

PROGRESS REPORT TODATE

PETRO LOGISTICS LIMITED

PREPARED BY:
PETRO LOGISTICS LIMITED
P.O. BOX14525
DAR-SALAAM

MARCH 2021

1.0 INTRODUCTION:

Petro Logistics Limited is the beneficiary of the TIC Certificate of Incentives **no.070667** registered on 7th March 2011. The Project main activity is the transportation of petroleum products and various loose cargo. To date, the company has been able to purchase 97 trucks for the petroleum product transportation. The project has been implemented up to 30%. Due to the plans of the owner of the company to retire in the near future, the company has decided to issue some shares to his son who has become of age so that he can take over after the retirement of his father. In that regard Petro Logistics Limited is requesting the Centre to amend their certificate of incentives in order to effect changes on the shareholding pattern of the company.

2.0 PLANNED ACTIVITY

The activities planned for the period were to acquire 40 trucks, 20 tankers and 20 trailers by 2021. The total no of fleet estimated until the project is completed were 400 vehicles which will include Trucks, Trailers and Tankers.

3.0 PRESENT STATUS OF PROJECT IMPLEMENTATION

The company was able to acquire 97 vehicles and also constructed a yard in Mbagala area where it is now its head office. The company has also signed an agreement with Simba Cement Company to transport some of its goods.

4.0 PROJECT UPDATED INFORMATION

S. No.	Description	Details												
1.	Shareholder's Information	<table border="0"> <tr> <td>Name</td> <td>Nationality</td> <td>Dilla</td> </tr> <tr> <td>Jamal Kassam</td> <td>-Tanzanian-</td> <td>no of shares 20040- 50.1%</td> </tr> <tr> <td>Satish Kumar</td> <td>-Indian -</td> <td>no of shares 12000- 30%</td> </tr> <tr> <td>Anoop Kumar</td> <td>-</td> <td>no of shares 7960- 19.9 %</td> </tr> </table>	Name	Nationality	Dilla	Jamal Kassam	-Tanzanian-	no of shares 20040- 50.1%	Satish Kumar	-Indian -	no of shares 12000- 30%	Anoop Kumar	-	no of shares 7960- 19.9 %
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Satish Kumar	-Indian -	no of shares 12000- 30%												
Anoop Kumar	-	no of shares 7960- 19.9 %												
2.	Company Communication Information	Email – info@petrofuel.co.tz Mobile - 255 689 002505 Landline – 255 022 2860011/05 Physical Address - plot no 33/1&34/1, Moringe street, Mbagala Industrial area												
3.	Contact Person	Name – Masahmsham Mfuru Position - company Secretary Email - vpo@petrofuel.co.tz Mobile - 0714488111												
4.	Incorporation	Certificate of Incorporation No70924												
5.	TIN Information	No. 108-859-881												
6.	Project Objective	The Project main objective is to establish cargo transportation of petroleum products												
7.	Capacity	400 vehicles per month												
8.	Direct Employment	<table border="0"> <tr> <td>Foreign – Men</td> <td>- 3</td> </tr> <tr> <td>Foreign – Women</td> <td>- Nil</td> </tr> <tr> <td>Local - Men</td> <td>- 63</td> </tr> <tr> <td>Local - Women</td> <td>- 01</td> </tr> </table>	Foreign – Men	- 3	Foreign – Women	- Nil	Local - Men	- 63	Local - Women	- 01				
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9	Indirect employment	300												

5.0 Project Financial Expenditure to date: in US\$

	Foreign(USD)	Local(USD)	Total(USD)
LandandBuildings		2,098,591.00	2,098,591.00
Plantandmachinery		28,605.00	28,605.00
Vehicles/Aircrafts	2,024,631.00	868,891.00	2,893,522.00
Furniture		-	
Officeequipment		123,680.00	123,680.00
InsuranceCover		63,270.00	63,270.00
Pre-operationalexpenditures		-	-
Workingsub-totalcapital		-	489,233.00
GRANDTOTAL	2,024,631.00	3,183,037.00	5,696,900.00

6.0 Project Financing

To date the project has been financed by individuals both in the form of loans and equity. The shareholdings pattern can be represented as follows:

	Amount(USD)	SourceCountry
LocalEquity	871,300.00	Tanzania
LocalLoans	2,170,000.00	Tanzania
ForeignEquity	867,800.00	
ForeignLoans	1,787,800.00	
TOTALINVE	5,696,900.00	

7.0 Problems and Solution

The company has been able to make substantial development by being able to purchase 97 trucks. The biggest challenge that the company is facing now is the mobilization of funds to acquire more vehicles. Another problem is lack of incentive such as tax exemptions

which has made the vehicles to be more expensive and it has been difficult for them to continue acquiring more vehicles.

8.0 Future Plans

The company intends to purchase 40 vehicles to include trucks, trails and tankers by the end of year 2021.

9.0 Recommendation

In view of the preceding analysis the TIC is requested to consider their request to amend the project shareholding pattern.