Global
INNOVATION TRADE

Business plan for a project to create a plant for the production of drinking water

June 2023.

CONTENTS

1 GENERAL INFORMATION ABOUT THE PROJECT

This business plan is designed to justify the feasibility of establishing a production of drinking water in Kamashi district, Kashkadarya region at the expense of the initiator's own funds and at the expense of credit funds of 220,000.0 USD. The business plan is designed to substantiate the feasibility of establishing a drinking water production facility in Kamashin district, Kashkadarya province using the initiator's own funds at the rate of 220,000.0 USD for the purchase of production equipment, for 48 months with an annual interest rate of 12% and a 12 month grace period.

Its production capacity is:

Name of produced products	Quantity at full power	
Mineral water 250 ml.	250 000,00	piece
Mineral water 330 ml.	250 000,00	piece
Mineral water 500 ml.	250 000,00	piece
Mineral water 700 ml.	450 000,00	piece
Mineral water 19 liters.	65 000,00	piece

To implement this project, the company needs to attract credit funds for the purchase of production equipment.

The main goal of this project is to create a production of packaged drinking water by attracting funds.

Project benefits: creation of high-quality drinking water production. The enterprise has a full start-up readiness for the organization of works.

The strategic goal of the enterprise within the framework of this project is to expand the volume of production and timely fulfillment of contractual obligations to partners, through the purchase of raw materials and materials (PET capsules) for the production of finished products - soft drinks and carbonated water.

The main prerequisites for the creation of the project:

- the presence of a large domestic consumer market and the onset of the peak consumption season;

- Availability of a researched and developed market;

- extensive management experience in the soft drink market;

- high start-up readiness of the existing production facilities, as well as the entire adjacent territory.

It is well known that water is the source of life.

For human life, water, along with air, occupies one of the most important places in maintaining life and health. A human being (as well as any living organism) consisting of more than 70% water can live without it for a very short time. All living things need water. animals, birds, plants, and even microorganisms. If there is no water, there will be no life on Earth; among other reasons, there will be no food, because plants will not grow and survive without water, agricultural animals and birds also need water vitally, not to mention the fact that fish live only in water. Thus, humans need water not only by itself, but also as a means for food production.

The project demonstrates a fairly high value of financial indicators and their low sensitivity to the identified risks. In this regard, the main project performance indicators are shown below:

According to the results of the study, the project showed cost-effectiveness and low sensitivity to the identified risks.

In developing the strategy of the enterprise, the initiators were guided by the analysis of the above documents, the fundamental principles of the strategic plan of the organization; the study of existing standards in Uzbekistan.

Based on the macroeconomic and financial results of the project, its high efficiency, it is believed that the project can be implemented in the current economic environment and in compliance with the baseline.

The calculations shown in the appendices to this Business Plan are made only in view of the planned activities, since the company will focus exclusively on these activities.

By this business plan held detailed detailed calculation economic feasibility of the project for the crediting period.

2. INITIAL PROJECT COST

The cost of the project investment, including working capital and initial financing costs, is **$314,410.00. THE COST** OF THE PROJECT, INCLUDING WORKING CAPITAL AND INITIAL FINANCING COSTS, IS $314,410.**00.**

	Initiator	Assumed Credit of the Bank	TOTAL
Construction and installation works	85 000,00	0,00	85 000,00
Purchased equipment	0,00	220 000,00	220 000,00
Total fixed assets	**85 000,00**	**220 000,00**	**305 000,00**
Working capital	6 000,00	0,00	6 000,00
Other financial costs, incl:	**1 210,00**	**0,00**	**1 210,00**
Collateral insurance by of the loan (0.1%) 4 years	1 100,00	0,00	13 045,49
Registration of the loan pledge agreement in notary (0.05%)	110,00	0,00	1 304,55
Unforeseen expenses / Reserve	**2 200,00**		**2 200,00**
Total project cost	**94 410,00**	**220 000,00**	**314 410,00**
Involvement of your own and borrowed capital	**30%**	**70%**	**100%**

3. MARKET AND THE CONCEPT OF MARKETING

3.1. Supply and Demand

3.1.1. Structure and characteristics of the market. Characteristics of products

Consumption of non-carbonated soft drinks is increasing. This has been especially noticeable in the last five years. In the coming decades mankind may face a serious crisis caused by a lack of drinking water. According to analysts, this crisis will be so serious that it could threaten human civilization itself.

Fresh water represents only 3% of total water resources, the proportion of readily available fresh water is only 2%. People already use about 54% of all available surface water runoff

usable, renewable fresh water). This figure is expected to increase to 70% by 2025. The world's population is growing by 85 million people each year. Per capita water consumption is also increasing, doubling every two decades. Industrial production, ecological pollution, deforestation and similar processes are reducing the amount of water available for drinking. Approximately 10% of all liquid waste ends up in rivers and lakes used for drinking water intake.

Drinking water has become a business. Analysts of the Fortune business magazine believe that profits of companies selling drinking water are already reaching 40% of those of oil companies, exceed the profitability of the pharmaceutical industry and now reach $1 trillion a year. At the same time only 5% of the world's water resources are now in private hands. Ten large corporations control the world market of drinking water. The largest of these are Vivendi Universal, Suez, Boyuguez Saur, RWE-Thames Water and Bechtel-United Utilities. World leaders Vivendi Universal and Suez (both French companies) deliver drinking water to more than 200 million consumers in 150 countries.

The bottled water industry is one of the fastest growing in the world. For example, more than 90 billion liters of bottled water will be sold worldwide in 2022. In order to deliver drinking water today, there are plans to build giant water pipelines, similar to oil pipelines. One such project involves transferring drinking water from Canada to Mexico and the southern US states. The global market of bottled drinking water today is one of the fastest growing. For example, its growth rate in the last 4 years is kept at 20%, and the volume in monetary terms at the end of 2018 amounted to $ 930 million U.S. dollars. According to experts, in the short term, this segment will grow by at least another 50%, but even then its potential will not be exhausted: in Russia, the average consumer annually drinks 15 liters of bottled water, while in Poland - 40, in the Czech Republic - 50, and in Western Europe on average 70 liters. Significant growth rates, according to bottled drinking water producers themselves, are caused by growth of citizens' incomes and development of consumption culture.

As a rule, water manufacturers offer not only water, but also service and a number of additional services. Some firms sell coolers and water pumps, as well as repair and sanitation equipment. In addition, some firms are ready to provide the client and other related products - disposable cups. This additional service is in demand among 10% of customers. Usually in the production process water is first purified by several filters - carbon and sand, in the next stage of water is passed through a special filters that reduce mineralization or, on the contrary, saturate the water with certain minerals - silver, fluorine.

Then the water is disinfected by exposing it to ultraviolet light and then saturated with ozone for the same purpose. Basically, any disinfection is a violation of the water structure. The safest way is to ionize water with silver. However, drinking bottled water disinfected with silver ions is very scarce due to the high cost of silver ionizers.

According to ACNielsen, retail sales of bottled drinking water grew 25 percent by volume and 27 percent by value in 2018. Much of the increase in sales has been spurred by the fact that more and more people on earth are taking care of their own health.

The ranks of supporters of healthy lifestyles were swelled by those who reduce consumption of sugary carbonated soft drinks, as well as consumers who consider bottled drinking water as an alternative to tap water, the quality of which many believe is not too high. According to ACNielsen experts, it is the consumption of drinking water that drove the growth of the market as a whole. Drinking water is increasingly used at home for cooking. In this regard, the highest demand is for 5-liter packages. The consumption of bottled water in different life situations is growing. For example, a 0.5 liter bottle is convenient to buy on the street in the heat or to take with you to school or institute. A liter package of water is convenient to use on the road or at lunch in a small company of people. And at home at the family table most often a two-liter bottle of drinking water is used.

According to ACNielsen, the most common type of packaging is plastic containers. In the structure of retail sales glass takes only 3.5% by volume and 11.6% by value, tin cans - less than 01.0% by volume and value. But the share of PET was 96,5% and 88,4% of the market, respectively. The sales of PET products of different volume are distributed as follows: the leading positions are occupied by PET bottles with the volume of 1-1.5 liters - 51.2% in physical terms and 51.8% - in terms of volume.

The volume of sales of drinking water in plastic bottles is the highest in the world, by value; less than 1 liter - 10.1% and 21.3% respectively, more than 3 liters - 20.3% and 11.7%. Relatively new to the world market type of packaging up to 1 liter with the cap "sport cap" still occupies insignificant market share - 1% of the total physical volume of sales of drinking water in plastic bottles. The competition on the bottled drinking water market is rather high.

Moreover, companies have to compete not only with their direct competitors, but also with the players of related markets - producers of soft drinks and juices. This further complicates the already difficult task of product promotion. As independent marketing experts say that in terms of advertising and sales promotion water is a rather complicated product. After all, in the minds of average consumers there is a big difference in drinking water There are no trademarks. Therefore, companies begin to appeal to the functional properties of their products. As for marketing channels for bottled drinking water, there is a so-called mixed channel - supermarkets, mini-markets and grocery stores. It now accounts for more than 50% of sales in volume and 54% in value terms. Moreover, the largest volume is sold through supermarkets, and this channel is especially important for markets in major metropolitan areas. In the capitals through it carries out 60% of retail sales in kind.

The largest international companies "Coca-Cola" and "PepsiCo" are considered to be the recognized leaders in the global drinking water market. "As of February-November 2018, the combined share of these two companies was 25.1% in physical terms and 26.9% in value terms.

Thus, there are several major players in the drinking water market - well-known brands operating at the scale of many countries, mostly in the medium and

high-priced segment. At the same time, a fairly large volume of the market belongs to small brands. Often these are local brands distributed only in a certain region. As a rule, local brands are priced lower than global brands, but the quality of this water is by no means worse, and it also has its own loyal consumers.

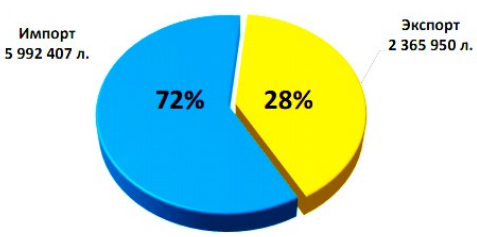
Uzbekistan has a huge potential for mineral water production. More than 150 climatic locations are known in the republic, where about 300 sources of therapeutic mineral waters and ten saline-mud lakes are located. More than one hundred of them are of high therapeutic value, mainly located in the mountainous and foothill areas.

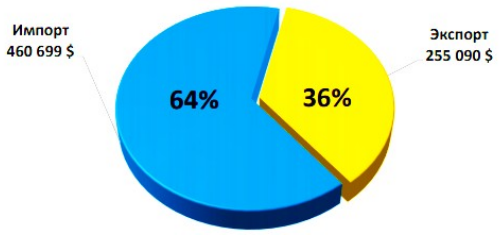
The bottled mineral and drinking water market is one of the fastest growing consumer markets in Uzbekistan. Mineral and drinking water has the largest share of the domestic soft drink market-66 percent of the market. Mineral water is bottled only in the capital city by more than 17 plants and small shops. The total number of brands of mineral and drinking water available for sale in Tashkent and large cities of the republic is more than seventy.

Анализ рынка бутилированной воды за 2022 г.

Наименование	Количество	Сумма (Сум)	Сумма (USD)
Экспорт в литрах	2 365 950	**2 626 151 550**	**255 090**

Импорт в литрах	5 992 407	4 742 896 205	460 699
Импорт в штуках	3 263 295	29 426 280 860	2 858 308
	Итого:	**34 169 177 065**	**3 319 007**





In addition, Uzbekistan imports large quantities of drinking water from neighboring countries:

Статистика импорта бутилированной воды за 2019 г.

№	Страна импортер	Кол-во/л.	Сумма (USD)	Процентное соотношение
1	Грузия	2 434 879	111 720	68,38%
2	Россия	675 565	252 082	18,97%
3	Украина	196 035	6 163	5,51%
4	Казахстан	121 500	840	3,41%
5	Бельгия	35 275	36 740	0,99%
6	Кыргызстан	35 275	23 520	0,99%
7	Польша	29 118	3 618	0,82%
8	Турция	15 997	8 400	0,45%
9	Армения	11 760	840	0,33%
10	ОАЭ	3 107	9 726	0,09%
11	Литва	2 124	7 050	0,06%
	Итого	**5 992 407**	**460 699**	

Drinking water imports by brand are as follows:

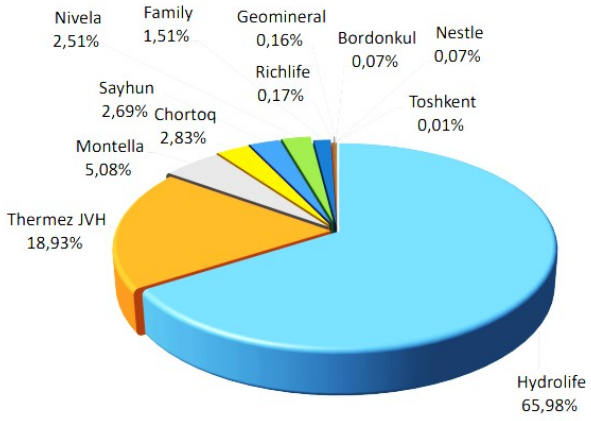
№	Бренд	Кол-во/шт.	Сумма (USD)	Процентное соотношение
1	Borjomi	2 409 956	2 236 258	78,24%
2	Essentuki	50 100	278 289	9,74%
3	Evian	43 152	40 681	1,42%
4	Dr.Essent	87 176	30 220	1,06%
5	Аллея Источников	94 163	30 137	1,05%
6	Фруто Няня	43 619	29 502	1,03%
7	Нижний Кармадон	82 746	28 638	1,00%
8	Жалал Абад	166 215	26 051	0,91%
9	Рео Рео	27 102	19 942	0,70%
10	Доктор Вассер	50 100	19 690	0,69%
11	Рычал Су	34 016	19 644	0,69%
12	Нарзан	21 150	11 521	0,40%
13	Healthy Water	12 011	10 117	0,35%
14	San Pellegrino	5 370	8 902	0,31%
15	Naturality	15 552	8 362	0,29%
16	Panna	3 450	8 357	0,29%
17	Кара Шоро	19 620	7 848	0,27%
18	Саирме	12 912	7 616	0,27%

№	Бренд	Кол-во/шт.	Сумма (USD)	Процентное соотношение
19	Aqua Panna	12 912	7 616	0,27%
20	ZamZam	11 200	5 600	0,20%
21	Курортный Источник	25 656	4 744	0,17%
22	Perrier	3 986	3 676	0,13%
23	Печаевская	2 016	2 842	0,10%
24	Vittel	6 830	2 456	0,09%
25	Jinal	3 597	1 561	0,05%
26	Pure	1 382	1 324	0,05%
27	Бювет	3 888	1 272	0,04%
28	Каоинов Источник	2 294	1 227	0,04%
29	Кизилай	2 517	1 164	0,04%
30	Куртуа	1 008	983	0,03%
31	Мин. Вода Келечек	3 000	735	0,03%
32	Volvic	2 016	530	0,02%
33	Baraka Holding	1 910	480	0,02%
33	Aqua D'or	356	251	0,01%
35	Agusha	317	72	0,003%
	Итого	**3 263 295**	**2 858 308 USD**	

Also, Uzbek producers export drinking water to the countries of the Middle Abroad:

Статистика экспорта воды за 2022 г.

№	Бренд	Кол-во/л	Сумма (USD)	Процентное соотношение
1	Hydrolife	1 603 405	151 212	65,98%
2	Thermez JVH	460 000	1 193	18,93%
3	Montella	123 447	18 202	5,08%
4	Chortoq	68 735	63 596	2,83%
5	Sayhun	65 310	4 518	2,69%
6	Nivela	61 053	8 187	2,51%
7	Family	36 584	3 876	1,51%
8	Richlife	4 200	420	0,17%
9	Geomineral	3 786	1 839	0,16%
10	Bordonkul	1 800	1 008	0,07%
11	Nestle	1 736	827	0,07%
12	Toshkent	237	212	0,01%
Итого:		**2 430 293**	**255 090**	



Existing industry potential

Uzbekistan has a huge potential for mineral water production. More than 150 climatic locations are known in the republic, where there are about 300 sources of medicinal mineral waters and ten saline-mud lakes.

Of them of high therapeutic value more than a hundred spa and climatic places, mostly located in the mountain and foothill areas.

The bottled mineral and drinking water market is one of the fastest growing consumer markets in Uzbekistan. Mineral and drinking water has the largest share of the domestic soft drink market-66 percent of the market. Mineral water is bottled only in the capital city by more than 17 plants and small shops. The total number of brands of mineral and drinking water available for sale in Tashkent and large cities of the republic is more than seventy.

Unlike the Kazakhstan market, our market has absolutely no supply of pure flavors, without the addition of fruit compositions. And this will allow the consumer to make a unique offer that distinguishes the brand from other players.

Expected competition from existing potential local and foreign producers

Warm climatic conditions and inadequate drinking water supply remain the main drivers for the growth of packaged water in Uzbekistan. In addition, population growth and rising living standards are creating demand for packaged water in the country. Companies such as Hydrolife and Montella are strengthening their position with increased distribution coverage and broad marketing campaigns. This further fuels growth in the category.

Global brands continue to dominate the soft drink market in Uzbekistan. In particular, companies such as Coca-Cola and PepsiCo in categories such as carbonates. Local companies have suffered from the success of these multinationals, which enjoy strong clusters of loyal customers and a well-established distribution network. In addition, the effective marketing campaigns of these companies further strengthen their market position. In addition, global brands are investing in the premium Coke segment, which will further undercut the economics of locally-produced brands.

Characteristics of products, their competitiveness in the market. Trademarks used. Location of markets, segmentation.

Water in human life

Water, a seemingly simple chemical compound of two hydrogen atoms and one oxygen atom, is, without exaggeration, the basis of life on Earth. It is no coincidence that scientists, in their search for life forms on other planets of the solar system, put so much effort into finding traces of water.

In our daily lives, we encounter water all the time. To paraphrase a song from an old movie, we can say that we "drink water" and we "pour water. We will talk about these two aspects of human use of water.

Water "food"

Household water Food water

Water itself has no nutritional value, but it is an essential part of all living things. Plants contain up to 90% water, while the body of an adult consists of about 60-65% water. If we go into detail, we can see that bones contain 22% water, the brain 75%, while the blood consists of 92% water.

The primary role of water in the life of all living beings, including humans, is associated with the fact that it is a universal solvent for a huge number of chemical substances. In fact, it is the medium in which all life processes take place.

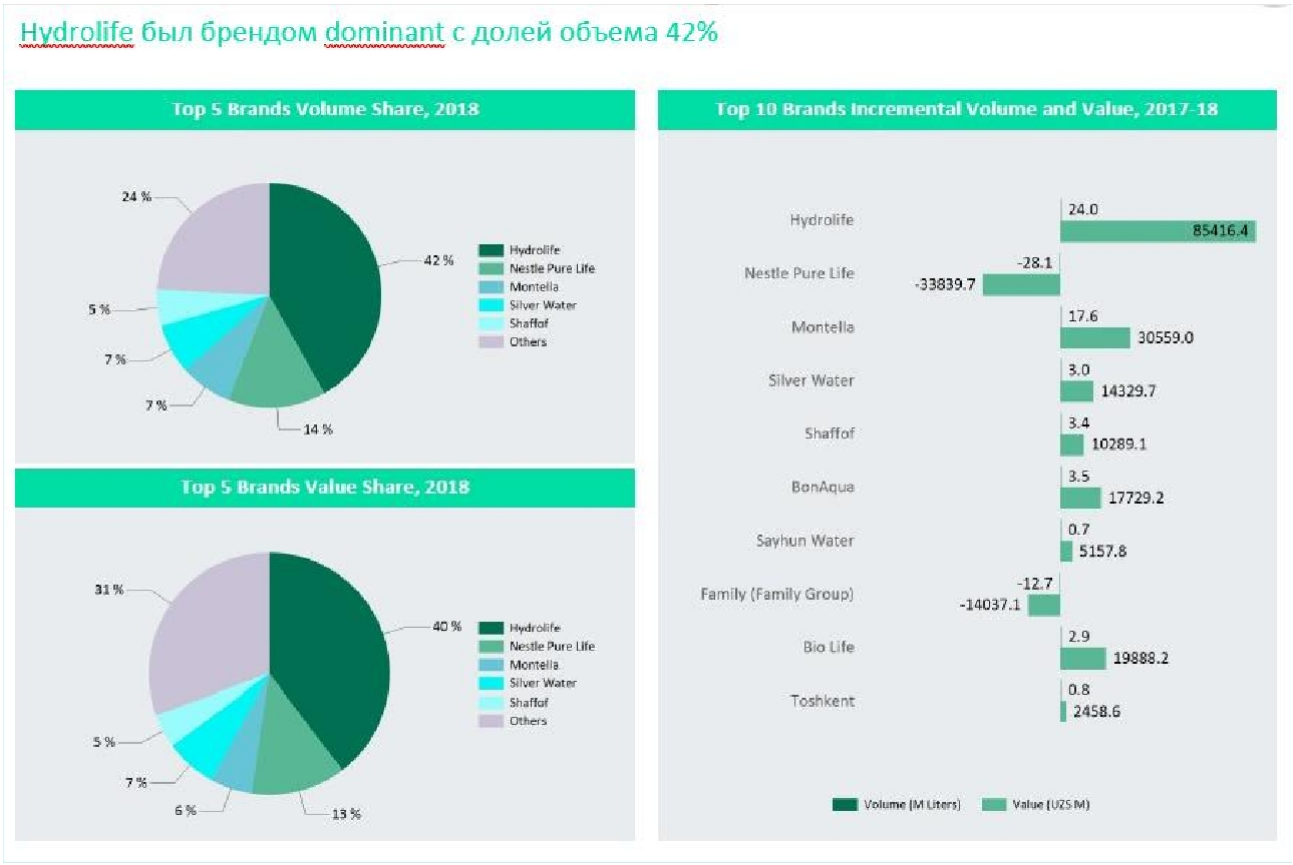
This is just a small and far from complete list of "duties" of water in our body.

Useful properties and benefits of mineral water for the body strengthens the immune system;

improves your metabolism;

gets rid of constipation, promotes weight loss, removes toxins from the body; regulates acid-base balance, normalizes the digestive system, treats gastritis with normal and hyperacidity, helps cope with stomach ulcers and duodenal ulcers, cures coughs, cures bronchitis, increases blood hemoglobin levels, removes harmful cholesterol, strengthens teeth and bones, improves thyroid function, treats diseases of the liver and gall bladder, helps drain bile, tones, restores vitality, strengthens the nervous system, improves mental performance, has rejuvenating effect, slows the aging process, improves the condition of the nails, hair and skin.

The benefits of mineral water are undeniable and are a driving force for healthy eating and beauty. This drink contains numerous beneficial substances, which depend on its chemical composition. Mineral water is an excellent cure for gastrointestinal diseases. In this case, the water should be drunk 10-15 minutes before meals. In addition, this drink helps to cope with excess weight and maintain youthfulness.



Market capacity. Currently, the population of Uzbekistan exceeds 34 million people. The entire population, regardless of age, consumes soft drinks, especially in the hot season. It is true that in rural areas, where the population is more concentrated, the specific consumption volumes are somewhat lower than in cities, but the products produced there are also in high demand.

Consumption of carbonated beverages is constantly increasing, which is due to the following factors:

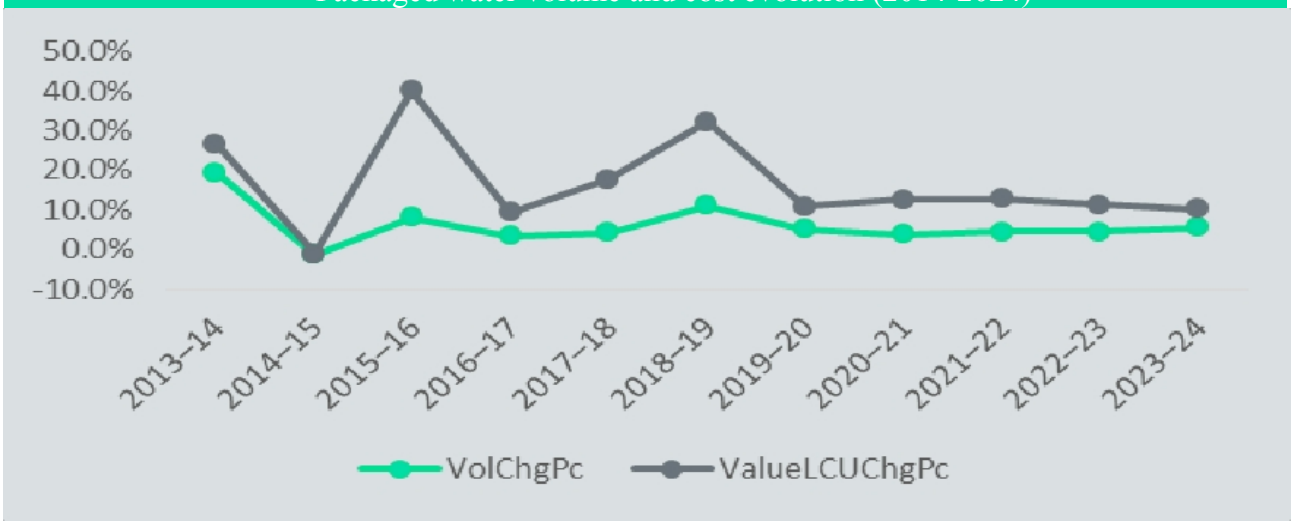
the age demographic structure, which is dominated by children, who are regular consumers of sugary drinks;

insufficiently high income, as a result of which natural juices (undoubtedly healthier) are inaccessible to the vast majority of the population because of their high price;

climatic conditions resulting in increased consumption of drinks during the hot season;

The growing standard of living of the population in large cities, which makes it possible to switch to higher-quality food products.

Packaged water volume and cost evolution (2014-2024)



4.2.3 Sales program, sales organization

Based on the data obtained by the initiator of the project in the course of market research, the existing demand and forecast of its change are shown in the table (US dollars):

Indicators	1 year	Year 2	Year 3	Year 4
Mineral water 250 ml.	100 406,25	117 243,75	127 275,00	127 500,00
Mineral water 330 ml.	117 140,63	136 784,38	148 487,50	148 750,00
Mineral water 500 ml.	150 609,38	175 865,63	190 912,50	191 250,00
Mineral water 700 ml.	301 218,75	351 731,25	381 825,00	382 500,00
Mineral water 19 liters.	65 264,06	76 208,44	82 728,75	82 875,00

Indicators	1 year	Year 2	Year 3	Year 4
GROSS SALES (US dollars)	**789 774,14**	**922 214,3**	**1 001 118,0**	**1 002 887,8**
Including for export	*236 932,24*	*276 664,3*	*300 335,4*	*1 686 750,0*

Here, the main stimulating arguments in the choice of goods will be:

- price;
- marketable appearance;
- reliability;
- service

Marketing strategy is based on the quality of products, the constant study of demand for this type of product, a flexible response to the market situation, the ability to reorient the enterprise funds to the most profitable direction, and based on this more flexible pricing tactics.

Price is related to such marketing factors as characteristics, image of the goods, etc. The price of a product should have a direct link to its quality. It is important that prices properly reflect the level of quality and image of the company.

The company uses total monthly calculations, which are calculated taking into account:

- cost of production,
- turnover,
- markup.

4. FINISHED PRODUCT PERFORMANCE

What is mineral water?

The Oriental peoples revered water, considering it one of the basic elements of the universe. The sages there believe that water from healing springs relaxes, soothes, relieves irritation, fever, and aggression. The history of mineral water use is many hundreds of years old.

In ancient times, the Greeks built sanctuaries near medicinal springs, dedicated to the god Asclepius (the Romans built temples in the same places in honor of Aesculapius), the patron of medicine. In Greece archeologists found ruins of an ancient water resort built around the VI century BC. The remains of ancient baths can also be seen in the Caucasus, where not only people bathed, but also were treated with mineral waters. The legend of the miraculous properties of the waters that gush out of the ground here has been passed down from generation to generation.

Mineral water is rainwater that centuries or even millennia ago went deep into the earth, seeping through fissures and pores in different layers of rock. Various minerals in the rock were dissolved in it. Mineral waters differ from just natural water from subsurface springs and open reservoirs in their composition. The deeper they go, the warmer and richer in carbon dioxide and minerals they are. In addition, the deeper water penetrates the rock, the more it is purified.

In such water, minerals accumulate naturally as it passes through geological formations. Thus, mineral waters are primarily the waters of underground springs.

It is necessary, of course, to distinguish between drinking water and mineral water. According to the Codex Alimentarius, the main food standard of the United Nations these differences boil down to the following:

- mineral water is extracted from natural springs or drilled wells, without external influence on the chemical and physical properties of natural mineral water;
- the presence of mineral salts in certain proportions and the presence of trace substances and other constituents in the water;
- water is collected under conditions that guarantee its initial microbiological purity and stable chemical composition of its components.

Someone said that mineral waters are capricious and require delicate treatment, they are more delicate than precious wines. Indeed, spring water must be very carefully lifted from the deep bowels of the earth, and then packed in a convenient and safe container to preserve unchanged the unique program that nature herself has put into it.

Mineral water is better absorbed by the body, and entering the stomach, reacts with gastric juice, releases carbonic acid and stimulates secretory activity of the stomach. It increases appetite and mood. That is why the same French have a bottle of water on the dinner table next to the bread.

They try to quench their thirst with mineral water. A healthy person can also become thirsty if he loses water, especially in the summer. With the loss of water we also lose a certain amount of salts. Mineral water is the easiest way to compensate for this loss.

People often get carried away drinking mineral water without considering that it has its own unique set of chemical elements, which determines its benefits or harms. Most mineral water drinkers drink it because of the presence of carbon dioxide in it. Those who suffer from hyperacidity and gourmands are especially fond of it, buying any mineral water indiscriminately - what's in it moment on sale, not thinking that this mineral water is harmful to his body and not for the disease the patient suffers from.

Mineral water is intended only for medicinal purposes and can be harmful to the body, especially to children.

Mineral water differs from fresh water by its considerable mineralization: from 0,1% (1 g of solids in 1 liter of water) up to 5% (50 g of solids in 1 liter of water). Spring water also belongs to the group of mineral waters with less mineralization than 0,1% of solids if it contains a certain amount of specific elements with therapeutic importance, e.g. iodine, bromine, lithium, arsenic etc.

If the water contains gas and its steady temperature is higher than 20 ° C - such water, even at low mineral content belongs to the group of mineral waters. Mineral waters containing carbon dioxide ("Kislovodskie springs" etc.), hydrogen sulfide ("Sochi" etc.) have the greatest therapeutic effect, "Matsestinskie Springs") and radon. There is a number of springs, which waters have neither a certain mineralization, nor appropriate temperature, do not contain in appropriate amounts any of the active elements (iodine, bromine, lithium, arsenic, hydrogen sulfide, etc.) and, nevertheless, they are classified as mineral and used to treat a number of diseases. This is due to the fact that here it is important to consider the effect of not individual components of water, but their totality.

Drinking mineral water helps to eliminate or mitigate painful disorders and improve the functions of individual organs and systems. Such treatment is most effective in diseases of the gastrointestinal tract, namely chronic gastritis, gastroduodenitis, peptic ulcer, enteritis, colitis, enterocolitis, chronic hepatitis, angiocholitis, cholecystitis, gallstone disease, chronic pancreatitis, etc.

Product characteristic.

Mineral waters, depending on their salt content are divided into three main types:

1. Therapeutic waters used for the treatment of gastric diseases ("Borjomi" "Narzan", Essentuki). Usually the use of these waters is dosed.
2. Therapeutic Tables
3. Dining rooms

Waters of the second and third groups are used for daily consumption, but the consumption of waters of the second group for some categories of patients may be limited.

Water is extracted from a well 3503 m deep. The water temperature is 41°C.

This water has a pronounced diuretic and analgesic effect, stimulates the biliary function of the liver. Its use gives a significant therapeutic effect in urolithiasis, inflammatory diseases of the urinary tract.

5. DESIGN AND TECHNOLOGY

5.1. Description of the chosen location

The production site is located in Kashkadarya region, Kamashi district at the following address: Yuksalish village.

The district occupies an area of more than 2.66 thousand square kilometers. It is located 60 kilometers from Karshi city and 485 kilometers from Tashkent.

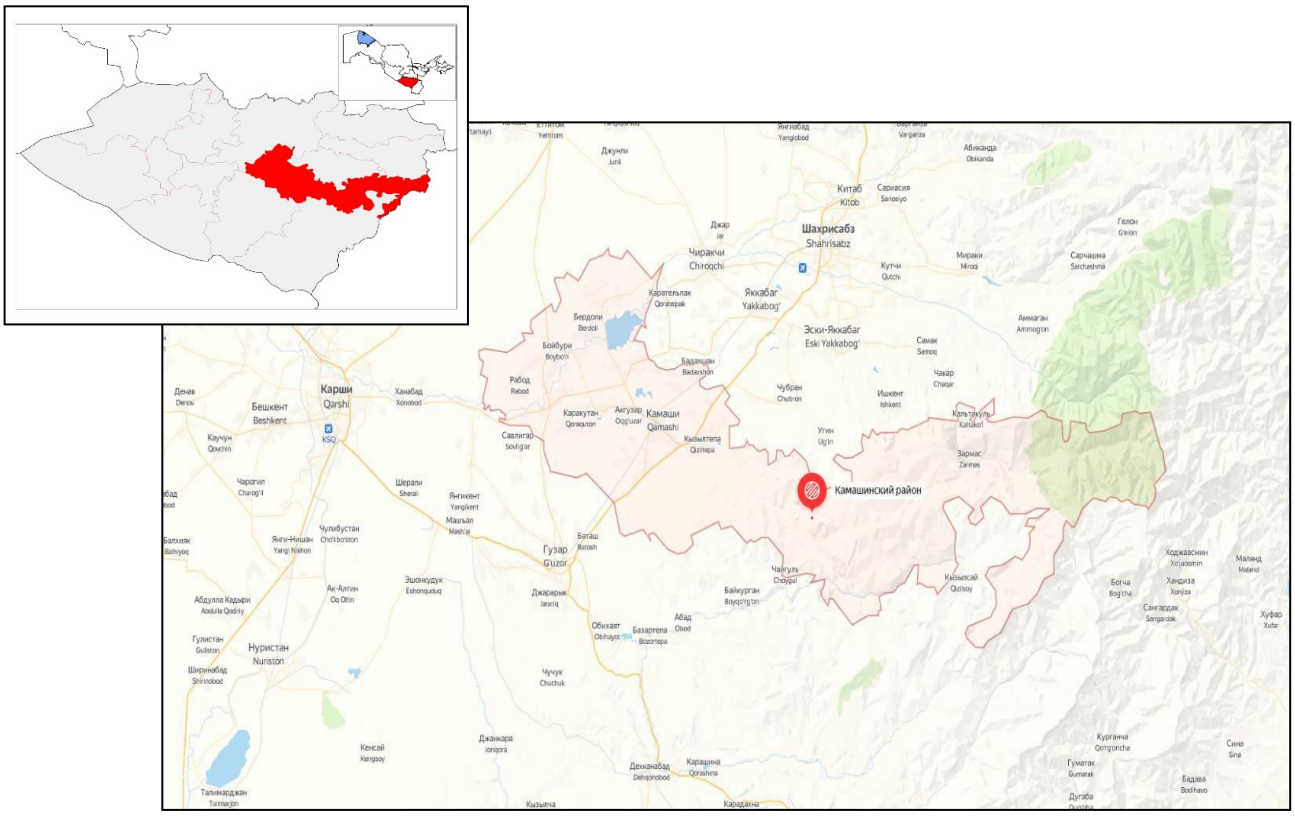
The district is connected to Karshi city by a road1.

The population of the Kashkadarya region as of 2023 is 3.5 million people, and the population of the Kamashin region itself is 286,000.

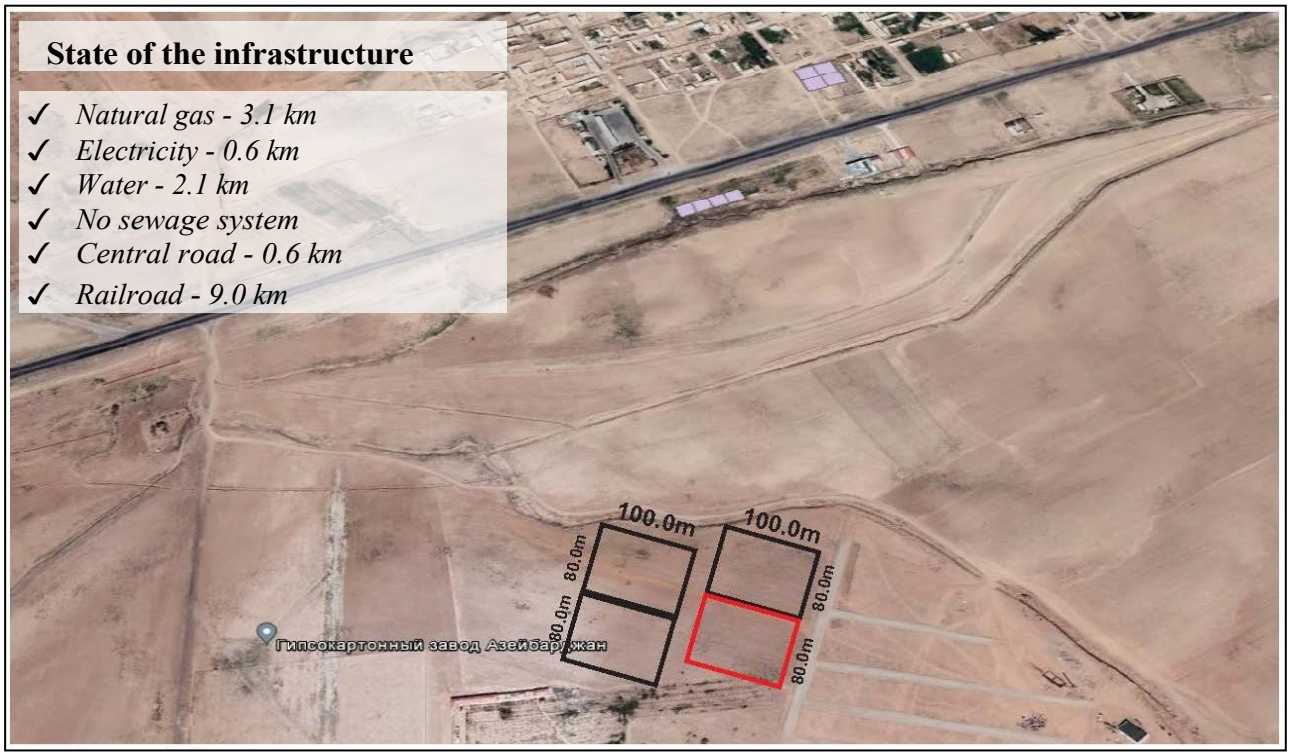
The total area of the building is 2,250 m². It will contain:

1. Production area - 420 square meters. meters;
2. Warehouse raw materials - 800 square meters;
3. The warehouse of finished products - 1,030 square meters.

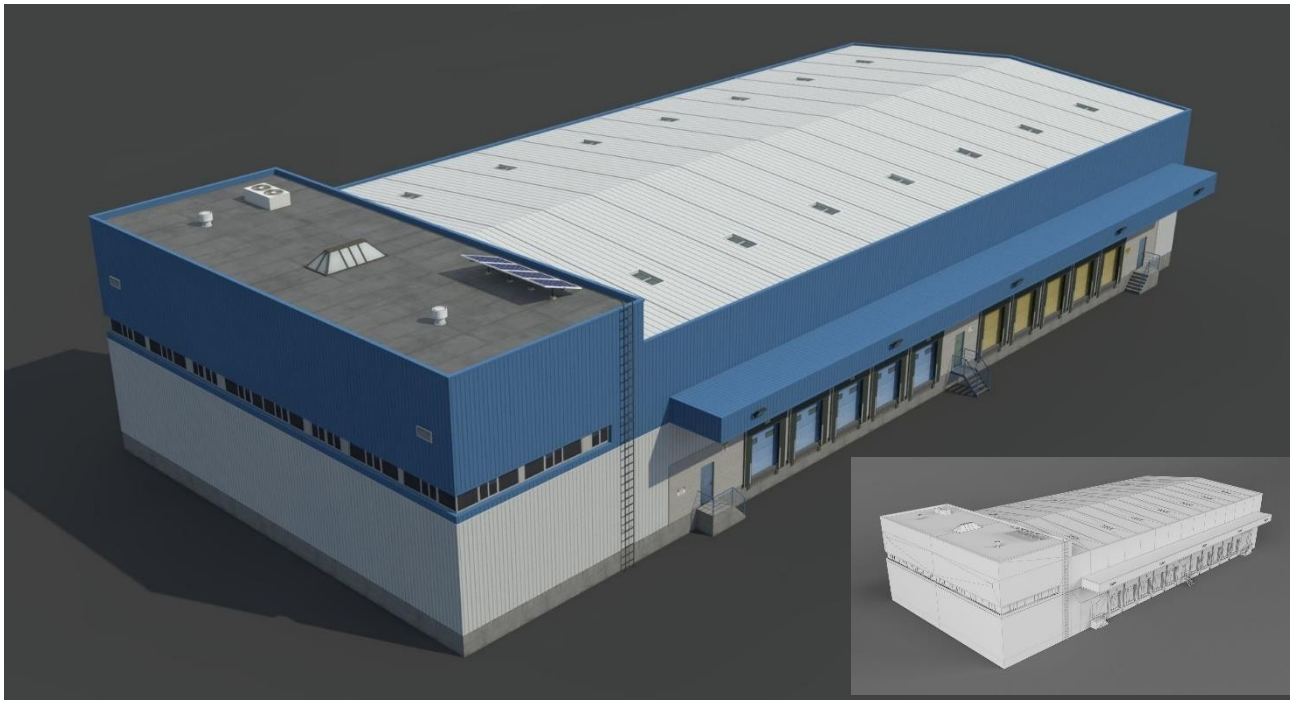
Project Location



Production area



Production building



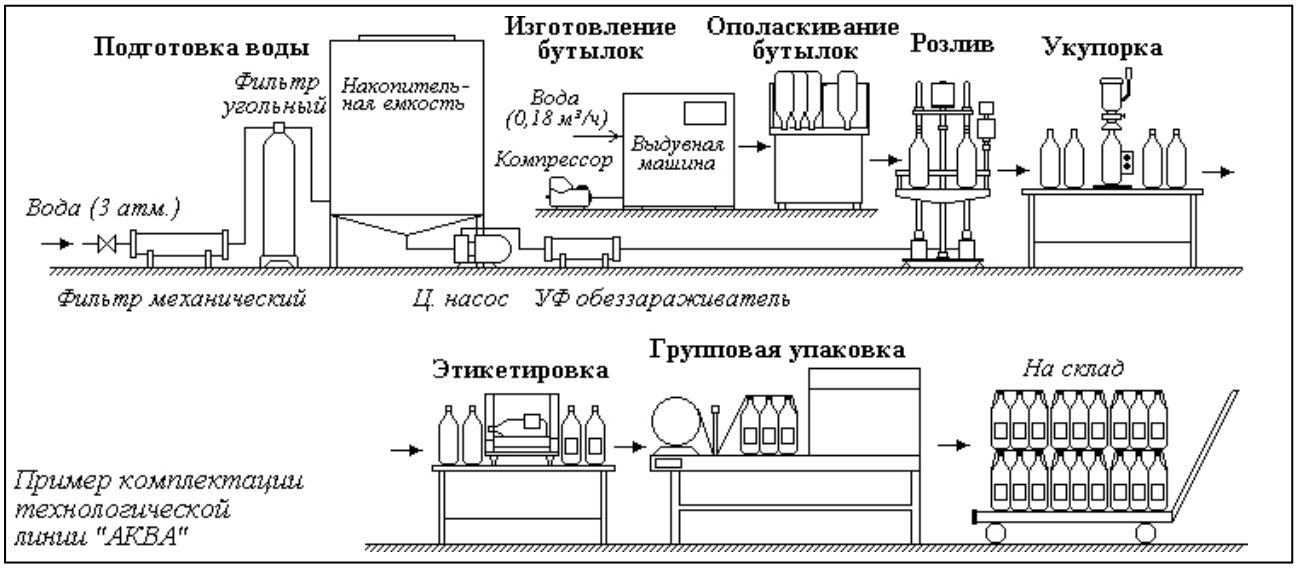
5.1.2. Purchased equipment and production technology.

The various types of filler units can be integrated into the Synchro-Block with rotary blow molding machines, thus creating an integrated blow-fill-capper solution.

Drinking water production line

Careful study of the equipment, ergonomic design, simple operator interface, and fully automatic configuration of work flows make these solutions easy to operate and manage.

The monoblock is equipped with a mechanical or electronic rinsing unit with different types of processing depending on the choice of equipment, and a capping unit for both plastic, metal or twist-off closures.



A version with ISO 7 microbiological isolator is available, as well as a version equipped with a laminar flow booth to meet customer requests, which require a certain hygiene class according to international standards.

The base structure, completely in stainless steel, is modular for the whole range of equipment, and is designed with great attention to the possibility of sanitation. The upper plane has a double slope for complete drainage of possible product residues, water, bottle fragments, caps, etc.

HYGIENE

The sanitizing phase is very simple and performed fully automatically by command from the operator panel: the machine has an electro-pneumatic actuator for all the shut-off valves. The sanitizing cycle is carried out in such a way that the product circuit is flushed under pressure, both in the flow direction and in counterflow

AUTOMATIC ENTRY OF COUNTERFEIT BOTTLES:

Thanks to the configuration of the filling valve, it has become possible to realize an I/O system with electro-pneumatic control, extremely simple and functional, which ensures the total absence of operator contact with the machine. The circuit is designed for CIP washing and sterilization (SIP) steam at temperatures up to 100°C.

SYNCHROBLOCK

- The PET preforms are fed to the elevator/air conveyor.
- After the leveler, go into the furnace in the blowing machine, warm up
- Further on the equipment for blowing out PET preforms by blowing/stretching PET bottles are formed
- The product is poured into bottles and corked

ETIKER

- Bottles enter the labelmaker at intervals
- Label rolls are unwound and cut according to size
- The labels are then affixed to the PET bottle

BOTTLE INSPECTOR

- An automatic system that checks the level in the bottle, the presence of the cork and the label.

- Identifies and sorts for defects

PET bottle.

DATIGER

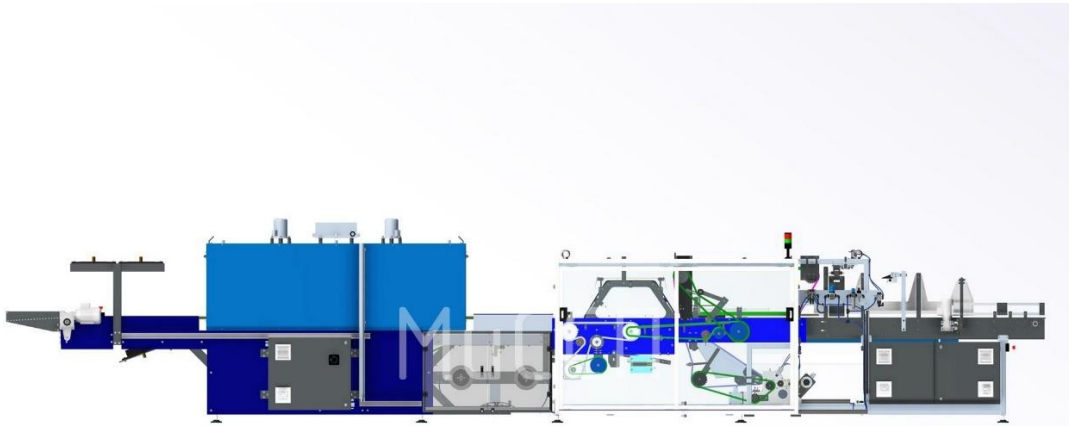
- It puts a number, production date, etc. on the bottle.
- All data is entered by the line operator

PACKER

- The bottles are divided into packs of 6 or12 bottles

- Then they are wrapped in shrinkwrap film

- The package goes into the oven, where the film shrinks



PALETIZATOR

- Packages are separated and sorted according to the amount laid down in the program, some according to the scheme of palletizing unfolding

- They enter the palletizer one stream at a time and thus form a layer

Layered on a pallet, one by one, with cardboard between the layers

PALLET WRAPPER

- The pallet comes in on the winding equipment and begins its winding from the bottom up

- When the winding ends, the machine cuts the film and sticks it to the pallet

- The finished pallet comes out and is further stored

The warehouse of finished products

Storage of finished products is performed in the ground version. Storage time of finished products in the natural temperature mode of the hopper is not more than 3 days.

6. PLANT CAPACITY

Maximum annual production program of the equipment to be purchased is:

Production capacity of the enterprise

Name of produced products	Quantity at full power	
Mineral water 250 ml.	250 000,00	piece
Mineral water 330 ml.	250 000,00	piece
Mineral water 500 ml.	250 000,00	piece
Mineral water 700 ml.	450 000,00	piece
Mineral water 19 liters.	65 000,00	piece

The project provides phased development production capacity.

Indicators	1 sq. 1 of the year	2 sq. 1 of the year	3 sq. 1 of the year	4 sq. 1 of the year	Year 2	Year 3	Year 4
Capacity utilization rate (%)							
Mineral water 250 Jr.	60,0%	65,0%	70,0%	75,0%	80,0 %	85,0 %	85,0 %
Mineral water 330 Jr.	60,0%	65,0%	70,0%	75,0%	80,0 %	85,0 %	85,0 %
Mineral water 500 Jr.	60,0%	65,0%	70,0%	75,0%	80,0 %	85,0 %	85,0 %

Indicators	1 sq. 1 of the year	2 sq. 1 of the year	3 sq. 1 of the year	4 sq. 1 of the year	Year 2	Year 3	Year 4
Mineral Water 700 Jr.	60,0%	65,0%	70,0%	75,0%	80,0 %	85,0 %	85,0 %
Mineralna I water 19 liters.	60,0%	65,0%	70,0%	75,0%	80,0 %	85,0 %	85,0 %

Volume produced products in kind is as follows

Volume of production in kind (bottles).

Show whether	1 sq. 1 of the year	2 sq. 1 of the year	3 sq. 1 of the year	4 sq. 1 of the year	Year 2	Year 3	Year 4
Volume of production							
Mineral water 250 ml.	37 500,00	40 625,00	43 750,00	46 875,00	200 000,00	212 500,00	212 500,00
Mineral water 330 ml.	37 500,00	40 625,00	43 750,00	46 875,00	200 000,00	212 500,00	212 500,00
Mineral water 500 ml.	37 500,00	40 625,00	43 750,00	46 875,00	200 000,00	212 500,00	212 500,00
Mineral water 700 ml.	67 500,00	73 125,00	78 750,00	84 375,00	360 000,00	382 500,00	382 500,00
Mineral water 19 л.	9 750,00	10 562,50	11 375,00	12 187,50	52 000,00	55 250,00	55 250,00

Received the revenues from the company's activities by year are as follows ($):

Production volume in value terms (US dollars).

Indicators	1 year	Year 2	Year 3	Year 4
Mineral water 250 ml.	100 406,25	117 243,75	127 275,00	127 500,00
Mineral water 330 ml.	117 140,63	136 784,38	148 487,50	148 750,00
Mineral water 500 ml.	150 609,38	175 865,63	190 912,50	191 250,00
Mineral water 700 ml.	301 218,75	351 731,25	381 825,00	382 500,00
Mineral water 19 liters.	65 264,06	76 208,44	82 728,75	82 875,00
GROSS SALES (US dollars)	**789 774,14**	**922 214,3**	**1 001 118,0**	**1 002 887,8**
Including for export	*236 932,24*	*276 664,3*	*300 335,4*	*1 686 750,0*

The company plans to sell its products on the domestic market. In the future, the company plans to export 30% of its products to neighboring countries.

7. ORGANIZATION OF PRODUCTION AND OVERHEADS

7.1. Organizational structure of the company

Organizational functions are grouped into the following organizational units according to the specific consumers of the farm:

1. General Guidance;
2. Marketing, sales and distribution;
3. Production:
4. main production;
5. servicing production units;
6. quality assurance;
7. maintenance and repair.

7.2. Overhead costs.

Overhead costs include:

- Salaries and deductions from it of employees of auxiliary and management services (heating, power supply, water supply, consulting);
- costs of auxiliary means and materials (electricity and other);
- maintenance of fixed assets (equipment maintenance, repair of buildings and structures);
- expenses for office equipment, stationery, etc;
- property insurance;
- TB costs;
- taxes and other deductions not directly included in the cost of production.

7.3. Taxes.

As part of the implementation of this project, the following tax payments are anticipated:

Taxes	Rate
Income tax	15,00%
VAT	12,00%

-Note: The calculations are based on maximum tax rates.

7.4. Depreciation.

Depreciation deductions accrued according to Instructions of the State Tax Committee:

- on buildings, structures and constructions - 5% per year;
- for machinery and equipment - 15% per year;
- passenger vehicles - 20% per year;
- production equipment and supplies - 20% per year;
- other fixed assets - 15%.

7.5. Section cost estimation

Information about the structure of the ready costs of the full work program and engineering support is given in the Appendix.

8. HUMAN RESOURCES

8.1 Personnel policy of the enterprise

The main strategic goal of the personnel policy of the company is to create a team of qualified specialists, aimed at achieving the main goal of the company - to take a leading position in the alcoholic beverages market.

For these purposes, the human resources department has implemented a company policy concerning human resources. This policy addresses the following aspects:

- Search and selection of personnel;
- Personnel Development;
- Personnel Motivation;
- Development of organizational culture in the team.

The main motto of the employees of the Enterprise is:

- desire for success
- The team is determined to achieve the highest standards in the quality of products, striving to constantly exceed customer expectations.
- rewards for achievement.

Currently, the main focus of Managers of the Enterprise is not on the control of execution, but more engaged in team development and consistency of work and maximum effort is focused on the formation of strategy.

Management and workforce of the company is a cohesive team of educated and qualified professionals in the field of production, most of whom have a solid experience, reliable reputation.

8.2 The need and availability of labor resources

The need for manpower is 30 people:

- Administrative and managerial staff - 2 people;
- Production staff - 28 people.

8.3 Annual payroll.

Calculation of the number and the wage fund are determined based on the technical characteristics, the installed line and depends on the work program (number of working days per week, the number of shifts, etc.) and complies with the Labor Law of the Republic of Uzbekistan.

Position	Quantity	Monthly salary	Total
ADMINISTRATION			
Director	**1**	250,00	**3 000,00**
Chief Accountant	**1**	200,00	**2 400,00**
Total	2		5 400,00
Social security deductions. insurance	*12%*		*648,00*
PROVIDED. PERSONAL			
Chief Technology Officer	**1**	180,00	**2 160,00**
Laboratory Technician	**2**	150,00	**3 600,00**
Warehouse manager	**2**	150,00	**3 600,00**
Warehouse Clerk	**2**	130,00	**3 120,00**
Loader	**10**	120,00	**14 400,00**
Handymen	**6**	110,00	**7 920,00**
Drivers	**2**	130,00	**3 120,00**
Quality Controllers	**3**	150,00	**5 400,00**
Total	28		43 320,00

Position	Quantity	Monthly salary	Total
Social security deductions. insurance	*12%*		*5 198,40*
TOTAL	**30**		**54 566,40**

Given Social Security payments, the total payroll cost would be **$54,566.4.**

THE TOTAL COST IS $54,566.4.

9. MATERIAL RESOURCES

9.1. Classification of raw materials, materials, components

One of the most critical points, on the solution of which depends the continuity and stability of work is the availability of raw materials.

The following types of raw materials and supplies are used in the project:

The demand for raw materials in kind (US dollars).

Name		Cost per unit	Quantity for the period	Cost of raw materials for the period
Mineral water 250 ml.	piece	0,28	250 000,00	68 750,00
Mineral water 330 ml.	piece	0,30	250 000,00	75 000,00
Mineral water 500 ml.	piece	0,36	250 000,00	90 000,00
700 ml of mineral water.	piece	0,43	450 000,00	192 600,00
Mineral water 19 liters.	piece	0,88	65 000,00	57 200,00
TOTAL				**483 550,00**

10. PROJECT IMPLEMENTATION SCHEME

10.1. Project implementation stage

The following activities are planned for the effective implementation of the project:

1. marketing research of the market for products planned for production, which also includes the study and determination of the range of products offered by customer segments;
2. marketing research on the market of raw materials for their purchase;
3. summarizing and analyzing the information received in order to determine one's own internal capabilities
4. organizational measures to prepare the existing premises for the organization of work;
5. organizational measures to attract and train working personnel;
6. investment period;
7. project implementation stage.

11. PROJECT FINANCIAL EVALUATION

11.1. Full investment costs

The total cost of the project is **$314,410.00. THE TOTAL COST OF THE PROJECT IS $314,410.00**.

	Initiator	Assumed Credit of the Bank	TOTAL
Construction and installation works	85 000,00	0,00	85 000,00
Purchased equipment	0,00	220 000,00	220 000,00
Total fixed assets	**85 000,00**	**220 000,00**	**305 000,00**
Working capital	6 000,00	0,00	6 000,00
Other financial costs, incl:	**1 210,00**	**0,00**	**1 210,00**
Collateral insurance by of the loan (0.1%) 4 years	1 100,00	0,00	13 045,49
Registration of the loan pledge agreement in notary (0.05%)	110,00	0,00	1 304,55
Unforeseen expenses / Reserve	**2 200,00**		**2 200,00**
Total project cost	**94 410,00**	**220 000,00**	**314 410,00**
Involvement of your own and borrowed capital	**30%**	**70%**	**100%**

11.2. Project financing: mechanism and sources of financing

This project is expected to be financed by the bank's credit funds in the amount of **220,000 dollars. The project will be financed from the bank's credit funds in the amount of $220,000** for the purchase of production equipment, for a period of

48 months at 12% per annum, with repayment of the principal debt and interest thereon in accordance with the repayment schedule.

11.3. Total costs of products sold

The calculation of production costs is presented in the Appendix.

11.4. Calculation of profits and losses

In the calculation of profits and losses, taxes and other deductions are taken into account by their application sections.

Estimated profit, cash flow from the project for the period during the crediting period is calculated in accordance with the sales plan.

Losses are not observed throughout the planning horizon of the enterprise's production activities.

Calculation of profits and losses is presented in the Appendix

11.5. Cash flow

Optimal planning of working capital has a positive effect on the flow of cash in the work process: the more turns working capital makes, the faster the company receives the planned income.

Cash flow for the project as a whole throughout the planning horizon will be positive.

Throughout the planning horizon, the cumulative cash flow will also be positive.

The company's net profit at the end of the year of the project will be **US$ 273,618.43.**

The cash flow calculation is shown in the Appendix.

11.6. Forecast of net working capital.

Working capital is necessary for the normal functioning of production. Optimal planning of working capital allows you to avoid excessive diversion of funds, and to avoid lack of funds, which can cause production stoppages.

In calculating the working capital of this project, the following indicators are taken:

- Coverage days
- Turnover ratio

Data on working capital indicators are presented **in the Appendix**

11.7. Risks and methods of prevention.

Potential risks of the enterprise are represented by production risks, commercial risks, financial risks and risks associated with force-majeure circumstances.

Production risks are associated with various violations in the production process or in the supply of raw materials, materials and components, as well as the risk of disruption of the production cycle.

Disturbances in the production process of our company are minimized by the great experience and high qualification of managerial and production personnel.

Disruptions in the supply of raw materials and components are also minimal, since the initiator has established stable relationships with suppliers of raw materials and components.

In order to reduce the risk of disruption of the production cycle, in calculating the payback period of the project taken in the calculation of the maximum time.

Commercial risks are related to the sale of wine material on the external market (decrease in size and capacity of markets, decrease in solvent demand, emergence of new competitors, etc.).

These risks are minimal because market research shows the volume of the consumer market is quite high, which largely guarantees the presence of regular consumers of the products while maintaining high prices for quality products.

At the same time, the company will conduct a systematic study of the situation on the wine market to work on the prevention of this category of risks.

Financial risks are caused by inflationary processes, comprehensive non-payments, currency fluctuations, etc.

These risks can be reduced by creating a system of financial management at the enterprise and effective management of cash flows of the enterprise.

Risks associated with force majeure are risks due to unforeseen circumstances (natural disasters, war strikes, etc.).

Measures to reduce these risks are the operation of the enterprise with a sufficient margin of financial strength.

12. CONCLUSIONS

In the analysis of the balance of cash flows can be seen, positive indicators throughout the period of development of the project, the schedule of investments of cash investor does not allow the free cash flow to go to zero even in the initial investment period.

The analysis of profitability and cash flow balance shows that by the end of the first year, the enterprise has already formed free cash from profits. The financial plan does not consider the use of these funds, but a decision on their use for the development of the enterprise can be made later, when changes that have occurred in the market are known. Free cash provides the flexibility of the enterprise.

At the end of the period the property of the investor will exceed several times the initial investment (depending on the strategy).

We should pay attention to the break-even graph of the project, which shows that the company will break-even if 60% of production capacity is utilized.

In general, the analysis of the financial condition of the enterprise shows that during the period of formation of the enterprise and the increase in the volume of work, a significant role played by financial planning and analysis of financial flows.

Based on the results, analysis of financial indicators, we can conclude that the project is viable and effective.

13 APPLICATIONS

Project cost

	Initiator	Assumed Credit of the Bank	TOTAL	DOLL
Construction and installation work	85 000,00	0,00	85 000,00	3,19%
Equipment to be purchased	0,00	220 000,00	220 000,00	0,00%
Total fixed assets	**85 000,00**	**220 000,00**	**305 000,00**	**3,2%**
Working capital	6 000,00	0,00	6 000,00	0,0%
Other financial costs, incl:	**1 210,00**	**0,00**	**1 210,00**	**1,2%**
Loan collateral insurance (0.1%) 4 years	1 100,00	0,00	13 045,49	0,4%
Registration of the loan pledge agreement at the notary (0.05%)	110,00	0,00	1 304,55	0,0%
Contingencies / Reserve	**2 200,00**		**2 200,00**	**0,7%**
Total project cost	**94 410,00**	**220 000,00**	**314 410,00**	**100,0%**
Equity and debt capital participation	**30%**	**70%**	**100%**	

Depreciation

DEPRECIATION ASSET		Depreciation rate	Q1 of 1 year	2 quarter of 1 year	Q3 of 1 year	Q4 of 1 year	Year 2	Year 3	Year 4
Buildings and structures	85 000	5%	1 062,5	1 062,5	1 062,5	1 062,5	4 250,0	4 250,0	4 250,0
Purchased equipment	220 000	15%	8 250,0	8 250,0	8 250,0	8 250,0	33 000,0	33 000,0	33 000,0
Financial costs	1 210	20%	60,5	60,5	60,5	60,5	60,5	0,0	0,0
TOTAL	**306 210,0**		**9 373,0**	**9 373,0**	**9 373,0**	**9 373,0**	**37 310,5**	**37 250,0**	**37 250,0**
Accumulated depreciation			**9 373,0**	**9 373,0**	**9 373,0**	**9 373,0**	**37 310,5**	**37 250,0**	**37 250,0**

Production plan

Name of products manufactured	Quantity at full power		Stock level at the end of the period (%)		Price per unit USD. U.S.
Mineral water 250 ml.	250 000,00	piece	3,00%		0,6
Mineral water 330 ml.	250 000,00	piece	3,00%		0,7
Mineral water 500 ml.	250 000,00	piece	3,00%		0,9
Mineral water 700 ml.	450 000,00	piece	3,00%		1,0
Mineral water 19 liters.	65 000,00	piece	3,00%		1,5

Indicators	Q1 of 1 year	2 quarter of 1 year	Q3 of 1 year	Q4 of 1 year	Year 2	Year 3	Year 4
ABSORPTION RATE POWER (%)							
Mineral water 250 ml.	60,0%	65,0%	70,0%	75,0%	80,0%	85,0%	85,0%
Mineral water 330 ml.	60,0%	65,0%	70,0%	75,0%	80,0%	85,0%	85,0%
Mineral water 500 ml.	60,0%	65,0%	70,0%	75,0%	80,0%	85,0%	85,0%
Mineral water 700 ml.	60,0%	65,0%	70,0%	75,0%	80,0%	85,0%	85,0%
Table water 700 ml.	60,0%	65,0%	70,0%	75,0%	80,0%	85,0%	85,0%
Mineral water 19 liters.	60,0%	65,0%	70,0%	75,0%	80,0%	85,0%	85,0%

PRODUCTION VOLUME							
Mineral water 250 ml.	37 500,00	40 625,00	43 750,00	46 875,00	200 000,00	212 500,00	212 500,00
Mineral water 330 ml.	37 500,00	40 625,00	43 750,00	46 875,00	200 000,00	212 500,00	212 500,00
Mineral water 500 ml.	37 500,00	40 625,00	43 750,00	46 875,00	200 000,00	212 500,00	212 500,00
Mineral water 700 ml.	67 500,00	73 125,00	78 750,00	84 375,00	360 000,00	382 500,00	382 500,00
Mineral water 19 liters.	9 750,00	10 562,50	11 375,00	12 187,50	52 000,00	55 250,00	55 250,00

INVENTORIES AT THE END OF THE PERIOD (-)							
Mineral water 250 ml.	1 125,00	1 218,75	1 312,50	1 406,25	6 000,00	6 375,00	6 375,00
Mineral water 330 ml.	1 125,00	1 218,75	1 312,50	1 406,25	6 000,00	6 375,00	6 375,00
Mineral water 500 ml.	1 125,00	1 218,75	1 312,50	1 406,25	6 000,00	6 375,00	6 375,00
Mineral water 700 ml.	2 025,00	2 193,75	2 362,50	2 531,25	10 800,00	11 475,00	11 475,00
Mineral water 19 liters.	292,50	316,88	341,25	365,63	1 560,00	1 657,50	1 657,50

GROSS SALES							
Mineral water 250 ml.	36 375,00	40 531,25	43 656,25	46 781,25	195 406,25	212 125,00	212 500,00
Mineral water 330 ml.	36 375,00	40 531,25	43 656,25	46 781,25	195 406,25	212 125,00	212 500,00
Mineral water 500 ml.	36 375,00	40 531,25	43 656,25	46 781,25	195 406,25	212 125,00	212 500,00
700 ml of mineral water.	65 475,00	72 956,25	78 581,25	84 206,25	351 731,25	381 825,00	382 500,00
Mineral water 19 liters.	9 457,50	10 538,13	11 350,63	12 163,13	50 805,63	55 152,50	55 250,00

Maximum volume per year	300 000,00	
among them		
ART TG-60FS washing machine	23,5%	70 500,00
Washing machine ARTEL 60C101	41,5%	124 500,00
SAMSUNG washing machine WW60J3063LWULD	35,0%	105 000,00
	100,0%	300 000,00

Sales plan

Indicators	Q1 of 1 year	2 quarter of 1 year	Q3 of 1 year	Q4 of 1 year	Year 2	Year 3	Year 4
Mineral water 250 ml.	21 825,00	24 318,75	26 193,75	28 068,75	117 243,75	127 275,00	127 500,00
Mineral water 330 ml.	25 462,50	28 371,88	30 559,38	32 746,88	136 784,38	148 487,50	148 750,00
Mineral water 500 ml.	32 737,50	36 478,13	39 290,63	42 103,13	175 865,63	190 912,50	191 250,00
700 ml of mineral water.	65 475,00	72 956,25	78 581,25	84 206,25	351 731,25	381 825,00	382 500,00
Mineral water 19 liters.	14 186,25	15 807,19	17 025,94	18 244,69	76 208,44	82 728,75	82 875,00
GROSS SALES (US dollars)	**171 670,8**	**191 286,1**	**206 034,4**	**220 782,8**	**922 214,3**	**1 001 118,0**	**1 002 887,8**
Including for export	*51 501,2*	*57 385,8*	*61 810,3*	*66 234,8*	*276 664,3*	*300 335,4*	*1 686 750,0*

Cost of raw materials at full capacity

Name		Cost per unit	Quantity for the period	Cost of raw materials for the period	Share in %
Mineral water 250 ml.	piece	0,28	250 000,00	68 750,00	10,09%
Mineral water 330 ml.	piece	0,30	250 000,00	75 000,00	24,08%
Mineral water 500 ml.	piece	0,36	250 000,00	90 000,00	17,18%
700 ml of mineral water.	piece	0,43	450 000,00	192 600,00	17,34%
Mineral water 19 liters.	piece	0,88	65 000,00	57 200,00	19,17%
TOTAL				**483 550,00**	**100%**

Other overhead costs			Cost (DOLL. USA)
Customs VAT	0,00%	of the cost of raw materials	0,00
Customs duties and fees	0,00%	of the cost of raw materials	0,00
Other production costs	2,00%	of the cost of raw materials	9 671,00
Transportation costs	1,50%	of the cost of raw materials	7 253,25
Spare parts	2,50%	of the cost of the equipment	2 125,00
Routine repairs and preventive maintenance	1,00%	of the cost of the equipment	850,00
Bank services	0,50%	of costs	2 417,75
Implementation costs	0,20%	from sales	1 844,43
Administrative expenses	0,30%	from sales	2 766,64
Other operating expenses	0,50%	from sales	4 611,07
Total	**12,75%**		**31 539,14**

Cost (DOLL)

Mineral water 250 ml.

№	Name (specification)	Unit of measure	Quantity	Price	General cost
1	Water	ml	250	0,0002	0,06
2	Bottle	piece	1	0,13	0,13
3	Cover	piece	1	0,02	0,02
4	Label	piece	1	0,04	0,04
5	Packaging	piece	1	0,03	0,03
TOTAL					**0,28**

Mineral water 330 ml.

№	Name (specification)	Unit of measure	Quantity	Price	General cost
1	Water	ml	330	0,0002	0,06
2	Bottle	piece	1	0,15	0,15
3	Cover	piece	1	0,02	0,02
4	Label	piece	1	0,04	0,04
5	Packaging	piece	1	0,03	0,03
TOTAL					**0,30**

Mineral water 500 ml.

№	Name (specification)	Unit of measure	Quantity	Price	General cost
1	Water	ml	500	0,0001	0,06
2	Bottle	piece	1	0,19	0,19
3	Cover	piece	1	0,02	0,02
4	Label	piece	1	0,05	0,05

5	Packaging	piece	1	0,04	0,04
TOTAL					**0,36**

Table water 700 ml.

№	Name (specification)	Unit of measure	Quantity	Price	General cost
1	Water	ml	700	0,0001	0,06
2	Bottle	piece	1	0,25	0,25
3	Cover	piece	1	0,02	0,02
4	Label	piece	1	0,05	0,05
5	Packaging	piece	1	0,04	0,04
TOTAL					**0,43**

Mineral water 19 liters.

№	Name (specification)	Unit of measure	Quantity	Price	General cost
1	Water	л	19	0,0316	0,60
2	Cask	piece	1	0,15	0,15
3	Cover	piece	1	0,05	0,05
4	Label	piece	1	0,08	0,08
TOTAL					**0,88**

Personnel

Position	Quantity	Monthly salary	Total
ADMINISTRATION			
Director	**1**	250,00	**3 000,00**
Chief Accountant	**1**	200,00	**2 400,00**
Total	2		5 400,00
Social security contributions	*12%*		*648,00*
PROVIDED. PERSONAL			
Chief Technology Officer	**1**	180,00	**2 160,00**
Laboratory Technician	**2**	150,00	**3 600,00**
Warehouse manager	**2**	150,00	**3 600,00**
Warehouse Clerk	**2**	130,00	**3 120,00**
Loader	**10**	120,00	**14 400,00**
Handymen	**6**	110,00	**7 920,00**
Drivers	**2**	130,00	**3 120,00**
Quality Controllers	**3**	150,00	**5 400,00**
Total	28		43 320,00
Social security contributions	*12%*		*5 198,40*
TOTAL	**30**		**54 566,40**

Taxes and fees (U.S. dollars)

Taxes	Rate	Q1 of 1 year	2 quarter of 1 year	Q3 of 1 year	Q4 of 1 year	Year 2	Year 3	Year 4
Income tax	15,00%	6 472,50	7 913,36	8 733,69	9 554,01	39 591,02	46 739,96	48 285,61
VAT	15,00%	25 750,62	28 692,91	30 905,17	33 117,42	138 332,15	150 167,70	150 433,17
Total taxes (Eq. dollars)		**32 223**	**36 606**	**39 639**	**42 671**	**177 923**	**196 908**	**198 719**

Production cost at full capacity (U.S. dollars)

Indicator	Share of fixed costs (%)	Share of variable costs (%)	Total cost for the period	Fixed cost	Variable cost
Raw materials and supplies	0,00%	100,0%	483 550,00	0,00	483 550,00
Other production costs	0,00%	100,0%	9 671,00	0,00	9 671,00
Transportation costs	10,0%	90,0%	7 253,25	725,33	6 527,93
Spare parts	10,0%	90,0%	2 125,00	212,50	1 912,50
Routine repairs and preventive maintenance	30,0%	70,0%	850,00	255,00	595,00
Salaries and social insurance	0,00%	100,0%	48 518,40	0,00	48 518,40
Utilities	10,0%	90,0%	7 469,68	746,97	6 722,71
Salaries of administrative staff and social insurance	100,0%	0,00%	6 048,00	6 048,00	0,00
Bank services	0,00%	100,0%	2 417,75	0,00	2 417,75
Implementation costs	20,0%	80,0%	1 844,43	368,89	1 475,54
Administrative expenses	20,0%	80,0%	2 766,64	553,33	2 213,31
Other operating expenses	20,0%	80,0%	4 611,07	922,21	3 688,86
Depreciation	100,0%	0,00%	37 250,00	37 250,00	0,00
TOTAL			**614 375,22**	**47 082,22**	**567 293,00**

Annual value of products sold (U.S. dollars)

Cost items	Q1 of 1 year	2 quarter of 1 year	Q3 of 1 year	Q4 of 1 year	Year 2	Year 3	Year 4
Raw materials and supplies	72 532,50	78 576,88	84 621,25	90 665,63	386 840,00	411 017,50	411 017,50
Rent of premises and wells	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Other production costs	1 450,65	1 571,54	1 692,43	1 813,31	7 736,80	8 220,35	8 220,35
Transportation costs	979,19	1 060,79	1 142,39	1 223,99	5 222,34	5 548,74	5 548,74
Spare parts	478,13	478,13	478,13	478,13	1 912,50	1 912,50	1 912,50
Routine repairs and preventive maintenance	89,25	96,69	104,13	111,56	476,00	505,75	505,75
Salaries and social insurance	7 277,76	7 884,24	8 490,72	9 097,20	38 814,72	41 240,64	41 240,64
Utilities	1 008,41	1 092,44	1 176,47	1 260,51	5 378,17	5 714,30	5 714,30
Depreciation	9 373,00	9 373,00	9 373,00	9 373,00	37 310,50	37 250,00	37 250,00
FACTORY VALUE	**93 188,88**	**100 133,69**	**107 078,51**	**114 023,32**	**483 691,03**	**511 409,78**	**511 409,78**
Cost of inventory	5 309,41	5 751,86	6 194,31	6 636,76	28 316,83	30 086,63	30 086,63
FACTORY VALUE OF PRODUCTS SOLD	**98 498,29**	**105 885,55**	**113 272,81**	**120 660,08**	**512 007,86**	**541 496,41**	**541 496,41**
Salaries of administrative staff and social insurance	1 512,00	1 512,00	1 512,00	1 512,00	6 048,00	6 048,00	6 048,00
Bank services	362,66	392,88	423,11	453,33	1 934,20	2 055,09	2 055,09
Implementation costs	221,33	239,78	258,22	276,66	1 180,43	1 254,21	1 254,21
Administrative expenses	332,00	359,66	387,33	415,00	1 770,65	1 881,32	1 881,32
Other operating expenses	553,33	599,44	645,55	691,66	2 951,09	3 135,53	3 135,53
Total expenses for the period	2 981,32	3 103,76	3 226,21	3 348,65	13 884,37	14 374,14	14 374,14
Interest on the new loan	6 600,00	6 600,00	6 600,00	6 600,00	22 366,67	13 566,67	4 766,67
COST OF GOODS SOLD	**108 079,61**	**115 589,31**	**123 099,02**	**130 608,73**	**548 258,90**	**569 437,22**	**560 637,22**

Forecast of financial results (U.S. dollars)

Indicators	Q1 of 1 year	2 quarter of 1 year	Q3 of 1 year	Q4 of 1 year	Year 2	Year 3	Year 4
Net sales revenue	171 670,79	191 286,10	206 034,45	220 782,80	922 214,33	1 001 118,00	1 002 887,80
VAT	25 750,62	28 692,91	30 905,17	33 117,42	138 332,15	150 167,70	150 433,17
Factory value of products sold	93 188,88	100 133,69	107 078,51	114 023,32	483 691,03	511 409,78	511 409,78
Gross profit	52 731,29	62 459,49	68 050,78	73 642,06	300 191,15	339 540,52	341 044,85
Expenses of the period	2 981,32	3 103,76	3 226,21	3 348,65	13 884,37	14 374,14	14 374,14
Payment of interest	6 600,00	6 600,00	6 600,00	6 600,00	22 366,67	13 566,67	4 766,67
Profit from operating activities	43 149,98	52 755,73	58 224,57	63 693,41	263 940,11	311 599,71	321 904,04
Profit from general business operations	43 149,98	52 755,73	58 224,57	63 693,41	263 940,11	311 599,71	321 904,04
Income tax rate (%)	*15%*	*15%*	*15%*	*15%*	*15%*	*15%*	*15%*
Income tax	6 472,50	7 913,36	8 733,69	9 554,01	39 591,02	46 739,96	48 285,61
Net income	**36 677,48**	**44 842,37**	**49 490,88**	**54 139,40**	**224 349,09**	**264 859,75**	**273 618,43**
Coefficients profitability (%)							
Gross profit/total sales	30,72%	32,65%	33,03%	33,35%	32,55%	33,92%	35,94%
Net profit/total sales	21,37%	23,44%	24,02%	24,52%	24,33%	26,46%	30,18%

Working Capital (U.S. dollars)

	Coverage days		Turnover rate 360 / Days of coverage
Sales receipt period	3	Days	120
Stocks of raw materials	30	Days	12
Finished goods inventories	90	Days	4
Spare parts inventory	180	Days	2
Period of payment for services and materials to suppliers	3	Days	120

Indicators	0	Q1 of 1 year	2 quarter of 1 year	Q3 of 1 year	Q4 of 1 year	Year 2	Year 3	Year 4
Accounts receivable		1 430,59	1 594,05	1 716,95	1 839,86	7 685,12	8 342,65	8 357,40
Stocks of raw materials	6 000,00	6 044,38	6 548,07	7 051,77	7 555,47	32 236,67	34 251,46	34 251,46
Finished goods inventories		20 953,97	22 690,17	24 426,38	26 162,58	111 595,13	118 539,94	118 539,94
Spare parts inventory		239,06	239,06	239,06	239,06	956,25	956,25	956,25
Current assets	**6 000,00**	**28 668,00**	**31 071,36**	**33 434,16**	**35 796,97**	**152 473,17**	**162 090,30**	**162 105,05**
Accounts payable		604,44	654,81	705,18	755,55	3 223,67	3 425,15	3 425,15
Current liabilities		**604,44**	**654,81**	**705,18**	**755,55**	**3 223,67**	**3 425,15**	**3 425,15**
Net Working Capital	***6 000,00***	***28 063,56***	***30 416,55***	***32 728,99***	***35 041,42***	***149 249,50***	***158 665,16***	***158 679,91***
Changes in working capital	***6 000,00***	***22 063,56***	***2 352,99***	***2 312,43***	***2 312,43***	***114 208,08***	***9 415,66***	***14,75***

Cash Flow (U.S. dollars)

Indicator	0	Q1 of 1 year	2 quarter of 1 year	Q3 of 1 year	Q4 of 1 year	Year 2	Year 3	Year 4
Net sales revenue	**0,00**	**171 670,79**	**191 286,10**	**206 034,45**	**220 782,80**	**922 214,33**	**1 001 118,00**	**1 002 887,80**
The change in the working capital	0,00	22 063,56	2 352,99	2 312,43	2 312,43	114 208,08	9 415,66	14,75
Cash from sales	**-2 087 278,33**	**149 607,23**	**188 933,11**	**203 722,02**	**218 470,37**	**808 006,25**	**991 702,34**	**1 002 873,05**
Factory value of products sold	0	93 188,88	100 133,69	107 078,51	114 023,32	483 691,03	511 409,78	511 409,78
Gross cash receipts	**-2 087 278,33**	**56 418,35**	**88 799,41**	**96 643,51**	**104 447,05**	**324 315,22**	**480 292,56**	**491 463,27**
Expenses of the period	0,00	2 981,32	3 103,76	3 226,21	3 348,65	13 884,37	14 374,14	14 374,14
Payment of interest	0,00	6 600,00	6 600,00	6 600,00	6 600,00	22 366,67	13 566,67	4 766,67
Payment of commission	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Taxes	0,00	32 223,12	36 606,27	39 638,85	42 671,43	177 923,17	196 907,66	198 718,78
Depreciation	0,00	9 373,00	9 373,00	9 373,00	9 373,00	37 310,50	37 250,00	37 250,00
Operational flows	**-2 087 278,33**	**5 240,92**	**33 116,38**	**37 805,45**	**42 453,97**	**72 830,51**	**218 194,10**	**236 353,69**
Total capital	876 417,13							
Investments in fixed assets								
Cash receipts to principal repayments debt	**-1 214 215,75**	**5 240,92**	**33 116,38**	**37 805,45**	**42 453,97**	**72 830,51**	**218 194,10**	**236 353,69**
Repayment of the principal of the new loan		0,00	0,00	0,00	0,00	73 333,33	73 333,33	73 333,33
Financial need	**0,00**							

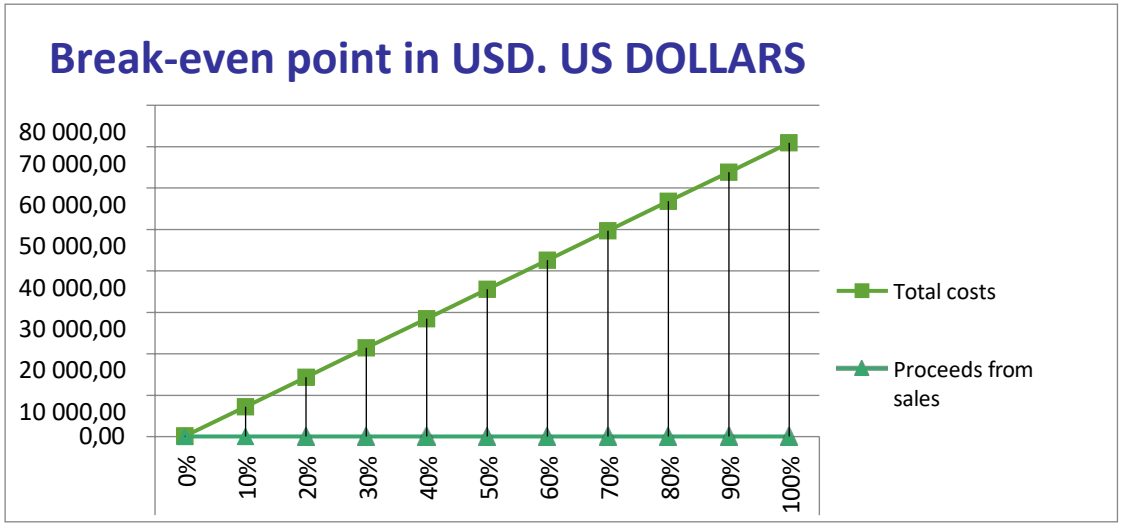
Indicator	0	Q1 of 1 year	2 quarter of 1 year	Q3 of 1 year	Q4 of 1 year	Year 2	Year 3	Year 4
Net cash flow	**0,00**	**5 240,92**	**33 116,38**	**37 805,45**	**42 453,97**	**-502,82**	**144 860,76**	**163 020,35**
	reserve							
Cumulative cash flow	**0,00**	**5 240,92**	**38 357,30**	**76 162,75**	**118 616,71**	**118 113,89**	**262 974,66**	**425 995,01**
CODE		**7,10**	**11,98**	**13,15**	**14,32**	**3,01**	**5,21**	**6,05**

Balance assumptions ($)

Balance sheet items	Investments	Q1 of 1 year	2 quarter of 1 year	Q3 of 1 year	Q4 of 1 year	Year 2	Year 3	Year 4
Cash	0,00	5 240,92	38 357,30	76 162,75	118 616,71	118 113,89	262 974,66	425 995,01
Accounts receivable	0,00	1 430,59	1 594,05	1 716,95	1 839,86	7 685,12	8 342,65	8 357,40
Stocks of raw materials and supplies	6 000,00	6 044,38	6 548,07	7 051,77	7 555,47	32 236,67	34 251,46	34 251,46
Finished goods inventories	0,00	20 953,97	22 690,17	24 426,38	26 162,58	111 595,13	118 539,94	118 539,94
Spare parts inventory	239,06	478,13	478,13	478,13	478,13	1 195,31	1 195,31	1 195,31
Current Assets	*6 239,06*	*34 147,98*	*69 667,72*	*109 835,97*	*154 652,74*	*270 826,12*	*425 304,02*	*588 339,12*
Fixed Assets	306 210,00	306 210,00	306 210,00	306 210,00	306 210,00	306 210,00	306 210,00	306 210,00
Accumulated depreciation	0,00	9 373,00	9 373,00	9 373,00	9 373,00	37 310,50	37 250,00	37 250,00
Net Fixed Assets	*309 564,55*	*300 191,55*	*300 191,55*	*300 191,55*	*300 191,55*	*272 254,05*	*272 314,55*	*272 314,55*
Total Assets	**315 803,62**	**334 339,53**	**369 859,27**	**410 027,53**	**454 844,30**	**543 080,18**	**697 618,58**	**860 653,68**
Accounts payable	0,00	604,44	654,81	705,18	755,55	3 223,67	3 425,15	3 425,15
Current Liabilities	*0,00*	*604,44*	*654,81*	*705,18*	*755,55*	*3 223,67*	*3 425,15*	*3 425,15*
Authorized capital	876 417,13	876 417,13	876 417,13	876 417,13	876 417,13	876 417,13	876 417,13	876 417,13
Long-Term Loan	220 000,00	220 000,00	220 000,00	220 000,00	220 000,00	146 666,67	73 333,33	0,00
Retained earnings		36 677,48	81 519,85	131 010,73	185 150,13	409 499,23	674 358,98	947 977,41
Equity	*95 803,62*	*113 735,10*	*149 204,47*	*189 322,35*	*234 088,75*	*393 189,84*	*620 860,10*	*857 228,53*
Total Liabilities	**315 803,62**	**334 339,53**	**369 859,27**	**410 027,53**	**454 844,30**	**543 080,18**	**697 618,58**	**860 653,68**
BALANCE	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

Break-even point

Total sales at full capacity	1 179 868,00
Fixed cost	47 082,22
Variable cost	567 293,00
Break-even point	22,3%



NPV & IRR

Period	Cash flow	Discount Rate		PV	NPV	IRR	PI
0 year	-314 410	12%		0	-590 955	-	0,0
Q1 of 1 year	5 241	12%	4 557	4 679	-309 731	0%	0,0
2 quarter of 1 year	33 116	12%	25 041	26 400	-283 330	-67%	0,1
Q3 of 1 year	37 805	12%	28 586	30 138	-256 421	-43%	0,1
Q4 of 1 year	42 454	12%	32 101	33 844	-229 441	-27%	0,1
Year 2	72 831	12%	55 070	58 060	-188 115	-12%	0,2
Year 3	218 194	12%	164 986	173 943	-77 571	6%	0,6
Year 4	236 354	12%	178 717	188 420	29 343	14%	0,6

14 INFORMATION ABOUT THE PROJECT PERFORMER

Business plan "Opening of clinker production" was made by the research agency "**Global Innovation Trade**". All our specialists have impressive experience in developing business plans, supported by deep knowledge in various areas of economics and business, the presence of a strong information base, knowledge of the most advanced approaches to business organization, knowledge of the latest methods of calculation and their competent adaptation to the specifics of the region or a particular industry.

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