

FEASIBILITY STUDY

FOR

THE BIG BEST COMPANY LIMITED

(TRANSPORTATION PROJECT)

PREPARED BY
THE BIG BEST COMPANY LIMITED
DAR ES SALAAM

M/S THE BIG BEST COMPANY LIMITED

1.0. EXECUTIVE SUMMARY.

M/S **THE BIG BEST COMPANY LIMITED** is a company registered in the country under the Companies Act, Cap 212 and bears Certificate of Incorporation No. **159314391** issued on 16th December, 2022.

The project promoters are well established business in Dar es Salaam city carrying out various businesses but majoring in Transportation and general trading activities. Having been in the business for over 2 years the directors are now well prepared for cargo transport and they see a very bright future in the transport sector.

This document has been prepares to serve as a business plan for Ms. **THE BIG BEST COMPANY LIMITED** for their expansion of transport project. The implementation of this project will comprise of the following activities:-

- The purchase of 100 second hand trucks to be done in two phase,
- The construction of a modern workshop, office and staff quarters
- Equipping the company with relevant facilities

The proposed first phase of the project, comprising of mostly the purchase of 20 second hand trucks is estimated to cost about USD. 1,680,000/=. The project sponsors will proved 60% of this

investment while the rest will be sought from financial resources institutions.

1.1. THE PROJECT PROMOTERS

The shareholders of this project are all entrepreneurs with a diverse professional and business backgrounds. The company is owned by 2 shareholders, namely:-

Name	SHARES %	Nationality
GOODWARD MULUBWA	45	ZAMBIAN
YVONNE MULUBWA	15	ZAMBIAN
CARINE MUKANDA MULUBWA	40	ZAMBIAN

1.2. Location.

The project head office will be located at Plot in, Mwanza Region. The premises have adequate space for the project requirement of vehicles parking yard, garage, offices, and workshop for repairing and servicing the company's fleet of vehicles.

1.3. Targeted Markets.

The targeted markets of the project are the neighboring landlocked countries of Tanzania and to a small extent the hinterland of Tanzania. The neighboring countries that are the target of this project are specifically DRC, Malawi, Zambia, Burundi, Rwanda and Uganda, including some hinterland parts of Tanzania.

Poor transport and communication infrastructure are said to be the major causes of low levels of intraregional trade in Eastern Africa. It is in view of this that, despite poor road infrastructure linking these countries that MS. THE BIG BEST COMPANY LIMITED LTD has resolved to invest in the transport sector so as to provide a solution that would lead to stimulating the said intraregional trade. The project is expected to offer a challenge to the business community to enhance intraregional trade between Tanzania and these countries.

2.0. PROJECT DETAILS

2.1. INTRODUCTION

Tanzania is the largest country in East Africa that is geographically strategically located in relation to her neighbors. Because of the above mentioned factor, the country's transportation system is also used to serve landlocked neighbors, i.e. countries of Uganda, Rwanda, Burundi, Eastern D. R. of Congo, Northern parts of Zambia, Malawi and some northern parts of Mozambique.

The transport sector plays a critical role in the social and economic development of a country. Transport provides links between centers of production and those of consumption, markets, in the economic sectors such as agriculture, industry mining and tourism. It facilitates the flow of goods and people along the import/export corridors that link the coastal ports and landlocked countries. Transport equally provides access to employment, health, education, recreation and other services. Therefore, one is rightly justified to conclude that "without a good transportation system the development of a country is impossible. What roads and railways are to a country's development is like what the blood system is to the human body'

It is quite gratifying to note that the Government of Tanzania realizes the role of the transport sector for its economic and

social development, and as a result has developed a Transport Sector Programme which will be very instrumental in improving the business and investment environment in the transport sector.

It is alleged that poor transport and communication infrastructure are the major causes of low levels of intraregional trade in Eastern Africa. It is in view of this that, despite this poor infrastructure, MS THE BIG BEST COMPANY LIMITED LTD has resolved to assist to provide a solution to stimulate the said intraregional trade.

En resume, we can say that MS THE BIG BEST COMPANY LIMITED LTD, has a major objectives the following:-

- To promote trade between Tanzania and her neighbors
- To procure foreign currency for the country in the course of its business transactions.
- To provide extra employment to more people in the sector.

3.0. THE PROJECT

The project's objective is to increase its fleet of vehicles from the present two by bringing in a total of 50 second hand 10-ton trucks each with a trailer of the same tonnage. The trucks will be sourced mostly from EU countries of Sweden and UK. The trucks, together with third trailers will be procure in two phases, of 20 and 30 units each, respectively.

This study is based on the first batch of 20 trucks. It has been estimate that a full scale operations the 20 trucks are expected to meet at least 260 trips annually, their destinations being Tanzania's landlocked neighboring countries of Malawi, Zambia, Burundi, Rwanda the Democratic Republic of Congo, etc.

4.0. INVESTMENT AND FINANCING USD. 2,460,000/=

For the project to be a reality a total investment amounting to USD 2,460,000/= including a working capital investment of USD. 100,000,000/= is needed.

(i) Land and Building: USD. 480,000/=

The project is going to construct project buildings, including services garage on its plot at the cost of USD. 480,000/=, out of which:-

- USD. 200,000 will be for the acquisition and development of project premises
- USD 190,000 for construction of a motor service workshop and project offices.

- USD 60,000 for fencing the project site. This is important for the overall security of the project assets.
- USD 30,000 for the construction two residential blocks for workers accommodation.

(ii) Machinery and Equipment: USD. 1,500,000/=

Some USD 1,500,000 is anticipated to be spent on the purchase of various garage machinery and equipments. The equipment for the mechanical workshop will include things like a diesel pump, lathe and panel beating and spray facilities, tyre retreating plants.

Also to be included is the purchase of a welding and grinding machine, compressors, both mobile and stationery, iron sheet folding machine and other general tools and equipment. Mr. Hashim the project director, is an experienced motor vehicle dealer so he perfectly knows the right type of equipment for him.

(iii) Motor Vehicles: USD. 1,680,000/=

The project will need several vehicles at the estimated cost of USD. 1,680,000/=. According to the Country's plans the first phase will involve the purchase of several vehicles at the cost of USD. 9,600,000/=. Another purchase of 30 heavy duty trucks with their tarpaulins will be purchased in the second phase at a cost of USD. 2,752,500/= that are popularly used in Tanzania. These vehicles will be used in overhauling

various types of goods and products on behalf of several customers located in the land locked neighboring countries of Malawi, Zambia, Burundi, Rwanda, Democratic Republic of Congo and even Uganda.

Internally the project anticipates making trips to several regional centers spread throughout the country. However, when required to do so, these trips will be also made to any internal destination provided they have the rightful road conditions.

MOTOR VEHICLES TO BE PURCHASED BY THE COMPANY

USD. '000'

		PHASE 1	PHASE 2	
	PRICE/UNIT			TOTAL
Scania/Volvo	50,000	1,000,000	1,500,000	2,500,000
Trailers	35,000	700,000	1,050,000	1,750,000
Tarpaulins	1,250	25,000	37,500	62,500
4WD 7pc	40,000	160,000	120,000	280,000
Toyota P/up 3	45,000	90,000	45,000	45,000
Toyota Saloon 2	30,000	60,000	0	20,000
Crane 1	50,000	50,000		
TOTAL		1,680,000	2,752,500	4,837,500

(iv) Pre-Operational Expenses: USD. 10,000/=

These will come to about Tshs. 16 million and they cover things like company registration, expenses spent by Ms. THE BIG BEST COMPANY LIMITED in exploring the viability of the project, especially the market/client identification exercise done in those countries targeted to be served. This Pre-operational cost item also covers the architectural designs of project buildings and other engineering services. Also included under this item are issues like consultancy fees, legal fees and recruitment and training costs of personnel.

(v) Initial Working Capital: USD. 200,000/=

Calculations as well as assumptions for working capital requirements are as shown in the working capital Annex.

4.1. FINANCING PATTERN

The financing pattern being considered here is that involving the first phase alone which will consist of the first 20 trucks and their trailers. This first phase of the project will be financed both by equity and loan. Equity contribution will constitute USD 1,500,000/=, being 60% while the remaining amount will be in the form of a loan. This loan amount is expected to be the equivalent of USD. 960,000/=.

The loan will be negotiated and acquired from one of the foreign banks operating in the country. The project sponsors

expect to procure this loan on the following terms and conditions:-

Loan Amount : USD. 960,000/=

Grace Period : 1 year

Interest Rate : 12.5% annually

INVESTMENT SUMMARY SCHEDULE

	PRICE/UNIT	PHASE 1	PHASE 2	TOTAL
LAND/BLDGS				
Plot Purchase		100,000	0	100,000
Workshop		190,000	0	190,000
Workers Houses	2 Blocks	50,000	0	50,000
Fencing the yard		25,000	0	25,000
		365,000		365,000
VEHICLES				
Scania/Volvo	50,000	1,000,000	1,500,000	2,500,000
Trailers	35,000	700,000	1,050,000	1,750,000
Tarpaulins	1,250	25,000	37,500	62,500
4WD 7pc	40,000	160,000	120,000	280,000
Toyota P/up 3	45,000	90,000	45,000	135,000
Toyota Saloon 2	30,000	60,000	0	
Crane 1	50,000	50,000	0	50,000
TOTAL		2,085,000	2,752,500	4,837,500
MACHINERIES				
Compressors	2pcs	10,000	0	10,000
Generator	1pc	20,000	0	20,000
Folding Machine	1pc	80,000	0	80,000
Welding/Grinder	1pc	10,000	0	10,000

Tools		20,000	0	20,000
		140,000	0	140,000
FURNITURE, etc		45,000	0	45,000
Pre-operating		5,000	0	5,000
FIXED INVEST		2,260,000	2,752,500	5,392,500
W/Capital		100,000	0	13,000
TOTAL		2,460,000	2,752,000	5,405,500

5.0. TECHNICAL ASPECTS

5.1. Location

The proposed project will be established on Plot at Mwanza. The location is ideal; it is accessible from every corner of Tanzania.

5.2. Sources of Technology

All the project's trucks will be procured from the Tanzania and EU Countries of U.K. and Sweden. Initially in phase one 20 trucks each with a carrying capacity of 10 tons, the basis of this study. The envisages trucks will be either Scania or Volvo trucks and each will be a 10-toner and above with trailer.

5.3. IMPLEMENTATION

Project implementation is expected to be relatively very short one TIC approval is received. Currently, the supplier of the trucks has already been identified and supply is awaiting word from the project promoters. In this respect, delivery can be done in less than 18 months once the sources of financing have been confirmed.

6.0. MANPOWER AND ORGANIZATION STRUCTURE

The project will be managed by a Board of Directors of M/S THE BIG BEST COMPANY LIMITED. The Board, like all other boards is responsible for the formulation and supervision of company policies and guidelines. The project's day to day operations will be under the supervision of Management under its Managing Director Mr. Hashim.

The project's employee requirement is estimated to be 56 people in number, as shown below:-

'USD'

	CATEGORY	NO	RATE	MONTHLY	PER YEAR
	Salaries & Wages				
1.	Drivers	20	200/=	4,000 /=	48,000/=
2.	Turn boys	20	100/=	2,000 /=	24,000/=
3.	Mechanics Experts	2	350/=	700/=	8,400/=
4.	Mechanics Normal	3	200/=	600 /=	7,200/=
5.	Messengers	2	75/=	150 /=	1,800/=
6.	Accountant/Manager	1	800/=	800 /=	9,600/=
7.	Secretary	1	200/=	700 /=	8,400/=
	SUB TOTAL	56		9,150/=	109,800 /=

As can be seen above the Company handsomely remunerates its workers. In order to ensure timely delivery of consignments, provision of goods service to customers, Management will provide on the job training in the field of motor vehicle maintenance and will

provide bonus and other incentives as a means of instilling and boosting employee work morale.

6.1. ORGANIZATION STRUCTURE

The project's operations will be managed through the Board of Directors, while the day to day activities of the project will be supervised by the Project Manager. He will also be incharge of the financial issues of the project. Under him will be the Administration department and the operations department headed by the Technical Manager.

7.0. PROJECT OPERATING COSTS

In order to realize its intended objective the project will have to meet the following operating costs.

(i) Salaries and Wages USD 109,800/=

The project will engage 78 people. These project employees range from the Project Manager, Mr. Mulubwa himself down to drivers, messengers and watchmen. Initially the project will start with 20 drivers and 20 turn boys because only 20 buses are currently available. The whole contingent of drivers, turn boys and their helpers will be in force starting January 2013. Total annual wage bill is USD. 145,800/= throughout the first phase operating 20 trucks only.

(ii) Utilities USD. 39,000/=

Considered here are water and electricity which together will cost USD 39,000/= annually respectively.

(iii) Fuel and Lubricants USD. 2,373,600/=

Petrol/diesel and lubricant requirement for the project's motor vehicles is assumed to cost 40% of all the projects annual revenue. As per the assumptions adopted in this study, this cost element will amount to USD. 2,373,600/= for the 20 vehicles, annually.

(iv) Spares and Maintenance: USD. 1,780,200/=

Provision for this cost item is assumed to be 30% of the total revenue obtained from all trips made throughout the year. In our study this is assumed to USD 1,483,500/= annually.

This expense is the second largest to motor fuel and lubricants expenses because it is intended to keep the project's fleet of vehicles in a permanently and perfectly reliable working condition.

(v) Insurance: USD. 7,200/=.

Each vehicles will be covered by third party insurance of USD. 360/= therefore together annually it is USD. 4,320/= for the company's trucks. Insurance for the other company assets is USD. 2,880/=.

(vi) Administrative & Advertising

A portion of USD. 90,000 is to be used in advertising the project and also for administrative purposes, for instance, Public Relations' contributions, charity donations, etc.

(vii) Office Expenses

For the day to day operations of the project USD 18,000/= will be required annually to pay for telephone, fax, stamps, stationeries, etc.

8.0. MARKET AND MARKETING

The project's earmarked clientele is in the land locked neighboring countries of Malawi, Zambia, Democratic Republic of Congo, Burundi, Rwanda and even Uganda. Management has already explored these markets and is confident it can conduct profitable business with them.

The project management plans for all vehicles several trips per month. The number of trips and the cost of trip are determined by both the trip's destination and nature of road involved. All in all, a total of 220 trips will be made. Each truck will transport a minimum of 28 tons per trip. Thus, a total of 6,160 tons of various goods and products will be overhauled between Tanzania and her neighbors.

The routes are priced according to distance and the status of the road in question. It has however been conservatively assumed that all foreign destinations will have a flat rate charge of US \$ 5,750 per trip, while all internal destinations will each cost US \$ 2,500.

9.0. REVENUE ASSUMPTIONS

- 20 trucks each makes two foreign return trips per month. Each trip will cost US \$ 5,750.
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- Each truck is expected to make 4 trips internally per month. Therefore, for the 20 vehicles a total of 80 return trips will be made monthly. Each trip will cost US \$ 2,500

SUMMARY OF REVENUE FROM TRUCK TRIPS.

	TRIP DESTINATION	TRIPS	TRIP PRICE	REVENUE	ANNUAL
1.	Foreign trips	40	9,200	368,000	4,416,000
4.	Internal trips	80	4,000,	320,000	3,840,000
	TOTAL REVENUE	120		886,000	8,256,000

The combined revenue from all the planned routes, from a total of 120 trips made annually by 20 trucks and their trailers is estimated to be the equivalent of USD. 8,256,000

The number of trips assumed here, is just a conservative estimate. With the expected improvement of the roads and in general operations coupled with the driver's gaining experience in long distance travels, the number of trips per truck will be raised. This will have a tremendous impact on the Company's expenditure and earnings. However, this scenario is not the subject of the current study.

10.0. FINANCIAL ASPECTS FOR THE PROJECT

(i) Projected Profit and Loss Statement

The attached Appendix I shows the projected income for the 8 years period. The position depicted is that the project earns profit throughout its life. Accumulated after tax profits grow from. USD. 673,682/= to USD. 5,471,176/= in the 8th year.

(ii) Projected Cash Flows

The project's cash flows are shown in Appendix II. They depict a good liquid position right from the first year. Cash accumulation builds up from USD. 1,110,907/= in the first year to USD. 8,184,976/= at the end of 8 years of the project's operations based on the 20 trucks obtained in the first phase.

(iii) Internal (After Tax) Rate of Return

The project has an after tax internal rate of return that is over 18.9175%, while the bank loan carries an interest rate of 12.5% per year. Therefore, with an internal rate of return which is more than the cost of capital the project is very acceptable and encouraging.

(iv) Payback Period

PAYBACK PERIOD: USD.

YEAR	PROFIT AFTER TAX	DEPRECIATION	CASH FLOWS	ACCUMULATED CASHFLOW
1	637,682	473,225	1,110,907	1,110,907
2	637,682	473,225	1,110,907	2,221,814
3	656,162	473,225	1,129,387	3,351,201

Total investment is USD. 2,460,000/=, cash accumulation in year 3 is USD. 3,351,201 which is more than the initial investment by USD. 698,201/=. The project payback Period is exactly two years, for and half months only.

The project has a relatively short payback period. It is remarkably impressing for a project whose investment is as big as USD. 2,653,000/= being recovered in less than 3 year.

11.0. ECONOMIC ASPECTS OF THE PROJECTS

Besides the financial/monetary returns to the owners, there are other benefits to be derived for the whole country viz.

(i) Employment Opportunities

Employment and poverty reduction are among the major concern of the Central and the Local Government authorities. It is gratifying to note that M/S THE BIG BEST COMPANY LIMITED, is going to provide additional employment to 56 people all of whom will be nationals. This is a significant contribution coming from local investors.

(ii) Revenue to the Government

The Project is expected to pay a substantial annual amount in the form of corporation tax amounting to USD. 2,344,624/= during the project's eight years covered under our project review.

12.0. CONCLUSION AND RECOMMENDATION

12.1. Conclusion

- (i) The project is profitable and contributes to government revenue by way of taxes.
- (ii) The project has a sound after tax internal rate of return of 18.9175% that is above the cost of capital at 12.5%.
- (iii) The project provides employment to 56 people all of whom are national Tanzanians.
- (iv) The project is an encouraging sign to prove that we have local investors who have confidence in their country. Tanzania so much so that they are ready to invest such large sums of investment despite the odds of the sector in question.

13.0. RECOMMENDATION

After the foregoing economic and financial evaluation of the project, we strongly recommend that this project be implemented and be given all the support required by all the concerned Government Ministries and Agencies, including the Tanzania Revenue Authority, SUMATRA, etc.. The project deserves this support because of its viability, since it is technical feasible, economically viable and socially acceptable.

APPENDIX I

**M/S THE BIG BEST COMPANY LIMITED
PROJECTED PROFIT AND LOSS STATEMENT**

TShs. '000'

Year	1	2	3	4	5	6	7	8
Revenue	5,934,000	5,934,000	5,934,000	5,934,000	5,934,000	5,934,000	5,934,000	5,934,000
Operating Costs	4,417,800	4,417,800	4,417,800	4,417,800	4,417,800	4,417,800	4,417,800	4,417,800
Operating Profit								
Less: C/Charges	1,516,200	1,516,200	1,516,200	1,516,200	1,516,200	1,516,200	1,516,200	1,516,200
Depreciation	473,225	473,225	473,225	473,225	473,225	473,225	473,225	473,225
Interest	132,000	132,000	105,600	79,200	52,800	26,400	0	0
Total	605,225	605,225	578,825	552,425	526,025	499,625	473,225	473,225
Profit Before								
Tax	910,975	910,975	937,375	963,775	990,175	1,016,575	1,042,975	1,042,975
Corporate Tax								
30%	273,293	273,293	281,213	289,013	297,053	304,973	312,893	312,893
Profit After Tax	637,682	637,682	656,162	674,762	693,122	711,602	730,082	730,082
Retained Earnings	637,682	1,275,364	1,931,526	2,606,288	3,299,410	4,011,012	4,741,094	5,471,176

APPENDIX II**M/S THE BIG BEST COMPANY LIMITED
PROJECTED CASH FLOWS****USD. '000'**

ITEM/YEAR	1	2	3	4	5	6	7	8	9
Cash Inflows									
Equity	1,500,000								
Loan	960,000								
Depreciation		473,225	473,225	473,225	473,225	473,225	473,225	473,225	473,225
Profit B/Tax		910,975	908,515	937,375	963,775	990,175	1,016,575	1,042,975	1,042,975
Total Inflows		2,460,000	1,381,730	1,384,200	1,410,600	1,437,000	1,463,400	1,488,800	1,515,200
Investment	2,460,000								
W/Capital			100,000						
L/Repayment		0	211,200	211,200	211,200	211,200	211,200	211,200	211,200
Corp. Tax		273,293	273,293	281,213	289,013	297,053	304,973	312,893	312,893
Total Outflows		273,293	497,493	492,413	500,213	508,253	516,173	312,893	312,893
NET FLOWS	0	1,110,907	886,707	918,187	936,787	955,147	972,627	1,202,307	1,202,307
CUMULATIVE	0	1,110,907	1,997,614	2,915,801	3,852,588	4,807,735	5,780,362	6,982,669	8,184,976

APPENDIX III

**M/S THE BIG BEST COMPANY LIMITED
PROJECTED CASH FLOWS**

USD

ITEM/YEAR	1	2	3	4	5	6	7	8	9
INFLOWS									
Profit Before Tax	0		910,975	910,975	963,775	990,175	1,016,575	1,042,975	1,042,975
Salvage Values	0	0	0	0	0	0	0	0	0
Total Inflows	0	910,975	910,975	937,375	963,775	990,175	1,016,575	1,042,975	1,042,975
OUTFLOWS									
Investment	2,460,000	0	0	0	0	0	0	0	0
Corporation Tax	0	273,293	273,293	281,213	289,013	297,053	304,973	312,893	312,893
Total Outflows	2,653,000	273,293	273,293	281,213	289,013	297,053	304,973	312,893	312,893
Net Flows	(2,460,000)	637,682	637,682	656,162	674,762	693,122	711,602	730,082	730,082
D/Factor@ 30%	1.0	0.7692	0.5917	0.4552	0.3510	0.2693	0.2072	0.1594	0.1226
NPV: (710,273)	(2,460,000)	490,505	377,317	298,685	236,235	186,658	147,444	116,375	89,508
D/F@ 20%	1.0	0.8333	0.6944	0.5787	0.4822	0.4019	0.3349	0.2791	0.2326
NPV: (101,255)	0	513,381	442,807	379,721	325,371	278,566	238,316	203,766	169,817
D/F at 15%	1.0	0.8696	0.7561	0.6575	0.5717	0.4972	0.4323	0.3760	0.3269
NPV: 366,294		554,529	482,152	431,429	385,762	344,621	307,626	274,511	238,664

ANNEXURE I**M/S THE BIG BEST COMPANY LIMITED
PROJECT CAPITAL INVESTMENT****USD '000'**

ITEM	LOCAL	FOREIGN	TOTAL
Land & Buildings	480,000		480,000
Motor Vehicles	1,500,000		1,500,000
Machineries	180,000		180,000
Office Equipment			
Pre-Operational Cost	100,000		100,000
Total Fixed Investment	2,260,000	0	2,260,000
W/Capital	200,000	0	200,000
Total Investment	2,460,000	0	2,460,000

PROPOSED FINANCING PATTERN

ANNEXURE II

USD. '000'

SOURCE OF FUNDS	FOREIGN	LOCAL	TOTAL
Equity	0	1,500,000	1,500,000
Loan	0	960,000	960,000
TOTAL	0	2,460,000	2,460,000

ANNEXURE III**M/S THE BIG BEST COMPANY LIMITED
LOAN AND INTERESTS REPAYMENT SCHEDULE****USD '000'**

YEAR	OPENING BALANCE	LOAN REPAID	CLOSING BALANCE	INTEREST AT 12.5%	TOTAL INTEREST LOAN PAID
1	960,000	0	960,000	120,000	120,000
2	600,000	120,200	600,000	132,000	120,200
3	480,800	120,200	480,600	105,600	120,800
4	360,600	120,200	360,400	79,200	120,400
5	240,400	120,200	240,200	52,800	120,000
6	120,200	120,200	0	26,400	120,600

ANNEXURE IV**M/S THE BIG BEST COMPANY LIMITED
PROJECTED DEPRECIATION SCHEDULE****USD. '000'**

	VALUE	RATE	1	2	3	4	5	6	7	8
Buildings	480,000	4%	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200
Motor Vehicles	1,500,000	8%	187,500	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Machineries	180,000	8%	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500
Pre- operational costs	100,000	8%	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
TOTAL	2,260,000		241,200	241,200	241,200	241,200	241,200	241,200	241,200	241,200

ANNEXURE V

**M/S THE BIG BEST COMPANY LIMITED
WORKING CAPITAL REQUIREMENT**

USD. '000'

ITEM	BASIS	1	2	3
CURRENT ASSETS				
Spares	Two weeks	57,058	57,058	57,058
Fuel	Two weeks	91,293	91,293	91,293
TOTAL STOCKS		148,351	148,351	148,351
DEBTORS				
Receivables	1 weeks' Revenue	114,116	114,116	114,116
TOTAL CURRENT ASSETS		262,467	262,467	262,467
CURRENT LIABILITIES				
Trade Creditors	2 weeks' Revenue	28,231	28,231	28,231
Utilities	One month	3,250	3,250	3,250
Salaries	Two months	18,300	18,300	18,300
TOTAL CURRENT LIABILITIES		149,781	149,781	149,781
NET W/CAPITAL		12,686	12,686	12,686
CHANGE IN W/CAPITAL		100,000	0	0

ANNEXURE VI**M/S THE BIG BEST COMPANY LIMITED
PAYBACK PERIOD****USD. '000'**

YEAR	PROFIT AFTER TAX	DEPRECIATION	CASH FLOWS	ACCUMULATED CASHFLOW
1	637,682	473,225	1,110,907	1,110,907
2	637,682	473,225	1,110,907	2,221,814
3	656,162	473,225	1,129,387	3,351,201