

TANZANIA INVESTMENT CENTRE
DAR ES SALAAM

PROGRESS REPORT

(Information required for the project's progress report after every six months or for amendment of Certificate of Incentives)

1. Planned Activities for the period

Flying Cargo Transport Company Limited is a limited company with its headquarters in Arusha and a branch in Dar es Salam.

The company deals with the transportation of dry cargo all over East and Central Africa and currently has a total fleet of 80 of trucks and trailers.

The company began as a partnership between Mr.Parbat Ghela Sisodiya and Devshi H.Saudas (both of British citizenship) in 1987 but was formally incorporated in the year 2006.

2. Achievement made on the project implementation to date:

(i.e from the date the project was approved to the date of writing the report)

The Company has invested in acquisition of land & buildings; trucks; trailers; Workshop & Office Equipment & Furniture

3. Describe the status of activities that have already been undertaken e.g construction of buildings, acquisition of supplies, installation of equipment, etc.

1. Office and workshop construction is completed.
2. Additional trucks and trailers were purchased
3. Workshop Equipment and Tools were acquired
4. Office Equipment & Furniture was acquired

provide update information on the following aspects;

S/No.	Information	Description	Current Project status
1	Shareholder's Information	Current Shareholders names, nationality and percentage of ownership	1.MR. PARBAT GHELA SISODIYA (BRITISH) 50.0% MR. RAM PARBAT SISODIYA (BRITISH) 12.50% MS. ARTI PARBAT SISODIYA (BRITISH) 12.50% UNALLOCATED SHARES 25.0%
	Company Communication Information	Email address	info@flyingcargo.co.tz
		Mobile Number	0755700000 - 0754000400
		Land Line Telephone Number	<u>NIA</u>
		Physical Address (Plot No, Block No, Street, District and Region)	OUORO ROAD MBAUDA PLOT 348 BLOCK CC – ARUSHA

3	Contact Person	Name	PARBAT GHELA SISODIYA
		Position	MANAGING DIRECTOR
		Communication Details (Email, Mobile and telephone)	0755700000 - info@flyingcargo.co.tz
4	Incorporation	Certificate of Incorporation No.	56643
5	TIN information	TIN Certificate No.	100198460
6	Project Objective	Project Core Activity	CARGO TRANSPORTATION BY ROAD
7	Capacity	Project Capacity per Year	
8	Direct Employment	Foreign-Men	2
		Foreign-Women	0
		Local-Men	135
		Local-Women	14
9	Indirect employment	Estimated Total No	50
		Type/areas of Indirect Employment	PORT/BORDERS/OTHERS RELATED

4. Project Financial Expenditure to-date (USD):

	Foreign (USD)	Local (USD)	Total (USD)
Land and Buildings		\$ 277,448.00	\$ 277,448.00
Plant and Machinery		\$ 35,250.00	\$ 35,250.00
Vehicles/Aircrafts		\$ 977,884.00	\$ 977,884.00
Furniture		\$ 16,643.00	\$ 16,643.00
Office equipment		\$ 19,175.00	\$ 19,175.00
Pre-operational expenses		\$ 2,100.00	\$ 2,100.00
Working sub-total capital		\$ -	\$ -
GRAND TOTAL		\$ 1,328,500.00	\$ 1,328,500.00

5. Project Financing

Explain how the project is being financed e.g, equity, loans, source of loans, conditions, etc. See table below.

	Amount (USD)	Source Country
Local Equity	\$ 922,900.00	Tanzania
Local Loans	\$ 405,600.00	Tanzania
Foreign Equity	0	
Foreign Loans	0	
Total Investment	\$ 1,328,500.00	

6. Problems and Solutions

Explain problems, which the management is encountering in executing the project and the steps being taken to solve them.

1. High cost of fuel prices, spares and tires as well as local and international taxes and levies especially at the borders have been challenges, we had to contend with over all these years in our business.
2. Diesel theft and pilferage by dishonest drivers is a perennial problem which has no solution up to now. However, the installation of tracking system has somehow alleviated the problem.

3. Market share competition is very strong all over East and Central Africa whereby single truck owners are giving customers very low prices and there are many established large fleet operators within Eastern Africa, market share is a major point of contention.
4. Since most of our business is transportation of transit cargo, payment delays from customers is another reason why we operate in stress for it takes more than a month to have our payments effected and by that time there is a backlog of costs to offset.

7. Future Plans

Explain future plans for the next coming six months and planned financial Commitments.

1. During the period we envisage the purchase of 20 new trucks and trailers to beef up our fleet as well as procure new and modern tools and equipment for our business.
2. Renovation expansion of our offices is part of our future plans.
3. Exploring further markets South, especially South Africa

8. Recommendations and any other comments

We earnestly recommend that the government reevaluate local levies/taxes on the transporter for they are so many and have become a burden to the investor.