



STANMAG AGRIC

CONFIDENTIAL

**STANMAG AGRIC LIMITED**

**STANMAG**  
AGRICULTURE

Sesame Seeds Processing Plant Business Plan Study

May 2022



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## Executive Summary

### Summary

Stanmag Agric Limited (SAL) will establish an ultra-modern sesame seed cleaning factory in Lindi District. The facility will clean 30 tons per day of sesame seed. Raw sesame seed will be supplied to the factory from various sesame seed producing states of Lindi/Mtwara. The biggest problem with Tanzania sesame seed is that due to inadequate cleaning facilities in the country, over 40% of our annual production of sesame seed is cleaned manually and exported. This situation had really devalued the price of Tanzania sesame seed by over 20% of the International price. However, our facility will be able to clean sesame seed to purity of 99% and as such put us at an advantage and enable us get better price and improve the quality position of Tanzania sesame seed. Through this project, we shall be able to provide about 200 jobs both directly and indirectly. It will also earn foreign exchange for the nation and provide market for sesame seed farmers in Tanzania.



## Organisation Flow Chart

SAL management is headed by Board of Directors. Core management team comprises of General Manager, HR and Admin Manager, Logistics Executive, Chief Accountant and 2 Junior accounting clerks. Operational team headed by 2 operational executive and includes drivers and cleaners. The organization chart of the SAL is presented herein below :



## Employees Distribution Summary

Employment	Foreign	Local	Total
Women	0	10	10
Men	5	55	60
<b>TOTAL</b>	<b>5</b>	<b>65</b>	<b>70</b>

## Information Technology – SAP Business One

SAP Business One integrates pulse performance, sales, expenses, purchases, production, formulation, and accounting. Hence, this solution enabled SAL to compile their business information into a single data source so they can instantly drill down to complete and up to date information. Consequently, this allows SAL to respond quickly to their customer needs.

SAP Business One will helps monitor SAL to quickly & easily manage daily activities, monitor expenses, tonne by hours, loss and detail about the farmers. PAL gets a clear idea about how farmers are performing. Hence, it increases management response time to any potential problems in the production phases.

Business One will manages all items that SAL purchase, processing, selling, and record in inventory along with this it also has a decision-making tool. Therefore, SAL can keep track of Inventory and allow easy stock-taking.

## Project Estimated Revenue

The company has estimated that the project revenue to be US\$ 4,500,000 for the first year of operation.

### STANMAG AGRIC LIMITED

#### SALES/EBIDTA/PAT

Year	1	2	3	4	5
SALES	4,500,000	6,300,000	8,268,750	10,418,625	12,762,816
EBIDTA	510,500	772,083	1,058,533	1,371,682	1,713,483
PAT	331,500	593,083	883,283	1,203,932	1,603,233



## Project Operating Cost

The company has estimated that the project operating cost and other cost to be 85 % of the total annual revenue.

## Project Financing

The company has estimated that the project will be financed by Equity for the first phase, the first phase will cost US\$ 1,650,000. The second phase US\$ 2,000,000 the project developer will negotiate with local and foreign bank for long term financing with good interest rate repayable withing 5 years and remaining US\$ 1,000,000 will be shareholders contribution and cash generated from business.

## Project Cost

STANMAG AGRIC LIMITED							
Particulars	In US\$	Project Cost		Financial Information			
Land	200,000	DEBT	0%	-			
Civil Works & Buildings	750,000	EQUITY	100%	1,650,000	Discount Rate - p.a.		10%
Wachney & Equipment	290,000	TOTAL		1,650,000	Interest Loan - p.a.		8.00%
Cost	290,000						
Other Cost							
Furniture & Fixtures	30,000				US CPI Adjustment		2.00%
Motor Vehicles + Van + Pickup	230,000				Repayment years	years	5.00
Office Equipment	28,000	Disbursement					
Computers	38,000	Year	%age	Taxation	Corporate	1-5 years	0%
Pre-Operative Expenses	-	1	100.00%			>5 years	30%
Financing Cost	-	2	0%age				0%
					City Service Levy		0%
Working Capital	100,000				Project IRR		44.82%
Raw & Pig Materials for Regn. Batches	-				NPV 10% - USD		2,043,883
Software - ERP	-				Equity IRR		44.82%
TOTAL	1,650,000				ROI		123.87%
					Payback (Years)		3.35
					Discounted Payback (Years)		3.05

## Project Analysis

## STANMAG AGRIC LIMITED

Amount in USD

ITEM / YEAR	0	1	2	3	4	5
	Construction	Projection	Projection	Projection	Projection	Projection
ANALYSIS						
Growth in sales over previous year			40.00%	31.25%	26.00%	22.50%
Cost of Sales as a % on Sales			85.00%	85.00%	85.00%	85.00%
Operating expenses as a % on Sales			2.74%	2.20%	1.83%	1.67%
Gross Profit as a % on Sales			15.00%	15.00%	15.00%	15.00%
EBIDTA as a % on Sales			12.26%	12.80%	13.17%	13.43%
Net Profit / (Loss) as a % on Sales				9.41%	10.68%	11.56%
Cash Profit / (Loss) as a % on Sales			12.26%	12.80%	13.17%	13.43%

## Company and Financing

### Company Overview

STANMAG AGRIC LIMITED (SAL) was incorporated on 5<sup>th</sup> May 2022, with a certificate of incorporation number 156016772 under the Companies Ordinance (Cap 212) as a limited company in the United Republic of Tanzania. SAL is planning to venture into Pulse Processing Industry in Tanzania. SAL is planning to process Sesame Seeds in Lindi District in Tanzania for export market and for local consumption.

### Capital Structure and Shareholders

The total authorized share capital of Stanmag Agric Limited is 1,000,000,000 ordinary shares of TZS 100,000 each and issued share capital amounted to 2 ordinary shares of TZS 100,000 each.

The company's shareholding and Directors are as follows: -

Name of the shareholder	Nationality	Number of shares	%
Stanley Cheruiyot Munai	Kenyan	1	1 %
Stanmag Group Limited	Tanzanian	99	99%

Name of the Director	Nationality
Stanley Cheruiyot Munai	Kenyan
Magesvaran Subramaniam	Malaysian

## Wharehouse in SIDO-Lindi

Stanmag Agric Limited have secured 4 units of warehouse in SIDO-LINDI. The warehouse is located at SIDO Lindi, Mingoyo Road Plot No: 155JJ, P.O.Box 352 LINDI. Each units is about 200 meter square x 4 units that will 800 meter square be used for installing sesame seeds processing equipments and storage of sesame seeds. The contract period will be for 2 years from 1<sup>st</sup> July 2022 till 30<sup>th</sup> June 2024. The company is looking for bigger land in Lindi or Mtama so that it can construct its own state of art sesame processing facility along with warehouse.

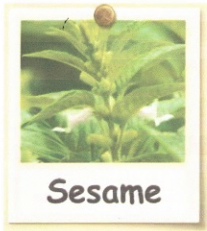
## Tanzania Sesame Seed

### Overview

Sesame is a high-value oilseed crop grown for its nutritious, health-promoting seeds. Globally, there are over 4.8 million tonnes of the seeds produced yearly, and Myanmar is its largest producer. India, China, Sudan and **Tanzania** are also vital producers, accounting for about 70% of the total production.

Sesame is Tanzania fourth most value commodity for export with a national demand of 13 million tonnes and a projected global demand of 250 million tonnes.

Sesame production in Tanzania is predominated by small scale producers. Sesame is mainly cultivated in Lindi, Mtwara, Ruvuma, Coastal region, Dodoma, Tanga and lowlands of Rukwa and Mbeya. But the crop can be also be grown in Dodoma, Singida, Simiyu, Manyara and Shinyanga. The crop is grown for food and commercial purposes. The Sesame oil seed yield about 45% of oil. The most sesame oil seeds produced in the country are sold to companies which sell the produce to the export markets.

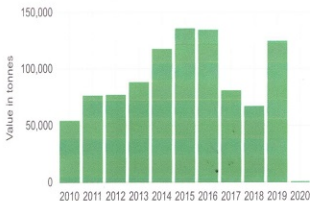


The LINDI WHITE 01 HYBRID SEEDS is recommended to farmers .The Lindi white 01 variety is characterized by yield potential of 10-15 sacks per acre, high market demand, high oil yield of up 55%. 1 Sack is equivalent to 80-85 KG.

### **Tanzania Sesame Seeds Export Quantities**

In 2019 Tanzania sold 123,977 tonnes of sesame seeds. In 2019 alone, the interest in Tanzania sesame seeds (oil seeds category) has improved, recording a change of 86.488 percent compared to the year 2018. Between 2017 and 2019, sesame seeds' exports went up by 54.21 percent bringing the nation US\$189.94m for the year 2019. Tanzania's sesame seeds exports are classified as:

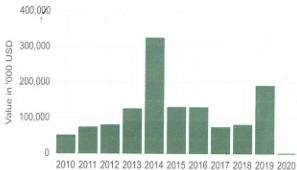
- Sesamum seeds, whether or not broken (HS code 120740)



### Tanzania Sesame Seeds Export Values

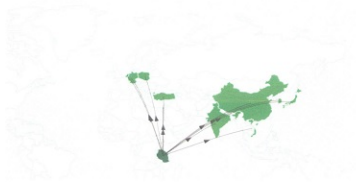
In 2019, Tanzania shipped sesame seeds worth 189.94m USD, a surge of 136.57% from 2018's total sesame seeds export of 80.288m USD. The yearly change in value of Tanzania sesame seeds between 2017 to 2018 was 9 per cent.

The annual change in the amount of Tanzania's sesame seeds exports between 2017 and 2019 was 54.21% when compared to a variation of 86.488% in the growth rate between 2018 and 2019.



#### Export Markets for Tanzania Sesame Seeds (in '000S)

Tanzania's leading export markets for sesame seeds are China, Japan, South Korea, Turkey and India.



COUNTRY	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
China	32848	52597	51208	72517	79366	102536	112155	60771	57749	108861	
Japan	17580	21922	24071	12650	35176	31448	20415	17999	12800	10498	
South Korea				609		790			600	2100	
Turkey	190			114	245			458	300	860	
India	13052	722	362	665	1086	200	1070	247	198	503	
Germany									36	288	
Israel				188	76					283	
Netherlands			113						13	235	
Poland										216	
Vietnam	190			475	433			294		215	

## What is Sesame Seed

Sesame seed is the seed of the sesame plant, otherwise called *sesamum indicum*. The plant is an annual herb that emits foxglove-like flowers that hold the edible sesame seeds. When the seeds are mature, the pods burst open with a pop. The hulls are removed to eliminate the oxalic acid, which gives the source a bitter flavour. The sesame seed is known for its organic nutty flavour and can also be pressed for sesame oil. It can be used as a condiment or eaten raw.

## Sesame Seed Production



SESAME SEED CAPSUL

Sesame seed production refers to all procedures involved in planting and processing sesame seeds. Sesame seeds are usually ready for harvest within 90 to 120 days after planting, depending on the variety.

In general, non-branched varieties mature earlier, and harvesting starts when 75% of the pod/capsules are ripe. Timely collection and tacking are crucial for quality harvest.

## Business Opportunities In Sesame Seeds

The opportunities available in the Tanzanian market for the Sesame investor includes;

### 1). Source of Food:

Sesame seeds in several places across the world are a great source of food. They can sometimes be eaten without mixing with other meals, but they're mainly eaten with baked products.

## 2). Vegetable Oil Source:

Sesame seeds are well known for their rich oil content, so they are often used to produce oil in many parts of the world, including Tanzania.

## 3). Pharmaceuticals:

Because of its unique antihypertensive and anti-oxidative benefits, sesame seeds are used for medicinal functions.

## 4). Cosmetics:

Sesame seed oils and their derivatives may be used to formulate a range of products including sunscreen products, moisturisers, skin cleansers, hair products, lipstick and other makeup products.

### Facts and Benefits of Sesame Seeds

- Sesame seeds contain phytonutrients as well as phytosterols that help reduce the level of cholesterol in the body.
- Sesame seeds promote weight loss.
- Lignans which are nutrients found in most grains are present in sesame seeds, and they help to normalise blood pressure.
- The magnesium contained in sesame seeds helps in the prevention of diabetics.

- Sesame seeds are generally suitable for respiratory health because they prevent respiratory disorders such as asthma.
- They help to prevent anaemia and other blood diseases.
- Sesame seeds are good sources of dietary fibre which promotes good digestive health.
- Myanmar, Sudan, India, China, and Tanzania contribute significantly to global production of sesame seeds.
- The vitamins and calcium present in sesame seeds make help to maintain healthy bones and teeth.
- Sesame seeds contain the right amount of zinc that generates the collagen necessary for improving the general appearance of the skin.
- The presence of methionine in sesame seeds helps in the active detoxification of the liver and improves its functions.
- The presence of Omega-3 fatty acid in sesame seeds significantly enhances eyesight.
- Sesame seeds were first seen in the United States in the 17th century
- Sesame plants can grow as high as 2 to 9 feet.
- Sesame seeds can be eaten with bread and pastries
- In Japan, the most common part of sesame seeds is its oil, used for cooking.
- Most Asian countries use sesame seeds in sushi meals.



SESAME PLANT BEING DRIED AFTER SEED REMOVAL

## Type of Sesame Seeds

The major varieties of sesame seeds include:

### 1). **Brown Sesame Seeds:**

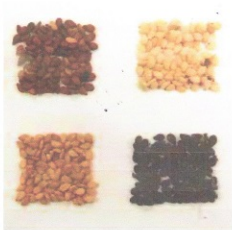
Brown sesame seeds are known to have a high oil content of about 45 to 50%. The brown sesame seeds are useful for oil extraction.

**2). White Seeds:**

White seeds exported from India are known for their nutty flavour and are used for baking purposes. They are mostly sprinkled over buns and cakes.

**3). Black Seeds:**

Black sesame seeds are rich in flavour and are mostly used for salad seasoning, marinating meat and vegetables, and also for medicinal purposes.



**4). Red Sesame Seeds:**

Red seeds are rich in the aroma, so they are mainly used to enhance dishes.

## Sesame Seeds Process

### 1). Ripening of the Sesame Capsules:

The first step in the processing of sesame seeds begins with ripening the capsules. Sesame seeds are enclosed in a protective capsule that bursts open when the grain is ripe. The time of this burst, or "dehiscence," tends to vary, so farmers cut down plants by hand and put them together in an upright position to continue maturing until all the capsules have opened.

### 2). Drying:

Since sesame is a small, flat seed, it is hard to dry after harvest because air cannot pass through easily. The seeds must, therefore, be harvested as dry as possible and stored at a moisture content of 6% or less. When the seed is too moist, it will heat up quickly and get rancid.

### 3). Cleaning process:

After harvesting, the seeds are usually cleaned and hulled in a machine. The shocks are inverted in the field over a cloth/canvases or plastic sheets. The bundles may be hit with a stick until all seeds fall off, depending on the amount of shattering. Clean until the seeds are isolated from the chaff and other inert matters by constantly winnowing.

#### 4). **Sorting:**

In some countries, once the seeds are hulled, they are passed through an electronic colour-sorting machine that rejects any discoloured seeds to ensure perfect colour. This is a necessary step because consumers believe that sesame seeds with uniform appearance are of better quality and sell at a higher price. Immature or off-size seeds are removed and used for the production of sesame oil.

### **Sesame Seeds Production Challenges**

Challenges affecting the growth of the sesame seeds farming business in Tanzania include:

- Sesame seed production is capital intensive.
- Costs of production of sesame seeds may be high for small-scale agro-entrepreneurs
- Most farmers in Tanzania are unable to obtain and utilise vital farm inputs.
- Lack of adequate machinery for soil preparation.
- Inefficient crop management techniques.
- Lack of substantial investments in the sesame seeds production industry

- Difficulties in controlling or preventing pest attacks and diseases.
- Inadequate funding of sesame seeds farming research and development facilities.
- Issues with harvesting processes and methods
- Sesame seeds could shatter if not promptly collected after ripening
- Fluctuation in prices of sesame seeds at the local and international markets
- Unavailability of laboratory tools to test if local seeds meet international standards
- Difficulty in accessing loans from financial bodies and institutions.

## Sesame Seed Processing

### Overview

The main function of the processing plant , It is remove the all impurities and foreigners of beans . Before we design the plant , we need to know what impurities in the beans. Most of are Chaff , Shell , Dust , Small foreigners , bigger foreigners , Small stones and big stones , Clods ,and Injured beans , broken beans and bad beans . Those are all the impurities in the raw beans .

All design will be Big Hopper – Bucket Elevator – Pre-cleaner – Destoner – Magnetic separator – Gravity separator – Grading machine -beans polisher – color sorter machine -Auto packing machine .Including the dust collector system and control cabinet for control whole plant .

Big hopper for feeding material easier . as we known ,When the cleaning plant working we need to feeding the raw material Uninterrupted ,so we need to design according the feeding way . so need one 1.5\*1.5Meter area for feeding , to keep the plant working properly.

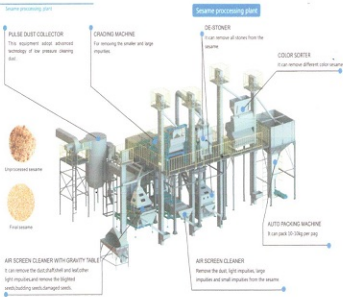
Bucket Elevator for feeding the material to the each machine , Our bucket elevator it is low speed non broken when it working . The elevator adopts self-weight unloading , low line speed, no throwing

blanking , to prevent crushing, Sanding blasting and plastic spraying surface treatment

Pre-cleaner Air screen cleaner It consists of Bucket Elevator, Dust Catcher (cyclone), Vertical Screen, vibration Sieve grader and Grain Exits. It can clean the dust and light impurities, And clean the big and small impurities and classify the material to big ,medium and small size with different sieves Destoner for The gravity De-stoner it can remove the stones from the different material , like sesame , beans and other grains blowing style De-stoner is to separate stone, clods by adjusting wind pressure, amplitude and other parameters. Larger proportion material stone will sink down and move bottom to up under the stress of vibration friction; while smaller proportion material moves up to bottom.

Magnetic separator for removing the clods , It is to separate clods from grain. When materials pour in a closed strong magnetic field, they will form a stable parabolic movement. Due to the different strength of attraction of the magnetic field, clods and grains will be separated.

## Sesame Seed Processing Plant



### Hulled Sesame Seeds

Hulled sesame seeds are those kinds of sesame seeds from which the outer covering or hulls have been removed during the manufacturing process. On the other hand, unhulled sesame seeds are those which have their husk or hulls intact and not removed.

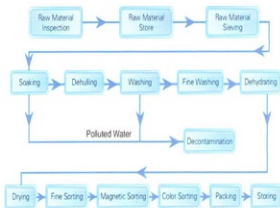


We will supply high quality of Hulled sesame seeds that have plenty of health and nutrition benefits and therapeutic properties that make them valuable. Hulled sesame seeds had high nutritional value and include all fundamental mineral that is mandatory and essential for the human body.

- Hulled sesame seeds have a good source of fibre. The right quantity of fibre is an essential part of the human body for the reason that Fibre is well-identified for supporting the digestive system. In addition, scientifically defined and suggested that fibre plays a vital role in reducing the risk of heart disease, certain cancers, obesity, and diabetes.
- Hulled sesame seeds have a Nutritious Source of Plant Protein that is very important for human health. These seeds help to maintain hormones and build more strength.

- Hulled sesame seeds are Supportive of Healthy Bones. Strong, and healthy bones are too important for the human body.
- Hulled Sesame seeds are a superior source of definite B vitamins and vitamin B is very important for making sure the body's cells are functioning properly.
- Hulled Sesame seeds are very easy to add to the Diet and that gives results healthy. These seeds are helping to enhance the flavour and nutrients of the diet.

## Flowchart for Hulled Sesame Seeds



## Product Uses

- Hulled seeds are mainly used in cooking.
- At the point when prepared or toasted, hulled Sesame Seeds get a delightfully nutty, crunchy taste, which makes them prominent on bread rolls and bread and even sprinkled over frozen yogurt rather than hacked nuts.
- Hulled sesame seeds are largely utilized as an element of bread, wafers, spreads, burgers, sauces, grains, drinks, etc.
- Hulled sesame seeds help cure Anaemia and anticipate diabetes.
- Hulled sesame seeds are a decent treatment for Anxiety.

# SWOT Analysis

## SWOT Analysis

STRENGTH	WEAKNESSES
<ul style="list-style-type: none"> <li>• High experience in production</li> <li>• Favourable place for sesame</li> <li>• Domestic market demand</li> <li>• Good transportation</li> <li>• Availability of machinery</li> <li>• Technical knowledge availability</li> <li>• Crop differentiation</li> <li>• Government assistance program</li> <li>• Demand of export</li> </ul>	<ul style="list-style-type: none"> <li>• Farmer oriented extension</li> <li>• High cost of production</li> <li>• Low Yield</li> <li>• Low access to modern technology</li> <li>• Weak market information</li> <li>• Limited resources</li> <li>• Value added to process</li> <li>• Market opportunity &amp; infrastructure</li> <li>• High postharvest losses</li> </ul>
OPPORTUNITIES	THREATS

- |  |  |
|--|--|
| <ul style="list-style-type: none"><li>• Diversification of crops</li><li>• Potential demand</li><li>• Increasing information technology</li><li>• Industry promotion program</li><li>• Advanced technology applied</li><li>• Increase private industries related to agricultural</li><li>• Organic farming</li><li>• Government support policy</li></ul> | <ul style="list-style-type: none"><li>• Production risks</li><li>• The training is low/climate is changing</li><li>• Market and price risks</li><li>• Perishability of the products</li><li>• High cost of transportation</li><li>• Lack of quality seed</li><li>• Poor agricultural policy</li><li>• Lack of storage facilities</li><li>• Declining interest due to migration</li><li>• Crop loss due to weed, insects &amp; diseases</li><li>• Decline consumer demand</li></ul> |
|--|--|

## Proposed Action Plan

To implement this strategy, preparation phase that need to be carried and coordinated to achieve the ultimate goal of the company and the Government. The preparation phase is very important for the such a huge investment and long term benefits.

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After the completion of preparation Phase Plan detailed work must be carried out to make sure the project is implemented as according with the budget and plan.

# Financial Plan

## Revenue Forecast

## STANMAG AGRIC LIMITED

		YEAR	1	2	3	4	5
			Projection	Projection	Projection	Projection	Projection
Sales	Quantity In Tonnes		3,000	4,000	5,000	6,000	7,000
	Price Per MT	5%	1,500	1,575	1,654	1,736	1,823
	Sesame Seeds - Export		4,500,000	6,300,000	8,268,750	10,418,625	12,762,816
	Domestic Market		-	-	-	-	-
Total Sales			4,500,000	6,300,000	8,268,750	10,418,625	12,762,816

## Financial Statements

## Profit and Loss Statement Table

The projected income for the US\$ 4,500,000 year 1 period. The position depicted is that the project earns profit throughout its life. Accumulated after tax profits grow from **US\$ 331,500** in the 1<sup>st</sup> year to **US\$ 4,615,031** in the 5<sup>th</sup> year.

## STANMAG AGRIC LIMITED

Amount in USD

ITEM / YEAR	0	1	2	3	4	5
	Construction	Projection	Projection	Projection	Projection	Projection
<b>INCOME STATEMENT</b>						
<b>Revenues</b>						
Sales Income	-	4,500,000	6,300,000	8,268,750	10,418,625	12,762,816
Other Income	-	-	-	-	-	-
Exports	-	-	-	-	-	-
Total Revenue	-	4,500,000	6,300,000	8,268,750	10,418,625	12,762,816
<b>Cost of Sales</b>						
Production Labour Costs	-	3,825,000	5,355,000	7,028,438	8,855,831	10,848,393
Subtotal Cost of Sales	-	3,825,000	5,355,000	7,028,438	8,855,831	10,848,393
Gross Profit	-	675,000	945,000	1,240,313	1,562,794	1,914,422
		15%	15%	15%	15%	15%
<b>Operating Expenses</b>						
Production & Administrative Overheads	-	106,000	111,300	116,865	122,708	128,844
Admin / Management Salaries	-	35,100	36,971	38,949	41,042	43,257
Sales/Marketing & Distribution	-	23,400	24,847	25,966	27,361	28,838
Subtotal Operating Expenses	-	164,500	172,918	181,780	191,112	200,939
Preliminary Expenses	-	-	-	-	-	-
EBDTA	-	510,500	772,083	1,058,533	1,371,682	1,713,483
		11%	12%	13%	13%	13%
<b>Capital &amp; Finance Charges</b>						
Depreciation	-	179,000	179,000	175,250	167,750	110,250
Bank charges	-	-	-	-	-	-
Subtotal	-	179,000	179,000	175,250	167,750	110,250
Profit Before Tax	-	331,500	593,083	883,283	1,203,932	1,603,233
<b>Corporate Tax</b>						
Profit After Tax	-	331,500	593,083	883,283	1,203,932	1,603,233
Profit / (Loss) brought forward	-	-	331,500	924,583	1,807,865	3,011,797
Profit / (Loss) of to Balance Sheet	-	331,500	924,583	1,807,865	3,011,797	4,615,031

## Balance Sheet Table

The project's assets cash flows are shown in below. Owners' equity grows from US\$ 1,650,000 in the first year to US\$ 6,265,031 at the end of 5<sup>th</sup> years of the project's operations based.

### STANMAG AGRIC LIMITED

Amount in USD

ITEM / YEAR	0	1	2	3	4	5
	Construction	Projection	Projection	Projection	Projection	Projection
<b>BALANCE SHEET</b>						
Equity	1,650,000	1,650,000	1,650,000	1,650,000	1,650,000	1,650,000
Revenue Reserves	-	331,500	924,583	1,807,865	3,011,797	4,815,031
Networth	1,650,000	1,981,500	2,574,583	3,457,865	4,661,797	6,265,031
Long-term loan	-	-	-	-	-	-
Total financed debt	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,650,000</b>	<b>1,981,500</b>	<b>2,574,583</b>	<b>3,457,865</b>	<b>4,661,797</b>	<b>6,265,031</b>
<b>Fixed Assets</b>						
Gross Fixed Assets	1,650,000	1,650,000	1,471,000	1,292,000	1,116,750	949,000
Less: Accumulated Depreciation	-	179,000	179,000	175,250	167,750	110,250
	1,650,000	1,471,000	1,292,000	1,116,750	949,000	838,750
<b>Current Assets</b>						
Stocks	-	-	-	-	-	-
Cash & Bank Balances	-	510,500	1,282,583	2,341,115	3,712,797	5,426,281
Total Current Assets	-	510,500	1,282,583	2,341,115	3,712,797	5,426,281
<b>Current Liabilities</b>						
Trade Payables	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Net Current Assets	-	510,500	1,282,583	2,341,115	3,712,797	5,426,281
<b>TOTAL</b>	<b>1,650,000</b>	<b>1,981,500</b>	<b>2,574,583</b>	<b>3,457,865</b>	<b>4,661,797</b>	<b>6,265,031</b>
Difference(should be zero)	-	-	-	-	-	-

## Cash Flow Statement Table

The project's cash flows are shown below. They depict a good liquid position right from the first year. Cash accumulation builds up from **US\$ 510,500** in the first year to **US\$ 5,426,281** at the end of 5<sup>th</sup> years of the project's operations.

### STANMAG AGRIC LIMITED

Amount in USD

ITEM / YEAR	0	1	2	3	4	5
	Construction	Projection	Projection	Projection	Projection	Projection
<b>CASH FLOW STATEMENT</b>						
<b>OPERATING INFLOW</b>						
Profit after Tax	-	331,500	593,083	883,283	1,203,832	1,803,233
Depreciation	-	179,000	179,000	175,250	167,750	110,250
Preliminary Expenses Write Off	-	-	-	-	-	-
Sub Total Operating Inflow	-	510,500	772,083	1,058,533	1,371,582	1,713,483
<b>CAPITAL INFLOW</b>						
Capital Increase	1,650,000	-	-	-	-	-
Advances from related parties	-	-	-	-	-	-
Bank Overdraft	-	-	-	-	-	-
Bank Loan	-	-	-	-	-	-
Sub Total Capital Inflow	1,650,000	-	-	-	-	-
<b>TOTAL INFLOW</b>	<b>1,650,000</b>	<b>510,500</b>	<b>772,083</b>	<b>1,058,533</b>	<b>1,371,582</b>	<b>1,713,483</b>
<b>CAPITAL OUTFLOW</b>						
Investment in fixed assets	1,650,000	-	-	-	-	-
Advances from related parties	-	-	-	-	-	-
Decrease in Bank Overdraft	-	-	-	-	-	-
Decrease in Bank Loan	-	-	-	-	-	-
Sub-Total Capital Outflow	1,650,000	-	-	-	-	-
<b>OPERATING OUTFLOW</b>	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Change in W/Capital	-	-	-	-	-	-
Subtotal Operating Outflow	-	-	-	-	-	-
<b>TOTAL OUTFLOW</b>	<b>1,650,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW</b>	<b>-</b>	<b>510,500</b>	<b>772,083</b>	<b>1,058,533</b>	<b>1,371,582</b>	<b>1,713,483</b>
Opening Balance	-	-	510,500	1,282,563	2,341,115	3,712,797
Closing Balance	-	510,500	1,282,563	2,341,115	3,712,797	5,426,281

### Payback Period

Total investment is **US\$ 1,650,000** cash accumulation in 5<sup>th</sup> year **US\$ 5,426,281**, which is more than the initial investment by **US\$ 3,776,281** The project payback Period is exactly 3.35 years. The project has a relatively short payback period. It is remarkably impressing for a project whose investment is as big as **US\$ 1,650,000** is being recovered within 3.35 years.

### Revenue to the Government

The Project is expected to pay a substantial annual amount in the form of corporation tax and other taxes direct & indirect taxes.