



PROJECT PROGRESS REPORT FEBRUARY 2023 TO JULY 2023

Tanzania Investment Centre
Shaaban Robert Street
P.O. Box 938
DAR ES SALAAM

28th July, 2023

Progress Report for TIC February 2023 to July 2023

Africa Steel Group Company Limited is located in Plot. No. 5 Block V MWAVI VILLAGE, BAGAMOYO COAST REGION The Company Plans some of the activities during the first three years of TIC Certificate of Incentives 2022/2024, some of the activities expected to take place include the following: -

1. Planned Activities for the period

For the last six months, our company has carried out the following activities:

- i. Installation of four arc furnaces 5 tons each.
- ii. Install 11 transformers 5pcs 4,000 KVA each, 2pcs 2,500 KVA each ,3pcs 2,000 KVA each and 1pc 1,600 KVA.
- iii. Installation of Round and Rectangular Steel pipes production line.
- iv. Installation of Steel bars manufacturing plant.
- v. Installation of Automated system for pouring molten iron directly to Rolling mill facility.
- vi. Apply for stable and reliable Electric power supply from TANESCO.
- vii. Apply Permits for Collecting and Transportation of scrap metals from NEMC.
- viii. Apply for TBS certificate for our produced steel pipes (Round and Rectangular) and steel bars.

2. Achievements made on the project implementation to date:

To the date of writing this report our project has made the following achievements:

- i. Four arc furnaces 5 tons each have been installed.
- ii. All transformers have been installed except for the 3pcs 4,000 KVA each which will be installed in the near future.
- iii. Production line for Round and Rectangular steel pipes has been installed.
- iv. Steel bars manufacturing plant has been installed.
- v. Installation of Automated system for pouring molten iron from Melting zone directly to Rolling mill facility is still on process.
- vi. Stable and reliable electric power supply from TANESCO has been connected successfully.
- vii. Permits applications for Collecting and Transportation of scrap metals from NEMC have been submitted.
- viii. TBS certificates for our produced steel pipes bars has been granted and Certificate for steel bars is on process.

S/N.	Information	Description	Current Project Status
1.	Shareholder's Information	XIAOYI ZHENG 70% HONGTAO ZHENG 30%	XIAOYI ZHENG 70% YIYING LIN 30%
2.	Company Communication Information	Email address: africasteelgroup@gmail.com Mobile Number: 0746200075 Land Line Telephone Number: NIL Physical Address: Plot No. 5, Block V Mwavi Village, Bagamoyo District - Coast Region	Email address: africasteelgroup@gmail.com Mobile: 0746200075 Land Line Number: NIL Physical Address: Plot No. 5, Block V Mwavi village, Bagamoyo District - Coast Region
3.	Contact Person	Name: XIAOYI ZHENG	Name: XAOYI ZHENG

		Position: Director	Position: Director
		Email: africasteelgroup@gmail.com	africasteelgroup@gmail.com
4.	Incorporation	Certificate of Incorporation No: 1555474521	CoI. No: 155474521
5.	TIN information	TIN Certificate No. 155-474-521	TIN No. 155-474-521
6.	Project Objective	Project Core Activity: Manufacturing of Steel bars and Steel pipes.	Project Core Activity: Manufacturing of Steel bars and steel pipes.
7.	Capacity	Project Capacity per Year: 156,000 Metric Tons	Project Capacity per Year: 156,000 Metric Tons
8.	Direct Employment	Foreign-Men: 20	Foreign-Men: 20
		Foreign-Women: 0	Foreign-Women: 0
		Local-Men: 1 8 0	Local-Men: 1 8 0
		Local-Women: 50	Local-Women: 50
9.	Indirect Employment	Estimated Total No. 30	Estimated Total No. 30
		Type/areas of Indirect Employment: Loading/Offloading	Type/areas of Indirect Employment: Loading/Offloading

3. Project Financial Expenditure to date: US\$

	Foreign	Local	Total
Land & Building	500,000.00	0	500,000.00
Plant & Machinery	3,000,000.00	0	3,00,000.00
Vehicles	80,500.00	0	80,500.00
Furniture & Fittings	25,000.00	0	25,000.00
Pre – Expenses	100,000.00	0	100,000.00
Others	63,000.00	0	63,000.00
Working sub-total capital	1,000,000.00	0	1,000,000.00
Grand Total		0	4,768,500.00

4. Project Financing

The project is financed by Foreign Equity/Loan USD **4,768,500.00**

5. Problems and Solution

Issues related to Trade Mark and similar services provided by BRELA.

Issues related to Issuance and Renewal of Licenses and similar services provided by the Directorate of Trade (Ministry of Industry & Trade) as well as Municipal/City Councils.

Issues related to the processing of EIA Certificate and other permits provided by NEMC.

Issues related to processing permits for importation of raw materials such as metal scraps for steel industries provided by NEMC.

6. Future Plans

Obtain extension of TIC certificate of Incentives

Purchase of Equipment band Machinery for project expansion.

Addition of the New line of production for other steel products such as Steel square pipes, Steel round pipes, Steel flat bars etc.

Installation of fully automated system for Steel bar manufacturing so as to increase efficiency and productivity.

7. Recommendations and Comments

We appreciate the facilitation services we are receiving from TIC.

We will appreciate further assistance so that we finalize our plans smoothly near in future.

We will appreciate if NEMC will provide their services within short range of time in their services.

We recommend TIC officials to visit our plant and advice on the necessary measures to take in order to follow country laws.

Africa Steel Group Company Limited is submitting a project progress report for last six months as per TIC recommendations on letter of Approvals.

Submitted by:



Africa Steel Group Company Limited
Managing Director