



# **PROJECT PROGRESS REPORT**

**FOR**

**THE PERIOD OF MARCH 2025 – JUNE 2025**

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### 2.1.0 Introduction

**SHANANGA GROUP LIMITED** is a local incorporated company under company registrations Act 2012 with Certificate of Incorporation No.139-692-802 dated 11th September 2019. The company specializes in trading of building materials and logistics.

**SHANANGA GROUP LIMITED** offers variety of building materials in wholesale and retail all over the country and nearby countries at large, employing more than 200 employees as of 2024.

We foster at delivering fast and efficient services, with highest level of integrity and standards compliances.

The company has extended its core plans by establishing manufacturing industries from year 2025. This initiative is aimed at increasing employment, taxes and economic and social welfare of the natives around areas of established factories.

### 2.0 Company Ownership

**SHANANGA GROUP LIMITED** is jointly owned by four shareholders who agreed to come together to share vast experiences in managing the project for the mutual benefits of the parties:

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***Shananga Group Limited P.o.Box 16225 Dar Es salaam ,  
Plot No .1653, Kinyerezi Road ,Dar Es salaam, Tanzania  
Phone : +255 758 270 940,+255 767-277 458, Email :  
shanangagroup@gmail.com***

<b>Names of Shareholders</b>	<b>Nationality</b>	<b>% of shares</b>
Olestusy Erneus Mwalongo	Tanzanian	50
Govarid Erneus Mwalongo	Tanzanian	25
Pancrasy Erneus Mwalongo	Tanzanian	17
Joseph Erneus Mwalongo	Tanzanian	8

### **3.0 Location**

The project head office will be located at Plot 115 Nyerere Road, Kipawa Area Ilala Dar Es Salaam and Chamakweza Area, Chalinze DC.

#### 4.0 Project and company Provide information

3.	Contact Person	Name	Pancrasy E. Mwalongo
		Position	Director
		Communication Details (Email, Mobile and telephone)	Email: gm@shanangagroup.co.tz Tel: +255767277458
4.	Incorporation	Certificate of Incorporation No.	No. 139692802
5.	TIN information	TIN Certificate No.	No. 139-692-802
6.	Project Objective	Project Core Activity	Supply of Transportation
7.	Capacity	Project Capacity per Year	Need more than 300 trucks to meet annual demand
8.	Direct Employment	Foreign-Men	5
		Foreign-Women	Nil
		Local-Men	102
		Local-Women	95
9.	Indirect employment	Estimated Total No.	120
		Type/areas of Indirect Employment	Loading and offloading casual workers, food suppliers, spare parts sellers, security guards etc

## 5.0 Project Implementation

Project implementation period Jan 2025 -Dec 2025

## 6.0 Planned Project Investment Cost

The project investment cost was estimated to be US\$ 8,620,000 as following:

### SHANANGA GROUP LIMITED COST STRUCTURE US\$

Buildings	1,250,000
Machinery & Equipment	3,500,000
Motor Vehicles	2,100,000
Furniture & Fittings	620,000
Pre expenses	50,000
Working Capital	1,100,000
<b>TOTAL</b>	<b>8,620,000</b>

## 7.0 Project Financing Plan

The project on completion is planned to be financed as below:

	<b>Amount (USD)</b>	<b>Source Country</b>
Local Equity	2,000,000	TANZANIA
Local Loans	6,620,000	TANZANIA
Foreign Equity	NIL	NIL
Foreign Loans	NIL	NIL
<b>Total Investment</b>	<b>8,620,000</b>	

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

	<b>Foreign (USD)</b>	<b>Local (USD)</b>	<b>Total (USD)</b>
Land and Buildings		<b>700,000</b>	
Plant and machinery		<b>75,000</b>	
Vehicles/Aircrafts		<b>2,762,000</b>	
Furniture		<b>4,600</b>	

Office equipment		<b>980</b>	
Insurance Cover		<b>NIL</b>	
Pre-operational expenses		<b>10,000</b>	
Working sub-total capital		<b>250,000</b>	
<b>GRAND TOTAL</b>		<b>3,802,580</b>	

## 8.0 Planned Employment Creation

The company planned to create employment to 150 Tanzanians and 7 foreigners; the details is summarized below:

### Employees Distribution Summary

<b>Employment</b>	<b>Foreign Skilled</b>	<b>Local Skilled</b>	<b>Local Unskilled</b>	<b>Total</b>
Women		17	28	42
Men	3	75	26	101
<b>TOTAL</b>	<b>3</b>	<b>92</b>	<b>54</b>	<b>150</b>

## 8.1 Actual Employment created to date 201

The company has employed skilled 196 Tanzanians and 5 foreigners; the details is summarized below:

Employees Distribution Summary

Employment	Foreign Skilled	Local Skilled	Local Unskilled	Total
Women	0	70	3	73
Men	5	118	5	123
<b>TOTAL</b>	<b>5</b>	<b>188</b>	<b>8</b>	<b>201</b>

## 9.0 Challenges

- I. Delays in mobilizing shareholders equity and loan for project investment
- II. Delays in obtaining trucks and machineries which are being imported
- III. Fluctuation of exchange currency
- IV. Increased fuel prices

### **9.1 The way forward**

The board of directors have confidence with the Tanzania business environment and planning to extend more manufacturing factories in the country.

### **10.0 Benefits As Resulted By This Incentives**

The main benefit the company got is on tax relief. By being granted a certificate of incentives, the company was relieved from Import Duties by 75% from its registered expected imports for the period of past 3 years. This is equivalent to more than USD 275,000 tax relief from the purchased trucks.