

# **RUNYANG CONSTRUCTION CO.LTD**

## **PROJECT PROGRESS REPORT**

JUNE 2022

### 1. Planned Activities for the period

- To construct Workshop on plot No.13 Block EE Mapinga Bagamoyo for our Company.
- To provide Building construction services to our clients

### 2. Achievements made on the project implementation to date:

- Plot purchasing in full payment, Plot no.347 Regent Estate used as Company Office and Plot no. 13 Block E Mapinga Bagamoyo to be used as company workshop
- Purchasing Equipment's and Labor staffing
- Building construction services to our Clients total cost Tsh.300,000,000 VAT inclusive from January 2022 to date.

### 3. Project Financial Expenditure to date (TSH):

ITEMS	TOTAL	EQUITY	LOAN
A. FIXED INVESTMENTS			
1. Land, Building & Other Structures	684,940,000.00		
2. Machinery & Equipment	93,150,000.00		
3. Office Equipment	8,855,000.00		
4. Transport Equipment	211,370,000.00		
5. Others			
Total Fixed Investments	998,315,000.00		

ITEMS	TOTAL	EQUITY	LOAN
<b>B. PRE-OPERATING INVESTMENT</b>			
1. Business Plan Preparation	2,000,000.00		
2. Licenses and Registration	82,420,000.00		
3. Skills and Management Training	3,000,000.00		
4. Trial Production			
5. Others			
Total Pre-Operating Investment (POI)	86,420,000.00		
<b>C. TOTAL INVESTMENTS (A + B)</b>	<b>1,085,735,000.00</b>		
<b>D. WORKING CAPITAL</b>			
<b>DIRECT OPERATING COST</b>			
1. Raw Materials Costs	80,344,950.00		
2. Direct Labour Costs	8,350,000.00		
3. Office Overhead	8,747,000.00		
Total Direct Operating Costs (1)	97,481,950.00		
<b>INDIRECT OPERATING COSTS</b>			
1. Indirect Labour Costs	8,620,000.00		
2. Office Supplies	4,163,050.00		
3. Rentals			
4. Selling & Marketing Cost			
Total Indirect Operating Costs (2)	12,783,050.00		
<b>TOTAL ANNUAL OPERATING COSTS (1+2)</b>	<b>110,265,000.00</b>		
<b>WORKING CAPITAL REQUIRED</b>			
<b>TOTAL PROJECT COST (C + D)</b>	<b>1,196,000,000.00</b>	<b>998,315,000.00</b>	<b>197,685,000.00</b>
<b>DEBT TO EQUITY SHARE (%)</b>	<b>100%</b>	<b>83%</b>	<b>17%</b>

#### 4. Project Financing

	<b>Amount (USD)</b>	<b>Source Country</b>
Local Equity	998,315,000.00	Tanzania
Local loans	197,685,000.00	Tanzania
Foreign Equity		
Foreign Loans		
<b>Total Investment</b>	<b>1,196,000,000.00</b>	

## **5. Problems and Solution**

Our company used to rent Workshop from Highland Estate Company limited, where our Equipment and Plant were stored and various fabrications work was taken place, to minimize cost of renting our company has bought plot at Mapinga Bagamoyo where our workshop will be situated.

## **6. Future Plans**

- a). To construct workshop building where our workshop for construction work will be situated at Mapinga Bagamoyo.
- b). To continue with Building construction services for our clients.

## **7. Recommendations and any other comments**

We have bought new plot no. 13 Block EE at Mapinga Bagamoyo where we want to construct our Company Workshop, therefore we want to add it in our current certificate of Incentive in order to facilitate Ownership transferring.