

KAMAKA CO LIMITED

REVISED BUSINESS PLAN

FOR

ESTABLISHMENT OF MODERN INDUSTRIAL

PARK

1.0 INTRODUCTION

This is a report for a revised business plan for KAMAKA CO LIMITED for the purposes of updating a business proposal for development of a modern industrial park in **Disunyara Area, Kibaha District - Coast Region**. The project promoters are sensitive to the look and feel of good industrial park as well as to high quality of the service to be provided by the industrial park which is being developed by KAMAKA CO LIMITED, a registered Limited company incorporated under the Companies Act, 2002 on the 20th day of May 1998 and with registration No. 33981.

The main role that is going to be assumed by KAMAKA CO LIMITED is the development of industrial park infrastructure for sale market.

KAMAKA CO LIMITED's mission is to always provide the best possible value to its customers who care about quality products, also to create and nurture a healthy, creative and respectful office and workshop environment, in which its employees are fairly compensated and encouraged to respect the customer and the quality of the product it produces.

1.1 KAMAKA CO LIMITED MISSION

To become a leading industrial park services provider company providing high standards in service quality, safety and environment, innovative solutions and services to various industries and promote corporate and personal growth exceeding customer expectations.

1.2 KAMAKA CO LIMITED MISSION VISION

To be a leader and pioneer in East Africa in trading, manufacturing, real estate, and industrial investments delivering customized and unique solutions ensuring time and cost savings for customers.

1.3 KAMAKA CO LIMITED VALUES

KAMAKA CO LIMITED, we believe the customer comes first; the company management is focused to ensure customer delight, superior quality of delivery and increased customer profitability.

At KAMAKA CO LIMITED, our operation is based in Kibaha Coast region, we practice an enduring value system based on an open culture, honest and fair business and personal conduct, earning the confidence and trust of our Associates and Customers.

At KAMAKA CO LIMITED, we practice transparency with all agencies that we are involved with.

At KAMAKA CO LIMITED, we value the importance of our colleagues, evolving a sense of togetherness and passion to deliver.

1.4 COMMITMENT TO SUCCESS

Endeavor to find solution and exceed customers' expectations.

1.5 TEAM PLAYERS

Possess positive attitude among ourselves, the customers and adopt company standards and system.

1.6 COMPANY OWNERSHIP AND BOARD OF DIRECTORS

KAMAKA CO LIMITED is promoted by ten shareholders who are very experienced in local and international business range from real estate development, import and selling, manufacturing etc.

Name	Shares %	Nationality
Yussuf Suleiman Manzi	6.6	Tanzanian
Jurijs Anatolijs Martinovs	21.2	Tanzanian
Akif Halit Kara	27	Tanzanian
Aleksandrs Naumovics	15	Latvian
Svetlana Martinova	5	Latvian
Andzejs Starovoitovs	10	Latvian
Maryna Alexander Artsikhovich	4.8	Tanzanian
Anatolijs Nikolai Martinovs	10	Tanzanian
Yauheni Artsikhovich	0.2	Belarusian
Halit Kara	0.2	Turkish

The KAMAKA Company Limited development upholds values of its shareholders and operate within strict legal and ethical guidelines based on national statutes and international best practice standards.

1.6.1 GOVERNANCE & TECHNICAL PERSPECTIVE

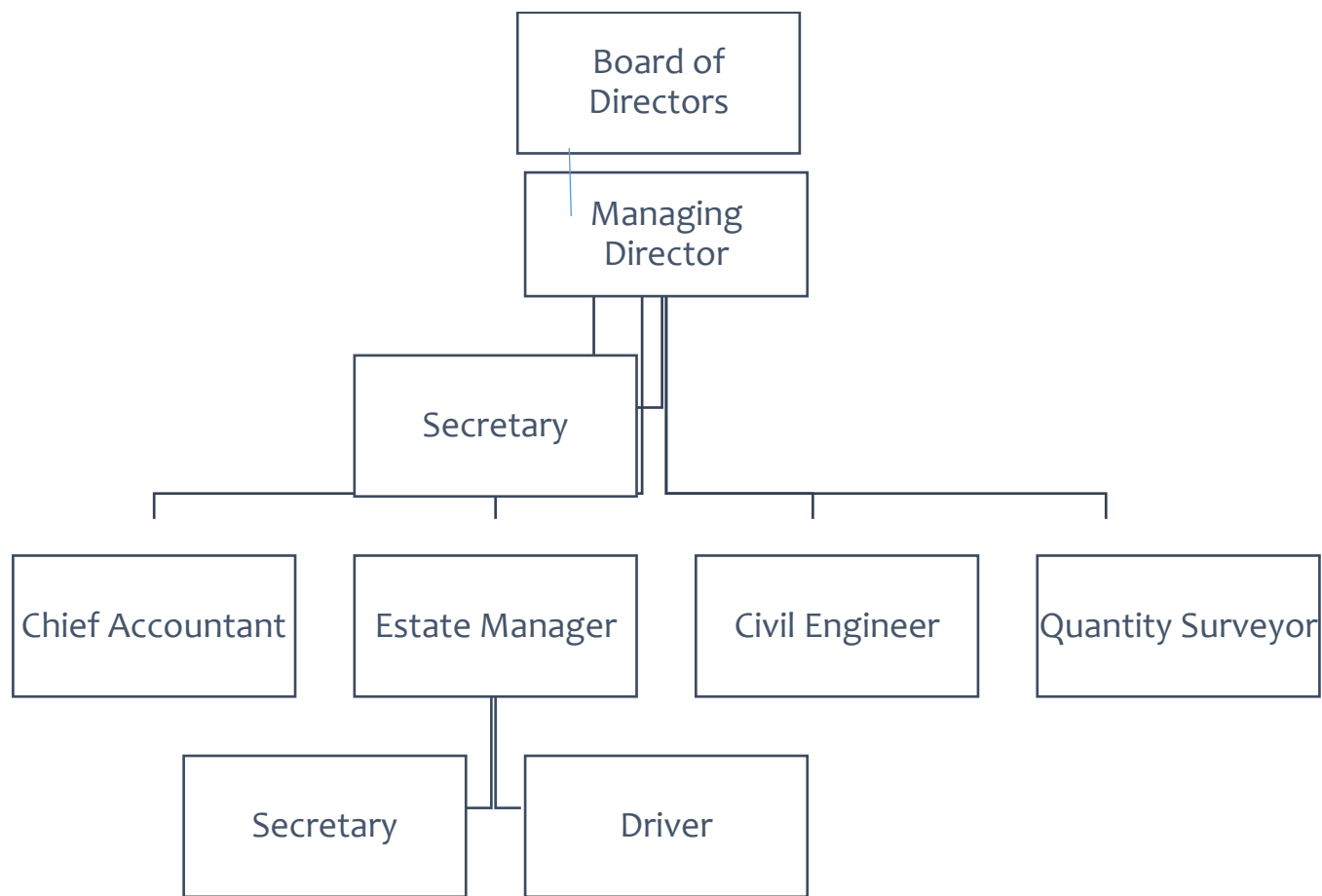
The company is working under the auspices of the board of directors that oversees the governance and strategic part of the company, with the Managing Director on the ground giving strategic guidance and direction to ensure that the

Company achieves its financial vision, mission and long-term goals. The MD is supported by four senior officers who supervise day-to-day operations of the company with the support of other technical and non-technical staff in different functions such as accounting and procurement management, engineering, construction and quantity survey to ensure that company and stakeholder's objectives are fulfilled.

1.6.2 MANAGEMENT AND MANAGEMENT INFORMATION SYSTEM

The Managing Director leads the team of senior staffs designated as Chief Accountant, Estate Manager, Civil Engineer and Quantity Surveyor leading their designated departments under the support of other staff.

Organization Structure



1.6.3 JOB CREATION

The company will nurture its employees and introduce measures to promote job satisfaction and career progression as the business grows, The direct job to be created by Kamaka industrial park estimated to be **17,690** from **221 industries** located in the park and indirect job estimated to be created by existence of Kamaka Industrial Park is **106,080** using the ration of 1:6 (I direct employment creates 6 indirect employment), an average of 80 employees for each factory to be employed directly.

1.7 PROJECT INVESTMENT COST

Kamaka Company Limited plan to construct the industrial park in three phases

CONSTRUCTION PHASES

The project is expected to be divided into three phases

Phase I

Item	US\$
Construction Cost VAT exclusive	6,857,406.38
Project Equipment	3,000,000.00
Land	7,587,444.00
TOTAL COST	17,444,850.38

Phase II

Item	US\$
Construction Cost VAT exclusive	2,235,212.34
Project Equipment	4,000,000.00
TOTAL	6,235,212.34

Phase III

Item	US\$
Construction Cost VAT exclusive	15,245,788.03
Project equipment	10,000,000.00
TOTAL	25,245,788.03

Phase I, II & III
PROJECT VALUE

	Phase I	Phase II	Phase III	TOTAL
Construction	6,857,406.38	2,235,212.34	15,245,788.03	24,338,406.75
Land	7,587,444	-	-	7,587,444.00
Project Equipment	3,000,000.00	4,000,000.00	10,000,000.00	17,000,000.00
Motor vehicles	200,000	300,000.00	200,000.00	700,000.00
Furniture and Fittings	25,000	25,000.00	50,000.00	100,000.00
Others costs	50,000	50,000.00	50,000.00	150,000.00
Pre expenses	50,000	50,000.00	50,000.00	150,000.00
Working capital	50,000	50,000.00	100,000.00	200,000.00
TOTAL	17,819,850.38	6,710,212.34	25,695,788.03	50,225,850.75

The three Phases total investment value is estimated to be **US\$50,225,850.75**.

The value of land is **US\$ 7,587,444** to be incurred only in first phase of the project.

The value of equipment which includes facilities for electricity, gas, water, fire equipment, telecommunication etc. US\$17,000,000

KAMAKA COMPANY LIMITED PROJECT VALUE US\$

ITEM	TAX EXCLUSIVE
Land and Building	31,925,850.00
Plant and machinery	17,000,000.00
Motor vehicles	700,000.00
Furniture's & fixtures	100,000.00
Other Coast	150,000.00
Pre-expenses	150,000.00
Working capital	200,000.00
TOTAL	50,225,850.00

1.8 PROJECT FINANCING

The total Costs of the project is estimated to be USD is **USD 50,225,850**, the shareholders of KAMAKA COMAPANY LIMITED and cash generated from other business will contribute **US\$44,225,850** and the remaining amounting to **US\$6,000,000** to be sourced from financial institutions with bank interest of **8%** the loan to be repaid within 5 years.

1.9 PROJECT PROJECTED REVENUE

The company has estimated that the selling price of plots within the park is estimated to be **US\$18** square meter and **4,000,000** square meters will be available for sale.

1.10 NUMBER OF FACTORIES

The size of the area is 4,000,000 Square meters, number of plots are **221** and it is estimated that **221** factories to be located in the industrial park,. These facilities are attractive to some of the investors who prefer to buy serviced land and thereafter build their industries shed according to their test.

1.11 THE VALUE OF FACTORIES IN THE INDUSTRY PARK

It is estimated that the average value of each factory in the industrial park is **US\$6m**, therefore; the total value of factories within the park is estimated to be **US\$ 1326m**, . Majority of the invested capital will flow into the country as foreign direct investments (FDIs) that will stimulate economic growth and accelerate industrialization.

1.12 POWER REQUIREMENT

The industrial park on completion will require an average of **200** megawatt to be used by **221** factories in the industrial park

1.13 WATER REQUIREMENT

The management of KAMAKA COMPANY LIMITED has estimated that 8,000,000 liters of water will be required daily for 221 factories

Water, Electricity, Gas, Telephone Facilities at Site

The KAMAKA Company Limited will process all applications for utilities' connections at the factory premises. KAMAKA Company Limited will facilitate in obtaining electricity, gas, and telephone and water connections by coordinating with utility agencies and keep a follow-up on all matters relating to billing or any other issue.

1.14 ONE STOP FACILITATION CENTER

In order to make it efficiency, the management of Kamaka Company limited is planning to have on one big building to be used by Government institutions who will be operating and facilitating investment and trade within the industrial park

1.15 OTHER SERVICE

All facilities like water, electricity, gas and telecommunications will be made available as well as Peaceful, secure, environmentally protected, and pollution-free work area Inter-unit transfer

1.15.1 FACILITATION DESK

This desk will act like a reception center for all enquiries about the KAMAKA Company Limited.

1.15.2 CLEARING/FORWARDING SERVICES

The KAMAKA Company Limited will have approved clearing/forwarding agents holding valid Custom House Licenses and against deposit of KAMAKA Company Limited fee.

1.15.3 CONSTRUCTION BYE-LAWS

The factories in the required zones are to be constructed in accordance with approved construction bye-laws. The investors may hire their own contractors or can avail the services of contractors already working in the KAMAKA Company Limited.

1.15.4 ISSUANCE OF IDENTIFICATION TO INVESTORS

The VIP identification will ensure to the investors a hassle-free movement in the zone.

1.15.5 GENERALIZED SYSTEM OF PREFERENCE CERTIFICATE

This certification is issued by the Authority to eligible categories of units.

1.15.6 AUTHENTICATION OF IDENTITY CARDS TO LABOUR

The KFPZ will authenticate the ID Cards issued to the labor by zone units. Unauthorized entry will be strictly prohibited into the zone.

1.15.7 OTHER PUBLIC SERVICES IN THE ZONES

The Zone is will have Banking, Restaurants, Hotels, Insurance companies, Public Bus stands, Parking lots. Areas of worship, Shopping malls, Police posts and hospitals etc.

1.15.7 COMPANY'S OWN BUSINESS FACILITATION SERVICE CENTRE (BFSC)

In addition to the Government's OSSC, KAMAKA COMPANY LIMITED plans to establish a BFSC that will offer business facilitation services to investors at the park such as accounting services, tax services and facilitation of various permits, licenses and advising investors on compliance and regulatory requirements.

Continuous services to investors at the park. KAMAK COMPANY LIMITED will be offering continuous services to investors at the park such as security services, waste collection, cleaning, and maintenance of public areas, as well as maintenance of the utility connections and other basic onsite infrastructure such as roads, water ways, etc.

1.16 GAS AND ROAD ACCESS TO INDUSTRIAL PARK

In order to reduce cost of production and reliability of power, the industrial park will need the services of natural gas from Tanzania Petroleum Development Cooperation (TPDC) to be available at the park. A tarmacked 6km road from main road to the industrial park need to be constructed to make it accessible and attractive to potential investors

1.17 PROJECT LOCATION

The Project is located at **Kikongo on Plot Nos. 1- 28, 30-48 Block B and on Plot Nos. 202-230 Block D –Disunyara, Kibaha District, Coast Region-Tanzania.**

Location is the most crucial factor for the success of an Industrial Zone. Any investor investing in a zone will definitely want to reduce the cost of transportation in both ways i.e., for export of goods produced and import of raw materials.

As shown above the KAMAKA Company Limited is located 45 Kms from Dar es Salaam City Center and the country's major Port and 60 Kms from Julius Nyerere International Airport (JNIA).

The KAMAKA Company Limited is located 6 km off the main tarmac road to Dar es Salaam from Mwanza, Dodoma, Tanga, Kilimanjaro and Mbeya within the country but also leading to other EAC countries including, Kenya, Uganda, Rwanda, Burundi, Southern Sudan and DR Congo

1.18 INDUSTRIAL TRENDS

The Analysis conducted revealed that in Tanzania currently there is a lack an adequate serviced land with full facilities to accommodate the growth of manufacturing sector in. KAMAKA CO LIMITED Industrial Park Revised Business come up with the proposed potential options for addressing this shortage include re-designation of industrial land, redevelopment of low-density commercial areas and/or more intensive use of infill or underused commercial sites.

1.19 PRODUCTION CAPACITY

KAMAKA CO LIMITED industrial park to be implemented in three phases comprising 4,000,000 square meters available for sale and 221 factories being located within the industrial park

2.0 OVER VIEW OF INDUSTRIAL PARK

The 2030 Agenda for Sustainable Development recognizes the importance of inclusive and sustainable industrialization and the infrastructure that supports in eradicating poverty. However, premature de-industrialization has also become increasingly noticeable in developing countries with manufacturing having a decreasing share of the gross domestic product (GDP). By delivering public goods and the accompanying policy interventions in support of investment, industrial parks have acted as a catalyst to facilitate industrial development. It should be noted that industrial parks also contribute to Sustainable Development Goals through promoting socially and environmentally responsible industrialization within the parks themselves, as well as by demonstrating what is possible to the rest of the country. In this broad context, a number of trends have been shaping the future of industrial parks. Firstly, the increase in the number of industrial parks since the early 1990s has created competition to attract investment and pressure to offer ever better services. Secondly, increasing urbanization and the growth of residential and mixed-use areas in or adjacent to industrial parks has created pressure to better integrate them into their broader urban context. Thirdly, better management of environmental externalities in recent years, particularly in the context of increased awareness of climate change, has become an increasingly significant factor in business operations and decision-making for 'green growth' and resource-efficient 'circular economy' business models. Fourthly, the digital

transformation, particularly in technologies related to Industry 4.0, presents opportunities and challenges for enterprises that actively embrace the trend and make an effort to stay abreast of the productivity gains. Furthermore, regardless of the industrial parks' ownership model, the private sector invariably plays a vital role, both as the parks' residents, and very often also as design consultants, construction contractors and as the managers of public projects. The participation of private firms provides critical expertise and, thereby reduces government risk. It is critical that industrial parks adapt to these trends successfully to achieve their objective.

The objective of industrial parks development should be part and parcel of a country's overall industrial policy. Industrial parks represent an effective industrial policy tool because many of their possible supportive policy components –investment policy, trade policy, finance, support for enterprises including incentives, physical infrastructure and superstructure, consultancy and training, workforce development, and R&D and innovation policy– are the same. In this sense, industrial parks can be utilized as industrial policy microcosms, either through the geographically-concentrated application of national industrial policy or through a dedicated subset of policies. Indeed, establishing industrial support systems in parks is easier than it is at the countrywide level, due to the clustering of the enterprises they catalyse. Some of the more successful industrial park programmes have also developed mechanisms for addressing investment climate constraints. Some of the areas that industrial park legislation may cover include the following: Effective industrial park location criteria, including ensuring transportation and communication facilities and connections to markets; Quality

physical infrastructure and brownfield superstructure in industrial parks, including through sound planning and development control framework; Rights with respect to the establishment, use and operation of infrastructure facilities within industrial parks; Investor eligibility and plot allocation; Investment incentives; Environmental obligations of industrial park developers, operators and users; and Organization of industrial park governance bodies. As there is constant global competition for increasingly scarce foreign direct investment (FDI), investment incentives have long been another public policy tool used in the pursuit of national and regional economic development goals through industrial parks. Investment incentives can be classified into three broad categories: Financial incentives (direct subsidies, grants and loans); Fiscal incentives (tax holidays and reduced tax rates); and other incentives (including subsidized land, infrastructure and services, as well as various regulatory concessions). The most common incentives in industrial parks are subsidized serviced land and infrastructure. However, fiscal incentives are also often frequently offered. Direct financial incentives are rarer. Regardless of their specific elements and levels, any industrial park investment incentives should take the following key considerations into account: Incentives have public opportunity costs, and they should thus be applied "smartly"; Incentives should be easy to use and transparent; Impact of incentives should be measurable; Incentives should be relevant to the specific conditions, endowments and comparative advantages of the host economy (e.g., location, Infrastructure, sectors)

2.1 THE CONCEPT OF INDUSTRIAL PARKS

The principal rationale for establishing an industrial park is to enable “industry to settle and develop at a specific location that is planned and improved to that effect” . Industrial parks are, for this reason, an important tool within a country’s broader industrial and infrastructure policies. The common definition of an industrial park is “a tract of land developed and sub-divided into plots according to a comprehensive plan with the provision of roads, transportation and public utilities, sometimes also with common facilities, for use by a group of manufacturers”. The term “industrial parks” is often also used however to cover a broad range of concepts, such as free-trade zones, export processing zones, special economic zones, hightech zones, free ports, enterprise zones, etc . The large number of terms and concepts associated with industrial parks is, among other reasons, the result of differences in the objectives, functions or forms of these parks, differences in the economic policy terminology of various countries, as well as the desire of certain industrial parks or programmes to differentiate themselves from the competition. Thus, any comprehensive definition of industrial parks must be sufficiently broad to reflect the variety within them.

2.2 PUBLIC POLICY ARGUMENTS FOR ESTABLISHING INDUSTRIAL PARKS

The public policy motivations for promoting industrial parks often derive from the industrial policies or strategies of national, state and local governments, seeking to induce industrial transformation, diversification and upgrading towards more competitive, sustainable and inclusive economies, through structural changes correcting for market failures⁸.

Industrial policy in general has the potential to enhance the competitiveness of the economy, enable the restructuring of existing sectors and allow enterprises to become more efficient, diversify the economy into new industrial sectors, integrate enterprises into global value chains, as well as to lead to gains in technology, know-how and production methods. As such, industrial policy is cross-disciplinary and seeks to ensure coordinated action in many different policy areas with linked objectives, including through investment, trade, fiscal, financial, R&D and innovation, education, labour, infrastructure, transportation, energy and environmental policy measures. To ensure successful implementation, the industrial policy targets and policy performance criteria should be clearly defined. Some of the typical objectives of an industrial policy include the following:

- Facilitating production and employment;
- Attracting investment, integration into global value chains and facilitating exports;
- Promoting structural change, diversification of production into areas of comparative and competitive advantage, and productivity;
- Stimulating R&D and innovation, technological capabilities, the development of competitive human resources and the upgrading of enterprises;
- Development of physical infrastructure;
- Promoting sound environmental management in industry;
- Gender and social inclusiveness in employment and economic benefits of wealth creation; and
- Improving the effectiveness of public service delivery

A strong long-term government investment policy commitment is needed to ensure policy stability and success, as are proper dialogue and cooperation mechanisms between the central, regional and local governments, involving the private sector and civil society

Within the broader overall context of industrial and investment policy and their general goals, more specific policy motivations for industrial parks may include the following:

- **Developing the manufacturing sector:** A competitive manufacturing sector plays a key role in both economic growth and socio-economic transformation. Industrial parks can provide a favourable business environment to develop the manufacturing sector and to add economic value in economies that are heavily dependent on the production of unprocessed/semi-processed agricultural products or extractive resources. Industrial parks can also be used to create backward and forward linkages where an economy's raw materials and supplies flow to the park for processing. Agro-processing parks, for instance, have backward linkages to farmers and their raw materials, as well as forward linkages to food wholesalers, retailers and exporters.
- **Attracting investment and technology:** Industrial parks are an important tool for attracting investment and technology, given that some of the key factors that influence investment decisions are the availability of land, infrastructure, quality services and proximity to strategic markets. The technology transfer opportunities that foreign investment in particular can bring to an economy are crucial to improving production capacity through the

associated transition from labour-intensive to technology-intensive production that often accompanies it.

- **Regional and national development:** Contributing to regional and national development is often a primary driver of the decision to establish industrial parks that foster new investment, industries, jobs, linkages and growth.
- **Improving the business environment:** Industrial parks can improve companies' productivity by reducing production costs, reducing waste and pollution, and generally increasing economic opportunities.
- **Fostering innovation:** Industrial parks create environments that foster collaboration and innovation by providing a location where the government, the private sector and universities and research institutes can collaborate, as well as conduct and commercialise research and reinforce entrepreneurship. Industrial parks can also support entrepreneurs by incubating new businesses. The shared services offered by industrial parks can moreover reduce small business market entry barriers and facilitate access to seed capital
- Economic experimentation and demonstration. Industrial parks can serve as a test of economic reforms, new policies and approaches in a geographically-concentrated pilot area. Their demonstration effects can then, if successful, be replicated nationwide, along with the best practices drawn from these pilots and their demonstration effects then being applied to other industrial locations and businesses
- Community development. Industrial parks, as local economic hubs and growth centres with certain positive externalities, can (when properly designed) serve as platforms for delivering on broader local community goals, such as local

employment creation, as well as transportation services, education and training, health care, mail and communication services, and others

- Promoting environmental safeguards. Industrial parks can offer the opportunity to decrease production costs through common infrastructure and systems, while also leading to increased materials, water and energy efficiency, including through waste recycling, water management and resource recovery. Eco-industrial parks can further reduce pollution and waste by applying pollution prevention, renewable energy, industrial symbiosis, and other environmental management methods and technologies

2.3 EMERGING TRENDS AFFECTING INDUSTRIAL PARKS

Inclusive and sustainable industrial parks can, when appropriately implemented, be an effective policy instrument to promote industrialisation and the structural transformation it brings. While they primarily serve to overcome high production and transaction costs stemming from lack of infrastructure, along with the focused complementary interventions their industrial agglomeration facilitates, industrial parks can also help reduce information asymmetries, facilitate access to finance, and help to strengthen regulatory institutions. By delivering these public goods and the accompanying policy interventions to support investment, industrial parks have been a catalyst in facilitating industrial development, including in East Asia's "tiger economies" and in China during the 1980s, as well as in Europe, the Americas and parts of South Asia since as far back as the 1960s.

A number of important emerging trends are shaping the future of industrial parks. There has been a sharp increase in the number of industrial parks across the globe since the early 1990s, creating competition among countries and their

parks in attracting investment, and a resulting pressure to offer ever better services. Furthermore, increasing urbanisation and the growth of residential and mixed-use areas in or adjacent to industrial parks, has created pressure to better integrate them into their broader urban planning context. Moreover, better management of environmental externalities, in recent years, particularly in the context of increased awareness of climate change, has become an increasingly significant factor in business operations and decision making for 'green growth' and resource-efficient 'circular economy' business models. Fourth and finally, the digital revolution presents opportunities for productivity gains at the firm and industrial park operational levels alike.

Indeed, over the last few decades, manufacturers around the world have undergone a profound transformation – in terms of structure, technology and sectoral interlinkages. Changes in consumer demand, the nature of products and the economics of production have all contributed to a fundamental shift in the way companies do business¹⁶, and to reshaping the competitive landscape for manufacturing. Such change can be expected to continue apace. Going forward, industrial parks should therefore take into account such emerging trends as follows:

ONGOING COMPETITION FOR FOREIGN DIRECT INVESTMENT

Since the early 1990s, there has been a sharp increase in the number of industrial parks across the world, especially in industrialising and emerging economies. According to the database of the International Labour Organization (ILO), the number of industrial parks worldwide increased from 29 in 1975 to 3,500 in 2006. Three out of every four countries have at least one industrial park. Maintaining

competitiveness amidst domestic and global competition will continue to be a critical issue for industrial parks, their developers and their operators. The future industrial park will likely be one with ever higher quality infrastructure, along with superior services and superstructure, as these competing parks all strive to best satisfy the demands of enterprise

INTENSIFYING 'GREEN SHIFT'

Concern about environmental externalities is becoming an increasingly significant factor in business operations and decision-making. There is now a major emphasis on how to combine green growth with spatial planning initiatives. Furthermore, in order to curb environmental impacts and ensure productivity in resource-scarce environments, governments and businesses alike are looking to scale up resource efficiency and to implement cleaner production practices. Environmental considerations have therefore become a vital issue in the process of establishing new industrial parks as well as an impetus for retrofitting and upgrading existing ones to improve their environmental performance. These trends, and the environmental safeguards for the industrial zones they create, appear likely to become more and more accentuated over the coming years

INDUSTRIAL TOWNS

Industrial parks were traditionally built outside of the city limits due to lower land costs, the desire to avoid zoning incompatibilities with residential and commercial areas, and the ability to manage certain environmental externalities more effectively from such locations. Over time, however, many industrial parks have become industrialised towns or urban districts, as employees have settled in or near them. Adjacent areas have been transformed into towns and sometimes

even cities, and local authorities have responded to this process by increasing urban services such as low-cost housing, medical care and education, as well as by allowing residential, retail and mixed-used zoning. The growth of commercial businesses and residential areas in or adjacent to industrial parks has meant that such places have taken on increasingly urban economic and social characteristics, with both the challenges and the opportunities that this presents for industry. Moreover, with rapid urbanisation all around the world, cities are expanding in all directions, such that industrial parks and their own boundaries have begun to meet and indeed blur.

These forms of urban development entail that industrial park development policies increasingly need to consider the implications and impacts of urban agglomerations, their features, and their requirements for sustainable development, as well as begin to incorporate these factors into their design and management approaches. This will ensure better integration between the parks and nearby urban centres and towns, not least as regards utilities, and social infrastructure and services

3.0 INDUSTRIAL PARK OPERATION AND MANAGEMENT

Industrial park operation involves site and facilities management and maintenance, including ongoing investment promotion, performance monitoring and evaluation, and continuous improvement and reinvestment.

During the project's implementation phase however, the industrial park's management mainly focuses on coordinating actors, attracting investment, implementing DCR and initiating the sale or lease of land to residents.

At the most basic level, industrial parks are meant to provide an integrated real estate solution for gaps in the market for serviced industrial land. In this context, they must, however, provide more than land and utilities, and offer a basket of services to support resident businesses. The operators must transfer developed land, ensure effective utilities connections and network management, and manage, maintain and repair all of the industrial park's facilities, or contract with specialized service providers to do so. Industrial park operators must also supervise residents' own building construction on plots, if this is an option, plant installation and operations, provide environmental management services within the park, and ensure park security. Modern operators' delivery of utilities and waste management services should be grounded in an understanding of eco-efficiency, by-product synergies and integrated waste management, in order to deliver properly-coordinated, clean and green services at the park-wide level.

Moreover, and especially if the State contributes to the industrial park programme in some manner (for instance through land, equity, subsidies or tax incentives), industrial parks and their operators may also be expected to provide a number of "public goods", for instance in the form of services aimed at developing entrepreneurship, strengthening supply chains through linkage programmes, improving entrepreneur and/or resident workforce skills, ensuring employee care, etc. As integrated real estate solutions, industrial parks' primary indicator of success is their occupancy level.

It is thus essential for industrial parks to attract resident firms and investment, and to this end must also:

- Marketing of the developed plots, ready-built factory shells and warehousing space, residential and commercial areas and facilities, etc.;
- Industrial park brand image building;
- Contractual agreements with residents;
- Day-to-day operation of the park, including ensuring the efficient operation of all the general and specialized infrastructure and facilities therein;
- Facilities management and maintenance within the park, including facilities upgrades;
- Collection of common maintenance and operations fees and charges from users;
- Compliance with legal standards and requirements, including in particular as regards, environmental matters; and
- Supervision of the application and enforcement of internal development control rules by the park's users

3.1.1 TRANSFER OF DEVELOPED PLOTS

The transfer of developed industrial plots, factory shells or warehouses can be done either through sales or leases. The decision to sell or to lease depends on prevailing land law or in the host jurisdiction, market preferences and the types of assets offered. Leasing provides the greatest market entry and exit flexibility, and the lowest financial barriers for park residents as it does not require a large down payment. From the standpoint of the industrial park developer, leasing has the disadvantage of facilitating short or medium-term exit from the industrial park, but it also has the critical advantage of providing a constant revenue stream and cash flow. The sales and leasing price of serviced land and facilities depends

on the location of the industrial park, and the extent of the available infrastructural facilities within it. The following strategies are recommended when setting these prices:

- Prices should reflect prices prevailing in the local market;
- Prices should enable developer/operator cost recovery plus margin, in order to enable the financing of future industrial park expansion and/or upgrade needs, and incentivize the developer to make such investments; and
- Transparency in pricing is essential to uptake

3.1.2 LABOUR RELATIONS MANAGEMENT

Responsible labour relations management has a direct influence on the sustainability of industrial parks as it affects the size, morale and productivity of the workforce. Due emphasis should therefore be given to ILO Labour Standards, in particular the following aspects of labour relations management:

- Decent work - Industrial operators should ensure employees' right to proper working conditions and such rights as equal pay for equal work. A widely-adopted practice in this respect is for operators to undertake due diligence on the enterprises during the resident identification and approval processes, in order to identify firms with poor social and safety records;
- Labour unions - Labour unions should be permitted in industrial parks in accordance with the host countries' applicable rules and regulations; and
- Legal issues and dispute settlement - It is vital to establish a mutually-agreed dispute settlement mechanism for conflicts arising within an industrial park.

Industrial parks can and should however be leveraged as platforms that go beyond such basic protections of worker rights and safeguards, and promote

superior standards of worker welfare, standards and practices to attract talent, enhance workforce skills, and contribute to quality jobs and a knowledge-based economy.

3.1.3 ENERGY MANAGEMENT IN PARK OPERATIONS

After park operation has begun, the use of renewable energy and low-carbon technologies, as well as industrial symbiosis where relevant, can be ensured through conducting ongoing energy audits to determine energy use. Industrial park operators, in addition to regularly conducting such audits should support industries in implementing energy management systems and in identifying energy efficiency and renewable opportunities.

As industrial parks create clusters of energy-consuming entities, industrial park operators can help optimize energy use through 'energy symbioses', by promoting energy saving practices, implementing energy management systems, and using clean and renewable energy. Therefore, due emphasis should be given to the following aspects of energy management:

- Matching energy supply and demand: To ensure that users in industrial parks have access to sufficient (but not an over-supply of) energy, it is essential to properly project and manage each user's demand, based on sound consumption-based systems. Modern park operators therefore generally establish firm-level metering systems. Furthermore, prospective residents must provide energy demand and consumption plans as part of their application.

- Promoting of energy efficiency: As improvements in energy efficiency benefit both the industrial park in general as well as individual residents, industrial park operators are increasingly identifying opportunities to reduce energy consumption, for instance by stimulating and facilitating 'energy symbioses', and energy clustering and cooperation among residents. Such cooperation can be achieved through clustering buildings and processes, energy exchange, collective production and joint energy services. Surplus energy (e.g. heat, electricity, steam, biogas, etc.) from a plant can thus be transferred to other companies in the park (or even to nearby communities),
- Renewable and clean energy: Provision for the integration of renewables and clean energy in an industrial park should ideally be addressed during the feasibility study and planning phase, with systems built into park management thereafter in order to encourage the continued adoption and use of these technologies during park operation. Industrial park managers should also, in all cases, at least establish programmes to identify opportunities to expand the utilization of renewable and clean energy. This can often be done by facilitating access to government subsidized preferential financing for renewable and clean energy transition or use, and/or government incentives for research and development initiatives related to clean energy.

3.1.4 MANAGEMENT MODELS

An industrial park can be developed and operated by the government – at the national, state or local level; by private enterprise – whether by a construction company developer or consortium, or manufacturers association; or by some sort of public-private partnership (PPP) – for instance through a joint venture between

government and private enterprise. Different government ministries, public agencies and state-owned development and facilities management corporations regularly invest in industrial parks, given the public interest they present for the economy.

The developer or owner, whatever its ownership structure, pays for the initial development of a park⁶⁴ and then, during the operations phase, leases or sells the developed and serviced plots and/or factory shells to private firms in order to recoup its costs. Furthermore, regardless of the industrial parks' ownership model, the private sector invariably plays a vital role in them, both as the parks' residents, and also very often as the design consultants, construction contractors and manager of public projects⁶⁵. This participation by private firms provides critical expertise and, in so doing, reduces government risk.

Where the operator is a separate entity from the site's owner or developer, the industrial park owner or developer is responsible for establishing and defining the industrial park operator's specific responsibilities, to be enshrined in an "Operator Agreement". There are three common industrial park management approaches:

- Management by public entity: Public management is a widely-adopted approach in many developing countries, where a government has a large economic stake in an industrial park. This can either be done directly by a Ministry, Agency or Authority, or through a commercially-oriented State-Owned Enterprise (SOE) or Special Purpose Vehicle (SPV). In the latter scenarios, the government owns, funds and invests in the company, giving

the State strong influence over day-to-day decision-making regarding the park's operations;

- Management by private entity: Under this model, the park operator, a private company, is contracted by the industrial park's owner/investors, sometimes including resident firms that own plots and factory buildings in the park. This approach is mainly adopted where private investors have largely investments and/or own industrial parks. Private management contracts to specialized facilities management companies are also regularly established at government/state owned industrial parks; and
- Joint management by public and private entities: Industrial parks owned in public-private partnership are jointly managed by the government and private investors. While the power-sharing mechanism described in the SPV's Articles of Association allows the parties to divide responsibilities as they deem most appropriate, it almost invariably leaves day-to-day park management and technical decisions to the private partner(s), vesting the public partner(s) with land acquisition, compensation and resettlement, and government relations and interface (for instance around required permits).

4.0 THE MARKET

4.1 General Market Review

Market observations in reveal that there is still high demand for high quality industrial premises with readymade infrastructure, quality workmanship, quality design, and services available and affordable price are basic factors to attract investors in the industrial park

The following are the proposed industries in the KAMAKA Company Limited

- Cement Factory
- Automotive Industry
- Ceramic Cum Tiles
- Composite Textile
- Pharmaceutical Industry
- Paper Industry
- Footwear Industry
- Woodworks
- Seed Oil Processing
- Bottling Industry
- Home Appliances
- Plastic (Pvc)
- Fish Processing
- Steel Industry
- Logistics & Clearing
- Beef Processing And
- Canning
- Packing Materials
- Gypsum Board &
- Powder
- Bottled Water
- Cashew Nut Plant

- Tomato Paste Plant
- Coffee Processing
- Plant
- Coconut Oil Plant
- Flour Milling Plant
- Rice Milling Plant
- Fruits Processing
- Tea Processing Plant
- Simsim Cleaning &
- Packing Plant
- Garlic Processing & Packaging
- Cardimon Cleaning &
- Packaging
- Lime Processing &
- Packaging Plant
- Onion Packaging
- Avocado Packaging
- Shoe Polish
- Leather Belts
- Manufacturing
- Manufacturing Of
- Leather Sandals
- School Bags
- Garbage Collection

- Mosquito Repellant
- Making Carbon Paper
- Making Tooth Paste
- Utensil Clean Powder
- Poultry Feeds Making
- Wax Candles
- Manufacturing
- Exercise Books
- Manufacturing
- Ball Pen Refills Making
- Paint Manufacturing
- Juice Extraction -
- Apples
- Manhole Covers
- Paper Bags
- Disposable Syringes
- Pencils Making
- Cheese Making
- Plastic Bottles Caps
- Soya Flour
- Processing
- Detergent & Laundry
- Soap
- Leather Luggage Bags

- Mosquito Coils Making
- Plastic Combs Making
- Surgical Gloves
- Making
- Tooth Brush Making
- Wire Nails
- Manufacturing
- Soft Toys Making
- Airfreshner Making
- Mushroom Canning
- Factory
- Motorcycle Assembly
- Tractor Assembly etc
- Grand Total

5.0 **BUSINESS ANALYSIS**

KAMAKA COMPANY LIMITED potential and capability for survival is based on the following facts:

- KAMAKA COMPANY LIMITED products and services are reputed for quality.
- KAMAKA COMPANY LIMITED workers have requisite capability and experience.
- The location of KAMAKA COMPANY LIMITED in Kibaha District, Coast Region, which is the nearby Port, Railway, international airport, market etc.

5.1 **PLANNED OBJECTIVES**

The planned objectives are meant for the serviced plots in the industrial park soft with basic facilities that will satisfy clients' needs.

5.2 STRATEGIES

In order to achieve the above objectives it is planned to implement the following strategies;

- Equip the project adequately by installing state-of –the-art facilities and support infrastructure;
- Institute a preventive maintenance programme;
- Develop and implement an effective marketing policy-Target Marketing; develop and implement an advertising and promotional programme;
- Establish an effective financial and resources management.

6.0 ROLES OF PARTIES IN THE PROJECT

6.1 KAMAKA Company Limited shall:

- Comply with all project consents and approvals from relevant authorities to the extent they are relevant to the works.
- Ensure all approvals and license requirements are valid and up to date
- Wherever possible, use local resources to benefit the local and wider community.
- Work alongside the respective local authorities to ensure timely construction, delivery and connection to statutory services
- Exercise all reasonable skill and care in performing the services and ensure that the services are performed in accordance with Good Industry Practice for residential, commercial and retail mixed use developments
- Employ and consult with leading market individuals, with the required knowledge and technical experience to deliver this best in class development.

6.2 Investors shall:-

- Ensure that they are financially capable to establish the intended projects
- Design, build and operate the projects in accordance with the sales and purchase agreement.
- Ensure that while construction is in progress, all required insurances are in place and valid until handover of the projects.
- Use its reasonable endeavours to ensure that the most suitably qualified and experienced contractors are utilized on the projects to ensure timely delivery and quality compliance
- Establish the legal, operational and financial structure of the eventual "Owners" that will take over the facilities management of the community upon completion

6.3 The role of Government

6.3.1 Providing electricity required in the industrial park

TANESCO to install a dedicated power substation for Kamaka Company limited industrial park. Immediate requirement is 100MW whereas 200MW will be required when the Park is fully operational.

6.3.2 Provide water utility facility at the park

The Industrial park is estimated that 8,000,000 litres of water will be required daily for 221 factories which need the infrastructure to be developed by the Government and connected to the park

6.3.3 Provide sewage system at the park

221 factories at the park will need reliable sewage system infrastructure to be developed by the Government up to the park, Kamak Company Limited will be

required to connect. Sewage infrastructure is public infrastructure which need to be in place so that to facilitate the industrial park to operate efficiently meeting standard requirement

6.3.4 Gas infrastructure

As the world becomes more and more industrialized, the need for a reliable energy source to fuel various production processes becomes increasingly important. Natural gas is considered a great alternative to more damaging energy sources such as oil and coal. It's a naturally occurring hydrocarbon that's formed deep below the earth's surface, and includes methane, nitrogen, carbon dioxide, and other hydrocarbons within it. It is used to fuel power stations that keep homes and businesses heated, cooled, and cooking, but it's also become a trusted energy source for many industrial processes. The benefits of adopting natural gas as a reliable energy source don't, however, end there. That why we are requesting the Government to provide gas infrastructure to the park where there will be not less than 221 factories

6.3.5 Exemption from pre-shipment and destination inspections by TBS as well as exemption from payment of inspection fees for all project goods of KAMAKA COMPANY LIMITED Industrial park

6.3.6 Waiver of customs inspection at the Port for all project goods and materials. Where customs inspection is conducted on a sample basis, such to be undertaken at the project site.

6.3.7 Customs facilitation through bonded warehouse

6.3.8 Government to develop infrastructure to connect project site access roads of 8km from main road to the park.

6.3.9 Government's support in the promotion of the industrial park to potential investors locally and internationally.

6.3.10 Intellectual property rights protection, which includes the Anti-Counterfeit and Trademarks rights

6.3.11 Industrial Park Enterprises be entitled an initial automatic immigrant quota of up to 10 persons per entity.

6.3.12 One-stop shop, and aftercare services established by the Government at the industrial park including bonded warehouses services

6.3.13 Tanzania Investment Centre collaborating with Kamaka Company Limited in Managing the park

6.4 The role of Government (Fiscal incentives)-For Kamaka Company Limited and Investors located within the Kamaka Industrial Park

SN	Types of tax	Requested incentives
1	VAT	VAT on the supply of all goods and taxable services to Industrial Park Enterprises (input VAT for KAMAKA COMPANY LIMITED) be exempted for 20 years. This includes but not limited to VAT exemption on service of Industrial Park Contractors
2	Import and Excise Duty	Excise Duty Exemption on Capital Goods, Deemed Capital Goods, and six (6) utility vehicles
3	Stamp duty	Exemption from payment of stamp duty for 15 years
4	Property Tax	Exemption from payment of Property Tax for 10 years
5	Land rent	Kamaka Company Limited exempted from

		payment of land rent until the land (plots) are sold to investors at the park
6	Fee for work and residence permits	- Reduction of Work Permit fee for Investors (class A) by 50% from the prevailing Rates - Reduction of Residence Permit fee for Investors by 50% from the prevailing Rates
7	local Government Taxes and levies	Exemption from payment of taxes and levies imposed by the Local Government for 10 years
8	Registration Fee for sub Title	Waiver on payment of registration fee for 221 sub Titles at the ministry of Land

7.0 FINANCIAL APPRAISAL

The company's financial projections have been prepared over the period of five years. As mentioned, US\$ 6 bank loan is expected to be sought from financial institution during the initial stage of the project implementation period.

7.1 FINANCIAL REVIEW

The financial review as shown on appendices attached to this document of **KAMAKA COMPANY LIMITED business shows that:-**

- The project is profitable;
- The liquidity position is sound and that it should be able to meet its financial commitment without any undue difficulty;
- The operations are financially viable;
- The key ratios are acceptable.

8.0 SUMMARY AND CONCLUSION

The Revised Business Plan should be given an opportunity to be implemented as conceived in this presentation.

8.1 KEYS TO SUCCESS

- Uncompromising commitment to the quality of the end product and creativity.
- Successful niche marketing: the project needs to find the quality-conscious customer in the right channels, and the need to make sure that customers can easily seek for the services provided by the project.
- Fully serviced plot with all readymade basic infrastructure and facilities that will make customers feel better about the quality, not worse and also flexibility of term of payment

9.0 FINANCIAL APPRAISAL

The company's financial projections have been prepared over the period of five years. As mentioned no bank loan is expected to be sought during the initial stage of the project implementation period.

10.1 IMPLEMENTATION

It is expected that the project will be implemented in three year period that involves plot renovation and minor civil works, power and water network improvement in year 1 and from year 2 more concentration will be given to plant consolidation and production growth. The project is expected to be implemented in three years.

11.0 ASSUMPTIONS

The financial projections to determine the viability of the project by **KAMAKA COMPANY LIMITED** are based on the following key assumptions:

- Construction of industrial park plant will start immediately three phases .
- The company market will be for foreign and local investors local .
- Financial calculations are based on current market prices and costs are assumed constant throughout the operating period under review on the assumption that if operation costs change, selling prices will change proportionally to preserve the profit margins.

12.0 *FINANCIAL AND ECONOMIC ANALYSIS*

12.1 Projected Rental Revenue

For projection purposes, it is assumed that the economic life of the project is 5 years, and that revenue from business commence from the first year of operation

12.2 Projected Profit and Loss Statement

The Income and Expenditure Statement shows the projected income for the 5 years period. The position depicted is that the project earns profit throughout its life. Accumulated after tax profits grow from negative US \$ **(676,113.00)** in first to **US \$ 127,270,770.60** in 5th year

12.3 Projected Cash Flows

This is shown in the Projected Cash Flows Statement. They indicate that the project will meet its entire financial obligation, the net cash flow in the first year rise from negative **US\$ (\$55,610.00)** and grow up to **US\$ \$9,201,073.00** in 7th year,

12.4 Projected payback period

Total investment is US \$ **(50,225,850.00)**, cash accumulation in year 7 is US\$. \$56,110,828.00. which is **US\$ 5,884,978** more than the initial investment costs

13.0 ECONOMIC ADVANTAGES

On the basis of the above account the analysis has overwhelmingly proved that the project is financial sound and techno-economically viable.

Furthermore, the project has immense potential towards the earning of the badly needed Forex earnings. It is hereby recommended that the project be implemented. The envisaged undertaking will be viable and profitable if it is implemented early.

Full execution of the envisaged project will make it one of the upcoming manufacturing companies in the country which will contribute to economic and social development in terms of employment, economic activities and infrastructure development.

Several Social Economic benefits that will be apprehended in the course of operating this undertaking will include the following:

14.0 SOCIAL AND ECONOMIC IMPACT OF THE PROJECT

The project will have both economic and social benefits to the community and the country as a whole. The first and foremost important benefit will be to the Municipality in which the industrial will be located with potential for increasing the standard of living for people in that particular area. The following are the benefits of the project:-

14.1 EMPLOYMENT EFFECT

The project will create employment to both skilled, semi-skilled, unskilled staff and casual labourers. The company will also create employment opportunities to locals..

The direct job to be created by Kamaka industrial park estimated to be 17,690 from 221 industries located in the park and indirect job estimated to be created by existence of Kamaka Industrial Park is 106,080 using the ration of 1:6 (I direct employment creates 6 indirect employment), an average of 80 employees for each factory to be employed directly

14.2 CONTRIBUTION TO GOVERNMENT REVENUE

The project will contribute to the Government reserve in form of taxes, payroll levy, land rent, and other taxes and duties on local and export sales. In addition, the project will have a multiplier effect in the economy as a whole. KAMAKA COMPANY LIMITED is estimated to pay an average of US\$(21,499,902.00) corporate tax within 7 year 10 and 221 factories estimated each year to pay

corporate tax of US\$300,000 in the year 10 which will make a total of US\$ 150,499,314 within 7year

14.3 **PROJECT SENSITIVITY TO ENVIRONMENT**

The environmental impact assessment is a key guide to this project. In that sense the project will do a thorough research on the nature of the environment around the site and by means of national guidelines, use all means possible to keep the environment natural within the project area. No interruptions will be done unnecessarily and where necessary the highest precaution will be made.

14.4 **MITIGATION MEASURES TO ENVIRONMENTAL ISSUES**

Under normal circumstances the project will have no any serious negative environmental impact which will be realized in the short or long term periods.

- **Solid Waste Management:** Usually waste management costs include both capital investment and operating costs. The latter generally comprises the cost of labor, tax and consumables, the cost of energy, in addition to other items. The operating costs assigned to waste management are usually very small, whereas capital costs have a significant share.
- **Waste Water (Odor):** No waste water shall be allowed to enter into any stream that flows in the neighborhood of the project site.
- **Vibration:** All measures will be taken in the project site to keep vibration well below level. (Vibration is the range of frequencies from 1 Hz to 25 kHz.)

- Gardening: Most of the un-built-up area will be put under gardening that shall be well-maintained with flowers and trees of various species.
- Dust & Noise: All efforts shall be taken to maintain low levels of dust emission and noise.

The project is therefore environmentally friendly, as it preserves it, develops it and cares for its sustainability.

15.0 CONCLUSION AND RECOMMENDATION

The project is consistent with the governments Industrial Policy, financially and economically viable, socially desirable and environmentally friendly, hence it is recommended for approval and obtain strategic status

FINANCIAL STATEMENTS

KAMAKA COMPANY LIMITED PROJECTED INCOME STATEMENT US\$

Revenues	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Sales of plots		6,000,000.00	13,200,000.00	13,200,000.00	13,200,000.00	13,200,000.00	13,200,000.00
Total Revenues		6,000,000.00	13,200,000.00	13,200,000.00	13,200,000.00	13,200,000.00	13,200,000.00
Operating expenses							
Salaries and wages	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)
Utilities	(1,076.00)	(1,076.00)	(1,076.00)	(1,076.00)	(1,076.00)	(1,076.00)	(1,076.00)
Transportation	(4,036.00)	(4,036.00)	(4,036.00)	(4,036.00)	(4,036.00)	(4,036.00)	(4,036.00)
Security	(5,081.00)	(5,081.00)	(5,081.00)	(5,081.00)	(5,081.00)	(5,081.00)	(5,081.00)
Stationeries	(2,691.00)	(2,691.00)	(2,691.00)	(2,691.00)	(2,691.00)	(2,691.00)	(2,691.00)
Others	(6,726.00)	(6,726.00)	(6,726.00)	(6,726.00)	(6,726.00)	(6,726.00)	(6,726.00)
Total Operating Expenses	(55,610.00)	(55,610.00)	(55,610.00)	(55,610.00)	(55,610.00)	(55,610.00)	(55,610.00)
Profit Before Tax	5,610.00)	5,944,390.00	13,144,390.00	13,144,390.00	13,144,390.00	13,144,390.00	13,144,390.00
Taxes		(1,783,317.00)	(3,943,317.00)	(3,943,317.00)	(3,943,317.00)	(3,943,317.00)	(3,943,317.00)
Profit After Taxes		4,161,073.00	9,201,073.00	9,201,073.00	9,201,073.00	9,201,073.00	9,201,073.00
Loan repayment		(1,980,000.00)	(1,980,000.00)	(1,980,000.00)	(1,980,000.00)		
NET PROFIT		2,181,073.00	7,221,073.00	7,221,073.00	7,221,073.00	9,201,073.00	9,201,073.00

KAMAKA COMPANY LIMITED PROJECTED BALANCE SHEET US\$

ASSETS					
Current Assets	Year 1	Year 2	Year 3	Year 4	Year 5
Cash					
Cash & Bank	\$ 200,000.00	\$ 3,556,292.50	\$ 7,270,770.37	\$ 7,874,524.36	\$ 8,373,090.64
Prepaid expenses	\$ 150,000.00				
Other pre-paid costs	\$ 150,000.00				
Total Current Assets	\$ 500,000.00	\$ 3,556,292.50	\$ 7,270,770.37	\$ 7,874,524.36	\$ 8,373,090.64
Fixed Assets					
Furnitures & fixtures	\$ 100,000.00	\$ 95,000.00	\$ 90,250.00	\$ 85,737.50	\$ 81,450.63
Motor vehicles	\$ 700,000.00	\$ 665,000.00	\$ 631,750.00	\$ 600,162.50	\$ 570,154.38
Plant & machinery	\$ 17,000,000.00	\$ 20,000,000.00	\$ 19,000,000.00	\$ 18,050,000.00	\$ 17,147,500.00
Land & building	\$ 31,925,850.00	\$ 30,329,557.50	\$ 28,813,079.63	\$ 27,372,425.64	\$ 26,003,804.36
Total Fixed Assets	\$ 49,725,850.00	\$ 51,089,557.50	\$ 48,535,079.63	\$ 46,108,325.64	\$ 43,802,909.36
TOTAL ASSETS	\$ 50,225,850.00	\$ 54,645,850.00	\$ 55,805,850.00	\$ 53,982,850.00	\$ 52,176,000.00
LIABILITIES					
Current Liabilities					
TCL					
Short Term Loans	\$ -				
TSTL					
Long Term Loans					
Bank Loan		\$ 6,000,000.00	\$ 4,500,000.00	\$ 3,000,000.00	\$ 1,500,000.00
TLTL		\$ 6,000,000.00	\$ 4,500,000.00	\$ 3,000,000.00	\$ 1,500,000.00
CAPITAL					
Owners' Equity	\$ 44,225,850.00	\$ 44,225,850.00	\$ 44,225,850.00	\$ 44,225,850.00	\$ 44,225,850.00
Retained earnings					
Total Capital	\$ 44,225,850.00	\$ 44,225,850.00	\$ 44,225,850.00	\$ 44,225,850.00	\$ 44,225,850.00
TOTAL LIABILITIES	\$ 44,225,850.00	\$ 50,225,850.00	\$ 48,725,850.00	\$ 47,225,850.00	\$ 45,725,850.00

KAMAKA COMPANY LIMITED PROJECTED CASH FLOWS US\$

Cost of Capital	18%							
CASH FLOW		Year	Year	Year	Year	Year	Year	Year
		1	2	3	4	5	6	7
Investment								
Loan facility			\$ 6,000,000.00					
Profit before taxes		\$ (55,610.00)	\$ 5,944,390.00	\$ 13,144,390.00	\$ 13,144,390.00	\$ 13,144,390.00	\$ 13,144,390.00	\$ 13,144,390.00
Taxes (30%)			\$ (1,783,317.00)	\$ (3,943,317.00)	\$ (3,943,317.00)	\$ (3,943,317.00)	\$ (3,943,317.00)	\$ (3,943,317.00)
Profit after taxes		\$ (55,610.00)	\$ 4,161,073.00	\$ 9,201,073.00	\$ 9,201,073.00	\$ 9,201,073.00	\$ 9,201,073.00	\$ 9,201,073.00
Loan repayment			\$ (1,980,000.00)	(1,980,000.00)	(1,980,000.00)	(1,980,000.00)		
		\$ (55,610.00)	\$ 4,161,073.00	\$ 9,201,073.00	\$ 9,201,073.00	\$ 9,201,073.00	\$ 9,201,073.00	\$ 9,201,073.00
Net Cash Flow	\$ -	\$ (55,610.00)	\$ 10,161,073.00	\$ 9,201,073.00	\$ 9,201,073.00	\$ 9,201,073.00	\$ 9,201,073.00	\$ 9,201,073.00
Discounted Cash Flow	\$ -	\$ (47,127.12)	\$ 7,297,524.42	\$ 5,600,057.09	\$ 4,745,811.09	\$ 4,021,873.81	\$ 3,408,367.63	\$ 2,888,447.15
Sum of present values	\$ 56,110,828.00							
PAY BACK PERIOD	Investment	Cash flows	TOTAL					
Year 0	\$ (50,225,850.00)		\$ (50,225,850.00)					
Year 1		\$ (55,610.00)	\$ (50,281,460.00)					
Year 2		\$ 10,161,073.00	\$ (40,120,387.00)					
Year 3		\$ 9,201,073.00	\$ (30,919,314.00)					

Year 4	\$	9,201,073.00	\$	(21,718,241.00)				
Year 5	\$	9,201,073.00	\$	(12,517,168.00)				
Year 6	\$	9,201,073.00	\$	(3,316,095.00)				
Year 7	\$	9,201,073.00	\$	5,884,978.00				

KAMAKA COMPANY LIMITED PROJECTED INVESTMENT COST US\$

ITEM	TAX EXCLUSIVE
Land and Building	31,925,850.00
Plant and machinery	17,000,000.00
Motor vehicles	700,000.00
Furniture's & fixtures	100,000.00
Other Coast	150,000.00
Pre-expenses	150,000.00
Working capital	200,000.00
TOTAL	50,225,850.00