

CONTENTS

1. THE COMPANY

2. THE PROMOTERS

3. THE MANAGEMENT

4. THE MARKET

5. THE PROJECT

6. FINANCIAL ASPECTS

6.1 BASIC ASSUMPTIONS

6.2 FINANCIAL ANALYSIS

7. ECONOMIC AND SOCIAL BENEFITS

8. CONCLUSIONS

ANNEXURE "A":

PROJECTED FINANCIALS - FIVE YEARS

SCHEDULES OF REPAYMENT OF PRINCIPAL AND INTEREST

STAFF SALARIES AND STATUTORY COSTS

SCHEDULES OF DEPRECIATION OF ASSETS

SCHEDULE OF CAPITAL DEDUCTIONS

PROJECTED MANUFACTURING, PROFIT & LOSS ACCOUNTS

PROJECTED BALANCE SHEETS

ANNEXURE "B": Attached in separate email

MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY

CERTIFICATE OF INCORPORATION

CERTIFICATE OF TAX IDENTIFICATION NUMBER (T.I.N.)

COPY OF BUSINESS LICENCE

COPY OF TITLE DEED

1. THE COMPANY

Incorporation

Aria Industries East Africa Ltd. of P. O. Box 6643, Dar es Salaam, was incorporated as a Limited Liability Company on 10th September 2011, under the certificate of incorporation number 153368481. The company administrative office is located at 8th Floor, Diplomat House, Kaluta-Mkwepu Street, Dar es Salaam. The company has complied with all regulatory requirements and all statutory returns have been filed with BRELA as per the current laws and regulations.

Share Capital

The authorised share capital of the company is Tz. Shs. 60,000,000.00, being 100 shares of Shs. 600,000.00 each. The issued and paid-up capital is Shs. 60,000,000.00 being 100 shares of Shs. 600,000.00 each, which are held by Mr. Matthew William Brittain of British nationality and EBS GPG ARIA FZE duly incorporated in United Ara Emirates. The issued capital of the company will be increased further to an appropriate level to enable promoters undertake the envisaged project and expansion. The increase in share capital / retained earnings is provided for under the financials attached to this report.

Directors

The directors of the company are Mr. Manraj Singh Bharya, Tanzanian, Mr. Mathew William Brittain, British , Mr, Mirat Navinchandra Bhadlawala , Indian & Mr. Rohit Pawan Panjwani, Indian. The detailed profiles of the directors are provided under the part 2 herein below.

The Business

The Company has been incorporated with the object of spent battery collection, lead recycling , refining, assembling and manufacturing of lead acid battery for local and export sale at a modern plant to be set up at Plot 7, Block K, Kisenvule area of Dar es Salaam. With intention to bring new technologies and benefit from conducive business environment in Tanzania likeminded Directors from diversified areas like Trading, Construction , manufacturing ,Fund management came together to bring new business avenues in

Tanzania. Promoters have accumulated considerable experience in Petroleum, Civil construction, Steel, Mineral and agri culture trading, International Trade etc.

The company will own one industrial premises totaling 17,840 square meters on Plot number 7, Block K, Kisemvule area of in Dar es Salaam to set up Green Field project with Spent battery collection, Lead recycling, refining, assembling and manufacturing of lead acid batteries.

Tax & Regulatory Compliance Issues

The company has obtained the Tax Identification Number 153-368-481 and copy of this is attached herewith this report in Annexure “B”. The company is fully compliant with all the tax laws of the country. There are no tax liabilities being owed by the company to TRA or any other statutory authority as at present time.

The company’s Accountants & Auditors are PKF Advisory Ltd. Tanzania, and the bankers are CRDB Bank PLC and Exim Bank, Dar es Salaam.

The Company is newly incorporated and has complied with all the regulatory compliance issues and has never been faulted for any matters by any regulatory body.

2. THE PROMOTERS

The company has been promoted by its directors named above. These four Directors have vast and proven industrial and commercial experience by virtue of their ownership and management of various companies in Tanzania, India, United Arab Emirates (Middle East), operating in the fields of manufacturing, trading and services.

The associated company in UAE, EBS GPG ARIA FZE is among the leading players in the business of manufacturing and marketing of various grades of Bitumen e.g., PMB, Emulsion, Cutback, Oxidized Bitumen.

ARIA Commodities International Limited (ACIL) Ltd. based in Dar Es Salaam, Tanzania Is engage in Commodity trading like Agri export, Bitumen import and sale.

Mr. Manraj Singh Bharya

A young and dynamic Tanzanian aged 31 years. He has experience of running several businesses in various sectors including civil construction, mining , trading, logistics etc.

Mr. Manraj Singh Bharya is one of the Director and shareholder of Bharya Engineering and Construction Company which 47 years old leading construction company in Tanzania in

field of bridge, road construction and infrastructure development. Mr. Manraj Singh Bharya is MD and shareholder in ACIL . Mr. Manraj is leading mining and international Trading division. Apart from Business development his expertise lies in Tendering for Govt. & non-govt projects, Liaising, manpower development.

Mr. Matthew William Brittain

A British Citizen, aged 43 years, an economics graduate of Manchester Business School, he holds the IMC, is a Chartered FSCI (Chartered Fellow of the Chartered Institute of Securities and Investments) and has attained part one of the Chartered Financial Analyst designation and various Corporate Finance designations (CISI)

Mr. Matthew is one Director of ARIA Commodities DMCC, as well as one of the founding parties of the ARIA group of asset management companies, including ARIA Capital Management and ARIA Private Clients, an asset management business with nearly 2bn AUM, and regulated offices in the UK, Europe, UAE, Switzerland and Hong Kong.

Within ARIA Commodities, Mr. Matthew is responsible for investing strategies, portfolio construction and product design. He has held Director positions in a number of regulated positions, both under UK and MIFID 2 regulated asset management entities.

Mr. Matthew's key achievements are:

- Found partner in ARIA Commodities, approaching 500mn AUM and with origination offices in Kyiv, Rostov, Dubai, Kansas, Mexico City and Perth.
- Regulated by Emirates Securities and Commodities Authority as Senior Executive Officer for Absolute Return Investment Advisers (ARIA) Dubai Branch.
- Established and participated in building private client and fund management business with approximately 2.0bn USD AUM.
- Established onshore and offshore OEIC structures with successful AUM raising efforts
- Asset management business has developed internationally with UK, Ireland, Dubai, Malta, Cayman, Zurich and Hong Kong offices opened.

- Lead manager of FA AR Diversified Alternative Assets Fund, with annualized performance of circa 9% per annum since 2009, with high Sordino and upside vol capture.
- Won 2003 UK Equity FOF award for CF Berkeley UK Equity Multi Manager Fund.

Mr. Mirat Navinchandra Bhadlawala

Mr. Mirat Bhadlawala holds bachelor's degree in commerce with Advance Accounting and Auditing- H.A College of Commerce (Gujarat University).

Mr. Mirat is presently working as Chief Operating Officer for ARIA Commodities DMCC and heading the business development for various products and projects. Mr. Mirat is member on board with various Private & Public Limited Companies and Chairman and Member of various Important Committee of Public Listed Entities. The companies are engaged in business line of Refining, Lubricants, Downstream Products – Bitumen, Value-added products and Bunker fuels, Trading of Petroleum Products, Storage Terminal, Shipping and Logistics, Agri Trading, Soft Commodities and Minerals trading, Retail outlets and Fuel Stations, Steel Manufacturing and Trading and Member on Board with Construction Conglomerate.

Mr. Mirat is having experience of working with Public Sector Oil Marketing Companies as well as Private Sector big players like Indian Oil Corporation Ltd., Hindustan Petroleum Corporation Ltd, Bharat Petroleum Corporation Ltd., Shell, Larsen & Toubro Ltd., Essar Oil Ltd, various Adani Ports and Infra Companies as Business Development Associates for trading of POL Products and Project Co-ordinations with various Government departments. As a Member on Board with Tiki Tar Group of Industries, India's largest Private Sector Bitumen Company for 13 years, his ever-growing thirst for knowledge and details has led to acquire experience and skills in areas of developing markets and engage into setting up Value-added Bitumen Manufacturing plants and marketing of Bitumen and various valued-added Bituminous products, construction chemicals, water proofing products of JV company – TIKIDAN (A Joint-Venture of Tikitar and Danosa – Spain; One of the world's largest waterproofing products manufacturing company) catering to all Major Infrastructure Companies on Pan India Basis including supplies of additives and patented products to projects of National Importance and setting up plants with Oil Marketing Companies Public Sector Undertaking for bitumen modifications generating additional business for PSU while acting as a bridge between Construction Conglomerates, various Public and Private Sector

Enterprises Hailing from a family having a strong business background of more than 60 years with Royal Dutch Shell Group of Companies established in India.

Mr. Rohit Pawan Panjwani

Mr. Rohit is currently heading Aria group in Tanzania as Chief Executive Officer (CEO). He is responsible for managing successful trading and manufacturing business units. His expertise lies in trades include Agri, Minerals, Bitumen and other Petroleum related products. Currently Mr. Rohit is heading team engaged in setting up Battery Industry in Tanzania. His expertise includes managing Local and International Trades, Financing Operations, dealing with Regulatory Authorities, setting up Departments and Business Segments, liaising with Business partners, setting up new industries, exploring new trading opportunities and coordinating with Group for bringing new technologies to Tanzania.

Mr. Rohit holds an MBA from TIMS, Kutch-India in Marketing. His prior assignments were with companies like UNI Metal East Africa Ltd (Manaksia Group) as Director – Operations, A.M. Steel and Iron Mills Limited, Tanzania as Director (Operations) and Fortune Oasis General Trading as Director – Operations.

3. THE MANAGEMENT

The company will be managed and run by its Directors which consists of the following:

- (1) Mr. Manraj Singh Bharya
- (2) Mr. Mathew William Brittain
- (3) Mr, Mirat Navinchandra Bhadlawala
- (4) Mr. Rohit Pawan Panjwani

Mr. Manraj & Mr. Rohit will be actively involved at all stages of decision making and implementation of the project in Dar es Salaam. A team of qualified and experienced professionals under will manage the day-to-day operations of the company. This team will include a General / Plant Manager, a Production Manager, a Technical Manager, a Sales Manager and a Finance Manager. Other support staff as required will support these

management personnel. The breakdown of the personnel is shown on the financial projections attached, under “Financial Charges Annexure”

The above persons will constitute the resident management structure, responsible to the Board of Directors. While the directors will be governing operations of the company, the C.E.O./ G.M. will be accountable for all the aspects of the operations of the company and act as the administrative head of the company.

The C.E.O/ G. M. will be the overall in charge of the running of the company. He will also be responsible for procurements and imports to ensure the company always has adequate supplies of raw materials and packaging materials.

The Production Manager and Technical Manager will be fully responsible for achieving the laid down production targets, monitoring quality, ensuring repairs and maintenance of machinery and equipment and overall efficiency of the factory.

The Finance Manager and his team will be responsible of all administrative and accounting functions of the company, production of weekly and monthly financial reports, controlling debtors, creditors, liaising with bankers and complying to all statutory issues including but not limited to tax laws, statutory matters and regulatory issues.

The Sales Manager will be responsible for marketing, sales, client relations and market penetration and expansion in Tanzania and external markets.

The level of staffing will be increased over three to five years based on the requirements of the project and availability of suitable local manpower.

4. THE MARKET

Lead Acid Storage Batteries have many applications and automobile sector consumes the bulk of lead acid batteries. The recent growth in the automobile sector has given tremendous boost to the demand of lead acid batteries. The market size is approximately 900,000 Units per annum and is growing @ 7-9%. Due to absence of local industry processing scrap to new battery, availability of automobile batteries is 100 % depend on import. 50 % import is from East African Community countries like Kenya and rest 50% is imported from countries like Thailand, China, India, Pakistan.

While the precious Lead metal ingots is exported to other countries which can be used in Battery manufacturing, will reduce import dependance along with saving of foreign currency saving.

Absence of local manufacturer have created scope to establish manufacturing unit and will be added advantage to cater local market demand.

Local Lead recycling, refining, battery assembly and manufacturing unit will:

- Indigenous & integrated unit for spent battery processing start from lead processing to manufacturing.
- Save time lag between placing order and physical delivery.
- Reduce dependency on import.
- Restrict outflow of foreign currency.
- Will reduce time and cost associated with handling, storage,
- Inventory cost will be reduced as product is easily available locally.
- Creation of direct job in manufacturing, handling while indirect job in trading & transport.
- Better Quality control and improved services to end user i.e. extended warranty.
- Pollution control and Conservation of precious natural resources.

This project aims to produce batteries of various types totaling 61,800 during first year rising to 244,800 per annum over a five-year period,

5. THE PROJECT

5.1 PROJECT CONCEPT

The project aims to produce 61,800 units in the first year or production considering to initial technical hiccups, rising to 244,800 units in the fifth year.

Lead Acid Storage Battery is an electro-chemical system that converts electrical energy into direct current electricity. It is also known as storage batteries and has wide applications in Automobiles, UPS/Inverters, Traction/Electrical Sub-Station, Telecommunication, Solar Photovoltaic system etc.

The company intends to set up a plant for lead recycling, lead refining , battery assembling and manufacturing of lead acid batteries of various sizes at Plot no. 7, lock, K, Kisumvule Area of Dar es Salaam.

Initially the plant will collect and use 3,700 metric tons of battery scrap from local market for first year, gradually will consume 8,100 MT by the end of 5th year.

Battery scrap is source for raw material for lead recycling by rotary furnace, refining and produces precious Lead metal which is key raw material for battery manufacturing.

Lead is further processed & converted in Lead oxide, selenium to produce required paste and grids for battery. These parts are grouped and assembled to manufacture Lead acid battery through various stages like curing, drying, welding, heat sealing, charging etc. The end users range from form all types of individual motor vehicle owners to transportation companies owning fleets of heavy-duty vehicles. The other users of batteries are various non-automotive applications listed above in the first paragraph.

In any developing country, as economic transformation is set in motion, the yardsticks for the level of development or industrialization are set by the per capita usage of various primary goods like paper, steel, textiles, petrochemicals, etc. and their proportions in the GDP of the country. The urgent need for industrialization of Tanzania cannot be questioned especially in terms of developing capacities to produce primary, intermediary, and finished goods of various types. These industries then support other downstream industries producing intermediate and final consumer goods.

As the country moves towards industrialization from a primarily agrarian economy, to a more urbanized cum industrial one, the producers of all kinds of products require power other than electricity supplied by power generating and distribution companies. While several of the resources used in producing various industrial goods cannot be replenished, the use of lead entails uses of a renewable resource as lead can be reused upon end of the life of batteries.

The other undeniable advantages accruing from such project are the creation of direct employment in the project as well as multiplier effect by generation of employment in various ancillary industries and other dependent trades and services.

5.2 BASIS & ASSUMPTIONS:

- i) The cost of machinery and equipment is of make and prices are approximate.
- ii) All the operations involved in manufacturing of batteries packs will be done in industrial workshop of the unit.
- iii) This project report is prepared based on Double shift basis of 12 working hours per day. Total working days in a year come to about 312, assuming 43% efficiency in first year of manufacturing which will increase in subsequent years.

- iv) On job training will be provided to create Skilled and Semi-skilled workers.
- vi) Rate of interest has been calculated @9%. However, this figure is likely to vary depending on the financial outlay of the project and location of the unit.
- vii) The provisions made in other respects viz; personnel, utilities, raw material and overhead etc. are based on the prevailing market rates.
- viii) All the machinery will have to imported initially. While 85 % raw material will be sourced locally, 15% raw material like chemicals and containers will be sourced from international market.
- ix) The break-even point in this project has been calculated on envisaged capacity utilization basis.
- x) The operative period of this project is estimated to be about 15 years considering technology obsolescence.
- xi) Cost of imported items (both raw material and machinery) is inclusive of all taxes/duties and is likely to vary as per the international market prices.
- xii) The proposed project has been considered for Automotive batteries.

It's micro step towards access to clean energy by recycling spent batteries which is check on pollution.

5.3 BUILDINGS AND PHYSICAL INFRASTRUCTURE

The company is planning to set up the intended battery assembly unit at Plot No. 7, Block K, Kisemvule Area in Dar es Salaam The property will owned by the company and measuring 17,840 square meters and is accessible by an all-weather road rom city center as also from Kilwa Road. The facility has adequate space for storage of raw materials, finished goods and manufacturing facilities.

The premises will be connected by state utility -Tanesco Power Supply. Stand by Diesel Generators will be provided for steady and continuous power supply.

The operation and admin office of the company will also be located within the same premises to ensure effective control of all aspects of the operations of the company.

5.4 FINANCING PLAN:

The total capital cost of setting up the plant is estimated at US\$ 6,500,000.00. These costs relate to procurement of plant, machinery, equipment, motor vehicles, computers, furniture, fittings and office equipment. These will be financed by the associated entity of the company by way of soft loan from overseas.

In addition, working capital will be required to the tune of US\$ 8,600,000.00, which will be financed by the associated entity of the company by way of soft loan from overseas.

The company plans to inject and raise funds for the project as follows:

Equity / Own funds	\$ 100,000.00
Term Loan for Capital Goods	<u>\$ 15,000,000.00</u>
Total	<u>\$, 15,100,000.00</u>

The total indebtedness of the company at US\$ 15,100,000.00 will be extinguished over a period of ten years, as shown on the financial projections in “Financial Charges Annexure”

The investors intend to invest in the form of term loan secured by way of a charge over the assets of the company. These assets, primarily property and capital goods, offer more than adequate security to cover the value of borrowings.

The various tables in annexure give detailed breakdown of various aspects of revenues and expenses and the basis of their inclusion in the respective tables.

5.5 PLANT AND MACHINERY

Production Unit:

1. Rotary Furnace- 2 No. with Pollution control units
2. Melting Pot – 3 No.
3. Oxide Mill – 1 No.
4. Plate Pasting Machine with mixer and Plate drying oven -1 no.
5. Grid casing machine – 4 No.

4. Sealing Machine- 3 No.
5. Welding Machine-3 No.
6. Hole Punching Machine- 3 No.
7. High Voltage Machine- 3 No.
8. HRD Tester – 3 No.
9. Air Leak Tester – 3 No.
10. Filling Machine- 3No.
11. Wrapping Machine – 1 No.
12. Step Machine – 3 No.
13. Melting Pot – 2 No.
14. Acid Filling & leveling Machine – 4 No.
- 15 Serial Number Punching Machine – 2 No.
16. Chargers – 10 No.
17. Dies – various for different sizes
18. Compressor – 8 No.

Testing Equipment

1. Battery testers - 2
2. Resistance/Capacity discharge testers
3. Hydrometers - 5
4. Temperature meter - 1
5. Battery chargers - numerous
6. Spectrometer- 1

5.6 RAW MATERIALS

The primary raw material for this project is spent lead acid batteries.

Lead is recovered from spent batteries by recycling and refining in the form of ingots and while plastic from container is recycled and reused.

The production process narrated hereinafter provides information on how the ingots are used to produce the batteries.

5.7 PRODUCTION PROCESS

Batteries are manufactured using careful maintenance of equipment in an automated controlled environment. The Manufacturing processes can be divided into several stages like lead recycling and refining, oxide and grid production process, pasting and curing, assembly process, formation, filling, charge-discharge process, final assembly, inspection and dispatch. These manufacturing steps are briefly explained below.

5.7.1. Lead Recycling, Refining and Oxide Production

5.7.1.1 Collection, storage and breaking of spent batteries

Dry spent batteries will be collected from workshop, garages and scrap collectors and will be transported to storage yard. Batteries will be cut, and parts will be separated and segregated as anode - cathode plates, plastic component etc.

Plastic parts – containers will cut in parts, washed, dried, and made to fine particles.

This plastic is sold to recycling units for making granules and further reused to make plastic items.

5.7.1. 2 Recycling of Lead

The main parts of the lead acid battery are plates, i.e., anode and cathode plates, these plates are feed for rotary furnace which operates at elevated temperature of 1200 Deg C to melt lead, molten lead cooled and casted as ingot. In rotary furnace heat is generated by burning pulverized coal.

5.7.1. 3 Re-finishing of Lead

Lead ingots obtained from rotary furnace are further molten in re-finishing pots to remove impurities. Various additives like antimony are added to obtain desired lead quality.

The quality of the lead is checked with spectrometer. Lead ingots are melted in the melting pot. The molten Lead in the melting pot is pumped on to the cylinder casting machine. The Lead cylinders are casted in the cylinder casting machines at a rate higher than that of the oxidation process. These Lead cylinders are conveyed and stored in a Silo.

5.7.1. 4 Lead to Lead Oxide

Oxygen in the air, assisted by the heat of the tumbling lead, reacts with the lead to produce lead oxide. During milling, the lead oxide that forms on the surface of the ingots and fine particles of un-oxidized lead are broken off, forming a fine dust that is removed from the mill by a circulating air stream.

The silo feeds the required amount of Lead cylinders into the mill as and when required , oxide mill RPM are adjusted as per quality requirement. The amount of Lead cylinders being discharged from the silo is adjustable from the PLC system. Lead cylinders tumbling inside the Ball Mill drum create heat due to friction between them. This heat initiates the oxidation process. The oxidation process is also an exothermic reaction. This exothermic heat raises the temperature of the material which in turn accelerates the oxidation process. A draft of air through the Ball Mill drum gives oxygen for the oxidation process and carries the Battery Oxide to the collection system.

The Collection System includes a combination of cyclone and dust collector, just dust collector. Lead oxide is collected and conveyed to storage silos. The silos storing Lead Oxide are purged with Nitrogen to keep the temperature of the Oxide in check.

B. Grid Casting and Assembling

5.7.2.1 Grid casting

The selenium Alloy ingots obtained in Lead refining pot by adding additives is raw material for grid casting machine. The Alloy is melted, cooled in mold to get grid of required size, shape and weight as per various size and shapes of battery.

As parallel process, paste from lead oxide is made. The paste material in general is made with oxide of lead, red lead, litharge, water and dilutes sulphuric acid. These pastes are used to fill the grids, i.e., positive and negative grids; but, for both, the pastes are not exactly filled with the same material, some expander materials are added for making negative paste.

The paste is then forced or pressed on the interstices of the grids by a machine and then these are turned as plates. These pasted plates are cured in ovens under certain conditions

of temperature near 32 degrees centigrade for about 48 hours, with humidity nearing about 90 percent and are finally allowed to dry condition at ambient temperatures.

5.7.2.2 Assembling the Elements

The manufacturing process consists of stacking of positives and negative plates in the container along with PVC separator sheet in between the plates and connecting the plates in parallel and cells in series by soldering.

After connecting the plates, positive and negative leads are brought out and terminals formed by pouring molten lead alloy metal on the top cover of the plates with the help of positives and negative die. The top cover is then sealed with bitumen. The procedure is applicable to all sizes of the batteries and charging of batteries may be done as per requirement.

5.7.2.3 Filling and Formation

After the assembling, battery is filled with required amount of electrolyte through a filling or vent tube. Then, it is ready for initial charging, which may require several hours of charging depending on the battery size. Low charging rate is generally employed that may be nearly one day to several days. This charge formation may either be dry or wet. In a dry-formation method, batteries are shipped as dry after the positive and negative elements are fully charged or formed and dried in tanks or as an individual plates and are connected to positive and negative terminals of the battery.

In a wet-formation method, a battery undergoes initial charging for several hours after plates are immersed in an electrolyte battery case. And, in some cases, this acid is dumped and fresh acid is added after forming it.

5.7.2.4 Charging and Discharging

After the formation, batteries are subjected to high-rate discharge test for short duration to rule out any defects before sending them out to the final charge. After discharging and recharging batteries for several times to attain best working condition, these are inspected and tested with some measuring instruments.

Then finally these are recharged for certain backup hours and sent to the next level where additional connections, labeling and caps are inserted to battery with sealed-cotton packing. At last, these are dispatched to ordered places.

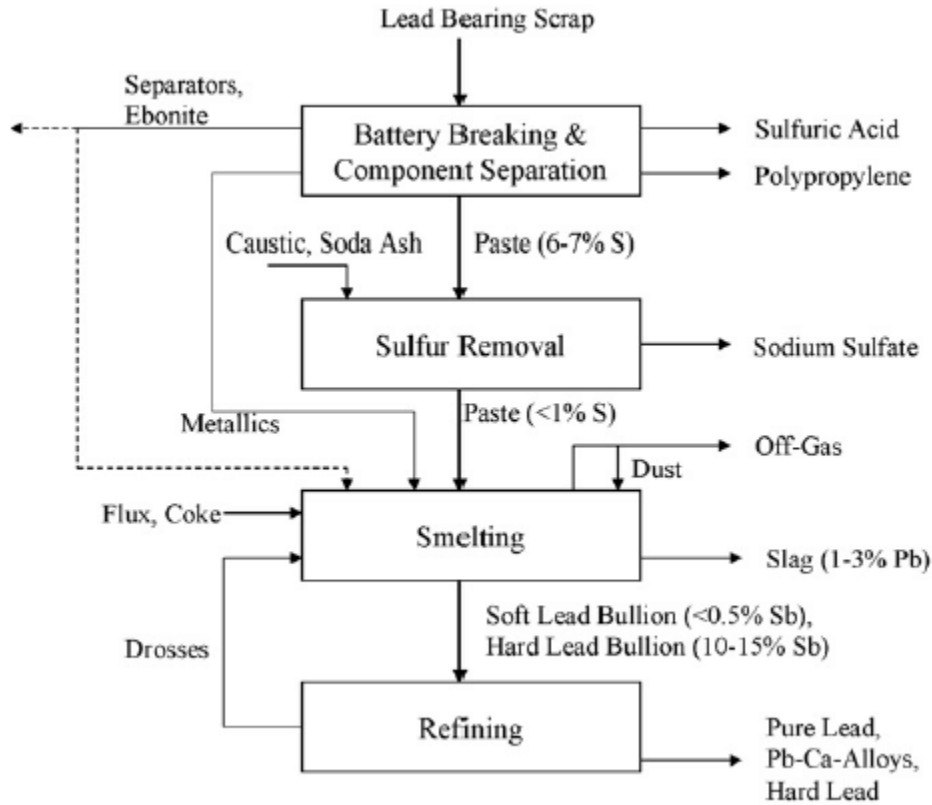


Figure: Lead-recycling and refining Schematic Process

Battery Manufacturing Process

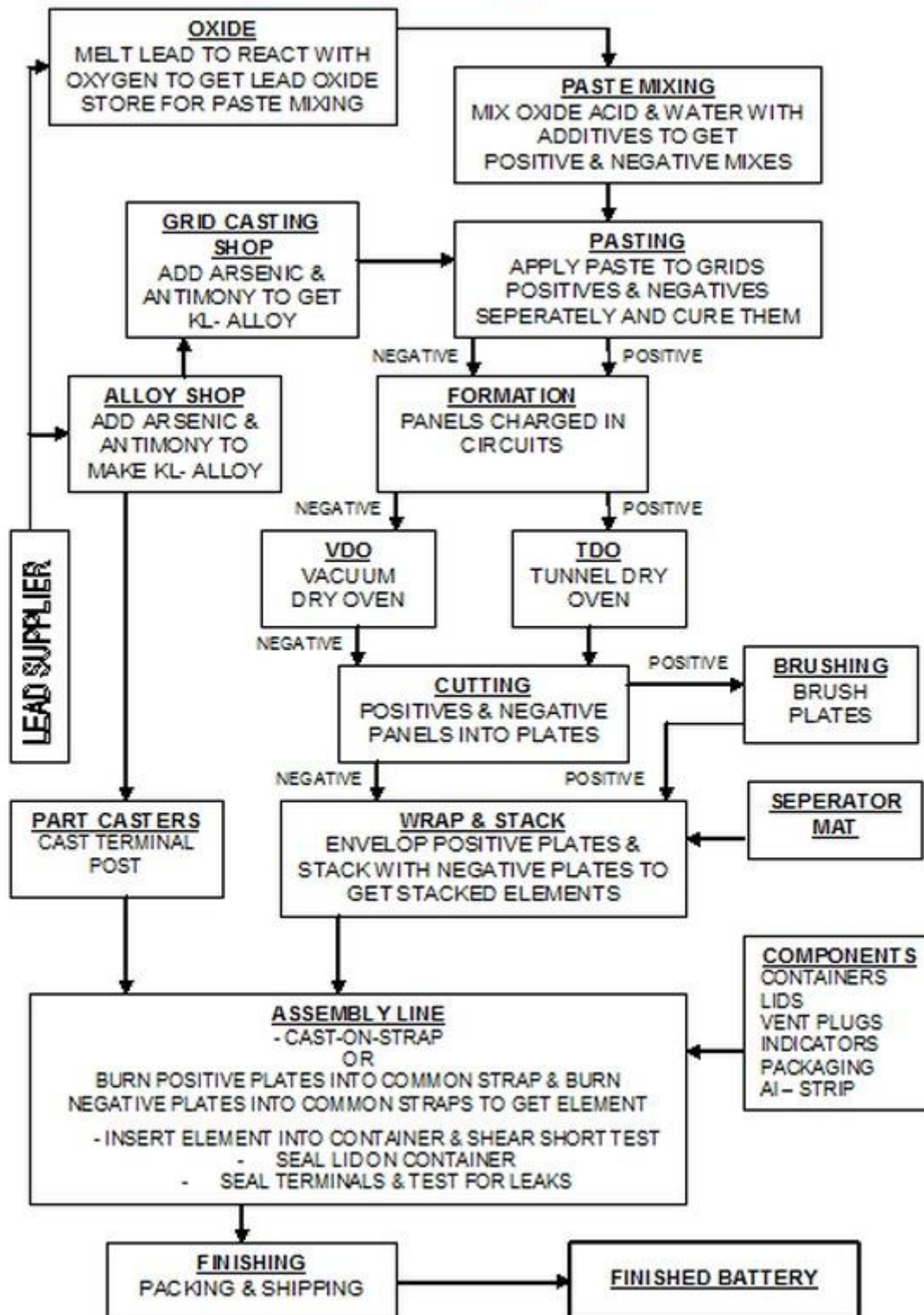


Figure: Battery Assembling and manufacturing Schematic Process

5.7.7 Implementation Schedule:

The major activities in the implementation of the project has been listed and the average time for implementation of the project is estimated at 10 months:

	Period (in months)
1. Preparation of project report	1
2. Registration and other formalities	1
3. Sanction of loan by Investors	3
4. Plant & Machinery	
a) Placement of orders	2
b) Procurement	4
c) Power connection/Electrification	2
d) Installation/ Erecting of Machinery/Test Equipment	2
5. Procurement of raw materials	2
6. Recruitment of Technical Personnel etc.	2
7. Trial Production	8
8. Commercial production	10

Note:

1. Many of the above activities shall be initiated concurrently.
2. Procurement of raw materials commences from the 6th month onwards.
3. When imported plant and machinery are required, the implementation period of project may vary from 6 months to 10 months.

5.8 HUMAN RESOURCES

The company will require services of management staff, support staff and skilled and unskilled workers at the plant. The company intends to hire the following management personnel to start the project:

General / Plant Manager	1
Production / Technical Manager	1
Finance Manager	1
Sales / Marketing Manager	1

Detailed list is attached in human resource segment.

The company will need to recruit the expatriate personnel for the above four positions for a period of at least first five years. This is important due to the technical nature of the industry, which needs to employ new technologies in the country as well as the complex issues involved during and after the production stages. The ultimate objective is to be competitive and offer quality products to highly competitive local and export markets.

Other administration manpower is listed on the financials of the project attached with this report under “Financial Charges Annexure”

At the production level the plant will require services of skilled and unskilled operators, handlers and helpers which are available and identified by the company. In addition, the company will also need to hire four security personnel to assist with safety and security of the assets of the company. This function may also be contracted out during initial period of two years.

The total number of Tanzanian employees are expected at 260 persons with majority for production and support work and some for the administration, accounts, and sales functions.

6. FINANCIAL ASPECTS

6.1 BASIC ASSUMPTIONS:

The following basic assumptions form the basis of the study:

The total investments are US\$ 15,100,000.00, which includes US\$ 100,000.00 in equity and the balance by way of term loans for investments in fixed or moveable assets i.e. Plant and Machinery, Equipment, Motor Vehicles, Furniture and Fixtures and Office and Information Technology products as also raw materials. Additional physical facilities will be built in the second year at the existing premises. The investments will be done over a period of two years, as seen in cash flows and financial statements.

It should be noted that all capital costs have been taken at landed costs excluding Customs duties and Value Added Taxes (V.A.T.). Thus, the promoters believe the exemption of customs duties and deferment of VAT will be an important requisite for the project to be implemented. Under the current tax laws capital goods are exempted from duties under EAC CMA and the current VAT Act provides for deferment on capital goods to be used to manufacture taxable supplies exceeding Shs. 100 million in the first twelve months and where the deferment is in respect of VAT payable of a minimum of Shs. 10 million (as amended in the Finance Act, 2018).

Repayment of the term loan and interest will commence in the third year of operations. For the details of the repayments of principal and interest expenses please refer to the schedule in the financial analysis in the Annexure of “Financial Charges”.

Gross revenues arising from sale of products are projected to rise at the rate of 39% per annum in second year and 23% per annum in third year after that remain constant at 10% for each of the subsequent years. Similarly, expenses are assumed to rise at the similar rate

or based on other factors. For factoring inflation in USD prices, we have taken the projections of inflation estimated by the IMF.

Taxation is assumed to be constant i.e., at 30% of net business incomes. However even if the system of taxation and the rate were to change to be in line with EAC member states' Tax regimes, there will not be any significant changes to cash outflows. This is because the Corporation Tax rates are highly unlikely to exceed 30% as any increase will deter new foreign direct investment and there are several other known avenues to broaden the tax base and raise revenues in all the three member states of the East African Community.

If the East African Community integration proceeds well the VAT rates will need to be harmonized. This may lead to reduction in Tanzanian VAT rate, which in turn would translate in lower costs for final consumers and lower cash flow implications for all intermediary traders.

Other Local and central Government taxes, levies, etc. are presumed to remain unchanged.

Miscellaneous other incomes, likely to arise in the future, e.g., contract production for other manufacturers, based on excess capacity during certain months of the year, have not been considered. Similarly, sale of waste is also ignored in the revenue projections. To this study all the figures are quoted in US Dollars.

6.2 FINANCIAL ANALYSIS

The project is expected to pay back in a period of approx. six and half years. This is extremely positive for an industrial investment project which is commonly expected to pay back over ten years.

The Cash Flow analysis of the project shows a net surplus of US\$ 9,950,757.00 at the end of fifth year. The Cash Flow analysis and projected financial statements are inclusive of revenues and payments of principal amounts and interest costs but exclude taxes.

The Financial analysis clearly show the financial benefits in terms of direct and indirect taxes, NSSF contributions, local government taxes like city service levies and property taxes, employment opportunities to Tanzanian nationals and other benefits to ancillary trade and services in the local economy.

Please refer to the for the detailed financial projections of the venture.

7. ECONOMIC & SOCIAL BENEFITS

The following benefits will accrue to the nation from the implementation of this project covering the existing and new investments:

- A very desirable project which will enhance the industrial capacity of the country with import substitution and savings in outflows of foreign exchange and substantial value addition in the country.
- Provision of high-quality industrial project in a secure and well-serviced Kisumvule /Mkuranga area of Dar es Salaam.
- The project estimates total employment remunerations (direct and indirect costs), including overtime and taxable benefits at US\$ 7,414,033.00 over a period of five years.
- Employment of at least 260 Tanzanian nationals with total estimated gross emoluments of US\$ 831,600 or TZS 1,929,312,000 or more plus benefits and rising at the rate of 10% every year thereafter. (*Exchange rate US\$ 1 = TZS 2,320*), in the first year, rising to US\$ 1,217,544.00 in the fifth year. In other words of the total employee remunerations including overtime over a five-year period, US\$ 5,076,996.00 are budgeted for Tanzanian employees only while the rest budgeted for consultant, senior expatriates and seasonal employees are estimated at US\$ 1,750,944.00. However, this portion attributable for expatriates will gradually decreases after the first two years.
- Additional employment opportunities in enterprises which will benefit in terms of new businesses opportunities to service this new project.

- Additional direct taxes will also accrue from employment taxes of employees and withholding taxes on services, transport and dividends paid to shareholders.
- Skills and development levies to T.R.A. amounting to US\$ 221,835.00 over five years, based on the current rate of 4.0% of total gross emoluments to all employees, local and expatriates.
- WCF contributions amounting to US\$ 27,729.00 over five years, based on the current rate of 0.5% of total gross emoluments to all employees, local and expatriates.
- Total NSSF contributions amounting to US\$ 1,109,175.00 over the same period, which is based on 20% of the total gross emoluments paid to all staff and include half the contributions by the employer, the Company.
- Total payments of US\$ 310,265.00 by way of City Service Levies to local government, based on current rate of 0.3% levies on net sales.
- Value Added Taxes to T.R.A. – US\$ 18,615,873.00 over the five-year period based on the current VAT rate of 18% of the value of the sales. It should be noted that most of the VAT output will not be recoverable by the buyers since all individual buyers do not or cannot claim input VAT and businesses not dealing with transportation or vehicle hires are ineligible to claim input VAT on batteries (being part of repairs and maintenance of motor vehicles not used for transportation business).
- Customs duties to TRA on importation of various raw materials and inputs and revenues to various service providers involved with clearing, forwarding and transportation / logistics trades.
- Land Rents, Property taxes, and other charges to Central and Local Government, based on the current local government regulations.
- Additional revenue generation for other companies, both private and public, in respect of investments during the construction of additional facilities and improvements and on the recurrent expenditure on goods and services thereafter.
- The Project will save approximately USD 35,000,000/- outflow of Forex from the country which was used to import Batteries from various countries.

8. S W O T ANANLYSIS

STRENGTHS:

Investments in new plant, efficiency, customer base, proven experience, own facilities, grasp over industrial engineering, ability to solve technical problems and evolve engineering solutions in house, innovations in better use of machines, well known in the market as a reliable business organistaion, willingness to undertake orders from smaller customers employing flexible solutions, creditworthy with suppliers and bankers. Locally made products of better quality and from reliable manufacturer with support services will surely facilitate market penetration. Ability to compete with imported products in terms of price as well as quality and services.

WEAKNESSES:

Presence of bigger players, distance from sources of waste batteries in distant parts of Tanzania, costs of transportation of raw materials to the plant site, competitive pressures hampering profitability. We do not envisage these factors to add substantial costs to the production.

OPPORTUNITIES:

Importance of a local manufacturing plant producing products leading to import substitution, saving foreign exchange, earning foreign exchange from exports, adding value in the economy and making maximum use of non-biodegradable and toxic waste generated by discarded batteries. The current buyers of dead batteries add very little value to the economy as they use these to extract lead which is all exported. In this project, value is added by creating fresh products for use by consumers.

A locally manufactured product also gets support and after sales services from the plant unlike imports which do not offer similar support, not even by importers or re-sellers. Support includes education to clients, maintenance and replacements of defective products

and ongoing information on existing and new products and how best to prolong life of batteries.

The location of the plant is suitable due to availability of skilled and semi-skilled workforce, easy access to shipping facilities, nearer to export markets of Kenya, Uganda, Rwanda, Burundi, Congo, Malawi, Mozambique, Zambia and all regions of Tanzania, ample space for expansion, ability to undertake contract production for other players, opportunities to service upcountry and smaller customers with speed and flexibility.

The Company will also promote independent service centres with capacity to service the products in regions thereby creating opportunities in service sectors and resulting employment. This will further enhance the credibility and competitiveness of the company's products.

In the future, the Company will also produce batteries for environmentally friendly electric vehicles (EVs) which the government may decide to promote by way of reduced tariffs or other benefits resulting into a new market for the Company.

THREATS:

Downturn in the economy, nationally and internationally, entry of bigger new manufacturers, imports from low cost countries, evasion of tariffs by unscrupulous importers.

9. CONCLUSIONS:

The project that the promoters intend to undertake is based on very sound fundamentals. These are the prime location of the project in the equally prime industrial and commercial area of Kisumvule, Dar Es Salaam, installation, and commissioning of a new plant for manufacture of batteries, adequate security, availability of water, power, nearness and access to all main roads and with easy access to seaport, logistic companies, transit cargo bonded warehouses and customs administration.

The financial analysis, which forms part of this report, shows that the project is very viable and warrants financial facilities from financial institutions.

The revenue projections are based on actual sales done by other companies in the market during past years to various customers and hence these are guaranteed revenue streams, which the company will realize. Import substitution from a reliable local manufacturer will be surely an edge over imports.

Similarly, all the projections of expenses and outgoings are also based on certainty, which in turn is based on historical figures of the preceding years and scientific estimates for the future years.

Finally, the promoters do not perceive any negative factors that may lead to reduced demand for the products of the company and thus reduced revenues from the project. On the other hand, the revenues from this investment are highly likely to go up within the next five years, exceeding the rate of growth projected in this report.

As such the promoters strongly believe that this is a very safe, secure and profitable investment for the company and fully justified under the present state of the economy of the country.

ANNEXURE – A

Assumptions for Projection

PRODUCTION CAPACITY AND SALES

Particulars	Year ₁	Year ₂	Year ₃	Year ₄	Year ₅	Total
Total Plant Capacity:	24000					
Proposed Production	61,800	182,400	223,200	244,800	244,800	957,000
Proposed Sales	21,600	178,800	220,800	243,600	244,800	909,600
 Total Production Capacity	 168,000	 288,000	 288,000	 288,000	 288,000	 1,320,000
% of Utilization	37%	63%	78%	85%	85%	73%

RAW MATERIAL REQUIREMENT FOR BATTERY PRODUCTION

Product	Lead	Battery Scrap	Soda Ash	Coal	Boxes	Chemicals & Separators	Packing Material
	KGS	KGS	KGS	KGS	Nos	Nos	Nos
AH-50	9.5	16.38	0.66	1.31	1	1	1
AH-70	12	20.69	0.83	1.66	1	1	1
AH-88	14.5	25.00	1.00	2.00	1	1	1
AH-100	17	29.31	1.17	2.34	1	1	1
AH-120	19	32.76	1.31	2.62	1	1	1
AH-150	23	39.66	1.59	3.17	1	1	1
AH-180	25	43.10	1.72	3.45	1	1	1
AH-200	27	46.55	1.86	3.72	1	1	1

Products	% in Total Production
AH-50	10%
AH-70	12%
AH-88	8%
AH-100	10%
AH-120	12%
AH-150	20%
AH-180	15%
AH-200	13%

Battery Scrap Prices

	Year ₁	Year ₂	Year ₃	Year ₄	Year ₅
	USD/MT	USD/MT	USD/MT	USD/MT	USD/MT
Percentage Increment	0%	0%	0%	0%	0%
Local Purchase (MT)	1000	1000	1000	1000	1000
Local Purchase (KGS)	1	1	1	1	1

Coal Prices

	Year ₁	Year ₂	Year ₃	Year ₄	Year ₅
	USD/MT	USD/MT	USD/MT	USD/MT	USD/MT
Percentage Increment	0%	0%	0%	0%	0%
Local Purchase	90	90	90	90	90
Local Purchase (KGS)	0.09	0.09	0.09	0.09	0.09

Soda Ash Prices

	Year ₁	Year ₂	Year ₃	Year ₄	Year ₅
	USD/MT	USD/MT	USD/MT	USD/MT	USD/MT
Percentage Increment	0%	0%	0%	0%	0%
Local Purchase	550	550	550	550	550
Local Purchase (KGS)	0.55	0.55	0.55	0.55	0.55

Box Price

	Year ₁	Year ₂	Year ₃	Year ₄	Year ₅
	USD/Unit	USD/Unit	USD/Unit	USD/Unit	USD/Unit
Percentage Increment	0%	0%	0%	0%	0%
AH-50	4.54	4.54	4.54	4.54	4.54
AH-70	4.71	4.71	4.71	4.71	4.71
AH-88	5.56	5.56	5.56	5.56	5.56
AH-100	5.56	5.56	5.56	5.56	5.56
AH-120	5.56	5.56	5.56	5.56	5.56
AH-150	7.27	7.27	7.27	7.27	7.27
AH-180	8.26	8.26	8.26	8.26	8.26
AH-200	8.26	8.26	8.26	8.26	8.26

Chemicals and Separators Price

	Year ₁	Year ₂	Year ₃	Year ₄	Year ₅
	USD/Unit	USD/Unit	USD/Unit	USD/Unit	USD/Unit
Percentage Increment	0%	0%	0%	0%	0%
AH-50	6.00	6.00	6.00	6.00	6.00
AH-70	7.25	7.25	7.25	7.25	7.25
AH-88	7.25	7.25	7.25	7.25	7.25
AH-100	8.00	8.00	8.00	8.00	8.00
AH-120	8.00	8.00	8.00	8.00	8.00
AH-150	8.00	8.00	8.00	8.00	8.00
AH-180	9.50	9.50	9.50	9.50	9.50
AH-200	9.50	9.50	9.50	9.50	9.50

Packing Material Prices

	Year ₁	Year ₂	Year ₃	Year ₄	Year ₅
	USD/Unit	USD/Unit	USD/Unit	USD/Unit	USD/Unit
Percentage Increment	0%	0%	0%	0%	0%
AH-50	2.50	2.50	2.50	2.50	2.50
AH-70	2.50	2.50	2.50	2.50	2.50
AH-88	2.50	28	2.50	2.50	2.50
AH-100	2.50	2.50	2.50	2.50	2.50
AH-120	2.50	2.50	2.50	2.50	2.50
AH-150	2.50	2.50	2.50	2.50	2.50

Profit and Loss Statement

Particulars	Year ₁	Year ₂	Year ₃	Year ₄	Year ₅	Total
	USD	USD	USD	USD	USD	USD
Revenue from Battery Sale	2,455,920	20,329,560	25,104,960	27,697,320	27,833,760	103,421,520
(-) Cost of Goods Sold	2,573,169	14,825,463	17,248,635	18,655,022	18,868,414	72,170,704
Gross Margin	(117,249)	5,504,097	7,856,325	9,042,298	8,965,346	31,250,816
Payroll Cost	320,775	403,260	443,586	487,945	536,739	2,192,305
Operational Expenses	763,071	1,339,698	1,444,698	1,524,923	1,576,137	6,648,526
Finance Costs	320,875	1,283,500	1,205,583	1,120,583	1,035,583	4,966,125
Total Indirect Expenses	1,404,721	3,026,458	3,093,867	3,133,451	3,148,459	13,806,956
Depreciation	257,544	480,088	480,088	480,088	480,088	2,177,894
Profit Before Taxation	(1,779,514)	1,997,551	4,282,371	5,428,759	5,336,799	15,265,967
Provision for Tax @ 30%	(533,854)	599,265	1,284,711	1,628,628	1,601,040	4,579,790
Profit After Tax	(1,245,660)	1,398,286	2,997,660	3,800,131	3,735,759	10,686,177

Balance Sheet

	Year -1	Year -2	Year -3	Year -4	Year -5
	USD	USD	USD	USD	USD
SHAREHOLDERS EQUITY AND LIABILITY					
Share holders Equity	100,000	100,000	100,000	100,000	100,000
Reserves and Surplus	(1,245,660)	152,626	3,150,286	6,950,417	10,686,177
Total Equity	(1,145,660)	252,626	3,250,286	7,050,417	10,786,177
Long Term Borrowings	15,000,000	15,000,000	14,000,000	13,000,000	11,000,000
Trade Payables					
TOTAL LIABILITY	13,854,340	15,252,626	17,250,286	20,050,417	21,786,177
ASSETS					
Plant, Machinery and Property	6,255,462	5,775,374	5,295,287	4,815,199	4,335,112
Current Assets:					
Cash and Cash Equivalent	36,171	1,177,089	3,762,884	7,158,211	9,950,797
Trade Receivables	1,227,960	1,910,160	2,183,040	2,319,480	2,319,480
Inventories	5,800,893	5,856,149	5,475,221	5,223,673	4,646,934
Tax Payable	533,854	533,854	533,854	533,854	533,854
TOTAL ASSETS	13,854,340	15,252,626	17,250,286	20,050,417	21,786,177

Cash Flow Statement

Particulars	UOM	Year -1	Year -2	Year -3	Year -4	Year -5
Cash Inflow:						
Equity Infused	USD	100,000	-	-	-	-
Debt Infused	USD	15,000,000	-	-	-	-
Receipt from Debtors	USD	1,227,960	19,647,360	24,832,080	27,560,880	27,833,760
Other Receipts	USD	-	-	-	-	-
Total of Inflows	USD	16,327,960	19,647,360	24,832,080	27,560,880	27,833,760
Cash Outflow:						
Payment for Capex	USD	6,513,005	-	-	-	-
Payment to Creditors	USD	9,457,909	16,623,676	18,755,990	20,416,342	20,404,551
Corporate Tax Payment	USD	-	599,265	1,284,711	1,628,628	1,601,040
Repayment of Debt	USD	-	-	1,000,000	1,000,000	2,000,000
Payment of Interest	USD	320,875	1,283,500	1,205,583	1,120,583	1,035,583
Total of Outflows	USD	16,291,789	18,506,442	22,246,285	24,165,553	25,041,174
Net Change During the Period	USD	36,171	1,140,918	2,585,795	3,395,327	2,792,586
Opening Cash Balance	USD	-	36,171	1,177,089	3,762,884	7,158,211
Closing Cash Balance	USD	36,171	1,177,089	3,762,884	7,158,211	9,950,797

Break Up of Capex

Sr.No	Particulars	Head	Unit price	Qty,nos	Ex-works, \$
1	Plant and Machinery Smelting & Refining	Plant and Machinery	1	900,000	900,000
2	Plant and Machinery Assembly	Plant and Machinery	1	700,000	700,000
3	Building (Shed -1) Refining	Buildings	250	3,400	850,000
4	Building (Shed -2) Assembly	Buildings	250	2,475	618,750
5	Building (Shed -3) Charging and Dispatch	Buildings	200	2,400	480,000
6	Office Building, Accomodation and Store	Buildings	500	900	450,000
7	Civil Work (ETP) and Air Pollution Control	Buildings	55	800	44,000
8	Civil Work - Curing Chamber	Buildings	200	400	80,000
9	Electric Connections	Plant and Machinery			300,000
10	Consultations and Approvals	Buildings			55,000
11	Land	Land	1	624,255	624,255
12	Fork Lift	Vehicles	3	22,000	66,000
13	Office Cars	Vehicles	5	20,000	100,000
14	Pickups - Delivery Vehicles	Vehicles	5	25,000	125,000
15	Installation	Plant and Machinery	1	400,000	400,000
16	Furniture and Fixtures	Furniture and Fixtures	1	200,000	200,000
17	IT Equipments and CCTV	IT Equipments	1	60,000	60,000
18	Weignbridge	Plant and Machinery	2	35,000	70,000
19	Fire Fighting Equipment	Plant and Machinery	1	40,000	40,000
Total					6,163,005
Approx Freight+ Clearing Cost					350,000.00
Total					6,513,005.41

Depreciation Schedule

Gross Asset Block	Buildings	Furniture	IT Equip	Land	P&M	Vehicles	
Opening Balance as of Year-1							0
(+) Additions	2,577,750	200,000	60,000	624,255	2,760,000	291,000	6,513,005
(-) Disposal of Asset	-	-	-	-	-	-	-
(+/-) Adjustments	-	-	-	-	-	-	-
Closing Balance as of Year-1	2,577,750	200,000	60,000	624,255	2,760,000	291,000	6,513,005
Accumulated Depreciation							-
% Charged	5%	20%	20%	0%	10.00%	20.00%	
Opening Balance as of Year-1	-	-	-	-	-	-	-
(+) Charge for the Period	64,444	20,000	6,000	-	138,000	29,100	257,544
Closing Balance as of Year -1	64,444	20,000	6,000	-	138,000	29,100	257,544
Net Block of Asset as of Year-1	2,513,306	180,000	54,000	624,255	2,622,000	261,900	6,255,462
Opening Balance as of Year-2							0
(+) Additions	2,577,750	200,000	60,000	624,255	2,410,000	291,000	6,163,005
(-) Disposal of Asset	-	-	-	-	-	-	-
(+/-) Adjustments	-	-	-	-	-	-	-
Closing Balance as of Year-2	2,577,750	200,000	60,000	624,255	2,410,000	291,000	6,163,005
Accumulated Depreciation							-
% Charged	5%	20%	20%	0%	10.00%	20.00%	
Opening Balance as of Year-2	64,444	20,000	6,000	-	138,000	29,100	257,544
(+) Charge for the Period	128,888	40,000	12,000	-	241,000	58,200	480,088
Closing Balance as of Year-2	193,331	60,000	18,000	-	379,000	87,300	737,631
Net Block of Asset as of Year-2	2,384,419	140,000	42,000	624,255	2,031,000	203,700	5,425,374
Opening Balance as of Year-3							0
(+) Additions	2,577,750	200,000	60,000	624,255	2,410,000	291,000	6,163,005
(-) Disposal of Asset	-	-	-	-	-	-	-
(+/-) Adjustments	-	-	-	-	-	-	-
Closing Balance as of Year-3	2,577,750	200,000	60,000	624,255	2,410,000	291,000	6,163,005
Accumulated Depreciation							-
% Charged	5%	20%	20%	0%	10.00%	20.00%	
Opening Balance as of Year-3	193,331	60,000	18,000	-	379,000	87,300	737,631
(+) Charge for the Period	128,888	40,000	12,000	-	241,000	58,200	480,088
Closing Balance as of Year-3	322,219	100,000	30,000	-	620,000	145,500	1,217,719
Net Block of Asset as of Year-3	2,255,531	100,000	30,000	624,255	1,790,000	145,500	4,945,287
Opening Balance as of Year-4							0
(+) Additions	2,577,750	200,000	60,000	624,255	2,410,000	291,000	6,163,005
(-) Disposal of Asset	-	-	-	-	-	-	-
(+/-) Adjustments	-	-	-	-	-	-	-
Closing Balance as of Year-4	2,577,750	200,000	60,000	624,255	2,410,000	291,000	6,163,005
Accumulated Depreciation							-
% Charged	5%	20%	20%	0%	10.00%	20.00%	
Opening Balance as of Year-4	322,219	100,000	30,000	-	620,000	145,500	1,217,719
(+) Charge for the Period	128,888	40,000	12,000	-	241,000	58,200	480,088
Closing Balance as of Year-4	451,106	140,000	42,000	-	861,000	203,700	1,697,806
Net Block of Asset as of Year-4	2,126,644	60,000	18,000	624,255	1,549,000	87,300	4,465,199
Opening Balance as of Year-5							0
(+) Additions	2,577,750	200,000	60,000	624,255	2,410,000	291,000	6,163,005
(-) Disposal of Asset	-	-	-	-	-	-	-
(+/-) Adjustments	-	-	-	-	-	-	-
Closing Balance as of Year-5	2,577,750	200,000	60,000	624,255	2,410,000	291,000	6,163,005
Accumulated Depreciation							-
% Charged	5%	20%	20%	0%	10.00%	20.00%	
Opening Balance as of Year-5	451,106	140,000	42,000	-	861,000	203,700	1,697,806
(+) Charge for the Period	128,888	40,000	12,000	-	241,000	58,200	480,088
Closing Balance as of Year-5	579,994	180,000	54,000	-	1,102,000	261,900	2,177,894

Statement Showing Interest Computation for Funds Infusion

Principal Amount	15,100,000	No of Months	60
Rate of Interest	9%	Mode of Interest	Simple Interest

Period	Month	Opening Balance	Instalment Payment	Interest Payment	Monthly Payment	Closing Balance
1	1	15,100,000	\$0.00	\$0.00	\$0.00	15,100,000
2	1	15,100,000	\$0.00	\$0.00	\$0.00	15,100,000
3	1	15,100,000	\$0.00	\$0.00	\$0.00	15,100,000
4	1	15,100,000	-	-	-	15,100,000
5	1	15,100,000	\$0.00	\$0.00	\$0.00	15,100,000
6	1	15,100,000	\$0.00	\$0.00	\$0.00	15,100,000
7	1	15,100,000	\$0.00	\$0.00	\$0.00	15,100,000
8	1	15,100,000	\$0.00	\$0.00	\$0.00	15,100,000
9	1	15,100,000	\$0.00	\$0.00	\$0.00	15,100,000
10	1	15,100,000	\$0.00	\$106,958.33	\$106,958.33	15,100,000
11	1	15,100,000	\$0.00	\$106,958.33	\$106,958.33	15,100,000
12	1	15,100,000	\$0.00	\$106,958.33	\$106,958.33	15,100,000
13	1	15,100,000	\$0.00	\$106,958.33	\$106,958.33	15,100,000
14	1	15,100,000	\$0.00	\$106,958.33	\$106,958.33	15,100,000
15	1	15,100,000	\$0.00	\$106,958.33	\$106,958.33	15,100,000
16	1	15,100,000	\$0.00	\$106,958.33	\$106,958.33	15,100,000
17	1	15,100,000	\$0.00	\$106,958.33	\$106,958.33	15,100,000
18	1	15,100,000	\$0.00	\$106,958.33	\$106,958.33	15,100,000
19	1	15,100,000	\$0.00	\$106,958.33	\$106,958.33	15,100,000
20	1	15,100,000	\$0.00	\$106,958.33	\$106,958.33	15,100,000
21	1	15,100,000	\$0.00	\$106,958.33	\$106,958.33	15,100,000
22	1	15,100,000	\$0.00	\$106,958.33	\$106,958.33	15,100,000
23	1	15,100,000	\$0.00	\$106,958.33	\$106,958.33	15,100,000
24	1	15,100,000	\$0.00	\$106,958.33	\$106,958.33	15,100,000
25	1	15,100,000	\$1,000,000.00	\$106,958.33	\$1,106,958.33	14,100,000
26	1	14,100,000	\$0.00	\$99,875.00	\$99,875.00	14,100,000
27	1	14,100,000	\$0.00	\$99,875.00	\$99,875.00	14,100,000
28	1	14,100,000	\$0.00	\$99,875.00	\$99,875.00	14,100,000
29	1	14,100,000	\$0.00	\$99,875.00	\$99,875.00	14,100,000
30	1	14,100,000	\$0.00	\$99,875.00	\$99,875.00	14,100,000
31	1	14,100,000	\$0.00	\$99,875.00	\$99,875.00	14,100,000
32	1	14,100,000	\$0.00	\$99,875.00	\$99,875.00	14,100,000
33	1	14,100,000	\$0.00	\$99,875.00	\$99,875.00	14,100,000
34	1	14,100,000	\$0.00	\$99,875.00	\$99,875.00	14,100,000
35	1	14,100,000	\$0.00	\$99,875.00	\$99,875.00	14,100,000
36	1	14,100,000	\$0.00	\$99,875.00	\$99,875.00	14,100,000
37	1	14,100,000	\$1,000,000.00	\$99,875.00	\$1,099,875.00	13,100,000
38	1	13,100,000	\$0.00	\$92,791.67	\$92,791.67	13,100,000
39	1	13,100,000	\$0.00	\$92,791.67	\$92,791.67	13,100,000
40	1	13,100,000	\$0.00	\$92,791.67	\$92,791.67	13,100,000
41	1	13,100,000	\$0.00	\$92,791.67	\$92,791.67	13,100,000
42	1	13,100,000	\$0.00	\$92,791.67	\$92,791.67	13,100,000
43	1	13,100,000	\$0.00	\$92,791.67	\$92,791.67	13,100,000
44	1	13,100,000	\$0.00	\$92,791.67	\$92,791.67	13,100,000
45	1	13,100,000	\$0.00	\$92,791.67	\$92,791.67	13,100,000
46	1	13,100,000	\$0.00	\$92,791.67	\$92,791.67	13,100,000
47	1	13,100,000	\$0.00	\$92,791.67	\$92,791.67	13,100,000
48	1	13,100,000	\$0.00	\$92,791.67	\$92,791.67	13,100,000
49	1	13,100,000	\$1,000,000.00	\$92,791.67	\$1,092,791.67	12,100,000
50	1	12,100,000	\$0.00	\$85,708.33	\$85,708.33	12,100,000
51	1	12,100,000	\$0.00	\$85,708.33	\$85,708.33	12,100,000
52	1	12,100,000	\$0.00	\$85,708.33	\$85,708.33	12,100,000
53	1	12,100,000	\$0.00	\$85,708.33	\$85,708.33	12,100,000
54	1	12,100,000	\$0.00	\$85,708.33	\$85,708.33	12,100,000
55	1	12,100,000	\$0.00	\$85,708.33	\$85,708.33	12,100,000
56	1	12,100,000	\$0.00	\$85,708.33	\$85,708.33	12,100,000
57	1	12,100,000	\$0.00	\$85,708.33	\$85,708.33	12,100,000
58	1	12,100,000	\$0.00	\$85,708.33	\$85,708.33	12,100,000
59	1	12,100,000	32 \$0.00	\$85,708.33	\$85,708.33	12,100,000
60	1	12,100,000	\$1,000,000.00	\$85,708.33	\$1,085,708.33	11,100,000

ANNEXURE - B

Attached in Email