

# **KOM FOOD PRODUCTS COMPANY LIMITED**

**PROJECT PROGRESS REPORT**

**FOR**

**THE PERIOD OF DECEMBER 20<sup>TH</sup> 2018 -MAY 2024**

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## 1.0 Introduction

KOM FOOD PRODUCTS COMPANY LIMITED is a company registered in Tanzania under with Certificate of Incorporation. No. 137146dated 15<sup>th</sup> August 2017

The current shareholders of the company are listed below:

Name of subscriber	% of shares	Nationality
Mhoja N. Kabalo	19	Tanzania
Joyce N. Nkwabi	10	Tanzania
Jesca M.Nkwabi	10	Tanzania
Jenifer M. Nkwabi	10	Tanzania
KOM GROUP OF COMPANIES	51	Tanzania

### 1.1 Project Location

1.1.1 The project is located at Plot No.9, Block A, Shunu, Kahama, Shinyanga

## 2.0 Project and company Provide information

3.	Contact Person	Name	Mhoja Kabalo
		Position	Director
		Communication Details (Email, Mobile and telephone)	Email: mhojankwabikabalo@gmail.com, kahamaoilmilltd@yahoo.com/ kahamaoilmilltd@iwayafrica.com Tel: +255767780777/0754780777
4.	Incorporation	Certificate of Incorporation No.	No. 137146
5.	TIN information	TIN Certificate No.	No. 135-270-709
6.	Project Objective	Project Core Activity	Rice milling and packaging
7.	Capacity	Project Capacity per Year	10,000tons per year
8.	Direct Employment	Foreign-Men	0

		Foreign-Women	0
		Local-Men	10 (construction stage)
		Local-Women	5
9.	Indirect employment	Estimated Total No.	70
		Type/areas of Indirect Employment	food suppliers, drivers, vendors, security guards, etc.

## 5.0 Project Implementation

Project implementation period November 2018 -August 2021

## 6.0 Planned Project Investment Cost

The project investment cost was estimated to be as follows:

Land and Buildings	2,000,000.00
Vehicles	800,000.00
Plant and Machinery	8,700,000.00
Furniture & Fittings	95,000.00
Pre exp	405,000.00
Working Capital	3,000,000.00
<b>TOTAL</b>	<b>15,000,000.00</b>

## 7.0 Project Financing Plan

on completion, the project is planned to be financed as below:

	Amount (USD)	Source Country
Local Equity	NIL	NA
Local Loans	NIL	NA
Foreign Equity	NIL	NIL
Foreign Loans	15,000,000	Netherlands
<b>Total Investment</b>	<b>15,000,000</b>	<b>Netherlands</b>

### 7.1 Project Financial Expenditure to Date (USD):

	Foreign (USD)	Local (USD)	Total (USD)
Land and Buildings	1,000,000	NIL	1,000,000
Plant and machinery	NIL	NIL	NIL
Vehicles/Aircrafts	NIL	NIL	
Furniture	NIL	NIL	
Office equipment	NIL	NIL	
Insurance Cover	NIL	NIL	
Pre-operational expenses	205,000	NIL	205,000
Working sub-total capital	NIL	NIL	NIL
<b>GRAND TOTAL</b>	<b>1,205,000</b>		<b>1,205,000</b>

**NOTE. Currently, civil works are going on the site to construct industrial buildings by the contractor**

### 7.2 Project financing to date

Explanation of how the project is being financed to date

	Amount (USD)	Source of Country
Local Equity	NIL	
Local Loan	NIL	
Foreign Equity	NIL	
Foreign Loan	1,205,000	Netherlands

### 8.0 Planned Employment Creation

On completion, the company planned to create employment has summarized below:

Employment	Foreign Skilled	Local Skilled	Local Unskilled	Total
Women	5	15	100	120

Men	15	25	80	120
<b>TOTAL</b>	<b>20</b>	<b>40</b>	<b>180</b>	<b>240</b>

Employees Distribution Summary

### 8.1 Actual Employment Created to Date

The company has employed 14 Tanzanians and; the details is summarized below:

Employees Distribution Summary

Employment	Foreign Skilled	Local Skilled	Local Unskilled	Total
Women	0	2	2	4
Men	0	6	4	10
<b>TOTAL</b>	<b>0</b>	<b>8</b>	<b>6</b>	<b>14</b>

**Note: the project is in the construction stage and almost completed by 15%**

### 9.0 Challenges

- I. Delays in mobilizing foreign loans due to sophisticated procedures taking into account that the amount of loan requested is big
- II. COVID-19 disturbed the project implementation since the orders of machines were delayed almost 3 years
- III. Delays of technicians coming to the country to install machines
- IV. Delays of machines customs clearing at the port which resulted in big demurrage charges, thanks for TIC assisted the company in obtaining a discount otherwise the project could have been affected badly

### 10.0 Proposed solutions

- i. The domestic loan should be made available with a low interest rate

- ii. TIC and other Government institutions should consider how to help and facilitate local investors who were badly affected by COVID-19

#### **11.0 The wayward**

The board of directors has confidence in the Tanzania business environment and neighboring countries, soon the project will be implemented as it was planned

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