

BUSINESS PLAN

Executive Summary

Ideal Detonators Tanzania Limited is planning to set up a plant in Tanzania with the following business objectives:

- a) Carry on the business of manufacture and sale of all types of explosives, detonators and accessories
- b) Export all types of explosives, detonators and accessories to other countries from Tanzania Plant.
- c) Import few other items of explosives and accessories that are not being produced locally in to Tanzania for supplying to mining, quarrying, construction industries and other users and dealers, agents etc in Tanzania and also export to neighboring countries, it will help to increase the Export volume of Tanzania.
- d) Engage in mining of various types of materials including coal, metals, minerals, ores etc.

We had originally incorporated a company limited by shares in Tanzania on 17th February, 2023 by name Ideal Detonators Tanzania Limited, for trading of Metal and Metal Products. However, seeing the business potential we have intended to start the above business activities by putting up a manufacturing and distribution plant.

We have also opened a bank account in Tanzania. We are planning to establish our unit by the end of 2024. Further, we would like to confirm that our company is very well established and has a proven track record for the last 3 decades in the same line of business in India. We are planning to establish the same products in African countries. As far as marketing is concerned, our products are fully tested and proved in the mining sector and improved from time to time over a period of 3 decades. We had also been selling these products in Tanzania by way of Export from INDIA.

So we don't have any obstacles while entering in to a new market.

Highlights:

Our flagship company Ideal Industrial Explosives Ltd in India is one of the largest manufacturers of industrial explosives and pioneer in manufacturing bulk explosives, cartridge explosives (slurry and emulsion), detonating fuse, PETN, Cast Booster in India. Our parent company biz Ideal Detonators Pvt. Ltd produces and distributes all kind of detonators from Ordinary to Electronic detonators in India.

The above Companies produces all kinds of explosives and detonators for various applications viz. open cast, underground gassy and non-gassy mines, under seismic and tunneling works etc.

Our motto is to provide maximum value to our customers in terms of cost, quality, safety and technical performance. Our products meet international quality standards and benchmarks. Our products and services impact every part of modern life. Quality and Safety are the hallmarks of our reputation. We look forward to put forth our best efforts coupled with enormous experience and expertise in order to bring value addition to our customers.

We are a company with strong business ethics, committed solely to the promotion of safe, efficient, blasting techniques and promotion in sales and development of other unique drilling and blasting supplies and tools.

Thus the company is one stop destiny for all kinds of explosives and detonators for mining industry, infrastructure and construction industries.

We feel the miners of Tanzania will greatly benefit with good quality Explosives and Accessories and can avail cost efficiency in purchase once we produce the goods locally at Tanzania.

Investment:

We are planning to invest an amount of USD 2,800,000 during the period of completion of the project. We also have the capacity to bear any cost over runs in the project.

Employment levels:

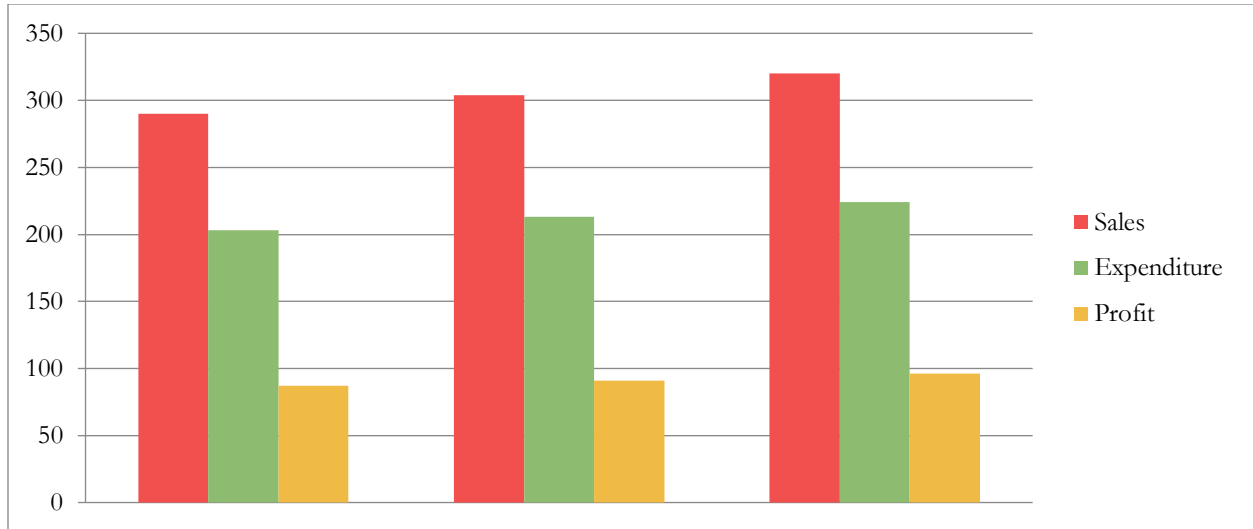
We are a professionally managed company and are having decades of rich experience in various disciplines in the industry. We have built an excellent team of well trained, efficient professionals in Production, Administration, Finance and Marketing etc. This product will generate lot of employment opportunities locally.

Cash flows:

Our expected sales revenue, expenditure and profit for the next three years are as follows:

(Tsh in millions)

Description/FY	2024-25	2025-26	2026-27
Sales	290	304	320
Expenditure	203	213	224
Profit	87	91	96



Objectives

To manufacture and promote the sales of our products, both within and outside of Tanzania. Further we seek to promote the Export to all Neighboring African Countries from Tanzania. This will aid the Tanzanian Govt. to reduce Net Import deficit. Our plant will help in attainment and maintenance of proper standards of quality in relation to price. The major advantage is the customer will get material at quick lead times and the objective is to develop a financially sustainable company that influences economic growth and employment creation in the country.

Mission Statement:

We are aiming to complete our plant by the end of 2024. Also our main objective is to establish our products in the Tanzanian market and neighboring countries with international standards.

Keys to Success

- We are an established and experienced entrepreneur in manufacture of explosives for the last 4 decades and we are the big Brand in India. We export our products to over 30 countries form India.
- Our products are well, established and proven that they really work in the mining industry.
- We are having expertise in reducing drilling and blasting cost of a mine through optimizing blast design.
- Our brand is well known in the global market enjoying great reputation and recognition.
- Our entire team is dedicated and objective oriented and also having good expertise in the field.
- Pick-up in mining / infrastructure activities in Tanzania
- Increased demand for explosives from overseas market particularly in African countries is the strength.
- Success in exploring nearby countries for overseas business

Description of Business

- Ideal group is well known in explosives industry
- Products are suitably developed for mining sector
- Proven track record
- Employment of highly qualified professionals and experienced persons
- Cost effective in all respects.
- Brand image
- Customer satisfaction and prompt service after sale

Company Ownership/Legal Entity

Ideal Detonators Tanzania Limited is incorporated on 17th February, 2023 as company limited by shares under the provisions of The Companies Act (CAP 2012) of Tanzania. It is a wholly owned subsidiary of Ideal Detonators Private Limited, Hyderabad, Telangana, India which is an associate of Ideal Industrial Explosives Ltd being a flagship company.

Location

We are planning to establish our plant / magazines nearer to the mining areas so that we will be able to serve immediately and we can save the transportation cost substantially.

We have identified the land at Visegese Industrial Area, Kisarawe where the mining operations are nearby and adequate infrastructure facilities viz water, power, accessibility to the market are available.

Products and Services:

- 1) Bulk Explosives
- 2) Packaged Explosives
- 3) ANFO
- 4) Safety fuses
- 5) Detonating cord
- 6) Detonators / Nonels
- 7) Mining related products

Value added Services such as blasting operations, exploration, overburden removal, mining operations etc.

Initially all kind of Explosives are produced in Tanzania and all kind of Explosives Accessories are imported from India. Going forward Detonators and Accessories will be produced in Tanzania too. Any components or raw materials not available locally will be imported from

India or other countries. IDEAL companies in India already have sound knowledge in sourcing etc.

Any other Explosives or Accessories like Detonating Fuse which cannot be produced due to insignificant demand in Tanzania currently, will be imported in Bulk qty and distributed to the customers based on their requirements.

Management:

The Chairman and Directors of the Indian Company have rich experience in manufacturing explosives and running the existing industrial explosives manufacturing units located in various states in India. They will closely monitor the activities of the project efficiently from India by using the latest & updated technology.

The company is also having the required managerial personnel who are managing the day to day operations of the plant.

We are a professionally managed company and are having Engineers in various disciplines, Cost / Chartered Accountants and MBAs with professional expertise. We have built a team of well trained, efficient professionals in Production, Administration, Finance and Marketing etc.

We are a company with strong business ethics, committed solely to the promotion of safe, efficient, blasting techniques and promotion in sales and development of other unique drilling and blasting supplies and tools.

Competition:

In future, the company has intention to expand into all segments of explosives including bulk, cartridge explosives i.e. (emulsion / slurry), detonators, detonating fuse.

The Company produces all kinds of explosives and detonators for various applications viz. open cast, underground gassy and non-gassy mines, under water and tunneling works etc.

Our motto is to provide maximum value to our customers in terms of cost, quality and technical performance. Its products and services impact every part of modern life. Quality and Safety are the hallmarks of our reputation. We look forward to putting our experience to work for the customers.

We are India's explosive innovators, manufacturing the safer and cost effective commercial Explosives, Detonators and accessories. We have identified a need for more specialized

commercial explosive products used for mining operations, constructional purpose and have met the challenges of developing and manufacturing these products. We have achieved this by listening to our customers' comments & feedback and modifying the products and developing the apt solutions that meet their exact requirements.

In the mining industry, there is no e-sale bazaar due to adherence to various statutory compliances and nobody is able to import in short span. It will take a lot of time to procure. We are adopting latest technologies and updating from time to time.

Strategy and Implementation

Ideal Detonators Tanzania Limited (IDTL) intends to set up a manufacturing unit and storage magazines in Tanzania to become the major producer and supplier of explosives, initiating systems and services to the Tanzania. IDTL supplies explosives products and provides mining solutions and services to a diverse group of customers in Tanzania, from civil contractors, massive underground operations, and quarry services to multi-nationals operating some of the largest surface open pit mines of its kind in Africa. All these items are currently imported to Tanzania. Domestic production by us will help in reduce the precious foreign exchange outgo will help Tanzania reduce imbalance of Export-Imports.

IDTL intends to make investments in Tanzania to set up a number of regional manufacturing facilities for the production of bulk emulsion explosives for surface and underground use.

It also intends to establish extensive magazine facilities for buffer storage and export all of its explosives products to the nearby countries in the region.

IDTL products will be sold to neighboring countries including Kenya, Uganda, Zambia, Zimbabwe, South Africa, DRC, Ruwanda, Burundi, etc.

They might also be exported to Ethiopia, Sri Lanka, etc.

Our strategy is to supply quality product, cost effective and prompt & timely supply of deliverables.



THE UNITED REPUBLIC OF TANZANIA
PRESIDENT'S OFFICE
REGIONAL ADMINISTRATION AND LOCAL
GOVERNMENT
KISARAWA DISTRICT COUNCIL



(ALL CORRESPONDENCE TO THE DISTRICT EXECUTIVE DIRECTOR)

Mail: ded.kisarawe@pwani.go.tz

Date: 25/08/2023

In reply please quote

REF: KDC/T.30/17/VOL.III/2

THE DIRECTOR,
IDEAL DETONATORS TANZANIA LIMITED
14111 Street Masaki Road, Tour Drive
P.O BOX 2860
DAR ES SALAAM

**REF: DEVELOPMENTS ON THE ACQUISITION OF THE LAND OF 277
ACRES AT VISEGESE AREA FOR IDEAL DETONATORS TZ LTD FOR
INVESTMENT PURPOSES**

With the above caption,

2. The District Executive Director's Office is very glad continue working with you in the process of acquiring land mentioned above for your good investment.

3. As from your acceptance through commitment letter of 16/08/2023, the office is very closely supervising all the procedures as per regulations of which creates a directive road map of the time to finalize the exercise. Some of the duties have implemented as follows;

- a) The Office has introduced the investment purpose of your Company to the TIC for any other procedure you need to proceed with various responsible institutions.
- b) Experts also have explored the coordinates of the demarcated land that might simplify your any regular planning within the boundary of the suit land

It is our advice also that at this stage the preparation of Top sheet is a bit expensive and can take more time to be completed. Instead, and because we will have land surveying we have left. Unless it is very necessary at this initial stage, you will communicate.

c) Hereunder attached, is just a summary of the activities and the duration that we have recommended to finalize the acquisition process.

May you not find hesitated,

Kindly Regards,

Jumanne J. Mwampashe

For The DISTRICT EXECUTIVE DIRECTOR

KISARAWA

IDEAL WORK ACTION PLAN AT VISEGESE INDUSTRIAL PARK

NO	ACTIVITY	FROM	TO	STATUS
1.	Sensitization	25/04/2023	28/04/2023	COMPLETED
2.	Valuation task	02/05/2023	30/06/2023	COMPLETED
i)	Inspection and identifying PAP (People affected Properties)	02/05/2023	02/06/2023	COMPLETED
(ii)	Preparation of valuation reports	03/06/2023	08/06/2023	COMPLETED
(iii)	Disclosure the compensable properties to PAP	15/6/2023	29/08/2023	
(iv)	Submission of valuation report to Authorities approval (District Authority)	30/08/2023	04/09/2023	
(v)	Printing Val F3, F4 Land F64, Disclosure Form, Boundaries Forms, Valuation report and binding five reports	05/09/2023	06/09/2023	
(vi)	Submission of valuation report to the Government Chief Valuer for approval	07/09/2023	13/09/2023	
(vii)	Payment for compensable Properties	14/09/2023	20/09/2023	
3	Preparation of Town planning Drawing	21/09/2023	30/09/2023	
i)	Reconnaissance Survey	01/10/2023	03/10/2023	
ii)	Data searching & Investigations	04/10/2023	07/10/2023	
(iii)	Site Spatial land Parceling	08/10/2023	12/10/2023	
(iv)	Preparation of Base maps (Parceling organization & satellite Image serutinization).	13/10/2023	17/10/2023	
(v)	Town planning conceptualization Layout Design	18/10/2023	22/10/2023	
(viii)	Town planning Layout Design	23/10/2023	27/10/2023	
(viii)	Town planning Approval	28/10/2023	31/10/2023	
4	Survey	1/11/2023	15/11/2023	
5	Preparation of Title Deed	16/11/2023	26/11/2023	



JAMHURI YA MUUNGANO WA TANZANIA
OFISI YA RAIS, TAWALA ZA MIKOA NA
SERIKALI ZA MITAA
HALMASHAURI YA WILAYA YA KISARAWE



Taf. Unapojibu nakili

KUMB NA: KDC/L.20/6/VoL. XVII/45

Tarehe: 24/05/2023


28/08/2023

Mkurugenzi Mkuu
Kituo cha Uwekezaji
Mtaa wa Shabaan Robert
S.L.P 938
DAR ES SALAAM

YAH: UTAMBULISHO WA KAMPUNI YA IDEAL DETONATORS
TANZANIA KWA AJILI YA UWEKEZAJI ENEO LENYE UKUBWA
WA EKARI 277 LILILOPO VISEGESE WILAYA YA KISARAWE

Tafadhali husika na mada tajwa hapo juu.

2. Ofisi ya Mkurugenzi Mtendaji (W) ilipokea maombi ya Ardhi ya kampuni tajwa hapo juu kwa ajili ya uwekezaji wa Kiwanda cha Baruti.
3. Halmashauri ya Wilaya imeyashughulikia maombi hayo na kwa sasa yapo kwenye hatua za utwaaji wa ardhi. Utambuzi wa ardhi (Demarcation) yenye ukubwa wa ekari 277 umefanyika, zoezi la uthamini **uwandani pamoja** uhakiki (Disclosure) kwa wananchi 116 katika eneo hilo umefanyika, aidha mwekezaji amehakikishia serikali (Commitment letter) kuwa atalipa fidia kwa mali za wananchi hao waliobainishwa katika eneo hilo.
4. Shughuli zinazoendelea kwa sasa ni ukamilishaji wa taarifa ya uthamini ili iidhinishwe na kulipa fidia, Usajili wa upimaji wa eneo hilo (Survey) na baadaye maombi ya hati (Derivative right Of Occupancy) yatawasilishwa kwako kwa ajili ya mwekezaji huyu.
5. Pamoja na barua hii, Ofisi inamtambulisha mwekezaji huyu kwa hatua zozote ambazo ofisi yako itaona zinafaa kwa wakati huu ambapo halmashauri inaendelea kusimamia hatua zilizobaki katika kukamilisha utwaaji wa ardhi hiyo.
6. Naomba kuwasilisha kwa hatua zako.


Jumanne S. Mwampashi
K.n.y Mkurugenzi Mtendaji (W)
KISARAWE

Nakala: Mkurugenzi
Kampuni ya Ideal Detonators Tanzania
14111 Street Masaki Road, Tour Drive
S.L.P 2860
DAR ES SALAAM

Kny: MKURUGENZI MTENDAJI (W)
KISARAWE

PROPOSED SITE FOR IDEAL PROJECT AT VISEGESE-KISARAWE

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COORDINATES FOR IDEAL PROJECT AT VISEGESE.					
Na	X	Y			
			31	502672.00	9235708.00
1	502735.45	9236932.77	32	502649.00	9235707.00
2	502689.00	9236860.00	33	502603.11	9235711.61
3	502721.00	9236786.00	34	502565.00	9235738.00
4	502844.41	9236589.90	35	502540.00	9235735.00
5	503025.00	9236621.00	36	502523.00	9235769.00
6	503091.86	9236691.27	37	502459.04	9235755.73
7	503158.35	9236775.14	38	502403.08	9235753.05
8	503174.74	9236709.04	39	502315.00	9235763.00
9	503209.00	9236680.00	40	502308.00	9235754.00
10	503439.51	9236566.58	41	502229.00	9235751.00
11	503489.16	9236517.39	42	502150.00	9235768.00
12	503532.39	9236456.89	43	502136.00	9235770.00
13	503528.00	9236390.00	44	502117.00	9235774.00
14	503466.92	9236393.98	45	502102.96	9235832.00
15	503365.00	9236383.00	46	502099.00	9235932.00
16	503321.00	9236392.00	47	502118.00	9235981.00
17	503251.82	9236379.82	48	502043.00	9236077.00
18	503225.82	9236343.50	49	502073.00	9236101.00
19	503219.82	9236325.50	50	502097.22	9236184.69
20	503201.82	9236335.50	51	502058.20	9236203.21
21	503155.33	9236275.16	52	502025.12	9236225.04
22	503046.00	9236174.00	53	501998.02	9236249.72
23	503002.99	9236145.99	54	501987.97	9236254.22
24	502941.94	9236093.82	55	502012.00	9236255.00
25	502946.00	9236090.00	56	502018.91	9236490.67
26	502920.00	9236043.00	57	502029.00	9236512.00
27	502875.00	9236027.00	58	502021.60	9236535.98
28	502845.00	9235959.50	59	502025.41	9236539.60
29	502783.91	9235854.57	60	502038.53	9236572.27
30	502764.00	9235738.00	61	502028.61	9236784.36
31	502672.00	9235708.00	62	502152.00	9236836.59
			63	502186.04	9236845.27