

SUNDA CHEMICAL FIBER LIMITED

PROJECT PROGRESS REPORT

SUBMITTED TO TANZANIA INVESTMENT CENTRE

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**SUNDA CHEMICAL FIBER LIMITED
P. O. Box 70241
DAR ES SALAAM**

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1.0 Introduction

Sunda Chemical Fiber Limited is a limited liability company incorporated in the United Republic of Tanzania under cap. 212 with

Reg. No. 136912615 dated 25th June, 2018. The project which is geared to establish production of chemical fibres (polyester materials) project.

The project is located at Plot No. 1 Block N Disunyara Industrial Area, Kibaha District in Coast Region, Tanzania.

The core business or the object clause remains mainly "To establish a project for production of chemical fibres (Polyester Materials).

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 manufacturing warehouse is completed and now moving to phase two which is to install another new production lane.

3.3 Managed to purchase sophisticated machines which will increase production by 30% compared from the machines that only 20% production per month.

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 1 million USD from the initial refer the summarized table below:

USD

| TOTAL COST OF THE PROJECT | | 1,000,000.00 |
|---------------------------|--|----------------|
| Land & Buildings | | 35,000 |
| Equipment & Machine | | 150,000 |
| Motor Vehicles | | 50,000 |
| Furniture | | 10,000 |
| Pre - Expenses | | 20,000 |
| others | | 10,000 |
| Working capital | | 160,000 |
| Total | | 435,000 |

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:-

5.1 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.

5.2 Labour Permits

This is also another setback whereby most of our technical staffs have been rejected labour permits and imposition of difficult requirements on obtaining the permits certificates.

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. Planning on increasing more labour force.

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.













