

**"PROGRESS REPORT"**

**ON**

**PROJECT**

**FOR**

**MANUFACTURING OF INDUSTRIAL AND MEDICAL GASES**

**AND**

**REFILLING LIQUEFIED PETROLEUM GAS-LPG**

**Prepared for:**

Salima Oxygen Limited

P.O. Box 19137 Dar Es Salaam

**Cell:** 0784-786107/0653-884766/0763-313267

Plot N.1 & 2 Block "G" Vianzi Light Industrial Area-Vikindu, Mkuranga

**E-mail:** salimaoxygen@hotmail.com

**Website:** info@salimaoxygen.co.tz

**MARCH, 2023**

### 1.0 Planned Activities:-

1.1 The following activities were planned after being granted a certificate of incentives:-

- Processing derivative right of occupancy certificate
- Levelling the plot that its soil topography was disturbed by sand/soil quarrying by local/villagers as it was impossible to develop any structure on the plot.
- Obtaining necessary permits to start construction of activities
- Negotiating with expertise from Russia, India and China-Manufacturers of plant/capital items and technicians/engineers.

### 2.0 Achievement Made/project implementations to date:-

2.1 The following are some of the steps and achievements we realized to date:-

- Successfully we obtained Derivative right of occupancy certificate
- Surrounded villagers have stopped quarrying the soil from the plot
- Plot levelling is done at 80% thus construction activities can be started by fencing the whole plot.
- Re-survey is underway
- Site plan re-drawings is underway
- Obtaining operating permits are at 70% LPG storage facility and tankers

### 3.0 Update Information and Aspects of the company:-

3.1 The following are the updates information

#### (a) Shareholders Information:

SN	Shareholders Name	Nationality	% of Ownership
1	Shahnawaz Pyarali sumar	Kenyan	21.56
2	Mehboob Pyarali Sumar	Kenyan	21.56
3	Hussein Pyarali sumar	Kenyan	23.56
4	Pyarali Yusuf Sumar	Kenyan	5.32
5	Yusuf Jamil Shahnawaz Pyarali sumar	kenyan	2.0
6	Mohamed Abbas Mehboob Pyarali Sumar	Kenyan	2.0
7	Ali Jawad Mehboob Pyarali Sumar	Kenyan	2.0
8	Un-Alloted shares	Tanzanian	22.00
	<b>Total</b>	-	<b>100.00</b>

#### (b) Company Communication Information:

SN	Descriptions	Responsive
1	E-mail address	salimaoxygen@hotmail.com
2	Mobile Numbers	0784-786107/0653-884766
3	Landline telephone No.	Nil
4	Physical address (plot No. block, street ,district, region	Plot No.1 & 2 Block "G" Vianzi Light industrial area, Mkuranga District, coast

**(c) Contact Persons:**

SN	Descriptions	Responsive
1	Names	Mr. Mehboob Sumar or Mr. Shahnawaz Sumar
2	Positions	Directors
3	Communications details- email, phones	salimaoxygen@hotmail.com/0784- 786107/0653-884766

**(d) Certificate of Incorporation:** No. 44799

**(e) TIN number:** 101-637-050

**(f) Project Objective:** Establishment-Manufacturing of industrial and medical gases and importation of LPG and refilling/distributions

**(g) Project capacity per year:** 500,000CM<sup>3</sup>

**(h) Direct Employment:-**

SN	Descriptions	Responsive
1	Foreign men	4
2	Foreign Women	1
3	Local men	20
4	Local Women	30

**(i) Indirect Employment:**

SN	Descriptions	Responsive
1	Estimated total number	500
2	Type/Areas of indirect employment	Agents/gas distributions stores, homes/factory/hospital/ workshop delivery vans, etc

**4.0 Project Financial expenditure to date in USD:**

4.1 The following are the expenditure in summary:-

SN	Descriptions/Items	Foreign USD	Local USD	Total USD
1	Land & Buildings	0	70,000	70,000
2	Plant & Machinery	350,000	0	350,000
3	Vehicles/Aircrafts	200,000	80,000	280,000
4	Furniture	0	4,000	4,000
5	Office Equipment	0	2,000	2,000
6	Insurance covers	0	2,500	2,500
7	Pre-operational Exp.	0	30,000	30,000
8	Working Capital	0	0	0
	<b>GRAND TOTAL</b>	<b>550,000</b>	<b>168,500</b>	<b>718,500</b>

**5.0 Project Financing:-**

5.1 The expenditure under paragraph 4 above has been financed as detailed on the table below:-

SN	Descriptions	Amount in USD	Source Country
1	Local equity	618,000	Tanzania
2	Local Loan	0	-
3	Foreign Equity	100,500	Kenya
4	Foreign Loan	0	-
	<b>Total Investment</b>	<b>718,500</b>	<b>N/A</b>

## 6.0 Problems and Solutions:

6.1 The following are problems encountering in and steps being taken to solve by management in executing the project:-

SN	Problems	Solutions
1	Processing derivative right of occupancy-it takes long time	We used to write reminding letters, calling the official
2	Villagers- excavated sand/soil and the plot now needs another expenditure to level it before we start construction- extra expenditure	Expelled them from the plot by local authority
3	Re-survey , change use of land and re-drawing site plan	Asked TIC and other authority to grant re-survey permr and changes of use of land
4	Clearing the imported gas tanker	Combined customs stake holders and writing letters to request the authority to review and re-assess afresh

## 7.0 Future Plans:

7.1 The next six months we expect to develop fence on the plot and start Construction of storage facilities and factory structures by phases

7.2 The financial commitment will be organized from its own source/equity as The business is ongoing concern/other holding projects.

## 8.0 Recommendations and any other comments:

8.1 The following are the recommendations and conclusions:

SN	Recommendations	Conclusions
1	It is highly recommended that Tanzania investment Centre assist investors on speeding up implementation actions to enable the investors implement projects on time and accordingly	The achievement of this project will contribute socio-economic development in the country
2	Any reasonable request by investors at the centre must be considered in a broadly senses. For example, the issue of covid-19 against time frame on implementing technical project like manufacturing of industrial and medical gases ,must be scheduled at least from five to sears not three years	The project has multi benefits for a national service provisions and development
3	Extension time of implementing the project . be by February, 2026 be approved	Highly recommended and will be appreciated