

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

The Management of the company has planned and is busy engaging on expansion of the business by acquisition of more vehicles and tracks.

2. Achievement made on the project implementation todate:

In addition to the increased forty (45) new vehicles and trucks, the company has managed to secure the transportation contracts with various local and international suppliers in the country. For-example Sahara Tanzania Limited, Orxy Services and Specialties Limited and Trafigura Limited.

Also the company has acquired new Scania trucks from Scania finance and the corresponding yards for vehicles management and services.

3. Provide updated information on the following aspects;

S/No.	Information	Current Project Status		
1.	Shareholder's Information	Shareholders	Nationality	Shareholding (%)
		Mohamed Eidha Awadh	Tanzania	90
		Suleiman Mohamed Awadh	Tanzania	10
		Najib Sulaiman Saeed Kulaib	Yemen	5
2.	Company Communication Information	Mek One Plaza Plot No. 4/1 & 8/1, Nyerere/Mandela Road, Industrial Area, Temeke P.O. Box 5055, Dar es Salaam, Tanzania Landline No: +255 779 666 222 Cell No: +255 655 414 534 E-mail: md@mek-one.co.tz Website: www.mek-one.co.tz		
3.	Contact Person	Sebastian Nchimbi General Manager Cell No: +255 783 380 461/655 414 534 E-mail: generaloperation@mek-one.co.tz		

4.	Incorporation	Certificate of Incorporation No. 106088
5.	TIN Information	TIN Certificate No. 137-960-508
6.	Project Objective	To operate cargo transportation project
7.	Capacity	The project capacity per year is 5,750,000,000.00 litres
8.	Direct Employment	Foreign-Men One (01) Foreign-Women Zero(0) Local-Men Fifty Eight (58) Local-Women Zero(o)
9.	Indirect Employment	Estimated total number of indirect employment is One Hundred (100); these employees are mainly working as Mechanical Technicians; Loading and off-loading; Office Causal Workers; Vehicle Carwash, Security personnel; General cleanliness and hygiene.

4. Project Financial Expenditure to date (USD):

	Foreign (USD)	Local (USD)	Total (USD)
Land and Buildings	100,000.00	-	100,000.00
Plant and machinery	200,000.00	-	200,000.00
Vehicles/Aircrafts	1,200,000.00	38,000.00	1,238,000.00
Furniture	2,000.00	-	2,000.00
Office Equipment	10,000.00	-	10,000.00
Insurance Cover	30,000.00	-	30,000.00
Pre-operational expenses	10,000.00	-	10,000.00
Working sub-total capital	-	-	-
GRAND TOTAL	1,552,000.00	38,000.00	1,590,000.00

5. Project Financing

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

	Amount (USD)	Source Country
Local Equity	434,782.61	Tanzania
Local Loans	1,600,000.00	Tanzania
Foreign Equity	-	
Foreign Loans	-	
Total Investment	2,034,782.61	

6. Problems and Solution

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

The company is in transportation business and the major problems involves transit loss of petroleum products and the cost of spare parts.

We suggest that there should be serious prosecution of unfaithfully drivers and also heavy penalties and punishments being enacted to deter these acts. We are also of the opinion that incentives should be extended to importation of vehicle's replacing spare parts.

7. Future Plans

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

Our future plans are essential for success of the business, and creating a strategic plan that we can actually use as a key. Our plan included certain elements, like mission, values, and vision statements, and avoid common pitfalls, like neglecting the specific needs of our company, so it becomes our road map for success.

Business Expansion; we have planned an extensive capital injection through loan and floating of shares. You can see in black and white how successful our business and strategic plan can be by putting all the revenue and expense assumptions together and projecting them over the coming six months. This projecting also will allow us to grow the business without running out of cash. Growth in sales always incurs additional cash requirements to generate and support the additional revenues.

We also maintained a compensating balance which can protect us from seasonality, economic swings, and other changes in the logistics industry.

8. Recommendations and any other comments

We highly appeal to authorities to ensure that transportation business is considered for exportation incentives.