

PROJECT PLAN

For

Manufacturing of concrete poles and accessories of poles and supply to TANESCO, REA and neighbors' countries like Kenya, Uganda, Rwanda, Burundi and Congo.

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Pwani.

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1.0 INTRODUCTION

SUNLINE TRANSPOWER (T) Limited is private limited company was incorporated in Tanzania with certificate No.166741491 dated 06 day of July 2023 under the Tanzanian Companies Act, Cap 212 R.E 2019.

SUNLINE TRANSPOWER will manufacturing and supply of concrete poles and accessories for power distribution lines to TANESCO and REA of Mainland of Tanzania, currently company has leased land of 4100 Sq mt to set up pilot project of specially designed ladder type concrete poles for power distribution lines.

The company manufacturing plant located at Plot No-10 Misugusugu ward, District: - Kibaha, Pwani region.

Sunline Transpower Company believe that the electricity is prime requirements for developments of nation.

The company designated special ladder types of concrete poles for power distribution line which poles are very proven in INDIA in the past 60 years.

After first manufacturing plant company will plan to setup more plant as per requirements of TANESCO and REA at different location of Tanzania Mainland.

Company shall setup at list one plant year wise from 2024 to 2028 planning to set up 5 nos. manufacturing plants at end of year 2028

The company will supplying the concrete poles to neighbor countries like Kenya, Uganda, Rwanda, Burundi and Congo in future.

1.1 Mission and Vision Statement.

1.1.1 Vision

Our vision is to providing special ladder types of concrete poles for power distribution lines which are very proven in the last 60 years in INDIA, the electricity access project of Tanzania peoples is very fast after supplying this special poles. All Tanzanian peoples get electricity at affordable cost.

1.1.2 Mission

Our mission to supply reliable, robust and economical concrete poles and accessories for power distribution line in Mainland of Tanzania as per Tanzania Bureau of Standards.

1.1.3 Location

SUNLINE TRANSPower (T) LIMITED is located at Misugusugu on Dar Es Salaam- Morogoro main highway. Raw materials are easily available and transportation finished product very easy. The company wants expand the manufacturing plants in different location as per requirements of TANESCO and REA.

1.2 Investment Objective, Market potential

1.2.1 Objectives

The Company is planning to put up the manufacturing plant at a strategic location which is well connected with the national highway. The Location is also suitable to get the raw material at reasonable cost and delivery of the products at economical cost.

The plant has world class machinery and equipment of international standard for manufacturing of Concrete poles for power lines as per Tanzania Bureau of Standards.

Tanzania currently uses treated wooden poles for power lines, whose average lifespan is below 20 years, Errors may lead to rotten poles within 5 to 7 years. It is not only very costly to replace old rotted poles but also affects the power supply to households and industries which is a loss of Revenue.

The concrete poles having 50 years life span and well proven in INDIA in the last 60 years.

The Company shall also closely work with Tanzania electricity supply company and Rural electrification agency. We shall provide reliable, efficient and economical power infrastructure to Tanzania so people can get electricity at the cheapest price.

Wooden poles are manufactured from Eucalyptus trees. These trees are grown by farmers which takes about 10 to 12 years from the plantation to mature. It also depends upon weather conditions; many plants may destroy due to abnormal rainfall, excess rainfall and many other weather-related issues. Also, the environmental implications of eucalyptus plantations, it has allelopathy on ground vegetation, has a negative impact on biodiversity, exhausts soil from nutrients, has oil in its leaves and accumulated litter leads to forest fire hazards. It also exhausts groundwater and lowers the water table. Hence growing of eucalyptus trees is a negative effect to environments.

1.2.2 Market potential

Following are the reasons why this sector shall be growing fast.

1. Power production capacity of Tanzania shall be increasing by 150 % which requires distribution.
2. Government may be injecting 10 billion Dollar in the coming decade to meet the development of the country.
3. Huge Power cannot be stored; it required to use whatever is being produced
4. wooden poles shorter lifespan, replacement cost, adverse effect on environment and negative effect on revenue during replacement leads to use concrete pole
5. Replacement of existing wooden poles
6. concrete poles are better, its proven technology
7. Huge numbers of farms, household and industry need to be electrified
8. Big demand supply gap of concrete poles
9. wooden poles cannot meet urgent demand of the requirement as the growing time span is very long
10. Tanzania currently required 700,000 poles per annum
10. There is huge demand in neighboring countries Kenya about 10,00,000 poles, Uganda 3,50,000 poles, Rwanda 55,000 poles, Burundi 3,5000poles annually and many in other neighboring countries too
11. High potential of export market also
12. East African countries are developing countries and the Power is a fundamental demand of growth.

Currently TANESCO and REA import the wooden poles from south Africa and Kenya for rural electrification.

Existing concrete poles manufacturing plant cannot meet requirements. Now a day gap between supply and consumption.

The growth potential of the Power sector is huge.

2.1 INVESTMENT COSTS AND SOURCES OF FINANCES

2.1.1 Investment Costs.

Starting for pilot project at MISUGUSUGU required 195,000 USD for building, plant and machinery, 80,000 USD for working capital.

The first project 1200 poles production per month.

Detail of Investment showing in Table-1

Table- 1

Part – A Plant and machinery		
1	Plant and machinery import from India	110000=00 USD
2	Container for storage of cement	8000=00 USD
3	Toilet and changing room for ladies and gents	5000=00 USD
4	Civil works for fixing of plant and machinery	25000=00 USD
5	Cost of licenses and other misc. expense	20000=00 USD
6	Ready-made office container	6000=00 USD
Total of Part- A		174000=00 USD
Part – B Working capital required yearly.		
1	Rent for land per month @600	7200=00 USD
2	Raw materials sand and aggregates for 14000 poles	44000=00 USD
3	Cements for production of 14000 poles 10500 tones	135000=00 USD
4	Cost of HT steel for 14000 poles production-280 tones	312000=00 USD
4	Cost of labor contractor for production	82000=00 USD
6	Staff salary (3 person)	1800=00 USD
7	Electricity and water charges per month	24000=00 USD
8	Testing charges of TBS and laboratory charges	2400=00 USD
9	Security and cleaner salary (4 Person)	12000=00 USD
Total of Part- B		620400=00 USD
(Total of Part- A) +(Total of Part-B)		794400=00 USD

Above cost for MISUGUSUGU plant

Plant capacity 14000 poles per year.

2.1.2 Sources of Funds

Source of funds will be as follows;

Local Equity - 270,000 USD.

Foreign Equity - 524,400 USD

Documents attached here with.

3.0 IMPLEMENTATION SCHEDULE AND FUTURE PLANNING.

Company has already leased land 4100 sq meter at Misugusugu for first pilot project

Company will start manufacturing of concrete poles in February-2024 by 600 poles per month.

Plant production capacity extend up to 1200 poles per month in April-2024.

FUTURE PLANNING.

As per demand schedule from TANESCO and REA company shall setup second manufacturing plant at DODOMA in year 2025 having production capacity 3000 poles per month.

In second plant total 400,000 USD required for office, cement storage, plant and machinery and civil works. Working capital required 200,000 USD

As per demand schedule from TANESCO and REA company shall setup third manufacturing plant at MBEYA in year 2026 having production capacity 3000 poles per month.

In second plant total 400,000 USD required for office, cement storage, plant and machinery and civil works. Working capital required 200,000 USD

As per demand schedule from TANESCO and REA company shall setup fourth manufacturing plant at ARUSHA in year 2027 having production capacity 3000 poles per month.

In second plant total 400,000 USD required for office, cement storage, plant and machinery and civil works. Working capital required 200,000 USD

As per demand schedule from TANESCO and REA company shall setup fifth manufacturing plant at Mwanza in year 2028 having production capacity 3000 poles per month.

In second plant total 400,000 USD required for office, cement storage, plant and machinery and civil works. Working capital required 200,000 USD

4.0 Fixed Asset Schedule.

Company shall setup manufacturing plants as per TANESCO and REA requirements of poles at different location in Mainland of Tanzania, Company shall set up new plant year wise mentioned as above and fixed asset per plant as below Table.

Amount in USD

Name of Assets	Year-1	Year-2	Year-3	Year-4	Year-5
Plant and machinery import from India	110000	275000	290000	310000	350000
Container for storage of cement	4000	5200	6000	6200	6500
Toilet and changing room for ladies and gents	5000	5000	6000	6200	6500
Ready-made office	6000	6200	6500	6800	7000
Land should on rent	--	--	--	--	--
Total Fixed asset year wise	125,000	291,400	308,500	329,200	370,000

5.0 Depreciation

Fixed asset will be depreciating their value as aging affect. The annual closing fixed asset will decrease shown in below Table.

Depreciation	Year-1	Year-2	Year-3	Year-4	Year-5
Plant and Machinery	11000	27000	29000	31000	35000
Container for storage of cement	500	500	600	600	600
Toilet and changing room for ladies and gents	500	500	600	600	600
Ready-made office	600	600	600	700	700
Annual Depreciation	12600	28600	30800	32900	36900
Closing Fixed Asset	112,400	262,800	277,700	296,300	333,100

6.0 JOB CREATION.

Company shall create year wise job as per below table.

6.1 Direct job creation.

Year	Plant Location	Manager	Plant Head	Quality Supervisor	Civil Engineer	Account person	Skill Labor	Unskill Labor
2024	Misugusugu	1	1	3	2	1	10	20
2025	Dodoma	1	2	6	4	2	20	40
2026	Mbeya	1	2	6	4	2	20	40
2027	Arusha	1	2	6	4	2	20	40
2028	Mwanza	1	2	6	4	2	20	40
Total		4	9	27	18	9	90	180

6.2 Indirect Job Creation.: - Transportation of poles, installation of poles for new power line by TANESCO and REA.

Year	Plant Location	Driver	Loading of Poles	Unloading of Poles	Installation of Power distribution line
2024	Misugusugu	2	5	5	30
2025	Dodoma	4	10	10	60
2026	Mbeya	4	10	10	60
2027	Arusha	4	10	10	60
2028	Mwanza	4	10	10	60
Total		18	45	45	270

7.0 Conclusion.

The ladder types concrete poles are very proven in INDIA in the past 60 years. Mr. Bharkumar M. Borad have 30 years' experience in power transmission and distribution in INDIA.

Sunline Transpower company director Mr. Bharkumar has designed the special poles for Tanzania Mainland as per East Africa and TBS standards and requirements, This types of pole is robust, easy to transport, easy to installation. Mr. Harry M. Kitiliya is one local citizen director, who is guide to set up plants.

Currently 50 % of peoples of mainland in Tanzania have not electricity, Main challenges is supply gap between demand of poles. Currently TANESCO and REA used Treated wooden pole for power line. Treated wooden poles having 15 to 20 Years life span, some poles maybe rotted within 7 to 10 Years. The cost of replacement of rotten poles is high and due to power cut during replacements of poles revenue loss to TANESCO.

Sunline company ultimate goal is to supply concrete poles at affordable cost so peoples can get electricity at cheapest price. Moreover, the electricity access project of REA will be going fast and target of REA to electrification of TANZANIA improve.

The Rural electrification project will be fast by REA, So migration to city will be minimize and peoples can get employments in rural area.

After rural electrification Tanzania becomes middle income country. Due to access of electricity rural education become fast.

Ultimate goal of Sunline Transpower Company is to Light up the Tanzania mainland.

Thank you Very much.

Sunline Transpower (T) Limited.