

## **BUSINESS PLAN**

### **Executive Summary**

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Ideal Detonators Tanzania Limited has planned to set up a company 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 explosives, detonators and accessories 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.

Accordingly, we have incorporated a company limited by shares in Tanzania on 17<sup>th</sup> February, 2023 to start the above business activities. It's name is Ideal Detonators Tanzania Limited. 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 having 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.

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 and for all kind of detonators from Ordinary to Electronic detonators.

The Company 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.

**Investment:**

We are planning to invest an amount of USD 20,00,000 during the period of completion of the project

**Employment levels:**

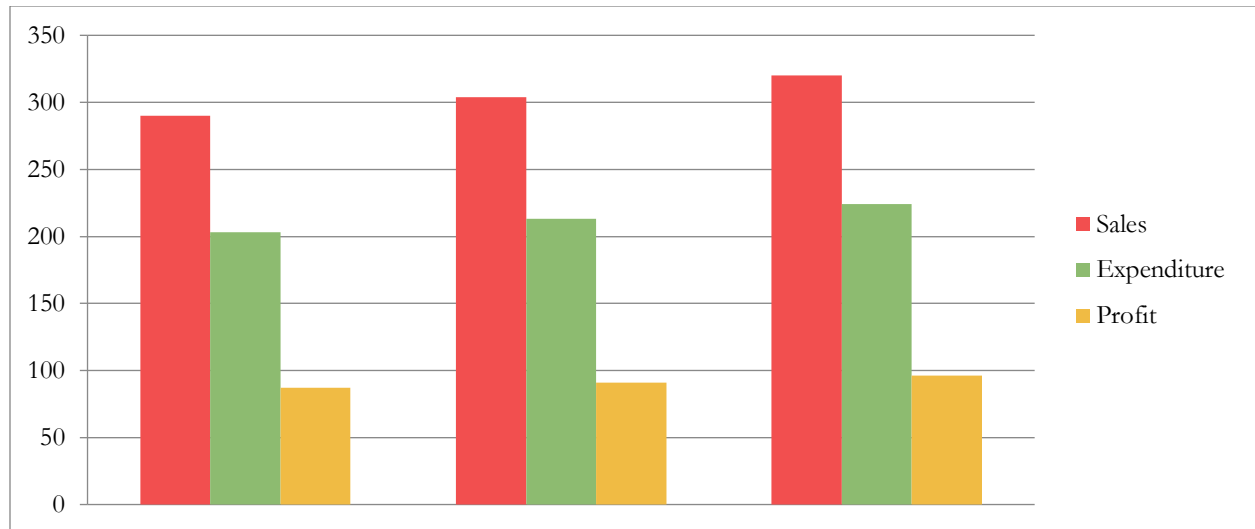
We are a professionally managed company and are having decades of rich experience in various disciplines in the industry. We have built an excellent team of well trained, efficient professionals in Production, Administration, Finance and Marketing etc. We will keep Local Tanzania Persons by giving proper Training to them for suitable posts.

**Cash flows:**

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

(Tsh in millions)

<b>Description/FY</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>
<b>Sales</b>	<b>290</b>	<b>304</b>	<b>320</b>
<b>Expenditure</b>	<b>203</b>	<b>213</b>	<b>224</b>
<b>Profit</b>	<b>87</b>	<b>91</b>	<b>96</b>



## Objectives

To manufacture and promote the sales, both inside and outside Tanzania of all the products of our industry in Tanzania and to promote the Export to all Neighboring African Countries from Tanzania, so that the Tanzanian Govt Net Import deficit will reduce and the attainment and maintenance of proper standards of quality in relation to price. The major advantage is the customer will get material as and when they require the materials the objective was 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 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 3 decades and we are the bid Brand in India.
- Our products are well, established and proven that they really work in the mining industry.
- We are having expertise in reducing drill and blast 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**

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- 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 17<sup>th</sup> 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, we will bring the elemental detonators and components shells from

India and it will be finally made as finished product in Tanzania. Later stage, Detonating Fuse in Bulk qty will be brought and It will have delivered to the customers based on their requirements.

## **Management:**

The Chairman and Directors of the Indian Company are having rich experience in manufacturing the 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.

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.

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