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A: EXECUTIVE SUMMARY

BACKGROUND INFORMATION

Minjingu Mines and Fertilizer Limited is a limited liability company – the same was officially registered and have got all key legal and administrative documents, the same are annexed together with this feasibility study report and of course they form part of this study.

DIRECTORS/SHAREHOLDERS

Guided as we are by the latest annual return, this company have registered the following to be shareholders cum directors:-

- Mr. Pandeep Hans
- Mr. Hardeep Singh Hans
- Mr. Anupchandra Modha

LEGAL STRUCTURE

In order for the company to operate professionally, profitably, sustainably and within the ambit of law, time and again the company was and still is guided by the following laws:-

- The Investment Act 1979
- The Income Tax Act 2004
- Business Licence Act 1972
- Industrial Act Section 20(F) of 1967
- Environment Act Cap 191
- Land Act 1999 no. 14 Section 29
- Insurance Act and Immigration Act
- National Board of Accountants and Auditors Act and lastly

To prove that the company was and still is operating professionally there are policies which operate hand in hand with the above mentioned acts, they include that of:-

- Land Policy
- Industrial Policy
- Immigration Policy
- Local Government Policy
- Investment Policy of October 1996
- Environment Policy and
- Insurance Police to name but a few

MANAGEMENT STRUCTURE

In order to make sure that the company is professionally guided the company have got the following key administrative documents namely:-

- Strategic Plan for ten years
- Accounting Manual in order to control cash inlay and cash outlay
- Management Manual in order to direct professionally the current and future human resources capital.

In order to make sure that all this is effective, the company have a Board of Directors who time and again meet to evaluate operations of the company, and also to make sure that the strategic plan of the company is professionally implemented.

FINANCIALS

Key financial figures have been computed to prove liquidity ratios of the company and also the profitability of the company these include that of:-

- Projected Investment Pattern
- Projected Cash Flow
- Projected Profit and Loss Statements
- Projected Balance Sheet among others

MAIN REPORT

B: MAIN REPORT

PROJECT HISTORY AND PROGRESS TODATE

The brain behind this project include the following dedicated and painstaking Directors namely:-

- Pandeeep Singh Hans who is also a Director of Hans Nails Limited, Fiberboard Limited, Hans Steel Rolling Mills and Mchumba Estates Limited
- Mr. Hardeep Singh Hans, Hardeep is also a Director of Hans Nails Limited, Fiberboard Limited, Hans Steel Rolling Mills and Mchumba Estates Limited
- Mr. Anup Modha who doubles also as a Director of Mount Meru View Estates and Krishna Safaris Limited.

To date the industry/project is progressing well and it commands a reasonable market share – details of all this are debated in details in the aforementioned paragraphs.

LEGAL STRUCTURE

As started in brief in the executive summary, this company was and still is operating within the ambit of law – this is proved by key legal documents which are annexed together with this feasibility study report. The said documents include that of:-

1. Memorandum and Article of Association which was incorporated by the then Companies Ordinance Cap 212 (now replaced by the Companies Act 2002)
2. Certificate of Incorporation in corformity to the Companies Act 2002
3. Taxpayers Identification Number (TIN) which was issued under Section 23 of the Tax Administrative Act 2015
4. Latest Annual Returns in order to abide and comply to section 128 of the Companies Act 2002
5. Temporary Industrial Licence in corformity to Industrial Act Section 20 (F) Act 1967

6. Environment Audit in order to abide and comply to Environment Act Cap 191 of the revised law.
7. Insurance official receipt in order to abide and comply to the Insurance Act.
8. Insurance Cover note for fire & burglary
9. Audited accounts in conformity to the National Board of Accountants and Auditors Act
10. Land documents where the office is located (Title deed in conformity to the Land Act 1999 No. 14 section 29 and lastly
11. Certificate as fertilizer manufacturer which was issued under Regulation 6(2) of the fertilizer Act 2009 among others – we have taken trouble to annex all these documents together with this feasibility study report and they form part of the study.

ADMINISTRATIVE SET UP

As correctly stated in the executive summary the company is guided by a well versed strategic plan which is closely monitored by management manual, accounting manual and other administrative policies which time and again are issued by the Management or Board. Currently the management structure can be summarised as under:-

- Managing Director – Mr. Pardeep Hans
- General Manager – Mr. Anupchadra Modha
- Financial Controller – Mr. Mehul Sheth
- Factory Site Manager – Mr. Ipyana Mwambete
- Production Manager – Dr. Gowda
- Head of Extension Services & Sales – Mr. Frank Kamhabwa
- Business Development and Sales Manager – Mr. Lawrence Munene

All these professionals cum staff of the company operate together for a tangible and profitable results – all these issues are debated and are proved by financial figures in this feasibility study report.

FINANCIALS

INVESTMENT PATTERN

Total investment cost of the entire project have been financed by both equity contribution and financial support from financial institution. As we are writing this feasibility study report a Ten Billion facility has been approved by CRDB Bank (refer annexure 12 in the summarised document of key legal and administrative documents) the same as it has been the case with other key legal and administrative documents are annexed together and form part of this feasibility study report.

CASH FLOWS

We have taken trouble to compute cash flow of the entire project the same is under annexures which are annexed together with this study.

- The said cash flow prove the fact that the project can meet all its day to day operations and also the cash flow can service the term loan principal.

INCOME AND EXPENDITURE

The annexed profit and loss statement prove profitability and sustainability of this project. This basic fact is backed by the fact that in Tanzania 80% of Tanzanians depend on agriculture. With an introduction of new products at the factory there is a guaranteed market share in this respect.

LOAN REPAYMENT SCHEDULE

Loan repayment schedule is connected to what the cash flow have revealed. The loan from CRDB PLC will be paid easily because of the unlimited market share of fertilizer and also the sustainability and profitability of the entire project (refer cash flow and income and expenditure accounts). Thus, the computations of cash flow prove the basic fact that the said loan will be paid without any problem. This basic fact justify implementation of this project.

BALANCE SHEET

The annexed balance sheet prove the liquidity ratio of the entire project (refer balance sheet which is attached together with this feasibility study report,) the same will also form part of this study.- These basic facts justify implementation of the study.

FINANCIAL INDICATORS

All computed financial indicators prove a steady growth of total turnover, profits monthly gross margin and yearly gross margin (see charts overleaf)

MARKETING ANALYSIS, SWOT, SWOC AND MITIGATING FACTORS

Marketing products at any given time depends on the availability of the same, quality, quantity and timely delivery. In order to command a reasonable market share one is supposed to critically conduct SWOT and SWOC analysis thus key findings of SWOT/SWOC connected to this project can be summarised as under:-

CURRENT MARKET SEGMENTS

Currently the market of this company consist of the following:-

- a) Small farmers
- b) Commercial farmers e.g. those who deal with crops like tea, coffee, cashnuts, tobacco, cotton, sugarcane to name but a few.

A detailed analysis of the entire market one can easily conclude as follows:-

- More than 70% of fertilizers are sold locally
- At least 30% of what is produced at the factory is exported to Kenya and to other suppliers within the East African Region.

It is better to note that two types of fertilizers for those who plant food crops they prefer to use DAP Minjingu Nafaka, or UREA (Minjingu dressing) for those who deal with cash crops they time and again use specialized blends.

Market Analysis	in Metric Tons						CAGR
	2020	2021	2022	2023	2024		
Potential Customers							
Local Sales	100,750	128,250	180,500	245,000	280,000	280,000	29.12%
Export Sales	88,250	126,000	160,750	202,500	220,000	220,000	25.65%
Other	0	0	0	0	0	0	0.00%
Total	189,000	254,250	341,250	447,500	500,000	500,000	27.53%

Chart: Market Analysis (Pie)

Market Analysis (Pie)



NOTE:

In order to make sure that suppliers receive fertilizer at the right time, from reliable supplier, the company have signed contracts with several companies to supply tyres, spare parts, raw materials, fuel and oil – the said suppliers are as per details below:-

Sr No.	MMF's main suppliers for the key raw materials required by the Company are listed below. Name of supplier	Location	Item
1	A to Z Ltd	Arusha	Packing materials
2	Mansford Trading DMCC	U.A.E	Raw material
3	Export Trading Co. Ltd	Dar es Salaam	Raw material
4	Simba Trucking Ltd	Arusha	Transporter
5	Sunvic Express Ltd	Arusha	Transporter
6	Fast Freight Forwarders Ltd	Arusha	Transporter
7	Gem Exports	India	Spares
8	Gupta Auto Spares & Hardware Ltd	Arusha	Tyres
9	Jubilee Tyres 2002 Ltd	Arusha	Tyres
10	Mount Meru Petroleum Ltd	Arusha	Diesel
11	Ramamoha Ltd	Dar es Salaam	Furnace oil

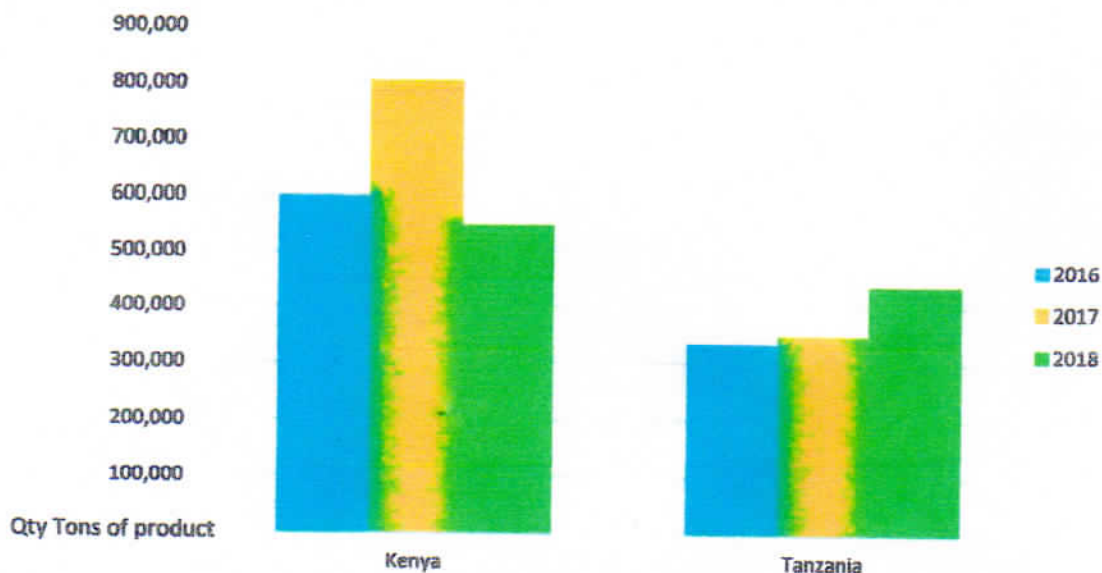
SWOT AND SWOC ANALYSIS

Strength of this project is the agriculture policy and number of farmers in Tanzania (80%) the ready market in the East African region is an added advantage. The main **weakness** of lack of working capital have been resolved by the facility of Ten Billion from CRDB Bank, **opportunities** are many due to the ready market in Tanzania and to the East African region. **Threats** and **challenges** can be solved once the company will **plan properly act** timely in reaching the market and **control effectively** all money centres together with cash inlay and cash outlay.

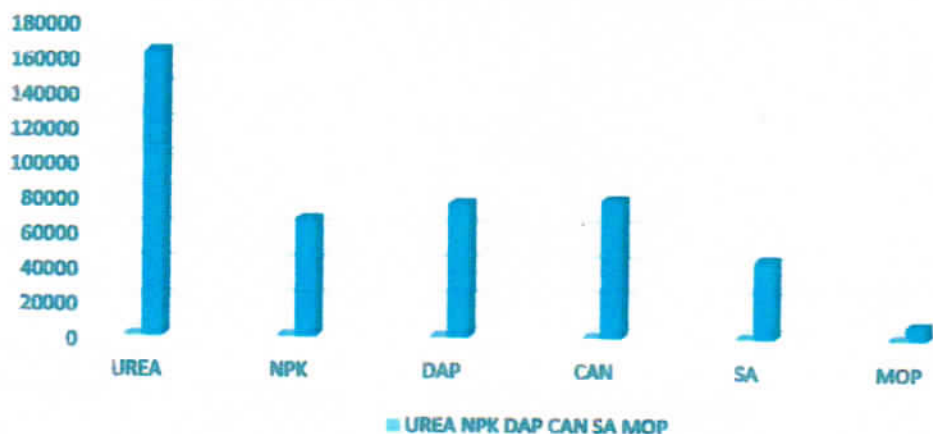
4.0 Market Analysis Summary

The Country currently imports nearly all its fertilizer requirements through the Bulk Procurement System where by tenders are floated by the Government to import fertilizers by private parties. The lowest bidder is generally awarded. The importer then sales the fertilisers to the other fertilizer traders. The Quantity and types imported during the year is as below:

FERTILIZER APPARENT CONSUMPTION, 2016 - 2018



IMPORT DATA 2018-19 in Metric Tons



IMPLEMENTATION PROGRAMME

The Board of Directors and Shareholders have resolved to implement this project in a span of five years each. This includes up and including f/y 2025

C: ORGANISATION AND MANAGEMENT

SHAREHOLDERS

Registered shareholders are as per memorandum and articles of association but to prove all this one is guided to refer to annexure 4 in the voluminous document of key legal and administrative document which form part of this study.

THE BOARD

The company have a registered board which among others is the policy maker and controller of all key activities at the factory. To facilitate professionally, the company have signed agreement with several professionals in order to assist them to operate legally, professionally and profitability. These include legal consultants, external auditors, management consultants to name but a few.

MANPOWER AT THE PLANT

The plant as debated in the aforementioned paragraphs is time and again guided by professionals.

MANAGEMENT AT THE HEAD OFFICE

Management at the head office as it has been the case at the main office professionals man day to day operations.

D: WHY THIS PROJECT (WHY EXPANSION PROGRAMME)

THE INDUSTRIAL AND CONSTRUCTION POLICY OF 2003

Among others the policy encourage local investors to dwell in such projects the policy insist the industries to operate because of an element of transfer of technology, creation of employments and contribution handsomely to the national confer, this project have got those basic factors – this fact justify implementation of its expansion programme.

TANZANIA VISION 2025

In a nutshell the vision target to have a well educated society, to create peace and tranquility and to have a vibrant economy – guided as we are by data and statistics annexed together with this study it goes without saying that the project was and still is creating key social and economic issues – this basic fact again justify implementation of its expansion programme.

MONETARY POLICY STATEMENT FROM BANK OF TANZANIA 2020/2021

Macro economic policy framework for 2020/2021 have targeted to meet the following objectives:-

- To attain GDP growth of 5.5% in 2020
- Maintain a single digit annual inflation rate between 3.0% to 5.0% by the end of June 2021 and to have
- Budget deficit including grants of 2.6% of GDP by 2020/2021 f/y. The project will support the National Budget this basic fact justify implementation of expansion programme

NATIONAL BUDGET/MINISTRY OF INDUSTRIES BUDGET

Both the National Budget and that of Ministry of Trade and Industries have budgeted to collect revenue from different source – the project will pay a lot of taxes (refer annexed financial) this basic fact justify implementation of this project expansion programmes.

THE INVESTMENT ACT 1979 AND ITS POLICY OF OCTOBER 1996

Both the investment policy of October 1996 and its Act of 1979 encourage local and foreign investors and that the Government through respective Ministries and Tanzania Investment Centre is **ready, willing** and **able** to assist investors to establish and operate their projects – This basic fact justify implementation of the project.

POLITICAL GOODWILL AND ELECTION MANIFESTO

The project has got a lot of political goodwill as it is in line with the Ruling Party election manifesto – this basic fact justify the implementation of expansion programme of this project.

KEY DATA & STATISTICS

The annexed data and statistics plus basic facts connected to the same justify implementation of this project.

STRATEGY OF HOW THE COMPANY PLAN TO DIFFUSE RISKS

There are a number of risks connected to this business namely

- Business risks (e.g. availability of electricity)
- Monetary risks (commodity price fluctuations)
- Competitive atmosphere
- Financial risks
- Foreign exchange fluctuations risks
- Administrative risks (e.g late approval of letter of credit)

- Environmental risks and other related calamities.

In order to mitigate all this the company have got in place the following mitigating factors:-

- The company depend on local suppliers in order for them to supply raw materials which can be used at the factory
- The company have plans to import raw materials directly to support local suppliers
- Phosphate is mined by the company at the site this will diffuse the issue of competition.
- Due to the fact that the company financial data are very good it is easy to apply for term loan as it has been with CRDB Bank to cover financial GAP.
- The foreign exchange risks can be diffused by the plan of cash and delivery practice / method.
- Letter of credit will never affect the company due to the fact that all foreign purchases are conducted directly with the company.
- The environment risks will be diffused as the company have already conducted environmental audit which latter will facilitate to get E1.AR certificate/ report.

C: TECHNICAL ASPECTS

LOCATION AND ACCESS

The industry is a stone throw from the trunk tarmacked road from Arusha to Babati/Mwanza this being the case, it is easy to ferry raw materials or fertilizer from the factory.

POWER

The area is supplied with National grid but the management have been extra careful as they have budgeted for standby generators and in this expansion programme new standby generators have been earmarked to be purchased.

WATER

Water is available at the area and stored in huge simtanks. It has been budgeted also to have more boreholes at the area.

PLANT AND EQUIPMENT

Together with this feasibility study report a number of key plant and equipments have been listed to enable them be presented to TIC, TRA and to the parent Ministry for approval of capital deemed capital goods.

E: FINANCIAL ANALYSIS

CAPITAL COSTS

Capital costs of the entire project has been budgeted for and it is the policy of the company to apply for financial support where the need be with this approach, the project will prove to be sustainable.

INVESTMENT AND RE-INVESTMENT

The Board of Directors in order to support their cash flow they have resolved that whatever profit which will be generated will be re-invested to support the companies cash flow, this approach guarantee sustainability of the project.

COST OF PRODUCTION AND PROFITABILITY

Cost of production at the factory have been controlled. To prove this fact, key financial figures show a promising net profit which create a lot of positive signs to the entire project.

PROJECTED DEPRECIATION SCHEDULE

Professional calculation has been computed to alert the management so that they can plan for replacement of plant and equipments.

F: ECONOMIC ANALYSIS

Going by data/statistics in this feasibility study report, a professional analysis of all financial figures in this documents, it is easy to conclude that the project was and still is creating a lot of opportunities of employment, transfer of technology, payment of taxes and related benefits, specifically to the farmers in Tanzania (refer annexed data/statistics)

G: PROFESSIONAL OPINION

Guided as we are by economic vision 2025, Monetary policy statement from Bank of Tanzania 2020/2021, National Budget, the Budget of Ministry of Trade and Industries. The five years development plan, data/statistics annexed together with this document, detailed financial computation e.t.c, all these prove that the project is viable, profitable, sustainable, legal and that it has both forward and backward linkage not only to the people of Manyara, Babati district, Minjingu village but also to the farmers of United Republic of Tanzania and indeed those from the East African Region – We thus recommend the project to be registered with TIC and their capital deemed capital goods be approved as requested to enable the company to implement their expansion programme – This is our professional. Opinion. And we so declare.

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**FINANCIAL – COMPUTATIONS OF FINANCIAL
FIGURES TO PROVE LIQUIDITY RATIOS, PROFITABILITY
– SUSTAINABILITY AND RETURNS ON INVESTMENTS
APPENDIX 1 – APPENDIX 8**

**SITUATION ANALYSIS (FIGURES AND COMPUTATIONS
TO SHOW HOW THE FACTORY HAVE BEEN PERFORMING)
GROSS SALES, GROSS MARGIN, OPERATING EXPENSES
AND A COMBINED BALANCE SHEET**

MINJINGU BUSINESS PLAN 2020-25

Table: Past Performance

Past Performance	in Million Tshs		
	FY 2018-19	FY 2019-20	FY 2020-21
Sales	5,647	17,949	56,001
Gross Margin	3,324	5,814	21,930
Gross Margin %	58.86%	32.39%	39.16%
Operating Expenses	3,376	12,135	34,071
Balance Sheet			
	FY 2018-19	FY 2019-20	FY 2020-21
Current Assets			
Cash	24	313	363
Accounts Receivable			
Other Current Assets	10,801	7,680	22,079
Total Current Assets	10,825	7,993	22,442
Long-term Assets			
Long-term Assets	9,869	8,073	6,073
Accumulated Depreciation	0	0	0
Total Long-term Assets	9,869	8,073	6,073
Total Assets	20,694	16,066	28,515
Current Liabilities			
Accounts Payable	2,713	1,877	9,372
Current Borrowing	12,388	5,008	9,359
Other Current Liabilities (interest free)	0	4,257	0
Total Current Liabilities	15,101	11,142	18,731
Long-term Liabilities			
Total Liabilities	15,101	11,142	18,731
Paid-in Capital	10,000	10,000	10,000
Retained Earnings	16,475	16,475	16,475
Earnings	(20,882)	(21,551)	(16,691)
Total Capital	5,593	4,924	9,784
Total Capital and Liabilities	20,694	16,066	28,515
Other Inputs			
Payment Days	60	60	60
Sales on Credit	90	90	90
Receivables Turnover	0.00	0.00	0.00

PROJECTED SALES FORECAST FOR ALL TYPES OF FERTILIZER WHICH IS CURRENTLY PRODUCED AT THE FACTORY (MOHP-Gr, MOHP-Pw, TOP DRESSING, NAFKA PLUS, NPK'S AND TEA AS COMPARED TO THE SUBTOTAL CONNECTED TO DIRECT COST OF SALES. F/Y 2021 – F/Y 2025 – ALL THIS PROVE CURRENT MARKET SHARE

MINJINGU BUSINESS PLAN 2020-25

5.4.1 Sales Forecast

The following chart and table show our present sales forecast. We project sales to grow significantly in the second year due to government emphasis of usage of local made fertiliser.

Table: Sales Forecast

Sales Forecast	in Million Tshs				
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Unit Sales					
MOHP - Gr	4,500	5,250	5,250	9,000	9,000
MOHP - Pw	73,000	75,000	82,000	87,500	90,000
TOP DRESSING	8,000	10,000	12,000	70,000	85,000
NAFAKA PLUS	85,000	135,000	165,000	200,000	235,000
NPK's	14,000	20,000	67,000	70,000	70,000
TEA	4,500	9,000	10,000	11,000	11,000
Total Unit Sales	189,000	254,250	341,250	447,500	500,000
Unit Prices					
MOHP - Gr	0.65	0.65	0.65	0.65	0.65
MOHP - Pw	0.42	0.42	0.42	0.42	0.42
TOP DRESSING	0.90	0.90	0.90	0.90	0.90
NAFAKA PLUS	1.00	1.00	1.00	1.00	1.00
NPK's	1.20	1.20	1.20	1.20	1.20
TEA	1.40	1.40	1.40	1.40	1.40
Sales					
MOHP - Gr	2,925	3,413	3,413	5,850	5,850
MOHP - Pw	30,660	31,500	34,440	36,750	37,800
TOP DRESSING	7,200	9,000	10,800	63,000	76,500
NAFAKA PLUS	85,000	135,000	165,000	200,000	235,000
NPK's	16,800	24,000	80,400	84,000	84,000
TEA	6,300	12,600	14,000	15,400	15,400
Total Sales	148,885	215,513	308,053	405,000	454,550
Direct Unit Costs					
MOHP - Gr	0.26	0.30	0.30	0.35	0.35
MOHP - Pw	0.17	0.20	0.20	0.21	0.22
TOP DRESSING	0.36	0.55	0.50	0.55	0.55
NAFAKA PLUS	0.40	0.45	0.45	0.50	0.55
NPK's	0.96	0.96	0.95	1.05	1.08
TEA	0.90	0.96	0.95	1.05	1.08
Direct Cost of Sales					
MOHP - Gr	1,170	1,575	1,575	3,150	3,150
MOHP - Pw	12,410	15,000	16,400	18,375	19,800
TOP DRESSING	2,880	5,500	6,000	38,500	46,750
NAFAKA PLUS	34,000	60,750	74,250	100,000	129,250
NPK's	13,440	19,200	63,650	73,500	75,600
TEA	4,050	8,640	9,500	11,550	11,880
Subtotal Direct Cost of Sales	67,950	110,665	171,375	245,075	286,430

Appendix

Total Sales		2,100	2,940	2,100	9,005	32,105	28,935	12,940	17,970	17,365	8,305	12,600	2,520
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Direct Unit Costs													
MOHP - Gr	40.00%	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26
MOHP - Pw	40.00%	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17
TOP DRESSING	40.00%	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36
NAFAKA PLUS	40.00%	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
NPK's	80.00%	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96
TEA	40.00%	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
Direct Cost of Sales													
MOHP - Gr		0	0	0	26	546	26	0	520	26	26	0	0
MOHP - Pw		850	1,190	850	1,190	1,190	1,020	1,190	1,020	850	1,190	850	1,020
TOP DRESSING		0	0	0	0	720	720	0	0	720	720	0	0
NAFAKA PLUS		0	0	0	0	8,000	8,000	4,000	4,000	4,400	1,400	4,200	0
NPK's		0	0	0	4,800	4,800	0	0	1,920	1,920	0	0	0
TEA		0	0	0	0	0	2,925	0	1,125	0	0	0	0
Subtotal Direct Cost of Sales		850	1,190	850	6,016	15,256	12,691	5,190	8,585	7,916	3,336	5,050	1,020

**PROJECTED COMPUTATION OF
CASH FLOW F/Y 2020 – 2021
(OPENING BALANCE, CASH FROM OPERATIONS,
SUBTOTAL CASH FROM OPERATIONS, PLUS
PRESENTATION OF CASH INLAY AND CASH OUTLAY FOR
FIVE FINANCIAL YEAR.**

Appendix

Cash Spending	8,949	9,585	9,081	12,164	11,795	14,019	9,933	12,457	10,336	9,653	7,923	7,639
Bill Payments	9,861	-	-	-	-	-	-	-	-	-	-	-
Subtotal Spent on Operations	18,810	9,585	9,081	12,164	11,795	14,019	9,933	12,457	10,336	9,653	7,923	7,639
Additional Cash Spent	-	-	-	-	-	-	-	-	-	-	-	-
Non Operating (Other) Expense	-	-	-	-	-	-	-	-	-	-	-	-
Sales Tax, VAT, HST/GST Paid Out	-	-	-	-	-	-	-	-	-	-	-	-
Principal Repayment of Current Borrowing	-	-	-	-	-	-	-	-	-	-	-	-
Other Liabilities Principal Repayment	-	-	-	-	-	-	-	-	-	-	-	-
Long-term Liabilities Principal Repayment	-	-	-	-	-	-	719	719	719	719	719	719
Purchase Other Current Assets	-	-	-	-	-	-	-	-	-	-	-	-
Purchase Long-term Assets	34,500	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal Cash Spent	53,310	9,585	9,081	12,164	11,795	14,019	10,652	13,176	11,055	10,372	8,642	8,358
Net Cash Flow	(14,064)	(5,203)	(4,111)	(5,860)	1,578	6,190	(1,594)	(828)	1,377	(4,559)	(1,922)	(4,494)
Cash Balance	-13,701	-18,904	-23,014	-28,875	-27,296	-21,106	-22,700	-23,528	-22,151	-26,710	-28,632	-33,126

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7.4 Projected Cash Flow

The cash flow projection shows that provisions for ongoing expenses are adequate to meet MMFL 's needs as the business generates cash flow sufficient to support operations, It will however need an overdraft facility of Tzs 28 Billion.

Table: Cash Flow

Projected Cash Flow	in Million Tshs				
	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Cash Received					
Opening Balance	363	(33,126)	(31,196)	(44,801)	(34,068)
Cash from Operations					
Cash Sales	104,220	150,859	215,636	283,499	318,184
Cash from Receivables	-	44,666	64,654	92,417	121,501
Subtotal Cash from Operations	104,220	195,524	280,291	375,916	439,685
Additional Cash Received					
Non Operating (Other) Income	-	-	-	-	-
Sales Tax, VAT, HST/GST Received	-	-	-	-	-
New Current Borrowing	-	-	-	-	-
New Other Liabilities (interest-free)	-	-	-	-	-
New Long-term Liabilities	34,500	-	-	-	-
Sales of Other Current Assets	-	-	-	-	-
Sales of Long-term Assets	-	-	-	-	-
New Investment Received	-	-	-	-	-
Subtotal Cash Received	139,083	162,398	249,095	331,115	405,617
Expenditures	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Expenditures from Operations					
Cash Spending	123,535	178,008	264,896	353,308	405,834
Bill Payments					

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Subtotal Spent on Operations	123,535	178,008	264,896	353,308	405,834
Additional Cash Spent Non Operating (Other) Expense	-	-	-	-	-
Sales Tax, VAT, HST/GST Paid Out	-	-	-	-	-
Principal Repayment of Current Borrowing	-	-	-	-	-
Other Liabilities Principal Repayment	9,861				
Long-term Liabilities Principal Repayment	4,313	8,625	8,625	8,625	4,313
Purchase Other Current Assets	-	-	-	-	-
Purchase Long-term Assets	34,500	6,960	20,375	3,250	6,615
Dividends	-	-	-	-	-
Subtotal Cash Spent	172,209	193,593	293,896	365,183	416,761
Net Cash Flow	(33,126)	(31,196)	(44,801)	(34,068)	(11,145)
Cash Balance	(33,126)	(31,196)	(44,801)	(34,068)	(11,145)

Chart: Five Year Cash Flow Chart

