

WELLA HIGH LAND MILLERS

(1) LID

MINUTE SHEET

Dokezo
No.

MINUTE SHEET

Dokezo
No.

1.0

Ag. EXD *done pl.*

The approved project has fulfilled the investment requirements, which are: -

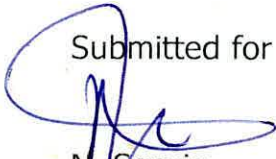
(a) Minimum finance investment threshold has been exceeded, the project expects to invest ...*us\$ 1.17m*.....

(b) Legal entity has been incorporated under certificate

No.*31489*..... of *13/02/1997*.....

Based on the above, the letter of approval is hereby submitted for signature in order for the project to comply with the requirements of Section 17 of Tanzania Investment Act, 1997.

Submitted for signature.



N. Senzia
DIF

19th August, 2013

2.0

Ag EXD *done pl. 15/11/2013*

In response to the TIC letter of registration dated...*19th August 2013*.....

the project has submitted the required documents namely: -

(a) Company Board Resolution.

(b) Reference letter/Financing from...*CRDB Bank LTD*.....

(c)*Right of occupancy is evidence of land*.....

With the above submission EXD is requested to sign Certificate of Incentives No.*042508*..... herein attached.

15/11/2013



DIF

TICC/PP.10/042508/6

10/12/2013

Commissioner for Customs & Excise,
Tanzania Revenue Authority,
P.O. Box 9053,
DAR ES SALAAM

Dear Sir,

**RE: DUTY/VAT REMISSIONS ON THE CAPITAL/DEEMED
CAPITAL GOODS OF CERTIFICATE OF INCENTIVES NO.
042508**

M/S Wella Highland Millers (T) Limited is a TIC registered company with certificate of incentives **No. 042508** which is valid up to **July 2016**

The company has been registered with objectives of establishing and operating maize and rice processing facility in Mbeya.

Attached herewith please find a list of Capital/ Deemed Capital Goods for Duty and VAT remissions approval.

Yours sincerely

TANZANIA INVESTMENT CENTRE



N.A. Senzia

FOR: EXECUTIVE DIRECTOR

WELLA HIGHLAND MILLERS (T) LIMITED

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P.O. Box 157, Mbeya - TANZANIA

Tel: +255 25 2502224; Fax: +255 25 2502575; Cell: +255 713 328256

Ref. No: WHMTL/TRA/1/2013

November 28 2013

Commissioner for Customs & Excise
P.O. Box 9053
Dar es Salaam



Ufs: The Executive Director
Tanzania Investment Centre
P.O. Box 938
Dar es Salaam

Dear Sir,

RE: APPLICATION FOR IMPORT DUTY AND VAT EXEMPTIONS ON THE CAPITAL/DEEMED CAPITAL GOODS: TIC CERTIFICATE OF INCENTIVES NO: 042508 DATED 14TH NOVEMBER 2013

We are a TIC registered project holding TIC Certificate of Incentives No. 042508 dated 14th November 2013 granted for purposes of establishing and operating maize and rice processing facility in Mbeya City.

Attached herewith please find a list of machinery, equipment and motor vehicles relevant to the project, which we trust you will find in order for your kind approval for exemption of import duty, and Value Added Tax. Also attached are two certified true copies of our Certificate of Incentives and TIN.

Thanking you for your kind cooperation.

Yours sincerely,
WELLA HIGHLAND MILLERS (T) LIMITED


Shamash R. Walji
DIRECTOR

**LIST OF CAPITAL/DEEMED CAPITAL GOODS FOR
M/S WELLA HIGHLAND MILLERS (T) LIMITED
SECTOR: MANUFACTURING
SUB-SECTOR: MAIZE AND RICE MILLING
TIC CERTIFICATE NO. 042508**

A	PLANT, MACHINERY & EQUIPMENT	QTY	Units
1	Cleaner	2	Pcs
2	Scourer	2	Pcs
3	Aspirator	2	Pcs
4	Destoner	2	Pcs
5	Humidifier	2	Pcs
6	Double Roller Mill Break	2	Pcs
7	Degerminator	2	Pcs
8	Planalter	2	Pcs
9	Scalperator	2	Pcs
10	Flat Rotary Sieve	2	Pcs
11	Suction Type Stoner	2	Pcs
12	Rubber Roller Rice Huller	3	Pcs
13	Compartment Separator	3	Pcs
14	Rice Polisher	3	Pcs
15	Iron Roller	2	Pcs
16	Jet Type Peeler	3	Pcs
17	Rice Grader	3	Pcs
18	Auxiliary Machines including the Magnetic Separation, Dust and Muck Removing Systems	2	Pcs
19	Steel Dump Hopper	4	Pcs
20	Hot Dip Galvanized Steel Grating	5	Pcs
21	Hinged Protection Steel Cover	5	Pcs
22	Manually Calibrated Slide Gate	5	Pcs
23	Standby Generator	2	Pcs
24	Motor Control Switchboard	2	Pcs
25	Weigh Bridge	2	Pcs
26	Spare Parts and Maintenance Equipment		
A.	Rolls for B1 Passage	2	Set
B.	Rolls for B2 Passage	2	Set
C.	Metal Screens for Horizontal Scourer	2	Set
D.	Metal Screens for Separators	2	Set
E.	Bold Clothing for Turbo-Sifters	9	Pcs
F.	Bearings 22210 CC	6	Pcs
G.	Lamps and Electrical Spares for Panel	2	Set
H.	Ordinary Maintenance Box	2	Set
27	Smoke Detector Machines	8	Pcs
28	Fire Alarm Machine	8	Pcs
29	Fire Extinguishers	16	Pcs
B	MOTOR VEHICLES		
1	Pick Up (Single Cabin)	1	Pc
2	Landcruiser Hardtop (Mkongga)	1	Pc
3	Heavy Truck	1	Pc

**WELLA HIGHLAND MILLERS (T) LTD.
P. O. Box 157, TEL. 2023
MBEYA**

Handwritten signature/initials



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THE UNITED REPUBLIC OF TANZANIA

00220423

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042508

This is to certify that

WELLA HIGHLAND MILLERS (T) LTD

P.O. BOX 157

of address MBEYA

has been granted a Certificate of Incentives to invest in a new, ~~XXXXXXXXXXXXXXXXXXXX~~ enterprise known as

WELLA HIGHLAND MILLERS (T) LTD

PLOT NO. 39, IYUNGA INDUSTRIAL AREA

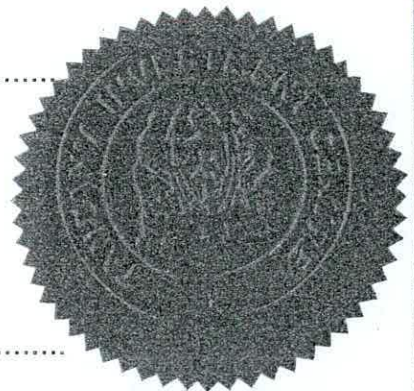
Which is located at MBEYA URBAN - MBEYA

Further particulars required by Section 17 of the Tanzania Investment Act are set out overleaf.

Executive Director

Tanzania Investment Centre
P.O. Box 938, Dar es Salaam

Dated 14TH NOVEMBER 2013



This Certificate is issued in accordance with the provisions of Section 17 of the Tanzania Investment Act, 1997 and subject to the conditions prescribed under item 14 and 15 hereafter:—

1. Shareholders

	Nationality	Shareholding (%)
Al-Munir R. Walji	Tanzanian	10
Latif R. Walji	Tanzanian	10
Shamash R. Walji	Tanzanian	10
Meherbanu R. Walji	Tanzanian	10
Ramzan D. Walji	Tanzanian	60
2. Proposed Activities : **To establish and operate maize and rice processing facility in Mbeya**
3. Sector: **Manufacturing** Subsector **Maize and Rice Milling**
4. Investment cost: Foreign **-** Local **USD 1.17m.** Total **USD 1.17m.**
5. Project Financing: Equity **USD 0.287m.** Loans **USD 0.883m.** Total **USD 1.17m.**
6. Source, terms and conditions of loan.....
7. Assets to be invested:

	Foreign	Local	Total
Capital items:	-	USD 1.17m.	USD 1.17m.
8. Technology Agreement **None**
9. Date of TIC Registration: **19th August 2013**
10. Implementation period **August 2013 - July 2016**
11. Operative date **August 2016**
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997 **And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997**
 - (i) Applicable Import Duty **As per Income Tax act, 2004 (as amended)**
 - (ii) Applicable with-holding Tax **As per Income Tax act, 2004 (as amended)**
 - (iii) Eligibility of Capital Allowances **As per Income Tax act, 2004 (as amended)**
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
 - (i) Date of Commencement of investment has to be notified to the Centre.
 - (ii) Certificate not to be transferred, assigned or amended
 - (iii) Failure to commence implementation within two years invalidates Certificate
 - (iv) Failure to operate investment must be notified to the Centre
 - (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre
15. Additional conditions attached to Certificate **Finished goods are not allowed under this Certificate**

Signed 
Executive Director



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CRDB BANK PLC
Mbeya Branch
P.O. Box 315, Mbeya,
Tanzania
Tel: +255 (0)25 2504367/2504369
Fax: +255 (0)25 2504315



4113/659926/650002/2013

15/10/2013

TO: TANZANIA INVESTMENT CENTER.
P.O BOX.
DAR ES SALAAM,

RE: INTRODUCTION OF RAMZAN DHARMSI WALJI

Kindly refer the subject mentioned above.
This letter serves to confirm to you that, RAMZAN DHARMSI WALJI is one of the directors of Wella Highland Millers as well as Mbeya Hotel and personal account in number 01J1065992600 and 01J1065000200 respectively

As far as banking operation is concerned the said customer, has no any bad record since they started operating with us.

This information is issued without any liability on part of this Institution or any other of its officers

Yours faithfully
CRDB BANK PLC


Thomas Crauya
For Branch Director

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TICC/PP.10/042508/3

19th August, 2013

Managing Director,
Wella Highland Millers (T) Ltd,
P.O. Box 157
Mbeya

**RE: CERTIFICATE OF INCENTIVES FOR MAIZE AND RICE
PROCESSING FACILITY IN MBEYA**

We wish to acknowledge receipt of your project proposal to establish and operate maize and rice processing facility in Mbeya as presented in the TIC P.A. 1 Form No. 11131 and Feasibility Study with a projected investment amounting to USD 1.17m.

We are pleased to inform you that your investment proposal is now officially registered by TIC and therefore the project will be granted a Certificate of Incentives under authority conferred upon TIC under Part III, Section 17 (1-8) of the Tanzania Investment Act, 1997. In order to enable TIC prepare your Certificate of Incentives, You will be required to submit the following:-

- Bank Reference for equity funding or a letter from Bank/Financial Institution that a loan is granted or is under consideration as required by Section 17(3) (f) of Tanzania Investment Act, 1997.

Also be informed that you will have to submit a project implementation Progress Report on the implementation of the project in every six months for centre's information and review. Guidelines for the preparation of the report are contained in annexure attached to this letter. Please do not hesitate to contact the Centre for any clarification if the need arises. Also note that a facilitation fee equivalent to US\$ 1000.00 is payable at the ruling exchange rate prior issuance of the Certificate of Incentives. Please make deposit direct to the bank as per bank details below:

.../2

TICC/PP.10/042508/3

19th August, 2013

Tanzania Investment Centre
Standard Chartered Bank (T) Ltd
US Dollar A/C 8702006002000
T.Shs A/C 0102006002000

We wish you every success in the implementation of the project.

Yours sincerely,

Tanzania Investment Centre



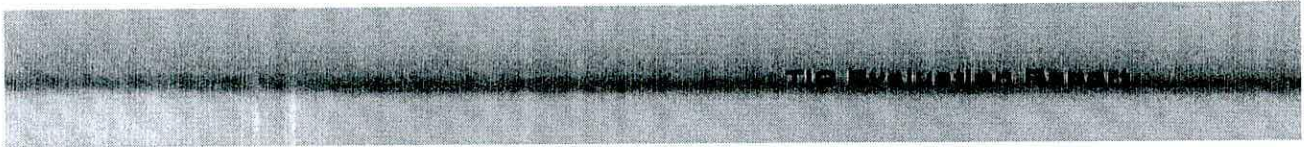
A.S. Kagomba

FOR: EXECUTIVE DIRECTOR

Copy to: Permanent Secretary,
Ministry of Finance,
P. O. Box 9111,
DAR ES SALAAM

Permanent Secretary,
Ministry of Industry, Trade and Marketing,
P.O. Box 9503,
DAR ES SALAAM

Commissioner General,
Tanzania Revenue Authority,
P. O. Box 11491,
DAR ES SALAAM



Name of the Company
Wella Highland Millers (T) Ltd.

Post Box	Iyunga Industrial Area, Plot No. 39	COI Number	31489	Contact	Mr. Shamash R. Walji
Post Office	157	COI Date	13/02/97	Designation	Director
Region	Mbeya	Application F. No	11131	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0713 328 256 Or 0784 328 256
		Sub Sector	Maize And Rice Milling	Fax	0
		File No	042508	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD										
Plot/Block	Plot No. 39	<table border="1"> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> <tr> <td>0</td> <td>0.287</td> <td>0</td> <td>0.883</td> </tr> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0	0.287	0	0.883		
Foreign Equity	Local Equity		Foreign Loan	Local Loan								
0	0.287		0	0.883								
Street	Iyunga Industrial Area											
District	Mbeya Urban											
Region	Mbeya											

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.197
Al -Munir R. Walji	Tanzanian	10	Plant	0.64
Latif R. Walji	Tanzanian	10	Vehicles	0.233
Shamash R. Walji	Tanzanian	10	Furniture & Fittings	0.016
Meherbanu R. Walji	Tanzanian	10	Pre-expenses	0.025
Ramzan D. Walji	Tanzanian	60	Others	0
			Working Capital	0.059
			Total	1.17

Employment	19	Evaluated By	,wf officer3
Capacity	10 tons per day each	Drawn By	wf registry2
Project Turn Over		Project Type	Local

Description

To establish and operate maize and rice processing facility in Mbeya

Recommendations

Be approved subject to providing evidence as required by section 17 of Tanzania Investment Act, 1997

Decision

APPROVED BY EXD

Sign: *[Signature]*

Date: 19/03/13

WELLA HIGHLAND MILLERS (T) LIMITED

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P.O. Box 157, MBEYA, TANZANIA
Tel: +255 25 2502224; Fax: +255 25 2502073; Cell: +255 713 328256

June 21 2013

Ref. No: WHMTL/TIC/2013/1

Executive Director
Tanzania Investment Centre
P.O. Box 938
Dar es Salaam



RE: APPLICATION FOR TIC CERTIFICATE OF INCENTIVES

We are planning to develop and operate Rice and Maize Flour Milling Project at Plot No: 39 Iyunga Industrial Area in Mbeya City. It is against this background that we hereby submit our application for TIC Certificate of Incentives to facilitate smooth implementation of the project.

Attached herewith please find the following basic documents for ease of reference and approval:

1. Three copies of Application for TIC Certificate of Incentives form
2. Certified true copy of Certificate of Incorporation.
3. A copy of Company Memorandum and Articles of Association
4. One copy of project Feasibility Study Report
5. Land Document in respect of the project location
6. A Letter of Reference from the Bank
7. Company Board Resolution to register the project with TIC

Thanking you for your kind cooperation.

Yours sincerely,
WELLA HIGHLAND MILLERS (T) LIMITED

A handwritten signature in black ink, appearing to read "Latif R. Walji".

Latif R. Walji
DIRECTOR



TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

**(Tanzania Investment Act 1997, Section 17 and 18,
and the Investment Regulations:
Regulation 42, Government Notice No. 318A of 2002)**

Tanzania Investment Centre
9A & B Shaaban Robert Street
P. O. Box 938
DAR ES SALAAM
Tel. 022 2116328
Fax. 022 2118253
e-mail: information@tic.co.tz
Website: www.tic.co.tz

(Please fill the form in duplicate)

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT

(No. 26 of 1997)

APPLICATION FOR REGISTRATION

(Made under Regulation 42)

To: The Executive Director
Tanzania Investment Centre
P. O. Box 938
DAR ES SALAAM
Tanzania

1. I/we SHAMASH R. WALJI
(director/directors/agent of WELLA HIGHLAND MILLERS (T) LIMITED
(name of business enterprise) apply for registration of WELLA HIGHLAND MILLERS (T) LTD.
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.

2. The registered office of the company will be situated at MBEYA - PLOT # 39
IYUNGA INDUSTRIAL AREA

Copies of the following documents are attached to this application:

- (i) The Memorandum and Articles of Association/or partnership agreement
- (ii) Certificate of Incorporation/Registration
- (iii) A copy of the Project Profile or Feasibility Study showing the implementation period, programme of implementation and operative date
- (iv) Evidence of financing and evidence of land ownership for the project

3. The Head Office of the Company will be situated at MBEYA, PLOT NO. 39 IYUNGA INDUSTRIAL AREA.

4. The Principal Officers of the Company are ① SHAMASH R. WALJI (DIRECTOR)
② LATIF R. WALJI (DIRECTOR) ③ ALMUNIR R. WALJI
(DIRECTOR)

5. Auditors of the Company are MASHAKA SALUM MAKANA, D'SALAAM.

6. The authorized share capital of the Company is Tshs./~~US\$~~ 500,000,000/=

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is **TKK/USS 1,170,000/=**

8. The month and day of the financial year end is **3rd DECEMBER** EVERY YEAR.

Note: *failure to provide all the required information will result in the return of the application by the Centre.*

I/We enclose a cheque/cash made payable to the **Tanzania Investment Centre** for **TKK/USS** **TSK 162,000/=** Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I. **SHAMASH R. WALFI** of Post Office Number **157**, **MBEYA**, **TANZANIA** do solemnly and sincerely declare that I am a director/duly authorized agent of **WELLA HIGHLAND MILLERS (T) LTD. P.O. BOX 157, MBEYA, TANZANIA.**

AND that all the requirements of the Tanzania Investment Act, 1997 in respect of matters precedent to the registration of the business enterprise under the Act and incidental thereto have been complied with. **AND** I make this solemn declaration conscientiously believing the same to be true.

Declared at **MBEYA**
~~Dares Salaam~~
The **2nd** day of **August** 20**13**.


SHAMASH R. WALFI
Applicant



Before me:
.....
Commissioner for Oaths

APPLICATION SUMMARY

Company Name: WELLA HIGHLAND MILLERS (T) LIMITED

Certificate of Incorporation Number: 31489 Status: NEW

Certificate of Incorporation Date: 13TH FEBRUARY 1997

Post Box: 157

Town: MBEYA

Sector: MANUFACTURING

Sub-Sector: MAIZE & RICE MILLING

Investment Financing Plan in Million US\$/Lsh.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
	<u>287,000</u>		<u>883,000</u>

Project Objectives: TO ESTABLISH AND OPERATE MAIZE AND RICE PROCESSING FACILITY IN MBEYA CITY

Capacity: 40 tons per day each (Maize and Rice) respectively

Employment: Foreign: - Local: 19 Total: 19

Implementation Period: 3 years

Project Location

Site/Plot/Block No.: 39

Street: Iyunga Industrial Area District: MBEYA Region: MBEYA
(Attach sketch map showing project location)

Shareholders	Nationality	%
<u>RAMZAN D. WALJI</u>	<u>TANZANIAN</u>	<u>60%</u>
<u>MEHERBANU R. WALJI</u>	<u>TANZANIAN</u>	<u>10%</u>
<u>SHAMASH R. WALJI</u>	<u>TANZANIAN</u>	<u>10%</u>
<u>ALMUNIR R. WALJI</u>	<u>TANZANIAN</u>	<u>10%</u>
<u>LATIF R. WALJI</u>	<u>TANZANIAN</u>	<u>10%</u>

Investment Breakdown **US\$/Tshs.M**

Land/Building	197,000
Plant MACHINERY & EQUIPMENT	640,000
Vehicles	233,000
Furniture & Fittings	16,000
Pre-expenses	25,000
Others	—
Working Capital	59,000
TOTAL	1,170,000

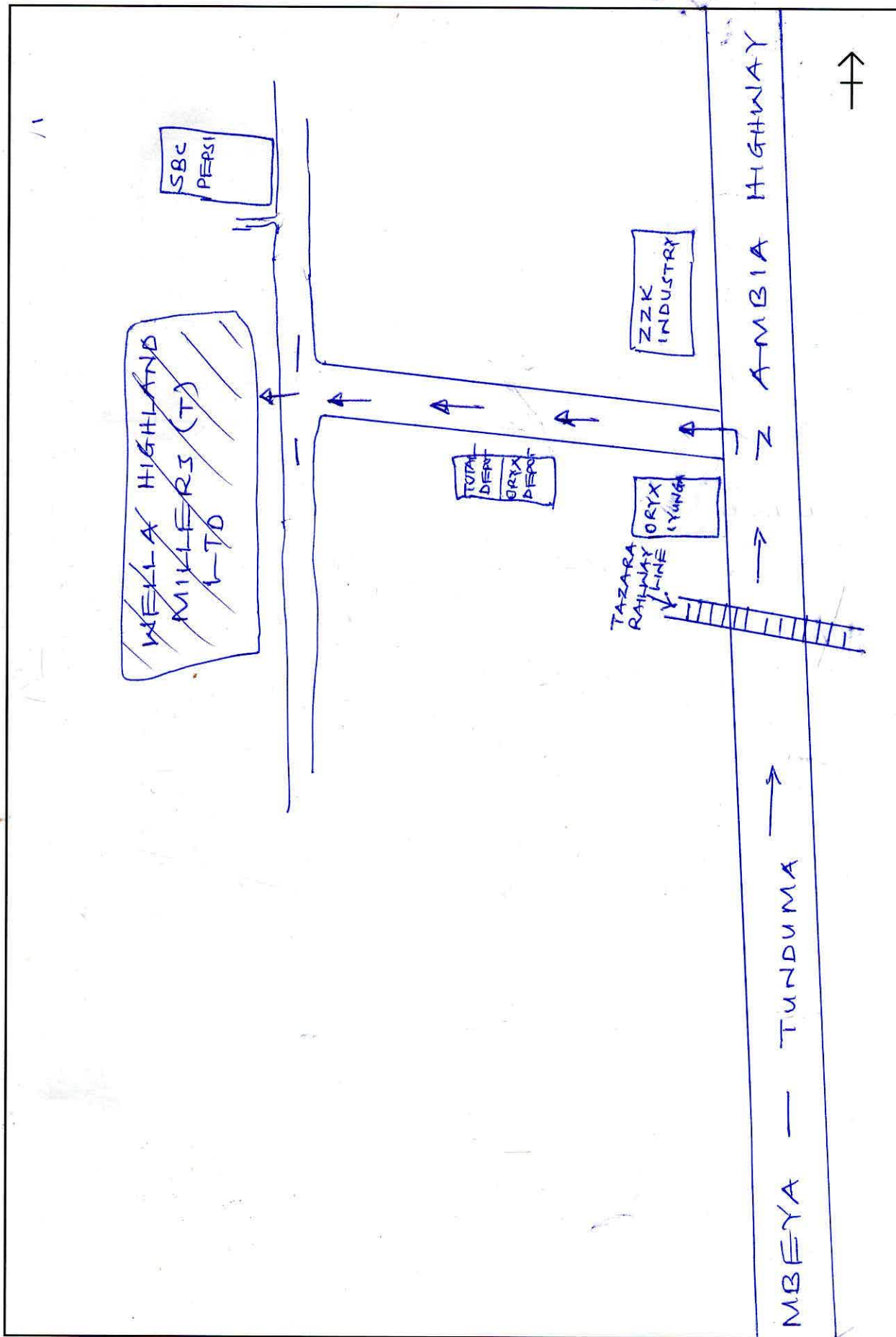
Contact Details:

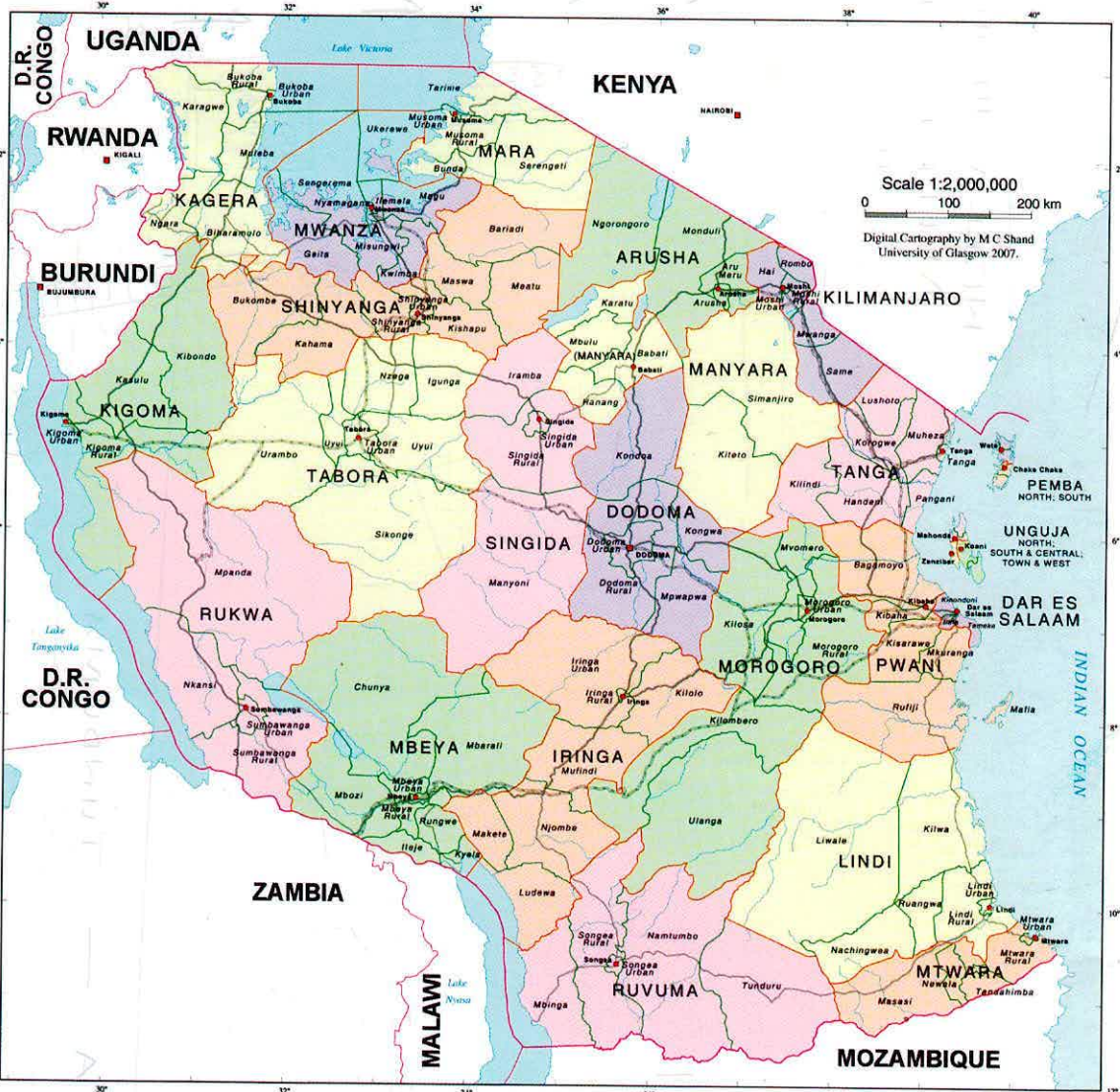
Name: **SHAMASH R. WALJI**..... Title: **DIRECTOR**.....
Telephone: **0713 328 256 / 0784 328 256**..... Fax: **025 250 2575**.....
Email: **shamash.walji@yahoo.co.uk**.....
MBEYA.

Payments to be made payable to:

TANZANIA INVESTMENT CENTRE
STANDARD CHARTERED BANK TANZANIA LTD.
SWIFT ADDRESS: **SCBLTZTX**
ACCOUNT NO.: **8702006002000**

SKETCH MAP SHOWING PROJECT LOCATION







TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

**(Tanzania Investment Act 1997, Section 17 and 18,
and the Investment Regulations:
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Tanzania Investment Centre
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UNITED REPUBLIC OF TANZANIA

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(No. 26 of 1997)

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(Made under Regulation 42)

To: The Executive Director
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P. O. Box 938
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(director/directors/agent of WELLA HIGHLAND MILLERS (T) LIMITED
(name of business enterprise) apply for registration of WELLA HIGHLAND MILLERS (T) LTD
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.

2. The registered office of the company will be situated at MBEYA - PLOT # 39
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② LATIF R. WALJI (DIRECTOR) ③ ALMUNIR R. WALJI (DIRECTOR)
5. Auditors of the Company are MASHAKA SALUM MAKANA, D'SALAAM
6. The authorized share capital of the Company is Tshs./US\$ 500,000,000/=

Commissioner for Oaths



Before me:

The 2nd day of August 2013
Declared at Dar es Salaam
MBEYA

Applicant
[Signature]

AND that all the requirements of the Tanzania Investment Act, 1997 in respect of matters precedent to the registration of the business enterprise under the Act and incidental thereto have been complied with, AND I make this solemn declaration conscientiously believing the same to be true.

authorized agent of WELLA HIGHLAND MILERS (T) LTD, P.O. BOX 157, MBEYA, TANZANIA.

TANZANIA do solemnly and sincerely declare that I am a director/duly

I, SHAMASH B. WAZI of Post Office Number 157, MBEYA,

TSH. 162,000/= Being the Registration Fees. In the event this application is unsuccessful we understand that this fee will not be refunded.

I/We enclose a cheque/cash made payable to the Tanzania Investment Centre for TSh. 162,000/=

Note: failure to provide all the required information will result in the return of the application by the Centre.

8. The month and day of the financial year ends 31st DECEMBER EVERY YEAR.

is TSh. 1,170,000/=

7. The intended capital investment of the Company in terms of Section 2(2) of the Act

APPLICATION SUMMARY

Company Name: WELLA HIGHLAND MILLERS (T) LIMITED

Certificate of Incorporation Number: 31489 Status: NEW

Certificate of Incorporation Date: 13TH FEBRUARY 1997

Post Box: 157

Town: MBEYA

Sector: MANUFACTURING Sub-Sector: MAIZE & RICE MILLING

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
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Project Objectives: TO ESTABLISH AND OPERATE MAIZE AND RICE PROCESSING FACILITY IN MBEYA CITY.

Capacity: 10 tons per day each (Maize and Rice) respectively.

Employment: Foreign: - Local: 19 Total: 19

Implementation Period: 3 years

Project Location

Site/Plot/Block No.: 39

Street: Ilyonga Industrial Area District: MBEYA Region: MBEYA
(Attach sketch map showing project location)

Shareholders	Nationality	%
<u>RAMZAN D. WALJI</u>	<u>TANZANIAN</u>	<u>60%</u>
<u>MEHERBANU R. WALJI</u>	<u>TANZANIAN</u>	<u>10%</u>
<u>SHAMASH R. WALJI</u>	<u>TANZANIAN</u>	<u>10%</u>
<u>ALMUNIR R. WALJI</u>	<u>TANZANIAN</u>	<u>10%</u>
<u>LATIF R. WALJI</u>	<u>TANZANIAN</u>	<u>10%</u>

Investment Breakdown **US\$/Tshs.M**

Land/Building	197,000
Plant, MACHINERY & EQUIPMENT	640,000
Vehicles	233,000
Furniture & Fittings	16,000
Pre-expenses	25,000
Others	—
Working Capital	59,000
TOTAL	1,170,000

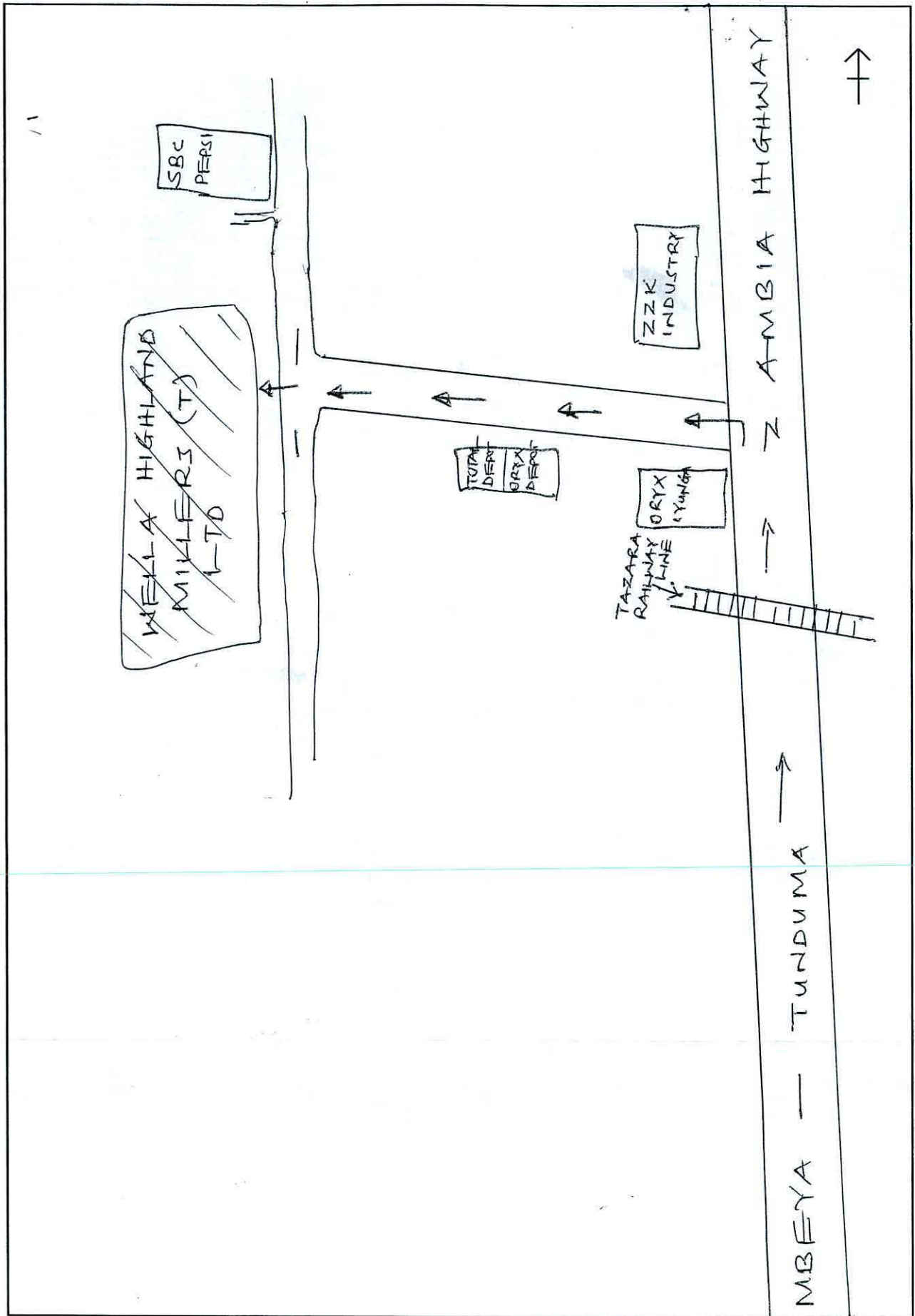
Contact Details:

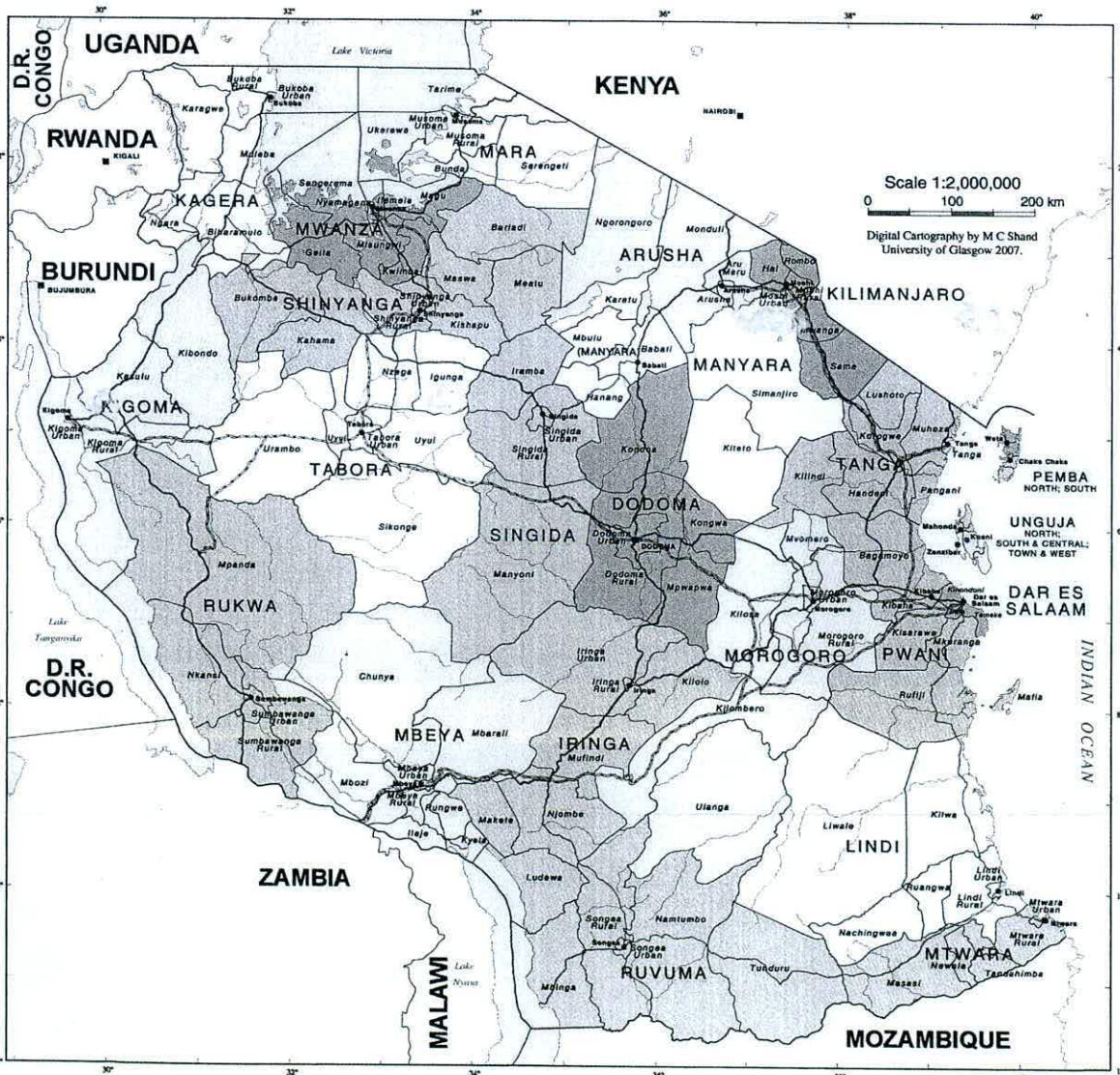
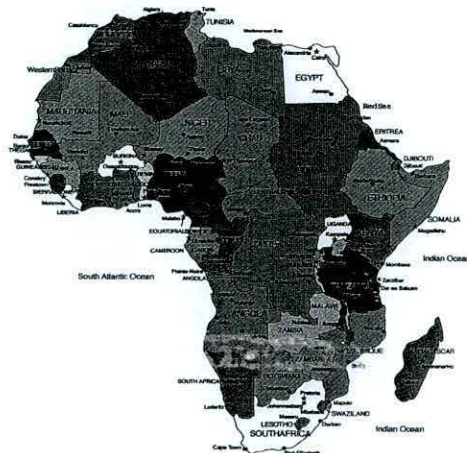
Name: ..SHAMASH..R..WALJI..... Title:DIRECTOR.....
Telephone: ..0713 328 256 / 0784 328 256... Fax: 025 250 2575.....
Email: ..shamashwalji@yahoo.co.uk.....
MBEYA.

Payments to be made payable to:

TANZANIA INVESTMENT CENTRE
STANDARD CHARTERED BANK TANZANIA LTD.
SWIFT ADDRESS: **SCBLTZTX**
ACCOUNT NO.: **8702006002000**

SKETCH MAP SHOWING PROJECT LOCATION







TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

**(Tanzania Investment Act 1997, Section 17 and 18,
and the Investment Regulations:
Regulation 42, Government Notice No. 318A of 2002)**

Tanzania Investment Centre
9A & B Shaaban Robert Street
P. O. Box 938
DAR ES SALAAM
Tel. 022 2116328
Fax. 022 2118253
e-mail: information@tic.co.tz
Website: www.tic.co.tz

(Please fill the form in duplicate)

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT
(No. 26 of 1997)

APPLICATION FOR REGISTRATION
(Made under Regulation 42)

To: The Executive Director
Tanzania Investment Centre
P. O. Box 938
DAR ES SALAAM
Tanzania

1. I/we SHAMASH R. WALJI
(director/directors/agent of WELLA HIGHLAND MILLERS (T) LIMITED
(name of business enterprise) apply for registration of WELLA HIGHLAND MILLERS (T) LTD.
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.

2. The registered office of the company will be situated at MBEYA - PLOT # 39
IYUNGA INDUSTRIAL AREA

Copies of the following documents are attached to this application:

- (i) The Memorandum and Articles of Association/or partnership agreement
- (ii) Certificate of Incorporation/Registration
- (iii) A copy of the Project Profile or Feasibility Study showing the implementation period, programme of implementation and operative date
- (iv) Evidence of financing and evidence of land ownership for the project

3. The Head Office of the Company will be situated at MBEYA, PLOT No. 39 IYUNGA INDUSTRIAL AREA

4. The Principal Officers of the Company are ① SHAMASH R. WALJI (DIRECTOR)
② LATIF R. WALJI (DIRECTOR) ③ ALMUNIR R. WALJI
(DIRECTOR)

5. Auditors of the Company are MASHAKA SALUM MAKANA, D'SALAAM

6. The authorized share capital of the Company is Tshs./US\$ 500,000,000/=

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is ~~TSh~~/US\$ 1,170,000/=

8. The month and day of the financial year end is 31st DECEMBER EVERY YEAR.

Note: *failure to provide all the required information will result in the return of the application by the Centre.*

I/We enclose a cheque/cash made payable to the **Tanzania Investment Centre** for ~~TSh~~/US\$ TSH: 162,000/= Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, SHAMASH R. WALJI of Post Office Number 157, MBEYA,

TANZANIA do solemnly and sincerely declare that I am a director/duly authorized agent of WELLA HIGHLAND MILLERS (T) LTD, P.O. BOX 157, MBEYA, TANZANIA.

AND that all the requirements of the Tanzania Investment Act, 1997 in respect of matters precedent to the registration of the business enterprise under the Act and incidental thereto have been complied with. AND I make this solemn declaration conscientiously believing the same to be true.

Declared at MBEYA }
Dares Salaam }

The 2nd day of August 2013 }


Applicant

Before me:



Taseu
.....
Commissioner for Oaths

APPLICATION SUMMARY

Company Name: WELLA HIGHLAND MILLERS (T) LIMITED

Certificate of Incorporation Number: 31489 Status: NEW

Certificate of Incorporation Date: 13TH FEBRUARY 1997

Post Box: 157

Town: MBEYA

Sector: MANUFACTURING Sub-Sector: MAIZE & RICE MILLING

Investment Financing Plan in Million US\$/Tsh.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
	<u>287,000</u>		<u>883,000</u>

Project Objectives: TO ESTABLISH AND OPERATE MAIZE AND RICE PROCESSING FACILITY IN MBEYA CITY.

Capacity: 10 tons per day each (Maize and Rice) respectively.

Employment: Foreign: - Local: 19 Total: 19

Implementation Period: 3 years

Project Location

Site/Plot/Block No.: 39

Street: Iyunga Industrial Area District: MBEYA Region: MBEYA
(Attach sketch map showing project location)

Shareholders	Nationality	%
<u>RAMZAN D. WALJI</u>	<u>TANZANIAN</u>	<u>60%</u>
<u>MEHERBANU R. WALJI</u>	<u>TANZANIAN</u>	<u>10%</u>
<u>SHAMASH R. WALJI</u>	<u>TANZANIAN</u>	<u>10%</u>
<u>ALMUNIR R. WALJI</u>	<u>TANZANIAN</u>	<u>10%</u>
<u>LATIF R. WALJI</u>	<u>TANZANIAN</u>	<u>10%</u>

Investment Breakdown **US\$/Tshs.M**

Land/Building	197,000
Plant, MACHINERY & EQUIPMENT	640,000
Vehicles	233,000
Furniture & Fittings	16,000
Pre-expenses	25,000
Others	—
Working Capital	59,000
TOTAL	1,170,000

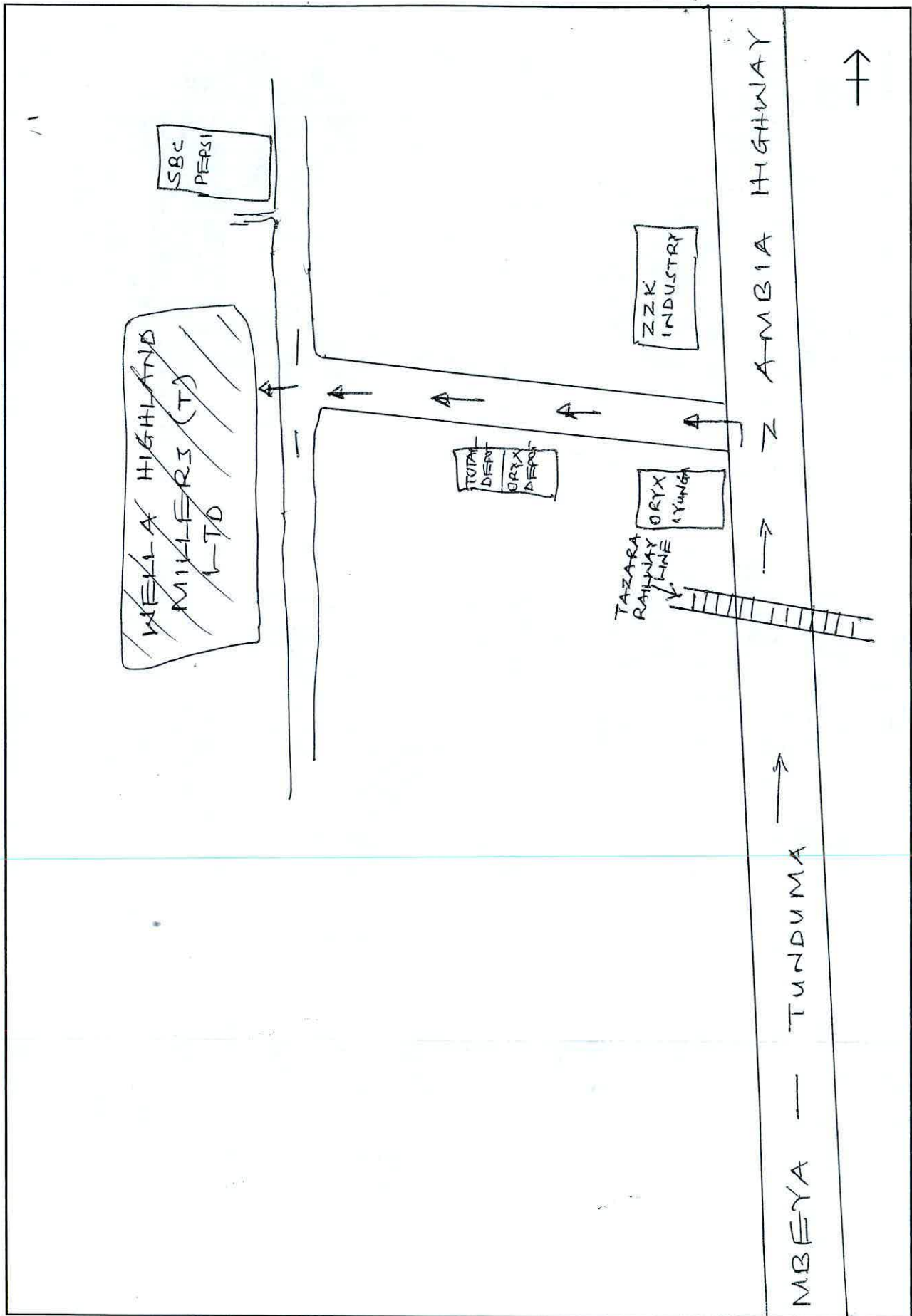
Contact Details:

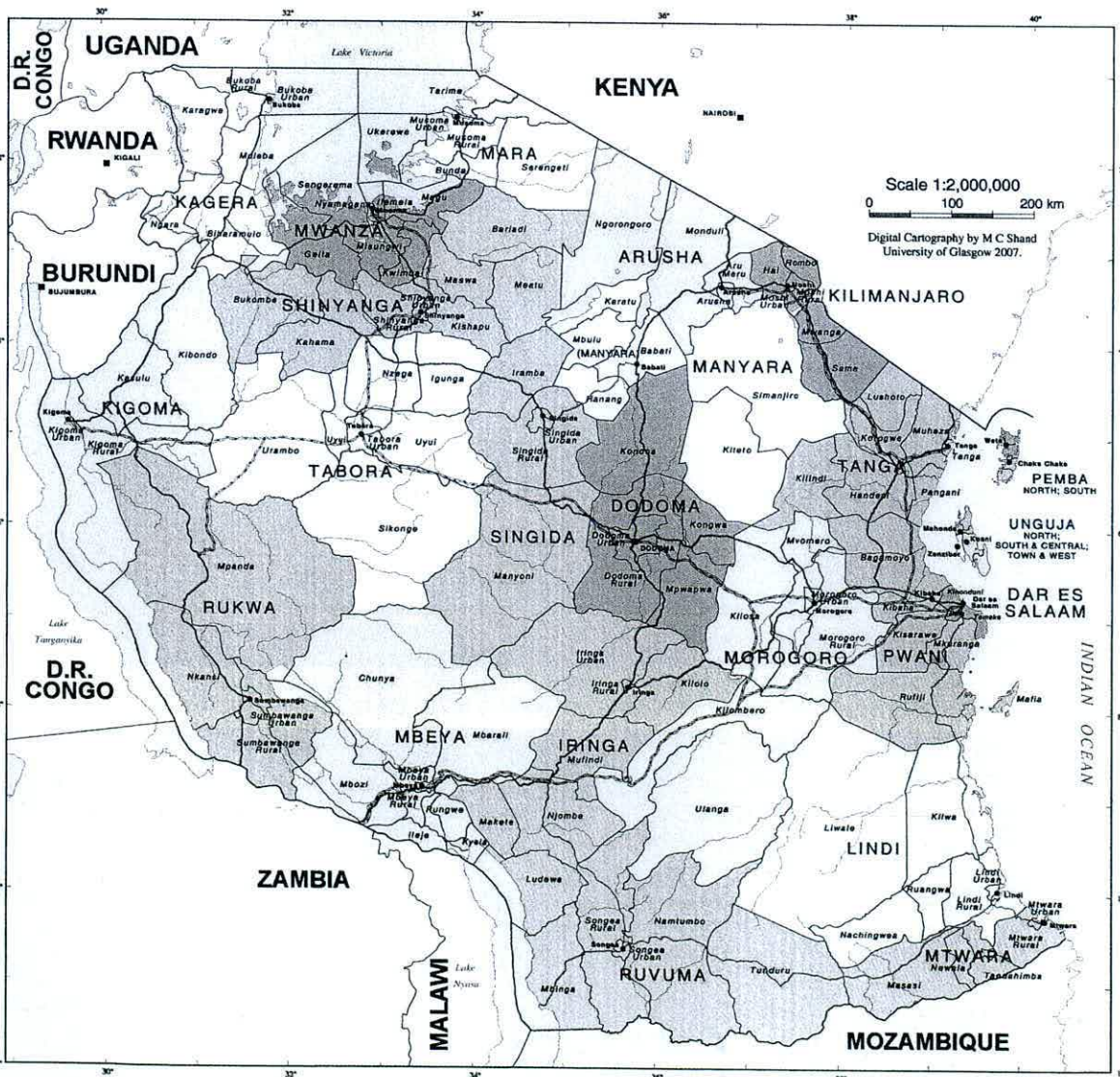
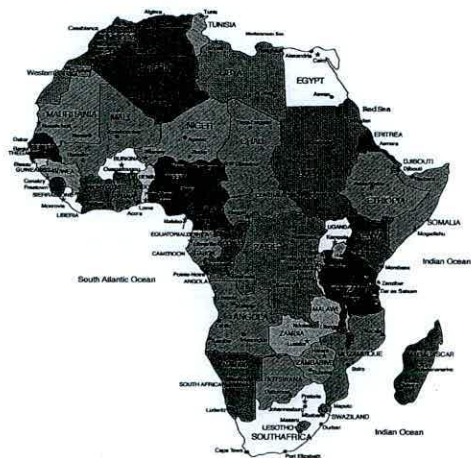
Name: ..SHAMASH..R.WALJI..... Title:DIRECTOR.....
Telephone: ..0713.328.256./0784.328.256... Fax: 025.250.2575.....
Email: ..shamashwalji@yahoo.co.uk..... MBEYA.

Payments to be made payable to:

TANZANIA INVESTMENT CENTRE
STANDARD CHARTERED BANK TANZANIA LTD.
SWIFT ADDRESS: SCBLTZTX
ACCOUNT NO.: 8702006002000

SKETCH MAP SHOWING PROJECT LOCATION





THE LAND REGISTRATION ORDINANCE (CAP.334)

TRANSFER OF A RIGHT OF OCCUPANCY

TITLE NO. 3465, PLOT NUMBER 39, IYUNGA, MBEYA.

IN CONSIDERATION of the sum of Tanzania shillings three hundred ninety million only (Tshs. 390,000,000). We, **PRESIDENTIAL PARASTATAL SECTOR REFORM COMMISSION** of Post Office Box Number 9252, Dar es Salaam, Acting as Official Receiver under the Public Corporations Act, 1993, as amended **DO HEREBY TRANSFER** to **WELLA HIGHLAND MILLERS (T) LIMITED** of Post Office Box 157 Mbeya, the Right of Occupancy registered under the above reference.

SEALED with Common Seal of
The **PRESIDENTIAL PARASTATAL SETOR REFORM COMMISSION**
and **DELIVERED** in the presence of us
this ...30th... day of...August 1999.

SIGNATURE:

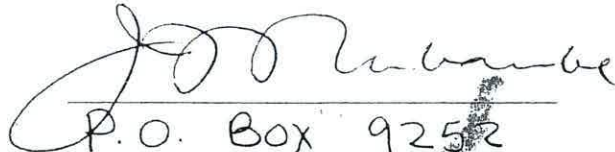
POSTAL ADDRESS:

QUALIFICATION:

SIGNATURE:

POSTAL ADDRESS:

QUALIFICATION:


P.O. Box 9252

DAR-ES-SALAAM

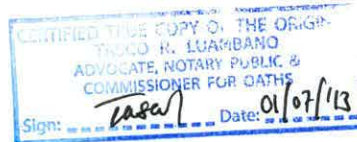
EXECUTIVE CHAIRMAN



P.O. Box 9252

DAR-ES-SALAAM

PRINCIPAL LEGAL COUNSEL & SECRETARY



SEALED with Common Seal of
WELLA HIGHLAND MILLERS (T) LIMITED
and **DELIVERED** in the presence of us
this^{30th}..... day of.....^{August}..... 1999.

SIGNATURE:

POSTAL ADDRESS:

QUALIFICATION:

SIGNATURE:

POSTAL ADDRESS:

QUALIFICATION:

[Handwritten Signature]

Box 157.
MBEYA.


MANAGING DIRECTOR.

[Handwritten Signature]

P.O. Box 4061
DAR ES SALAAM

DIRECTOR

FILLED DOCUMENTS No: 4954-MBY22
REGISTERED 5-4-2000
AT 1:00 pm
M Mairay
Sen. Asst. Registrar of Titles



TANGANYIKA STAMP DUTY ACT.
Stamp Duty Shs: 100/- Paid
and Revenue Receipt No. 10307036
of 5-4-2000 Issued by *M Mairay*
Stamp Duty Officer

TANGANYIKA STAMP DUTY ACT.
Stamp Duty Shs: 9,079,900/- Paid
and original Receipt No. 10307036
of 5-4-2000
M Mairay
Stamp Duty Officer

MINISTRY OF LANDS, HOUSING AND URBAN DEVELOPMENT

Office of the Registrar of Titles,
Ministry of Lands,
P.O. Box 2984,
MBEYA.

TANZANIA.

Ref. No. *LRT/3465-MBYA/R/28* December 92
REGISTERED:

To: *THE NATIONAL MILLING CORPORATION*
P.O. Box 9502 - DAR ES SAZAJI
Title No. *3465-MBYA* Land Office No. *137301*
Plot No. *39* *JUNCA INDUSTRIAL ARE MBEYA*
Commissioner letter Ref. ~~Year~~ No. *14/159251* of *16-11-92*

I have the honour to enclose herewith duplicate of the Certificate of Title numbered as above which have been Registered.

Please acknowledge receipt of the enclosures hereto.

Encls. *2* *Q* *NO 3465-MBYA* *nyoke uah*
REGISTRAR OF TITLES.

THE UNITED REPUBLIC OF TANZANIA**PRESIDENTIAL PARASTATAL SECTOR REFORM COMMISSION**

PERC/1/13/84

30 August 1999

M/S Welia Highland Millers Limited
P.O.Box 157
Mbeya

Dear Sirs,

RE: TRANSFER OF PROPERTY ON PLOT NUMBER 39, CERTIFICATE OF TITLE NO. 3465, IYUNGA INDUSTRIAL AREA, MBEYA MUNICIPALITY

This has reference to above mentioned subject matter.

By the cover of this letter, we are handing over to you the Certificate of Title in respect of the above named Right of Occupancy for the purpose of carrying out the transfer process.

We understand that you will appraise us routinely on the progress of the said transfer process.

Yours sincerely,

PRESIDENTIAL PARASTATAL SECTOR REFORM COMMISSION
D. D. ArwanyikaFor **EXECUTIVE CHAIRMAN**

C.C. Director of Customer Services
NBC (1997) Limited
P.O. Box 1863
DAR-ES-SALAAM

TANZANIA

LAND OFFICE

CERTIFICATE OF OCCUPANCY

(Issued under Section 6 of the Land Ordinance)

Date of Issue: _____

Title Number: *3485/1/1/1/1*

Land Office Number: *43701*

Land: *Plot No. 39, Lynged Industrial Area, Mbezi, Morogoro District*

Term: *Three years*

CERTIFIED TRUE COPY OF THE ORIGINAL
FILED IN THE OFFICE OF THE
ADVOCATE NOTARY PUBLIC &
COMMISSIONER FOR OATHS
M. S. M. M.
Date: *01/02/13*

TITLE NO: 3465-MB/112
 REGISTERED 18-12-92
 AT 8-00 AM
 MBEYA LAND REGISTRY
 TANGANYIKA
 Mwakwabi
 Asst. Registrar of Titles

TANGANYIKA STAMP DUTY ACT.
 Stamp Duty Shs. 10/- + 20/-
 and Revenue Receipt No. 4/80218
 of 24-12-92 MBEYA
 MBEYA/1017 Stamp Duty Officer

TANGANYIKA STAMP DUTY ACT.
 Stamp Duty Shs. 320/- + 20/-
 on original Receipt No. 4/80218
 of 21-12-78 MBEYA
24-12-92 Mwakwabi
 Stamp Duty Officer

CERTIFICATE OF OCCUPANCY

The day of Seventh day of July of 2012 A.D.
 One thousand nine hundred and ninety-two.

TITLE NO. 3465-MB/112
 THIS IS TO CERTIFY that THE NATIONAL MILLING CORPORATION a body established by an Act of Parliament No. 11 of 1975 as repeated in 1984 OF P.O. BOX 9502, DAR ES SALAAM (hereinafter called "the Occupiers") are entitled to a Right of Occupancy (hereafter called "the Right") in and over the land described in the Schedule hereto (hereinafter called "the Land") for a term of thirty-three years from the first day of April One thousand nine hundred and seventy-eight according to the true intent and meaning of the Land Ordinance and subject to the provisions thereof and to any regulations made thereunder and to any enactment in substitution thereof or amendment thereof and to the following special conditions:-

1. The Occupiers having paid rent up to the thirtieth day of June, 1979 shall thereafter pay rent of shillings twelve thousand one hundred ninety (shs. 12,190/=) a year in advance on the first day of July in every year of the term without any deduction PROVIDED that the rent may be revised by the Minister for the time being responsible for Lands (hereinafter called "the Minister") on the first day of July in each of the years 1988, 1998 and 2008 or within three years thereafter in each case.

2. The Occupiers shall:-

- (i) Erect on the land buildings (hereinafter called "the buildings") in permanent materials designed for use in accordance with the conditions of the Right and which conform to the building line (if any) decided by the Mbeya Municipal Council (hereinafter called "the Authority").
- (ii) By the thirtieth day of September, 1978 submit to the Authority such plans for the buildings (including block plans showing the position of the buildings) and drawings, elevations and specifications of them as will satisfy the Authority and as are in accordance with the building condition in sub-paragraph (i) above which said plans and specifications shall be submitted in triplicate;
- (iii) Within six months from the date of notification by the Authority of approval of the plans and specifications referred to in sub-paragraph (ii) above begin building on the land in accordance with such plans and specifications;
- (iv) Complete the building according to the plans and specifications so that they are ready for use and occupation by the thirty-first day of March, 1981;



At all times during the term after the thirty first day of March 1961 have on the land building as approved by the Authority and maintain them in good order and repair to the satisfaction of the Commissioner for Lands (hereinafter called "the Commissioner").

(v) Not erect or commence to erect on the land any building except in accordance with building plans and specifications which shall have been first approved by the Authority as hereinbefore provided.

(vi) Be responsible for the protection of all beacons on the land to which Missing Beacons will have to be re-established at any time at the Occupiers' expenses as assessed by the Director of Surveys and Mapping.

Approval of plans of any building by the Authority shall not imply that the construction of such a building will satisfy the Occupiers' obligation under the conditions of the Right, and shall not imply waiver of the Commissioner PROVIDED that after condition 2 (iv) has been complied with by the Occupiers the consent of the Commissioner shall not be necessary.

4. (a) Occupation or use of the whole or any part of the land or any building on it by any person other than the Occupiers or their employees or contractors or members of household shall be deemed a dealing with the land or buildings (hereinafter called "a dealing") if the land or buildings hereinafter provided the Commissioner shall have an absolute discretion to give or withhold consent under condition 3 (i). Any dealing or arrangement other than a mortgage or charge entered into before compliance with the condition 2 (iv) will not receive consent except in special circumstances of which the Commissioner shall be the sole judge.

5. The Occupiers shall further:-

(i) make and maintain on the land rate-proof throughout the term adequate arrangements for water supply, drainage and disposal of the Authority's refuse and other matters which may be required for the purpose of carrying out such measures as the Medical Officer of Health for the Authority may require for this purpose.

(ii) make and keep all the buildings on the land rate-proof carry out such measures as the Medical Officer of Health for the Authority may require for this purpose.

6. The Occupiers shall pay to the Minister on demand made by the Commissioner on his behalf:-

- (i) any further fees or stamp duties which may be discovered to be payable by the Occupier in connection with the Right;
- (ii) an amount equal to any contribution in lieu of rates which may be payable by Government for the land during the term of the Right;
- (iii) Such sum as the Commissioner shall assess as a proper share payable for the land of the cost of making up the road or improvement of same upon which the land fronts abuts or adjoins whether such demand is made before during or after such making or improvement thereof. This condition does not oblige the Government to make or improve roads.

7. Only one main building together with the usual and necessary outbuildings shall be built on the land and the same shall be used for Industrial purposes only, Use Group (L) Use Class (a) as defined in the Town and Country Planning (Use Classes) Regulations, 1960.

8. The President may revoke the Right for good cause or in public interest.

SCHEDULE

ALL that land known as Plot No. 39, Iyunga Industrial Area, Mbeya Municipality containing Six point Eight Seven Six (6,876) Hectares shown for identification only edged red on the plan attached to this Certificate and defined on the registered survey plan numbered 17974 deposited at the Office of the Director of Surveys and Mapping at Dar es Salaam.

GIVEN under my hand and seal and by Order of the Minister the day and year first above written.



COMMISSIONER FOR LANDS.

We, the within-named NATIONAL MILLING CORPORATION hereby accept the terms and conditions contained in the foregoing Certificate of Occupancy.

JAMHURI YA MUUNGANO WA TANZANIA
THE UNITED REPUBLIC OF TANZANIA
STAKABADHI YA SERIKALI
EXCHEQUER RECEIPT
NIMEPOKEA KWA
Received from

06335711

1

Shs.										Cts.	
1135500											

Wella Highland Mills Ltd

JUMLA YA SHILINGI (Kwa maneno)
The Sum of Shillings (Words)

One million one hundred thirty five thousand five hundred Only

NA SENTI
And Cents

KWA MALIPO YA
In respect of

Regardes on transfer of Plot No. 3465-MBEYA

KWA FEDHA TASLIMU/HUNDI NAMBA
By Cash/Cheque No.

SAHIHI YA MPOKANI—Receiving Officer's
Signature

CHEO—Title
ASSISTANT REGISTRAR
MINISTRY OF LANDS HOUSING AND
URBAN DEVELOPMENT
P.O. Box 2984, MBEYA

KITUO—Station

MBEYA

Govt. Press, Dsm.

JAMHURI YA MUUNGANO WA TANZANIA
THE UNITED REPUBLIC OF TANZANIA
STAKABADHI YA SERIKALI
EXCHEQUER RECEIPT
NIMEPOKEA KWA
Received from

10307036

1

Shs.										Cts.	
2982000											

Wella Highland Mills (T) Ltd

JUMLA YA SHILINGI (Kwa maneno)
The Sum of Shillings (Words)

Two million, nine Eighty two thousand Only

NA SENTI
And Cents

KWA MALIPO YA
In respect of

S/Duty - 2,980,000/= C/fee 2000/= Plot No

KWA FEDHA TASLIMU/HUNDI NAMBA
By Cash/Cheque No.

AFISA MIPANGO MIJI WA MANISPAA

KITUO—Station

SAHIHI YA MPOKANI—Receiving Officer's
Signature

CHEO—Title
JA

TAARIFA—Date
5/4/2000

39 /yungu Ind Area

Mbeys

Govt. Press, Dsm.

WELLA HIGHLAND MILLERS (T) LIMITED

P.O. Box 157, Mbeya - TANZANIA

Tel: +255 25 2502224; Fax: +255 25 2502575; Cell: +255 713 328256

EXTRACT FROM THE MINUTES OF THE BOARD OF DIRECTORS MEETING HELD AT THE REGISTERED OFFICE LOCATION, PLOT NO. 1 & 2 NZOWA (KAUNDA) AVENUE IN MBEYA CITY ON 9TH DAY OF JUNE 2013

Present

1. Ramzan D. Walji	-	Chairman/Director
2. Meherbanu R. Walji	-	Director
3. Shamash R. Walji	-	Director
4. Almunir R. Walji	-	Director
5. Latif R. Walji	-	Director/Secretary


AGENDA NO. 1/2013: APPLICATION FOR TANZANIA INVESTMENT CENTRE (TIC) CERTIFICATE OF INCENTIVES


At its meeting on 9th June 2013 at around 15.15 hrs, the Board of Directors of Wella Highland Millers (T) Limited resolved to apply for the Certificate of Incentives from TIC to facilitate development and operation of Rice and Maize Flour Milling Project to be located at Plot No: 39 Iyunga Industrial Area in Mbeya City.

The Board resolved further that:

- This Certificate shall be used only for the purpose of the stated project and not otherwise.
- Mr. Shamash R. Walji, Director and Shareholder of this company be and is hereby authorized, directed and empowered to execute for and on behalf of this company and its name any and all documents required in connection with this application.

The meeting was closed by the Chairman at around 16.20 hours.


.....
Chairman


.....
Secretary

TANZANIA



Certificate of Incorporation

No. 31489.....

I HEREBY CERTIFY THAT

WELLA HIGHLAND MILLERS (T).....

Limited

is this day incorporated under the Companies Ordinance (Cap. 212) and that the Company is Limited.

Given under my hand at Dar es Salaam

this 13th day of FEBRUARY.....

One thousand nine hundred and NINETY SEVEN.....

CERTIFIED TRUE COPY OF THE ORIGINAL
TASCO R. LUAMBANO
ADVOCATE, NOTARY PUBLIC &
COMMISSIONER FOR OATHS
Sign: [Signature] Date: 04/07/13

[Signature]
Registrar of Companies

WELLA HIGHLAND MILLERS (T) LIMITED

Feasibility Study Report for Establishing and Operating Maize and Rice Processing Facility in Mbeya City

Prepared for:

WELLA HIGHLAND MILLERS (T) LIMITED

**PLOT NO.39, IYUNGA INDUSTRIAL AREA
P.O. Box 157 MBEYA**

Tel: +255 25 2502224; Fax: +255 25 2502575; Cell: +255 713 328256

COMPANY PROFILE

Company Name	WELLA HIGHLAND MILLERS (T) LIMITED
Address	PLOT No. 39 IYUNGA INDUSTRIAL AREA P.O. Box 157 MBEYA TANZANIA
Contact person	Mr. Shamash Ramzan Walji
Phone	+255 25 2502224; Cell: +255 713 328256
Fax	+255 25 2502575
E-mail	
Web Site	
Year of Establishment	1997
Present Type of Business	Maize Milling
Sales Turnover	Tshs. 60,000,000
Present Ownership Structure	Local Private: 100%
Bankers	CRDB PLC Bank (Tanzania) Limited
Manpower Total (Nos.)	19
Brief Professional/Business Background	The Managing Director is a respected businessman in Tanzania. He has been engaged in various businesses over the past thirty years. He is currently engaging in hotel, farming and maize milling businesses in Mbeya Region.
Effluent Generated	Non Polluting

MAIN TEXT

- EXECUTIVE SUMMARY
- 1.0 PROJECT BACKGROUND
- 2.0 TECHNICAL ASPECTS
- 3.0 MARKETING
- 4.0 ORGANIZATION AND HUMAN RESOURCES
- 5.0 ENVIRONMENTAL IMPACT ASSESSMENT
- 6.0 INVESTMENT AND FINANCING PLAN
- 7.0 ECONOMIC AND FINANCIAL ANALYSIS
- 8.0 SOCIAL ASPECTS
- 9.0 IMPLEMENTATION PLAN
- 8.0 CONCLUDING REMARKS AND RECOMMENDATIONS

FINANCIAL STATEMENTS

- I. Capital Investment Structure
- II. Staff Remuneration Package
- III. Operating Cost Schedule
- IV. Sales/Revenue Projections
- V. Projected Income and Expenditure Statement
- VI. Depreciation Schedule
- VII. Working Capital Schedule
- VIII. Cash Flow Projections
- IX. Projected Balance Sheet
- X. Discounted Cash Flows
- XI. Loan Repayment Schedule

EXECUTIVE SUMMARY

The Project is being promoted by M/s Wella Highland Millers (T) Limited. The Company was duly registered by the Registrar of Companies in pursuance of the Companies Ordinance (Cap. 212) on 13th February 1997.

The shareholders and also directors of the Company are:

1. Ramzan D. Walji
2. Meherbanu R. Walji
3. Shamash R. Walji
4. Almunir R. Walji
5. Latif R. Walji

All directors are holding 100% shares into the authorized and issued capital of the company in proportions of 60%, 10%, 10%, 10% and 10% respectively.

The objective of the project is to establish and operate maize and processing facility (Maize and Rice Milling). This business is anticipated to create the company's business volume of about 3,000 tons a year. This represents an annual turnover of US\$ 4,600,500 in the First Year.

The project is expected to contribute to the increased supply of rice and maize flour. Increased supply relative to demand would have the potential of keeping prices low. In addition, the project will contribute to the generation of foreign currency as some proportion of the maize processed will be exported to the neighbouring countries.

The project will also contribute to the growth of the Tanzanian economy through generation of employment of 19 people, increase in government revenue through payment of taxes, and through a multiplier effect that would arise through various points in the value chain of maize processing and distribution.

The total project cost, combining start up costs, capital expenditure, and working capital and operating expenses amounts to USD 1,170,000.

The project will be financed through both equity and loan. The project promoters, who are the directors and shareholders of the Company, will inject equity into the project in the form of cash and assets. Assets will comprise primarily of buildings, equipment, start up costs to be capitalised, and all developments to be made on the project site. The total amount of equity is expected to amount to US\$ 287,000.

The projected cash flows indicate a very strong cash position, enough to support loan repayment and interest payments at the due dates. The projected interest calculation and loan amortisation is attached as Appendix XI.

On the basis of the results of the analysis, the project is financially viable as it has a positive net present value. The Internal rate of Return (IRR) of 34.4% is also above the cost of capital.

The project's payback period is 48 months.

The project is recommended for approval and immediate implementation.

1.0 PROJECT BACKGROUND

1.1 Introduction

The Project is being promoted by M/s Wella Highland Millers (T) Limited. The Company was duly registered by the Registrar of Companies in pursuance of the Companies Ordinance (Cap. 212) on 13th February 1997.

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The objective of the project is to establish and operate maize and processing facility (Maize and Rice Milling). This business is anticipated to create the company's business volume of about 3,000 tons a year. This represents an annual turnover of US\$ 4,600,500 in the First Year.

The project promoters have over thirty years experience in grain processing.

1.2 Agriculture Sector in Tanzania

Tanzania is, in essence, an agricultural country where agriculture means almost everything. Over 80 percent of the people live in the rural areas and agriculture is their main source of livelihood. Agriculture accounts for 95 percent of the food we eat, 25 percent of the GDP and 30 percent of the foreign exchange earnings. It is a major source of raw materials for agro-based industries. Agriculture, therefore, holds a unique position with respect to the socio-economic wellbeing of Tanzania and her people. It is a critical factor in efforts to reduce and, ultimately, eradicate poverty in the country. We cannot eradicate poverty, promote balanced socio-economic growth and achieve food security without transforming our agriculture.

Tanzania has immense opportunities for agricultural development. There are 44 million hectares of arable land, only 24 percent of which is being utilised. Many parts of the country have good rains but there are, also, other vast water resources in rivers, lakes and underground, which can be used for irrigation.

There are ample opportunities for building dams to capture rain water in seasonal rivers and use it for agriculture. Unfortunately, only 381,000 hectares are under irrigation. Tanzania's agriculture is predominantly small holder, characterized with very low productivity due to very limited use of modern technology and techniques of production. As a result, therefore, the country's huge agriculture potential remains unutilized.

Since independence, transforming agriculture has been the focus of government policies and actions of all administrations. Several policy initiatives and programmes have been put

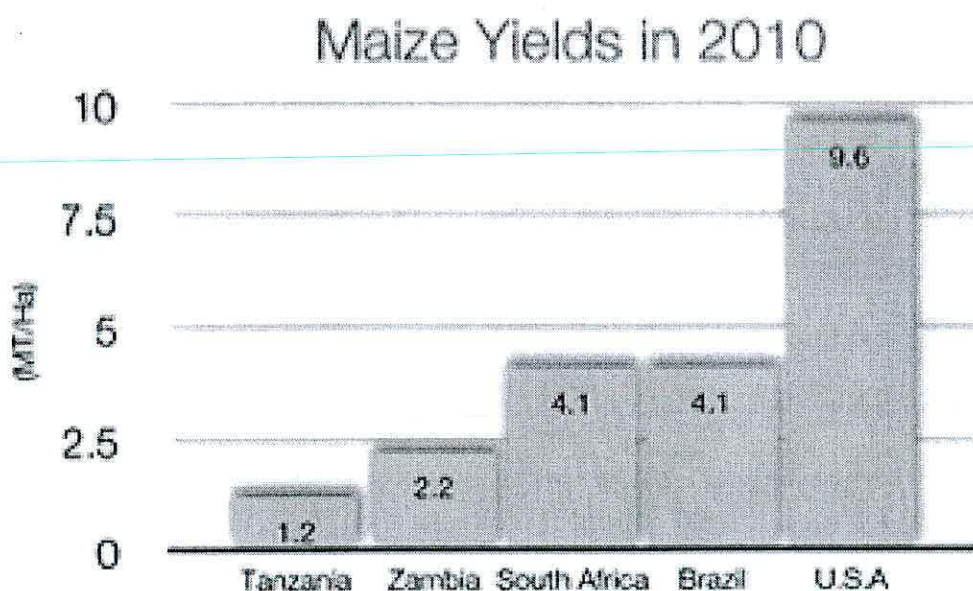
in place and implemented, at different times in the history of Tanzania. Two such landmark policy initiatives which were made during the time of the first President, the late Mwalimu Julius Nyerere, were the Villagisation Policy and the Iringa Declaration. The latter, famously known as "Siasa ni Kilimo" meaning Agriculture is Politics, underscored the use of irrigation besides other aspects of modernization of agriculture. These two policy documents shaped agricultural policy measures through the First, Second, Third and Fourth Phase Governments.

1.3 Maize production and consumption in Tanzania

Mbeya is one of the "**Big Four**" Regions in terms of surplus food production mainly maize which is sold to other regions and exported to the neighbouring countries. The arable land has high potential in the production of maize.

Maize may also be included as a core crop in the Ihemi, Ludewa and Sumbawanga areas in the Southern Highlands. The supply of maize can be used as a food source (either whole or processed as flour), or as a feed source for livestock farming within mixed farm models.

Maize production is undertaken almost exclusively by small scale farmers (over 95% during the long raining season farming an estimated 2 million Ha in 2002 / 2003, with an average land holding of 0.67 Ha), with some large scale farmers operating 750 farms country wide, planting maize on an estimate of 30,000 Ha. Yields range from 1.2–7.7 mt/Ha for small scale farmers and from 5.5 – 9.5 mt/Ha for large scale farmers. Traditional seeds can produce up to 5.5 mt/Ha while the potential of improved seeds currently available in Tanzania is 12.0 mt/Ha. On average, Tanzania has been a net importer of maize (141,120 Tons pa), but annually this has varied between a positive export balance of 60,934 tonnes in 2005 and 80,251 tonnes in 2007, and net import balances of 229,488 tonnes in 2006, 43,577 tonnes in 2008 and 9,259 tonnes in 2009.



Tanzania National Maize Consumption

Institution	MT/Year	Source
National Production	3,339,530	
Home Consumption	1,924,185	57.9% of rural population x 222 g daily per person (effective average availability in 2009)
Urban Low Income Consumers	911,285	Assumption: Urban population = 17,301,960 65% of which has low or very low income = 11,246,274 x 222 g/day = 981,384 MT
High & Medium Income Consumers	113,160	Balance
Institutional Market		
NFRA	180,000	Communication NFRA
WFP	15,000	Communication WFP
Army	8,100	Assumption: 100,000 x 222 g x 365 days
Schools and Hospitals	159,800	Assumption: 4 million x 180 days x 222 g/day
Export Market	28,000	Informal Cross Border export in Northern Regions
Total Consumption	3,339,530	

1.4 Rice production in Tanzania

Rice is the second most important crop in Tanzania, and used mostly as a cash crop. Tanzanian productivity is lower than most neighboring countries and one of the lowest in the world. Furthermore, Tanzania hardly meets its own demand and therefore imports large quantities, mostly from South East Asia. However, Tanzania is the second largest producer in Southern Eastern Africa. Rice is grown in different areas in Tanzania mainly within three main ecosystems:

- I. Rain fed lowlands (68 %): average productivity 35 mt/ha;
- II. Rain fed uplands (20%): average productivity 12 mt/ha;
- III. Irrigated rice cultivation (12 %): average productivity 38 mt/ha.

These areas are such as: Mbarali, Kilombero, Shinyanga, Mwanza, Ludewa and Sumbawanga.

Tanzania's total production is about 900,000 mt, from which a small part is exported to neighboring countries. Rice production internationally is highly concentrated in India, Thailand, the USA and Vietnam. As a commodity, rice is used for political purposes in some of these countries, and due to this, and the concentration of production, the international rice price is tied closely to the activity of these countries.

Around 90% of Tanzania's production is sourced from small scale farmers, on an average farm size of 1.3 ha. The rice subsector is highly fragmented with millers and brokers playing a central role in the trading process. The supply channels are generally long and the produce changes many hands before reaching the final consumer.

1.5 Project brief

The proposed project is about establishing Rice and Maize Flour Mill Plant. The subject project is strongly recommended to be established in the adjoining of the major urban areas with high maize and rice production/consumption. The prevalence of such facility would add economic benefits in the country and would number of direct and indirect employment. Moreover features like low cost & less complexity associated with installation of Rice and Maize flour milling plant makes it more attractive project. Currently the project is being designed proposed for major urban areas with potential rice and maize production but the same can be proposed for other towns which can fulfill input and logistic requirements of the project.

Initially project focus would be on customers from neighboring communities, whereas at maturity domestic market would be preferred. The main feature of the project would include hygienically produced flour processed according to international quality and standards.

1.6 Raw Material

Maize and Rice have been used as primary source for making flour, however flour can also be made from other starchy plant foods. These include wheat, barley, buckwheat, corn, lima beans, oats, peanuts, potatoes, soybeans, and rye. The proposed prefeasibility is based on the assumption of paddy and maize as primary raw materials.

1.7 Opportunity Rationale

Flour has been used for centuries as vital ingredient of daily diet. Rice, wheat, and maize are the three leading food crops in the world; together they directly supply more than 50% of all calories consumed by the entire human population. In Tanzania, human consumption accounts for 85% of total production for maize, compared with 19% for rice

Rice provides 21% of global human per capita energy and 15% of per capita protein. Although rice protein ranks high in nutritional quality among cereals, protein content is modest. Rice also provides minerals, vitamins, and fiber, although all constituents except carbohydrates are reduced by milling.

In nutritive value maize is quite similar to other cereal grains. In fact, it is somewhat superior to wheat flour and only to a small extent below rice. These are the three cereal grains most consumed by people throughout the world.

2.0 TECHNICAL ASPECTS

2.1. Project Location, Civil Works, and Equipment

The Company will construct a new building for processing and storing both raw and processed rice and maize flour, as well as an administration block.

The substantial part of the investment would be devoted to facilities needed for Maize Flour Milling. These include:

- Concrete drying yard of about 37,405 sq. ft.
- Storage area of about 52, 595 sq. ft. includes godowns, garbling shed and machine room
- Weigh bridge: 2 No. (30 tons capacity)
- Machinery:
 - Cleaner – Scourer – Aspirator (1 No.)
 - Destoner (1 No.)
 - Humidifier (1 No.)
 - Double Roller Mill Break (No. 1)
 - Degerminator: (2 No.s)
 - Planalter: (2 No.s)

On the other hand, the proposed Rice Milling Unit will comprise a complete set of the principal machines – scalperator, flat rotary sieve, suction type stoner, rubber roller rice huller, compartment separator emery roller rice polisher, iron roller, jet type peeler, rice grader and auxiliary machines including the magnetic separation, dust and muck removing systems.

The product will be conveyed through the cleaning and milling section by a negative pressure pneumatic system composed of pneumatic lifts, an exhaust duct, a fan and a filter with sleeves automatic cleaning to avoid the air pollution before entering the atmosphere. The unit will be equipped with an air compressor with a tank of 150-litre capacity. The generated compressed air will be utilized for the cleaning of the filtering sleeves and for the engagement and disengagement of the grinding rolls.

The cleaning section, according to the technological flow, will be composed of:

- One receiving hopper, complete with manual slide gate;
- One spout magnet for removing metal particles from grain.
- One intensive scourer
- One separator with an aspirating channel suitable for removing various impurities such as: straw, sand, maize and soya beans, etc from paddy
- One dry stoner for removing the stones
- One screw extractor with variable pitch
- 3 bag spouts are foreseen for collection of rice and bran.

2.2 Rice Process Equipment

The rice process equipment will consist of:

- 1 steel dump hopper; hot dip galvanized steel grating, hinged protection steel cover and manually calibrated slide gate.
- 1 magnet spout hinged door for easy clean – up
- 1 intensive scourer – welded steel body; inspection doors; drum rotor with stainless steel heaters; interchangeable woven wire screen; rotor shaft bearing supports; 2.2 Kw motor and V-belts transmission.
- 1 Separator having the following features:
Sturdy welded steel sheet frame; vibrating body complete with supporting pads, 2-400 mm wide x 800 mm long sieve frame; discharge hopper outlets and 2 vibrating motors of 0.17 Kw each.
1 dry stoner welded structural frame, oscillating housing, including:
 - Exhaust hood with see-through sight ports;
 - Fluidized working deck with – aluminium frame with cover screen adjustable splinter plate inclination adjustment device. Feeding oscillating valve spring-loaded; micrometre valve for suction adjustment; 2 vibrating motors of 0.18 Kw each.
- 1 low-pressure fan wheel directly keyed on motor shaft; 3 Kw motor drive.
- 1 intensive dampening unit formed by: - 1 twin tempering screw conveyor, 1 flow sensor and 1 flow meter of pf 0.60 litres.
- 1 screw conveyor collecting the paddy under the conditioning bin.
- 4 multi – high roller mills type RMD 03A each having the following features.

Heavy duty electro-welded steel main frame – transparent hinged inspection doors; 2 superimposed pairs of grinding rolls of diameter 250 x 320 mm – made of cast iron, centrifugal casting.

Dynamically balanced;

Cleaning roll brushes or scrapers

Cast iron journal supports self aligning roller bearings with: - feeding roll, 0.37 Kw shaft-mounted gear motor; and adjustable feed gate; pre-fixed grinding rolls gap setting device; and wheels with scale indicator; pneumatic roll engagement/disengagement; differential drive with toothed belts and sight glass product inlet control.

- Motors and roller mills accessories including 8 motors for a total installed power of 44 Kw; motor pulley with belts with belts and steel motor bases.
- Plan sifter formed by: -

- 2 sifting sections, each containing 14 sieves having the following characteristics – central body in welded structural steel; counter weight group; double row self aligning roller bearings, sifter channels, plastic laminated lined; removable doors made of fiberglass; sieve cover with stainless steel bottom; interchangeable sieves; nylon or stainless sieves clothing; free-moving elements for sieves cleaning; sieve clamping device; stainless steel inlet and outlet collars; glass fibre suspension canes 1.5 Kw built in motor.
- 2 Turbo sifters electro-welded steel plate body each driven by 2.2 Kw motor.
- 1 Mill stock lifting system negative pressure type consisting of:
 - 1 high-pressure fan wheel directly keyed on motor shaft driven by 22 Kw motor
 - 1 pneumatic lifts watch complete with pneumatic cyclone; straight section tubing and pneumatic pickup.
 - Rotary air seals – air tight cast – iron construction, multivalve rotor running on roll bearings; inlet sight glass connecting in battery each driven by shaft mounted gear motor.
- 1 jet filter service: aspiration/pneumatic system having the following features:
 - Dust air chamber in steel: tangential air inlet; hinged access door; 65 fabric sleeves diameter 120 mm, 1200 mm high; compressed air reservoir mounted on the head; air actuated diaphragm valves; jet nozzles; electronic control system for pulse times; dust collecting hopper provided with built-in screenings collecting conveyor; 2 discharge air seals and 0.55 Kw gear motor with transmission.
- 1 compressed air station formed by: 3 sacking spouts – 2 for rice and 1 for bran.
- 2 sacking spouts for screenings – 1 receiving from separator and 1 receiving dust particles from filter.
- Motor control switchboard suitable to feed and control the motors and containing electrical apparatus and switching for protection of the unit. Prefabricated modular – based metal structure. The main characteristics are as follows :
 - Three phase voltage - 380V
 - Lamp voltage - 24 V
 - Frequency - 50Hz
 - Tolerance - +- 5%
 - Mechanical protection degree - IP 54
 - Standard regulation - IEC
 - Maximum working temperature - 50 Degrees C
 - Connection apparatus

- 1 set of spare parts and maintenance equipment. The operation spares will include the following: -
 - ✓ 2 rolls for B1 passage
 - ✓ 2 rolls for B2 passage
 - ✓ 2 metal screens for horizontal scourer
 - ✓ 2 metal screens for separators
 - ✓ 9 bold clothing for turbo-sifters
 - ✓ 6 bearings 22210 CC
 - ✓ 1 set of lamps and electrical spares for panel
 - ✓ Ordinary maintenance box.

2.3 Auxiliary materials

Falling under this category (maize flour and rice) is packing bags, paper for bags for bran, lubricants, grease and other miscellaneous items.

2.4 Motor vehicles

The Company will acquire five scania trucks for haulage of maize, rice and maize flour bags. The Company will also acquire four utility canter light trucks for factory activities, three tractors, three Fuso, maintenance of plant facilities and equipments, two mini buses for the employees' transport, two hardtops and two pick-ups for the management and marketing activities.

2.5 Proposed Location

The proposed location for the establishment of the unit will primarily be near maize and rice producing areas. It is suggested that the said unit will be established at Plot No. 39 Iyunga Industrial Area in Mbeya City.

The proposed plant site has been carefully selected after technical surveys are made with respect to infrastructural suitability. The currently earmarked site is well connected to accessible road, and utilities such as electricity and water are readily available.

2.6 Technology and Technical Specifications

The company will adapt a modern but simple technology for rice and maize flour milling/processing.

- Installed Power: 171 Kw
- Power Consumption: 65-75 of installed Kw.

2.7 Maize Milling Process

The maize milling process starts with cleaning the grain and is usually followed by conditioning the maize (dampening the maize with water and then allowing it to condition for some time in a bin).

Cleaning and conditioning

Cleaning and conditioning of the maize is an important step in the process and refers to the removal of foreign material and all that is not maize kernels from the to-be milled grain that lowers the quality of the product such as husk, straw, dust, sand, everything too big and too small and lighter than a maize kernel. It also refers to the removal of poisonous seeds, and material harmful to the milling equipment such as metal and stones. Conditioning refers to the addition of moisture to the maize to allow the bran to be peeled off in flakes during milling with plate or roller mills, allowing easy separation in a sifter and, most importantly to add mass to the meal - no harm in selling 2% of water is there.

Forms of milling

Following this process, milling can commence and may take several forms:

Hammer milled maize meal would generally represent an undefined class, probably closest associated with Special Sifted maize meal and represents the lowest cost option and suitable to many rural applications. This meal is often considered inferior by the trade, for the following reasons: All the bran, germ and endosperm are ground up and hammered through the aperture in the hammer mill screen. This has the result that the meal: Has a short shelf life (the germ becomes rancid very fast after milling). The same problem as with Special Sifted maize meal has a great deal of "powder" which results in high adsorption of moisture and fast release of this moisture when cold, resulting in a layer of water over the "pap" in the morning and turning the porridge sour. The porridge cooks with a slightly yellow color although the raw meal may look dazzlingly white. Bran, with a higher water adsorption than endosperm apparently gives a bloated feeling to the eager eater.

Maize may also be de-germinated or polished prior to milling through a Hippo hammer mill with 1.6mm screen providing a very good quality Special Sifted meal.

For good quality maize meal, de-germinate the maize at either 3 tons per hour, 1,5 tons per hour or 500 kg per hour capacity. 2. Then mill the samp and chips (the de-germinator or polisher separates the bran, germ meal and endosperm) by means of a plate mill or a hammer mill or preferably a roller mill. 3. Sifting the meal if milled through a plate mill or roller mill or sifting is not required if milled through a hammer mill.

Best quality maize

The best quality maize meal is therefore obtained by:

De-germinating the maize prior to milling Milling with rollers rather than hammer mills or plate mills / disc mills. Alternatively, if the budget is small, the whole maize, after cleaning and conditioning (see above) may be milled by means of the plate mill only and then sifted (without de-germination). A significant part of the bran and germ meal

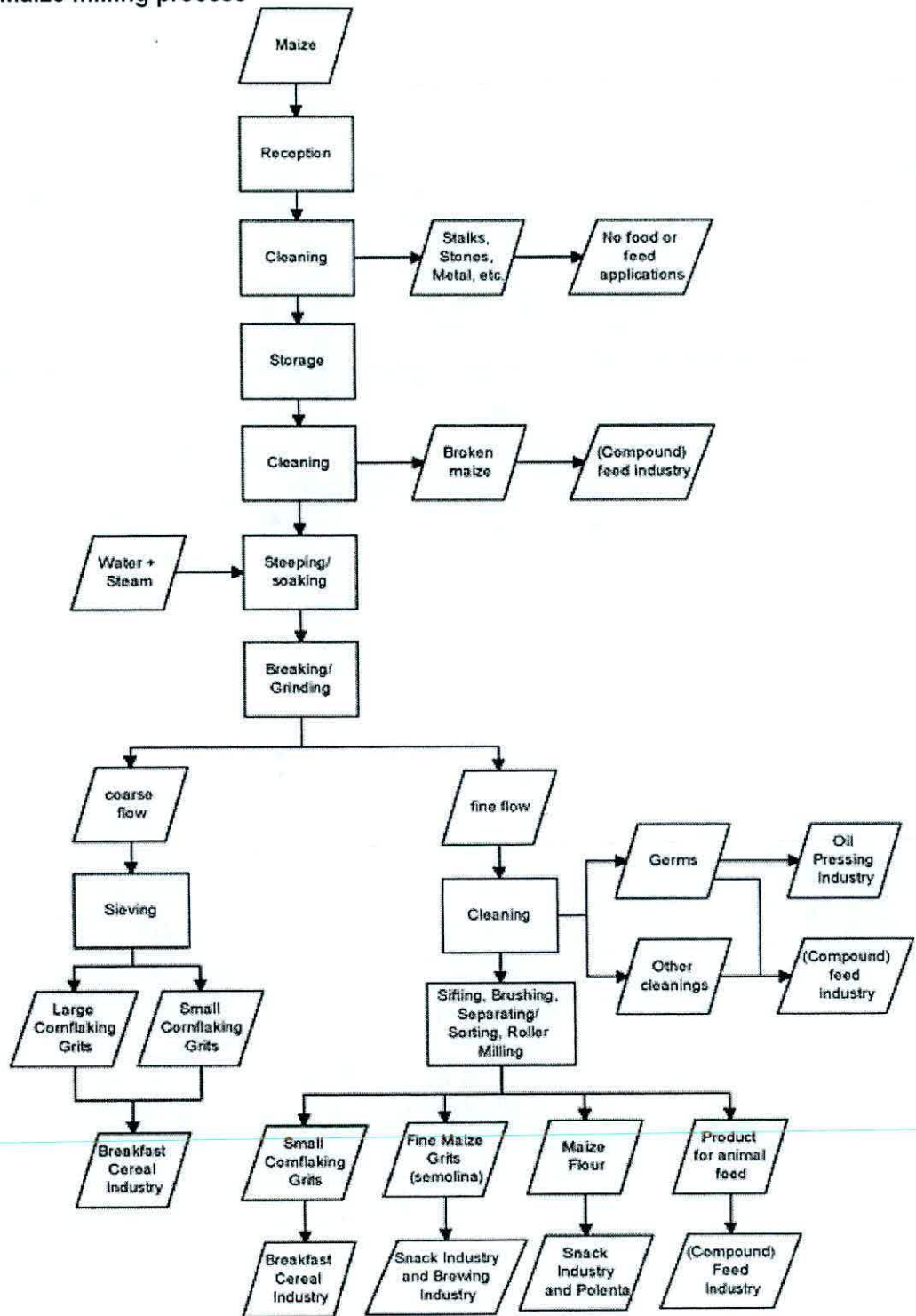
would then be sifted off, resulting in a Special Sifted meal - of lower quality than roller milled meal and higher quality than hammer milled meal.

A further element of major importance is sifting. Milling and sifting, form the very essence of grain processing. The sifters in every system should be one or more of the following:

Turbo sifters - two separation horizontally shafted with steel screens - high capacity but not sifting very fine - used in small capacity plate mill systems and as graders for samp and other primary grading after de-germinators. Rotary sifters - three separation horizontally shafted with nylon screens - lower capacity but very fine screening - used in small capacity plate mill systems. Mini plan sifters - relatively high capacity and very fine screening used as primary sifters for all mills of 1 ton per hour to 2.5 tons per hour. Plan sifters in various sizes and numbers of passages: Very high capacity and fine screening - used in all mills with capacity of 2.5 ton per hour and more. Industrial type mills can be constructed over one level, two levels, three levels or more, as existing buildings determine or as practical as the solution may be. High capacity mills normally require more levels to make use of gravity in moving product between mills and sifters.

Another option to consider, is to place a small mill (500 kg - 1,000 kg/hr) in a container. This is only recommended for special applications where buildings are problematic, where the mill needs to be moved from time to time to another location, where temporary power is used and where the mill is located in very remote areas.

Maize milling process



2.8 Paddy/Rice Milling Process

Process Description:

The paddy is hulled by the removal of husks and the ultimate production of polished rice. Polished rice is then packed in bags and stored for dispatch in the market and the waste is packed and sold as a raw material for animal feed processors or as fuel.

The Technological operations that take place are: -

- i) Quantitative and qualitative reception of paddy
- ii) Storage in silo;
- iii) Sifting;
- iv) Packing of final products in bags;

Each of these sections of the mill has been separately described as follows:

(a) Reception and Cleaning of Paddy

Paddy arriving in the mill is qualitatively inspected. The laboratory technician examines the mass of cereal as follows: -

- General aspect of paddy;
- Colour, smell, taste
- Inspection for insect infestation;
- Grade of cleaning.

Some samples are taken to the mill laboratory to determine content and hectolitic weight etc.

Satisfactory supplies are stored in the raw material storage of the mill in multi-bag layers. Before paddy is de-husked it should be cleaned so as to remove impurities. The cleaning process envisaged in the proposed mill will remove heavy impurities like stones, metal pieces, clods as well as light impurities such as dust powder, pieces of strings etc.

(b) Storage and Packing of the Final Products

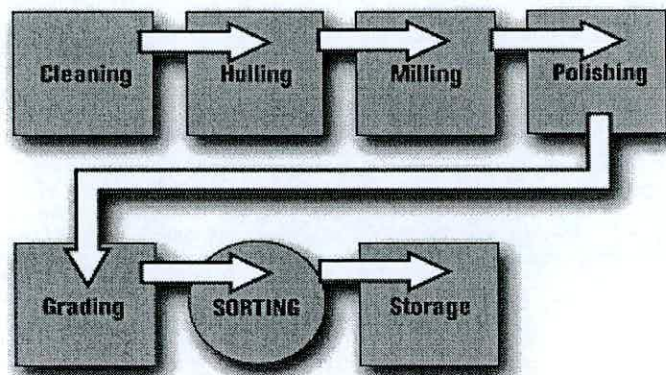
Storage of the final products can be done by one of the following:

- Bulk storage in silo and periodic movement of the products from one silo to another by conveyor for the purpose of aeration to avoid the formation of agglomeration or compact masses. As and when required, bags are prepared by drawing the final products from the silo.

Straight away packing the materials in suitable bags, storing the bags in layers and arranging quick dispatch for fast distribution. In this method the final products can be packed by manual means or by semi-automatic machines.

The first method of storing the products is recommended where the products are to wait for long periods prior to their final packaging and dispatch. Extra care is therefore taken to make it hygienic so that the products do not get spoiled during storage.

The second method is preferred where dispatches from the mill have to be more frequent for their simultaneous demand and consumption in the markets.



2.9 Project Capacity

The capacity of the proposed project would be 3,000 tons (3 million kgs) on annual basis, assuming 300 working days a year, producing 10 tons of flour per day.

3. MARKETING

3.1 The Product

The main products from the Company will rice and maize flour.

- **Rice**

Product	Quantity in Kg per Year
Super – 50%	1,500,000
Grade 1-7% (5% broken)	150,000
Grade 2-13% (15% broken)	450,000
Bran & Breweries (15%)	450,000
Husk (15%)	450,000

- **Maize flour**

The very interesting thing with grain milling for maize is the two products that come out of the process is that maize grain produces husks that are very essential for animal feeds production or direct consumption by animals. Otherwise husks can be used as farm manuals when they decay after some time. The process is complete with maize flour being ready for use after packing. The production ratios from 100% quantity of maize are 70% flour and 30% husks and waste. For every 1 ton of maize 700kgs is consumable maize flour and 5% is waste while 25% is husks. The ratio for flour can be improved if the mill is revamped to do all processes from cleaning and softening.

Product	Quantity tons
Flour (70%)	2,100,000
Waste and Husk (30%)	900,000

State-of-the-art packaging will be used to assure a long shelf life (approximately one year) and attractive and informative labeling of our final products.

3.2 Size and Character of the Market

Production will be mainly for the export markets of Zambia, Malawi and Democratic Republic of Congo. Market intelligence conducted in these countries indicates that there is a huge market in all the three countries that can absorb the whole production of this project. However, for analysis purposes it is assumed that the export market will absorb only 60% of the project production. The balance of 40% will be sold locally, mainly in Lake Zone regions and in Dar es Salaam.

The main markets for Tanzanian maize are Dar es Salaam (and by extension Zanzibar and Comoro), the Mtwara – Lindi region, northern cities such as Moshi and Arusha, Kenya, Rwanda and Burundi, Congo and to a lesser extent Malawi and Zambia.

The maize wholesale market based in the main (Dar es Salaam) and secondary towns (Mbeya, Songea, Njombe, Makambako, Iringa, Mafinga, Morogoro, etc.) frequented by the traders, the storekeepers, some farmers and maize brokers. It is on these markets that maize can be sold from trader to trader and that much long term grain storage is operated and that the traders locate their buffer reserves.

Maize brokerage is a specificity of the Dar es Salaam maize wholesale market where traders and the millers. The millers define prices but the brokers have the capacity to influence them through their central position.

The flour wholesale market is concentrated around the main mills and in the main consumption centres. The flour wholesale markets connect the millers, the wholesalers and the retailers. The prices are defined by the millers according to their processing costs and to the demand on the market (quantities / prices).

The flour retail market is where consumers get flour from retailers on local markets, from shops or kiosks and now more importantly, from supermarkets.

Rice markets internationally, and locally, are becoming increasingly segmented by quality. In the traditional rice consuming regions of Tanzania, for aromatic/high quality rice. High quality rice, in Tanzania, can be characterized as rice with a low percentage of broken rice, young rice, with relatively long kernels which are transparent in colour, with low moisture content, an absence of stones and which possess a strong aromatic smell. Traders at all levels mix high quality/aromatic species, which are in relatively short supply, with non aromatic low quality rice, be it local or imported. Blending enables traders to sell the rice as aromatic, which is preferred in the market and at the same time reduce their procurement costs by increasing the blended share of cheaper, non aromatic rice.

However, consumers are aware of this blending, and price it accordingly, which ultimately ends up affecting the price paid to farmers for genuine aromatic rice.

There is growing demand for rice from Tanzania's major markets. The demand by urban medium high consumers is increasing for quality and branded aromatic rice, which is primarily produced in Tanzania. Likewise most neighbouring countries have rice deficiencies, which makes the regional block a highly attractive market if efficient supply chains can be developed. The export ban has been lifted in 2010 and this could motivate more structured supply chains to penetrate this market segment.

The study has also identified institutional niche clients (army barracks, hospitals, schools and mining companies etc) as another attractive market segment.

Rice Demand Projections

Market Demand		2015	2030
Local Demand ('000 Tonnes)	Tanzania Demand	1,150	1,750
Imports ('000 Tonnes)	Tanzania Imports	85	45
Consumption ('000 Tonnes)	Global Consumption	730,000	1,150,000
Export Demand ('000 Tonnes)	Middle East	8,000	
	EU Demand	3,500	5,000
	Other Export Demand	718,500	1,145,000

Sources: World Bank, OECD, USDA, FAO

From the analysis in the preceding chapter, the marketing of the final products in the country will not pose a problem either as even if the export markets collapse the local market itself will be able to take up whatever the project will produce.

3.3 Marketing Organization

M/S Wella Highland Millers (T) Limited will buy products from small farmers, process, pack and sell at wholesale level. Importers from the neighbouring countries will be expected to collect their requirements of rice and maize flour from the Mill, but arrangements can also be made for the promoters to deliver directly to importer from Malawi, Zambia and Democratic Republic of Congo.

Likewise, local buyers are expected to collect their requirements of the various products from the Mill, but the promoters will be flexible to deliver the goods on demand.

3.4 Pricing

The basis for pricing has been from observations and data collected from various parts of Tanzania, market behaviour of raw materials and by- products, production costs and profit margins. Packaging will be done in good quality material and together with other materials, the pricing has been estimated at 5% of sales turnover and this should allow a very high standard of packing.

3.5 Competitive prices

M/S Wella Highland Millers (T) Limited will buy paddy and maize at the beginning of the season when the prices are the low until they reach their target for the season. This is between April – August harvest months of the year in the sources. The paddy and maize will be stored safely to avoid any losses, pilferage and pesticides effects. The storage for maize demands fumigation from time to time as it is more vulnerable to damages. Paddy has lesser cost of keeping as is stronger than maize.

Low cost of production is due to:

- Technology of the mills that form automatic continuous milling production lines and decreased production cost.
- Obtaining Tariff 1 from TANESCO and installing a Power Factor are reducing the electricity consumption so that.

Comparison between Competitive prices

	Asian imported rice 15% broken	Local Rice Mills	Wella Highland Millers Ltd Rice 15% broken
Output capacity	High	Small	High
Quality of grain	Very bad	Very good	Very good
Processing quality	Medium	Very poor	Excellent
Packaging facility & quality	Good	Very poor	Very good
Supplying facility/delivery	Difficult and long	Easy but long	Easy and quick
Price as per definitions & standards FOT Mbeya	Tsh. 1,800 per kg, white rice short grain, ordinary milled, 15% broken	Tsh. 1,900 per kg, white long rice grain, ordinary milled, 25% broken	Tsh. 1,900-2,000 per kg, white rice long grain, extra well milled, 15% broken

3.6 Competitor Analysis

There are numerous local rice and maize mills in the country. Our direct competitors are:

- Energy Milling Company Limited (Sumbawanga)
- Barka Milling Company Limited (Sumbawanga)
- Sikem Limited (Mbeya)
- Rapha Group Limited (Mbeya)
- Agro Processing and Allied Products Limited
- Said Salim Bakhresa & Co Limited
- Mohamed Enterprises Tanzania Limited

The Company's strategic position and quality of rice and maize flour products, and its strategic focus and links with markets in the Southern Zone regions would likely pre-empt much of the competitive pressures.

3.7 Promotion Strategies

M/s Wella Highland Millers (T) Limited fully understands the existence of both current and potential competition, and thus underscoring the need for strategic marketing and promotional activities on a continuous basis. The changing needs of customers for high quality and reliable supply of goods, as well as cost considerations will guide the marketing and promotion strategies to be adopted by the Company. These will include advertising, special volume discounts, and special credits arrangements, etc.

The Company is currently targeting approximately 1% of sales to be used in initial promotional efforts.

4 ORGANISATION AND HUMAN RESOURCES

4.1 Organisational Structure

The Company will adapt a management structure capable of meeting the needs of its operations, and recruit competent personnel to operate company businesses.

The adapted structure will comprise of the following:

Board of Directors: This will consist of the shareholders of the Company, the Managing Director (MD), and two outside directors. The Board will be responsible for overseeing the overall direction of the Company, setting goals, and monitoring performance of the management.

Managing Director (MD): The MD will oversee and coordinate the implementation of various Board decisions and business goals. He/she will be in charge of all affairs of the Company and reports to the Board.

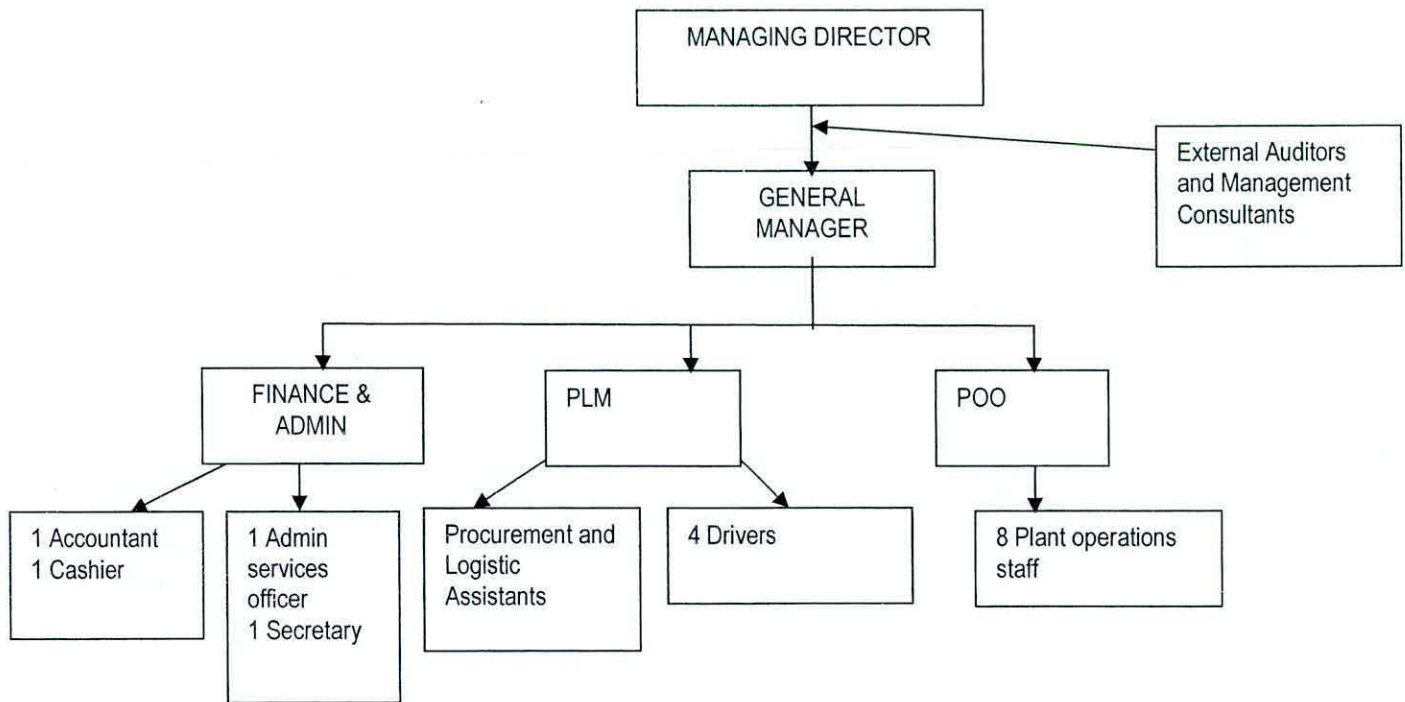
General Manager (GM): The GM will report to the MD and will be responsible for financial management of the Company. He/she will ensure adequate controls and timely reporting of management and statutory reports.

Procurement and Logistics Manager (PLM): The PLM will be responsible for recommending optimal transportation modes, routing, equipment, or frequency; Establish or monitor specific supply chain-based performance measurement systems; Create policies or procedures for logistics activities; Plan or implement material flow management systems to meet production requirements; Maintain metrics, reports, process documentation, customer service logs, or training or safety records.

Production and Operations Officer (POO): The POO will supervise the plant operators and mechanics, and other support staff.

Support Staff: The Company will recruit a number of support staffs including, warehousing officer, drivers, security guards, cashiers, and other operations staff.

The Organisational Structure is summarised in the schematic below:



4.2 Technical Advisory Services

The Company plans to engage external consultants and auditors to provide management advisory services, including the initial set up of accounting and management information system, tax issues, and audit of financial statements for external users. Consultants will be engaged on contract terms, and would be expected to work closely with the MD. The Company's use of external consultants would ensure continuous improvements in business strategy and will be a low cost alternative to having a large internal pool of employee.

4.3 Support Services and Needs Assessment

The project would require moderate use of support services. These would include secretarial, stores, and machine operators. The market availability of the people for these positions in Tanzania is favourable as the existing enterprises and the government are unable to fully absorb the labour force. Others may be hired as temporary workers paid on an hourly basis.

The Company will outsource other services such as security to the factory to credible security company.

4.4 Management Structure and Strategic Positioning

The Structure of the Organisation proposed is expected to afford the management a reasonable degree of flexibility and information flow that is considered critical for its business strategy and its market target. The strategy requires high level of contact and interaction with market players; therefore need to remove information barriers between the top management and operational staff. The structure would also allow an efficient and effective production and distribution of coffee curing products, leading the Company into achieving its objectives of supplying high quality rice and maize flour to a large number of customers and at competitive prices.

4.5 The Profile of a Top Management of the Company

The managing director of the Company is a Tanzanian long time businessman. He has a wide experience in business management after having engaged in a number of businesses in agro processing industry.

4.6 The Company's Mission

The company's mission is to be known as the premiere rice and maize flour producer/miller in the Southern Zone, Tanzania.

5 ENVIRONMENTAL IMPACT ASESMENT

5.1 Potential Impacts of the Project

M/s Wella Highland Millers (T) Limited concern is that they become as environmentally conscious as possible. They will use an afterburner on the mill to reduce the amount of air pollutants normally associated with the milling process.

Thus, the Company would ensure high standards of the facilities to be installed sufficient to comply with safety standards.

5.2 Planned Preventive and Internalisation Programmes

The Company has plans to engage some industry experts to undertake periodic technical evaluation of the effectiveness of the facilities. The first evaluation will take place after installation of the effluent treatment facility and just before the commencement of commercial production, and once every two years.

6 INVESTMENT AND FINANCING PLAN

6.1 Project Costs

The initial investment for the project has been estimated at USD 1,170,000 as follows:

(IN USD)

Item	Equity	Loan	Total
1. Land, Buildings & Other Civil Works Structure	97,000	100,000	197,000
2. Plant, Machinery and Equipment	40,000	600,000	640,000
3. Motor Vehicles	50,000	183,000	233,000
4. Office & Equipment, Furniture & Fittings	16,000	-	16,000
5. Pre – Operational Expenses	25,000	-	25,000
Sub-total	228,000	883,000	1,111,000
Add : Initial Working capital	59,000	-	59,000
Grand total	287,000	883,000	1,170,000
Contribution in Percentage	25%	75%	100%

6.2 Financing Plan:

The proposed project is estimated to cost about US\$ 1,170,000 over an implementation period of three years only. The project sponsors have enough financial resources and adequate access to bank funding to undertake the contemplated investment. The project promoters are planning to finance project cost in the following pattern:

Owners' Equity Contribution: US\$ 287,000(25%)

Bank Loans: US\$ 883,000 (75%)

7. ECONOMIC AND FINANCIAL ANALYSIS

7.1 Projected Financial Statements

The projected financial statements for ten year period are attached as Appendix I-XI. These statements include the projected balance sheets, income statements, and the statement of cash flows.

The projected balance sheets indicate a healthy trend, with a total equity position. The projected current assets will remain substantially above current liabilities, thus posing no liquidity problems. The projected income statement shows a steady increase in net income starting from the first year of project implementation.

The projected cash flows indicate a strong cash position, enough to support loan repayment and interest payments at the due dates. The projected interest calculation and loan amortisation is attached as annex XI.

7.2 Analysis of Financial and Economic Viability

Considerations and Assumptions

7.2.1 Exchange Rate:

The exchange rate for financial analysis has been taken as T.Shs. 1,600.00 = USD 1.00 throughout the project period.

7.2.2 Depreciation

The straight-line method to depreciate the project's capital items has been applied as follows:

Buildings and other Civil Works Structures	2.0%
Plant, Machinery & Equipment	25.0%
Motor vehicles	25%
Office Equipment, Furniture fittings	12.5%

7.2.3 Production and Revenue Assumptions:

It is assumed that the proposed project will utilize locally grown maize and paddy mainly from the project area, Southern Highlands regions which are among the major producers of rice and maize in Tanzania. The Rice (Super) is estimated at an average price of USD 1.25 per Kilogram; while Maize Flour (Super) is estimated at an average price of USD 0.80 per Kilogram

7.3 Financial Statements:

7.3.1 Project Profit and Loss Account

For projection purposes, it is assumed that the plant will operate for 8 hours a day, 25 days a month or 300 days per year, processing a total of 3,000 tons or 3,000,000 Kg per year of paddy and rice respectively thereby producing 1,500,000 Kg of polished rice and 450,000 tons of Rice Bran / Waste throughout the project period of 10 years. The cost of raw materials (paddy) dominates operating costs at an average of 80%.

7.3.2 Projected Cash Flows :

The discounted cash flow statement discounted over 10 years shows a Net Present Value (25%) of 12,878,881.56 and Internal Rate of Return (IRR) of 64.40%. This is based on 300 working days per annum. Under this assumption the project starts making profit in the first year of operation.

The normal payback period is 48 months.

7.3.3 Projected Balance Sheet:

The project net worth increases from USD 670,967.68 in year one to USD 745,848.46 at the end of year ten.

The company assets increase from USD 438,192.04 in year one to USD 426,711.87 at the end of year ten.

Economically, the project is also viable for it will contribute significantly to the development in the following measurable ways:

- ❖ The project will create about 19 employment
- ❖ The project will contribute to government revenue in the form of taxes. It is projected that, the project will have generated about USD 8,965,061 sales alone by the end of year ten.
- ❖ The project will result into significant positive multiplier effects through various stages of rice and maize flour milling process and distribution chain.

7.4 Contribution of the Project to Economic Development

The project will serve as an additional source of supply of rice and maize flour products to the economy. It will also contribute to the supply of foreign exchange, since a significant portion of products will be exported. The project will also contribute to the growth of the economy through generation of employment, increase in government revenue through payment of taxes, and through a multiplier effect that would arise through various points in the value chain of rice and maize milling process, distribution, and export. Processing of paddy to produce polished rice using modern technology will greatly add value to the agricultural product. The project will involve transfer of technology in paddy processing using modern Chinese technology. It will create more market for the local paddy and maize growers and create more business opportunities to rice and maize traders.

8 SOCIAL ASPECTS

The Company understands the importance of the community in areas where it does business as an important stakeholder to the Company. During due diligence review of the industry and social implications, nothing negative about the social implications of the project came to the attention of the promoters, aside from environmental aspects dealt with above.

The project promoters will participate and engage in the Community's joint efforts to improve infrastructure and other social services around their business areas. The Company will seek partnership with Community groups to engage in Community development issues, and to resolve amicably, any social misunderstanding or conflicts of interest that arise between the Company and other parties such as the government, employee, customers, suppliers, and other stakeholders.

9. IMPLEMENTATION PLAN

Implementation will commence on approval and documentation of the Tanzania Investment Centre. The following schedule of implementation is considered realistic:

Activity	Period
Application and Approval of TIC Certificate of Incentives	June 2013
Construction of Mill Houses	August 2013 – December 2013
Construction of Storage and other buildings	January 2014 – April 2014
Sourcing of plant, machinery and appropriate technology	May 2014 – June 2014
Purchase of plant, machinery & Equipment	July 2014 – August 2014
Delivery of Plant, Machinery & Equipment	September 2014
Manpower Recruitment and Training	October 2014
Trial Production	November 2014
Full commercial production.	December 2014

10 CONCLUDING REMARKS AND RECOMMENDATIONS

10.1 Overall Project Concept

The overall project concept is sound as it contributes to increased supply of rice and maize flour products for human consumption. It also has great potential for generating foreign exchange for the economy.

10.2 Economic and Financial Viability

The technical analysis indicates that the project is both financially and economically feasible.

10.3 Social and Administrative Sustainability

The project is socially acceptable as it contributes directly to the national development objective. There are no likely social complexities with respect to the project.

10.4 Recommendations

The project is highly recommended for implementation and necessary approvals.

CAPITAL INVESTMENT (in USD)

Item	Equity	Loan	Total
Land, Buildings and other civil works structures	97,000.00	100,000.00	197,000.00
Motor Vehicles	50,000.00	183,000.00	233,000.00
Office Furniture and Fittings	16,000.00	-	16,000.00
Plant, Equipment & Machinery	40,000.00	600,000.00	640,000.00
Preparation Expenses	25,000.00	-	25,000.00
Initial Working Capital	59,000.00	-	59,000.00
Total	287,000.00	883,000.00	1,170,000.00
Contribution in Percentage	25%	75%	100%

M/S WELLA HIGHLAND MILLERS (T) LIMITED P.O. BOX 157 MBEYA

Staff Remunerations Package (in USD)

Position	Employees	Salary	Monthly Pay	Annual Package
General Manager	1	500	500.00	6,000.00
Electrical Mechanic	1	200	200.00	2,400.00
Milling Technicians	2	150	300.00	3,600.00
Mill operators	2	60	120.00	1,440.00
Procurement & Logistics Manager	1	300	300.00	3,600.00
Procurement & Logistics Assistants	2	100	200.00	2,400.00
Stores Assistant cum Laboratory Technician	1	100	100.00	1,200.00
Drivers	3	80	80.00	960.00
Accountant	1	300	300.00	3,600.00
Cashier	1	150	150.00	1,800.00
Secretary cum Receptionist	1	150	150.00	1,800.00
Security guards	3	60	180.00	2,160.00
Sub Total			2,250.00	30,960.00
Payroll Levy 4%				1,238.40
10% Pension fund				3,096.00
Grant Total	19			35,294.40

Note: *

- 10% of the benefits will be for Social Security Fund's contribution.
- salary will be inclusive of housing allowance

Appendix III

M/S WELLA HIGHLAND MILLERS (T) LIMITED P.O. BOX 157 MBEYA

Operating Cost Schedule (in USD)

Guidelines:

- Operating cost will increased by 8% every year
- Insurance will be 2% of the major capital assets(Motor vehicles and Machinery/Equipment)

Particulars	Year I	Year II	Year III	Year IV	Year V	Year VI	Year VII	Year VIII	Year IX	Year X
Insurance 2% of assets	11,700.00	12,636.00	13,646.88	14,738.63	15,917.72	17,191.14	18,566.43	20,051.74	21,655.88	23,388.35
Paddy cost	300,000.00	300,000.00	350,020.00	375,000.00	390,100.00	420,300.00	443,200.00	467,900.00	481,200.00	499,900.00
Maize cost	117,000.00	126,360.00	136,460.00	147,380.00	159,170.00	171,910.00	185,660.00	200,510.00	216,550.00	233,880.00
Motor Running expense	7,200.00	7,776.00	8,398.08	9,069.93	9,795.52	10,579.16	11,425.50	12,339.53	13,326.70	14,392.83
Electricity & Water	5,600.00	6,048.00	6,531.84	7,054.39	7,618.74	8,228.24	8,886.50	9,597.42	10,365.21	11,194.43
Stationery & Office utilities	1,440.00	1,555.20	1,679.62	1,813.99	1,959.10	2,115.83	2,285.10	2,467.91	2,665.34	2,878.57
Communications	8,000.00	8,640.00	9,331.20	10,077.70	10,883.91	11,754.62	12,694.99	13,710.59	14,807.44	15,992.04
Repair and Maintenance	7,600.00	8,208.00	8,864.64	9,573.81	10,339.72	11,166.89	12,060.24	13,025.06	14,067.07	15,192.44
Lisence	3,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Travelling costs	2,500.00	2,700.00	2,916.00	3,149.28	3,401.22	3,673.32	3,967.19	4,284.56	4,627.33	4,997.51
Consultancy/Audit Fees	7,000.00	7,560.00	8,164.80	8,817.98	9,523.42	10,285.30	11,108.12	11,996.77	12,956.51	13,993.03
Contingency 10%	8,000.00	8,640.00	9,331.20	10,077.70	10,883.91	11,754.62	12,694.99	13,710.59	14,807.44	15,992.04
Directors/Board Fees	5,100.00	5,508.00	5,948.64	6,424.53	6,938.49	7,493.57	8,093.06	8,740.50	9,439.74	10,194.92
Total	484,140.00	495,631.20	561,292.90	603,177.93	636,531.76	686,452.70	730,642.12	778,334.69	816,468.66	861,996.16

Appendix IV

M/S WELLA HIGHLAND MILLERS (T) LIMITED P.O. BOX 157 MBEYA

Assumptions for Projections

- 10 Tons of Maize Flour per day or 3,000 Tons per year or 3,000,000 Kg per year
- 10 Tons of Rice per day or 3,000 Tons per year or 3,000,000 Kg per year
- 1 Kg of Maize Flour (Super) is estimated at \$ 0.80
- 1 Kg of Husk is estimated at \$ 0.31
- 1 Kg of Rice (Super) is estimated at \$ 1.25
- 1 Kg of Broken Rice (5%) is estimated at \$ 1
- 1 Kg of Broken Rice Rice (15%) is estimated at \$ 0.56
- 1 Kg of Bran & Breweries (15%) is estimated at \$ 0.5
- 1 Kg of Husk (15%) is estimated at \$ 0.31
- After 3 years ,Sales will Increase by 10% Every year

Sales Projections (in USD)

A:

Product Type	Quantity in Kg p.a	Year I	Year II	Year III	Year IV	Year V	Year VI	Year VII	Year VIII	Year IX	Year X
A. Rice											
Super - 50%	1,500,000	1,875,000	1,875,000	1,875,000	2,062,500	2,268,750	2,495,625	2,745,188	3,019,707	3,321,678	3,653,846
Grade 1-7% (5% broken)	150,000	150,000	150,000	150,000	165,000	181,500	199,650	219,615	241,577	265,735	292,308
Grade 2-13% (15%broken)	450,000	252,000	252,000	252,000	277,200	304,920	335,412	368,953	405,848	446,433	491,076
Bran & Breweries (15%)	450,000	225,000	225,000	225,000	247,500	272,250	299,475	329,422	262,364	398,600	438,460
Husk (15%)	450,000	139,500	139,500	139,500	153,450	168,795	185,675	204,242	224,666	247,133	271,846
B. Maize Flour											
Flour (70%)	2,100,000	1,680,000	1,680,000	1,680,000	1,848,000	2,032,800	2,236,080	2,459,680	2,705,648	2,976,213	3,273,834
Husk (30%)	900,000	279,000	279,000	279,000	306,900	337,590	371,349	408,484	449,332	494,265	543,692
Total		4,600,500	4,600,500	4,600,500	5,060,550	5,566,605	6,123,266	6,735,583	7,309,141	8,150,056	8,965,061

Appendix V

M/S WELLA HIGHLAND MILLERS (T) LIMITED P.O. BOX 157 MBEYA

Assumptions for Projections

- Salaries and Wages will Increase by 5% Every year

Projected Income and Expenditure Statement (in USD)

Particulars	Year I	Year II	Year III	Year IV	Year V	Year VI	Year VII	Year VIII	Year IX	Year X
Revenue:										
Sales	4,600,500	4,600,500	4,600,500	5,060,550	5,566,605	6,123,266	6,735,583	7,309,141	8,150,056	8,965,061
Total Income	4,600,500	4,600,500	4,600,500	5,060,550	5,566,605	6,123,266	6,735,583	7,309,141	8,150,056	8,965,061
Less: Expenses:										
Salary and wages	35,294.40	35,294	37,059	38,912	40,858	42,901	45,046	47,298	49,663	52,146
Operating expenses	484,140	495,631	561,292	603,178	636,532	686,453	730,642	778,335	816,469	861,996
Total Expenses	519,434	530,925	598,351	642,090	677,390	729,354	775,688	825,633	866,132	914,142
Operating Profit	4,081,066	4,069,575	4,002,149	4,418,460	4,889,215	5,393,912	5,959,895	6,483,508	7,283,924	8,050,919
Less: Interest	0	0	0	0	0	0	0	0	0	0
Profit Before tax	4,081,066	4,069,575	4,002,149	4,418,460	4,889,215	5,393,912	5,959,895	6,483,508	7,283,924	8,050,919
Cummulative Profit	4,081,066	8,150,640	12,152,789	16,571,249	21,460,464	26,854,377	32,814,272	39,297,780	46,581,705	54,632,624

Depreciation Schedule (in USD)

NO:	Item	Rate	Method	Year 0	Year I	Year II	Year III	Year IV	Year V	Year VI	Year VII	Year VIII	Year IX	Year X	R/Value
1	Land and buildings	2%	DB												
	Opening Balance			197,000.00	197,000.00	193,060.00	189,198.80	185,414.82	181,706.53	178,072.40	174,510.95	171,020.73	167,600.32	164,248.31	
	Depreciation				3,940.00	3,861.20	3,783.98	3,708.30	3,634.13	3,561.45	3,490.22	3,420.41	3,352.01	3,284.97	
	Closing Balance				193,060.00	189,198.80	185,414.82	181,706.53	178,072.40	174,510.95	171,020.73	167,600.32	164,248.31	160,963.34	160,963.34
2	Motor Vehicle	25%	SLM												
	Opening Balance			233,000.00	233,000.00	174,750.00	116,500.00	92,250.00	69,187.50	46,125.00	23,062.50	0.00	0.00	0.00	
	Depreciation				58,250.00	58,250.00	58,250.00	23,062.50	23,062.50	23,062.50	23,062.50	0.00	0.00	0.00	
	Closing Balance				174,750.00	116,500.00	58,250.00	69,187.50	46,125.00	23,062.50	0.00	0.00	0.00	0.00	0.00
3	Furniture and Fittings	12.5%	DB												
	Opening Balance			16,000.00	16,000.00	14,000.00	12,250.00	10,718.75	9,378.91	8,206.54	7,180.73	6,283.13	5,497.74	4,810.52	4,209.21
	Depreciation				2,000.00	1,750.00	1,531.25	1,339.84	1,172.36	1,025.82	897.59	785.39	687.22	601.32	
	Closing Balance				14,000.00	12,250.00	10,718.75	9,378.91	8,206.54	7,180.73	6,283.13	5,497.74	4,810.52	4,209.21	4,209.21
4	Equipment and Machinery	25.0%	DB												
	Opening Balance			640,000.00	640,000.00	480,000.00	360,000.00	270,000.00	202,500.00	151,875.00	113,906.25	85,429.69	64,072.27	48,054.20	
	Depreciation				160,000.00	120,000.00	90,000.00	67,500.00	50,625.00	37,968.75	28,476.56	21,357.42	16,018.07	12,013.55	
	Closing Balance				480,000.00	360,000.00	270,000.00	202,500.00	151,875.00	113,906.25	85,429.69	64,072.27	48,054.20	36,040.65	36,040.65
	Total Invest. & Reinvestment			1,170,000.00	1,170,000.00	861,810.00	677,948.80	558,383.57	462,772.93	384,278.94	318,660.42	262,733.55	237,170.32	217,113.03	
	Total Depreciation				224,190.00	183,861.20	153,565.23	95,610.64	78,493.99	65,618.52	55,926.87	25,563.23	20,057.29	15,899.83	

Note: DB - Declining Balance Method
SL - Straight Line Method

Appendix VII

M/S WELLA HIGHLAND MILLERS (T) LIMITED P.O. BOX 157 MBEYA

Working Capital Schedule (In USD)

Item\ Year	Year I	Year II	Year III	Year IV	Year V	Year VI	Year VII	Year VIII	Year IX	Year X
Current Assets:										
Debtors 1month of sales	380,750.00	381,770.00	388,900.00	421,712.50	463,883.75	510,272.13	561,298.62	609,095.10	679,171.31	747,088.43
Trade debtors insurance - 1 Year	9,700.00	14,446.00	15,601.68	16,849.81	18,197.80	19,653.62	21,225.91	22,923.99	24,757.91	26,738.54
Total Current Assets	390,450.00	396,216.00	404,501.68	438,562.31	482,081.55	529,925.75	582,524.53	632,019.09	703,929.21	773,826.97
Current Liabilities:										
Salaries and wages (1 month)	2,941.20	3,088.26	3,242.67	3,404.81	3,575.05	3,753.80	3,941.49	4,138.56	4,345.49	4,562.77
Electricity & Water (1 month)	466.67	504.00	544.32	587.87	634.89	685.69	740.54	799.78	863.77	932.87
Communications (1 month)	666.67	720.00	777.60	839.81	906.99	979.55	1,057.92	1,142.55	1,233.95	1,332.67
Transport and Fuel (1 month)	600.00	648.00	699.84	755.83	816.29	881.60	952.12	1,028.29	1,110.56	1,199.40
Paddy Cost (1 month)	25,000.00	27,000.00	29,160.00	31,492.80	34,012.22	36,733.20	39,671.86	42,845.61	46,273.26	49,975.12
Maize Cost (1 month)	9,750.00	10,530.00	11,372.40	12,282.19	13,264.77	14,325.95	15,472.02	16,709.79	18,046.57	19,490.30
Total Current Liabilities	39,424.53	42,490.26	45,796.83	49,363.30	53,210.22	57,359.79	61,835.95	66,664.59	71,873.60	77,493.12
Net Working Capital	351,025.47	353,725.74	358,704.85	389,199.01	428,871.33	472,565.96	520,688.58	565,354.50	632,055.62	696,333.85
Change in Working Capital	351,025.47	2,700.27	4,979.11	30,494.17	39,672.32	43,694.63	48,122.61	44,665.92	66,701.12	64,278.23

Appendix VIII

M/S WELLA HIGHLAND MILLERS (T) LIMITED P.O. BOX 157 MBEYA

Cashflow Projections (in USD)

Item	Year I	Year II	Year III	Year IV	Year V	Year VI	Year VII	Year VIII	Year IX	Year X
Inflows:										
Equity	287,000.00	287,000.00	287,000.00	287,000.00	287,000.00	287,000.00	287,000.00	287,000.00	287,000.00	287,000.00
Loan Capital	883,000.00	883,000.00	883,000.00	883,000.00	883,000.00	883,000.00	883,000.00	883,000.00	883,000.00	883,000.00
Profit Before Tax	4,081,066.00	4,069,575.00	4,002,149.00	4,418,460.00	4,889,215.00	5,393,912.00	5,959,895.00	6,483,508.00	7,283,924.00	8,050,919.00
Depreciation	224,190.00	183,861.20	153,565.23	95,610.64	78,493.99	65,618.52	55,926.87	25,563.23	20,057.29	15,899.83
Total Inflows	5,475,256.00	5,423,436.20	5,325,714.23	5,684,070.64	6,137,708.99	6,629,530.52	7,185,821.87	7,679,071.23	8,473,981.29	9,236,818.83
Outflows:										
Investment	1,170,000.00	1,170,000.00	1,170,000.00	1,170,000.00	1,170,000.00	1,170,000.00	1,170,000.00	1,170,000.00	1,170,000.00	1,170,000.00
Reinvestment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Change in Working Capital	351,025.47	2,700.27	4,979.11	30,494.17	39,672.32	43,694.63	48,122.61	44,665.92	66,701.12	64,278.23
Total Outflows	1,521,025.47	1,172,700.27	1,174,979.11	1,200,494.17	1,209,672.32	1,213,694.63	1,218,122.61	1,214,665.92	1,236,701.12	1,234,278.23
Operating Cashflow	3,954,230.53	4,250,735.93	4,150,735.12	4,483,576.47	4,928,036.67	5,415,835.89	5,967,699.26	6,464,405.31	7,237,280.17	8,002,540.60
Less: Loan Instalment	0.00	17,142.86	17,142.86	17,142.86	17,142.86	17,142.86	17,142.86	17,142.86	0.00	0.00
Net Cashflow	3,954,230.53	4,233,593.07	4,133,592.26	4,466,433.61	4,910,893.81	5,398,693.03	5,950,556.40	6,447,262.45	7,237,280.17	8,002,540.60
Cummulative Cashflows	3,954,230.53	8,187,823.60	12,321,415.87	16,787,849.48	21,698,743.29	27,097,436.32	33,047,992.73	39,495,255.18	46,732,535.35	54,735,075.95

M/S WELLA HIGHLAND MILLERS (T) LIMITED P.O. BOX 157 MBEYA

Discounted Cashflows (in USD)

Item	Year 0	Year I	Year II	Year III	Year IV	Year V	Year VI	Year VII	Year VIII	Year IX	Year X
Inflows:											
Profit Before Tax		4,081,066.00	4,069,575.00	4,002,149.00	4,418,460.00	4,889,215.00	5,393,912.00	5,959,895.00	6,483,508.00	7,283,924.00	8,050,919.00
Depreciation		224,190.00	183,861.20	153,565.23	95,610.64	78,493.99	65,618.52	55,926.87	25,563.23	20,057.29	15,899.83
Residue Value		0.00	0.00	0.00	0.00	231,445.04	200,561.86	172,177.04	145,689.74	138,710.16	132,835.08
Total Inflows	0.00	4,305,256.00	4,253,436.20	4,155,714.23	4,514,070.64	5,199,154.03	5,660,092.38	6,187,998.91	6,654,760.97	7,442,691.45	8,199,653.91
Outflows:											
Investment	1,170,000.00	1,170,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reinvestment		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Change in Working Capital		351,025.47	2,700.27	4,979.11	30,494.17	39,672.32	43,694.63	48,122.61	44,665.92	66,701.12	64,278.23
Total Outflows	1,170,000.00	1,521,025.47	2,700.27	4,979.11	30,494.17	39,672.32	43,694.63	48,122.61	44,665.92	66,701.12	64,278.23
Net Cashflows	-1,170,000.00	3,954,230.53	4,250,735.93	4,150,735.12	4,483,576.47	5,159,481.71	5,616,397.75	6,139,876.30	6,610,095.05	7,375,990.33	8,135,375.68

NPV at 25%	12,878,881.56	
NPV at 30%	10,364,400.74	
IRR	64.40	

M/S WELLA HIGHLAND MILLERS (T) LIMITED P.O. BOX 157 MBEYA

Projected Balance Sheet (in USD)

Particulars	Year I	Year II	Year III	Year IV	Year V	Year VI	Year VII	Year VIII	Year IX	Year X
Assets:										
Fixed Assets (net)	234,900.00	245,850.00	260,351.75	265,625.18	271,445.04	280,561.86	292,177.04	295,689.74	308,710.16	322,835.08
Current Assets:										
Cash & bank	94,058.71	80,302.51	68,131.07	63,015.68	58,048.25	52,707.27	44,054.04	40,991.27	34,256.16	26,652.43
Debtors	28,133.33	29,293.33	30,485.33	31,149.07	32,002.21	33,068.32	34,374.22	35,950.52	36,832.23	37,059.44
Total Current Assets	122,192.04	109,595.84	98,616.40	94,164.75	90,050.47	85,775.59	78,428.26	76,941.79	71,088.39	63,711.87
Less: Current Liabilities:										
Trade Creditors	2,124.36	2,257.58	2,399.62	2,551.09	2,712.66	2,885.02	3,068.95	3,265.24	3,474.77	3,698.49
Net Current Assets	2,124.36	2,257.58	2,399.62	2,551.09	2,712.66	2,885.02	3,068.95	3,265.24	3,474.77	3,698.49
Net Total Assets	354,967.68	353,188.26	356,568.53	357,238.84	358,782.85	363,452.43	367,536.35	369,366.29	376,323.78	382,848.46
Financed by:										
Equity	287,000.00	287,000.00	287,000.00	287,000.00	287,000.00	287,000.00	287,000.00	287,000.00	287,000.00	287,000.00
Loan	883,000.00	883,000.00	883,000.00	883,000.00	883,000.00	883,000.00	883,000.00	883,000.00	0.00	0.00
Reserves	67,967.68	66,188.26	69,568.53	70,238.84	71,782.85	76,452.43	80,536.35	82,366.29	89,323.78	95,848.46
Net Worth	354,967.68	353,188.26	356,568.53	357,238.84	358,782.85	363,452.43	367,536.35	369,366.29	376,323.78	382,848.46

M/S WELLA HIGHLAND MILLERS (T) LIMITED P.O. BOX 157 MBEYA

Loan Repayment Schedule (in USD)

Amount 883,000
 Period 48 Months
 Rate 19% p.a

	Loan	Months	Rate			
	883,000	48	19.00%			
	Start	Interest	Prin	Payment	Balance	Total Interest
1	883,000	13,981	896,981	26,402	870,579	384,287
2	870,579	13,784	884,363	26,402	857,961	
3	857,961	13,584	871,546	26,402	845,144	
4	845,144	13,381	858,525	26,402	832,124	
5	832,124	13,175	845,299	26,402	818,897	
6	818,897	12,966	831,863	26,402	805,461	
7	805,461	12,753	818,214	26,402	791,813	
8	791,813	12,537	804,350	26,402	777,948	
9	777,948	12,318	790,265	26,402	763,863	
10	763,863	12,095	775,958	26,402	749,556	
11	749,556	11,868	761,424	26,402	735,022	
12	735,022	11,638	746,660	26,402	720,258	
13	720,258	11,404	731,662	26,402	705,261	
14	705,261	11,167	716,427	26,402	690,025	
15	690,025	10,925	700,951	26,402	674,549	
16	674,549	10,680	685,229	26,402	658,828	
17	658,828	10,431	669,259	26,402	642,857	
18	642,857	10,179	653,036	26,402	626,634	
19	626,634	9,922	636,556	26,402	610,154	
20	610,154	9,661	619,815	26,402	593,413	
21	593,413	9,396	602,809	26,402	576,407	
22	576,407	9,126	585,533	26,402	559,131	
23	559,131	8,853	567,984	26,402	541,583	
24	541,583	8,575	550,158	26,402	523,756	
25	523,756	8,293	532,049	26,402	505,647	
26	505,647	8,006	513,653	26,402	487,251	
27	487,251	7,715	494,966	26,402	468,564	
28	468,564	7,419	475,983	26,402	449,581	
29	449,581	7,118	456,700	26,402	430,298	



TANZANIA

CERTIFICATE OF INCORPORATION

NO:

I HEREBY CERTIFY that "WELLA HIGHLAND MILLERS (T) LIMITED"
is this day incorporated under the Companies Ordinance
(Cap. 212) and that the Company is Limited.

Given under my hand at Dar es Salaam this
day of One thousand nine hundred and eighty six.

REGISTRAR OF COMPANIES

SEAL

1000/-
04412473
16-1-97


THE COMPANIES ORDINANCE (CAP. 212)
COMPANY LIMITED BY SHARES
MEMORANDU OF ASSOCIATION
OF
WELLA HIGHLAND MILLERS (T) LIMITED

500/-
04412473
16-1-97


1. The name of the Company is "WELLA HIGHLAND MILLERS (T) LIMITED".
2. The Registered Office of the Company will be situated in the Mainland, Tanzania.
3. The objects for which the Company is established are:-
 - (a) To carry on the business of milling, shelling, extracting and/or processing grain, groundnuts, sunflower, simsim, and other seeds, maize, wheat, grain, cassava, rice, millet, sorghum, beans, oilseeds or other cereal or seeds or roots to get flour, cooking oils, animal feeds, and/or other consumable products therefrom and to carry on the business of traders, general merchants, bakers and manufacturers of and dealers in bread, cakes, biscuits and farinaceous compounds and materials of every description, sweets, confectioneries and sale of other goods or articles which may be conveniently sold therewith.
 - (b) To carry on the business of trading and marketing including export of all fresh foods, frozen and dried food, sea foods, agricultural products and to carry on the business as planters, growers, farmers of cash and food crops, millet, fruits and other produce of the soil.
 - (c) To carry on business as merchants and traders, to act as commission agents, manufacturers representatives, importers and exporters and to buy, sell, hire, barter trade and deal in all kinds of goods, merchandise, machinery plants, foodstuffs, confectioneries and other consumable goods of every nature and to do any other business as the Directors of the Company may deem fit.
 - (d) To carry on the business of clearing, forwarding and warehousing agent for the Company or for other Companies of firms including the custom clearance, packing, removing and payment of taxes and other dues and for this purpose to hire godowns or deal with bounded warehouses and engage services of labourers or their agents or unions or deal with any authority for the smooth functioning of the transfer, transport or movement of goods of whatsoever nature including goods brought carried by ship airplanes, buses, lorries, trains, by roads, sea, rail or air or any kind of transport in order to promote, enhance or make the services of the Company profitable.
 - (e) To carry on the business of flour and rice mill, milling and packing of all kinds of spices, all kinds of produce, salt, chemicals, general merchants, general store-keepers universal providers, importers, exporters and wholesale and/or retail traders of or otherwise dealers of and in textiles, textiles, textile-piece goods, hardware, glassware, crockery, cutlery, hoisery, road-made, garments, ironmongery, machinery, turners, spare-parts of every description and other household fittings, and requirements and other articles and commodities of personal and household use and consumption, provisions, groceries, medicines, graphic and other instruments apparatus, stationery and material and generally in all manufactured goods of all types and merchandise of all kinds.

- f) To carry on business in Tanzania and elsewhere the buying, selling, letting on hire, hire purchase, or easy payment systems and manufacturing and contractors of and dealers in motor cars, taxicabs, automobiles tramcars, chais-a-bancs, motor lorries, vans wagons of all kinds and descriptions, cycles motor cycles, coaches, carriages, and all other vehicles of kinds whatsoever, whether manufacturing or otherwise.
- g) To act as agents for any company or companies engaged in life insurance, fire insurance marine insurance, in insurance of motor cars, lorries machinery and other things, insurance of owners and users of vehicles and other insurance of all kinds.
- h) To carry on the business of importers, kealers and distributors of kerosene, petrol, moto spirit, mineral oil, crude oil, petroleum, lubricating oil, grease and all other kinds of mineral and petroleum products.
- i) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.
- j) To establish depots and agencies in different parts of the world for the purpose of carrying on any or all of the business of the Company.
- k) To carry on the business of general merchants, general store-keepers, universal providers importers, exporters and wholesale and/or retail traders of or otherwise dealers of and in cotton, silk, and woolen goods and textile fabries of all kinds.
- l) To enter into any arrangement and contracts with Government of Authorities supreme, municipal, local or otherwise or any corporations, companies, or persons having objects that may seem conductive to the Company's object or any of them and to obtain form any such Government Authority, Corporation, Company or persons, any characters, contracts, decrease, rights, privileges, and concessions.
- m) To purchase, take or lease, option or licence, exchange or otherwise acquire any part of the world, prospecting rights and contracts, leases, options, mineral properties grants, concessions, charters, privileges, licences or authorities of and over miners, land and mineral or other properties either absolutely or conditionally.
- n) To borrow or raise or secure the payment of money in such manner as the Company shall think fit, and in particular by the issue of debenture stock, certificates or other securities, perpetual or otherwise charged upon all or any other Company's rights and property (present and future) including any uncalled capital or without any such security and to purchase, redem or pay off any such security or loan.

- o) To amalgamate with, or enter into partnership or into any arrangement for sharing profits, union of interest, co-operation, joint venture, reciprocal convession or otherwise with any person or company carrying on or engage in or about to carry on or engage in any business or transaction which this Company is authorised to carry on or engage in any business or transaction capable of being conducted so directly or indirectly to benefit this Company. And to take or otherwise acquire shares and securities without guarantee, or otherwise deal with the same.
- p) To promote another company for the purpose of acquiring all or any of the property and liabilities of this Company, or for any other purpose which may seem directly or indirectly calculated to benefit this Company.
- q) To sell or dispose of the undertaking and property of the Company or any part thereof, for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any other Company having objects altogether or in part similar to those of this Company.
- r) To carry on the business by wholesale or retail of automotive spares and parts of all description, tyres and tubes batteries, battery solution and all other spares accessories and goods as may be conveniently sold therewith and all things capable of being used therewith or in the maintenance, repair and manufacture thereof.
- s) To carry on the business of saw mills and the preparation of timber for market and the manufacture of and dealing in all articles made of or principally made of wood.
- t) To construct, erect, maintain and alter any buildings, machinery, plant works necessary or convenient for the purpose of the Company.
- u) To undertake and execute any contracts for work involving the supply or use of any machinery and to carry out any ancillary or other work comprised in such contracts, carrying passengers and goods in Tanzania.
- v) Generally to purchase, take on lease or in exchange hire or otherwise acquire any real and personal property and any rights or privileges which the Company may think necessary or conveniently for the purpose of its business and in particular any land, buildings, easements machinery, plant and stock-in-trade.

- w) To invest and deal with moneys of the Company not immediately required, upon such securities and in such manner as the Company may from time to time determine.
- x) To remunerate any person or Company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of the shares in the Company's capital, or any debentures or other securities of the Company or the conduct of its business.
- y) To distribute any part of the property of the Company in specie among the members.
- z) To lend and advance money and give credit to such persons or companies as may seem expedient and in particular to members of the Company and customers and others having dealing with the Company and to guarantee the performance of contracts by such person.
- aa) To draw, make accept endorse discount execute and issue cheques, promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- bb) To do all or any of the above things in any part of the world as principals, agents, contractors trustees of otherwise alone or in conjunction with others.
- cc) To pay the expenses or and preliminary and incidental to the promotion establishment and registration of the Company or of any other company promoted, formed established or registered by the Company and all brokerage, discount and other expenses lawfully payable which may at any time and from time to time be deemed expedient for taking, placing or underwriting all or any of the shares or debentures, or other obligations of the Company or of any Company so promoted, formed, established or registered by the Company.
- dd) To obtain all powers and authorities necessary to carry out or extend any of the above objects.

The objects set forth in any sub-clause of this clause shall not except when the context expressly so required, be in anywise limited or restricted by reference or inference from time the terms of any sub-clause or the objects therein specified or the of such sub-clause or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in the first sub-clause of this clause, but the Company shall have full power to exercise all or any of the powers conferred by any part of this clause in any part of the world and notwithstanding that the business undertaking property or acts proposed to be transacted, acquired, dealt with or performed to not fall within the objects of the first sub-clause of this clause.

AND it is hereby declared that the word "COMPANY" in this Clauses shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in East Africa or elsewhere and the intention is that the objects specified in each paragraph of this Clause shall except where otherwise expressed in such paragraph be independent main objects and shall in no wise be limited or restricted by a reference to or inference from the terms of any other paragraph or the name of the Company.

4. The liability of the members is limited.

5. The initial capital of the Company is Shs. 500,000,000/= divided into 5000 shares of Shs. 100,000/= each and the Company shall have the power to divide the original or any increased capital into several qualified or other special rights privileges, restrictions or conditions.

WE, the several persons whose names and addresses are subscribed are desirous of being formed into a Company, in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names:-

Names, Addresses and Descriptions of Subscriber	Number of Shares taken	Signature
1. RAMZAN DHARAMSHI WALJI A DIRECTOR OF THE COMPANY P.O. BOX 157 <u>MBEYA</u>	1,500	R.D. WALJI <i>[Signature]</i>
2. MRS. MEHERBANU RAMZAN WALJI A DIRECTOR OF THE COMPANY P.O. BOX 157 <u>MBEYA</u>	250	MRS. M.R. WALJI <i>[Signature]</i>
3. SHAMASH RAMZAN WALJI A DIRECTOR OF THE COMPANY P.O. BOX 4061 <u>DAR ES SALAAM</u>	250	S.R. WALJI <i>[Signature]</i>
4. ALMUNIR RAMZAN WALJI A DIRECTOR OF THE COMPANY P.O. BOX 23230 <u>DAR ES SALAAM</u>	250	A.R. WALJI <i>[Signature]</i>
5. LATIF RAMZAN WALJI A DIRECTOR OF THE COMPANY P.O. BOX 18 <u>TUKUYU</u>	250	L.R. WALJI <i>[Signature]</i>

DATED at Dar es Salaam this *6th* day of *Jan* 1986

WITNESS to the above Signatures:

Signature: *[Signature]*

DESIDERI SEBASTIAN NGALO

Postal Address: *[Address]*

Qualification: *[Qualification]*



1000/2
044/2473
16-1-97
[Signature]

THE COMPANIES ORDINANCE (CAP. 212)
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
WELLA HIGHLAND MILLERS (T) LIMITED

500/-
044/2473
16-1-97
[Signature]

1. PRELIMINARY

In these Regulations:-

"The Ordinance" means the Companies Ordinance Chapter 212 of the Laws of Tanzania.

When any provision of the Ordinance is referred to, the reference is that provision as modified by any law for the time being in force.

Unless the context otherwise requires, the expression defined in the Ordinance or any statutory modification thereof in force at the date at which these Regulations become binding on the Company shall have the meanings so defined.

Any words importing the singular shall include the plural and vice versa, and the words importing the masculine gender shall include females, and the words importing persons shall include bodies incorporated, partnership, firms, co-operative societies etc.

The Regulation of Table "A" in the First Schedule to the Companies Ordinance (herein after called Table "A" shall apply to the Company save in so far as they are varied or excluded hereby, but in case of, any conflict between the provisions herein, and the provisions under Table "A" the former shall prevail; and in addition to substitution former modification of the provisions of Table "A" the following shall be the regulations of the Company.

PRIVATE COMPANY.

2. The Company is a private Company and accordingly:-

- a) The right to transfer shares is restricted in manner herein after prescribed.
- b) The number of members of the Company (exclusive of persons who are in the employment of the Company and of persons who having been formerly in the employment of the Company were while in such employment and have continued after the determination of such employment to be members of the Company) is limited to fifty; provided that where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this regulation be treated as a single member.

- c) Any invitation to the public to subscribe for any shares or debenture of the Company is prohibited.
- d) The Company shall not have power to issue warrants to bearer.

TRANSFER OF SHARES

- 3. The Directors may in their descretion and without assigning any reason thereof refuse to register the transfer of any shares to any person whom it shall in their opinion be undesirable for any reason whatsoever to admit to membership.
- 4. Subject to Clause 2 and 3 hereof the right to members to transfer their shares shall be restricted as follows:
 - a) No share shall be transferred to a person who is not a member so long as any member of any person selected by the Directors as one who it is desirable in the interest of the Company to admit to Membership.
 - b) Every shareholder or trustee in bankruptcy, or any person who may desire to sell or transfer any such shares and every personal representative of a deceased shareholder shall give notice in writing to the Directors that he desires to make such sale or transfer. Such notice shall constitute the Board of Directors of the Company as his agent for the sale of such shares to any members or member of the Company at a price to be agreed upon between the party giving such notice and the Board, or in case of difference to be determined by the Auditor of the Company.
 - c) Upon price of such shares being agreed on or determined as per clause (b) above, the Board shall forthwith give notice to such of the shareholders other than the shareholders desiring to sell or transfer the said shares, stating the number and price of such shares inviting the person to whom notice is sent to state within 21 days from the date of such notice whether he is willing to purchase any, if so what maximum number of such shares. At the expiration of such 21 days' notice the Board shall apportion such shares amongst the shareholders (if more than one) who shall have expressed their desire to purchase the same and as far as may be pro rata according to the number of shares already held by them respectively, or if there be only one such shareholder, the whole of such shares stated in his answer to the said notice. Upon such apportionment being made or such one shareholder notifying his intention to purchase, as the case may be, the party desiring to sell or transfer such shares shall be bound upon payment of the said price to transfer the shares to the respective shareholders or to the single shareholder who shall have agreed to purchase the same.

GENERAL MEETINGS: NOTICE OF GENERAL MEETINGS AND PROCEEDINGS
AT GENERAL MEETINGS

5. Articles 39 to 53 Table "A" shall apply subject to the following variations.
- a) A General Meeting, ordinary or extraordinary may with the consent in writing of all members, be convened on a shorter notice than seven days or without notice.
 - b) Two members, present either personally or by proxy shall form a quorum.
 - c) Any ordinary resolution of the Company determined without any General Meeting and evidenced by writing under the hands of majority of the Directors and of the members of the Company holding threefourths of the issued shares of the Company shall be valid and effectual as an ordinary resolution duly passed at General Meeting of the Company.
6. DIRECTORS
- a) Until otherwise determined by the Company in General Meeting the Directors shall not less than two and not more than seven in number.
 - b) The following persons shall be the first Directors of the Company.
 - 1. RAMZAN DHARAMSHI WALJI
 - 2. MRS. MEHERBANU RAMZAN WALJI
 - 3. SHAMASH RAMZAN WALJI
 - 4. ALMUNIR RAMZAN WALJI
 - 5. LATIF RAMZAN WALJI
7. The shareholding qualification for the Directors may be fixed by the Company in general meeting and unless had until so fixed no qualification shall be required.
8. The quorum of Directors for transacting business shall, unless otherwise fixed by the Directors be two.
9. A resolution in writing signed by all the Directors then in Tanzania shall be as a valid and effectual as if it had been passed at a Meeting of Directors duly called and constituted.
10. The Directors may from time to time borrow or raise any moneys for the purpose of the Company which may exceed the issued share capital of the Company.