

**TANZANIA INVESTMENT CENTRE**

**DIRECTORATE OF INVESTMENT FACILITATION**



**EASTERN ZONE**

**REPORT ON PROJECT VERIFICATION VISIT TO EMCO TANZANIA LTD  
CONDUCTED ON 18<sup>TH</sup> AUGUST, 2022**

**August, 2022**

## 1.0 PROJECT PROFILE

Company Information						
S/N	Item	Description				
1.	Company Name	EMCO (TANZANIA) LTD				
2.	Project Location	Plot No.180 Sanza Road, Chang'ombe Temeke Municipality, Dar es Salaam Region;				
3.	Projects' Core Activities	To establish a project for Building Residential apartments for lease and sale.				
4.	Address & Mobile Number	P. O. Box 2924, Dar es salaam. +255 222860190/4 +255 784 780 240 Email address: mvr@kiooglass.com				
5.	Contact Person	Mohamed V. Remtulla: Director Email: mvr@kiooglass.com Contact: +255 784 780 240				
6.	Employment	<b>Direct Foreign</b>		<b>Direct Local</b>	<b>Indirect Local</b>	<b>Total</b>
		<b>Men</b>	<b>5</b>	40	160	205
		<b>Women</b>	<b>2</b>	6		8
7.	Shareholder's Information	<b>Name</b>	<b>Nationality</b>		<b>% Ownership</b>	
		Independent Development Limited	British		97%	
		Shrai Madhvani	British		1%	
		Kamlesh Manubhai Madhvani	British		2%	

## **2.0 INTRODUCTION**

### **2.1 History of the Company**

EMCO (TANZANIA) LIMITED was established on 18<sup>th</sup> January 1966 with Certificate of Incorporation No. 3780. The company registered a project with Tanzania Investment Centre (TIC) to establish and operate a project for building residential apartments for lease and sale, a project which was issued with Certificate of Incentives (Col) No.061427 having implementation period of three years starting 22<sup>nd</sup> June 2015 ending June 2018. Investor is applied for extension of the Certificate of incentives, and granted another two years until 2020. In 2021 certificate was amended on section 1 (Change of shareholders information). Despite being registered, they never applied for the approved list of incentives to TRA.

### **2.2 Geographical location**

The project is located on Plot No.180 Sanza Road, Chang'ombe, Temeke Municipality, Dar es Salaam Region.

## **3.0 PROJECT VERIFICATION VISIT (PVV)**

### **3.1 PVV initiation**

The implementation period for the Col granted to the Investor was ended June 2020. The investor launched an application for extension of Col which called for project verification visit conducted by TIC officers on 27<sup>th</sup> August 2022. The team comprised the followings:

1. Fidelis Obanga: TIC
2. Deus Hokororo: TIC
3. Neema M. Missana TIC-Labour

The team was hosted by Mr Kapil Dave – Deputy Administration Manager representing EMCO (T) Ltd and Lusekelo Mathew – Human Resource Manager.

### **3.1.1 Objective of the visit**

The main objective of the project verification visit (PVV) was to verify the project development status which would justify the reasons for re-issue and change of implementation period application.

### **3.1.2 Specific Objectives**

Specifically, the team aimed to: -

- i. Interview and gather information from the applicant regarding reasons for re-issue of Col and change of implementation period.
- ii. Take copies of relevant document /photos as evidence for implementation progress.
- iii. Physically visit the project site and verify project progress

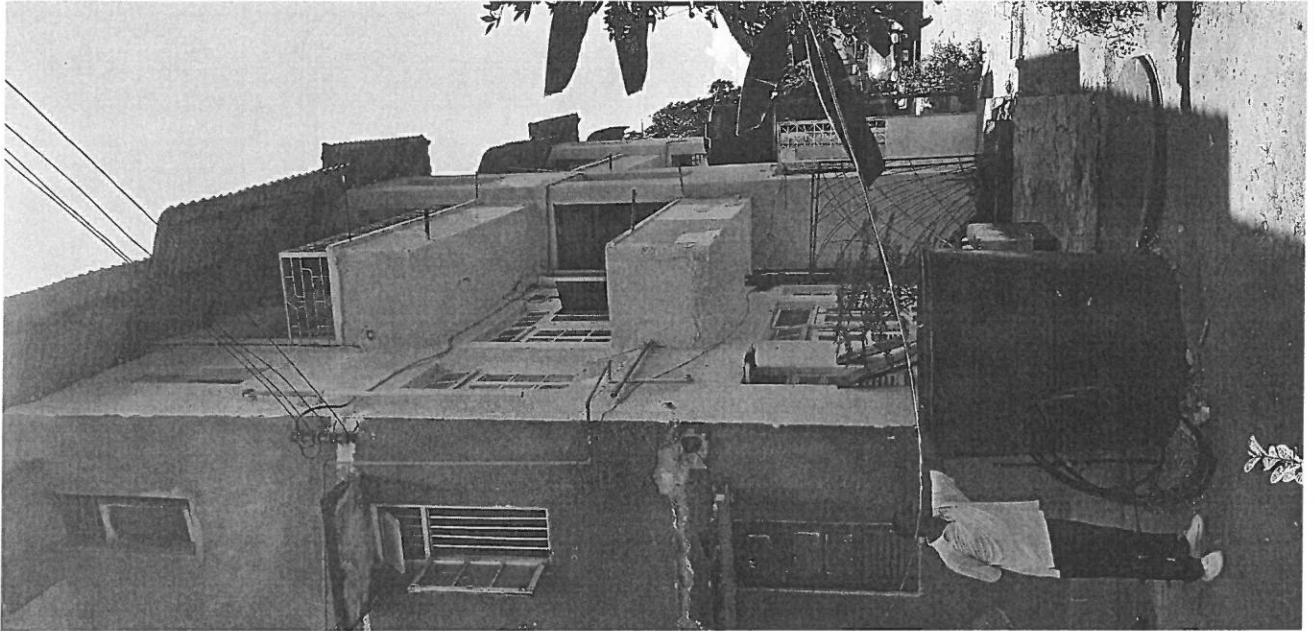
Findings of the team will assist TIC management to make informed decision whether the company qualifies for re-issue of Col and change of implementation period or not.

## **4.0 OBSERVATION AND FINDINGS**

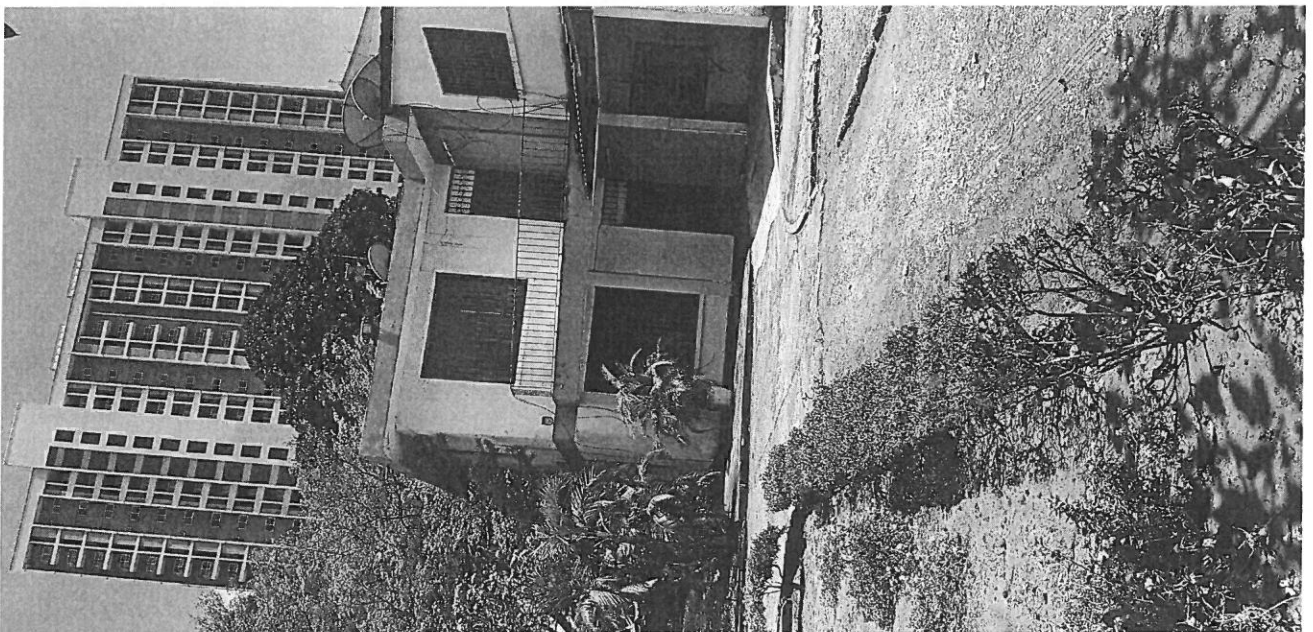
The team observed the following during PVV;

- i. EMCO (T) Ltd is a sister company to the famous KIOO Ltd and Equator Logistics, both companies are TIC Registered.
- ii. EMCO (T) Ltd planned to implement the project on Plot No 200 & 845 Mazengo Road, Upanga (Sq, Plot No. 46 Ursino Estate, Kinondoni, Plot No.52 Block E, Vikindu, Mkulanga, unfortunately due to bad cashflows of the parent companies (KIOO Ltd and Equator Logistics) and slowdown of housing sector.
- iii. EMCO (T) Ltd is now ready to execute their business plan as they have enough capital and good cashflow. See attached bank statement Appendix 1.
- iv. The Investor is ready to start the construction on the mentioned plots
- v. Both plots are situated at the strategic and high valued areas.
- vi. TRA confirmed that EMCO (T) Ltd has never enjoyed the incentives

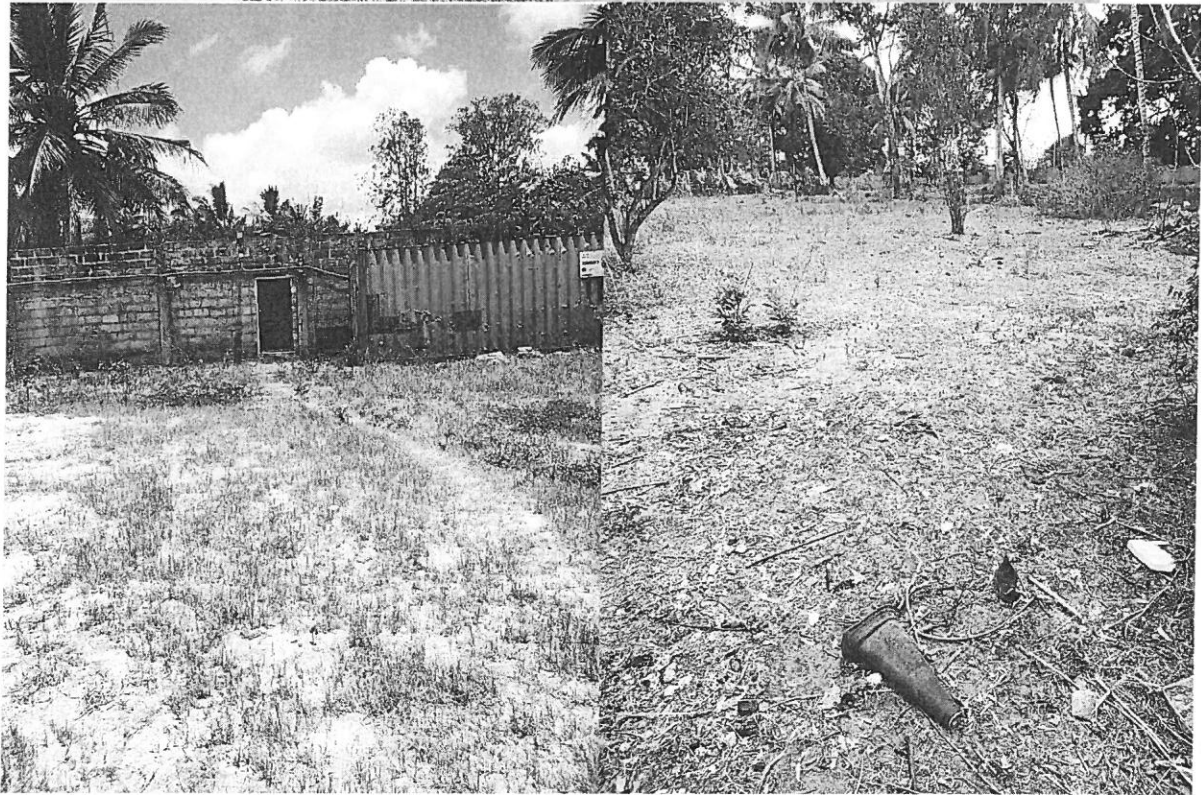
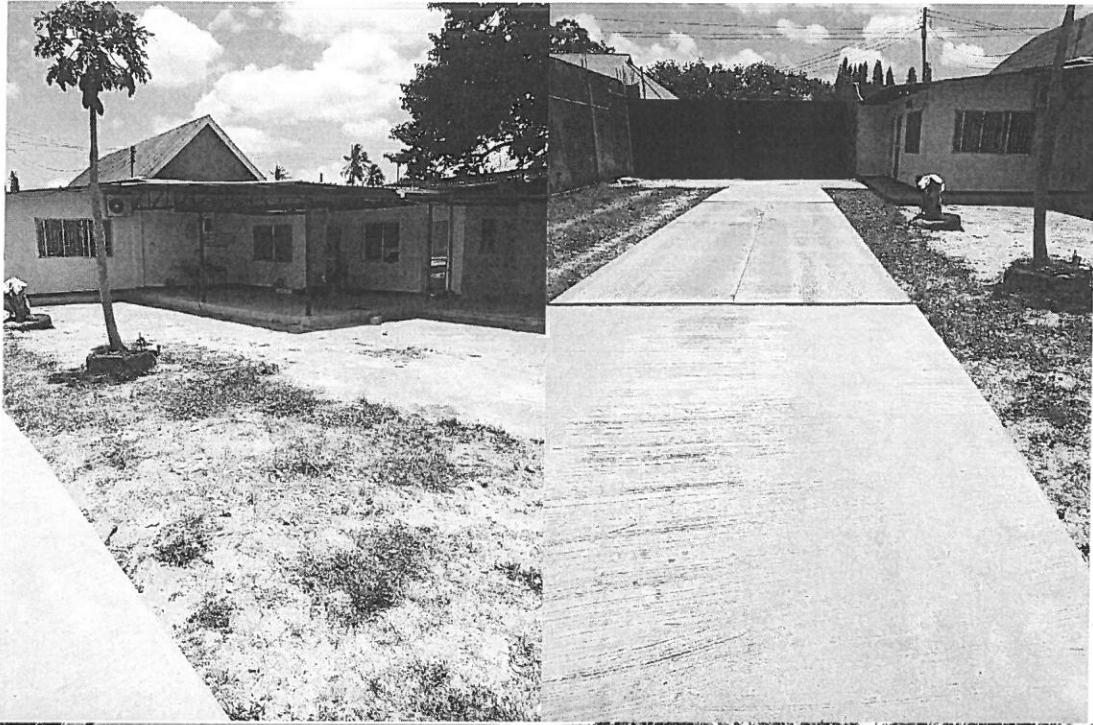
The plates below illustrate some the current situation at the site



*Plate 1. Two storey apartment at Mazengo Street No.*



*Plate 2. One Storey villa at Ursino Street No.46*



*Plate 3. Guard House at Plot No.52 Vikindu, Mkuranga*

**4.1 Major Challenges towards timely completion of the project**

4.1.1 Slowdown in the Real Estate market.

4.1.2 Delays in mobilizing shareholders equity and loans for project investment.

4.1.3 Covid-19 affected implementation of EMCO projects, due to this pandemic many economic activities had stopped worldwide, thus importation of materials were difficult and travel restrictions were applied as a result project failed to resume earlier.

4.1.4 Change of real estate market

4.1.5 Difficulties in selling unit apartment constructed on the land with derivative rights.

4.1.6 Delays in finalization of land ownership.

**5.0 RECOMMENDATIONS**

In view of the findings observed during the project visit, the team recommends the followings: -


- i. All reasons stated above are valid, EMCO (T) LTD deserves another Certificate of Incentives for them to invest confidently; though period of enjoying incentives as elapsed.
- ii. The investor has neither operate nor requested for an extension; they were postponed the project, till now. In other words, they are starting business as a new one, thus, we suggest re-issue of the certificate of incentives shall be granted.

We submit,


Fidelis Obanga ..... 

Deus Hokororo .....

Neema M. Missana ..... 

 <b>Bank of Baroda (T) Ltd.</b>		Tanzania
<b>Account Number</b>	<b>9601020000915</b>	
<b>Account Name</b>	<b>EMCO (TANZANIA)LIMITED</b>	
<b>Account Type</b>	CURRENT A/C	
Details till 01/11/22 2:56 PM		

Sr.No	Date	Description	Cheque No.	Withdrawal	Deposit	Balance
1	25/10/22	TRISTA ENERGY TISS			1,265.60	1,05,378.48
		Remittance ID:				
2	04/10/22	[9601ORTT0664722]:SWIFT CHARGES		25.00		1,04,112.88
		Remittance ID:				
3	04/10/22	[9601ORTT0664722]:TT COMM CHRG		30.00		1,04,137.88
4	04/10/22	MIXTELEMATICS RSA TT	207147	16,145.72		1,04,167.88
5	22/09/22	TRISTAR ENERGY TZ LTD TISS			1,265.60	1,20,313.60
6	30/08/22	TRISTAR ENERGY TISS			1,265.00	1,19,048.00
7	29/07/22	TRISTAR ENERGY TZ LTD TISS			1,265.60	1,17,783.00
8	13/07/22	ENDOW MANAGEMENT CO LTD	207146	5,310.00		1,16,517.40
9	06/07/22	001557 A.K TRANSPORT COMPANY LIMITED			3,700.00	1,21,827.40
10	05/07/22	TRANSFER FROM 02/0914			40,000.00	1,18,127.40
11	30/06/22	LEDGER FOLIO CHARGES		4.00		78,127.40
12	28/06/22	TRISTAR ENERGY TZ LTD TISS			1,265.60	78,131.40
13	17/06/22	CONTINENTAL RELIABLE TISS			2,481.54	76,865.80
14	06/06/22	CONTINENTAL RELIABLE CLEARING TISS			2,481.00	74,384.26
15	06/06/22	TRISTAR ENERGY TZ LTD TISS			1,265.60	71,903.26
		Remittance ID:				
16	27/05/22	[9601ORTT0358122]:SWIFT CHARGES		25.00		70,637.66
		Remittance ID:				
17	27/05/22	[9601ORTT0358122]:TT COMM CHRG		43.00		70,662.66
18	27/05/22	MIXTELEMATICS RSA TT	207145	16,113.94		70,705.66
19	19/05/22	000030 URSA COMPANY LIMITED			386.00	86,819.60
20	23/04/22	TRISTAR ENERGY TISS			1,265.60	86,433.60

 <b>Bank of Baroda (T) Ltd.</b>		Tanzania
<b>Account Number</b>	<b>96010200000914</b>	
<b>Account Name</b>	<b>EMCO (TANZANIA)LIMITED</b>	
Account Type	CURRENT A/C	
Details till 01/11/22 2:55 PM		

Sr.No	Date	Description	Cheque No.	Withdrawal	Deposit	Balance
1	21/10/22	AIRTEL TZ PLC	362701	16,04,751.11		14,14,44,815.66
2	18/10/22	EFT FROM MBEYA CEMENT			1,69,08,627.10	14,30,49,566.77
3	19/09/22	001720 MR & SONS LIMITED			10,42,022.60	12,61,40,939.67
4	14/09/22	EFT FROM MBEYA CEMENT			1,05,75,174.16	12,50,98,917.07
5	25/08/22	Inward_Clearing_Charge		177.00		11,45,23,742.91
6	25/08/22	AIRTEL TZ PLC	319250	18,41,161.69		11,45,23,919.91
7	05/08/22	CASH DEP			4,65,850.00	11,63,65,081.60
8	01/08/22	Ledger Folio Charge		6,000.00		11,58,99,231.60
9	26/07/22	001534 MR & SONS LIMITED			5,14,137.80	11,59,05,231.60
10	19/07/22	AIRTEL TZ PLC	319249	19,45,702.67		11,53,91,093.80
11	15/07/22	MBEYA CEMENT CO LTD			5,12,33,556.24	11,73,36,796.47
12	05/07/22	TRANSFER TO 02/0915	319248	9,40,80,000.00		6,61,03,240.23
13	01/07/22	CASH DEP			2,32,950.00	16,01,83,240.23
14	10/06/22	GL VENTURE LTD TISS			4,88,500.00	15,99,50,290.23
15	06/06/22	CHQ BK ISSU CHRG		50,000.00		15,94,61,790.23
16	12/05/22	AIRTEL TZ PLC	319246	25,57,200.27		15,95,11,790.23
17	29/04/22	MBEYA CEMENT TISS			3,26,93,711.30	16,20,68,990.50
18	28/04/22	001435 MR SONS LIMITED			6,68,104.20	12,93,75,279.20
19	25/04/22	GL VENTURE TISS			4,98,078.00	12,87,07,175.00
20	12/04/22	AIRTEL TZ LTD	319245	24,02,201.92		12,82,09,097.00