

**BUSINESS PLAN ON PADDY PROCESSING AND RICE  
GRADING BUSINESS**

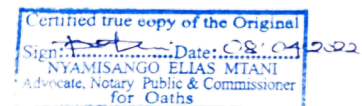
**IN FAVOUR OF**

**M/S. MUNA & COESTA INV LIMITED**

**OF**

**P.O.BOX 472**

**KAHAMA, SHINYANGA**



## TABLE OF CONTENT

<b>LIST OF ABBREVIATIONS .....</b>	<b>III</b>
<b>LIST OF ANNEXES .....</b>	<b>III</b>
<b>EXECUTIVE SUMMARY .....</b>	<b>IV</b>
<b>1.0 INTRODUCTION .....</b>	<b>1</b>
1.1 Promoter’s Profile.....	1
1.2 Purpose of the Investment.....	1
1.3 Banking Relationship.....	2
1.4 The Project Investment Costs .....	2
1.5 Legality .....	2
<b>2.0 ECONOMIC ASPECTS .....</b>	<b>3</b>
2.1 Contribution of the Investment to the Country .....	3
2.2 Investment Contribution to the Promoter.....	3
2.3 Employment Creation .....	3
2.4 Overall Contribution to the Economy.....	3
<b>3.0 BUSINESS STRATEGIC FRAMEWORK.....</b>	<b>4</b>
3.1 Vision.....	4
3.2 Mission.....	4
3.3 Goal.....	4
3.4 Core values.....	4
3.5 Business Objectives .....	5
3.6 Business strategies .....	5
<b>4.0 BUSINESS SITUATIONAL ANALYSIS .....</b>	<b>5</b>
4.1 Strengths(S).....	5
4.2 Weaknesses (W).....	6
4.3 Internal Factor Analysis Summary (IFAS) .....	6
4.4 Opportunities.....	6
4.5 Threats.....	6
4.6 External Factor Analysis Summary (EFAS).....	6
4.7 Political, Environmental, Social and Technical Analysis.....	7
<b>5.0 MANAGEMENT, HUMAN RESOURCES &amp; WELFARE .....</b>	<b>7</b>
5.1 Management in general.....	8
5.2 Training and Technical Advice.....	8
5.3 Gender Considerations.....	8
5.4 HIV & AIDS Awareness. ....	8
<b>6.0 SOCIAL &amp; CORPORATE SOCIAL RESPONSIBILITIES ASPECT .....</b>	<b>9</b>

6.1 Labour Right .....	9
6.2 Contractual Issues .....	9
6.3 Working Hours.....	9
6.4 Freedom of Association and Collective Bargaining .....	9
6.5 Wages.....	9
6.6 Occupational Health Service.....	9
6.6.1 Actual Working Environment.....	9
6.6.2 Welfare Facilities .....	9
6.7 Social relation .....	10
6.8 Profile of Customers .....	10
6.9 Promotion and Marketing .....	10
<b>7.0 CONCLUSIONS AND RECOMMENDATION.....</b>	<b>10</b>

### **List of Abbreviations**

TZS: Tanzanian Shilling

HIV: Human Immunodeficiency Virus

AIDS: Acquired Immunodeficiency Syndrome

### **List of Annexes**

Annex 1: Investment and financing plan .....	12
Annex 2: Depreciation Cost.....	13
Annex 3: Manpower Cost.....	14
Annex 4: Production costs.....	15
Annex 5 Overhead cost.....	16
Annex 6: Working capital.....	16
Annex 7: Revenue.....	17
Annex 8: Income statement.....	18
Annex 9: Cash flow projections.....	19
Annex 10: Balance sheet.....	20

## **EXECUTIVE SUMMARY**

M/S. MUNA & COESTA INV LIMITED is a limited liability company incorporated on 22<sup>rd</sup> day of March 2022, with certificate of incorporation No. 155580925. The directors of the company are Esther Jackson Muna (600 Shares) and Mayuma dwesse Sahani (10 Shares).

The company was incorporated to take over the business of the managing director, ESTHER JACKSON MUNA who is a Sole proprietor dealing with purchasing of rice, grading and sells to domestics and exports market. The company is new but depends upon experience of the managing director; Esther Jackson Muna. Soon after incorporations, all business assets and liabilities have been transferred from ESTHER JACKSON MUNA to M/S. MUNA & COESTA INV LIMITED. The business has several assets like furniture's & fittings worth's 5mln, land & building worth's TZS 727mln, Motor vehicles worth's 34mln and Plant & Machinery worth's TZS 212mln. Total Assets is approximated to TZS 730mln.

The business is well trading with valid business licenses and Tax payer Identification Number (TIN). The company is amongst successfully sellers of graded rice to domestic and exports markets of Kenya, Uganda, Rwanda and Congo. The directors of the company are honest and loyal customer who always looks to maintain good business relationship with partners especially banker, TRA and others. He has been in this line of business for many years now, with enough experience, well established customer base and contacts, established market, customer goodwill etc. furthermore this business has been spurred by a number of reasons to include: Good location of the business premises and population pressure within the region and National wide market.

The primary business line here is buying of rice, grading and sales. The business has managed to install Modern machinery and equipment that facilities all business activities relating to grading and packaging of graded rice. The rice graded is then bagged at 5Kgs, 10Kgs, 15Kgs, 20Kgs and 25Kgs. The bags for packaging are ordered from Dar es Salaam mainly at Bhakressa Group of Companies.

The business does not face stiff competitions from the market as there are fewer sellers of rice within the area and thus enjoy the supernormal profit in this line. The risks related to this line are; slightly degree of competition from traders in Paddy rice industry, competitors with big and small capital. But majority competitors have small capital ability ought to weigh them from competition. The main market risks which associate with the business is price

fluctuation due to oversupply and under supply. During over supply, the price becomes low to both buyers and sellers and vice versa. To stabilize the situation; the business buys in large quantity when the price is at minimum and store them while continue to buy and sell at prevailing market price however the profit is low. The goods in store will be sold off season harvest when the price is high and thus enjoying supernormal profit. Other business risks include theft, buying materials of low quality. Through good management all the identified risks can be minimized or controlled not to happen at all.

## **1.0 INTRODUCTION**

### **1.1 Promoter's Profile**

M/S. MUNA & COESTA INV LIMITED is a limited liability company incorporated on 22rd day of March 2022, with certificate of incorporation No. 155580925. The directors of the company are Esther Jackson Muna (600 Shares) and Mayuma dwesse Sahani (10 Shares).

The company was incorporated to take over the business of the managing director, ESTHER JACKSON MUNA who is a Sole proprietor dealing with purchasing of rice, grading and sells to domestics and exports market. The company is new but depends upon experience of the managing director; Esther Jackson Muna. Soon after incorporations, all business assets and liabilities have been transferred from ESTHER JACKSON MUNA to M/S. MUNA & COESTA INV LIMITED. The business has several assets like furniture's & fittings worth's 5mln, land & building worth's TZS 727mln, Motor vehicles worth's 34mln and Plant & Machinery worth's TZS 212mln. Total Assets is approximated to TZS 730mln

### **.1.2 Purpose of the Investment**

For many years now; the business, deals with purchasing of rice from other milling plants, grading and sales to domestic and exports market. The company didn't engage on milling of own paddy in order to get rice for grading and sales to domestics and exports markets. Having observing the business opportunity on milling and grading our own rice, the company approaching the Bank, NMB PLC, to finance purchases rice mill full set 4T/H, at a price of USD 110,000, and two M/V trucks worth's USD 40,000. Rice mills full set 4T/H, Supplier is, WUHAN KINHE INTERNATIONAL CO.LTD from China. The rice milling machinery is expected to supports in efficiency and effectiveness productions of rice for exports and domestic markets, reducing of delaying to obtain stocks of rice, adding customer base and contacts, adding revenue/ income to owner, adding employments opportunities to the surrounding community in value chain etc. In case of imported trucks will be used one and is expected; to provides a complete "door-to-door" service, facilitates carriage of products without delaying, reducing costs related to payments for transportation companies, It can be easier to center distributions of products, It can be faster reliable to business partners, can provide frequent service and It is highly flexible, able to go wherever there are roads and streets

The company has approaching TIC, for tax exceptions on imports of this rice mill full set 4T/H, and two M/V trucks worth's USD 40,000. The machinery is going to be installed at

Kagongwa area in Kahama district. We have liabilities to incur before fully scale operations of the Machinery like; transportation costs from Dar-es salaam to Kahama, installations and assembling, insurance costs, registrations of the Machinery to NMB PLC, loan repayments etc. the fact here is we need time before starting generating returns under fully scale operations of this equipment and realizations of profit margin from a lot of costs that to be incurred in order to operate the Machinery at fully scale.

### **1.3 Banking Relationship**

The business has been banking with NMB PLC for many years now.

NMB Plc is being a good financier of the business for many years now. The bank managed to offer financial supports in term of loan facilities of both working capital and capital needs. For example, we had managed to service the Warehouse receipts loan facility (WHRF), Limits of TZS 600mln, that expired on February 2022, and others overdrafts and term Loan for many years now. The business does not have any negative tracks records ever since NMB PLC, managed to render Money for Working capital and capital needs. Different banks include CRDB PLC, DTB, NBC BANK, KCB, AZANIA, ACCESS, BOA BANK etc has showing positive engagements to my business however am satisfied by services offered by NMB PLC.

### **1.4 The Project Investment Costs**

The investment costs of the project are estimated at Tshs 360 million the entire costs for the expansion project are proposed to be financed through term loan financing of Tshs.360 million by NMB PLC. Source of repayments of the loan will be income generated from the course of business operations, interest at 9 % per annum without grace period.

### **1.5 Legality**

The promoter is doing a business in a legal way as the buyers are coming to his business premises and other clients from outside the country make order through phone call due to the trust that the promoter has built to his clients.

## 2.0 ECONOMIC ASPECTS

### 2.1 Contribution of the Investment to the Country

The investment will contribute additional revenues in terms of tax payment to the tune of TZS 124,985,610/= during first year of the investment in operation (Annex 9).

### 2.2 Investment Contribution to the Promoter

This investment will have several benefits to the promoter including net profit of TZS 569,378,890/= in the first year of operation (Annex 8).

### 2.3 Employment Creation

The investment will provide permanent employment to 4 people and also the promoter will hire 20 casual laborers each month and the number of casual laborers will vary depending on the availability of tasks, with the returns amounting to TZS 24,000,000/= per year. (Annex 3)

### 2.4 Overall Contribution to the Economy

The business will provide permanent employment opportunities to 4 persons and 20 casual laborers. An income of approximately TZS 24,000,000/= will be flowing to the employed persons (Annex 3).

## Implementation Schedule

Activities/Months	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7
Procurement of paddy							
Paddy processing							
Rice grading and selling							

### **3.0 BUSINESS STRATEGIC FRAMEWORK**

#### **3.1 Vision**

To become the most outstanding and reliable rice paddy millers, packers and distributors of rice and by products with quality standards fit for both local and foreign markets at all times.

#### **3.2 Mission**

To establish, adopt and perpetually develop latest technical achievements in rice paddy and maize flour milling with suitably equipped staff always positively responding to customer needs as a guide to performance.

#### **3.3 Goal**

- a) To have a sustainable working capital base that will enable the business to flourish
- b) Increase annual sales turnover
- c) Increase gross profitability
- d) Increase market share

#### **3.4 Core values**

- a) Consistent High Product Quality Standards
- b) Reliability in partnership with customers
- c) Social Responsibility
- d) Ethical trading
- e) Commitments to customers
- f) Team working spirit
- g) Quality goods and services
- h) financial transparency and accountability
- i) Eco-friendly services

### **3.5 Business Objectives**

#### **Operational objectives**

- a) To ensure that high standard services are provided to customer to ensure repeat business is in place.
- b) To increase and sustain the business market share national wide.
- c) 2.1.8 Financial objectives
- d) To ensure that the business liquidity position remains sound so as to be able to meet its financial obligations without any distress
- e) To ensure that the business operates profitably and generates reasonable returns to its owners.

### **3.6 Business strategies**

- a) To engage and motivates sales force to increase efficiency in the sales activity.
- b) To undertake aggressive, but targeted advertisement, promotion and publicity programs.
- c) To establish and continue to improve the contact and source of reliable suppliers of crops.
- d) To extend market penetration into the rest of region through agency arrangements, and using economy packs
- a) e) To seek other sources of funds to raise the initial capital so as to expand the business

## **4.0 BUSINESS SITUATIONAL ANALYSIS**

### **4.1 Strengths(S)**

- a) Good administration and leadership.
- b) Good customers reputation
- c) Knowledge of the local market
- d) Favourable access to distribution networks
- e) Cost advantages from customary know-how
- f) Established customer base and contacts

## **4.2 Weaknesses (W)**

- a) Inadequate business capital that hinders the company's capability to place larger orders and enjoy economies of scale.
- b) Competitor activity in a price sensitive market
- c) Concocted reputation among some of the customers and competitors

## **4.3 Internal Factor Analysis Summary (IFAS)**

From the analysis of the strengths and weaknesses above, it can be observed the business strengths weigh more as compared to its weaknesses. Therefore, we conclude that the business is viable. I.e.,  $S > W$

## **4.4 Opportunities**

- a) Country's political stability which creates a conducive environment for investment and operations of the business
- b) Availability and accessibility of funds from financial institutions.
- c) A good infrastructure system that facilitates operation of business.
- d) The business location favours easy purchase and supply of the goods.
- e) An unfulfilled customer demands.
- f) Improved technology

## **4.5 Threats**

- a) Presence of competitors in the market with the same goods and services and others with close substitutes.
- b) Unpredictable change in weather and climate conditions which distort demand and supply trends.

## **4.6 External Factor Analysis Summary (EFAS)**

From the analysis above we have observed that the opportunities of the business are more as compared to its Threats. Therefore, we conclude that the business is viable. I.e.,  $O > T$

## **4.7 Political, Environmental, Social and Technical Analysis**

### **Political**

The business does not face any serious political threat as the country is in peace and the company is paying all of the required taxes on time hence the company has a good relationship with the tax and city authorities.

### **Environment**

The business has no negative impact on the environment and has better procedures for waste disposal.

### **Social**

The business offers employment to the surrounding community and facilitates the availability of services through payment of Tax to the government via Tanzania Revenue Authority (TRA).

### **Technical**

Technically the business is well equipped with modern facilities like, Telephone, etc to facilitate business transactions

## **5.0 MANAGEMENT, HUMAN RESOURCES & WELFARE**

The overall management of the Company's business is vested under the company Managing director; ESTHER JACKSON MUNA and employed assistances. She controls and supervises the day-to-day activities of the business including sales, purchasing and banking.

She does record keeping of all income and expenditure of his business.

### **General Summary:**

Name of Company: MUNA & COESTA INV LIMITED

Nature of the Company: Private Business name

Certificate of Incorporation number: 155580925

Equipment Applying to TAX EXCEPTIONS: Worth's USD 110,000.

Motor vehicles imports Applying TAX EXCEPTIONS: Worth's USD 40,000.

Equipment Suppliers: WUHAN KINHE INTERNATIONAL CO.LTD

Country from imports: China

Name of the Banker offered Loan: NMB PLC

Loan tenor: 36-Months, grace period of 3-months

### **5.1 Management in general**

The Managing is the overall in charge of the project to be assisted by employed skilled staff and other causal labours.

### **5.2 Training and Technical Advice**

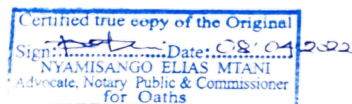
The owner of the business is inviting technician for training of staff to manage daily business operations and changes.

### **5.3 Gender Considerations**

The Company has considered gender balance in the course of employment where male and female are employed in the business.

### **5.4 HIV & AIDS Awareness.**

The Company ensures that employees check their health status from time to time and allow them to attend seminars on HIV/AIDS whenever happen for awareness and prevention campaign



## **6.0 SOCIAL & CORPORATE SOCIAL RESPONSIBILITIES ASPECT**

### **6.1 Labour Right**

This will cover the following items;

### **6.2 Contractual Issues**

- The company normally provides an employment contract to employees, which is important for security of their jobs.
- There is no discriminatory behaviour observed in the business since there was no any worker employed on discriminatory basis.
- No forced labour neither child employed in the business.

### **6.3 Working Hours**

The working hours for the employees are throughout the week days from eight in the morning to six in the evening and exchange of workers.

### **6.4 Freedom of Association and Collective Bargaining**

The channel of communication is very short as Directors communicates directly with his employees without passing information to any subordinate. This creates freedom to the employees for bargaining and suggesting.

### **6.5 Wages**

The employee is having minimum wage to paid as a minimum wage as structured by Government.

### **6.6 Occupational Health Service**

#### **6.6.1 Actual Working Environment**

Although the Company has not yet registered by OSHA, but the working environment will be safe and good for employees.

#### **6.6.2 Welfare Facilities**

At the investment area there will be toilettes.

## **6.7 Social relation**

- The Company has good relation with the surrounding community, no boundary conflict neither person was claiming for compensation

## **6.8 Profile of Customers**

The customers is ranging from individual, companies and institutions etc.

## **6.9 Promotion and Marketing**

The company is engaging intensive in promotion of this business service due to high demand than supply. However, when the advertisement time is reached; will advertise this business through paper printing. The promoter will procure his raw material from Kahama, Kishapu, Mwanza, Morogoro, and Geita. Also, the promoter will sell his products first depending on the existing demand but he has his market in Dar es salaam, Congo, Rwanda, Burundi and Kenya.

## **7.0 CONCLUSIONS AND RECOMMENDATION**

- **Conclusion:**

The analysis carried out in this Business Plan show that the project is technically feasible, financially and economic sound. The company M/S. MUNA & COESTA INV LIMITED is applying for tax exempted from rice mill full set 4T/H and two used Motor vehicle trucks. The rice mill full set 4T/H imported from China. Both rice mill full set 4T/H and Motor vehicle truck are expected to supports on sufficiency and efficiency operation of the business

- **Recommendation:**

In view of the foregoing conclusion, it is recommended for the TIC to consider and provide tax exemptions to the business.

# **ANNEXES**


### Annex 1: Investment and Financing Plan

Descriptions	Existing		Additional		Total
	Equity	Loan	Equity	Loan	
<b>Land and Building</b>					
Land and building	600,000,000		-	-	600,000,000
<b>Sub Total</b>	<b>600,000,000</b>		-	-	<b>600,000,000</b>
<b>Machinery &amp; Equipment</b>					
Grading machines	40,000,000				40,000,000
Complete line machine				264,000,000	264,000,000
2 Sewing machine	1,400,000				1,400,000
<b>Sub Total</b>	<b>41,400,000</b>	-	-	<b>264,000,000</b>	<b>305,400,000</b>
<b>Motorvehicles</b>					
2 Trucks				96,000,000	<b>96,000,000</b>
<b>Sub Total</b>	-	-	-	96,000,000	<b>96,000,000</b>
Working Capital			77,695,000		77,695,000
<b>Sub Total</b>					<b>77,695,000</b>
<b>Grand Total</b>	<b>641,400,000</b>	-	<b>77,695,000</b>	<b>360,000,000</b>	<b>1,079,095,000</b>

Financing Plan (TZS)	Existing	New Funding	Total	Gearing
Promoter`s Equity	641,400,000	77,695,000	719,095,000	67%
Loan	-	360,000,000	360,000,000	33%
<b>Total Finance</b>	<b>641,400,000</b>	<b>437,695,000</b>	<b>1,079,095,000</b>	<b>100%</b>

**Annex 2: Depreciation Cost**

Items	Value	Rate	Method	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Land and Building</b>								
Opening balance	600,000,000	1.25%	Straight line	600,000,000	592,500,000	585,000,000	272,291,250	264,791,250
Allowance				7,500,000	7,500,000	7,500,000	7,500,000	7,500,000
<b>Closing Balance</b>				<b>592,500,000</b>	<b>585,000,000</b>	<b>577,500,000</b>	<b>264,791,250</b>	<b>257,291,250</b>
<b>Machines and Equipment</b>								
Opening balance	305,400,000	12.5%	Reducing balance	305,400,000	267,225,000	233,821,875	204,594,141	179,019,873
Allowance				38,175,000	33,403,125	29,227,734	25,574,268	22,377,484
<b>Closing Balance</b>				<b>267,225,000</b>	<b>233,821,875</b>	<b>204,594,141</b>	<b>179,019,873</b>	<b>156,642,389</b>
<b>Motorvehicle</b>								
Opening balance	96,000,000	12.5%	Reducing balance -		96,000,000	84,000,000	73,500,000	64,312,500
Allowance				0	12,000,000	10,500,000	9,187,500	8,039,063
<b>Closing balance</b>			-		<b>84,000,000</b>	<b>73,500,000</b>	<b>64,312,500</b>	<b>56,273,438</b>
<b>Total Depreciation</b>				<b>45,675,000</b>	<b>52,903,125</b>	<b>47,227,734</b>	<b>42,261,768</b>	<b>37,916,547</b>
<b>Closing Balance</b>				<b>302,201,250</b>	<b>902,821,875</b>	<b>855,594,141</b>	<b>508,123,623</b>	<b>470,207,076</b>

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 NYAMISANGO ELIAS MTANI  
 Advocate, Notary Public & Commissioner  
 for Oaths

**Annex 3: Manpower**

<b>Title</b>	<b>Monthly Salary</b>	<b>No:</b>	<b>Monthly</b>	<b>Annual Salary</b>
Permanent employees	200,000	4	800,000	9,600,000
Casual laborers	60,000	20	1,200,000	14,400,000
<b>Total</b>		<b>24</b>	<b>2,000,000</b>	<b>24,000,000</b>

**Annex 4: Annual Production Cost ('000')**

<b>Descriptions/Years</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Fuel	24,000.00	24,120.00	24,240.60	24,361.80	24,483.61
Printing and stationary	6,000.00	6,030.00	6,060.15	6,090.45	6,120.90
Oil & Lubricants on machinery	78,000.00	78,390.00	78,781.95	79,175.86	79,571.74
Repair and maintainance	90,000.00	90,450.00	90,902.25	91,356.76	91,813.55
<b>Sub Total</b>	<b>198,000.00</b>	<b>198,990.00</b>	<b>199,984.95</b>	<b>200,984.87</b>	<b>201,989.80</b>
<b>Grading cost</b>					
<b>Variable cost Non-Labour</b>					
Rice cost	381,000.00	382,905.00	384,819.53	386,743.62	388,677.34
Electricity bill	5,760.00	5,788.80	5,817.74	5,846.83	5,876.07
Water bill	720.00	723.60	727.22	730.85	734.51
Packaging Materials	39,060.00	39,255.30	39,451.58	39,648.83	39,847.08
Sewing cost	12,600.00	12,663.00	12,726.32	12,789.95	12,853.90
Transportation cost	43,200.00	43,416.00	43,633.08	43,851.25	44,070.50
Rent	20,000.00	20,100.00	20,200.50	20,301.50	20,403.01
Giving to the community	12,000.00	12,060.00	12,120.30	12,180.90	12,241.81
TMDA inspection	550.00	552.75	555.51	558.29	561.08
Fire and safety inspection	400.00	402.00	404.01	406.03	408.06
<b>Sub Total</b>	<b>515,290.00</b>	<b>517,866.45</b>	<b>520,455.78</b>	<b>523,058.06</b>	<b>525,673.35</b>
<b>General total</b>	<b>713,290.00</b>	<b>716,856.45</b>	<b>720,440.73</b>	<b>724,042.94</b>	<b>727,663.15</b>

**Annex 5: Overhead Cost ('000')**

<b>Descriptions/Months</b>	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>	<b>Total</b>
Communication and travelling cost	150	150	150	150	150	150	150	150	150	150	150	150	1,800
Travelling cost	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
<b>Total</b>	<b>1,150</b>	<b>1,150</b>	<b>1,150</b>	<b>1,150</b>	<b>1,150</b>	<b>1,150</b>	<b>1,150</b>	<b>1,150</b>	<b>1,150</b>	<b>1,150</b>	<b>1,150</b>	<b>1,150</b>	<b>13,800</b>

**Annex 6: Working Capital ('000')**

<b>Description</b>	<b>Months</b>												
	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>	
Man Power Cost	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Overhead Cost	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150
Production cost	77,695	57,695	57,695	57,695	57,695	57,695	57,695	57,695	57,695	57,695	57,695	57,695	58,645
<b>Total Working Capital</b>	<b>80,845</b>	<b>60,845</b>	<b>60,845</b>	<b>60,845</b>	<b>60,845</b>	<b>60,845</b>	<b>60,845</b>	<b>60,845</b>	<b>60,845</b>	<b>60,845</b>	<b>60,845</b>	<b>60,845</b>	<b>61,795</b>
<b>Accumated WC</b>	<b>80,845</b>	<b>141,690</b>	<b>202,535</b>	<b>263,380</b>	<b>324,225</b>	<b>385,070</b>	<b>445,915</b>	<b>506,760</b>	<b>567,605</b>	<b>628,450</b>	<b>689,295</b>	<b>751,090</b>	

<b>Annex 7: Projected Revenue</b>					
<b>Description</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Number of Bags Graded (1)	480,000	482,400	484,812	487,236	489,672
Price per kg (1)	2,000	2,000	2,000	2,000	2,000
<b>Sub Total</b>	<b>960,000,000</b>	<b>964,800,000</b>	<b>964,800,000</b>	<b>964,800,000</b>	<b>964,800,000</b>
Number of Bags Graded (2)	126,000	126,630	127,263	127,899	128,539
Price per kg (grade 2)	1,700	1,700	1,700	1,700	1,700
<b>Sub Total</b>	<b>214,200,000</b>	<b>215,271,000</b>	<b>216,347,355</b>	<b>217,429,092</b>	<b>218,516,237</b>
Number of bags graded (grade 3)	210,000	211,050	212,105	213,166	214,232
Price per kg	1,400	1,400	1,400	1,400	1,400
<b>Sub Total</b>	<b>294,000,000</b>	<b>295,470,000</b>	<b>296,947,350</b>	<b>298,432,087</b>	<b>299,924,247</b>
<b>General Total</b>	<b>1,468,200,000</b>	<b>1,475,541,000</b>	<b>1,478,094,705</b>	<b>1,480,661,179</b>	<b>1,483,240,484</b>

### Annex 8: Income Statement Projection

Descriptions/Years	Year 1	Year 2	Year 3	Year 4	Year 5
<b>In Office Grading</b>					
Revenue (grade 1)	960,000,000	964,800,000	964,800,000	964,800,000	964,800,000
Revenue ( grade 2)	214,200,000				
Revenue (grade 3)	294,000,000	215,271,000	216,347,355	217,429,092	218,516,237
<b>Sub Total</b>	<b>1,468,200,000</b>	<b>1,180,071,000</b>	<b>1,181,147,355</b>	<b>1,182,229,092</b>	<b>1,183,316,237</b>
<b>Total Revenue</b>	<b>1,468,200,000</b>	<b>1,180,071,000</b>	<b>1,181,147,355</b>	<b>1,182,229,092</b>	<b>1,183,316,237</b>
<b>Operation cost</b>					
Production Cost	713,290,000	716,856,450	720,440,732	724,042,936	727,663,151
Overhead Cost	13,800,000	13,800,000	13,800,000	13,800,000	13,800,000
Man Power Cost	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000
<b>Total operation Cost</b>	<b>751,090,000</b>	<b>754,656,450</b>	<b>758,240,732</b>	<b>761,842,936</b>	<b>765,463,151</b>
<b>Profit Brfore Inter &amp; Depr</b>	<b>717,110,000</b>	<b>425,414,550</b>	<b>422,906,623</b>	<b>420,386,156</b>	<b>417,853,087</b>
<b>Less Capital Charges:</b>					
Depreciation	22,745,500	22,745,500	22,745,500	22,745,500	22,745,500
<b>Profit Before Tax</b>	<b>694,364,500</b>	<b>402,669,050</b>	<b>400,161,123</b>	<b>397,640,656</b>	<b>395,107,587</b>
Cess	124,985,610	72,480,429	72,029,002	71,575,318	71,119,366
<b>Net Profit</b>	<b>569,378,890</b>	<b>330,188,621</b>	<b>328,132,121</b>	<b>326,065,338</b>	<b>323,988,221</b>
Retained Earnings	569,378,890	899,567,511	1,227,699,632	1,553,764,969	1,877,753,191
<b>Net Profit Margin</b>	<b>39%</b>	<b>28%</b>	<b>28%</b>	<b>28%</b>	<b>27%</b>

**Annex 9: Projected Cash Flow**

<b>Description/Months</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
<b>Cash Inflow:</b>					
Term loan	360,000,000				
Cash Equity	77,695,000		-	-	-
<b>Profit Brfore Inter &amp; Depr</b>	<b>717,110,000</b>	<b>425,414,550</b>	<b>422,906,623</b>	<b>420,386,156</b>	<b>417,853,087</b>
<b>Total Cash Inflow</b>	<b>794,805,000</b>	<b>425,414,550</b>	<b>422,906,623</b>	<b>420,386,156</b>	<b>417,853,087</b>
<b>Cash Outflow:</b>					
Term loan payment		99,000,000	99,000,000	99,000,000	99,000,000
Fixed assets	360,000,000				
Working capital	80,845,000				
Man Power Cost	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000
Cess	124,985,610	72,480,429	72,029,002	71,575,318	71,119,366
<b>Total Cash Outflow</b>	<b>589,830,610</b>	<b>195,480,429</b>	<b>195,029,002</b>	<b>194,575,318</b>	<b>194,119,366</b>
<b>Net Cashflow</b>	<b>204,974,390</b>	<b>229,934,121</b>	<b>227,877,621</b>	<b>225,810,838</b>	<b>223,733,721</b>
<b>Accumulated Cashflow</b>	<b>204,974,390</b>	<b>434,908,511</b>	<b>662,786,132</b>	<b>888,596,969</b>	<b>1,112,330,691</b>

**Annex 10: Balance Sheet Projections**

<b>Descriptions</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
<b>CURRENT ASSETS</b>					
Cash	204,974,390	434,908,511	662,786,132	888,596,969	1,112,330,691
<b>Total Current Assets</b>	<b>204,974,390</b>	<b>434,908,511</b>	<b>662,786,132</b>	<b>888,596,969</b>	<b>1,112,330,691</b>
<b>Fixed Assets</b>					
Land and Buildings	592,500,000	585,000,000	577,500,000	264,791,250	257,291,250
Machinery and Equipments	267,225,000	233,821,875	204,594,141	179,019,873	156,642,389
Motorvehicle	-	84,000,000	73,500,000	64,312,500	56,273,438
<b>Total Fixed Assets</b>	<b>859,725,000</b>	<b>902,821,875</b>	<b>855,594,141</b>	<b>508,123,623</b>	<b>470,207,076</b>
<b>Total Assets</b>	<b>1,064,699,390</b>	<b>1,337,730,386</b>	<b>1,518,380,272</b>	<b>1,396,720,593</b>	<b>1,582,537,767</b>
<b>REPRESENTED BY:</b>					
Equity	360,000,000	270,000,000	180,000,000	90,000,000	-
Retained Earnings	704,699,390	1,067,730,386	1,338,380,272	1,306,720,593	1,582,537,767
<b>TOTAL</b>	<b>1,064,699,390</b>	<b>1,337,730,386</b>	<b>1,518,380,272</b>	<b>1,396,720,593</b>	<b>1,582,537,767</b>

Certified true copy of the Original  
 Sign: *[Signature]* Date: 08/01/2022  
 NYAMISANGO ELIAS MTANI  
 Advocate, Notary Public & Commissioner  
 for Oaths

