

**PROGRESS REPORT FOR ASK ENGINEERING WAREHOUSE PROJECT**

**PREPARED BY ASK ENGINEERING LIMITED**

**P.O.BOX 37302,**

**KAHAMA**

**CELL; 0754 452 525**

**ASK ENGINEERING COMPANY LIMITED** is a company registered under the Companies Act (2002) of the United Republic of Tanzania. It was registered on 11<sup>th</sup> January 2017 and granted Certificate of Incorporation No. 132442 issued by the Senior Assistant Registrar of Companies pursuant to the quoted law.

For tax purposes this company is registered and given Tan Payer Identification Number (TIN) 135-152-846. It was registered on 16<sup>th</sup> November 2017. The company is located at Nyasubi area in Kahama, Shinyanga region.

ASK Engineering Company Limited has an authorized share capital of **TShs. 400,000,000** divided into **40,000 shares** of **TShs 10,000/=** each. The share capital is equivalent to about **USD 170,945.94**. Of the authorized share capital only **33,000** shares have been issued and all are owned by Tanzanians. Registered project with registration number 202331113 on the 27<sup>th</sup> of March, 2023 now the project has taken off.

The company has entered into agreement with Alliance-One, their client to construct and hire three warehouses of capacity of 26,000 Square-meter. One at Plot No 80, Block P, Kahama district (6,000 SQM), Shinyanga region and two warehouses at Plot no 481, Block M, Inara area, Tabora region (20,000 SQM).

#### **1. Planned Activities for the period**

During the period (July2023 to June 2024), the company planned to invest and undertake the following activities.

##### PHASE ONE;

- **Surface Preparation:** To Prepare the ground surface by leveling it, removing debris, and ensuring proper drainage. This step is essential for constructing stable foundations.
- **Infrastructure Setup:** To install necessary infrastructure such as concrete foundations, access roads. Ensure they meet safety and engineering standards.

- Safety Measures: To implement safety measures, including fire prevention systems, emergency response plans, and leak detection systems.
- Steel structure procurement, erection, wall construction and top cover installation of corrugated iron sheet of IT5 and utilities installation.  
Importation of structure were done during the period  
1st Importation  
18 x40 containers  
BL.NO. ONEYMAAD00939300  
Tansad number : TZDL-23-1181031  
Net weight of steel structures 361.57 Tons.
- Hire the warehouse for storage

#### PHASE TWO;

Importation of second and last consignment of steel structure was planed for continuos construction of warehouses;  
2nd and last shipment of steel structures in port under clearance :  
11x40 containers  
BL.NO. MAEU 246796293  
Tansad no. TZDL -24-1665591  
Gross weight of steel structures 249.21 TONS

## 2. **Achievements made on the project implementation to-date**

During the period of implementation of PHASE ONE, a number of the below activities were implemented as follows: -

- Securing Funding:** Efforts has been made once the agreement are in place to allocate funds to the project monitoring the disbursement of funds to ensure they align with the project.
- Design Approval and Resource Acquisition** project designs and architectural plans has been done while land and other resources acquisition made before the start
- Hiring of the warehouse for a year from **October 2023** to **date 2024** has been generating income which is part of returns.
- Plan for additional warehouse construction

The warehouse as it seem in its final stages of construction;



Undergoing levelling and Base formation during structure erection;



Hiring of the warehouse has already started since 2023 October,



### 3. Corporate Details;

| S/No. | Information                       | Description   | Current Project Status   |
|-------|-----------------------------------|---|--|
| 1.    | Shareholder's Information         | a. Azan Said Salum 50%<br>b. Vicent Donald Kashindye 1.25%<br>c. Saburi Mikidadi Msuna 0.75%            | Finished phase one construction of 16 SQM and now looking for continuing with 10,000 SQM |
| 2.    | Company Communication Information | Email: <a href="mailto:azanlogistics@yahoo.com">azanlogistics@yahoo.com</a>                             |  |
|       |                                   | Hotline1: +255 754 402 525  |  |
|       |                                   | P.O.Box 37302 , Kahama  |  |
|       |                                   | Shinyanga Region, Kahama District, Nyasubi ward, Plot no 81 Block P                                     | The same office  |
| 3.    | Contact Person                    | Name: Azan Said Salum   |  |
|       |                                   | Position: Shareholder (Director)  |  |
|       |                                   | Email: <a href="mailto:azanlogistics@yahoo.com">azanlogistics@yahoo.com</a><br>Mobile: 0754 402 525     |  |
|       |                                   |   |  |
| 4.    | Incorporation                     | Certificate of Incorporation No. 132442   |  |
| 5.    | TIN information                   | TIN Certificate No. 135-152-846   |  |
| 6.    | Project Objective                 | <b>Project Core Activity:</b><br><br><b>Warehouse construction and hiring</b>                           |  |
| 7.    | Capacity                          | Project Capacity per Year:<br><br>16,000 Square Meter   |  |
| 8.    | Direct Employment                 | Foreign-Men:  | 1  |
|       |                                   | Foreign-Women   | 0  |
|       |                                   | Local-Men   | 35   |
|       |                                   | Local-Women   | 9  |
| 9.    | Indirect employment               | Estimated Total No.   | 45   |
|       |                                   | Type/areas of Indirect Employment<br>Construction, Transportation, Distribution, Restaurant/ Mama lishe |  |

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

| <b>ITEMS</b>          | <b>FINANCING IN USD</b> |
|-----------------------|-------------------------|
| Land & Buildings      | 2,810,000               |
| Plant                 | 960,000                 |
| Vehicles              | 590,000                 |
| Furniture & Fittings  | 1,020,000               |
| Pre Expenses          | 320,000                 |
| Others                | -                       |
| Working Capital       | 347,516                 |
| <b>GRAND TOTAL</b>    | <b>6,047,516</b>        |
| TOTAL FIXED CAPITAL   | 5,700,000               |
| TOTAL WORKING CAPITAL | 347,516                 |

#### 5. Project Financing

|                         | <b>Amount (USD)</b> | <b>Source Country</b> |
|-------------------------|---------------------|-----------------------|
| Local Equity            | 1,727,872           | Tanzania              |
| Local Loans             | 4,319,654           | N/A                   |
| Foreign Equity          | 00                  | N/A                   |
| Foreign Loans           | 00                  | N/A                   |
| <b>Total Investment</b> | <b>6,047,516</b>    |                       |

#### 6. Problems and Solution

- **Scarcity of Dollar:** Exchange rate fluctuations and limited access to foreign currency affected our ability to secure necessary funds
- Take a long time to clear our consignment which cost us more money.
- The road to the factory is rough
- Power failure .

## **7. Future Plans**

During the coming months the company has planned to fast-track the following activities:

- Additional construction of warehouse Project in Urambo District where the land has been secured
- Additional importation and installation of plant and machineries

## **8. Recommendations and any other comments.**

We are pleased to be members of the TIC. Since we started, we have received good collaboration from staff and high management of all government institutions. During this period, we maintained regular communication with the TIC officer assigned to our case. We provided updates on the project's progress and the difficulties we encountered.