

# KENYA INDUSTRIAL ESTATES LTD.

PARLIAMENT  
OF KENYA  
LIBRARY



ANNUAL REPORT 1975/76

57-3  
IEL

# KENYA INDUSTRIAL ESTATES LTD.

P. O. Box 18282, LIKONI ROAD NAIROBI

## DIRECTORS AND OFFICERS

### Chairman

E. M. Wamae

Permanent Secretary ——— Ministry of Commerce & Industry  
(or his representative)

Permanent Secretary ——— Ministry of Finance & Planning  
(or his representative)

F. J. Addly  
J. Keragori

J. N. Ng'eno

### General Manager

K.A. Ng'eny

### Deputy General Manager

A.M. Shikhule

### Auditors

Coopers & Lybrand

### Bankers

National Bank of Kenya Ltd.

### Lawyers

Kaplan & Stratton

KENYA NATIONAL ASSEMBLY  
Accession: 10013510

Call No: 657-3 KIEL



## INTRODUCTION

About 10 years ago, K.I.E. was established as a subsidiary of I.C.D.C. to implement a programme of five Industrial Estates which were recommended to the Kenya Government by an Indian team which came to Kenya in 1966. As a result of this report, Nairobi Industrial Estate Phase I was constructed and completed at the end of 1968.

The period under review saw the culmination of the five Industrial estates — the last one being Eldoret whose plans for Phase one were completed during this period. In addition the previous five Industrial estates, the Government, through K.I.E., plans to implement four Industrial estates in Nanyuki, Nyeri, Kakamega and Kitale thus making a total of nine Industrial Estates.

The period under review also saw two new R.I.D.Cs at the advanced stage of implementation. These are Malindi and Kisii. In addition, plans for Homa Bay and Voi R.I.D.Cs were initiated. Three R.I.D.Cs in the development plan are at various stages of planning. On the side of individual projects, there was a slow but sure recovery of Industrial activities particularly by the older projects in Nairobi and Nakuru. Of particular interest to K.I.E. and also the Government, is the Kabras Mini Sugar Factory which was at its advanced stage of implementation. It is hoped that this plant will be a fore-runner of many more projects of similar nature in the country if the experiment succeeds. The economic viability of the project may depend on what extent the Government is prepared to waive some of the fiscal measures presently applied to large scale sugar factories. Another project of significance as far as K.I.E. is concerned is the tannery plant at Sagana. This again was at an advanced stage of implementation and like the sugar project, the tannery is expected to be a fore-runner of three or four similar units in the country.

Over a period of years since K.I.E. Estates were built, the concept was what might be called "classical" Industrial Estate. This consisted of sheds being constructed far in advance of working out projects to go into them. This concept has merits and demerits. In the case of Kenya, because of some factories and the nature of financing of Industrial Estates, this practice of constructing sheds far in advance of projects is not particularly suitable. For this reason, the Board of K.I.E. has decided that before an Industrial Estate is constructed, at least 50% of projects intended for the Estate should have been found viable ready for implementation.

This new concept is expected to satisfy the donors and Kenya Government who have for some time been rather uneasy about sheds remaining un-

occupied for a fairly long time after completion. Another area of significant development during the period under review is the new concept of IPA (Industrial Promotion Area). The concept here is like the Industrial Estate concept (the new concept) — to construct the cheapest possible sheds in order that even a small artisan should be able to occupy and pay the rent. IPA is expected to be extended to markets and any other rural centres where one or more workshop clusters could be built. Rural workshop Clusters (RWC) is a further simplification of IPA sheds and should be at the very base of the pyramid. In other words, we would have Rural Workshop Clusters in typically rural areas, then IPA in Townships, R.I.D.Cs in Urban Centres and Industrial Estates in Major Urban Centres.

On the staff side, K.I.E. has developed local expertise to such a level that the programme will in the very near future, require less and less expatriate advisers.

E.M. WAMAE

CHAIRMAN

KENYA INDUSTRIAL ESTATES LTD.

## Growth of Activities:

The following table indicates the expenditure on different industrial estates and rural industrial development centres on buildings and civil works as at 30th June, 1976.

| Estates                               | As at 30th<br>June, 1976 | As at 30th<br>June, 1975 |
|---------------------------------------|--------------------------|--------------------------|
| 1. Nairobi Industrial Estate Phase I  | 4,582,284.50             | 4,498,874.50             |
| 2. Nairobi Industrial Estate Phase II | 5,372,688.25             | 5,104,481.25             |
| 3. Nakuru Industrial Estate           | 7,341,685.20             | 6,699,654.95             |
| 4. Kisumu Industrial Estate           | 3,902,274.10             | 2,610,000.00             |
| 5. Mombasa Industrial Estate          | 5,426,209.65             | 2,935,420.00             |
| 6. Rural Industrial Dev. Centres      | 9,048,416.15             | 8,366,949.00             |
| Total                                 | 35,673,557.85            | 30,360,380.15            |
|                                       |                          |                          |

It will be seen here that an expenditure of about Shs. 35.7 million has been incurred since the initiation of the Industrial Estates and Rural Industrial Development Programmes.

Over the years K.I.E. has advanced large sums of money to the entrepreneurs for the purchase of machinery and equipment. At the same time more money has been spent on infrastructure and construction of factory premises to accommodate the industrial units. In this year's Annual Report we present a list of the projects that have been approved for implementation at various estates and centres, and alongside each project, we have indicated the amount that has been approved for the projects, and also the amount that had been disbursed at the close of the year, except for Nairobi and Nakuru projects whose data will be shown in a later issue.

The only point to note is that the amount shown includes only the cost of the installed plant & equipment and excludes the amount for working capital which should be approximately 25% of the cost of machinery and equipment.

### Nairobi Industrial Estate Projects

### Fixed Investment Approved

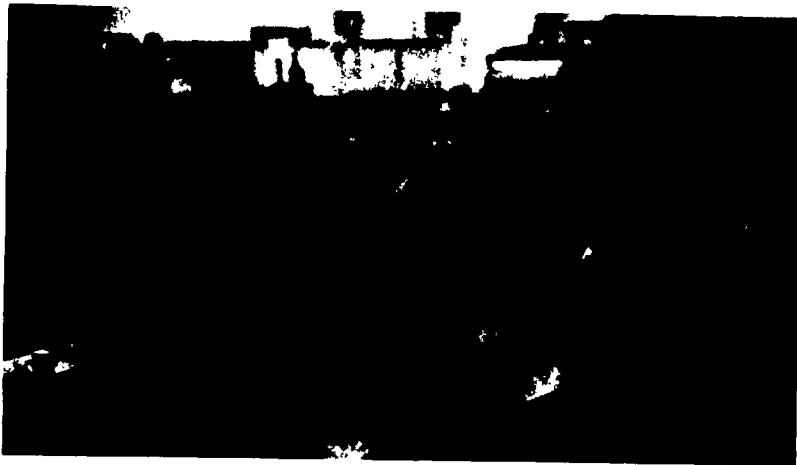
|   |         |
|---|---------|
| 1. Sheet Metal Goods                            | 365,000 |
| 2. Gameskin Articles                            | 25,000  |
| 3. Rewinding of Motors, Alternator Coils etc.   | 25,000  |
| 4. Steel Fabricated Articles                    | 16,000  |
| 5. Coat Hangers & other Wooden Items            | 62,200  |
| 6. Gameskin Articles & Curios                   | NIL     |
| 7. Gameskin Items                               | 18,000  |
| 8. Beadwork                                     | 21,000  |
| 9. Hinges hasps, staples and spacer saddle bars | 534,000 |



*Milk Churn Factory at Nakuru*



*Farm Implement Factory at Nakuru*



*Bicycle Factory at Nakuru*

**Nairobi Industrial Estate  
Projects**

**Fixed Investment  
Approved**

|  |           |
|--|-----------|
| 10. Hair oils & cosmetics                            | 67,000    |
| 11. Printing of books, general stationery            | Nil       |
| 12. General Printing                                 | 375,000   |
| 13. Staple Pins & Paper Clips                        | 159,021   |
| 14. Weights, Counter Scales Platform Scales etc.     | 134,000   |
| 15. Wooden Cloth Pegs                                | 140,000   |
| 16. Ready made garments                              | Nil       |
| 17. Glue Scouring Powder                             | 761,000   |
| 18. Wheat Instant Noodles                            | 1,191,120 |
| 19. Shoe Laces                                       | 345,000   |
| 20. Polyester Urea Buttons                           | 1,215,000 |
| 21. Zip Fasteners and Spindle tapes                  | 195,143   |
| 22. Paper & Garment Pins, Footwear & Garment eyelets | 135,000   |
| 23. Plastic ladies handbags & PVC Raincoats          | 87,000    |
| 24. Servicing and assembly of water meters           | 230,000   |
| 25. Gas Cylinders                                    | 382,000   |
| 26. Band saw blades                                  | 81,000    |
| 27. Barrel bolts                                     | 100,000   |
| 28. Carbon paper typewriter ribbons                  | 2,714,000 |
| 29. Paper cups, ice cream cups and paper plates      | 1,353,270 |
| 30. Charcoal iron and manhole covers                 | 575,900   |
| 31. Woven Fabric Labels                              | 219,000   |
| 32. Elastic Tapes & Hosiery Products                 | 1,395,000 |
| 33. Bicycle Spokes, Nipples and Washers              | 568,000   |
| 34. Electric distribution Boards                     | 134,000   |
| 35. Various metal products & Bottle openers          | 90,100    |
| 36. Spectacle frames and sunglasses                  | 464,000   |
| 37. Steel windows and other allied items             | 295,000   |
| 38. Silk screen printing                             | 62,800    |
| 39. Wafer biscuits                                   | 368,600   |
| 40. High Class wooden furniture                      | Nil       |
| 41. Re-fluting of Rollers                            | 305,000   |
| 42. Canvas Cloth                                     | 3,607,200 |
| 43. Emery paper & Emery Cloth                        | 1,404,750 |
| 44. Grinding wheels                                  | 474,000   |
| 45. Panga handles & dusters                          | Nil       |
| 46. Plant hooks, bars and electroplating             | 206,875   |
| 47. Brass window stays                               | 1,151,000 |
| 48. Specialised welding                              | Nil       |
| 49. Paper egg trays                                  | 1,084,700 |
| 50. Ready made garments                              | Nil       |
| 51. Wooden rulers                                    | 148,000   |
| 52. Wood wool cement slabs                           | 494,000   |
| 53. Vent plugs & small plastic items                 | 527,700   |
| 54. P.V.C. Wated fabrics and unsupported films       | 2,095,000 |
| 55. High quality shoes                               | 615,000   |

NAKURU INDUSTRIAL ESTATE

| Project                           | Amount<br>Approved<br>Shs. |
|-----------------------------------|----------------------------|
| 1. Sheet metal                    | 75,000                     |
| 2. Steel tubular furniture        | 81,510                     |
| 3. Cardboard tube for sewing yarn | 1,268,700                  |
| 4. Selected leather goods         | 99,500                     |
| 5. Wire nails                     | 275,000                    |
| 6. Uniforms and other garments    | 78,000                     |
| 7. Wooden furniture               | 95,000                     |
| 8. Plastic handbags               | 126,000                    |
| 9. Farm implements                | 98,100                     |
| 10. Paper bags                    | 274,640                    |
| 11. Bifurcated rivets             | 943,730                    |
| 12. Steel windows & door frames   | 48,500                     |
| 13. Metal buttons & drawing pins  | 2,332,600                  |
| 14. Printing press & book binding | 242,000                    |
| 15. Dehydrated packet soup        | 676,000                    |
| 16. Rubber toys & balls           | 436,000                    |
| 17. Unprinted tin cans            | 727,765                    |
| 18. Corrugated cartons            | 331,500                    |
| 19. Polythene bags                | 1,519,000                  |
| 20. Bicycles & spare parts        | 1,297,000                  |
| 21. Stainless steel cutlery       | 2,398,902                  |
| 22. Milk churns                   | 1,010,000                  |
| 23. Surgical bandages             | 1,254,000                  |
| 24. Pop rivets                    | 163,400                    |
| 25. Lead pencils                  | 948,940                    |

KISUMU INDUSTRIAL ESTATE

| Project                    | Amount<br>Approved<br>Shs. | Amount<br>Disbursed<br>Shs. |
|----------------------------|----------------------------|-----------------------------|
| 1. Knitted garments        | 141,012.00                 | 141,012.00                  |
| 2. Tailoring               | 110,000.00                 | 110,000.00                  |
| 3. Knitted garments        | 173,500.00                 | 139,500.00                  |
| 4. Black smiths            | 100,000.00                 | 62,000.00                   |
| 5. Handicrafts             | 8,500.00                   | 8,500.00                    |
| 6. Plastic goods           | 140,000.00                 | 140,000.00                  |
| 7. Carpentry               | 30,000.00                  | 26,000.00                   |
| 8. Carpentry               | 134,000.00                 | 104,000.00                  |
| 9. Carpentry               | 140,000.00                 | 60,000.00                   |
| 10. Sheet metal Works      | 9,000.00                   | 9,000.00                    |
| 11. Leather work           | 200,000.00                 | 25,000.00                   |
| 12. Confectionery products | 788,000.00                 | 400,000.00                  |
| 13. Brick manufacturing    | 14,000.00                  | 90,000.00                   |



| Project               | Amount Approved Shs. | Amount Disbursed Shs. |
|-----------------------|----------------------|-----------------------|
| 14. Farm implements   | 170,000.00           | 25,500.00             |
| 15. Knitting garments | 30,000.00            | 25,500.00             |
| <b>TOTAL</b>          | <b>2,188,412.00</b>  | <b>1,404,512.00</b>   |

#### ELDORET INDUSTRIAL ESTATE

| Project        | Amount Approved Shs. | Amount Disbursed Shs. |
|----------------|----------------------|-----------------------|
| 1. Craft paper | 1,709,180.00         | 1,606,991.00          |

#### NYERI R.I.D.C.

| Project               | Amount Approved Shs. | Amount Disbursed Shs. |
|-----------------------|----------------------|-----------------------|
| 1. Metal work         | 27,000.00            | 21,763.50             |
| 2. Wood work          | 26,730.00            | 35,157.85             |
| 3. Wood work          | 30,000.00            | 29,806.00             |
| 4. Wood work          | 22,500.00            | 22,500.00             |
| 5. Salt grinding      | 30,898.00            | 49,534.00             |
| 6. Saw milling        | 62,100.00            | 32,408.50             |
| 7. Metal work         | 17,000.00            | 7,143.50              |
| 8. Saw milling        | 7,000.00             | 1,625.00              |
| 9. Saw milling        | 26,400.00            | 40,916.00             |
| 10. Wood work         | 21,100.00            | 29,050.00             |
| 11. Saw milling       | 22,170.00            | 22,170.00             |
| 12. Saw milling       | 28,400.00            | 33,942.80             |
| 13. Wood work         | 22,000.00            | 23,950.00             |
| 14. Saw milling       | 8,629.15             | 8,629.15              |
| 15. Wood work         | 49,000.00            | 49,394.15             |
| 16. Wood work         | 41,700.00            | 38,234.90             |
| 17. Metal work        | 25,100.00            | 40,904.20             |
| 18. Metal work        | 28,100.00            | 32,385.00             |
| 19. Vehicle repairing | 50,000.00            | 49,607.85             |
| 20. Printing press    | 50,000.00            | 50,000.00             |
| 21. Leather tannery   | 50,000.00            | 50,967.55             |
| 22. Wood work         | 48,000.70            | 50,255.00             |
| 23. Saw milling       | 20,305.70            | 26,305.70             |
| 24. Shoe making       | 49,700.00            | 21,617.00             |

| Project                    | Amount Approved Shs. | Amount Disbursed Shs. |
|----------------------------|----------------------|-----------------------|
| 25. Shoe making            | 20,000.00            | 6,089.00              |
| 26. Tailoring and printing | 20,650.00            | 17,559.25             |
| 27. Metal work             | 21,909.25            | 21,909.25             |
| 28. Saw milling            | 43,000.00            | 2,100.00              |
| 29. Service station        | 16,100.00            | 14,200.00             |
| <b>TOTAL</b>               | <b>885,942.10</b>    | <b>824,126.95</b>     |

**MACHAKOS R.I.D.C.**

| Project             | Amount Approved Shs. | Amount Disbursed Shs. |
|---------------------|----------------------|-----------------------|
| 1. Furniture making | 30,000.00            | 20,288.40             |
| 2. Furniture making | 3,000.00             | 3,000.00              |
| 3. Blacksmith       | 15,000.00            | 11,448.00             |
| 4. Leather          | 2,830.00             | 2,137.10              |
| 5. Ox carts         | 16,700.00            | 16,751.75             |
| 6. Furniture making | 1,845.70             | 1,845.70              |
| 7. Carpentry        | 754.00               | 754.80                |
| 8. Carpentry        | 2,753.85             | 2,753.85              |
| 9. Block making     | 709.70               | 709.70                |
| 10. Steel windows   | 3,000.00             | 2,999.00              |
| 11. Steel windows   | 21,000.00            | 14,176.65             |
| 12. Carpentry       | 35,000.00            | 35,136.45             |
| 13. Shop repairing  | 25,000.00            | 26,253.85             |
| 14. Shop repairing  | 2,434.50             | 2,592.65              |
| 15. Saw miller      | 66,560.00            | 66,272.65             |
| 16. Blacksmith      | 27,000.00            | 25,008.15             |
| 17. Tank maker      | 6,000.00             | 6,000.00              |
| 18. Tailoring       | 50,957.00            | 50,957.00             |
| <b>TOTAL</b>        | <b>310,545.55</b>    | <b>289,085.75</b>     |

**EMBU R.I.D.C.**

| Project        | Amount Approved Shs. | Amount Disbursed Shs. |
|----------------|----------------------|-----------------------|
| 1. Saw milling | 23,000.00            | 23,000.00             |
| 2. Tailoring   | 28,000.00            | 25,767.00             |

| Project                    | Amount Approved Shs. | Amount Disbursed Shs. |
|----------------------------|----------------------|-----------------------|
| 3. Shirt — knitting        | 20,975.00            | 19,890.00             |
| 4. Carpentry               | 39,200.00            | 39,200.00             |
| 5. Salt grinding & packing | 52,750.00            | 52,750.00             |
| 6. Sheet metal work        | 25,000.00            | 23,000.00             |
| 7. Saw milling             | 50,000.00            | 59,666.90             |
| 8. Carpentry               | 760.00               | 760.00                |
| 9. Sisal decortication     | 12,200.00            | 12,000.00             |
| 10. Furniture making       | 1,245.00             | 1,290.45              |
| 11. Block making           | 50,000.00            | 49,800.00             |
| 12. Leather tanning        | 2,425,000.00         | 1,303,804.25          |
| <b>TOTAL</b>               | <b>2,743,130.00</b>  | <b>1,625,929.05</b>   |

**KAKAMEGA R.I.D.C.**

| Project                      | Amount Approved Shs. | Amount Disbursed Shs. |
|------------------------------|----------------------|-----------------------|
| 1. Vehicle body building     | 16,020.00            | 12,736.60             |
| 2. Farm machinery            | 30,200.00            | 26,318.20             |
| 3. Block making              | 28,700.00            | 28,501.80             |
| 4. Clothing factory          | 30,000.00            | 30,000.50             |
| 5. Farm machinery            | 24,090.00            | 6,063.25              |
| 6. Shelling food for chicken | 43,279.00            | 37,836.20             |
| 7. Production of sugar       | 3,290,000.00         | 2,346,303.40          |
| 8. Wooden furniture          | 37,000.00            | 22,007.55             |
| 9. Printing of stationery    | 50,000.00            | 24,433.00             |
| 10. Wooden furniture         | 45,000.00            | 14,240.35             |
| <b>TOTAL</b>                 | <b>3,594,289.00</b>  | <b>2,548,440.85</b>   |

## EMPLOYMENT

Employment in the programme continued to grow at a remarkable pace. The number of people who found employment in the programme passed the 1,000 mark and stood at the figures given below:—

|         |   |                       |
|---------|---|-----------------------|
| Nairobi | — | 811                   |
| Nakuru  | — | 246                   |
| Kisumu  | — | 96                    |
| Mombasa | — | —                     |
| Eldoret | — | —                     |
| Total   |   | <u>1,153</u><br>===== |

The figures do not include the number employed at the several industrial units that have been assisted by the Rural Industrial Development Centres.

### Output:

By the close of the period there were signs that the economy was leading for a recovery after some difficult periods. Most of the units reported increased sales over the period a trend which it is hoped will continue in the coming years.

### Trends in Activity:

The following tables indicate the units which were in production during the year under review:- at Nairobi, Nakuru and Kisumu.

#### Nairobi Industrial Estate

| Name and Address   | Items Produced  |
|--|---|
| 1. Wanachi Engineering Works,<br>P.O. Box 48581,<br>Nairobi. | Steel metal goods   |
| 2. Aturia Trading Co.,<br>P.O. Box 28047,<br>Nairobi.        | Gameskin products   |
| 3. F.K.W. Electrician,<br>P.O. Box 21243,<br>Nairobi         | Rewinding and repairs<br>of automobile dyna-<br>mos, alternators, star-<br>ters electrical motors<br>and electrical installa-<br>tions. |
| 4. K.K. Wahome and Partner,<br>P.O. Box 47119,<br>Nairobi.   | Steel fabricated pro-<br>ducts.   |
| 5. Elgon Factory,<br>P.O. Box 17008,<br>Nairobi              | Wooden coat hangers   |

| Name and Address   | Items Produced                                |
|--|---|
| 19. Kiatu & Allied Products,<br>P.O. Box 48444,<br>Nairobi.                | Shoe laces                                    |
| 20. Chui Enterprises,<br>P.O. Box 18493,<br>Nairobi.                       | Polyester and Urea<br>buttons                 |
| 21. Pigeon Slide Works,<br>P.O. Box 18324,<br>Nairobi.                     | Zip fasteners (nylon<br>and aluminium)        |
| 22. Neptune Industries,<br>P.O. Box 10217,<br>Nairobi.                     | Paper pins, garment<br>and footwear eyelets.  |
| 23. Nineten Investment Ltd.,<br>P.O. Box 42227,<br>Nairobi.                | Plastic ladies handbags<br>and PVC raincoats  |
| 24. Hydraulic meters and<br>Equipment Ltd.,<br>P.O. Box 41351,<br>Nairobi. | Servicing and assembly<br>of water meters     |
| 25. East African Spectre Ltd.,<br>P.O. Box 18402,<br>Nairobi.              | Gas cylinders                                 |
| 26. Sansaws (Kenya) Ltd.,<br>P.O. Box 18264,<br>Nairobi.                   | Band saw blades                               |
| 27. Ray Industries,<br>P.O. Box 48264,<br>Nairobi.                         | Barrel bolts                                  |
| 28. Crescent Investment Ltd.,<br>P.O. Box 18484,<br>Nairobi.               | Carbon paper and type-<br>writer ribbons      |
| 29. Paperware Ltd.,<br>P.O. Box 17240,<br>Nairobi.                         | Paper cups and ice<br>cream cups              |
| 30. Kenya Castings Ltd.,<br>P.O. Box 74654,<br>Nairobi.                    | Charcoal iron, cisterns<br>and manhole covers |
| 31. Kenya Labels Manufacturers,<br>P.O. Box 28737,<br>Nairobi.             | Woven fabric labels                           |

| Name and Address   | Items Produced   |
|--|--|
| 6. Chemakura African Curios,<br>P.O. Box 18482,<br>Nairobi.      | Gameskin products and curios   |
| 7. Mikuyuini Curio Crafts,<br>P.O. Box 47329,<br>Nairobi.        | Gameskin products  |
| 8. African Culture Sejever,<br>P.O. Box 2774,<br>Nairobi.        | Bead work and clay work  |
| 9. Metal pressings Ltd.,<br>P.O. Box 43427,<br>Nairobi.          | Steel butt hinges, brass suit-case hinges, hasps and staples plus spacer saddle bars.    |
| 10. Kiema Printers Ltd.,<br>P.O. Box 12735,<br>Nairobi.          | Printing of books and general stationeries   |
| 11. Galaxy Printers Ltd.,<br>P.O. Box 72735,<br>Nairobi.         | Printing services  |
| 12. Kenya Night Queen,<br>P.O. Box 44746,<br>Nairobi.            | Hair oils and cosmetics  |
| 13. Dawning Africano Enterprises,<br>P.O. Box 12632,<br>Nairobi. | Staple pins and paper clips  |
| 14. Kenya Scales Ltd.,<br>P.O. Box 12974,<br>Nairobi.            | Manufacturing weights full sets, counter scales assembly, salter spring balances repairs |
| 15. Ngwataniro Enterprises,<br>P.O. Box 14081,<br>Nairobi.       | Wooden cloth pegs  |
| 16. Stitcho Garments,<br>P.O. Box 46556,<br>Nairobi.             | Ready made garments and uniforms   |
| 17. Universal Packers,<br>P.O. Box 4333,<br>Nairobi.             | Glue and packing of scouring powder  |
| 18. Kuguru Consolidated Co. Ltd.,<br>P.O. Box 45510,<br>Nairobi. | Instant noddles  |

| Name and Address   | Items produced                          |
|--|---|
| 32. Haraka Hoisery Manufacturers Ltd.,<br>P.O. Box 49309,<br>Nairobi.  | Elastic tapes & hoisery products        |
| 33. Motho Industries,<br>P.O. Box 30019,<br>Nairobi.                   | Bicycle spokes, nipples & washers       |
| 34. Broco Engineering Enterprises Ltd.,<br>P.O. Box 44292,<br>Nairobi. | Various metal products & bottle openers |
| 35. Nairobi Electrical Eng.,<br>P.O. Box 46368,<br>Nairobi.            | Electric distribution Boards            |
| 36. Lenses & Frames Ltd.,<br>P.O. Box 48953,<br>Nairobi.               | Spectale frames and sun-glasses         |
| 37. Ruhio Blacksmith,<br>P.O. Box 75675,<br>Nairobi.                   | Steel windows and other allied items    |
| 38. Chameleon Ltd.,<br>P.O. Box 10861,<br>Nairobi.                     | Silk screen printing                    |
| 39. Kenwafers,<br>P.O. Box 21050,<br>Nairobi.                          | Wafer biscuits                          |
| 40. Rae Furniture,<br>P.O. Box 18125,<br>Nairobi.                      | High class wooden furniture             |
| 41. Milling Services Ltd.,<br>P.O. Box 25077,<br>Nairobi.              | Refluting of rollers                    |
| 42. Canvas Manufacturers Ltd.,<br>P.O. Box 20427,<br>Nairobi.          | Canvas cloth.                           |
| 43. Mbingwa Industries,<br>P.O. Box 30213,<br>Nairobi                  | Emery paper & emery cloth               |
| 44. Slabs System Manufacturers,<br>P.O. Box 42267,<br>Nairobi.         | Wood wool cement slabs                  |

| Name and Address   | Items Products                            |
|--|---|
| 45. Hard Wheels Ltd.,<br>P.O. Box 11995,<br>Nairobi.                     | Grinding wheels                           |
| 46. Panga Handles Manufacturers,<br>P.O. Box 12623,<br>Nairobi.          | Panga handles and<br>dusters              |
| 47. Genitem's Co. Ltd,<br>P.O. Box 72716,<br>Nairobi.                    | Pant hooks and bars<br>and electroplating |
| 48. Khweyombokhe Co. Ltd.,<br>P.O. Box 43648,<br>Nairobi.                | Brass window stays                        |
| 49. Joy Garments,<br>P.O. Box 40125,<br>Nairobi                          | Ready made garments                       |
| 50. Egg Containers Ltd.,<br>P.O. Box 44247,<br>Nairobi.                  | Egg trays                                 |
| 51. Kenya Plastic Ltd.,<br>P.O. Box 46261,<br>Nairobi.                   | Vent plugs                                |
| 52. Kip Precision & Co.,<br>P.O. Box 46930,<br>Nairobi.                  | Wooden rulers                             |
| 53. Specialised Welding<br>Services Ltd.,<br>P.O. Box 18465,<br>Nairobi. | Specialised welding                       |
| 54. Seracoatings Ltd.,<br>P.O. Box 48425,<br>Nairobi.                    | P.V.C. coated fabrics                     |

Most of the units progressed well. One unit M/s Tiger Shoe Co. Ltd. expanded and moved away from the estate to occupy its own premises within the Nairobi Industrial Area.



## NAKURU INDUSTRIAL ESTATE

| Name and Address   | Items Produced                         |
|--|--|
| 1. Flamingo Casement,<br>P.O. Box 316,<br>Nakuru.                          | Steel windows and<br>steel door frames |
| 2. Gladhome Works Ltd.,<br>P.O. Box 72632,<br>Nakuru.                      | Bicycles                               |
| 3. Nakuru Cartons,<br>P.O. Box 7057,<br>Nakuru.                            | Cartons                                |
| 4. National Pencil Co. Ltd.,<br>P.O. Box 28035,<br>Nakuru.                 | Lead pencils                           |
| 5. Aluminium Works Ltd.,<br>P.O. Box 11126,<br>Nakuru.                     | Milk churns                            |
| 6. Nakuru Nails Manufacturers,<br>P.O. Box 7078,<br>Nakuru.                | Wire nails                             |
| 7. Nairobi Handbag Manufacturers,<br>P.O. Box 28022,<br>Nairobi.           | Ladies Handbags                        |
| 8. Twilight Steel Furnitures,<br>P.O. Box 7142,<br>Nakuru.                 | Steel tubular furniture                |
| 9. Highlands Steel Products Ltd.,<br>P.O. Box 7170,<br>Nakuru.             | Stainless steel cutlery                |
| 10. Thomson Tapes (E.A.) Ltd.,<br>P.O. Box 7190,<br>Nakuru.                | Surgical bandages                      |
| 11. Rift Printing House,<br>P.O. Box 88,<br>Nakuru.                        | Printing of books &<br>stationery      |
| 12. Nakuru Containers Ltd.,<br>P.O. Box 1484,<br>Nakuru.                   | Un-printed tin cans                    |
| 13. Agricultural Implements<br>Manufacturers,<br>P.O. Box 1553,<br>Nakuru. | Farm implements                        |

| Name and Address  | Item Produced     |
|---|-------------------|
| 14. Kenya Rivets Co. Ltd.,<br>P.O. Box 7111,<br>Nakuru. | Bifurcated rivets |

Most of the problems experienced during the previous years were solved. The sheet metal unit remained closed. Five other Projects were at advanced stage of implementation.

#### KISUMU INDUSTRIAL ESTATE

| Name and Address  | Item Produced                                 |
|---|---|
| 1. Nita Fashion,<br>P.O. Box 1764,<br>Kisumu.           | Knitted articles                              |
| 2. Neceld Garments Ltd.,<br>P.O. Box 1264,<br>Kisumu.   | Ladies & children's<br>wear                   |
| 3. Kigwegwe Crafts,<br>P.O. Box 1360,<br>Kisumu.        | Bead work                                     |
| 4. Kenya Plastic Industry,<br>P.O. Box 206,<br>Kisumu.  | Plastic fishing floats                        |
| 5. Gem Furniture Mart,<br>P.O. Box 653,<br>Kisumu.      | Wooden furniture                              |
| 6. Tubular Furniture Works,<br>P.O. Box 467,<br>Kisumu. | Tubular furniture                             |
| 7. Nyanza Blacksmith,<br>P.O. Box 1083,<br>Kisumu.      | Steel windows, door<br>frames, and wheel rims |

Other projects were approved and will be implemented as soon as suitable entrepreneurs are available.

#### OTHER ESTATES:

##### Mombasa:

The construction of estate was completed and the staff who occupied a temporary office in town moved to the estate. Six out of eight projects which were ready for implementation were allotted to individual entrepreneurs.

## Eldoret :

The DANIDA experts left the estate after the Danish Government pulled out. The local personnel — The Regional Manager and Project Economist were working on the construction of the estate as well as identification of projects to be implemented as soon as the estate was completed. Eight projects were prepared and approved by the Regional Committee, ready for implementation as soon as construction is finished.

## Nyeri and Kakamega

Discussions were held between two foreign Governments and Kenya Government officials with a view to sponsoring these two estates. The estates will be implemented as soon as the funds are made available.

## Technical Services Centres

### 1. T.S.C. Nairobi

The T.S.C. Nairobi received some further machines from the Government of the Federal Republic of Germany. Among them were a sand-blasting machine for cleaning and/or scaling of forgings or castings and an argon gas welding machine for the welding of tool and other alloyed steel.

During the year under review, the centre made tools and dies for the Estate and outside customers worth almost Shs. 150,000/-. In addition, the centre took up the manufacturing of forging and coining dies.

### 2. T.S.C. Nakuru

With the exception of one machine found shortlanded, all machinery supplied on grant by the German Government were installed and put into use. The centre started functioning.

### 3. T.S.C. Mombasa

For the T.S.C. Mombasa, the machines (also supplied on grant from the German Government) arrived and were being installed.

## RURAL INDUSTRIAL DEVELOPMENT PROGRAMME :

The activities of the four centres which were established in 1971 continued to increase considerably.

At Kakamega, three sophisticated projects were undertaken. These are — a small scale sugar factory with a total investment of 4.5 million shillings and employs 150 people, a pottery project which employs 10 people and a brick making project.

At Nyeri, quite a number of clients were assisted at the centre and a total of 41 projects were approved out of which 33 have been implemented. The centre was quite busy implementing the new projects and following up the already implemented projects.

It assisted one client to produce chicken incubators and brooders. A project paper was to be prepared on this project as there is a market potential for this item.

Plans to construct some low type sheds at Karatina Industrial Promotion Area (I.P.A.) were finalized.

R.I.D.C. Machakos was busy changing the idea from “inventing” new prototypes to an adaption of industrial products for which there is a market. New types of wheel barrows internal transport equipment, hospital equipment (wheel chairs, beds etc.) were in production. New types of wind mills were also being experimented.

The centre also embarked on construction of low type sheds (Industrial Promotion Area (I.P.A.) to consist of 9540 sq. ft. work sheds and one sanitary block at a total cost of Shs. 555,000/- including the external work. The centre implemented a stone churning unit with a total investment of Shs. 250,000/-.

**Embu R.I.D.C. embarked on construction of the huge Sagana Tanneries Ltd** with an investment of 1.3 million shillings. The construction was at its final stage of implementation. Other small projects on dry cleaning and Bakery were approved. The centre constructed 5 low type sheds which were ready for occupation.

## PERSONNEL GROWTH AND VISITORS

There was a considerable increase in the personnel during this period. In fact had it not been for the general restriction on recruitment all over the Government circles the personnel growth would have been even much higher. As at 30th June, 1976 there were 249 employees as compared to 168 employees at the same period last year.

## VISITORS TO K.I.E.:

K.I.E. received visitors from all walks of life during the year under review. Among them were:—

- 8 — 7 — 75 A group of officials from Kearnlines (K) Ltd.
- 10 — 7 — 75 Students from School of Journalism
- 17 — 7 — 75 Mrs. Berit Fraedas, M.P. of the Swedish Parliament.
- 17 — 7 — 75 A group of German protestant priests lead by Pastor Pat-chen.
- 21 — 7 — 75 Clerical officers from the office of President.
- 22 — 7 — 75 Supervisory trainees of East African Railways Corpo-ration.
- 6 — 8 — 75 Project Manager of Industrial Survey and Promotion Centre in Malawi.
- 6 — 8 — 75 Prison Officers from Prisons Staff Training College.
- 14 — 12 — 75 Mrs. Grethe Kjaersgaard Pertersen a Danish photographer and Mrs. Gunvor.
- 20 — 12 — 75 A large delegation of Councillors from Mogadishu City Council.
- 28 — 12 — 75 Dr. Armbruster who is in charge of East African desk in the Federal Ministry of Economic Corporation in Bonn, West Germany.
- 15 — 1 — 76 Mr. Theo Bosbach's, Manager International Banking Division, West Germany.
- 18 — 1 — 76 Assistant Minister for Commerce and Industry Hon. A.O. Amayo M.P.
- 18 — 1 — 76 Mr. Hanusch from German, Agency for Technical Co-operation.
- 21 — 4 — 76 Zambian Ministrerial Delegation lead by Kenya's Minister for Foreign Affairs Dr. Muniyua Waiyaki M.P.
- 29 — 4 — 76 The Minister of State, Industries and Supplies, Govern-ment of India Hon. A.P. Sharma and the Minister for Small Scales Industry Hon. Mrs. Mochsina Kidnai M.P.
- 21 — 5 — 76 A group of German Journalists.
- 11 — 6 — 76 The participants of 8th African Region Conference of the Commonwealth Paliamentary Association (CPA).

**KENYA INDUSTRIAL ESTATES LIMITED**  
**REPORT OF THE DIRECTORS TO THE MEMBERS**

The directors submit their report together with the audited accounts of the company for the year ended 30th June 1976.

**Results**

|    |   |                |
|----|---|----------------|
| 2. | The accounts show:—                           | £              |
|    | Net loss for the year                         | 374,380        |
|    | Administration grant received from Kenya Gov. | 300,000        |
|    |   | <hr/>          |
|    |   | 74,380         |
|    | Net accumulated loss at 1st July 1975         | <u>252,929</u> |
|    | Net accumulated loss to date                  | <u>327,309</u> |

**Dividend**

3. The directors cannot recommend the declaration of any dividend.

**Directorate**

4. Under the company's articles of association the directors are not subject to retirement by rotation. At 30th June 1976 the board consisted of:—

Mr. E. Matu Wamae  
Mr. J. Keragori  
Hon. A.K. Arap Biy  
Mr. F.J. Addly  
The Permanent Secretary, Ministry of Finance and Economic Planning  
The Permanent Secretary, Ministry of Commerce and Industry

**Auditors**

5. The auditors, Coopers & Lybrand, continue in office in accordance with the provisions of section 159(2) of the Companies Act (Cap. 486).

**BY ORDER OF THE BOARD**

A.M. SIMWA  
Secretary

**KENYA INDUSTRIAL ESTATES LIMITED**

**REPORT OF THE AUDITORS TO THE MEMBERS**

The accounts set out on pages 22 to 26 are in agreement with the books which, in our opinion, have been properly kept. We obtained the information and explanations we required.

In our opinion the accounts give a true and fair view of the state of the company's affairs at 30th June 1976 and of its loss for the year ended on that date and comply with the Companies Act (Cap. 486).

NAIROBI,  
22nd February, 1977.

COOPERS & LYBRAND

# KENYA INDUSTRIAL ESTATES LIMITED

NOTES TO THE ACCOUNTS

30TH JUNE 1976

## 1. ACCOUNTING POLICIES

The principal accounting policies adopted by the company are as follows:—

### (a) Fixed assets

Leasehold land allotted by the Kenya Government is stated at cost or professional valuation when such land is capitalised. Other fixed assets are stated at cost with the exception of donated assets which are stated at invoice value or at directors valuation.

### (b) Depreciation

Depreciation is calculated to write off the cost or valuation of fixed assets on the reducing balance method over the expected useful lives of the assets concerned. The annual rates used for the purpose are:—

|  | %   |
|--|-----|
| Buildings and land improvements          | 2   |
| Plant and machinery                      | 10  |
| Furniture, fittings and office equipment | 12½ |
| Motor vehicles                           | 20  |

Leasehold land is written off in equal annual instalments over the period of the lease.

### (c) Debtors

Known bad debts are provided for in full and adequate provision is made for those considered doubtful of recovery.

## 2. FIXED ASSETS

|  | Cost or<br>valuation<br>£ | Accumulated<br>depreciation<br>£ | Net book<br>value<br>1976<br>£ | value<br>1975<br>£ |
|--|---------------------------|----------------------------------|--------------------------------|--------------------|
| (a) Leasehold land,<br>buildings and<br>improvements | 1,846,987                 | 105,278                          | 1,741,709                      | 1,443,388          |
| Plant and machinery                                  | 288,038                   | 44,800                           | 243,238                        | 109,903            |
| Furniture, fittings<br>and office equipment          | 37,180                    | 10,284                           | 26,896                         | 20,407             |
| Motor vehicles                                       | 48,950                    | 13,378                           | 35,572                         | 23,760             |
|  | 2,221,155                 | 173,740                          | 2,047,415                      | 1,597,458          |

(b) The plot of land for the Kisii Rural Industrial Development Project has officially been allotted to the company but this asset has not been capitalised and included in the accounts.



**KENYA INDUSTRIAL ESTATES LIMITED**  
**NOTES TO THE ACCOUNTS** **30TH JUNE 1976**  
*(continued)*

(c) The plots of land for the Rural Industrial Development Project at Embu, Machakos and Nyeri have not been officially allotted to the company and therefore these assets have been excluded from the accounts.

| 3. SHARE CAPITAL                  | 1976<br>£ | 1975<br>£ |
|-----------------------------------|-----------|-----------|
| Shares of Shs. 20 each Authorised | 2,000     | 2,000     |
| Issued and fully paid             | 4         | 4         |

| 4. CAPITAL RESERVE                   |         |         |
|--------------------------------------|---------|---------|
| At 1st July 1975                     | 116,951 | 108,001 |
| Donated machinery and motor vehicles | 135,749 | 8,950   |
| At 30th June 1976                    | 252,700 | 116,951 |

5. **RURAL INDUSTRIAL DEVELOPMENT PROJECT GRANTS**  
This represents grants received direct from the Kenya Government. The amount received to date from the Treasury, via I.C.D.C., of £408,896 for R.I.D.P. is included under the I.C.D.C. loan and current accounts as the loan/grant status of this amount has not been established.

6. **KENYA GOVERNMENT LOANS**  
This represents infrastructure loans received direct from the Treasury for the Eldoret, Kisumu and Mombasa Industrial Estates. All other Government loans received via I.C.D.C. are included in the I.C.D.C. loan and current accounts.

| 7. CAPITAL COMMITMENTS   | 1976<br>£ | 1975<br>£ |
|--|-----------|-----------|
| Commitments in respect of contracts for the purchase of fixed assets | 161,642   | 234,564   |

**KENYA INDUSTRIAL ESTATES LIMITED**  
**NOTES TO THE ACCOUNTS** **30TH JUNE 1976**  
*(continued)*

**8. CONTINGENT LIABILITIES**

The company has given guarantees to its bankers amounting to £48,104 (1975 £69,335) in respect of payments made by the bank under the entrepreneurs bulk purchase scheme which are covered by stocks on hand and goods in transit at 30th June 1976.

| <b>9. DIRECTORS EMOLUMENTS</b> | <b>1976</b> | <b>1975</b> |
|--------------------------------|-------------|-------------|
|                                | <b>£</b>    | <b>£</b>    |
| As directors                   | 400         | 300         |
| For management                 | —           | —           |
|                                | 400         | 300         |
|                                | 400         | 300         |

**10. CURRENCY**

These accounts are expressed in Kenya pounds, one Kenya pound being equal to twenty Kenya shillings.

*Report of the auditors — page 21*

**KENYA INDUSTRIAL ESTATES LIMITED**  
**BALANCE SHEET** **30TH JUNE 1976**

|  | Note | 1976<br>£ | 1975<br>£ |
|--|------|-----------|-----------|
| <b>FIXED ASSETS</b>  | 2    | 2,047,415 | 1,597,458 |
| <b>CURRENT ASSETS</b>  |      |           |           |
| Stores at cost   |      | 11,010    | 7,581     |
| Debtors  |      | 498,585   | 239,126   |
| Fixed deposits   |      | —         | 154,973   |
| Bank balances and cash                                       |      | 1,471,347 | 90,992    |
|  |      | 1,980,942 | 492,672   |
| <b>CURRENT LIABILITIES</b>                                   |      |           |           |
| Creditors  |      | 103,665   | 91,859    |
| Bank overdraft   |      | 128,122   | 114,728   |
|  |      | 231,787   | 206,587   |
| <b>NET CURRENT ASSETS</b>                                    |      | 1,749,155 | 286,085   |
| <b>NET ASSETS</b>  |      | 3,796,570 | 1,883,543 |
| <b>Financed by:-</b>   |      |           |           |
| <b>SHARE CAPITAL</b>   | 3    | 4         | 4         |
| <b>CAPITAL RESERVE</b>                                       | 4    | 252,700   | 116,951   |
| <b>KENYA GOVERNMENT<br/>R.I.D.P. GRANTS</b>                  | 5    | 371,968   | 97,968    |
| <b>NET ACCUMULATED LOSS TO DATE</b>                          |      | (327,309) | (252,929) |
|  |      | 297,363   | (38,006)  |
| <b>INDUSTRIAL AND COMMERCIAL<br/>DEVELOPMENT CORPORATION</b> |      |           |           |
| Loan and current accounts                                    | 5    | 2,095,157 | 1,811,549 |
| <b>KENYA GOVERNMENT LOANS</b>                                | 6    | 1,404,050 | 110,000   |
| E. Matu Wamae.....Director                                   |      |           |           |
| J. Keragori.....Director                                     |      |           |           |
|  |      | 3,796,570 | 1,883,543 |

*Report of the auditors — page 21*  
*The notes on pages 22, 23 and 24 form part of these accounts.*

**KENYA INDUSTRIAL ESTATES LIMITED**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 1976**

|  | 1976<br>£ | 1975<br>£ |              |        |        |   |       |       |               |        |        |
|--|-----------|-----------|--------------|--------|--------|---|-------|-------|---------------|--------|--------|
| <b>LOSS FOR THE YEAR</b>   | 374,380   | 307,755   |              |        |        |   |       |       |               |        |        |
| <p><b>After charging:</b></p> <table style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="padding-left: 20px;">Depreciation</td> <td style="text-align: right;">55,930</td> <td style="text-align: right;">43,178</td> </tr> <tr> <td style="padding-left: 20px;">Auditors remuneration (including underprovision of £650 for 1975)</td> <td style="text-align: right;">3,150</td> <td style="text-align: right;">1,350</td> </tr> <tr> <td style="padding-left: 20px;">Loan interest</td> <td style="text-align: right;">30,608</td> <td style="text-align: right;">23,706</td> </tr> </tbody> </table> |           |           | Depreciation | 55,930 | 43,178 | Auditors remuneration (including underprovision of £650 for 1975) | 3,150 | 1,350 | Loan interest | 30,608 | 23,706 |
| Depreciation   | 55,930    | 43,178    |              |        |        |   |       |       |               |        |        |
| Auditors remuneration (including underprovision of £650 for 1975)  | 3,150     | 1,350     |              |        |        |   |       |       |               |        |        |
| Loan interest  | 30,608    | 23,706    |              |        |        |   |       |       |               |        |        |
| Administration grant received from Kenya Govt.   | 300,000   | 175,400   |              |        |        |   |       |       |               |        |        |
|  | 74,380    | 132,355   |              |        |        |   |       |       |               |        |        |
| <b>NET ACCUMULATED LOSS AT<br/>1ST JULY 1975</b>   | 252,929   | 120,574   |              |        |        |   |       |       |               |        |        |
|  | 327,309   | 252,929   |              |        |        |   |       |       |               |        |        |
| <b>NET ACCUMULATED LOSS TO DATE</b>  | 327,309   | 252,929   |              |        |        |   |       |       |               |        |        |

*Report of the auditors — page 21*  
*The notes on pages 22, 23 and 24 form part of these accounts.*

**KENYA INDUSTRIAL ESTATES LIMITED**  
**DETAILED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED**  
**30TH JUNE 1976**

|  | 1976<br>£ | 1975<br>£ |
|--|-----------|-----------|
| <b>INCOME</b>                            |           |           |
| Rents receivable                         | 53,033    | 34,473    |
| Service charges less raw materials       | 12,136    | 442       |
| Interest receivable                      | 10,810    | 4,508     |
| Profit on sale of fixed assets           | 24        | 636       |
| Other income                             | 3,030     | —         |
|  | 79,033    | 40,059    |
| <br><b>EXPENDITURE</b>                   |           |           |
| <b>Administration:</b>                   |           |           |
| Salaries and wages                       | 216,573   | 160,010   |
| Directors fees and expenses              | 1,705     | 1,341     |
| Travelling expenses                      | 8,737     | 7,765     |
| Vehicle running expenses                 | 17,324    | 11,766    |
| Advertising                              | 3,460     | 2,199     |
| Repairs and maintenance                  | 3,316     | 3,611     |
| Insurance                                | 8,635     | 4,881     |
| Printing and stationery                  | 9,397     | 8,500     |
| Postage, telephone and telegrams         | 13,387    | 7,679     |
| Light, water and conservancy             | 4,915     | 3,718     |
| General expenses                         | 6,659     | 16,059    |
| Newspapers and periodicals               | 203       | 199       |
| Bank charges                             | 2,264     | 511       |
| Entertainment                            | 698       | —         |
| Rent and rates                           | 15,155    | —         |
| Subscription and donations               | 179       | —         |
| Professional fees                        | 4,648     | 2,111     |
| Recruitment and other personnel expenses | 956       | —         |
|  | 318,211   | 230,350   |
| Product development expenses             | 3,651     | —         |
| Interest payable                         | 33,560    | 23,706    |
| Provision for doubtful debts             | 42,061    | 50,580    |
| Depreciation                             | 55,930    | 43,178    |
|  | 453,413   | 347,814   |
| <br><b>LOSS FOR THE YEAR</b>             | 374,380   | 307,755   |

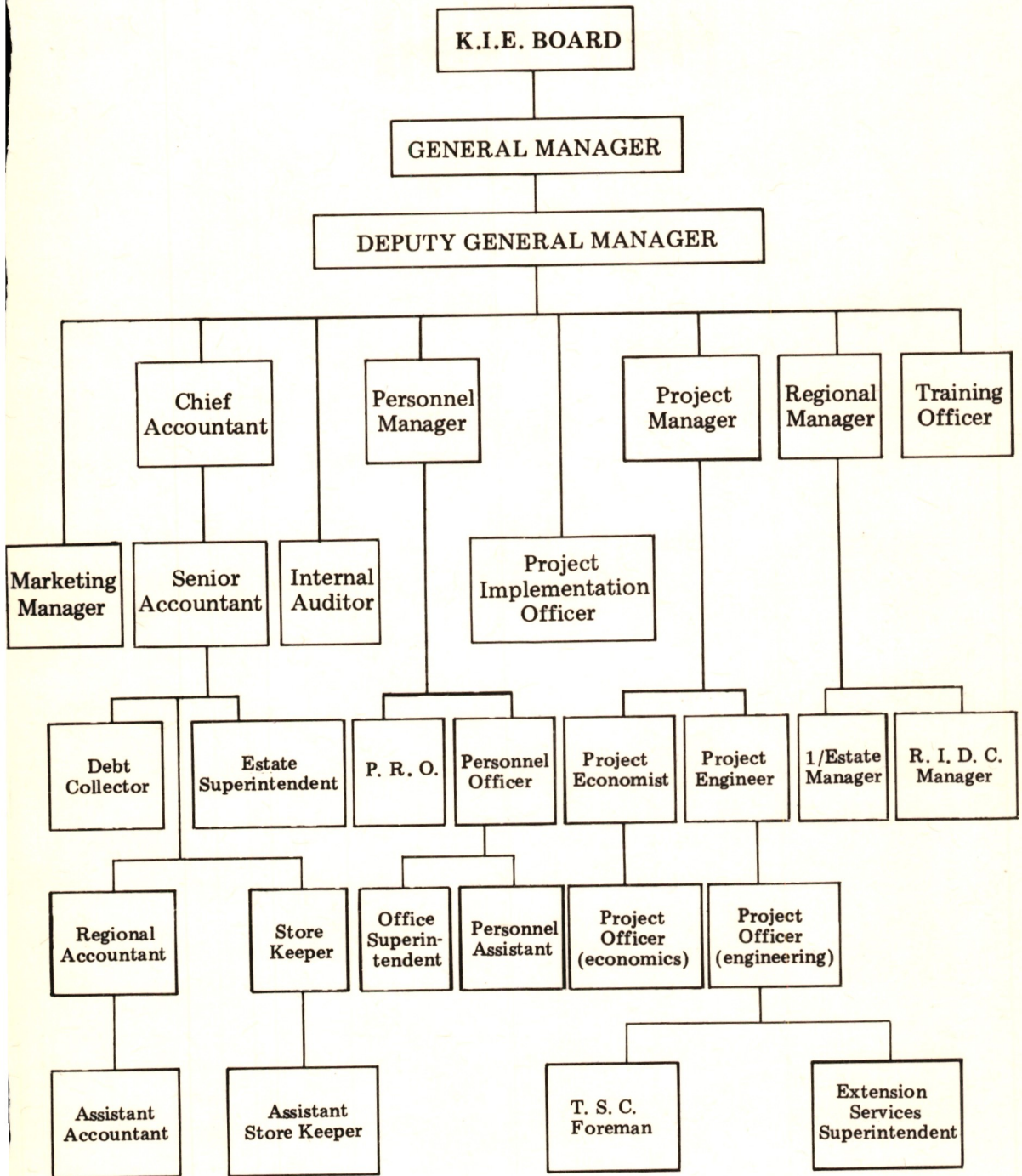


*Inside Kabras Sugar Factory at R.I.D.C., Kakamega.*



*Inside Kabras Sugar Factory at R.I.D.C., Kakamega.*

## K.I.E. ORGANIZATION CHART



Printed by Prudential Printers Limited, Changamwe Road, Industrial Area,  
P.O. Box 18086, Nairobi, Kenya.