

CHINA TIAN CHENG COMPANY LIMITED, Plot No. 1904, Block FR Mikocheni Industrial Area,  
Kinondoni, Dar es Salaam, Tanzania P. O. Box 105246, Dar es Salaam Email:  
[sdjxliuben@chinatruck.com](mailto:sdjxliuben@chinatruck.com), Mob: +255713862514, Land line: +255262964560

# **CHINA TIAN CHENG COMPANY LIMITED**

**PROJECT PROGRESS REPORT FOR THE PERIOD OF MAY 2019 -AUGUST 2020**

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## 1.0 Introduction

CHINA TIAN CHENG COMPANY LIMITED is a company registered with Tanzania Investment Centre with Certificate No. 022359 dated 16<sup>th</sup> May 2019. the company is dealing with assembling heavy construction equipment

## 2.0 Company ownership

CHINA TIAN CHENG COMPANY LIMITED is jointly owned by two shareholders who agreed to come together to share vast experiences in managing the project for the mutual benefits of both parties:

Name of shareholders	Nationality	%of shares
Ning Ding Email: <a href="mailto:sdjxliuben@chinatruck.com">sdjxliuben@chinatruck.com</a> Mob: +255713862514 Land line: +255262964560	China	51
Jingxian Wang Email: <a href="mailto:sdjxliuben@chinatruck.com">sdjxliuben@chinatruck.com</a> Mob: +255713862514 Land line: +255262964560	China	49

## 3.0 Location

The project is located at Plot No. 1904, Block FR Mikocheni Industrial Area, Kinondoni, Dar es Salaam, Tanzania.

#### 4.0 Project and company Provide information

3.	Contact Person	Name	Ning Ding
		Position	Director
		Communication Details (Email, Mobile and telephone)	Email: <a href="mailto:sdjxliuben@chinatruck.com">sdjxliuben@chinatruck.com</a> Mob: +255713862514 Land line: +255262964560
4.	Incorporation	Certificate of Incorporation No.	138898415
5.	TIN information	TIN Certificate No.	138-898-415
6.	Project Objective	Project Core Activity	Assembling of heavy construction equipment
7.	Capacity	Project Capacity per Year	15 units
8.	Direct Employment	Foreign-Men	1
		Foreign-Women	NIL
		Local-Men	24
		Local-Women	10
9.	Indirect employment	Estimated Total No.	50
		Type/areas of Indirect Employment	Drivers, food suppliers etc

#### 4.0 Project implementation

Project implementation period May 2019 – April 2022

#### 4.1 Project value

The project investment cost was estimated to be US\$ 4, comprising US\$ 2.2m contribution of shareholders and US\$1.8 foreign loan

From May 2019 to date the company has invested the total amount of US\$ 1m being owners' equity equivalent to 45.45% of the planned investment from shareholders and 25% of the value of the project.

	Amount (USD)	Source Country
Local Equity	NIL	NIL
Local Loans	NIL	NIL
Foreign Equity	1,000,000	China
Foreign Loans	NIL	NIL
<b>Total Investment</b>	<b>1,000,000</b>	

#### 1. Project Financial Expenditure to date (USD):

	Foreign (USD)	Local (USD)	Total (USD)
Land and Buildings	<b>24,000</b>	<b>NIL</b>	<b>24,000</b>
Plant and machinery	<b>260,000</b>	<b>NIL</b>	<b>260,000</b>
Vehicles/Aircrafts	<b>40,000</b>	<b>NIL</b>	<b>40,000</b>
Furniture	<b>5,000</b>	<b>NIL</b>	<b>5,000</b>
Office equipment	<b>10,000</b>	<b>NIL</b>	<b>10,000</b>
Insurance Cover	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
Pre-operational expenses	<b>10,000</b>	<b>NIL</b>	<b>10,000</b>
Working sub-total capital	<b>651,000</b>	<b>NIL</b>	<b>651,000</b>
<b>GRAND TOTAL</b>	<b>1,000,000</b>		<b>1,000,000</b>

#### **4.2 Employment creation**

The company has employed 34 Tanzanians and 1 foreign, this is good number of people, the board of directors are committed to make sure that no foreigner is employed if there is a qualified Tanzania, and skills transfer is done accordingly

#### **4.3 Training to local employees**

CHINA TIAN CHENG COMPANY LIMITED is Technology based company, which plan to use advanced technology in assembling, for the remaining implementation period the company plan to import and install modern assembling line to cope with technological needs

Since this technology will be new in Tanzania, the company plan to conduct extensive training in house and outside the country so that to equip skills to local employees.

The company plan to conduct training needs assessment so that to establish gaps.

#### **4.4 Assembling of trucks**

CHINA TIAN CHENG COMPANY LIMITED being a reputable company with vast experience in managing assembling line, currently the company has one assembling line dealing with trucks, the annual assembling capacity is 15 units.

CHINA TIAN CHENG COMPANY LIMITED is still a small company trying to penetrate in Tanzania market, being in the market for one year, board of directors can declare openly that, Tanzania market and East Africa is stable market for any serious investor

#### 4.5 Increase Government revenue

CHINA TIAN CHENG COMPANY LIMITED is one of Tax Payers registered with Tanzania Revenue Authority with TIN No 138-898-415 the company has been paying taxes as indicated below

	Types of Tax	2019	2020
1	Income tax	1,200,000 TZS	30,000,000 TZS
2	Import duty		499,537,591 TZS
3	Other taxes and levy		75,154,226.41 TZS
	<b>TOTAL</b>		604,691,817.41 TZS

#### 4.6 Other indirect revenue

CHINA TIAN CHENG COMPANY LIMITED is creating income to employees as result these employees are required to pay taxes i.e. pay as you earn, for the period mentioned above in part (xi) total of Tsh **176,400,000** been paid by its employees as taxes this exclude taxes paid by outsourced company and indirect employees.

These outcomes have been managed within one year of company operation, the board of directors are very committed to fulfill the duties and obligations as it has been highlighted despite of the challenges encountered, the company strategic plan and strategies in place provide critical evidence of the board of directors commitment and big trust to the Government of Tanzania

#### **4.7 Fiscal incentives**

CHINA TIAN CHENG COMPANY LIMITED to date no fiscal incentives been applied and granted, however in the coming year, the company plan to apply for tax exemptions when importing capital goods for the project

#### **4.8 Non-Fiscal incentives**

For the purpose of soft landing, the government has applied work permit and residency permit for foreigners only

#### **5.0 Challenges**

- I. Difficulties in accessing foreign loan
- II. Stiff market competitions
- III. Running cost is high
- IV. Limited availability of industrial area
- V. Rental cost is high

## 6.0 The wayward

Being in the market for one year, it was good learning process and adopting Tanzania business environment, culture etc., within 3 years the company expect to complete the project as it was planed



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