

p.o.box 75778
Dar es Salaam
tanzania

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arusha
tanzania



Lodhia Steel Industries Ltd.
A Lodhia Group Enterprise

Dar-es-Salaam: +255 22 2113258/59
Arusha: +255 27 2548520/04
email: info@lodhiagroup.com
www.lodhiagroup.com

31 Jul 2021

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**TANZANIA INVESTMENT CENTRE
DAR ES SALAAM**

PROGRESS REPORT

**LODHIA STEEL INDUSTRIES LIMITED – TIC CERTIFICATE 042859
OVERALL REPORT – DAR & ARUSHA**

1. Planned activities for the period

Set up steel plants manufacturing billets and plan to install AOD machine to convert the molten scrap into billets with reduced carbon content to produce TMT bars from the locally available scrap metal. Tube mill will be commissioned Below constructions have been planned to start in the second half of 2021:

- Scrap sorting and bundling plant
- A new Gas producing plant to supply gas to AOD plant
- Fumes Extraction system
- Central store for upkeep of consumables and spare
- Workshop for repairing and maintaining own trucks and equipments
- New weighbridge to accommodate the volume of sales and incoming scrap
- Staff canteens
- Staff quarters
- Second Tube Mill will be commissioned before end of 2021
- Compound wall around the factory

2. Achievements made on the project implementation to date:

Billets production through the furnace and continuous casting machine is running smoothly.

3. Company's information:

a. Shareholders:

Arun Vithaldas Lodhia	Tanzanian	63.63%
Divya Arun Lodhia	British	27.27%
Mihir Anand	British	9.10%

b. Company information

Email address : ceo@lodhiagroup.com

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- Mobile number : 0717 626262
Landline Phone no : 027 2548504
Physical address : Plot 26, Themi Industrial Area, Njiro, Arusha
- c. Contact Person : Manoj S G
Position : CEO
Email / Phone : ceo@lodhiagroup.com / 0717 626262
- d. Certificate of Incorporation No : 45383
- e. TIN No : 101 762 424
- f. Project Objective : Manufacturing and Supply high quality affordable steel in the Tanzanian Market and export to neighbouring countries
- g. Capacity / year : 210,000 tons (Rolling and Tube Mill)
- h. Direct Employment
- i. Foreign Men : 62
 - ii. Foreign Women : NIL
 - iii. Local Men : 1,121
 - iv. Local Women : 76
 - v. Indirect employment : 2,000 +
 - vi. Type / areas : Scrap accumulation, storing, loading, shipping and offloading, fabrication, construction, vehicle bodybuilding, etc

4. Total project financial expenditure to date:

	(Amount in Million TSh)
	Local
Land & Buildings	18,801,640,582.22
Computer & Accessories	100,535,876.95
Furniture and Fixtures	552,836,625.19
Vehicles	10,139,878,537.81
Office Equipments	855,160,052.66
Plant and Machinery	32,433,043,443.05
Capital WIP	4,306,786,434.05
Grand Total	67,189,881,551.93

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5. Project financing

The project is financed by the company and erstwhile Azania Bank by way of term loan towards purchase of prefabricated buildings and machinery. Current suppliers have agreed to supply raw-materials on credit.

DETAILS

Loans

Term Loans	\$ 8.26 Million (CURRENT BALANCE)
Contribution by Co	25 Billion

6. Problems and solutions

Scrap availability has been a problem. Have approached the ministries for granting permission for import and remove the ban of import of mild steel scrap and also to ban export of cast iron.

7. Future plans

Planning to increase the capacities of Rolling Mill, and billet plant in 2021 & 2022.

8. Recommendations and any other comments

Ease importation of MS Scrap process as the quality of locally available scrap is not heavy and good for TMT bars production as the yield from it is very low between 70 – 83%. Also impose anti dumping duty on importation of steel products that are manufactured in Tanzania.

9. ETC

Not Applicable

For LODHIA STEEL INDUSTRIES LIMITED

Manoj S G

CEO

