

BUSINESS PLAN

Executive Summary

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

- a) To Establish a Modern Manufacturing Facility for Nitro Chemicals.
- b) Export of Nitro Chemicals.
- c) Import few other items of Nitro Chemicals 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 Nitro Chemicals Ltd in India is one of the largest manufacturers of Nitro Chemicals, industrial Nitro Chemicals and pioneer in manufacturing bulk Nitro Chemicals, cartridge Nitro Chemicals (slurry and emulsion), detonating fuse, PETN, Cast Booster in India. Our parent company biz Ideal Detonators Pvt. Ltd produces and distributes all kind of Nitro Chemicals from Ordinary to Electronic detonators in India.

The above Companies produces all kinds of Nitro Chemicals 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 Nitro Chemicals for mining industry, infrastructure and construction industries.

We feel the miners of Tanzania will greatly benefit with good quality Nitro Chemicals 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.

INVESTMENT BREAK UP

WORKING CAPITAL	USD	300,000
FOREIGN INVESTMENT	USD	500,000
LOAN	USD	2,000,000
Total	USD	2,800,000

Source of Finance:

Ideal Detonators Tanzania Ltd is a wholly owned subsidiary (WOS) of an Indian Entity i.e. Ideal Detonators Private Limited. It is proposed to bring an equity of USD 500,000. Already Equity was paid to the extent of USD 412,150/- till date by an Indian Entity

It is also proposed to borrow loan from IDEAL DETONATORS PVT LTD., USD 2,000,000. Loan Agreement was entered between Parent Company and

Wholly owned Company on 15-05-2023. The loan will be disbursed by Parent Company as per our requirement.

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.

Shareholding patterns.

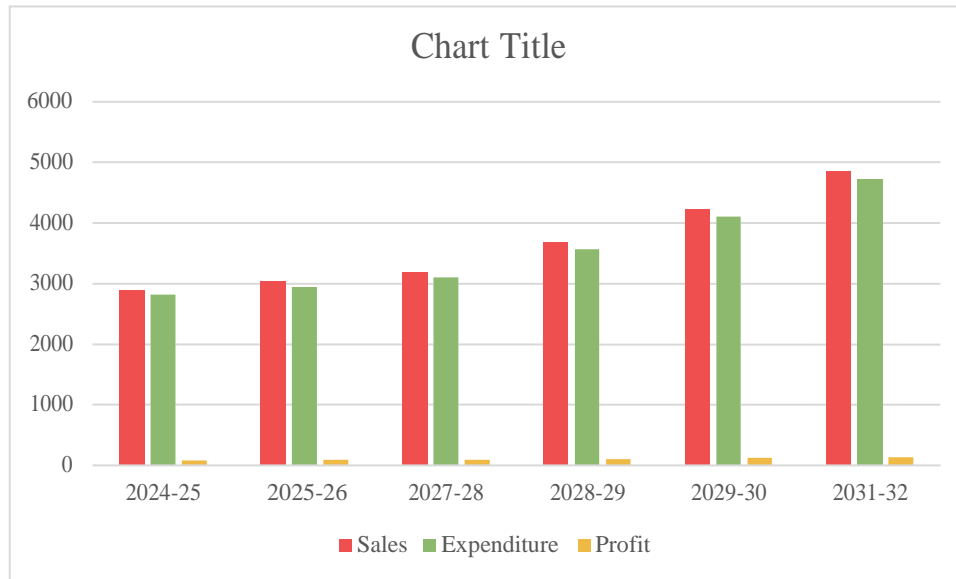
We have issued share holding no of shares is 100,000/- @ each THS 10,000/-

SL NO	NAME, ADDRESS AND DESCRIPTION OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY SUBSCRIBER	SHARES PERCENTAGE
1	IDEAL DETONATORS PVT LTD	99,800	99.80
2	PODDUTUR RAKESH KUMAR	100	0.10
3	PODDUTUR RAJEEV KUMAR	100	0.10

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	2027-28	2028-29	2029-30	2031-32
Sales	2900	3040	3200	3680	4230	4860
Expenditure	2813	2949	3104	3572	4102	4728
Profit	87	91	96	108	128	132



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 Nitro Chemicals for the last 4 decades and we are the big Brand in India. We export our products to over 30 countries from 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 Nitro Chemicals 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 Nitro Chemicals 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 Nitro Chemicals 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) Nitro Chemicals
- 2) ANFO
- 3) Safety fuses

4) Mining related products

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

Initially all kind of Nitro Chemicals are produced in Tanzania and all kind of Nitro Chemicals Accessories are imported from India. Going forward Chemicals 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 Chemicals 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 Nitro Chemicals and running the existing industrial Nitro Chemicals 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 Nitro Chemicals.

The Company produces all kinds of Nitro Chemicals 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 Nitro Chemicals and accessories. We have identified a need for more specialized commercial chemical 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 Nitro Chemicals, initiating systems and services to the Tanzania. IDTL supplies Nitro Chemicals products and provides miningsolutions 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 Nitro Chemicals for surface and underground use.

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

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