

DRUMAX CONSTRUCTION LIMITED

PROJECT PROGRESS REPORT

SUBMITTED TO TANZANIA INVESTMENT CENTRE

MAY, 2020

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1.0 Introduction

Drumax Construction Limited is a limited liability company incorporated in the United Republic of Tanzania under cap. 212 with Reg. No. 103098 dated 11th october, 2013. The project which is geared to provide establish manufacturing facilities for building materials including aggregates, Alphalt, concrete, paving Blocks and crusher, dust, Crs, Crr of all sizes.

The project is located at QDS 294/3 Chipite, Masasi in Mtwara region.

The core business or the object clause remains mainly “To manufacture building materials for road construction and any other construction.

2.0 Planned Activities for the Period

During the period, the company planned to invest and undertake the following activities.

Proposal activities included:

- Processing plant/ ware house.
- Acquisition of more Land.
- Acquisition of more modern equipments.
- As part of implementing the project, a reasonable labor force to be recruited.
- To seek additional source of funds from the bank in order to fulfill our project missions and objectives.
- Procuring of other necessary equipments in supporting the implementation of the project.
- To increase more production and installation of a new production lane.

3.0 Achievements made towards Implementation

During the period of implementation, a number of the above activities were implemented as follows:-

- 3.1 Employment more than 35 direct and indirect, during implementation period, the company provided cumulative employment to local Tanzanians.
- 3.2 As phase one of constructing a garage is completed and now moving to phase two which is to install another new production lane.
- 3.3 Managed to purchase haulage trucks 35, 6 excavator and addition of another production lane chain.
- 3.4 More equipment's have been purchased like generators, pressure pumps, wheeling and advanced tool kits.

4.0 Financial Expenditure

The project planned to make further investments in order to expand the project up and running at the capex of 7 million USD from the initial refer the summarized table below:

USD

TOTAL COST OF THE PROJECT		7,000,000.00
Land & Buildings		250,000
Equipment & Machine		2,500,000
Motor Vehicles		1,000,000
Furniture		7,000
Pre - Expenses		90,000
others		NIL
Working capital		180,000
Total		4,027,000

5.0 Major Problems

Although no serious problems have been faced with the implementation of the project we have encountered several niggling issues which may be looked at. Some of them are mentioned below:-

5.3 Changing of Laws

This is a very huge set back since it reflects unpredictable environment for investments. For this reason, it has delayed my company to decide to extend but we believe the situation is going to change under the new regime which emphasize on manufacturing and industries we have gained hope and as directors of the company think that the situation is going to be different this present.

6.0 Planned Activities for the coming Period

The development focus on increasing more capital and invest more on modern technology on so doing the project capital and strengthening of its present capacity and activities to meet the standards. The company has also re - entered into another three years contract with TANROADS to supply materials for road construction also the company has decided to add more production lane to make total of 16 production lane in total.

7.0 Projected Expenditure for the Coming Period

The company activities have been financed by both equities, own sources of funds and hope to source from bank loans in future.