

TANZANIA INVESTMENT CENTRE

DAR ES SALAAM

PROGRESS REPORT FOR HONG YU STEELS (T) COMPANY LIMITED

1. PLANNED ACTIVITIES FOR THE PERIOD

The activities for the period of the project are the manufacturing of flat bars, nails, wire rods, and other related products

This is an existing project, the company is located at Plot 03 Block A, Zegereni -Kibaha Town, Kibaha-Pwani.

2. UPDATED INFORMATION ON THE FOLLOWING ASPECTS;

S/No.	Information	Description	Current Project Status		
1.	Shareholder's Information	<table border="1" style="width: 100%;"> <tr> <td>LIANGJUN NI (CHINESE) 67%</td> </tr> <tr> <td>LIN HAN PING (CHINESE) 33%</td> </tr> </table>	LIANGJUN NI (CHINESE) 67%	LIN HAN PING (CHINESE) 33%	OPERATING
LIANGJUN NI (CHINESE) 67%					
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2.	Company Communication Information	HONG YU STEELS (T) COMPANY LIMITED P. O. BOX 30073, KIBAHA, TANZANIA 03 BLOCK A, ZEGERENI -KIBAHA TOWN, KIBAHA-PWANI.			
3.	Contact Person	Mr. LIANGJUN NI 0712192278 hongyu_steel@163.com			
4.	Incorporation	Certification of Incorporation No. 80007			
5.	TIN Information	TIN Certificate No. 111-369-984			
6.	Project Objective	Manufacturing of flat bars, nails, wire rods, and other related products			
7.	Capacity	Project capacity per year 10000 tones			
8.	Direct Employment	Foreign Men = 6 Foreign Women = 4 Local Men = 50 Local Women = 50			
9.	Indirect Employment	Estimated total No. 100 Type/Areas of Indirect Employment = Casual Laborers assisting in manufacturing and carrying of the cargo into trucks and other means of transportation			

3. PROJECT FINANCIAL EXPENDITURE TO DATE (USD):

Land/Building:	\$400,000
Plants:	\$400,000
Vehicles:	\$200,000
Furniture & Fittings:	\$14,000
Pre-expenses:	\$16,000
Others:	\$170,000
Working capital:	\$400,000
TOTALS	\$2,000,000

4. PROJECT FINANCING

Explain how the project is being financed e.g. Equity, Loans, sources of loans, conditions, etc. See table below.

	Amount	Source Country
Local Equity		
Local Loans	\$ 900,000	TANZANIA
Foreign Equity	\$ 2,000,000	CHINA
Foreign Loans		
Total Investment	\$ 2,900,000	

5. PROBLEMS AND SOLUTION.

Explanation of problems, which the management is encountering in executing the project and the steps being taken to solve them

- Transfer process of acquiring land until derivative right is issued took a long time. However, TIC assisted in facilitating the process for shorter time to acquire the derivative right.
- Scarcity of raw materials (metal scraps).

6. FUTURE PLANS

Explain plans for the coming 10 months and planned financial commitments

Our company intends on building and expanding our factory, we are currently about to start construction of a new factory which shall offer temporary and permanent employment to local people and domestic companies.

Our company has acquired new land near Plot **NO.639, 640, 641, 642, 643, NA 644 Zegereni -Kibaha Town, Kibaha-Pwani**. We will be able to develop the land as well with Manufacturing of flat bars, nails, wire rods, and other related products.