

BUSINESS PLAN FOR CDICD GROUP LIMITED
GRANITE MINING AND MANUFACTURING PROJECT

1. EXECUTIVE SUMMARY

CDICD Group Limited is a Tanzanian registered, foreign owned private company incorporated on June 14, 2021, under the Companies Act 2002 (Certificate No. 152275471). With a broad mandate spanning mining and manufacturing, the company has secured Mining Licence No. ML 687/2023 for granite extraction in Dabalo, Chamwino District, Dodoma Region. This business plan outlines a strategic initiative to establish a fully integrated granite mining and manufacturing operation, targeting an initial production capacity of 5,000 tonnes annually of processed granite products—slabs, tiles, and aggregates—for domestic construction markets and export to East Africa, the Middle East, and Asia.

The project is backed by an initial investment of \$570,000 in foreign equity, with plans to secure an additional \$160,000 through a short term loan to cover startup costs totaling \$730,000. Operations will leverage Tanzania’s abundant granite reserves, proximity to export hubs like Dar es Salaam Port, and incentives from the Tanzania Investment Centre (TIC), including tax holidays and duty exemptions. The venture will employ 14 staff in its first year (5 local, 9 foreign), with a goal to scale to 30 employees by Year 3, alongside creating indirect opportunities for local communities.

Our mission is to deliver premium quality granite products while adhering to sustainable mining practices, contributing to Tanzania’s Vision 2025 industrialization goals, and enhancing foreign exchange earnings. By Year 3, we aim to achieve \$2 million in annual revenue with a 30% profit margin, capturing a niche in the growing global granite market, valued at \$15 billion in 2024. This plan details the market opportunity, operational framework, financial projections, risk management strategies, and a longterm vision for growth, positioning CDICD as a leader in Tanzania’s natural stone sector.

2. COMPANY DESCRIPTION

CDICD Group Limited is a private company limited by shares, registered in Dar es Salaam, Tanzania, with its operational hub in Dodoma Region. Established under the Companies Act 2002, the company's Memorandum of Association outlines an extensive scope of activities, including mining of minerals (e.g., iron ores, coal, granite, petroleum) and manufacturing of nonmetallic mineral products (e.g., glass, cement, stone cutting). This business plan narrows its focus to granite mining and processing, as authorized under Mining Licence ML 687/2023 and supported by a TIC Certificate of Incentives application (TIC20255251328).

Legal Structure

Incorporation: June 14, 2021 (No. 152275471).

Registered Office: Dar es Salaam, Tanzania Mainland (P.O. Box 31998).

Share Capital: TZS 600,000,000, divided into 1,000 ordinary shares of TZS 600,000 each.

Shareholders:

Chenfeng Tian (800 shares, 80%) – Principal investor and director.

Wentao Tian (170 shares, 17%) – Cofounder with operational oversight.

Qiang Liu (10 shares, 1%) – Technical advisor.

Xu Tian (10 shares, 1%) – Financial strategist.

Shupeng Li (10 shares, 1%) – Logistics coordinator.

Directors: Chenfeng Tian and Qiang Liu initially, with provisions for up to seven directors as per the Articles of Association.

Ownership Type: Foreign owned, with all shareholders based in Tianjin, People's Republic of China.

Objectives

Extract and process 5,000 tonnes of granite annually by Year 2, scaling to 10,000 tonnes by Year 5.

Manufacture highvalue granite products (slabs, tiles, aggregates) for construction, infrastructure, and decorative applications.

Export 60% of production to regional (East Africa) and international markets (UAE, India, China) by Year 3.

Contribute to local economic development through job creation, skills training, and community investment.

Achieve operational sustainability through efficient resource use and environmental compliance.

Vision and Mission

Vision: To be East Africa's premier supplier of processed granite, integrating cutting edge technology, sustainable practices, and market driven innovation.

Mission: Deliver durable, aesthetically superior granite products while fostering economic growth in Tanzania, enhancing shareholder value, and minimizing environmental impact.

Core Values

Quality: Rigorous standards in extraction, processing, and finishing.

Sustainability: Commitment to ecofriendly practices and community welfare.

Integrity: Transparent operations and ethical business conduct.

3. MARKET ANALYSIS

Industry Overview

The global granite market, valued at \$15 billion in 2024, is projected to grow at a CAGR of 4.5% through 2030, fueled by urbanization, infrastructure development, and a shift toward natural stone in design. Tanzania, with vast granite deposits in regions like Dodoma, extracts less than 5% of its potential capacity, exporting most as raw blocks. The East African construction sector, growing at 6% annually, and rising demand from Asia and the Middle East (e.g., UAE's \$100 billion construction pipeline) offer substantial opportunities. Locally, Tanzania's FYDP II emphasizes industrialization, creating a favorable policy environment.

Target Market

Domestic (40%):

Construction Firms: Mid to large developers in Dar es Salaam, Dodoma, and Arusha.

Real Estate: Residential and commercial projects needing slabs and tiles.

Retailers: Hardware stores for small scale buyers.

Export (60%):

Kenya and Uganda: Regional construction boom (20% of exports).

UAE: High end residential and hospitality sectors (20%).

India: Bulk buyers for infrastructure (15%).

China: Manufacturing and resale markets (5%).

Customer Profile: B2B clients (70%)—builders, contractors, distributors; B2C (30%)—retail and custom orders.

Competitive Analysis

Local Competitors: Small scale quarries in Dodoma and Morogoro—low output (5001,000 tonnes/year), inconsistent quality, limited processing.

International Competitors: Indian and Chinese exporters—higher costs (\$5070/tonne shipping), longer lead times.

Competitive Advantages:

Proximity to Dar es Salaam Port (400 km), reducing logistics costs.

TIC incentives (5year tax holiday, duty free equipment imports).

Vertical integration (mining to manufacturing) ensuring quality and cost control.

Challenges: Brand recognition, competition from established exporters.

Market Trends

Shift toward sustainable, locally sourced materials in construction.

Growth in modular and prefabricated building systems requiring precise stone cuts.

Increased demand for polished granite in luxury interiors (e.g., hotels, malls).

Policy support for mineral value addition under Tanzania's Mining Act.

Market Entry Strategy

Penetrate domestic market with competitive pricing and quality assurance.

Build export network via trade fairs and B2B partnerships, targeting highgrowth regions.

4. PRODUCTS AND SERVICES

Products

Granite Slabs: Polished, 23 cm thick, 1.8m x 3m standard size, for countertops, flooring, and cladding.

Granite Tiles: 30x30 cm, 60x60 cm, 10 mm thick, for residential and commercial flooring/walls.

Granite Aggregates: Crushed stone (1020 mm, 2040 mm), for road base, concrete, and landscaping.

Product Specifications

Quality: ASTM-compliant hardness (67 Mohs), low porosity, uniform grain.

Finishes: Polished, honed, flamed, or bushhammered based on client needs.

Colors: Predominantly gray, black, and pink granite from Dabalo deposits.

Services

Custom Cutting: Bespoke sizes/shapes for architectural projects.

Export Logistics: End-to-end service—packaging (wooden crates, bulk bags), freight forwarding, customs clearance.

Technical Support: Onsite installation guidance, product use manuals.

After-Sales: Quality guarantees (replacement for defects), customer feedback integration.

Production Process

1. Exploration: Geological mapping and core sampling to optimize quarry layout.
2. Extraction: Drilling (diamond wire), blasting (controlled charges), block cutting (gang saws).
3. Processing: Primary cutting (bridge saws), polishing (automated lines), edge finishing.
4. Quality Control: Dimensional accuracy, surface finish checks, load testing.
5. Packaging: Anti-scratch padding, weatherproof sealing, palletizing.

Unique Selling Proposition (USP)

Locally processed granite with global quality standards at 10-15% below import prices.

Full traceability from quarry to client, ensuring ethical and sustainable sourcing.

5. OPERATIONS PLAN

Location

Mining Site: Dabalo Ward, Chamwino District, Dodoma Region—unsurveyed plot near Dabalo landmark, rich in granite outcrops.

Processing Facility: Adjacent 5,000 sqm leased site, minimizing transport costs.

Logistics Hub: Staging area 10 km from site, linked to DodomaDar es Salaam highway.

Infrastructure Assessment

Infrastructure	Available	To Be Developed	Cost Estimate
Electricity	Grid (TANESCO)	Solar panels, generators	\$50,000
Water Supply	No	Borehole, storage tanks	\$20,000
Access Roads	Gravel	Grading, compaction	\$10,000
Processing Plant	No	Factory shed, utilities	\$200,000
ICT Connectivity	Mobile	Fiber optic, ERP system	\$15,000
Worker Housing	No	Temporary cabins	\$25,000

Equipment

Mining: Excavators (2, \$80,000 each), diamond wire drills (\$50,000), compressors (\$20,000).

Processing: Bridge saws (\$50,000), polishing lines (\$80,000), edge profilers (\$20,000).

Transport: Dump trucks (2, \$30,000 each), forklift (\$20,000).

Safety: PPE kits, dust suppression systems (\$10,000).

Workforce

Initial (Year 1): 14 employees.

Local: 4 men (miners, laborers), 1 woman (admin).

Foreign: 6 men (engineers, operators), 3 women (quality, logistics).

Year 3 Target: 30 employees (20 local, 10 foreign).

Roles: Quarry supervisor, machine technicians, drivers, sales reps, HR/bookkeeper.

Training: Monthly safety drills, equipment handling workshops, quality control seminars.

Licensing and Compliance

Mining Licence: ML 687/2023, transferred from Shija Nestory Shimba (2023), valid for 10 years.

TIC Incentives: Application submitted March 28, 2025—tax holiday, import duty relief pending approval.

Environmental: EIA scheduled for Q2 2025, dust and noise mitigation plans in development.

Operational Timeline

Q3 2025: Site preparation, equipment installation.

Q4 2025: Trial production (500 tonnes), staff onboarding.

Q1 2026: Full operations commence (2,000 tonnes/year).

6. MARKETING AND SALES STRATEGY

Branding

Positioning: “Tanzanian Granite – Durable, Local, World Class.”

Logo: Granite block with a stylized chisel and green horizon line.

Tagline: “Building Tomorrow with Tanzania’s Finest Stone.”

Marketing Channels

Digital: SEO optimized website (cdicdgroup.co.tz), LinkedIn for B2B, Alibaba/TradeIndia listings.

Trade Shows: East Africa Build Expo (Nairobi), Big 5 Global (Dubai), Tanzania Mining Expo.

Print: Ads in construction magazines (e.g., Construction Review), brochures at hardware stores.

Networking: Partnerships with Tanzania Chamber of Mines, EAC trade councils.

Sales Strategy

Pricing:

Aggregates: \$50/tonne (vs. \$60 import).

Tiles: \$200/m² (vs. \$230 import).

Slabs: \$300/m² (vs. \$350 import).

Contracts: 612 month supply agreements with developers, renewable annually.

Promotions: 15% inaugural discount, free 50 kg samples for bulk orders, referral bonuses.

Payment Terms: 30% advance, 70% on delivery; credit for repeat clients (net 30 days).

Export Plan

Markets:

Kenya/Uganda: 20%—construction firms via Mombasa/Kampala agents.

UAE: 20%—distributors for luxury projects via Jebel Ali Port.

India: 15%—bulk traders via Mumbai/Chennai.

China: 5%—resellers via Tianjin Port.

Logistics: Weekly shipments from Dar es Salaam Port, 20ft containers (25 tonnes each).

Certifications: ISO 9001 (quality), Fair Stone (ethical sourcing) targeted by Year 2.

Customer Engagement

Monthly newsletters with project showcases, product tips.

Annual client surveys to refine offerings.

24/7 hotline for order tracking, technical queries.

7. FINANCIAL PLAN

Startup Costs

Equipment: \$340,000 (mining, processing, transport).

Infrastructure: \$320,000 (plant, utilities, housing).

Working Capital: \$50,000 (fuel, wages, initial marketing).

Legal/Permits: \$20,000 (EIA, TIC fees, registration).

Total: \$730,000.

Funding

Foreign Equity: \$570,000 (committed by shareholders).

ShortTerm Loan: \$160,000 (5% interest, 3year term, repayable \$58,000/year).

Future Rounds: \$500,000 equity raise planned for Year 3 expansion.

Revenue Projections

Year 1: \$800,000 (2,000 tonnes at \$400/tonne average).

Domestic: \$320,000; Export: \$480,000.

Year 2: \$1.5 million (3,500 tonnes).

Domestic: \$600,000; Export: \$900,000.

Year 3: \$2 million (5,000 tonnes).

Domestic: \$800,000; Export: \$1.2 million.

Year 5: \$4 million (10,000 tonnes, new products).

Expenses

COGS: 50% (\$1 million in Year 3)—mining (\$0.20/kg), processing (\$0.15/kg), packaging (\$0.05/kg).

Operations: 15% (\$300,000)—labor (\$100,000), transport (\$120,000), utilities (\$80,000).

Marketing: 5% (\$100,000)—ads, trade shows, samples.

Admin: 5% (\$100,000)—office, legal, insurance.

Loan Repayment: \$58,000/year (Years 13).

Profit Margin: 2530% (\$600,000 in Year 3).

BreakEven Analysis

Fixed Costs: \$300,000/year (equipment depreciation, rent, admin).

Variable Costs: \$200/tonne.

BreakEven Volume: 2,500 tonnes (\$1 million sales, Year 2, Month 6).

Cash Flow

Year 1: Negative (\$50,000) due to setup costs.

Year 2: Positive \$300,000 as production scales.

Year 3: \$500,000 net cash flow.

8. Risk Analysis and Mitigation

Risks

Geological: Lower than expected granite yield or quality.

Operational: Equipment failure, labor shortages.

Market: Price drops due to oversupply, import competition.

Financial: TZS depreciation vs. USD, loan default risk.

Regulatory: Delays in TIC approval, stricter environmental rules.

Mitigation Strategies

Geological: Prelaunch survey (\$10,000), phased extraction to test veins.

Operational: Maintenance contracts, spare parts inventory, local recruitment drives.

Market: Diversified client base, premium pricing for niche finishes.

Financial: USD denominated export contracts, \$100,000 contingency fund.

Regulatory: Engage EIA consultant, proactive compliance audits.

SWOC Analysis

Strengths	Weaknesses	
TIC incentives	Limited local expertise	
Strategic location	Brand recognition gap	
Experienced foreign team	Initial funding shortfall	
Opportunities	Challenges	
Export market growth	Infrastructure delays	
Local construction boom	Currency volatility	
Policy support (Vision 2025)	High competition	

Contingency Plan

ShortTerm: Lease equipment if purchases delayed, cut marketing spend if cash tight.

LongTerm: Pivot to limestone or marble if granite underperforms, seek government grants.

9. Growth Strategy

ShortTerm (Years 12)

Establish reliable production at 5,000 tonnes.

Build domestic client base, secure first export deals.

Optimize processes for cost efficiency (target: \$180/tonne production cost).

MediumTerm (Years 34)

Scale to 7,500 tonnes, introduce countertop fabrication.

Expand export share to 70%, targeting new markets (e.g., Saudi Arabia).

Invest in branding—ISO certification, regional awards.

LongTerm (Year 5+)

Reach 10,000 tonnes, diversify into granite composites or recycled stone products.

Open satellite quarry in Morogoro, double workforce to 60.

Aim for \$5 million revenue, 35% margin.

Milestones

Q3 2025: Site setup complete, first 100 tonnes mined.

Q1 2026: 500 tonnes processed, first export shipment.

Q4 2026: 2,000 tonnes/year achieved, positive cash flow.

Q4 2027: 5,000 tonnes/year, \$2 million revenue.

10. SUSTAINABILITY AND COMMUNITY IMPACT

Environmental Sustainability

Dust Control: Wet suppression systems, tree buffers around quarry.

Water Management: Recycling process water, zero discharge goal.

Rehabilitation: Backfill mined areas, reforest 10 Ha by Year 5.

Social Responsibility

Employment: Prioritize local hires (target: 70% by Year 3), women in admin roles.

Training: Free workshops on mining safety, stone finishing (50 trainees/year).

Community: 2% profit to Dabalo projects—school repairs, water pumps (\$12,000/year by Year 3).

Economic Contributions

Local Spending: \$1 million annually on wages, services, utilities by Year 3.

Forex Earnings: \$1.2 million export revenue, boosting Tanzania's trade balance.

Tax Base: Postincentive VAT and payroll taxes (\$200,000/year by Year 5).

Monitoring and Reporting

Annual sustainability report with KPIs (e.g., water use, job creation).

Thirdparty audits for environmental compliance (Q4 2026 onward).