

**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:
 - i. Construction of new cattle and sheep/goat lairage.
 - ii. Construction of new effluent treatment ponds.
 - iii. Refurbishing and equipping the facility with appropriate abattoir equipment in civil, electrical, refrigeration and mechanical works.

2. Achievements made on the project implementation to-date:

- i. Construction

Construction is 90% complete and electrical work at 50%. Refrigeration systems construction is 80% complete.

Overall project is 86% complete. Expectations to complete construction and start production by 10th October 2021.

- ii. Employees:

Initially the demand for workers was 200 people and it is likely to increase to 350 people depending on the increase in production. All employees will be trained to perform on the job until they meet the requirements of the required standards. The abattoir is expected to provide more than 2000 jobs based on the value chain.

3. Provide updated information on the following aspects;

S/No.	Information	Description	Current Project Status
1.	Shareholder's Information	Current Shareholder's names, nationality and percentage of ownership	Public Service Social Security Fund (PSSSF) – formerly LAPF. Busara Investment Limited. Eclipse Investment Limited.
2.	Company Communication Information	Email address	karthik12feb@gmail.com
		Mobile Number	+255 68 316 8046
		Land Line Telephone Number	
		Physical Address (Plot No., Block No, Street, District and Region)	Farm no. 435 Nguru ya Ndege, Morogoro Vijijini, Mvomero, Morogoro Region

3.	Contact Person	Name	Karthikeyan Ramamurthy
		Position	Finance Manager
		Communication details (Email, Mobile and telephone)	karthik12feb@gmail.com +255 68 316 8046 +91 98841 38620
4.	Incorporation	Certificate of Incorporation	83191
5.	TIN information	TIN Certificate No.	116752867
6.	Project Objective	Project Core Activity	Refurbishing existing facilities to a modern, functioning export standard abattoir.
7.	Capacity	Project Capacity per Year	7,051 cattle average weight of 160kg of meat for the first year 30,000 goats average weight of 10kg of meat (to be doubled once on 100% production)
8.	Direct Employment	Foreign-Men	4
		Foreign-Women	None
		Local-Men	23
		Local-Women	5
9.	Indirect Employment	Estimated Total No.	2,000 based on value chain
		Type/areas of Indirect Employment	Cattle suppliers, feed suppliers, vet doctors, repairs and maintenance

4. Project Financial Expenditure to date (USD):

	Foreign (USD)	Local (TZS)	Total (TZS)
Land and Buildings ¹	-	32,032,337,000	32,032,337,000
Plant and machinery	-	989,079,000	989,079,000
Vehicles/Aircraft	-	72,600,000	72,600,000
Furniture	-	14,129,000	14,129,000
Office equipment	-	250,606,000	250,606,000
Insurance Cover	-	-	-
Pre-operational expenses	-	1,896,342,000	1,896,342,000
Workings sub-total capital	-	-	-
GRAND TOTAL	-	35,255,093,000	35,255,093,000

¹ This figure is based on current valuation report attached to this request.

5. Project Financing

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

	Amount (USD)	Source Country
Local Equity	746,773	Tanzania
Local Loans ²	7,526,621	Tanzania
Foreign Equity	1,168,029	UK and UAE
Foreign Loans	5,537,980	UK and UAE
Total Investment	14,979,403	

6. Problems and Solution

- i. Financing – loan disbursement is taking longer than expected, especially the approval from TIC on the mortgage. We are currently undergoing improvements - design of the abattoir, we needed extra funding. But the delay is stagnating this improvement.
- ii. Covid 19 – caused delays in importation and attaining reliable manpower.

Solutions:

- i. Currently submitting the TIC requirements to obtain a consent on the mortgage to secure the much-needed loan from Azania Bank.
- ii. Board of Directors discussed and committed to solve the problems within their control.
- iii. Assistance from TIC in attaining Work Permits for the expatriates

7. Future Plans

- i. Additional capital of USD 3 million on infrastructure and agriculture development.
- ii. Expanding direct employment to 175 new employees and indirect employment to more than 500 people.
- iii. Starting to export meat products
- iv. Expanding to products that are used as raw materials in several industries for instance:
 - Leather - Later used in the maintenance of items such as shoes, belts ETC.
 - Blood - which contains 80% protein, is an excellent ingredient in the manufacture of poultry and pork feed.
 - Manufactured Oil - It is an important ingredient in the manufacture of soap and paints for human and industrial use.
 - Gallbladder liquid - Used in the manufacture of human medicine.
 - Horns and hooves - Used to make buttons and ornaments.

² Local loans include (i) USD 5,024,323 subordinated loan from PSSSF and (ii) USD 2,502,298 loan from Azania Bank.

(please find attached report for the Prime Minister)

8. **Recommendations and any other comments**

We are grateful for the support you have provided for us over the years including the Derivative Right to Land.

We would like to recommend the following:

- i. Support through frequent visits to the farm would be ideal
- ii. Addressing single-cell – it is not streamlined we need a single window solution
- iii. Installation of boundary markings – to prevent locals from settling/occupying part of the land around the premises.
- iv. Tax reliefs on indirect taxes and levies – similar reliefs offered by authorities like EPZA