

# TANZANIA INVESTMENT CENTRE DAR ES SALAAM

## PROGRESS REPORT

### 1. Planned Activities for the period

Our planned activities for the period is to increase production of non-woven bags to meet the prospect goal.

### 2. Achievements made on the project implementation to date:

- i. Being top line automated unit with capacity to manufacture 120,000 bags per day.
- ii. Employment to locals
- iii. Increase in customers who are mostly corporates, most visible super markets, biggest restaurants, biggest pharma companies, other power retailers, who require proper customization.

### 3. Project Financial Expenditure todate:

	Foreign	Local	Total
Land and Buildings		7331160	14662320
Plant and machinery		24845200	49690400
Vehicles/Aircrafts		45000000	90000000
Furniture		218110000	21811000
Insurance Cover		6430000	12860000
Pre-operational expenses		26347000	52694000
Working sub-total capital			
<b>GRAND TOTAL</b>			<b>438,016,720</b>

### 4. Project Financing

The project is being financed by share capital of 1,000,000,000.

### 5. Problems

- i. Many Chinese Companies not following TBS Requirement of 70gsm (Min).
  - ii. Illegal Sales (Sales Without VAT)
  - iii. Low quality of locally produced material and restrictions and high Tax on goods quality raw material.
  - iv. Not able to achieve full capacity of the equipment installed due to market conditions.
- Above all are related to effective push from TBS to curb low quality Products in Market and prevent Illegal sales of product

## **6. Solution**

- A. SSV will be concentrating more on manufacturing customized products for corporates instead of open market.
- B. Adding additions business line to bag manufacturing
  - i. Entered into customized POS solutions for government of Tanzania which includes customization on software and hardware.
  - ii. Set up after sales service for the products effectively providing local warranty and also effectively increasing the life span of the products.
  - iii. Currently deploying 200 units per month and target to deploy 300-350pcs per month.
  - iv. Currently investment into training of team for passive and active networking, data center solutions.
  - v. Trail and testing of products under way.
  - vi. Effective august 2023, would like to provide solutions pertinent to sales and service of data centers and passive networking items.
  - vii. In market study and planning for investment in transit logistics and services.
  - viii. Reinvest and focus on niche lines of business and invest further on technology and service solutions.

## **7. Future Plans**

To be the most reliable producer and supplier of non-woven bags, ICT products supplier and Commission agent services.

## **8. Recommendations and any other comments**

Effective push from TBS to curb low quality products in market and prevent illegal sales of products so as to encourage fair competition.