

EAST AFRICAN STARCH LTD

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POBox 3835, Dar es salaam



September 20th 2020

The Executive Director
Tanzania Investment Centre
PObox 938, Dar es salaam

DIP
F7A
249

Dear Sir,

RE: Extension of TIC Certificate of Incentives (COI) no 043345 dated 1st June 2017

We are writing to request extension of above COI issued to our company . The reason for the extension is because this project has not been finished.

Attached please find the following documents in respect of this extension

- Original COI 043245 dated 1st June 2017 which has expired in May 2020
- Project progress report which includes photos

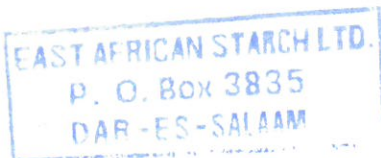
We are trying our best to speed up the project completion and start the factory as soon as possible. In order for us to achieve this target we request maximum cooperation from the government.

We therefore request you to please assist us by writing to certain government institutions to give us maximum cooperation so that we can finish the project quickly. The names of these institutions are listed in point 6 of progress report.

We are sure that with support from TIC and other government institutions we will be able to complete this project quickly so that the social and economic benefits of the factory are started quicker.

Thanking you,


S.Ladhani
Director



EAST AFRICAN STARCH LIMITED

PROGRESS REPORT

1. Planned Activities for the period

Col was issued by TIC on 1st June 2017.

Our original plan was to start the factory by July 2020.

This plan has been delayed beyond our control due to different situations.

2. Achievements made on the Project implementation to date.

The following achievements have been recorded in this project since approval of original Certificates of Incentives till now:

- Raised Project funding.
- Did technical studies and design work.
- Started civil construction which by now is almost finished.
- Started machinery importation which by now is 95% finished.
- The machinery installation work at site is ongoing and is nearly finished.
(Refer to attached site picture)

3. Basic information updated

S/No.	Information	Description and Current Project Status
		1.
1	Shareholder's Information	2. New Mbeya Textile Mill Ltd- Shares not allocated 3. Mr Barkat Ladhani.- 95% 4. Mr Sarfraz Ladhani.-5%
2.	Company Communication Information	Email address: eastarchltd@gmail.com Mobile Number: 0783 772929 Land Line Telephone Number: 022 2119712 Physical Address: Plot No. 2 Block No.- Street : Songwe Industrial Area. District: Mbeya Town Region: Mbeya Post City: P.O.Box 3835, DAR ES SALAAM
3.	Contact Person	Name; Mshamu Ngakopeya Position: Communication Officer Mobile No: 0783 772929 Email address: sarfrazladhani@gmail.com Telephone No: 022 2119712
4.	Incorporation	Certificate of Incorporation No. 131941
5.	TIN Information	TIN Certificate No: 132-321-442
6.	Project Core Activity	Manufacturing of Maize starch and by products
7	Capacity	Project capacity per year 45000 Tons approx of maize milling/150 tons of maize milling per day

8.	Direct Employment	Foreign – Men: 20 (require as expert machinery Operators and Trainers for initial 1- 2 years)
		Foreign- Women:
		Local- Men: 180 (at full Production level)
		Local- Women:50 (at full Production level)
9.	Indirect Employment	Estimate Total No: 50
		Type/areas : Drivers, Labour, Casual.

5. Project financial expenditure todate (USD)

	Foreign (USD)	Local (USD)	Total (USD)
Land and buildings		800,000	800,000
Plant and Machinery	3,500,000		3,500,000
Vehicles			
Furniture			
Office equipment			
Insurance			
Pre operational		1,700,000	1,700,000
working capital		400,000	400,000
TOTAL	3,500,000	2,900,000	6,400,000

5. Project Financing todate

	Amount (USD)	Source country
Local equity	1,725,000	Tanzania
Local loans	4,300,000	Tanzania
Foreign equity		
Foreign loans	375,000	UK
TOTAL INVESTMENT	6,400,000	

6. Problems and Solution

I. Problems

- Overseas Machinery supplier has delayed shipments of machineries.
- Delays in clearing machinery at Dar es Salaam port and non-cooperation by some government officials.

- Delay caused by Coronavirus since February 2020 (this has delayed machinery installation because we have been unable to invite machinery specialist from overseas to the site)

II. Solution

Due to the project delay we have faced we request special assistance from TIC to write to certain government bodies to provide us maximum cooperation so that we can finish the factory as soon as possible. This includes:

- Tanzania Ports Authority (TPA)
- Tanzania Revenue Authority (TRA)
- Tanzania Bureau of Standards (TBS)
- Occupational, Safety and Health Authority (OSHA)
- Tanzania Food and Drugs Authority (TFDA)
- Immigration Services
- Labour Services Business
- Registration and Licensing Agency (BRELA)

7. Future plans for next 6 months

Within next 6 months we intend to complete the factory commissioning and start the factory operation. However the timing of this depends on various factors eg

- if machinery specialists and experts can come to Tanzania depending on Coronavirus
- cooperation from Tanzanian authorities(TRA,TBS,OSHA,etc)

Therefore we request Col extension and other assistance from TIC

8. Recommendations and comments

We are sure that if we get maximum cooperation from Government institutions, we will be able to speed up the remaining project works and complete this factory as soon as possible.

PICTURES

