

# AURIC AIR SERVICES LIMITED PROOGRESS REPORT

## TANZANIA INVESTMENT CENTRE DAR ES SALAAM

### PROGRESS REPORT

Auric Air Services Limited was established in 17<sup>th</sup> January 1999 as Mile High Air Services Limited and then changed to Auric Air Services Limited in August same year 1999 with certificate of incorporation number 35597.

1. Planned Activities for the period
  - ✓ **Auric Air Services Limited** is a privately owned airline based in Mwanza Tanzania.
  - ✓ The Company planned to establish a transportation project with focus on aviation subsector.
  - ✓ The plan was to operate from Mwanza Airport and Mwalimu Julius Nyerere International Airport (JNIA) Dar-es-salaam, Arusha Airport and Dodoma Airport.
  - ✓ The project planned to offer safari package to different destinations in Tanzania and East Africa
  
2. Achievements made on the project implementation todatte:
  - ✓ Auric Air implemented the project from 2011.
  - ✓ The project managed to procure 15 modern and brand new CESNA Aircrafts.
  - ✓ The project planned managed to offer services to 42 destinations in Tanzania and beyond.
  - ✓ Before COVID 19 it managed to offer scheduled flights to Destinations within East Africa as well as on demand private non-scheduled air charter

- ✓ The project which is under the aviation sub sector is on operation and though COVID 19 has affected the airline industry tremendously our project is still in operation though struggling to tackle some challenges.

The Company is well equipped with sophisticated Airline equipment which includes:

- **Purchase of brand new 15 Aircrafts:** The Company managed to purchase several Aircrafts from 2011 to 2019.

The company purchased has managed to purchase from the manufacturer brand new 15 Aircraft of CESNA GRAND CARAVAN model with the Capacity to carry 13 passengers at once.

- **Construction of office and residential buildings:** Construction and renovation of Office at Malaika street in Mwanza, Airport office and residential buildings
- **Purchase and Installation of Furniture:** The furniture were installed in Mwanza office and Airport office.
- **Procurement of Vehicles:** Purchase Ten (10) Administrative vehicles to help the project run smoothly on operations, marketing and administrative work.
- **Procurement of Equipment:** The Company purchased modern REDBIRD CRV FLIGHT SIMULATOR for complete guidance to the Pilots.
- **Purchase of computers and communication equipment.**

The company also procured computers and communication equipment for the project operation.

- **Purchase of Utility Vehicle:** The project purchased One (1) Utility vehicle for the purpose of transporting company cargo and other materials.
- **GENERATOR:** To ensure uninterrupted production, generators with a total power production capacity of 650 KVA.

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	Mohamed Farid Hussein-British-175 shares Nishaz Hussein-British-335 shares Nurmohamed Hussein-British-355 shares Mohamed Sajid Akbar Hussein-Keyan -1 share Judith Nantin Abbels-Phillipines-1 Share
2.	Company Communication Information	Email address	<a href="mailto:mohamed@auricair.com">mohamed@auricair.com</a>
		Mobile Number	+255784828742
		Land Line Telephone Number	+255 783 233334
		Physical Address (Plot No., Block No, Street, District and Region)	P.O.BOX 336, MWANZA Plot NO. 154, BLOCK B MALAIKA BEACH, ILEMELA, MWANZA
3.	Contact Person	Name	Nur Mohamed Hussein
		Position	Director - Tanzania
		Communication Details (Email, Mobile and telephone)	+2557 mohamed@auricair.com
4.	Incorporation	Certificate of Incorporation No.	
5.	TIN information	TIN Certificate No.	
6.	Project Objective	Project Core Activity	Aviation industry
7.	Capacity	Project Capacity per Year	195 Passengers per day
8.	Direct Employment	Foreign-Men	7
		Foreign-Women	
		Local-Men	90
		Local-Women	24
9.	Indirect employment	Estimated Total No.	25
		Type/areas of Indirect Employment	Suppliers, security, casual labours

#### 4. Project Financial Expenditure todate (USD):

	Foreign (USD)	Local (USD)	Total (SD)
Land and Buildings			408,800,000.00
Plant and machinery			
Vehicles		29,000,000.00	29,000,000.00
Aircrafts	23,366,998,708.78		23,366,998,708.78
Furniture	49,862,434.43		49,862,434.43
Office equipment			
Insurance Cover			
Pre-operational expenses			
Working sub-total capital			5,864,156,410.50
<b>GRAND TOTAL</b>			<b>29,718,817,553,17</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) AS AT	Source Country
	31.12.2020	
Local Equity	1.837	Tanzania
Local Loans		
Foreign Equity		
Foreign Loans	8.812	United States
<b>Total Investment</b>	10.649	

#### 6. Problems and Solution

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

- *Currently business is at 30% due to worldwide pandemic and travel restrictions*
- *Competition - We satisfy our customers with a unique package of advanced services for their Tanzania safari requirements and thrive through competition.*

## **7. Future Plans**

- *The company plans to extend its services to other lucrative areas around the country after stabilization of COVID 19 pandemic.*
- *To shall continue to support the Tourism Industry through provision of reliable Airline services.*
- *To invest more in the training Centre for PILOTS.*
- *To invest more on facilities for the aviation equipment.*

## **8. Recommendations and any other comments**

*I recommend the regulations on simplification on the issuance of work permits and approvals to be easier and quicker.*



Office building on progress





