

**MINISTRY OF INVESTMENT, INDUSTRY AND  
TRADE**

**TANZANIA INVESTMENT CENTRE**



**LAKE ZONE**

**ROYAL SUPER MARKET PVV REPORT**

**30<sup>TH</sup> AUGUST, 2022**

**PVV CONDUCTED BY  
LINDA M. LOOMU  
IPFO - LAKE**

## 1. INTRODUCTION

Royal Super Market (2008) Limited is a TIC registered project with certificate of incentives No 022265 registered with TIC in 2019. The company was registered with BRELA with certificate of incorporation No. 86966 for establishing and operating a Bakery project. The project is located at Plot No.376 & 377 Block A, Nyashishi, Msungwi, Mwanza. Royal Super Market (2008) Limited submitted an application to TIC requesting the extension of their certificate of incentive which expired in January, 2022.

TIC Lake zone office was instructed by the head office in August 2022 to undertake the Project Verification Visit to Royal Super Market (2008) Limited project implementation site in order to determine the project implementation status and to verify the investment with reference to capital/deemed capital expenditure for purposes of justification of the project Extension.

## 2. COMPANY INFORMATION

**Table 1- Royal Super Market (2008) Limited Company information**

S/No.	Information	Description	Current Project Status
1.	Shareholder's Information	Current Shareholders names, nationality and percentage of Ownership	1. Mhoja N.Kabal ,80% <b>Nationality</b> Tanzanian 2.Sylvester N. Nkwabi - 20% <b>Nationality-</b> Tanzanian

2.	Company	Email address	kicalifon@yahoo.com
	Communication Information	Mobile Number	+255754780777
		Land Line Telephone Number	nil
		Physical Address (Plot No., Block No, Street, District and Region)	Plot No.376 & 377 Block A, Nyashishi, Msungwi , Mwanza
3.	Contact Person	Name	Mhoja N.Kabalo
		Position	Director
		Communication Details (Email, Mobile and telephone)	+255754780777
			kicalifon@yahoo.com
4.	Incorporation	Certificate of Incorporation No.	8 6 9 6 6
5.	TIN Information	TIN Certificate No.	106827338
6.	Project Objective	Project Core Activity	To establish and operate a bakery project

#### 4. PROJECT PERFORMANCE

Description of actual project performance and issues observed (findings) in tabular format below;

**Table 2- Project Actual Performance**

S/N	Information	Description	Current Status	
1.	Investment Financing amounts in USD	Financing Type	<b>Amount (USD)</b>	<b>Source Country</b>
		Local Equity	327,000	Tanzania
		Local Loans	NIL	NIL
		Foreign Equity	NIL	NIL
		Foreign Loans	740,000	UK
		<b>Total Investment</b>	1,067,000/= USD	
2.	Capacity	Project Capacity per Year	2000 units per hour	
3.	Direct Employment	Foreign-Men	05	
		Foreign-Women	0	
		Local-Men	45	
		Local-Women	05	
4.	Indirect employment	Estimated Total No.	25	
		Type/areas of Indirect Employment	food suppliers, drivers, vendors etc	

## **5. OBSERVATION AND FINDINGDS OF THE PROJECT IMPLEMENTATION**

The project is located at Plot No.376 & 377 Block A, Nyashishi, Msungwi, Mwanza. The project was registered with TIC in January, 2019 with the aim of establishing and operating a bakery project in Mwanza. Currently the project is not operating due to the fact that the project is not fully implemented following shortage of funds to finance the procurement of some machineries, installation of electrical transformer and building some structures at the project implementation site.

Project promoters planned to finance the project by both local equity and foreign loan. But unfortunately they faced some challenges in securing funds for financing the project causing the delays in the implementation as it was planned.

## **6. PROJECT IMPLEMENTATION STATUS**

TIC Lake Zone Office confirms through the project promoters that implementation of the project was almost 90% complete. The project promoters faced challenges in accessing funds for financing the project as how they planned. The project promoters planned to finance the procurement of machines by foreign loan from UK unfortunately there were some delays in securing these funds which affected the procurement of some project machineries.

Recently the project promoters have managed to secure funds for the procurement of the rest of the machineries as well as building the administration block.

So far we have observed the company has implemented the following in the project site;

- ✓ Building of the processing and store buildings.
- ✓ Importation of the processing plant
- ✓ Importation of the silos for storing of flour

## 7. ISSUES OF CONCERN AND PVV FINDINGS ON THE REQUEST

The project promoters demonstrated delays in accessing funds have affected the implementation of the following activities at the project implementation site.

The delay has affected the project in the following ways:

- The project failed to import some of the projects machineries as how it was planned
- The project promoters failed to continue with building activities at the site eg office building, water reserve tanks, boiler room and generator room.

## 8. FUTURE PLANS

Upon TIC approval the project is expected to execute and implement the above targeted activities within a span of one (1) year expected completion of the above activities would be September 2023 depending on the approval and the project is expected to surpass the proposed project value:

- ✓ Setting up a three phase electricity at the site and wiring at the site
- ✓ Construction of the generator room
- ✓ Construction of underground water storage tanks/modular storage tanks, overhead tanks, and overhead tanks for discarded water
- ✓ Firefighting system pump, pipe line and reserve tank work
- ✓ Building of workshop
- ✓ Building of laboratory for factory use
- ✓ Boiler room construction
- ✓ Importation of the following machineries and installation -Boiler, -Air compressor and Air drier
- ✓ Bread cooling design and installation
- ✓ Bread cooling roof sealing and patrician work
- ✓ Setting of cret washing system

Once the extension is done the project will be able to import some equipment's and machineries for the project and start production immediately. The project will have a production capacity of 2000 units of breads per hour.

## 9. RECOMMENDATIONS

Through an observation from the project site and based on the project verification visit done at Plot No.376 & 377 Block A, Nyashishi, Mwanza, I would like to recommend **one year extension** of this project. We believe the extension would enable project promoters implement their project as planned stimulate further development, employment creation and economic growth at large.

## 10. CONCLUSION

In view of the above findings, and with regard to the objectives of the visit, I conclude subject to the conditions aforementioned under recommendation that:

- i. The company's on-going activities are in line with the investors' Certificate of Incentives **No 022265** issued in 2019
- ii. Royal Super Market (2008) Limited has demonstrated serious undertaking of the project of which if given extension of one year may reach their targets.



**APPENDICES**

**PROJECT PHOTOS**



