

**BUSINESS PLAN TO TANZANIA INVESTMENT AND  
SPECIAL ECONOMIC ZONES AUTHORITY  
(TISEZA)**

**INFAVOUR OF**



**VESKI GLOBAL COMPANY LIMITED LIMITED**

**PROPOSAL FOR REGISTRATION FOR THE CERTIFICATE OF  
INCENTIVES**

**For Construction and Operate Veski Global CIP Plant at  
Shinyanga region, Kahama District, Ward Bulyan'hulu,  
Busindi Village, Plot 2, Msalala**

**OCTOBER 2025**

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## **Title of the Project**

Business proposal ‘**Construction and Operate CIP Gold Processing Plant**’ to Tanzania investment and Special Economic Zones Authority (TISEZA)

### **1.1 Executive Summary**

The Project Carbon-in-Pulp (CIP) gold processing plant without a crushing system, located at Busindi Village, Buliyani’hulu, Msalala Kahama District, Shinyanga, Plot 2, Block LD/MDC/1775 owned by Vesk Global Company Limited.

Vesk Global Company Limited is a new business that is legally registered and licensed to operating in Tanzania with registration No 185-901-246.

We were duly registered in United Republic of Tanzania and have also carried out all the local requirements needed.

The services offered by our CIP Plant Gold processing for Vesk available Soil, Lease to third part or our customers and receive Rent Charges.

Due to the fact that the market is not only profitable but competitive as well, we strive to always give best technology and skilled staff to ensure we get best result, this we do by listening to their requirements and also passing along advices and tips that might best make them become better, while also listening for suggestions to improve our business as well.

Our business premises are in the strategic location that is convenient for stakeholders and customer to connect to any transit Route inside the country and outside as few kilometers from Mwanza Airport.

We constantly seek for ways, by which our services can be improved, from Soil testing, processing and smelting Services, and even our Lease price rates affordable to our customers. We also do not compromise on integrity as we adhere strictly to the company’s corporate culture.

### **1.2 Summary of Legal Formation**

Vesk Global Company Limited is a Legal corporate body incorporates under the company Act, Cap 212 of R: E 2019 with Registration number 185-901-246

## 2.0 Company Shareholding Structure and Nationality

The ownership of company as well as nationality of the members, presented in the table below

| S/N | Share Holders Name | Number Of Shares | %  | Nationality |
|-----|--------------------|------------------|----|-------------|
| 1   | ARSEN GALIN        | 950              | 95 | Russia      |
| 2   | NAREK VARSHAMYAN   | 50               | 5  | Armenian    |

## 3.0 Description of the Project: Location, Mission and Vision

At the outset, our project will be located in Plot No.2, Busindi village, Bulyan'hulu, Msalala Kahama District, Shinyanga Region Tanzania.

These are the strategic location with near proximity to key market suppliers of materials, and access to a good road network, communication and other auxiliaries, which gives us the competitive advantage and leverage from our competitors.

The Vision; to become a leading mid-scale gold processing Enterprise in East Africa. Maximizing Value from available resources while adhering to environment and social sustainability.

The mission of **Vesk Global Company Limited CIP project** is to provide the most cost-effective, quality efficient and transparent CIP Plant services paying great attention to every detail of every Processing job regardless of size.

It is our vision to become premier CIP Operator of quality and value for money Gold processing plant with a noticeable presence worldwide, within our fifth year of operation. We also intend to provide the best customer service so that our customers not only come back, but refer new clients to as well, thereby giving us an edge over our competitors.

### 3.1 Description of the Project Objective

#### 3.1.1 Objectives

The objectives for the first three years of operation include:

1. To offer Facility for VESK to process Soil 43,200 tons per year
2. To provide Facility for other Vendor for use CIP Facility and receive income
3. To provide Smelting Facility for other Metal/ Gold Vendor
4. To produce a net profit before tax of at least 25% which is above Lending rate.

### **3.2 Keys to Success**

The primary keys to success for the VESK GLOBAL COMPANY LIMITED CIP Project will be based on the following factors:

High-quality of CIP facility.

- Location to Busindi village, Bulyan'hulu, Msalala District, Shinyanga regions where many small, medium scale miners located. There are also large scale minors that have a sufficient need to process via CIP.
- A steady supply CIP Auxiliary materials and Services.
- Experienced and expatriate personnel

### **3.3 Summary of Market Analysis**

#### **3.3.1 Market Analysis**

Tanzania is the 4th largest gold producer in Africa after South Africa, Ghana, and Mali and accounts for 1.3% of the total global gold production. Tanzania's gold reserves are estimated at about 45 million ounces and Tanzania's gold production in Tanzania stands at around 50t per year. Gold exploration is mostly centered mostly on the greenstone belts around Lake Victoria, where several large deposits have been discovered and are being developed. Tanzania Gold Production Tanzania's total gold production reached 55.6 tons in the financial year 2020/21, versus 53.7 tones in the financial year 2019/20, and 42 tones in the financial year 2018/19. Gold exploitation is done by both large, medium and small-scale miners.

The potential customer groups for Vesk CIP Project are:

- Vesk Global Company Limited is Planning to process soil 43,200 tones for first years
- Lease the part of Facility for Small Scale Miner to use our CIP at the rate of TZS 150,000,000 per 30 days when we are out of soil to process.
- To offer smelting services for Local customers surrounding the location as well is potential customer to be saved affordable price.

### **3.4 Target Market Segment Strategy**

VESK Processing Plant will be focusing on the three previously mentioned customer segments because of their desire of having a high-quality processing plant.

The Vesk Global Company Limited segment often appreciates the having this facility will reduce production cost and accurately production taken as per plan, instead of using a third-party facility

Local Small and Medium Miners are another customer segment that is attractive because they have a constant need for Processing Plant (CIP) while for small miners establishing the plant is need more financial resources.

Smelting Visitors/ Customers which forms to a wide range of customer's individuals, Family and institutions. They serve a natural local customer. Many people buy the bulk of the Metal/ Gold they need smelting facility for packaging.

### **3.5 Competition and Buying Patterns**

Within the CIP Processing industry, businesses compete on price, quality of Facility, customer service, and Skilled staff. Customer service can include things like the ability to produce a range of processing services, and customer products options. Customers must also trust the supplier for regular, reliable service and consistent quality, since sudden changes in supply can really disrupt their demand.

We will have established relationships with our customers which extend beyond that of the using facility also buy their Soil. The VESK CIP Project labels means that the product will be chosen and prepared with the highest quality standards in mind over the competitor's. We strongly believe that by offering quality services, we will gain a substantial number of good processing unit of output, both through the advantages of the new service, and with the new Technology. We will gain the recognition of new customers through our focused marketing plan.

### **3.6 Main Competitors**

There are several CIP Plant at entire Busindi area for Medium and Large Scale Miners, Therefore, the VESK CIP Project will be in a place that his already client tile

### **3.7 Marketing and Sales Strategy**

Our marketing strategy would be Made Grand Opening by Making publicity by invert local stakeholders, providing standard high quality services, branding as well as marketing of the same. We intend to cultivate a CIP customer, retention and attract new customers to patronize our services.

We intend to use our CIP customers to get new customers by deploying a referral system that would see the customer get a discount or recognition in return for referring new customers to us.

We will engage existing and potential customers on our social media platforms, and also from time to time give out tips and suggestions that will ensure that the businesses of our clients improve.

Massive publicity through our website as well as other forums that are related so as to get more customers. Some of the marketing and sales strategies that we will adopt include;

- Ensure we expand our project by building various CIP facilities across several strategic locations
- Make use of our official website in promoting our products and services by positioning SEO to ensure that it tops the online search for potential customers
- Make use of our social media platforms such as Instagram, TikTok, Facebook, Twitter, LinkedIn, Business WhatsApp, Telegram, Snapchat, YouTube to mention are few we will promote our brand
- Meeting and exceeding the expectations of our clients and through this improving the performance of our brand.
- Ensuring there is a consistency in customer experience in all our locations
- Use attractive billboards and banners to ensure that potential customers are aware of our services
- Create awareness by passing out handbills and fliers and pasting same in strategic areas
- Ensure that we deploy the direct marketing approach
- Make use of word of mouth marketing to increase awareness of our existence and invariably our products and services

### **3.8 Publicity and Advertising Strategy**

We have several strategies in place that is aimed at increasing the awareness of our CIP Services in the minds of our customers.

The use conventional and non-conventional means of promoting VESK CIP Plant. It is important for our immediate customers to appreciate our services.

A good standing in the location where we are based, will invariably affect our other branches that will be in other regions positively.

It is our intention to carry out some of the publicity strategies ourselves, we realize that to be able to fully put in our best efforts into the business, we would likely hire a consultant that would help us come up with and deploy the strategies that have been deemed effective.

### **3.9 Our Pricing Strategy**

Right pricing structure in VESK CIP Plant will ensure customer flowing (attraction). Several pricing packages based on the requirements of our customers and their budget are in place.

Our pricing rates will not be done in isolation, as we would check what is being offered by our nearest competitors and ensure that we peg our prices around what is obtainable especially if the pricing is fair, this way we would not unnecessarily create a price war.

Finally, our pricing will also take into account what our cost of production as well as overhead is; this is so that we do not run the business at a loss. We however, would strive to ensure that we minimize cost to the lowest level.

### **4.0 Payment Options**

We intend to adopt a payment policy that will cater to all the classes of customers that will patronize us at VESK Global CIP Plant. We intend to make sure that our payment options abide by all the financial rules and regulations of the county where we would be operating from.

Listed below are the payment options that VESK Global CIP Plant will make available to its customers;

- Cash Payment
- Point Of Sale (POS) Machine Payment Option
- Payment Via Bank Transfer
- Payment Via Check
- Payment Via Online Bank Transfer

- Payment Via Mobile Phone Transfer

The banks with whom we have partnered with for our business is one that will ensure that customers have a smooth time during payment without unnecessary stress. Our bank accounts will be available on request.

Those that wish to make payments online will need to fill out a contact form that will specify their request and invariably what they would need to pay. Those who would pay offline would need to physically visit our location to obtain a payment voucher which is based on what the requirements of the customer are, as payment differs according to the needs of the customer.

#### **4.0 Sales Strategy**

VESK Global CIP Plant will be used mostly by owner Vesk Global Company Limited for the first time and enter on direct sales for local customers to use the facility.

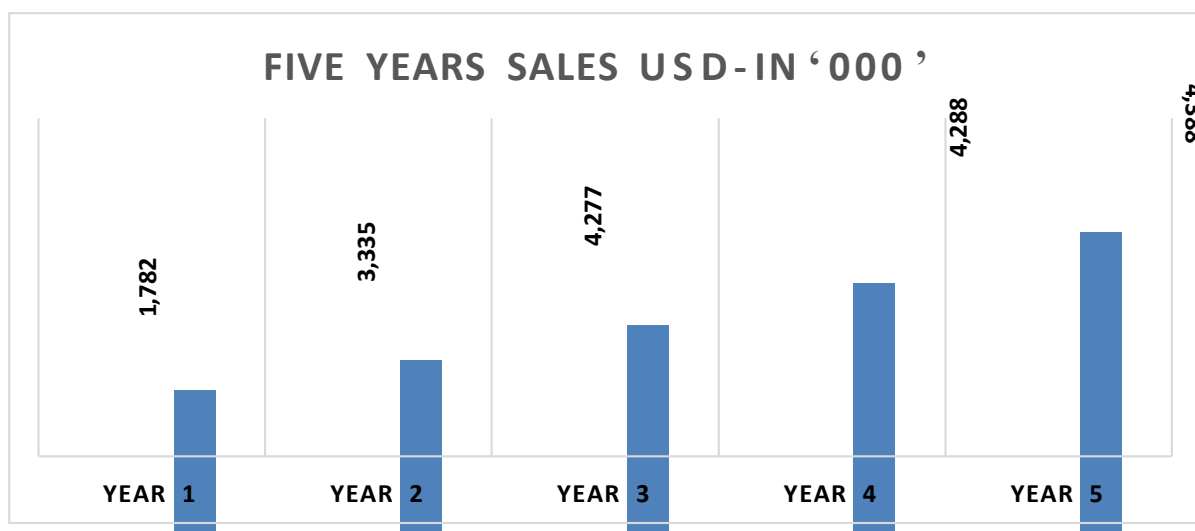
Our plan is to approach members of our target markets via phone and with direct visits. Where possible, we will ask existing customers to provide us with an introduction or to mention us to their neighbors and friends before we approach them.

We will tell them about our current products and services, and then ask them clearly what we need to do to earn their business. Considering their desires and individual goals. We will create an individualized sales proposal with their specific needs (products, volumes, frequency, price, other services) included.

Our attractive proposal detailing for each order will be offered to who accepted. We will then adjust our planned services to include arrival of fresh services necessary for new orders, to be processed and delivered as agreed by the timeline. Each customer price grid, conditions and all specific comments will be clearly maintained for all to review and to guarantee complete customer satisfaction. Each order will be reviewed by one of the owners prior to delivery to guarantee quality, accuracy and completeness. An invoice for each order will be emailed or called to each customer the day prior to use facility to ensure payment is ready on time. (this will all be part of the agreement terms.)

### 4.3 Sales/ Revenue Forecast

The following chart and table show our present sales forecast. We project healthy growth in sales in 2028, a slightly smaller increase again, and reach maximum for production capacity representing a large growth over the previous year.



|                             | YEAR 1       | YEAR 2       | YEAR 3       | YEAR 4       | YEAR 5       |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>SALES UNIT (Grams)</b>   | 16,200       | 30,320       | 38,880       | 38,980       | 39,890       |
| <b>SELING PRICE (USD)</b>   | 110          | 110          | 110          | 110          | 110          |
| <b>TOTAL REVENUE/ (USD)</b> | <b>1,782</b> | <b>3,335</b> | <b>4,277</b> | <b>4,288</b> | <b>4,388</b> |

Table: Sales/Revenue forecast in “000” USD

The projection done above is strictly based on all factors being equal such as stable economic growth and stable government policy to protect the sector in our project location. Our sales forecast is averagely moderate and stakeholders must be warned that depending on how factors change, projections might increase or decrease.

### **4.3.1 Key Assumptions**

1. Status quo regarding regulation
2. No major change in macro-economic or political situation.
3. We assume our services, product quality, and social media marketing will generate healthy growth in business and steady increase in sales
4. We assume efficient management of multiple sites
5. We will make the first site work before moving to the second.
2. We will not add sites while any site is not working well
7. We expect expansion may cause a constant sale in our second year, but that it will be an acceptable loss and we will have working capital to finance

### **4.4 Summary of Project Description**

This project remains as resolution for Construction and Operate VESK Global CIP Plant, the company is engaged in the offering the best Carbon in Pulp (CIP) and Smelting facility of high quality in local market. VESK Global Tanzania forecasting to launch its operation this very year, and soon or later will expand its operation.

The company is dedicated to providing the highest quality customer service, meeting the agreed delivery dates, and keeping the sales prices controlled in accordance with ongoing market trends.

The focus of this business plan is to identify future target clients, explain our marketing strategy, improve internal procedures so we can substantially increase profitability, and obtain the funding required to expand the business.

#### 4.5 Annual Production Capacity

Vesk Global Company Limited scheduling to a set-up of CIP Gold Processing Plant Structure in shinyanga Msalala District with input capacity of processing 3,600 tons of Soil per Month, which is equivalent to 43,200 tonnage of Soil per year.

Initially, the first CIP Plant and supporting services will run approximately at 60% capacity: As the new business ownership takes effect and various marketing plans are implemented, the production volume will increase. There is sufficient soil in the production capacity to expand and produce at 80% capacity. It is planned that new centers will be set up for production to meet the customer demand. Not only that but also it is evident that Mining sector in Tanzania is ever increasing and we are here ready to tap that opportunity

#### 5.0 Human Resources

The company is expecting to employ twenty permanent workers at inception. Plans are in place to increase staffing levels in the second year as we expand the production and opening of various franchise outlets country wide. Our workers are by far the most important assets and we will ensure they are well motivated. A satisfied employee is more goal congruent.

#### 5.1 Investment Costs and Sources of Finance

Start-up costs will be financed through investments business loans (Shareholders Loan & Bank loan) of USD **1,418,434**

Start-up expenses will comprise of start-up expenses to fund (Land Acquisition/Lease cost, Construction and operating expenses and other overhead); Start-up Assets to Fund non- current asset such as plant and machinery, Land and Building, fixtures and fittings

Detailed of the start-up summary are included in the following table. Table: *Investment Costing Projection*

| <b>Start-up Funding</b>                                | <b>TZS</b>         | <b>USD</b>     |
|--|--------------------|----------------|
| Start-up Expenses to Fund-License, Registration & NEMC | 250,000,000        | 100,000        |
| <b>Total Funding Required start up project</b>         | <b>250,000,000</b> | <b>100,000</b> |
| <b>Start Up Funding</b>                                | 250,000,000        | 100,000        |
| <b>Assets</b>  |                    |                |

|                                      |                      |                |
|--------------------------------------|----------------------|----------------|
| Land                                 | 150,000,000          | 60,000         |
| Building/ Structures                 | 409,250,000          | 163,700        |
| Plants and Machinery                 | 976,960,000          | 390,784        |
| Motor Vehicles                       | 500,000,000          | 200,000        |
| Furniture and Renovations (Fixtures) | 150,000,000          | 60,000         |
| <b>Total Assets</b>                  | <b>2,436,210,000</b> | <b>974,484</b> |

|                        |                      |                  |
|------------------------|----------------------|------------------|
| Overheads              | <b>TZS</b>           |                  |
| Wages and Salaries     | 94,875,000           | 37,950           |
| Legal and Consultation | 15,000,000           | 6,000            |
| Overhead Cost          | 1000,000,000         | 400,000          |
| <b>Total</b>           | <b>1,109,875,000</b> | <b>443,950</b>   |
| <b>Grand Total</b>     | <b>3,546,085,000</b> | <b>1,418,434</b> |

## 6.0 Project Financing Pattern

### 6.1 Sources of Finance

VESK Global CIP project will be financed through a combination of long-term debt from directors Loan and profit generated from Operations.

Purchase/ Lease of Land is 100% Directors Loan and Constructions and Purchase of the larger facility and equipment will require approximately 100% Directors debt financing.

Intended expansion of the project should be primarily financed with cash-flow from operations.

Sound system to manage our accounts receivable will be in place as we expect to maintain our collection days at 30 days with thirty percent of sales on credit but we encourage cash sales.

In addition, we must achieve Gross Margins of 67% and Net Profit Margin of 25% in first year while holding Operating Costs no more than 80% of sales in first year of operation but should be decreasing for the coming year.

The company use Lease Land as shown in initial start capital cost finance for land for building of the VESK Global CIP Plant facilities in Shinyanga region, Msalala District, Bulyan'hulu, Busindi Village. Also use Director's Loan for purchasing plants and machinery (inclusive of installation cost), purchasing motor vehicles, Overhead as well as furniture and fittings.

## **6.2 Project Implementation Schedule**

The company intend to implement the projects in the following schedule and phases.

### **6.2.1 Registration of the Project and Compliance Phase**

The company is intended to begin to register the project with Tanzania investment and Special Economic Zones and to apply for the certificate of incentive. The company shall also comply with the requisites laws, local and international standard and requirements.

### **6.2.2 Raising Fund**

The company has obtained expect to obtain fund **USD 1,418,434** from Shareholder's Loan (Investor) that will be used for initial expenses of the project activities aforementioned in the expenditure break down. More fund will be raised from the aforementioned sources, which will be used to strengthening the initial planned activities and also will be used according to the projects phases as demonstrated in the financial project.

### **6.2.3 Construction**

The company at initial phase the project has already Purchase Land and currently intend to Import Machinery and Equipment and starting Construction and commissioning the plant, which are necessary for the CIP project.

### **6.2.4 Project operation**

That after accomplishing the construction phase, the company is expecting to start its operation of Lounging Gold processing activities, marketing and promotion to the customers: locally as well as to other countries that we have experienced frequently visitors.

## **7.0 Project Financial Projection for at Least Five Years**

The financial projection for the next five years shows that the cost for the fixed assets (Non- Current Assets) for instance; Plant and Machinery, Land and Buildings, Motor Vehicle, Furniture and Fittings in the next two years will be the same but will be increasing for the variables cost for next three years thereafter. The reason behind is that most of the asset will be established/ constructed in the first years and then after the assets will be aging/depreciating (see table below) and variables cost varies as per production run mainly financed by cash flow

## Figures in USD ‘000’ Shillings

| <b>Non -Current Assets</b> | <b>Year 1</b> | <b>Year 2</b> | <b>Year 3</b> | <b>Year 4</b> | <b>Year 5</b> |
|----------------------------|---------------|---------------|---------------|---------------|---------------|
| Initial Set up Cost        | 100           | 0             | 0             | 0             | 0             |
| Land                       | 60            | 0             | 0             | 0             | 0             |
| Building                   | 163.7         | 0             | 10            | 0             | 0             |
| Plants and Machinery       | 390.7         | 0             | 200           | 100           | 100           |
| Furniture \$ Fittings      | 60            | 0             | 0             | 0             | 0             |
| Motor Vehicles             | 200           |               |               |               |               |
| <b>Book Value</b>          | <b>974.5</b>  | <b>0</b>      | <b>260</b>    | <b>100</b>    | <b>0</b>      |

Table: *Non –Current Asset Projection for Five Years*

### 7.2 Projected Income Statements

The projected income statement and cash flow shows positive profit and net inflows respectively throughout the investment cycle. Over the projected period (periods under evaluation) from the beginning of year one to five the turnover of VESK Global CIP project show a positive growth. Not only that but also the interest cover shows the operation will generate sufficient profit to meet all its interest obligations as its profits

Before financial charges covers interest obligations by above one times for the whole period of the loan Advance from Director.

The projected income statement shows net profit before tax **USD 452,000** from the first year which grow to close follow up and fund injection for expansion, as well requiring customers to deposit money in advance for goods to be delivery and service to be rendered to grow the profit to USD 1,097,000 in the fifth year. (See Annex-Profit and loss table below) the profits indicate the expected positive growth of business.

### 7.3 Projected Profit and Loss

The VESK Global CIP Project projected income statement for the next five years as shown in the appendices

**Figures in ‘000’ USD’**

|                                 | YEAR 1       | YEAR 2       | YEAR 3       | YEAR 4       | YEAR 5       |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>SALES UNIT (Grams)</b>       | 16,200       | 30,320       | 38,880       | 38,980       | 39,890       |
| <b>SELING PRICE (USD) /Gram</b> | 110          | 110          | 110          | 110          | 110          |
| <b>TOTAL REVENUE USD</b>        | <b>1,782</b> | <b>3,335</b> | <b>4,277</b> | <b>4,288</b> | <b>4,388</b> |
| <b>DIRECT COST (USD) /Gram</b>  | 36.37        | 36.37        | 36.37        | 36.37        | 36.37        |
| <b>TOTAL DIRECT COST (USD)</b>  | <b>589</b>   | <b>1,103</b> | <b>1,414</b> | <b>1,418</b> | <b>1,451</b> |
| <b>GROSS PROFIT (USD)</b>       | <b>1,193</b> | <b>2,232</b> | <b>2,863</b> | <b>2,870</b> | <b>2,937</b> |
|                                 | <b>67%</b>   | <b>67%</b>   | <b>67%</b>   | <b>67%</b>   | <b>67%</b>   |
| <b>ADMIN AND OVERHEAD COSTS</b> | <b>547</b>   | <b>1,204</b> | <b>1,600</b> | <b>1,604</b> | <b>1,646</b> |
| <b>DEPRECIATION</b>             | <b>194</b>   | <b>194</b>   | <b>194</b>   | <b>194</b>   | <b>194</b>   |
| <b>TOTAL ADMIN COST</b>         | <b>741</b>   | <b>1,398</b> | <b>1,794</b> | <b>1,798</b> | <b>1,840</b> |
| <b>PROFIT BEFORE TAX</b>        | <b>452</b>   | <b>834</b>   | <b>1,069</b> | <b>1,072</b> | <b>1,097</b> |
|                                 | <b>25%</b>   | <b>25%</b>   | <b>25%</b>   | <b>25%</b>   | <b>25%</b>   |
| <b>TAX 30%</b>                  | 136          | 250          | 320          | 321          | 329          |
| <b>PROFIT AFTER TAX</b>         | <b>316</b>   | <b>584</b>   | <b>749</b>   | <b>751</b>   | <b>768</b>   |
|                                 | <b>17%</b>   | <b>17%</b>   | <b>17%</b>   | <b>17%</b>   | <b>17%</b>   |

*Table; Projected Profit & Loss*

### 8.0 Financing Operations

the operation of the company indicate that its investment expects to earn an internal rate of return of 17% this is considered acceptable much as it is above the cost of its borrowing funds from Shareholders namely 0% on which payments start from third year after launch the operations.

### **8.1 Break-Even Analysis**

We estimate average monthly fixed costs shown in the profit and loss for five years. Peak and off-season will have significant impact on the monthly earnings. For the first year, on- season revenues offset off-season losses. As Vesk Global Company Limited builds its market position among the local patrons, we anticipate that off-season revenues will be enough to break even during that season. Further, a production increase may be considered in fiscal year 2027.

### **8.2 Cash Flow Projection**

The projected cash flow is positive with sufficient balance to cover all matured obligations, throughout the year. The projected liquidity position of the business is quite healthy in that it will be able to liquidate the loan being applied within a period of forty-eight months (48), while at the same time meeting all its other financial obligations of operating the business. Debt services coverage ratio is above one for the whole period of the loan facility.

### **8.3 Balance Sheet Projection**

The projected balance sheet has positive balances, which are above the term loan. Furthermore, total assets are more than term loan thus suggesting that, the investment is easily liquid.

Basic assumptions and considerations

1. All computations are in USD
2. Period of evaluation: 5 years
3. All prices are based on current levels and are assumed to remain constant
4. Revenue sources: Gold production in Grams
5. Production Capacity: process 43,200 tons per Year
6. Shareholders loan interest free

## **9.0 Environmental and occupational safety considerations & risk analysis**

### **9.1 Environmental impact Staff Wear**

The company will provide the staff with standard uniforms including rubber boots and Gloves during constructions. As well the uniforms branded with logo once start operations for Services Provider Staff and Whenever an opportunity prevails, the company provides them safety training as the businesses get better.

#### **9.1.1 Waste Disposal**

Generally, The Business Does Not Produce Significant Waste in The Meantime. As The Business Expands to Accommodate laundry services and canal to control water flows, We Shall Introduce Liquid and Solid Waste Disposal Mechanisms Including Sewerage Pits.

#### **9.1.2 Project Risk Factor**

The risks that VESK Global CIP is likely to face are of three types namely, economic, political/ social and Operational risk

#### **9.1.3 Economic Risk**

The major economic risk is that of the recession happening in either Tanzania or in any country to which our customers will be dependent also regular increase in fuel price in the world this can affect our business but it is not in the control of Vesk Global Company Limited and country in general.

#### **9.1.4 Political Social and Religious Risk**

The biggest risk associated with any of the above factors is that of disturbances or upheavals, the effect of political social and religious, up -heaves of business are usually bad. It is however reassuring to note that Tanzanian political, social and religious stability is fairly strong and it is likely to continue this way for quite some time

### 9.1.5 Operation Risk, Liquidity Risk and Credit Risk

Managing operational risk in the business is an integral part of the day to day operations by the management. This risk is will be closely monitored by the board of Directors through a sound internal control system and insurance cover.

Liquidity risk is the risk that the business faces by not having adequate funds to settle day to day obligations as they fall due. Vesk Global Company Limited will management through maintaining sufficient cash to cover commitment credit facilities received working capital as well as capital project requirements.

Risk associated with trade and other receivables is called credit risk, of which the company will maintain close follow up and requiring customers to deposit money in advance to cover for goods to be delivery and service to be rendered.

## 10.0 Conclusions and Recommendation

### 10.1 Conclusions:

The following conclusions can be drawn from the financial and economic analysis of this project.

- The project is fully CIP Gold Processing Plant based which is purely involved in the improvement Mineral industry in Tanzania as well as employment sector in the country.
- The project is profitable; hence it will increase the overall profitability of the company and its ability to contribute to the government by way of taxes.

### 10.2 Recommendation

Based on the above factors the consultant recommends that Vesk Global Company Limited be granted with the certificate of incentives from TISEZA for continues Construction and commissioning of this project at the earliest date possible.

Thanks and I Submit

Narek Varshamyan (Director)

