

SUNLINE TRANSPOWER (T) LIMITED

PROJECT PLAN

For

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

Preparedby:

SUNLINE TRANSPOWER (T) LIMITED,

P.OBOX79381,

Misugusugu, District: - Kibaha,

Pwani.

Table of Contents

1.0 Introduction. -----
1.1 Vision and Mission statements-----
1.1.1 Vision-----
1.1.2 Mission-----
1.1.3 Location-----
1.2InvestmentObjective,Market potential-----
1.2.1 Objective-----
1.2.2 Market Potential-----
2.1Investments cost and source of funds-----
2.1.1Investments cost-----
2.1.2 Source of funds-----
3.0 Implementation schedule and future planning-----
4.0Fixed assets schedule -----
5.0 Depreciation -----
6.0 Job Creation. -----
6.1 Direct Job creation-----
6.2 Indirect Job creation-----
7.0 Conclusion-----

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 Sqmt 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 batter, 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

1	Plant and machinery import from India	110000.USD
2	Container for storage of cement	4000.USD
3	Toilet and changing room for ladies and gents	5000.USD
4	Civil works for fixing of plant and machinery	50000.USD
5	Cost of licenses and other misc. expense	20000.USD
6	Ready-made office container	6000 USD
		195,000 USD
Working capital required monthly.		
1	Rent for land per month	600 USD
2	Raw materials sand and aggregates for 1200 poles	1000 USD
3	Cements for production of 1200 poles 120 tones	15000 USD
4	Cost of HT steel for 1200 poles production-36 tones	45000USD
4	Cost of labor contractor for production	12000USD
6	Staff salary (3 person)	1800USD
7	Electricity and water charges per month	1200 USD
8	Testing charges of TBS and laboratory charges	2400 USD
9	Security and cleaner salary (4 Person)	1000USD
Total of Part- B		80000USD
(Total of Part- A) +(Total of Part-B)		275000USD

Above cost for MISUGUSUGU plant
Plant capacity 1200 poles per month.

2.1.2 Sources of Funds

The initial source of funds will be the inward funding by the shareholders of the company making up total Local Equity - valued at 270,000 USD, and other sources of fund will be foreign donors and loans making up a total of Foreign Equity - valued at 70,000 USD

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 forth 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.

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. Bharatkumar M. Borad have 30 years' experience in power transmission and distribution in INDIA.

Sunline Transpower company director Mr. Bharat kumar 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 challenge 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.

CASH FLOW PROJECTIONS FOR THE NEXT 60 MONTHS OF 2024 - 2028 IN US DOLLAR

PARTICULARS	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	TOTAL	2025
CASH INFLOWS (SALES)														
Sales (Pole)	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	2,160,000	2,160,000
TOTAL CASH INFLOW	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	2,160,000	2,160,000
Less: Direct Running Cost														
Raw Materials (Sand & Aggregates)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	12,000
Cements	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	180,000	180,000
HT Steel	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	540,000	540,000
TOTAL DIRECT COST	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	732,000	732,000
Gross Profit	119,000	119,000	119,000	119,000	119,000	119,000	119,000	119,000	119,000	119,000	119,000	119,000	1,428,000	1,464,000
CASH OUTFLOWS (OPERATIONS OVERHEAD)														
Office Rental	600	600	600	600	600	600	600	600	600	600	600	600	7,200	7,200
Stationaries (Office pins , books, notes books , pens , erasers , steppers)	300	300	300	300	300	300	300	300	300	300	300	300	3,600	3,600
Salaries & Wages	13,800	13,800	13,800	13,800	13,800	13,800	13,800	13,800	13,800	13,800	13,800	13,800	165,600	165,600
Nssf Cost	1,380	1,380	1,380	1,380	1,380	1,380	1,380	1,380	1,380	1,380	1,380	1,380	16,560	16,560
Workers compensation budget and other unions	69	69	69	69	69	69	69	69	69	69	69	69	828	828
Skills Development Levy	483	483	483	483	483	483	483	483	483	483	483	483	5,796	5,796
TBS & Laboratory Charges	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	28,800	28,800
Marketing Budget	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000	24,000
Legal Fee	800	800	800	800	800	800	800	800	800	800	800	800	9,600	9,600
Stamp Duty for rent	6	6	6	6	6	6	6	6	6	6	6	6	72	72
Licence & Certificate	20,000	-	-	-	-	-	-	-	-	-	-	-	20,000	20,000
Airtime for staff (Communication)	400	400	400	400	400	400	400	400	400	400	400	400	4,800	4,800
Internet	600	600	600	600	600	600	600	600	600	600	600	600	7,200	7,200
Securit & Cleaner	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	12,000
Electricity & Water Bill for office	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400	14,400
Sundry	100	100	100	100	100	100	100	100	100	100	100	100	1,200	1,200
Miscellaneous cost	500	500	500	500	500	500	500	500	500	500	500	500	6,000	6,000
Audit Fee	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	12,000
Provision for Corporate TAX	-	-	2,500	-	-	2,500	-	-	2,500	-	-	2,500	10,000	10,000
TOTAL CASH OUTFLOWS	46,638	26,638	29,138	26,638	26,638	29,138	26,638	26,638	29,138	26,638	26,638	29,138	349,656	349,656
NET CASH FLOWS	72,362	92,362	89,862	92,362	92,362	89,862	92,362	92,362	89,862	92,362	92,362	89,862	1,078,344	1,114,344
OPENING BALANCE	-	237,362	329,724	419,586	511,948	604,310	694,172	786,534	878,896	968,758	1,061,120	1,153,482	-	1,243,344
Capital Investment & Loan Disbursement	340,000	-	-	-	-	-	-	-	-	-	-	-	340,000	-
Loan Repayment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition of PPE	(160,000)	-	-	-	-	-	-	-	-	-	-	-	(160,000)	(275,000)
Acquisition of Container Office & Storage	(10,000)	-	-	-	-	-	-	-	-	-	-	-	(10,000)	(11,400)
Acquisition of Toilets & Changing Room	(5,000)	-	-	-	-	-	-	-	-	-	-	-	(5,000)	(5,000)
CUMULATIVE NET CASH FLOWS	237,362	329,724	419,586	511,948	604,310	694,172	786,534	878,896	968,758	1,061,120	1,153,482	1,243,344	1,243,344	951,944

2026	2027	2028
2,160,000	2,160,000	2,160,000
2,160,000	2,160,000	2,160,000
12,000	12,000	12,000
180,000	180,000	180,000
540,000	540,000	540,000
732,000	732,000	732,000
1,464,000	1,464,000	1,464,000
7,200	7,200	7,200
3,600	3,600	3,600
165,600	165,600	165,600
16,560	16,560	16,560
828	828	828
5,796	5,796	5,796
28,800	28,800	28,800
24,000	24,000	24,000
9,600	9,600	9,600
72	72	72
20,000	20,000	20,000
4,800	4,800	4,800
7,200	7,200	7,200
12,000	12,000	12,000
14,400	14,400	14,400
1,200	1,200	1,200
6,000	6,000	6,000
12,000	12,000	12,000
10,000	10,000	10,000
349,656	349,656	349,656
1,114,344	1,114,344	1,114,344
951,944	643,444	314,244
(290,000)	(310,000)	(160,000)
(12,500)	(13,000)	(13,500)
(6,000)	(6,200)	(6,500)
643,444	314,244	134,244

INCOME STATEMENT 2024 - 2028 IN US DOLLAR

PARTICULARS	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	TOTAL	2025	2026
CASH INFLOWS (SALES)															
Sales (Pole)	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	2,160,000	2,160,000	2,160,000
TOTAL CASH INFLOW	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	2,160,000	2,160,000	2,160,000
Less: Direct Running Cost															
Raw Materials (Sand & Aggregates)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	12,000	12,000
Cements	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	180,000	180,000	180,000
HT Steel	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	540,000	540,000	540,000
TOTAL DIRECT COST	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	732,000	732,000	732,000
Gross Profit	119,000	119,000	119,000	119,000	119,000	119,000	119,000	119,000	119,000	119,000	119,000	119,000	1,428,000	1,464,000	1,464,000
CASH OUTFLOWS (OPERATIONS OVERHEAD)															
Office Rental	600	600	600	600	600	600	600	600	600	600	600	600	7,200	7,200	7,200
Stationaries (Office pins , books, notes books , pens , erasers , steppers)	300	300	300	300	300	300	300	300	300	300	300	300	3,600	3,600	3,600
Salaries & Wages	13,800	13,800	13,800	13,800	13,800	13,800	13,800	13,800	13,800	13,800	13,800	13,800	165,600	165,600	165,600
Nssf Cost	1,380	1,380	1,380	1,380	1,380	1,380	1,380	1,380	1,380	1,380	1,380	1,380	16,560	16,560	16,560
Workers compensation budget and other unions	69	69	69	69	69	69	69	69	69	69	69	69	828	828	828
Skills Development Levy	483	483	483	483	483	483	483	483	483	483	483	483	5,796	5,796	5,796
TBS & Laboratory Charges	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	28,800	28,800	28,800
Marketing Budget	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000	24,000	24,000
Legal Fee	800	800	800	800	800	800	800	800	800	800	800	800	9,600	9,600	9,600
Stamp Duty for rent	6	6	6	6	6	6	6	6	6	6	6	6	72	72	72
Licence & Certificate	20,000	-	-	-	-	-	-	-	-	-	-	-	20,000	20,000	20,000
Airtime for staff (Communication)	400	400	400	400	400	400	400	400	400	400	400	400	4,800	4,800	4,800
Internet	600	600	600	600	600	600	600	600	600	600	600	600	7,200	7,200	7,200
Securit & Cleaner	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	12,000	12,000
Electricity & Water Bill for office	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400	14,400	14,400
Sundry	100	100	100	100	100	100	100	100	100	100	100	100	1,200	1,200	1,200
Miscellaneous cost	500	500	500	500	500	500	500	500	500	500	500	500	6,000	6,000	6,000
Depreciation	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	12,600	28,600	30,800
Audit Fee	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	12,000	12,000
Provision for Corporate TAX	-	-	2,500	-	-	2,500	-	-	2,500	-	-	2,500	10,000	10,000	10,000
TOTAL CASH OUTFLOWS	47,688	27,688	30,188	27,688	27,688	30,188	27,688	27,688	30,188	27,688	27,688	30,188	362,256	378,256	349,656
NET CASH FLOWS	71,312	91,312	88,812	91,312	91,312	88,812	91,312	91,312	88,812	91,312	91,312	88,812	1,065,744	1,085,744	1,114,344
TOTAL	166,688	146,688	149,188	146,688	146,688	149,188	146,688	146,688	149,188	146,688	146,688	149,188	1,790,256	1,842,256	1,844,456
EBIT	47,688	27,688	30,188	27,688	27,688	30,188	27,688	27,688	30,188	27,688	27,688	30,188	362,256	378,256	349,656

2027	2028
2,160,000	2,160,000
2,160,000	2,160,000
12,000	12,000
180,000	180,000
540,000	540,000
732,000	732,000
1,464,000	1,464,000
7,200	7,200
3,600	3,600
165,600	165,600
16,560	16,560
828	828
5,796	5,796
28,800	28,800
24,000	24,000
9,600	9,600
72	72
20,000	20,000
4,800	4,800
7,200	7,200
12,000	12,000
14,400	14,400
1,200	1,200
6,000	6,000
32,900	36,900
12,000	12,000
10,000	10,000
349,656	349,656
1,114,344	1,114,344
1,846,556	1,850,556
349,656	349,656