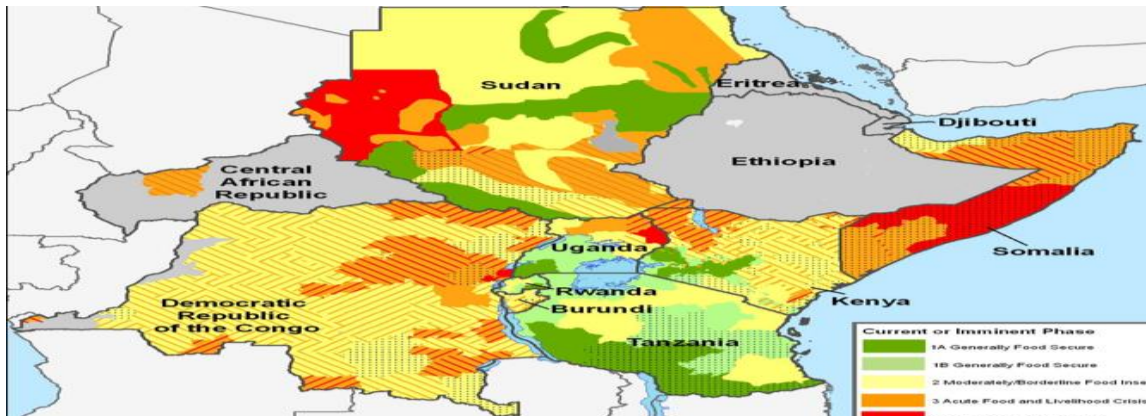


*AL-AZIZIA (T) LIMITED*  
*CARGO TRANSPORTATION AND LOGISTICS SERVICES*  
*EAST AND CENTRAL AFRICA*



*AL-AZIZIA (T) LIMITED*

*PROGRESS REPORT FOR CARGO TRANSPORTATION AND LOGISTICS*

*SERVICES EAST AND CENTRAL AFRICA FOR THE PERIOD OF 26<sup>TH</sup>*

*JULY, 2024 TO DECEMBER 2024*

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## **INTRODUCTION**

AL-AZIZIA (T) LIMITED is a private company based in Dar es Salaam Region with branches in Ruvuma, Mbeya, Arusha and currently in Mwanza Region. On 26<sup>th</sup> July, 2024, the company was registered with Tanzania Investment Centre (TIC) to **Establish and Operate a Project for Cargo Transportation and Logistics Services East and Central Africa.**

Following registration of the company with Tanzania Investment Centre (TIC), the company was granted with Certificates of Incentives No: **022472030**. According to the Certificate of Incentives granted, the implementation period is from 26<sup>th</sup> July, 2024 to 25<sup>th</sup> July 2027, a period of three (3) years.

The project core activity is the cargo transportation specifically dry cargo transportation by using roads. The mission of the cargo transportation project is basically aimed at cargo transportation business and marketing or promotion of the cargo transportation from Tanzania Mainland and neighboring countries. The implementation of the project will achieve the following objectives;

- ❖ The company will create more employments eg. Drivers, turn boys, accountants, managers, etc.
- ❖ Income generation to the company to the company and employees of the company.
- ❖ The company will further contributes to the government revenue through taxes and levies, like corporate tax, PAYEE, etc.
- ❖ Dependence on external cargo transporters for cargo transportation will be reduced.
- ❖ Promotion of import and export business.

## **PLANNED ACTIVITIES FOR THE PERIOD**

After the company has been registered with TIC on 26<sup>th</sup> July, 2024 and granted a certificate of incentives, the company had implementation schedule to accomplish a number of activities for the first year of implementation period so that to start implementation of the project. The implementation schedule for the planned activities were of different intervals as follows as outlined below.

### **A. October 2024 to December 2024**

On this period the company had planned to implement the following activities;

- ❖ Application of Import Duty exemption on trucks, tractors, tipper, supporting vehicles, workshop equipment, communication equipment, cargo lifting equipment.
- ❖ Ordering/Importing seventy (70) trucks, two (2) tractors, three (3) supporting vehicles, workshop equipment, one (1) cargo lifting equipment and generator.
- ❖ Clearing the fleet of cargo haulage vehicles from customs control.

### **B. January 2025 to July 2025**

On this period, the company

- ❖ Recruiting new drivers, turn boys, mechanics and other administration staffs of more than 80 employees.
- ❖ Application of various licenses from Land Transport Regulatory Authority (LATRA), License for Vehicle/Vessel Conveying Transit Goods from Tanzania

Revenue Authority, Common Market for Eastern and Southern Africa (COMESA)

License and Insurance Bond from reliable insurance company.

- ❖ Fully commencement of liquid and dry cargo transportation.

### **ACHIEVEMENTS MADE ON THE PROJECT IMPLEMENTATION**

Since registration of the project and having a roadmap of the implementation schedule for the planned activities, the company has not yet started implementation of the project by commencing all the planned activities. However, all the activities will be started to be implemented starting from January 2025 on which the company financial arrangements in accordance with AL-AZIZIA (T) LIMITED financial sources for the implementation of the project will be matured.

## COMPANY INFORMATION

### 1. Shareholders of the company

AL-AZIZIA (T) LIMITED has been registered with TIC and granted a certificate of incentives for a project of cargo transportation. The following are the current shareholders and their shareholder's position:-

No.	Name of Shareholder	Nationality	Shareholding Percentage
1	<b>RAMESH NIMMAGADDA</b>	<b>INDIAN</b>	<b>99%</b>
2	<b>SIRISHA NIMMAGADDA</b>	<b>INDIAN</b>	<b>1%</b>

The company has an authorized capital of Tshs. 100,000,000/= divided into 100000 ordinary shares of Tshs. 1,000/= each.

### 2. Company Communication Information.

AL-AZIZIA (T) LIMITED registered office are as follows:

Plot No. 30 Block 30

Saza Street, Saza Road-Chang'ombe

Temeke District

P.O. Box 38196, Dar es Salaam

Tanzania

Telephone Number: +255 787334967

Email: [nimmamesh.ramesh@gmail.com](mailto:nimmamesh.ramesh@gmail.com)

### **3. Contact Person**

AL-AZIZIA (T) LIMITED in all operations is under the directives of its directors and the company contact person is as follows:-

Name: RAMESH BABU NIMMAGADDA

Position: DIRECTOR

Telephone: +255787334967

Email: [nimmamesh.ramesh@gmail.com](mailto:nimmamesh.ramesh@gmail.com)

### **4. Incorporation of the Company**

AL-AZIZIA (T) LIMITED is a private company. It was incorporated in Tanzania by Registrar of Companies under the Companies Act with Certificate of Incorporation No. 67094 since 2008.

### **5. Taxpayer Identification Number (TIN)**

AL-AZIZIA (T) LIMITED has been given a Taxpayer Identification Number 107-116-532 was active since 8<sup>th</sup> September 2008 to date.

### **6. Project Objective**

The project core activity is the cargo transportation specifically dry cargo transportation by using roads. The mission of the cargo transportation project is basically aimed at cargo transportation business and marketing or promotion of the cargo transportation from Tanzania Mainland and neighboring countries. The implementation of the project will achieve the following objectives;

- ❖ The company will create more employments eg. Drivers, turn boys, accountants, managers, etc.

- ❖ Income generation to the company to the company and employees of the company.
- ❖ The company will further contributes to the government revenue through taxes and levies, like corporate tax, PAYEE, etc.
- ❖ Dependence on external cargo transporters for cargo transportation will be reduced.
- ❖ Promotion of import and export business.

## **7. Project Capacity**

Through the company business plan for cargo transportation the projects expects to have the capacity of transporting 20000 tons of dry cargo per year across the East and Central Africa. However, currently the company has not yet started to implement the project and from January 2025, it will start implementation of the project.

## **8. Company Employments**

The company through the business plan and application form submitted to the TIC for registration of the company for registration of cargo transportation project, the company expects to provide direct employment to more than 150 employees both foreigner and local. Up to now, the company has not yet employed the manpower on the reason that the project has not yet started its implementation whether local or foreign employees.

## **9. Indirect Employments**

The company has not yet created any indirect employment on the reason that the project has not yet started implementation by the company.

## **PROJECT FINANCING EXPENDITURE TODATE**

At the time of registration of the cargo transportation project with Tanzania Investment Centre (TIC), the company proposed Capital Investment Cost is USD \$ 6,000,000. The investment breakdown of USD \$ 6,000,000 was as follows:-

Land/Building	USD \$ 300,000
Plant/Machinery	USD \$ 600,000
Vehicles	USD \$ 5,000,000
Furniture and Fittings	USD \$ 10,000
Pre-operational expenses	USD \$ 20,000
Other expenses	USD \$ 50,000
Working Capital	USD \$ 20,000

As of December 2024 until the preparation of this progress report, the company has not utilized any fund or incurred costs for implementation of the cargo transportation project. On that note, the company has neither acquired land/building, plant and machinery, vehicles, furniture, office equipment, insurance cover, pre-operational expenses nor working sub-total capital. The company has not incurred any expenditure to date because is not yet started implementation of the project until January 2025 when it will start the project.

## **PROJECT FINANCING**

AL-AZIZIA (T) LIMITED had committed to implement the program by using the finances from its own fund and loan. At the time of registration of cargo transportation project with Tanzania Investment Centre the company source of fund was as follows:-

Own Fund (Equity)	USD\$	500,000
Foreign Loan	USD\$	1,000,000
Local Loan	USD	4,500,000

As of December 2024 until the preparation of this progress report, the company has not utilized or accessed the mentioned fund neither local equity, local loans nor a foreign loan as the program was not yet started to be implemented by the company.

## **PROBLEM AND SOLUTIONS**

The company is only faced with the problem of realizing the funds to implement the project from the sources of financing the implementation of the project both local loans, foreign loan and local equity. However, the management has already put in place efforts to realize the fund to implement the project registered. The management of the company had already started to collect the fund from its own company fund originated from her registered business of whole sale of food products i.e. Local Equity. In addition, the company management has put in place various collaterals to realize the Local Loan which the process is still going on between the company and the bankers. Through all the efforts taken, by January 2025, the management of the company will have resolve the financial constraints and starts the project.

## **COMPANY FUTURE PLANS**

To implement the project of cargo transportation, the company expects to start its implementation on January 2025. That, From January 2025 to July 2025, the company will order and import a number of 80 trucks, apply for various licenses from Land Transport Regulatory Authority (LATRA), License for Vehicle/Vessel Conveying Transit Goods from Tanzania Revenue Authority, Common Market for Eastern and Southern Africa (COMESA) License and Insurance Bond from reliable insurance company and starts fully implementation of dry cargo transportation.

In addition, 80 new drivers will be employed, mechanics and managers will be employed for the period of January to July 2025. In addition, the company expects to utilize more than USD \$ 3,000,000 for acquisition of trucks; USD\$ 100,000 for land/building; USD\$ 200,000 for plant and machineries; USD\$ 4000 for furniture and fittings; USD\$ 20000 for Insurance Cover; USD\$ 10,000 as working capital and USD\$ 10,000 as pre-operational expenses. In totality, for the period of January 2025 to July 2025, the company expects to have the financial expenditure of USD\$ 3,344,000 for the implementation of the project.

## **RECOMMENDATION AND OTHER COMMENTS**

The company recommends that the period to submit progress report for implementation of the project should be extended from six months currently to a yearly report as it will allow the company to prepare accurate information concerning project implementation and in relation to the companies audit period.