

CHITAN REAL ESTATE CO. LIMITED

P.O.BOX 62172

DAR ES SALAAM

PROJECTS PROGRESS REPORT

I. Introduction

Ms CHITAN REAL ESTATE CO LIMITED is a **Tanzania Investment Centre (TIC)** registered project with objectives of establishing and operate cargo transportation project in Tanzania with an estimated investment capital of **United States Dollars 1.5Million**. The company was granted a TIC certificate of incentives number **024425** to implement the proposed project.

II. Planned Activities for the period

After obtaining a TIC certificate of incentives from **Tanzania Investment Centre** and approval of projects capital goods from the commissioner of customs, promoters of the project planned to start construction/rehabilitation of the parking yard for the trucks and trailers to be followed by importation of the capital goods approved by **Tanzania Revenue Authority (TRA)** for the proposed project.

Further during the period, the company planned to invest and undertake the following activities.

Proposal activities included:

- Building/ construction of a garage facility
- Acquisition of more land for expansion
- Acquisition of modern fleet of 600 vehicles of different brands;
- As part of implementing the project, a reasonable labor force to be recruited;
- To seek additional source of funds from the bank in order to fulfill our project missions and objectives;
- Acquisition of other necessary equipment's machines and furniture appliances in supporting the implementation of the project.

III. Project Financial Expenditure to date

The project planned to make further investments in order to expand the project up and running at the capital of **1.5 million USD** from the initial refer the summarized table below:

TOTAL COST OF THE PROJECT		1,500,000
Land & Buildings		100,000
Vehicles		1,100,000
Insurance Cover		50,000
Furniture, machines and equipment's		50,000
Pre - Expenses		50,000
Working capital		100,000
Others		50,000
Total		1,500,000

IV. Problems and solution

The company has no serious problems have been encountered with the implementation of the project other than during the implementation period the company **experienced delays in importation of goods caused by the supplier of trucks and trailers**, because the supplier took a long time to look for suitable brands of trucks which can tolerate in the tropical environment and infrastructure situation of African countries.

V. Future Plans

The development focus on increasing more capital and invest more on modern technology and acquire of more vehicles on so doing the project capital and strengthening of its present capacity and activities to meet local and international standards once the certificate of incentives is extended for a further period of one year.

VI. Achievements

The company has started implementation of the project, until now 36 trucks, 50 trailers and two pickup land cruisers have been imported, **but due to delays caused by suppliers of the cargo trucks and other relevant capital goods, the project could not be fully completed** as planned. The following is the amount of investment made by the company as of October, 2023.

VII. Investments break down

Land and Building.....	0.00
Trucks.....	4,000,000.00
Trailers.....	1.500, 000.00
Patrol cars (pickups).....	100,000.00
Other.....	0.00
Total.....	5,600,000.00

VIII. Sources of financing

The project is financed by shareholders equity contribution also the company activities has been financed by equity, own sources of funds in future further we are looking on accessing loan from the bank.

IX. Proposed solutions

We request TIC's assistance to extend the projects implementation period for a further period of one year to enable the company to import the remaining projects capital goods and complete the project.

X. Conclusion, Recommendations/comments

The project has implemented more than 75% of all the planned activities. If TIC will be able to extend the projects implementation period for a further period of one year, the company will be able to import all the remaining projects capital goods as planned.