

Annexure 2

TANZANIA INVESTMENT CENTRE  
DAR ES SALAAM

PROGRESS REPORT

(Information required for the project's progress report after every six months or for amendment of Certificate of Incentives)



1. Planned Activities for the period

- i. **Modifications & Renovation to Workshop premises**
- ii. **Ordering, Purchase, Importation of machinery and equipment.**
- iii. **Training Staff in use of machinery & equipment**
- iv. **Advertising & Marketing of the operations**

2. Achievements made on the project implementation to-date:

(i.e. from the date the project was approved to the date of writing the report)

Describe the status of activities that have already been undertaken e.g. construction of buildings, acquisition of supplies, installation of equipment, etc.

**Modifications & Renovations to Workshop Premises**

*Modernisation and refurbishment of workshop premises was undertaken.*

**Purchase of Machinery & Equipment**

*The following machines have been acquired over the period:*

Serial No	ITEM	Quan
1	Vertical Cylinder Honing Machine	one
2	Vertical Cylinder Fine Boring Machine	one
3	Vertical Hydraulic Surface Grinder	one
4	Line Boring Machine	one
5	Rod Alignment Checking Device	one
6	Connecting Rod Boring Machine	one
7	Crank Shaft Grinding Machine	one
8	Valve Guiding Machine	two
9	Seat Cutting Machine	one
10	Hydraulic Jack for Hand Operated Press	one
11	Adjustable Rimmer	one
12	Lathe Machine	one
13	Power Press	one
14	Stand-by Generator	one
15	2 tonnes Pick-up Truck	one

**Training Staff in use of machinery & equipment**

The staff training program is on-going

**Advertising & Marketing of the operations:**

Aggressive marketing of the operations was undertaken and the project has achieved turnover of Tshs. 310.0 million for the period ended 31.12.2005.

3. Provide updated information on the following aspects;

S/No.	Information	Description	Current Project Status
1.	Shareholder's Information	Current Shareholders names, nationality and percentage of ownership	<b>Shareholders</b> <b>Nationality</b> <b>%</b>
			<b>Ram Singh Panesar</b> <b>Tanzanian</b> <b>17</b>
			<b>Varinder Singh Panesar</b> <b>Tanzanian</b> <b>66</b>
			<b>Basant Singh</b> <b>Indian</b> <b>17</b>
2.	Company Communication Information	Email address	<b>karam1994@hotmail.com</b>
		Mobile Number	<b>+255 784 534 035</b>
		Land Line Telephone Number	<b>0754 855 190</b>
		Physical Address (Plot No., Block No, Street, District and Region)	<b>Plot 19, Block A, Unga Limited Ward, Arusha.</b>
3.	Contact Person	Name	<b>Ram Singh Panesar</b>
		Position	<b>Director</b>
		Communication Details (Email, Mobile and telephone)	<b>0784 534 035</b>
4.	Incorporation	Certificate of Incorporation No.	<b>46107</b>
5.	TN information	TIN Certificate No.	<b>100-208466</b>
6.	Project Objective	Project Core Activity	<b>Investment in Engine Rebuilding Workshop</b>
7.	Capacity	Project Capacity per Year	<b>300 Engines per annum</b>
8.	Direct Employment	Foreign-Men	<b>1</b>
		Foreign-Women	<b>0</b>
		Local-Men	<b>19</b>
		Local-Women	<b>2</b>
9.	Indirect employment	Estimated Total No.	<b>26</b>
		Type/areas of Indirect Employment	<b>Sub-contractors for repair works</b>

4. Project Financial Expenditure todate (TZS):

	Foreign (TZS)	Local (TZS)	Total (TZS)
Land and Buildings	0	0	0
Plant and machinery	177,536,700	32,887,800	210,424,500
Vehicles/Aircrafts	21,450,000	2,178,000	23,628,000
Furniture	0	0	0
Office equipment	0	0	0
Insurance Cover	0	0	0
Pre-operational expenses	2,420,000	2,334,200	4,754,200
Sub-total capital	201,406,700	58,300,000	259,706,700
Working capital	0	30,035,500	30,035,500
<b>GRAND TOTAL</b>	<b>201,406,700</b>	<b>88,335,500</b>	<b>289,742,200</b>

5. Project Financing

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

	Amount (USD)	Source Country
Local Equity	222,721,400	Tanzania
Local Loans	67,020,800	Tanzania
Foreign Equity	0	
Foreign Loans	0	
<b>Total Investment</b>	<b>289,742,200</b>	

6. Problems and Solution

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

**Problems**

*Due to space constraints earlier, all the required machinery could not be acquired. However, since larger premises have been secured, the company acquired machinery to have a fully complementary engine rebuilding facility.*

7. Future Plans

Explain future plans for the next coming six months and planned financial Commitments

*The Company intends to diversify its main business of engine re-building to installation of machinery and equipment for small scale agro-processing industry.*

8. Recommendations and any other comments

*The Company thanks the Tanzania Investment Centre, Tanzania Revenue Authority and various other Government authorities for the assistance accorded in the implementation of the Company's project implementation.*

*Submitted for and on behalf of Karam Engineering Works Limited*

*Ram Singh Panesar  
Managing Director,*



