



PRIME MINISTER'S OFFICE
TANZANIA INVESTMENT CENTRE
LAKE ZONE

GILITU ENTERPRISES LIMITED PVV REPORT
19TH MARCH 2021

PVV CONDUCTED BY
LINDA MESHACK
IPFO - LAKE

1. INTRODUCTION

Gilitu Enterprises Limited is a TIC registered project with certificate of incentives No. 017098 registered with TIC in 2018. The company was registered with BRELA with certificate of incorporation No. 140365 for establishing and operating a project for edible oil processing and sunflower cakes in Shinyanga Region. The project is located at Plot No. 23/1, Buhangija Industrial Area, Shinyanga.

Gilitu Enterprises Limited submitted an application to TIC requesting the extension of their certificate of incentive which expired on February 2021.

TIC Lake zone office was instructed by the head office in March 2021 to undertake the PVV in Gilitu Enterprises Limited project implementation site in order to determine the project implementation status and to verify the investment with reference to capital/deemed capital expenditure for purposes of justification of the project Extension.

2. COMPANY INFORMATION

Table 1- Gilitu Enterprises Limited Company information

S/No.	Information	Description	Current Project Status
1.	Shareholder's Information	Current Shareholders names, nationality and percentage of ownership	1.Gilitu Nilla 900, Nationality Tanzania 2.Sibab a Nilla Makula

			100 , Nationality Tanzanian Godwin Nilla Nationality Tanzania 300
2.	Company	Email address	gilitu.makula2018@gmail.com
	Communication	Mobile Number	+255752085034
	Information	Land Line Telephone Number	255 784765596
		Physical Address (Plot No., Block No, Street, District and Region)	Plot no. 23/1, Block Y, Tabora Road, Buhangija Area
3.	Contact Person	Name	GILITU NILLA MAKULA
		Position	Director
		Communication Details (Email, Mobile and telephone)	+255752085034 0255 784765596 gilitu.makula2018@gmail.com
4.	Incorporation	Certificate of Incorporation No.	140365
5.	TIN information	TIN Certificate No.	135-542-210
6.	Project Objective	Project Core Activity	Manufacturing Edible oil processing and rice milling

4. PROJECT PERFORMANCE

Description of actual project performance and issues observed (findings) in tabular format below;

Table 2- Project Actual Performance

S/N	Information	Description	Current Status	
			Amount (USD)	Source Country
1.	Investment Financing amounts in USD	Financing Type		
		Local Equity	108,987	Tanzania
		Local Loans	739,130	Tanzania
		Foreign Equity		
		Foreign Loans	2,652,174	Kenya
		Total Investment	3,500,291	
2.	Capacity	Project Capacity per Year	Oil - 36000 MT Rice mill -18000 MT	
3.	Direct Employment	Foreign-Men	0	
		Foreign-Women	0	
		Local-Men	29	
		Local-Women	27	
4.	Indirect employment	Estimated Total No.	75	
		Type/areas of Indirect Employment	<i>Casual labor</i>	

5. OBSERVATION AND FINDINGDS OF THE PROJECT IMPLEMENTATION

The project is located at Plot no. 23/1, Block Y, Tabora Road, Buhangija Area. The project is expected to benefit the surrounding community through its activities and direct and indirect employments offered by the project. The project operated but not to its full capacity due to the challenges they faced during its implementation. Currently the project has employed a total of 131 people (both permanent and casual laborers). The project is currently producing 20 tons of edible oil per day. In to its full operation the project will employ 200 people and will have a production capacity of 32 tons of edible oil per day and 50 tons of rice per day.

6. PROJECT IMPLEMENTATION STATUS

TIC Lake Zone Office confirms through the project promoters that implementation of the project is almost 70% complete and the delay in execution was due to the delay in the loan approval from TADB (letter from TADB attached) and the effect of COVID in India where the machines were coming from(payment slip attached). So far we have observed the company has implemented the following in the project site;

- Construction of administration block
- Construction of oil processing premises
- Construction of rice milling premises
- Construction of stores for raw materials and final products
- Construction of foundation of solvent extraction plant
- Installation of oil milling plant
- Installation of rice milling plant
- Installation of oil refinery plant

- The project has constructed a warehouse to ensure enough storage of raw materials before processing.

7. ISSUES OF CONCERN AND PVV FINDINGS ON THE REQUEST

The project promoters demonstrated shortage of fund as the main reason for the delays in implementation of the project. This was due to the delays in the approval of loan from TADB which affected the implementation of the project as follows:

- a) The delay in the purchasing of the oil mill production line which caused the delay in the implementation of the project to its full capacity.
- b) The project has also not yet finished the construction of the premise for the installation of the solvent and they needed more time to finalize.

8. THE FUTURE PLANS

Upon TIC approval the project is expected to execute and implement the above targeted activities within a span of one (1) year expected completion of the above activities would be end of 2021 or early 2022 depending on the approval and the project is expected to surpass the proposed project value:

- ✓ The company intends to further complete the construction and solvent foundation blocks.
- ✓ Procure all machinery required for the solvent installation
- ✓ Construction of the warehouse

Once the extension is done the project will increase its production capacity from using 100 tons of oil seed to produce 20 tons per day to 32 tons per day.

9. RECOMMENDATIONS

To conclude we can say that, through an observation from the project site and based on the project verification done at Buhangija, Shinyanga Region milling plants site, site, I would like to recommend **one year extension** of this project. We believe the

extension would stimulate further development and support completion of solvent extraction plant for edible oil.

10. CONCLUSION

Gilitu Enterprises Limited has demonstrated the importance of edible oil processing plants in the Lake Zone regions and the country at large. This is due to the challenge the country is facing of shortage of cooking oil. This project would enhance and improve the availability of edible oil in the zone and country at large. Also this will give a room for local farmers to cultivate oil seeds as they will have a reliable market for their produce.

APPENDICES



Rice Milling Plant



Oil Milling Plant

