740US$, which show the profit is increasing,
- Net profit after tax is 473,923US$, second year earning is 503,141US$, which show the profit is increasing,
- Gross sales contribution in the first year of production is 66% which increases tremendously in the second years up to 5 year
- The expected sales increase annually is 5% while increase production cost is 3% which depends on inflation rate of the country, for Victoria Poly bags Limited,
- Total investment cost of the project is 1,264,000US$ whereas the own equity is 1007% and loan-able amount ZERO, project current assets for the first year is 482,339US$, fixed asset 1,187,913US$, Project liquidity is 774,021US$
- The end balance of project in cash flow statement is positive and increases tremendous.
- Testing the project viability is positive whereas IRR is positive 15.02%, and payback period of project is within 3 years. The Discounted Cash flow yields an Internal Rate of Return (IRR) of which is well above the assumed cost of capital.
- The end balance of project in cash flow statement is positive and increases tremendous.
- Cash generated from operation and net cash from operational activities increases positively of project (see cash flow sheet)
- Return on Investment is anticipated to 37.5% which is above normal bank interest rate, which show in case promoter will borrow a commercial loan the project will recover bank loan within project economic life - see balance sheet,
- Depreciation of fixed assets and amortization of the pre-operational expenses rates used are as follows: land 5%, Civil Works/ Structures/Buildings 5.00% on straight line basis, Plant Machinery & Technical Equipment 12.50% on straight line basis, Motor Vehicles. 20.00% on straight line basis. The business plan use 12.5% as depreciation factors. Depreciation is amounted to 67,727US$
- Salaries and Wages have been based on the prevailing scales in the industry. There is provision of 20% to cover company contribution to

NSSSF (10%) and other social welfare (10%). Included to the total amount (see Income statement)

- Corporate Tax is fixed at 30% of taxable profits. The project is able to pay tax hence increase government revenue via GDP by 232,371US$
- The business plan has an assumption all capital investment will be recovered within 3 years for 5 year projected economic life,

5.0.RISK ANALYSIS

5.1.Risk Analysis

Risk is the probability that an event or action will adversely affect the organization. Risk assessment is the identification and analysis of risks associated with the achievement of operations, financial reporting and compliance goals and objectives. Risk management is a central part of the Snow Industries (E.A) Limited. The Industry's management will determine the level of operations, financial and compliance risk they are willing to assume. Risk assessment is one of the Company's management responsibilities.

5.2.Macroeconomic risk analysis

Since early 1986, the Government of Tanzania has launched a comprehensive economic policy and stabilization plan with the aim to enhance the amount of infrastructure construction and improve the lives of the poor. During this time the main economic indicators significantly improved. However, uneven development of various region in the country, lack of relevant infrastructure in transportation, telecommunications, networking, health facilities, electricity and water supplies have proven to be investment barriers. Overall, Tanzania has a weak economic foundation but the project can achieve a greater impact in attaining social and economic goals for the country.

5.3.Finance risk analysis

a) **Supply Risk:** The risk in Primary production relates to supply of raw material, transportation and price fluctuations. There is no assurance of enough supply of raw materials in the local market instead mostly of raw materials are imported.

b) **Processing Risks:** The technology, machines and equipment used in nonwoven fabrics bags are in rudimentary stages all of which contribute to reducing production efficiency. Also quality/food safety and standards consideration in the production environment is limited. In nonwoven fabrics facilities operation know-how is very low as there are notarized laborers.

c) **Sales/market risk:** Placing value added products on the consumer markets bears risk of demand fluctuations and rejections through retailers.

Furthermore, consumers are not aware of the nonwoven fabrics quality and safety criteria and are usually very price sensitive.

5.4. Other potential external risk

a) Lack of Governance: the governance mechanism in the value chain is underdeveloped, actors operate in an uncoordinated and unorganized fashion, and if rules exist they are often ignored;

b) Lack of market coordination: No lead organization has a coordinating role in relation to markets, technology and information such that producers and processors have no incentives for improving neither their product nor the chain process to promote sustainable income earning opportunities;

c) Unclear and conflicting roles regulatory authorities: Regulatory Agencies are responsible for quality control as well as enforcing TBS, NEMC etc, are regulatory role in issuing licensing etc

d) Industry associations: Associations are weak at all levels of the chain;

e) Operating procedures: Standard procedures are inadequately enforced, or not enforced at all, because of relaxed production and trade regulations; and

f) Integration: there is little vertical integration of importers, mid chain actors and processors.

5.4. Mitigating potential risk

The development of a large and complex project such as Snow Industries (E.A) Limited is necessarily accompanied by multiple risks during all the phases of the project development, construction, operation and maintenance. The right approach to manage the project in a manner which is fairly and adequately address the multiple risks in a comprehensive as well as systematic manner is to use the risk analysis and management methodology which identifies the risk issues and their instrumental cause. In this regard, the risk is eliminated or effectively managed by the party best suited with capacity to handle or deal with the risk factors.

6.0. PROJECT SWOC ANALYSIS

The SWOC (Strengths, Weaknesses, Opportunities and Challenges) analysis provides a quantitative and qualitative review of internal strengths and weaknesses and their relationship with external challenges and opportunities. The results of the analysis provide a basis for determining the project future goals and for identifying strategies and initiatives that would be required to develop the project. The matrix below summarizes the project strengths, weaknesses, opportunities and threats.

Table 6.1: SWOC Analysis – Snow Industries (EA) Limited

SWOC ANALYSIS	
Strengths	**Weaknesses**
(a) Close proximity market and SME, (b) Preferential operational and incentives scheme enshrined in the TIC law (c) Political will, the government's legal and policy framework support development of the project	i) Skilled labour to run factory, ii) Inadequate electric power, iii) Lack of working tools and machinery iv) Inadequate ICT system in place thus hindering effective and efficient service delivery. v) Weak collaboration/facilitative links with TRA,TPA,TANESCO and other Government departments which may create bottlenecks in investor facilitation;
Opportunities	**Challenges**
(a) Strategic location of Tanzania which is a hub for international business (b) Existence of preferential markets (c) e.g. EU, COMESA, EAC, USA; and Regional markets like EAC,SADC and COMESA (d) Political and macroeconomic stability of the country (e) Goodwill and support from the **(f)** Government and the parent ministry;	i) High cost of doing business due to inefficiencies in the infrastructure system e.g. electricity, roads and air; ii) Lack of industrial linkages between research institutions and investors; iii) Government activities not fully coordinated and lack of appreciation of the TIC programs by other arms of the Government iv) Regional competition from other countries investment and markets.

7. ECONOMIC AND SOCIAL ASPECTS

The project is also likely to have a positive impact on the economy of Lake Zone regions and Tanzania as a whole by creating employment, and contributing to Government revenues through various taxes, which will be paid. It also has potential for substantial exporting to foreign markets especially to neighboring countries in the Great Lakes Region. In summary the following table will show impact investment index framework

7.1.Impact Investment Index Framework

Impact Investment Index		
Frame Work for SNOW INDUSTRIES (E.A) LIMITED		
Performance Area	**Quantitative Indicator**	**Remarks**
Investment Capital	Total investment capital, CAPEX and OPEX US$ 1,264,000US$	Substantial amount of capital invested into the domestic economy.
Export Earnings	Indicative Annual sales of 100% earnings of 1,224,953US$ out of annual average collection	Increased foreign earnings.
Job requirements	Job creation after plant in operation 2020-2021. DIRECT TANZANIAN JOBS 21 local employed, 15 will be hired	• Reasonable number of direct job created to local Tanzanians with direct impact on poverty reduction through enhanced income generation; and • Improving skills development for Industrial production
Technology applied	High Tech Environmentally friendly machinery	• Enhancing technological transfer;

		and • Applied technology which is free from environmental pollution,
Other Implied Project Benefits		
▪ Increased sales to the Utility Companies providing services of electricity, water and sewerage, telecommunications; ▪ Increased business transacted by local banks and institutions providing financial services; ▪ Business opportunities for local entrepreneurs in market distribution channels, ▪ Business opportunities to contractors and sub-contractors during the minor construction phase; ▪ Increased regional intra-trade and international trade due to better infrastructure facility and links to markets; ▪ Increase of technology transfer & expertise to local employed staff, ▪ Capital spends in local economy over 1.264US$ Millions and ▪ Contribution to GDP growth through increased economic activities		

Based on the Impact Investment Index analysis, the company can develop projections that the project can deliver both value for money in the context of broad socioeconomic impact and return on investment while complying with governance requirements. In this regard therefore, **Snow Industries (E.A) Limited** will promote the industrialization process in the country, create employment, attract new technologies, expand foreign exchange earnings and ultimately contribute substantially to the country's economic growth.

8.0. FINANCIAL MODELLING AND ANALYSIS

The Financial Modelling and analysis, is the main source of information for assessing the potential financial viability of the Snow Industries (E.A) Limited. The analysis is based on the assumptions that have been taken for the implementation of the site development, demand and the associated potential investment requirements for a 5 year time period. The purpose of establishing integrated plant is to speed up the country´s economic development by being a catalyst for restructuring the existing local plastic and beverage industrial set up and attracting new, both foreign and domestic entrepreneurs to a liberalized legal business framework.

8.1. Project investment inputs

Expected quantities for production		
Sales projection	**Description**	**US$**
Working days per month	25.00	
Annual working days	300.00	
Hours for production per day	16.00	
Number of Machines for plastic Molding	1.00	
Number of Machines for Beverage	1.00	
Annual Total production for Machines per day in KG Plastic molding 16 Hours	8,000,000.00	
Annual Total production for Machines per day in beverage bottles 16 Hours	4,800,000.00	
Price per Unit plastic 200ML	0.65US$	
price of beverage per 200ML	0.87US$	
	TZS	US$
Total sales annually plastic products	**1,565,217,391.30**	**680,529**
Total sales annually Beverage products	**1,252,173,913.04**	**544,423**
Sales in US$		**1,224,953**

8.2. Objective and Scope of Financial Model

8.2.1. Objective

The main objective of the financial modelling and analysis is to setup a financial model framework for potential generated revenues and operational & maintenance costs for the full operation of Snow Industries (E.A) Limited based on the assumptions taken for the Market Analysis, the plan for the facility development, unit production costs and other overhead and operational charges.

8.2.2. Scope

The scope consists of a financial model that will be used to analyse the potential financial viability of the project based on the assumptions taken for the concept and scope of the integrated processing factory on the Market Analysis. The financial model has been developed in excel spread sheet and include information on costs, expenses and the subsequent sales revenue based on the average market prices and linked to the financial cash flow.

ANNEX I – INCOME STATEMENT

(ALL NUMBERS IN US$)

REVENUE

	YEAR 0	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
REVENUE PLASTIC	-	680,529	714,556	750,284	787,798	827,188	3,760,354
REVENUE BEVERAGE	-	544,423	571,645	600,227	630,238	661,750	3,008,283
TOTAL OPERATING REVENUE	-	1,224,953	1,286,200	1,350,510	1,418,036	1,488,938	6,768,637

EXPENSES

	YEAR 0	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
SALARIES		78,120	80,464	82,878	85,364	87,925	414,750
SOCIAL CHARGES & PENSION PAYMENTS		15,624	16,093	16,576	17,073	17,585	82,950
PURCHASE OF RAW MATERIALS		152,174	156,739	161,441	166,285	171,273	807,912
FUEL AND LUBRICANTS		29,325	30,204	31,110	32,044	33,005	155,688
ELECTRICITY AND WATER (UTILITIES)		26,087	26,870	28,213	29,624	31,105	141,898
FACTORY OVERHEAD COST		141,292	145,531	149,897	154,394	159,026	750,139
INSUARANCE/LICENSING/OTHER CHARGES		5,702	5,873	6,049	6,230	6,417	30,271
OTHER COSTS		2,609	2,687	2,768	2,851	2,936	13,850
TOTAL OPERATING COSTS		450,932	464,460	478,931	493,863	509,272	2,397,458
OPERATIONAL NET EARNINGS BEFORE DEPRECIATION, INTEREST & TAX		774,021	821,740	871,579	924,173	979,666	4,371,179
%AGE GROSS CONTRIBUTION		*63*	*64*	*65*	*65*	*66*	*1*
DEPRECIATION AT 12.5%		67,727	71,902	76,263	80,865	85,721	393,406
NET EARNINGS BEFORE TAX & INTEREST		706,294	749,838	795,316	843,307	893,945	3,977,773
INTEREST PAID (BANK LOAN)		-	-	-	-	-	-
TAX (30%)		232,371	246,697	261,659	277,448	294,108	1,312,283
NET EARNINGS		473,923	503,141	533,657	565,859	599,837	2,676,418

ANNEX II CASH FLOW

(ALL NUMBERS IN US$)	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
CASH FLOW FROM OPERATING ACTIVITIES					
CASH RECEIPTS FROM SALES	1,224,953	1,286,200	1,350,510	1,418,036	1,488,938
CASH PAID TO SUPPLIERS AND EMPLOYEES	(450,932)	(464,460)	(478,931)	(493,863)	(509,272)
CASH GENERATED FROM OPERATIONS	774,021	510,455	673,837	813,021	948,505
DIVIDENDS RECEIVED*	0	0	0	0	0
INTEREST RECEIVED	0	0	0	0	0
INTEREST PAID	0	0	0	0	0
TAX PAID	(232,371)	(246,697)	(261,659)	(277,448)	(294,108)
NET CASH FLOW FROM OPERATING ACTIVITIES	**541,650**	**263,758**	**412,178**	**535,573**	**654,397**
CASH FLOW FROM INVESTING ACTIVITIES					
REPLACEMENT OF EQUIPMENT	0	0	*0*	0	*0*
PROCEEDS** FROM SALE OF EQUIPMENT	0	0	*0*	0	0
NET CASH FLOW FROM INVESTING ACTIVITIES	**0**	**0**	**0**	**0**	**0**
CASH FLOW FROM FINANCING ACTIVITIES					
PROCEEDS FROM CAPITAL CONTRIBUTED	1,264,000	0	0	0	0
PROCEEDS FROM LOAN	0	0	0	0	0
PAYMENT OF LOAN	0	0	0	0	0
NET CASH FLOW FROM FINANCING ACTIVITIES	**1,264,000**	**0**	**0**	**0**	**0**
NET INCREASE/ DECREASE IN CASH	**1,805,650**	**263,758**	**412,178**	**535,573**	**654,397**
CASH AT THE BEGINNING OF THE PERIOD	473,923	503,141	533,657	565,859	599,837
CASH AT THE END OF THE PERIOD	**2,279,573**	**766,900**	**945,835**	**1,101,432**	**1,254,234**

ANNEX III BALANCE SHEET

(all numbers in US$)	Year 1	Year 2	Year 3	Year 4	Year 5
ASSET					
Current asset	473,923	503,141	533,657	565,859	599,837
Fixed asset	1,187,913	1,045,363	919,920	809,529	712,386
Liquidity	774,021	510,455	673,837	813,021	948,505
TOTAL ASSET	2,435,857	2,058,960	2,127,414	2,188,410	2,260,728
NET ASSET MINUS DEPRECIATION	**2,368,130**	**1,987,058**	**2,051,151**	**2,107,545**	**2,175,007**
EQUITY & LIABILITIES					
Equity	1,264,000	1,297,370	1,412,368	1,537,561	1,673,850
Reserves					
Total Own Equity	**1,264,000**	**1,297,370**	**1,412,368**	**1,537,561**	**1,673,850**
Provisions	804,033	371,089	300,860	211,671	121,328
Long term loan	0	0	0	0	0
Short term Liabilities	300,098	318,599	337,922	358,313	379,829
Total Equity & Liabilities	**2,368,130**	**1,987,058**	**2,051,151**	**2,107,545**	**2,175,007**
CL/CA	0.63	0.63	0.63	0.63	0.63
DEBIT/CAPITAL RATIOS	0.47	0.35	0.31	0.27	0.23
ROI	37.5	38.8	37.8	36.8	35.8
BREAK EVEN POINT	1.53	1.27	1.06	0.88	0.73
BREAK EVEN RATIO	0.97	0.95	0.94	0.92	0.91
EQUITY/TOTAL LIABILITIES	53	65	69	73	77

ANNEX IV – INTERNAL RATE OF RETURN

(all numbers in US$)

	Initial Investment	-1,264,000
Year 1	Additional Annual Net Profit	473,923
Year 2	Additional Annual Net Profit	503,141
Year 3	Additional Annual Net Profit	533,657
Year 4	Additional Annual Net Profit	565,859
Year 5	Additional Annual Net Profit	599,837
	IRR (in 5 years)	**15.02%**

The IRR above indicates that the expected return on the US$1,264,000 initial investment after 5 years is 15.02%.

ANNEX V – PAYBACK PERIOD

Payback Period Analysis

	Year	Beginning Balance	Net Cash Flows	Ending Balance
Cost of investment	0.00	1,264,000.0	0.00	1,264,000.0
	1.00	1,264,000.0	473,923.22	790,076.79
	2.00	790,076.79	503,141.38	286,935.40
	3.00	286,935.40	533,657.08	246,721.67
	4.00	246,721.67	565,859.31	812,580.98
	5.00	812,580.98	599,837.24	1,412,418.22

Payback Period =	**3.00**	**Years**

8.0. CONCLUDING REMARKS AND WAY FORWARD

8.1. Evidence of project viability based on financial model and policy framework support

On the basis of all the analysis done on this Business Plan on all aspects of assessment on both SWOC Analysis, market analysis, risk analysis and the financial analysis, the proposed investment options in the meat processing plant as prescribed on this business plan have shown that the project is commercially viable. Nonetheless, Snow Industries (E.A) Limited through professional consultative manner, will continue to find ways of implementing cost effective options given time and financial resources that will be made available. Financial analysis results show that when the construction of integrated plant facility is financed 100% by shareholders it gives an IRR of about 15.02%. The computed IRR is well above Dollar market of the annual loan interest rate of (8.00%) which is technically interpreted that the project is financially viable. The payback period for the project is estimated at 3 years, which is within the range for this type of investment. Sensitivity analysis results also favor the project. Financial analysis for the project has shown feasible returns. Based on the investment scope and the assumptions taken in this Business Plan, the project will not face any difficulties during establishment, according to the projected cash flow be in a position to accomplish repayment of the loan and start generating profit.

8.2. Policy Framework Support

The development of the Snow Industries (E.A) Limited is designed to tape advantages of the current Tanzanian market-oriented reforms. The Project will be developed and established to accelerate the industrialization process. The vision 2025 emphasizes the importance of the allocation of public funds for strategic investments and private sector financing for development investments.

The 15 years Perspective Plan (2015-2025); Priotize private investment in the context of Public Private Partnership. The First Five Years Development Plan (2020-2025) recognizes the fundamental role of the private sector in enabling the government to

allocate its fund to strategic projects to facilitate a higher level of development. MKUKUTA II (2020-2025) identifies Public Private Partnership as a means of increasing the level of stakeholder participation and of easing the financial burden on the government. It should be noted that existing public resources are clearly insufficient to meet Tanzanian's huge development needs. The increased use of private enterprises participation in development projects can help alleviate the financing gap. This approach is now applied by Snow Industries (E.A) Limited to ensure development of one among the ultra-integrated plant to be developed in Nyamagana, Mwanza Region. Private sector and investment have been recognized as the most significant potential source of additional funding required to facilitate development projects.

8.3. Conclusive Remarks and Way Forward

The development of this integrated plant will be funded by private finances. The company acting through its various shareholders and structures will provide the initial risk capital amounting to 1,264,000 US$, the whole amount will be raised from shareholders. The company will fund the development of the project minor rehabilitations of factory building, business offices, bulk storage facilities and purchasing machines as stated on this business plan. Before the Company engages into the development of this project as a private enterprise, it needs to accomplish the pre development activities to make way for the development of the designated project. The company has to accomplish the following;

a) Apply for TIC certificate

The company by using this Business Plan and other required supporting documents should apply for the TIC Certificate at Tanzania investment centre or Mwanza zonal Office. with this certificate, the company will be able to access tax reliefs which to a large extent will help to in reducing project costs, particularly in the purchasing of machineries and minor building of area of proposed industrial area.

b) Conduct Environmental Impact Assessment.

The company has to engage a consultant to conduct EIA in order to ensure that environmental and possibly other sustainability aspects are considered effectively in policy, plan and project development. The EIA Directive aims at introducing systematic assessment of the environmental effects of strategic land use related plans and programs. It typically applies to regional and local, development, waste and transport plans, within the country. EIA ensures that plans and programs take into consideration the environmental effects they cause.

c) Minor rehabilitation to suit integrated Industrial requirement

The company should engage a firm to make minor rehabilitation of existing structure that will suit integrated manufacturing requirements. The structure should include all vital service facilities described in this business plan. When possible, the process of design of the facility should be consultative insomuch that it should allow and incorporate ideas from experienced professionals from the industry.

d) Mobilizing Funds

As previously discussed on the Financial Analysis of this business plan, financing mechanism for the integrated plant should be scrutinized well before commencing the project implementation. There may be several options of financing the project development but the company will find the best option. The investment team should do consultation with relevant financial institutions (Banks and non-bank Financial Institutions), both within and outside the country. This exercise should be more effective if the team works closely with central government agencies, particularly TIC and the Ministry of Industry & Trade and Ministry of Investment.