

TANZANIA INVESTMENT CENTRE

DIRECTORATE OF INVESTMENT FACILITATION



**REPORT ON PROJECT VERIFICATION VISIT TO MULTI HOTELS LIMITED
CONDUCTED ON 2ND FEBRUARY, 2023**

February 2023

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1.0 PROJECT PROFILE

Company Information				
S/N	Item	Description		
1.	Company Name	Multi Hotels Limited		
2.	Project Location	Plot No.1 Mjimwema, Kibugumo area, Kigamboni Municipality, Dar es Salaam		
3.	Projects' Core Activities	To establish a 5 star tourist resort and hotel apartment		
4.	Address & Mobile Number	P.O.Box 1889, Dar es salaam Phone No.0784 391704		
5.	Contact Person	Name: Rahul M Raval Phone No: 0784 391704		
	Shareholders	Name	Nationality	% Shares
		Royal Orchid Hotels	Indian	96.7%
		Chanderkamal Baljee	Indian	3.3%

2.0 INTRODUCTION

2.1 History of the Company

Multi Hotels Limited of P. O. Box 1889, Dar es salaam (hereinafter referred as investor) is a private company limited by shares incorporated in Tanzania with Certificate of Incorporation No.8527. The Company is registered to Tanzania Investment Centre (TIC) with Certificate of Incentive (Col) No.031805 dated 31st May 2012, valid up to May, 2015 its principal business being to establish a 5 star tourist resort and hotel apartment.

Achievement made on the project implementation to date include land acquisition, construction of buildings for project mobilization and submission of request to TIC for re-issue of Certificate of Incentive.

2.2 Geographical location

The project is located at Plot No.1 Mjimwema, Kibugumo area, Kigamboni Municipality, Dar es Salaam Region. It can be accessed via Mijimwema – Muongoz/Geza road about 3km from Kibugumo area (Puma Fuel station) off to ocean side.

3.0 PROJECT VERIFICATION VISIT (PVV)

On 12th December 2022 Multi Hotels Limited applied for re-issue of Col as a result of not implementing the project within the time specified in the Col No. No.031805 dated 31st May 2012 due to unpredicted circumstances.

Upon receipt of the investor's request two officers from TIC visited Multi Hotels Limited at Kibugumo area, Kigamboni Municipality. Officers who visited the site include:

- | | |
|-----------------------|-------------------|
| 1. Marcela A. Kimario | TIC (Team Leader) |
| 2. Navone P. Kisaka | TIC /NEMC |

The team was accompanied by Mr. Rahul M. Raval representing the investor.

3.1 Objective of the visit

The main objective of the project verification visit (PVV) was to verify physical location of the project site, ascertain its development status and hold discussion with the investor to ascertain justification for Col reissue.

3.2 Specific Objectives

The followings were specific objectives for the visit;

- i. To conduct physical tour visit to the site
- ii. To interview and gather information from the applicant regarding the Col reissue.
- iii. To take copies of relevant document /photos as evidence for Col reissue.

Findings of the team will facilitate the management to make decision whether the Company is to be reissued with Col or not.

4.0 FINDINGS AND/OR OBSERVATIONS

Through discussion with representatives of the investor and physical observation during PVV, the team found the following: -

- i. The area proposed for investment is a huge beach plot covering an area of 157831SQM;
- ii. The investor owns Certificate of Occupancy No.30155 in the name Multi Hotels Limited before the practice of Derivative Right for foreign investors;
- iii. It is a bushy dormant land full of grasses, shrubs and some trees (refer plate 1 attached to this report);
- iv. The land also has 8 scattered houses with no residents except guards of the plot area (refer plate 2);
- v. It was explained by representative of the investor that the houses were built way back as initiative to establish liaison offices during project implementation;

- vi. One borehole has been constructed at site. Although the site is not connected with electricity, distribution lines have just crossed at the frontage of the plot;
- vii. It was also learnt that so far there is no alteration to previously business plan submitted to the Centre during issuance of 2012 Col;
- viii. Due to reasons presented in section 4.1 below the investor could not implement the project in time specified in the issued Col. However, with current promotion of tourism industry in Tanzania and due to financial stability of the investor (refer bank statement attached as **Annex 1**) is now stable to implement the project as per the implementation schedule attached **as Annex 2** to this report.

4.1 Specific Challenges towards timely completion of the project

The team held a discussion with the representative of the investor Mr. Rahul M. Raval and through the discussion it was portrayed that the following reasons have resulted to delays in completing project implementation: -

4.1.1 Challenges of generating required foreign equity

Upon receiving Certificate of Incentive on 31st May 2012, the investor had initiated the process of implementation of the project considering the time line of TIC certificate, which was up to May 2015. However, during the process the Promoters had faced challenges of generating required foreign equity from the existing business operations (having various projects for implementation in India as well in other parts of the world) and to invest in Tanzania. As operation funds are required for the existing business operations and it was difficult to stop the existing business operation and invest in new project implementation. Hence, the priority was given to the existing business operations to be stable and to those projects which were at the completion stage.

4.1.2 Impact of Covid-19

However, over period of time the new projects have also started generating additional funds to utilize effectively for Tanzania Project. The Promoters were optimistic to complete the project in Tanzania, but unfortunately, the world has faced unexpected challenge of COVID-19 where every industry adversely affected and more severely adversely affected industry was Hotel and Tourism. During those time, the main focus of the Management was to sustain in the market and save the existing operation and especially our Employees. These has resulted in spending funds to save the existing operations. These has resulted into delay in implementation of Project in Tanzania.

4.2 Project Future Plan

It was informed that since COVID-19 impact is down and world economy is gradually coming back to its routine, during the year 2022, the Top Management of Multi Hotels Limited had internal review and discussions on the growth on the existing business operations and future plans for business operations which are in pipeline. Out of these, the Project in Tanzania gets priority to proceed with mainly considering that Tanzania Government is encouraging Investors to invest in Tanzania, especially in the Hotel and tourism sector. The Promoters are optimistic about the future growth of Hotel and Tourism Industry in Tanzania especially after successful launching and promotion of The Royal Tour of Tanzania.

5.0 RECOMMENDATIONS

In view of the findings observed during the project visit, the team recommends reissue of Col to the investor due the following reasons: -

- i. The project was not implemented due to genuine reasons elaborated in section 4.1 of this report. Now that the investor is in a position to commence implementation of the project, the new Col will facilitate nurturing commencement of the project;
- ii. Investors never applied and enjoyed any Fiscal Incentive such as Import Duty/VAT Exemptions using previous Col;

- iii. Granting Col will enhance Government initiatives of promoting Tourism Industry especially after successful launching and promotion of The Royal Tour by the Hon. President of Tanzania, Mama Samia Suluhu Hassan;
- iv. The Implementation of the project will generate employment to Tanzanians and attract more tourist in the country. As well the project will generate more revenue to Tanzania Government.

6.0 CONCLUSION

Based on the facility visited, discussion with company representative, the documents presented and considering the findings of the visit it can be concluded that reasons provided by the investor for not implementing the project in the specified time of 31st May 2012 to May, 2015 can be considered genuine and logical thus can be reissued with Certificate of Incentive.

We therefore submit.

Marcella A. Kimario - TIC

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Navone P. Kisaka - NEMC


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Plate 1: Bushy site at the beach side of the plot



Plate 2: one of houses existing in the plot



Plate 3: Some trees and houses in the proposed project site

50200000498405
 ROYAL ORCHID HOTELS LIMITED
 ADDRESS
 C/O ROYAL ORCHID HOTELS
 LIMITED
 NO 1 GOLF AVENUE ADJOINING
 KGA GOLF
 COURSE KODIHALLI

BRANCH ADDRESS
 NO 94, AMARJYOTHI
 LAYOUT, DOMLUR,
 IRR, BANGALORE,
 KARNATAKA, 560071,

Statement of Account For Period: 01-Dec-2022 to 31-Dec-2022

Account Number: 50200000498405

Currency: INR

Transaction Date	Transaction Description	Reference No.	Value Date	Debit Amount	Credit Amount	Closing Balance
01-Dec-2022 04:32:52	NEFT Cr- KKBK0000958- FOUNDATION FOR INNOVATION AND SO-Royal Orchid Hotels Ltd- CMS335223412127 2	CMS335223412127 2	01-Dec-2022		439,040.00	18,174,086.65
01-Dec-2022 05:34:19	NEFT Cr- CITI00000004- MCAFFEE SOFTWARE INDIA PVT LTD- ROYAL ORCHID HOTELS LIMITED- CITIN2237526940 4	CITIN2237526940 4	01-Dec-2022		48,140.00	18,222,226.65
01-Dec-2022 07:38:47	NEFT Cr- SCBL0036001- AMERICAN EXPRESS BANKING CORP-ROYAL ORCHID HOTELS LTD- IN2ON221201003S T	IN2ON221201003S T	01-Dec-2022		84,242.08	18,306,468.73
01-Dec-2022 07:50:53	Chq Paid-MICR CTS-CH- BANGALORE WATER SUP	000000005194	01-Dec-2022	42,715.00		18,263,753.73
01-Dec-2022 08:10:46	Chq Paid-MICR CTS-CH- BANGALORE WATER SUP	000000005195	01-Dec-2022	5,179.00		18,258,574.73
01-Dec-2022 09:09:24	NEFT Cr- HSBC0110005- AGODA COMPANY PTE. LTD-ROYAL ORCHID HOTELS LIMITED- HSBCN2233508947 1	HSBCN2233508947 1	01-Dec-2022		140,448.54	18,399,023.27
01-Dec-2022 10:18:04	42278563TERMINA L 1 CARDS SETTL. 01/12/22		01-Dec-2022		187,687.52	18,586,710.79
01-Dec-2022 10:22:01	71376176TERMINA L 1 CARDS SETTL. 01/12/22		01-Dec-2022		878,273.95	19,464,984.74
01-Dec-2022 10:47:22	IMPS- 233510033512- APIBANKING- RATN- XXXXXXXXXXXX016 8-Account validation	233510033512	01-Dec-2022		1.00	19,464,985.74



Transaction Date	Transaction Description	Reference No.	Value Date	Debit Amount	Credit Amount	Closing Balance
01-Dec-2022 11:07:59	NEFT Cr- ICIC0000104- ICICI LOMBARD GENERAL INSURANCE CO LTD-Royal Orchid Hotels Limited- CMS2975994994	CMS2975994994	01-Dec-2022		1,920.00	19,466,905.74
01-Dec-2022 11:07:59	NEFT Cr- ICIC0000104- ICICI LOMBARD GENERAL INSURANCE CO LTD-Royal Orchid Hotels Limited- CMS2975994987	CMS2975994987	01-Dec-2022		480.00	19,467,385.74
01-Dec-2022 11:07:59	NEFT Cr- ICIC0000104- ICICI LOMBARD GENERAL INSURANCE CO LTD-Royal Orchid Hotels Limited- CMS2975994992	CMS2975994992	01-Dec-2022		960.00	19,468,345.74
01-Dec-2022 11:09:19	NEFT Cr- ICIC0000104- ICICI LOMBARD GENERAL INSURANCE CO LTD-Royal Orchid Hotels Limited- CMS2975994996	CMS2975994996	01-Dec-2022		1,920.00	19,470,265.74
01-Dec-2022 11:09:19	NEFT Cr- ICIC0000104- ICICI LOMBARD GENERAL INSURANCE CO LTD-Royal Orchid Hotels Limited- CMS2975994986	CMS2975994986	01-Dec-2022		480.00	19,470,745.74
01-Dec-2022 11:09:33	NEFT Cr- ICIC0000104- ICICI LOMBARD GENERAL INSURANCE CO LTD-Royal Orchid Hotels Limited- CMS2975994995	CMS2975994995	01-Dec-2022		660.00	19,471,405.74
01-Dec-2022 11:09:33	NEFT Cr- ICIC0000104- ICICI LOMBARD GENERAL INSURANCE CO LTD-Royal Orchid Hotels Limited- CMS2975994989	CMS2975994989	01-Dec-2022		480.00	19,471,885.74
01-Dec-2022 11:49:14	NEFT Cr- ICIC0000393- INSTAMOJO TECHNOLOGIES PVT LTD-ROYAL ORCHID HOTELS LIMITED- CMS2978317261	CMS2978317261	01-Dec-2022		6,342.03	19,478,227.77
01-Dec-2022 12:09:42	NEFT Cr- ICIC0000104- ICICI LOMBARD GENERAL INSURANCE CO LTD-Royal Orchid Hotels Limited- CMS2975994990	CMS2975994990	01-Dec-2022		960.00	19,479,187.77

HDFC BANK LIMITED

*Closing Balance includes funds earmarked for hold and uncleared funds.

Contents of this statement will be considered correct if no error reported within 30 days of receipt of statement

HDFC Service Tax Registration Number : M-29/ST/BANK & Other Services/20/2001

Registered office Address:HDFC Bank House, Senapati Bapat Marg, Lower Panel, Mumbai-400013



Transaction Date	Transaction Description	Reference No.	Value Date	Debit Amount	Credit Amount	Closing Balance
01-Dec-2022 12:09:42	NEFT Cr- ICIC0000104- ICICI LOMBARD GENERAL INSURANCE CO LTD-Royal Orchid Hotels Limited- CMS2975994991	CMS2975994991	01-Dec-2022		6,720.00	19,485,907.77
01-Dec-2022 12:09:43	NEFT Cr- ICIC0000104- ICICI LOMBARD GENERAL INSURANCE CO LTD-Royal Orchid Hotels Limited- CMS2975994993	CMS2975994993	01-Dec-2022		660.00	19,486,567.77
01-Dec-2022 12:09:43	NEFT Cr- ICIC0000104- ICICI LOMBARD GENERAL INSURANCE CO LTD-Royal Orchid Hotels Limited- CMS2975994988	CMS2975994988	01-Dec-2022		480.00	19,487,047.77
01-Dec-2022 12:11:00	NEFT Cr- ICIC0000007- YATRA ONLINE LIMITED ERSTWHILE YATRA ONLINE PRIVAT- Royal Orchid Hotels Limited- CMS2975992499	CMS2975992499	01-Dec-2022		13,026.00	19,500,073.77
01-Dec-2022 13:09:18	NEFT Cr- SCBL0036001- BUNDL TECHNOLOGIES PRIVATE LIMITED-ROYAL ORCHID HOTELS LIMITED- IN2ON22120101J1 K	IN2ON22120101J1 K	01-Dec-2022		16,974.71	19,517,048.48
01-Dec-2022 13:18:01	UPI SETTLEMENT -XD6026- 01/12/22		01-Dec-2022		42,560.00	19,559,608.48
01-Dec-2022 13:26:25	CASH DEP-KUSHAL DOMLUR BENGA		01-Dec-2022		32,170.00	19,591,778.48
01-Dec-2022 13:37:27	UPI SETTLEMENT -T02558- 01/12/22		01-Dec-2022		82,052.58	19,673,831.06
01-Dec-2022 15:09:15	2313679776- TITAN COMPANY LIMITED	212019975671	01-Dec-2022		190,478.00	19,864,309.06
01-Dec-2022 15:49:45	NEFT Cr- CITI0000004- MCAFFEE SOFTWARE INDIA PVT LTD- ROYAL ORCHID HOTELS LIMITED- CITIN2237551315 0	CITIN2237551315 0	01-Dec-2022		42,738.00	19,907,047.06
01-Dec-2022 15:52:17	NEFT Cr- ICIC0000002- FINNOVATION TECH SOLUTIONS PRIVATE LIMITED-Royal Orchid Hotels Limited- CMS2977604689	CMS2977604689	01-Dec-2022		39,200.00	19,946,247.06

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Transaction Date	Transaction Description	Reference No.	Value Date	Debit Amount	Credit Amount	Closing Balance
01-Dec-2022 15:52:31	NEFT Cr- ICIC0000002- FINNOVATION TECH SOLUTIONS PRIVATE LIMITED-Royal Orchid Hotels Limited- CMS2977604694	CMS2977604694	01-Dec-2022		6,160.00	19,952,407.06
01-Dec-2022 16:08:23	SNAPDEAL PRIVA- 29924576	212010613013	01-Dec-2022		7,446.00	19,959,853.06
01-Dec-2022 16:40:09	FT - LINKINTIMEINDIA - 09678630000047 - LINK IN TIME INDA PVT LTD	287360468	01-Dec-2022	5,400.00		19,954,453.06
01-Dec-2022 16:40:09	FT - LAKSHMANTHANGAM - 50100515530661 - LAKSHMAN THANGAM	287360471	01-Dec-2022	25,000.00		19,929,453.06
01-Dec-2022 16:40:09	FT - ARUNPRASADR - 50100018027533 - ARUN PRASAD R	287360472	01-Dec-2022	120,000.00		19,809,453.06
01-Dec-2022 16:40:09	FT - SUKANTRAUT - 50100442535220 - SUKANT RAUT	287360474	01-Dec-2022	6,168.00		19,803,285.06
01-Dec-2022 16:40:18	FT-85557701156- KARNATAKA STATE BEVERAGES CORPORATION LT	287360466	01-Dec-2022	675,516.00		19,127,769.06
01-Dec-2022 16:40:32	NEFT - UBIN0900222 - LAKSHMIGS - 520101256965389 - LAKSHMI G S	N33522222843073 2	01-Dec-2022	2,300.00		19,125,469.06
01-Dec-2022 16:40:32	NEFT - YESB0000172 - CASA2STAYSPTLT D - 017281400000560 - CASA2 STAYS PVT LTD	N33522222843073 8	01-Dec-2022	2,788.00		19,122,681.06
01-Dec-2022 16:40:33	NEFT - ICIC0000048 - AUTOMOTIVEMANU - 004805019944 - AUTOMOTIVE MANUFACTURERS PVT L	N33522222842165 3	01-Dec-2022	77,792.00		19,044,889.06
01-Dec-2022 16:40:33	NEFT - BARBOSTAJAI - CAPITALTEXFABPV TLTD - 10260200000584 - CAPITAL TEXFAB PVT LTD	N33522222843074 4	01-Dec-2022	263,140.00		18,781,749.06
01-Dec-2022 17:37:15	NEFT Cr- ICIC0000004- ICICI LOMBARD GENERAL INSURANCE CO LTD-ROYAL ORCHID HOTELS LIMITED- CMS2979397337	CMS2979397337	01-Dec-2022		30,873.00	18,812,622.06

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*Closing Balance includes funds earmarked for hold and uncleared funds.

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11-Jan-2023 15:00:33

Transaction Date	Transaction Description	Reference No.	Value Date	Debit Amount	Credit Amount	Closing Balance
01-Dec-2022 18:07:51	NEFT Cr- CITI10100000- CLEARTRIP PRIVATE LIMITED-ROYAL ORCHID HOTELS LTD- CITIN2237561824 8	CITIN2237561824 8	01-Dec-2022		13,897.00	18,826,519.06
01-Dec-2022 18:09:12	NEFT Cr- IBKLONEFT01- VENTURA TECHNOLOGIES NETWORK PRIVATE LIMITED-Royal Orchid Hotels Ltd- IBKL22120180177 5	IBKL22120180177 5	01-Dec-2022		1,500.00	18,828,019.06
01-Dec-2022 18:42:03	NEFT Cr- HSBC0560002-FCM TRAVEL SOLUTIONS (INDIA) PRIVAT- ROYAL ORCHID HOTELS LTD- HSBCN2233538757 4	HSBCN2233538757 4	01-Dec-2022		16,500.00	18,844,519.06
01-Dec-2022 19:20:09	NEFT Cr- ICIC0SF0002- HENDRITTA JOHN PINTO-ROYAL ORCHID HOTELS LTD-548698662	548698662	01-Dec-2022		103,250.00	18,947,769.06
01-Dec-2022 19:37:58	NEFT Cr- UTIB0000028- AVANSE FINANCIAL SERVICES LTD FORM-ROYAL ORCHILD HOTELS LTD- AXISCN018571656 5	AXISCN018571656 5	01-Dec-2022		3,920.00	18,951,689.06
01-Dec-2022 20:00:01	IMPS- 233520379307- SONALEE PANDA- KKBK- xxxxxxxx7880- SONALEE PANDA	233520379307	01-Dec-2022		24,780.00	18,976,469.06
01-Dec-2022 21:31:31	IMPS- 233521231041-Mr Vinay A-IDFB- xxxxxxxx2084- IMPSTXN	233521231041	01-Dec-2022		75,000.00	19,051,469.06
01-Dec-2022 21:32:58	NEFT Cr- ICIC0SF0002- MONSTER.COM (INDIA)-Royal Orchid Hotels Limited- 30264181551DC	30264181551DC	01-Dec-2022		2,322.00	19,053,791.06
01-Dec-2022 23:04:10	NEFT Cr- HSBC0110002- CBRE SOUTH ASIA PRIVATE LIMITED-ROYAL ORCHID HOTELS- HSBCN2233543794 5	HSBCN2233543794 5	01-Dec-2022		10,065.93	19,063,856.99
02-Dec-2022 07:08:14	CC 000463919XXXXXX 1277 Autopay SI-TAD	471351198	02-Dec-2022	42,223.00		19,021,633.99

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