



[DOCUMENT TITLE]

DEVELOPER: DEODAT DHANRAJH



MAY 13, 2022
SIR SERVICE STATION
LOT 'J' and 'K', First Avenue, Bartica

BACKGROUND

Current development trends in Guyana clearly point to the need for increasing our fuel storage capacity to meet the expanding needs of a growing market. This growing demand for fuel has both a land-based and a water-based perspective. From a land-based perspective, the challenge is to satisfy the growing demands for fuel for motor vehicles using the country's roadways. On the other hand, the water-based perspective brings into focus the demand for fuel by ocean-going and riverain vessels plying the Demerara river.

It is therefore essential that the fuel supply capacity be always in a state of readiness to meet market demands. This position will not only help to ensure the continued efficiency of fuel-dependent services but can also contribute to the stabilization of prices, particularly in the event of any shock to the market.

Mr. Deodat Dhanrajh is the proprietor of **SIR Service Station** in Bartica and quite a few other similar facilities in Guyana. With over twenty years of experience in the fuel industry, he is quite familiar with the market and what is required of suppliers. Key factors aligned to business operations are:

- Consistency in relation to service standards
- Compliance with applicable laws and regulations
- A competitive pricing strategy
- High workplace environmental and health and safety standards

Continually embracing these factors over the many years of operation had positive impacts on customers and contributed to the continued growth of the business.

THE PROPOSAL

The proposal hereby presented entails the following aspects:

1. The installation of six (6) above ground dieseline tanks, each with a capacity of 20,000 gallons;
2. The installation of six (6) underground gasoline tanks, each with a capacity of 5,000 gallons;
3. The construction of a Mooring Ramp extending approximately 15 feet out from the foreshore area to the Demerara River;
4. The installation of one (1) dieseline pump and one (1) gasoline pump for the discharge of fuel to motor vehicles, and
5. The construction of a building for the sale of vehicle parts and lubricants.

The site

The site is a currently vacant portion of land 0.1305 acres in size and described a Parcel 2933 Pln. Friendship, East Bank Demerara vide Guyana Lands and Surveys Plan No. 69741 dated 28.06.2015 D.D. Sukhai, Sworn Land Surveyor (copy attached).

Additionally, the portion of state reserve land immediately west of the said Parcel 2933 and 2932 as shown on GLSC Plan No. 69741 has been earmarked for use.



Section of site to Demerara River foreshore area

Capital investment in project

The capital investment planned for the project in its entirety is ***two-hundred and fifty million Guyana dollars (\$250,000,000)***. This investment outlay will be sourced from existing business savings held by the developer at commercial banks and will cover all expenditure required to complete the five aspects of the project elaborated above, in addition to cost associated with the use of equipment, land preparation and construction labour charges.

The annual turnover of the project

The annual turnover (the net sales generated by the business) of the project is expected to be approximately ***one billion dollars (\$1,000,000,000)***.

Employment

Upon its completion, the project is expected to employ eight (8) persons. The annual wage bill is tagged at approximately eight million dollars (\$8,000,000.).

Project phases

The project will be implemented over a three-month period in a phased manner as follows:

Phase 1: Land development works and construction of Mooring Ramp

Phase 2: Installation of fuel storage tanks and equipment

Phase 3: Construction of building to house office and sales area for vehicle parts and lubricants

Phase 4: Commencement of business operations

The commencement of all project construction activities will be initiated only after the approval of the competent regulatory bodies.

Land requirement for project development

While most of the project entails development on the existing freehold parcel of land (Parcel 2933 Pln. Friendship, East Bank Demerara), the area of State Land Reserve immediately west of the said Parcel 2933 and the west of Parcel 2932 to the south is also earmarked for use of the installation of six (6) twenty-thousand above ground dieseline tanks. This area of land abuts the Demerara River and its acquisition by way of Lease will be subject to an application to the Commissioner, Guyana Lands and Surveys Commission.

Conclusion

As a business venture, the herein described project initiative planned for Parcel 2933 Pln. Friendship, East Bank Demerara, along with the adjacent strip of State Land Reserve west of the said parcel of land along the Demerara River, is intended to respond to the demand for fuel by a growing consumer group. It is also reflective of a growing trend whereby more lands abutting the Demerara River are being used for high-value development projects which require access to the said River. In the execution of this project, the developer (Deodat Dhanrajh) will at all times comply with the standards/requirements of the relevant regulatory agencies.

Deodat Dhanrajh
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