

HUA TENG INDUSTRIES LIMITED

Business Plan

for

Fabric Products Manufacturing and Other

Related Products

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1.0 EXECUTIVE SUMMARY.

HUA TENG INDUSTRIES LIMITED is a private business company incorporated in the United Republic of Tanzania with Certificate of incorporation No. 156852996 issued on July, 2022, the main line of will involve fabric products Manufacturing (Garment/Textile Goods Production) Examples of fabric products: curtains, upholstery, bed sheets shirts, trousers, dresses, uniforms, bags, tents, carpets, and other household or industrial textiles for domestic and export market in neighboring Countries such as Congo-DR, Burundi, Rwanda, Uganda, Zambia, Malawi etc.

The proposed business plan is therefore a result of knowledge and experience that directors have been accumulated over 15 years, the proposed production facility will be located at **Plot No. P14567, Kigogo Kisarawe II, Kigamboni District, Dar es Salaam Region**. The project estimated creating new employment of **100** local people.

The company aims to reduce reliance on imports, create employment, and supply high-quality, affordable fabrics and ready-made garments.

1.2 BUSINESS OBJECTIVES

- Establish a textile production plant with weaving, dyeing, and printing facilities.
- Set up a garment production line with modern tailoring and finishing equipment.
- Capture at least 10–15% of the Dar es Salaam garment market within 5 years.
- Create over **300** direct jobs and support thousands of indirect jobs.

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- Build export capacity to neighboring countries (Kenya, Uganda, Rwanda, Zambia, DRC).

1.3 PROJECT PLANNED ACTIVITIES

- Making shopping visit to China, India, Turk and other supplier countries to identify the suitable and appropriate machinery for the planned project.
- Operating the production facility in Tanzania
- Ordering of the machinery and equipment motor vehicles and their assorted and equipment from China and other overseas suppliers and entering into agreements for the purchase/ acquisition of those assets.
- Consigning the purchased machinery and motor vehicles including all the equipment and accessories from countries of their origin to Tanzania
- Clearing of all the purchased goods from the ports of entry and transporting them to the company's premises.
- Installation of the machinery, registration, insuring and licensing of the vehicles ready for deployment in the company's business

1.4 COMPANY BACK GROUND BRIEF

HUA TENG INDUSTRIES LIMITED directors have decided to join hands to gather and form a company which will specialize in textiles and garments.

The company is owned by two shareholders

Name	% of Shares	Nationality
SUN LIANZHONG	80	Chinese
ZHU XUSHENG	20	Chinese

All the directors of the company are therefore well versed people in the business operations, having been engaged in the business for a period ranging between 10 to 20 years, Equiped with the wide experience in the business as explained above, the directors of the company are optimistic of successful implementation of the proposed project.

1.5 LOCATION.

The new project is located at Plot No. P14567, Kigogo Kisarawe II, Kigamboni District, Dar es Salaam Region

1.6 MISSION

Prompt and professionally high-quality service delivery to customers, aimed at ensuring that they realize the highest value for money, thereby increasing the market share and seizure of every available opportunity for the company's growth.

1.7 Core Values

Service provision with commitment, integrity and creativity while treating each customer as if they were the company's only customer.

2.0 BASIS OF THE BUSINESS PLAN

A study based on rapid appraisal surveys was conducted prior to, and as the basis of preparation of this plan, the surveys were based on the following objectives and approach:

2.1 Study Objectives:

- a) To analyze the relevant market and other factors impacting upon the supply and demand of garments and textiles products in the short-, medium- and long-term requirements

- b) To examine the physical and operational characteristics of the existing market in order to determine the positioning of the proposed company's business in the market place.
- c) To conceptualize the proposed company's production and business operations, assess their economic viability, commercial profitability, social feasibility and provide a vision as to how the planned objectives should be realized.
- d) To provide supporting documentation required for new garments and textiles project to be registered with TISEZA and also in accessing credit facilities required in the financing of the investment capital.

2.2 Study Approach:

- a) Participatory: Semi- structured interview and discussion were held with the Company's Directors, stakeholders in garments and textiles industry steel
- b) Physical visits to the company's main business premises
- c) A brief market survey on garments and textiles industries in Tanzania, Characteristics of demand and the general market structure of garments and textiles products, competition among suppliers and producers in the market.
- d) Conduction of profitability/viability test of the investment, using the appropriate financial projections for the initial period of five years proposed for the business operations.

3.0 INDUSTRY OVERVIEW

Tanzania has a growing garment and textile industry with potential for value addition, supported by its position as a major cotton producer and increasing demand for ethically sourced apparel. While challenges like competition from cheaper imports, outdated machinery, and insufficient

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fabric production exist, the sector is experiencing growth, partly due to investment and government support for local production and exports. The industry currently produces a range of items, including knitted and woven garments, and focuses on leveraging its strong agricultural base to boost its industrial capacity

As of 2021, Tanzania's textile and clothing imports were valued at approximately **US\$ 1.6 billion**, according to data from the World Bank's World Integrated Trade Solution (WITS). This figure includes a wide range of textile products, such as fabrics, garments, and other related items.

The primary countries from which Tanzania imports textiles and clothing include:

- China
- India
- South Korea
- United Arab Emirates
- Pakistan

These nations are major global suppliers of textile and apparel products, contributing significantly to Tanzania's import figures.

The substantial import value highlights a significant reliance on foreign textile products, which can be attributed to factors such as:

- **Limited domestic manufacturing capacity:** Historically, Tanzania's textile industry has faced challenges, including factory closures and reduced production capacity.

- **Cost-effectiveness:** Imported textiles may offer competitive pricing, making them attractive options for local businesses and consumers.
- **Variety and availability:** Imports provide a diverse range of products that may not be readily available from local manufacturers.

However, this import dependency also poses challenges for the local textile industry, including:

- **Trade imbalances:** A high import value relative to exports can lead to unfavorable trade balances.
- **Pressure on local industries:** Domestic manufacturers may struggle to compete with the influx of imported goods, potentially leading to reduced market share and economic challenges.

Efforts to bolster the local textile industry, such as improving manufacturing capabilities, investing in technology, and implementing supportive policies, are crucial to reducing import dependency and fostering sustainable economic growth in Tanzania's textile sector. That why HUA TENG INDUSTRIES LIMITED board of directors came up with investment decision to set up this project

3.1 Local production of garment and textiles in Tanzania

Tanzania has significant potential for local garment and textile production due to its abundant cotton supply and supportive government policies

However, the sector has been in decline and struggles with challenges such as competition from cheap imports and obsolete machinery.

- **Declining production:** Output has been contracting, with one report showing a 40% drop in textile production between 2020 and 2024.

- **Established players:** Several large-scale, vertically integrated mills are operational, producing a variety of products from cotton yarn to finished garments.

21st Century Textiles

Part of the MeTL Group, this is one of the largest textile mills in Sub-Saharan Africa. Located in Morogoro, it produces cotton and blended yarns, fabrics, and finished garments.

A to Z Textile Mills

This company, which started in the 1960s, is known for manufacturing insecticide-treated mosquito nets but also produces other textile products.

Sunflag (T) Ltd: A major textile and clothing exporter from Tanzania for decades.

Nida Textile Mills (T) Ltd

Established in 2002, this integrated mill produces traditional fabrics like *Khanga* and *Kitenge*, bed linens, and plain fabrics.

Production activities include spinning, dyeing, weaving, and knitting. Factories create products such as Khanga, Kitenge, bed sheets, blankets, uniforms, and T-shirts.

Tanzania is a major producer of organic cotton, which is an opportunity to attract eco-conscious international brands.

3.2 Challenges facing the sector

- **Outdated technology:** Many local firms use old machinery and equipment, which increases maintenance costs and reduces competitiveness.
- **Competition from imports:** The local market is dominated by an influx of inexpensive, low-quality garments from international markets. This is compounded by the thriving second-hand clothing (mitumba) trade, which provides affordable options for most of the population.
- **Value addition:** A significant portion of Tanzania's raw cotton is exported unprocessed. As of 2024, about 80% of cotton was exported raw, limiting opportunities for higher-value production domestically.
- **Input challenges:** Cotton production is affected by weather patterns, pests, and low productivity due to poor farming practices. Inadequate supply means local mills often operate below capacity.
- **Skills gap:** While Tanzania has low-cost labor, there is a lack of highly skilled labor and textile design education to improve the quality of local products.

3.3 Opportunities for revitalization

- **Government initiatives:** The Tanzanian government has declared textile manufacturing a priority sector under its 2025 development strategy and established the Textile Development Unit (TDU) to support investors. This includes efforts to increase cotton production and value addition.
- **Access to export markets:** Tanzania benefits from preferential trade agreements like the African Growth and Opportunity Act (AGOA) with the

United States and Economic Partnership Agreements (EPAs) with the European Union, granting duty-free access for its textiles. It is also a member of the East African Community (EAC) and Southern African Development Community (SADC).

- **Growing domestic market:** A rising middle class is increasing demand for quality, locally made apparel. This presents an opportunity to replace the current high volume of imported clothing.
- **Cost advantages:** The country has competitive labor costs and relatively low electricity charges compared to other regional producers.
- **Value chain integration:** The presence of both cotton farming and large-scale mills creates an opportunity for vertically integrated operations, which is an attractive model for investors

3.3 Key Raw Materials

- **Fibers:** fabrics materials are mostly imported.
- Machines and equipment to be imported
- **Accessories:** Partly imported.
- **Packaging** materials are to be sourced domestically

3.4 Manufacturing Activities

Garment Production: Cutting, stitching, quality control, branding, and packaging.

3.5 Market and Demand

- **Domestic demand:** Driven by urbanization, school uniforms, office wear, and casual clothing.

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- **Export potential:** Mainly to East African Community (EAC) countries and some international buyers.
- **Challenges:** Competition from imported garments, high production costs, and limited modern machinery.

3.6 Competition

HUA TENG INDUSTRIES LIMITED, is expecting to face competition from existing iron industry which controls a sizeable market share.

3.7 Risk Analysis

- Competition from imports – mitigated by affordable pricing and customization.
- Raw material price fluctuations – mitigated through contracts with local cotton growers.
- Skills & technology gap – mitigated by training programs and technology transfer.
- Power supply challenges – mitigated with solar and backup generators.

3.8 Sustainability and CSR

- Use eco-friendly dyes and promote sustainable fabrics.
- Support cotton farmers with fair trade partnerships.
- Train and employ youth, especially women, in garment production.
- Recycle textile waste into accessories or industrial use.

3.9 Technical Aspect;

Plant, Machinery & Equipment; **HUA TENG INDUSTRIES LIMITED**, is planning to use the best and most suitable technology available for the garment and textiles manufacturing. All the machines will be the modern items in the market today but not wholly automated. This is to avoid acquisition of the ultra-high tech, state of the art equipment and

machinery, which cannot be easily maintained in the country for maximum efficiency and productivity.

Since these machines are not available in the local market, the company will import all of them. The company already started negotiations with machines suppliers; the deal is expected to be closed in the near future

4.0 THE PROJECT

4.1 **Production Concept**

The project involves fabric products production (garments & home textiles) under one facility. This ensures full value addition along the supply chain – from raw cotton/polyester blends into finished garments and household/industrial textiles.

4.2 **Project Objectives**

HUA TENG INDUSTRIES LIMITED, aims at playing a significant role in the participation of the company in the efforts to maximize exploitation of the largely existing business potential in manufacturing industry particularly in garment and textiles production.

4.3 **Immediate Objectives:**

- a) To build and operate Garment & Textile Products Production with Capacity: 3 million finished units annually, 60% garments (shirts, trousers, uniforms, dresses). 30% home textiles (bed sheets, curtains, towels) and 10% industrial textiles (upholstery, sofa, tents,).
- b) Enhancing the country's capacity to utilize its iron ore deposits and related natural resources when their commercial exploitation begins,
- c) Creating 100 employment opportunities to skilled and semi-skilled Tanzanians in both the metallurgical industrial operations, including their supplies and distribution in the company's business.

5.0 PRODUCTION PROCESS

5.1 Fabric Product Manufacturing

- **Design Stage**

Objective: The management is planning to employ designer who will be engaged in creating style, shape, and look of the final fabric product such as curtain, bedsheet, sofa, shirt, dress, uniform.

Activities:

- Researching fashion trends, customer needs, or institutional requirements.
- Sketching or using CAD (Computer-Aided Design) software to design garments or textile products.
- Selecting suitable fabric types (cotton, polyester, blends).
- Deciding on colors, textures, trims, and accessories (buttons, zippers, embroidery).

- **Design Development**

Concept Creation: Designers will decide on the product type, style, size range, and aesthetic details.

Sketching/Tech Packs: Drawings, specifications, and technical details (measurements, stitching, trims, colors) are prepared.

Material Selection: Choosing the right fabric (cotton, polyester, blends) and accessories (buttons, zippers, labels).

- **Pattern Making Stage**

Objective: Translate the design into templates (patterns) that guide cutting of fabric pieces.

Process:

A **pattern maker** develops templates for each garment component patterns will be made manually (paper patterns) or digitally (CAD/CAM systems) , patterns ensure accuracy, size grading and fabric efficiency (reduce waste).

Drafting Patterns: Translating the design into templates (patterns) that represent each part of the garment/product (e.g., front, back, sleeves, collars).

Grading: Adjusting the base pattern into different sizes.

Marker Making: Arranging patterns efficiently on fabric to minimize waste during cutting.

- **Link to Production**

Once patterns are ready, they are used in fabric cutting, cut pieces are then stitched and assembled to create the final garment or textile product.

This stage is critical because errors in design/pattern making lead to large-scale defects and losses.

- **Sample Development**

A prototype (sample) is produced to test fit, comfort, durability, and design accuracy, adjustments are made before moving into bulk production.

- **Transition to Production**

Once the design and pattern are approved, the product will be moved to fabric cutting and sewing/assembly, approved patterns serve as the blueprint for mass manufacturing.

In short: Design & Pattern Making bridges creativity (design ideas) with manufacturing (precise cutting and sewing), ensuring consistency and efficiency in fabric product production.

5.2 Cutting & Stitching – assembly of garments & textiles.

Cutting & Stitching – assembly of garments & textiles" refers to a key stage in garment manufacturing where the raw materials (fabric and other components) are transformed into finished products such as:

Cutting, the process of cutting fabric into specific shapes and sizes according to patterns the purpose is to ensure that pieces of fabric match the design, size, and style of the intended garment this will be done manually (scissors, rotary cutters) or automated (laser cutters, computer-controlled cutting machines).

Stitching / Sewing, Joining the cut fabric pieces together using stitches to form the garment, the purpose is to convert flat pieces of fabric into three-dimensional garments the techniques use includes overlock, straight stitch, blind stitch, and more, depending on fabric and design.

Assembly of Garments & Textiles

The overall process of putting together all components to produce a complete garment or textile product. That includes adding trims, labels, and embellishments, quality control at each step to ensure proper fit and finish

In short, **Cutting & Stitching is where a garment begins to take shape**, turning raw fabric into wearable clothing through careful assembly and sewing.

5.3 Quality Control

Defect Removal by identifying and correcting flaws in the garment or textile, common Defects, broken stitches or loose threads, fabric defects (holes, stains, uneven dyeing), misaligned patterns or prints, the main purpose is to ensures only products without flaws proceed to the next stage.

Sizing Check, verifying that garments meet the correct measurements and size specifications using standardized measurement charts, sample fitting on mannequins or models the main purpose is to maintains consistency across the production batch so customers get accurate sizing.

Finishing, the final touches applied to garments to improve appearance, feel, and functionality examples pressing/ironing, trimming loose threads, labels, or decorative elements, packaging neatly, the purpose is to ensures the product looks professional, feels comfortable, and is ready for sale.

Quality control is the last checkpoint in garment manufacturing. It ensures that garments are defect-free, correctly sized, and professionally finished before delivery to the market.

5.4 Branding & Packaging

It is the final stage in garment or textile production, focusing on presentation, identity, and readiness for the market. Here's the breakdown:

Labeling, Attaching brand labels of HUA TENG INDUSTRIES LIMITED, size tags, care instructions, and any certification marks to the garment. The main purpose is to identify the brand, provides sizing and care information to customers and ensures legal compliance (e.g., country of origin, fiber content)

Ironing / Pressing Applying heat or steam to remove wrinkles and give the garment a neat, crisp appearance., the main purpose is to enhance visual appeal, prepares garments for folding or hanging and improves perceived quality.

Folding / Packaging, neatly folding garments and packaging them for shipment or retail display and folding in standard sizes for boxes or polybags using hangers for ready-to-wear displays, the main **purpose is to** protect garments during storage and transport, improves customer experience and supports branding through consistent packaging

Branding & Packaging is where the garment gains its market identity. At this stage, products are labeled, perfectly presented, and packaged ready for sale, reinforcing both brand image and quality perception

5.5 Distribution – Local Sales & Export Market

Local Sales, supplying garments to domestic markets within the country through wholesale and retail stores, supermarkets, malls, the management of HUA TENG INDUSTRIES LIMITED planning to conduct sales using Online platforms, the main purpose is to ensures availability to local customers and generates domestic revenue.

Export Market, supplying garments to international buyers in other countries. the management of HUA TENG INDUSTRIES LIMITED has put in place measures to make sure that it complies with international standards (quality, labeling, packaging), at HUA TENG INDUSTRIES LIMITED the unit for export documentation (customs clearance, invoices, certificates of origin) will be established and equipped, the main purpose is to expands market reach, increases revenue, and builds brand recognition globally.

Distribution is the bridge between production and consumption. It ensures that the garments, after branding, packaging, and quality checks, reach the intended customers efficiently—whether locally or internationally.

6.0 Machinery & Equipment (Indicative List)

- i. Cutting tables & fabric spreading machines.
- ii. Sewing machines (lockstitch, overlock, buttonhole).
- iii. Embroidery & printing machines.
- iv. Ironing & finishing equipment.
- v. Boilers, generators, compressors.
- vi. Packaging & storage facilities.
- vii. Light trucks and Single cabin pick up

7.0 MANAGEMENT

HUA TENG INDUSTRIES LIMITED, as a corporate entity is managed under the Board of Directors. Day to day management of its conducted under the company's Managing Director who will be assisted by directors, Managers, Seniors officers etc.

This project is his brain child. He is therefore well prepared to embark on implementation of the proposed project and in the successful operation of its business thereafter.

The Managing Director will be closely assisted by well qualified professionals in the steel industry, forging process, metallurgical industrial management and operations. The company managers, heads of departments and operational staff for the rolling mills will be recruited for their competence, experience and good track record in their respective fields and in previous employments.

- **Skilled labor:** textile engineers, designers, machine operators.
- **Semi-skilled labor:** sewing machine operators, cutters, pressers.
- **Unskilled labor:** helpers, loaders, packers.
- Estimated employment: **100 workers** at full capacity.

8.0 Annual Production Output (at 80% capacity utilization)

- **4.4 million finished units of garments & textiles**
 - i. 1.44M garments
 - ii. 0.72M home textiles
 - iii. 0.24M industrial textiles

8.1 Quality Standards & Certifications

- ISO 9001 (Quality Management).
- OEKO-TEX certification (safe fabrics).
- EAC/EU standards for export markets.

8.2 Production Costs (Estimates)

Production cost has been estimated to be 80% of total revenue

8.3 Estimates Revenue

- For the purpose of this project all revenue will come from products produced at the factory
- The annual revenue to grow by 0.05 annually
- Revenue projections are based on experiences gained by the firm for being in the market for five years now.
- Garment production cost: \$7.2 per unit (depending on type).
- Home textiles cost: \$9.6 per set.
- Industrial textiles cost: \$12 per unit.

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9.0 PROJECT INVESTMENT COST

The project is estimated cost **\$5,250,000** to cover for the acquisition modern machineries, equipment and motor vehicles, working capital and others, Breakdown of the total investment is as proved here below.

HUA TENG INDUSTRIES LIMITED COSTSTRUCTURE US\$

Land and Buildings	600,000
Machinery & Equipment	1,500,000
Motor Vehicles	700,000
Furniture & Fixtures	20,000
Pre exp	20,000
Others	410,000
Working Capital	2,000,000
TOTAL	5,250,000

9.1 Investment Pattern

The investment financing pattern is provided below.

Source	Value (\$)
Equity	1,250,000
Loan	4,000,000
Total	5,250,000

10.0 FINANCIAL ANALYSIS AND PROJECTIONS

10.1 Considerations and Assumptions:

The corporate tax charged is 30% of the profits. Capital investment allowance is 50%. The capital assets are exempted from custom duty and Value Added Tax. The straight-line method to depreciate the project's capital items has been applied, it is assumed to be 5% annual depreciation. 5 years financial projections have been worked out.

10.2 Projected Profit and Loss Statement

The attached Appendix I shows the projected income for the 5years period. The position depicted is that the project earns profit throughout its life. Accumulated after tax profits grow from. US\$ 1,151,220 in the 1st year to US\$ 9,349,478 in the 5th year.

10.3 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 US\$ 1,570,220 in the first year to US\$ 10,804,478 at the end of 5th years of the project's operations

10.4 Projected Balance Sheet

The owners' equity is shown in Appendix III. Owners' equity grows from US\$ 1,250,000 in the first year to US\$ 10,599,478 at the end of 5th years of the project's operations based

10.5 Projected Payback Period

Total investment is **US\$ 5,250,000** cash accumulation in 4th year **US\$ 7,732,726** which is more than the initial investment, the project payback Period is exactly 4years.

10.6 Projected Risks

No major risks have been identified for this kind of project so far. Unless a change in the country's political and economic stability.

10.7 Implementation Schedule

Project implementation is expected to be relatively very short once project has been approved it is estimated that construction of will be completed within two years: -

Project Implementation

S/N	ACTIVITY	PERIOD
1	Processing TISEZA Certificate of Incentive	January 2026
2	Processing Exemptions	May-July 2026
3	Mobilizing Fund	September-December 2026
3	Renovation of building	December -August 2027
4	Ordering Machines and other equipment	September -December 2027
5	Testing business and in-house training	December –March 2028
6	Commercial operations	April 2027

11.0 CONCLUSION & RECOMMENDATION

11.1 Conclusion

- The project is profitable and contributes to government revenue by way of taxes.
- The project provides employment to **100** people.

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- The project is an encouraging sign to prove that we have investors who have confidence with Tanzania and are ready to invest such large sums of investment.
- Revenue to the Government, The Project is expected to pay a substantial annual amount in the form of corporation tax estimated to be US\$ 4,006,919 for five years and other direct and indirect taxes
- Foreign Exchange Earning, Since the project's products will be exported, the project will thus earn foreign currency for the United Republic of Tanzania. Thus, at a macroeconomic level, gold processing and exports substantially support Tanzania's balance of payments, foreign reserves, and export-led growth. Estimated accumulated foreign earnings for five years to be US\$ 48,388,656

11.2 Recommendation

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

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APPENDIX I

HUA TENG INDUSTRIES LIMITED PROJECTED INCOME & EXPENDITURE STATEMENT " US \$

	1	2	3	4	5
Revenue	5,896,000	7,370,000	9,212,500	11,515,625	14,394,531
Operating Expenses:	3,832,400	5,159,000	6,448,750	8,060,938	10,076,172
Profit before Depreciation &Interest	2,063,600	2,211,000	2,763,750	3,454,688	4,318,359
Interest	320,000	256,000	192,000	128,000	64,000
Depreciation	99,000	99,000	99,000	99,000	99,000
Gross Profit	1,644,600	1,856,000	2,472,750	3,227,688	4,155,359
Tax (30%)	493,380	556,800	741,825	968,306	1,246,608
Profit After Tax	1,151,220	1,299,200	1,730,925	2,259,381	2,908,752
Accumulated Profit	1,151,220	2,450,420	4,181,345	6,440,726	9,349,478

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APPENDIX II

HUA TENG INDUSTRIES LIMITED PROJECTED CASH FLOW US\$

SOURCES:		1	2	3	4	5
Profit before interest and depreciation	-	2,063,600	2,211,000	2,763,750	3,454,688	4,318,359
Equity	1,250,000					
Loan	4,000,000					
Total Sources	5,250,000	2,063,600	2,211,000	2,763,750	3,454,688	4,318,359
Applications:						
Capital expenditure	2,820,000	-	-	-	-	-
working Capital &Others	2,430,000					
Cash	-	1,570,220	1,654,200	2,021,925	2,486,381	3,071,752
Tax	-	493,380	556,800	741,825	968,306	1,246,608
Sub total	5,250,000	2,063,600	2,211,000	2,763,750	3,454,688	4,318,359
Total applications	5,250,000	2,063,600	2,211,000	2,763,750	3,454,688	4,318,359
Accumulated cash		1,570,220	3,224,420	5,246,345	7,732,726	10,804,478

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APPENDIX III

HUA TENG INDUSTRIES LIMITED PROJECTED BALANCE SHEET US \$

Fixed Assets		1	2	3	4	5
Opening balance	-	2,820,000	2,721,000	2,622,000	2,523,000	2,424,000
Additions	-					
Total Long-term Assets	-	2,820,000	2,721,000	2,622,000	2,523,000	2,424,000
Less depreciation	-	99,000	99,000	99,000	99,000	99,000
Closing balance	-	2,721,000	2,622,000	2,523,000	2,424,000	2,325,000
Working capital	2,405,000	2,405,000	2,405,000	2,405,000	2,405,000	2,405,000
Accumulated cash	-	1,570,220	3,224,420	5,246,345	7,732,726	10,804,478
Total assets	2,405,000	6,696,220	8,251,420	10,174,345	12,561,726	15,534,478
Financed by						
Equity	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Accumulated profit	-	1,151,220	2,450,420	4,181,345	6,440,726	9,349,478
Total equity	1,250,000	2,401,220	3,700,420	5,431,345	7,690,726	10,599,478
Long term loan	4,000,000	3,200,000	2,400,000	1,600,000	800,000	-
Bank overdraft	-	-	-	-	-	-
Total debts	4,000,000	3,200,000	2,400,000	1,600,000	800,000	-
Total equity and debts	5,250,000	5,601,220	6,100,420	7,031,345	8,490,726	10,599,478

HUA TENG INDUSTRIES LIMITED

APPENDIX IV

HUA TENG INDUSTRIES LIMITED PROJECTED LONG-TERM LOAN REPAYMENT US\$

Year	Principle	Loan Interest (8%)	Total Amount Paid	Loan Balance
1	800,000.00	320,000.00	1,120,000.00	4,000,000.00
2	800,000.00	256,000.00	1,056,000.00	3,200,000.00
3	800,000.00	192,000.00	992,000.00	2,400,000.00
4	800,000.00	128,000.00	928,000.00	1,600,000.00
5	800,000.00	64,000.00	864,000.00	800,000.00

APPENDIX V

HUA TENG INDUSTRIES LIMITED

HUA TENG INDUSTRIES LIMITED COST STRUCTURE US\$

Land and Buildings	600,000
Machinery & Equipment	1,500,000
Motor Vehicles	700,000
Furniture & Fixtures	20,000
Pre exp	20,000
Others	410,000
Working Capital	2,000,000
TOTAL	5,250,000