



THE UNITED REPUBLIC OF TANZANIA
 PRIME MINISTER'S OFFICE
 TANZANIA INVESTMENT CENTRE

FILE BEGINS

ENDS

PAR
 FIL
 TIC

FILE TITLE

CONFIDENTIAL

PP. 10

PART

042-800

FILE NUMBER

PP. 10

INDEX HEADINGS

Officer or Section	For Action F/M	Initials	Date	Action taken vide F/M	Officer or Section	For Action F/M	Initials	Date	Action taken vide F/M	Officer or Section
DIF	F1	(Signature)	29/1/14	6						
Dato	F1	6	29/1/14							
EXP	M	(Signature)	31/1/14							
DIF	F4	(Signature)	18/2/14							
			21/2/14							

SALIMA OXYGE

MINUTE SHEET

Dokezo
No.

1.0

EXD

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

- (a) Minimum finance investment threshold has been exceeded, the project expects to invest US\$ 2.267 M
- (b) Legal entity has been incorporated under certificate

No. 44759 of 13/11/2002

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

31st January, 2014



2

EXD

In response to the TIC letter of registration dated 31/01/2014

the project has submitted the required documents namely: -

- (a) Company Board Resolution.
- (b) Reference letter/Financing from International Commercial Bank
- (c) Title deed as Evidence of Land. (T2) Ltd.

With the above submission EXD is requested to sign Certificate of Incentives No. 042600 herein attached.



25/02/2014

Ag. DRLS

MINUTE SHEET

Dokezo
No. 3.

Ag DIF

I Submit for EXD signature draft copies of plot No. 1 & 2 block 'G' situated at Vianzi in Mkuwanga District Council attached with the following documents:

- > Three copies of Application for Leasehold title
- > Four copies of Deed of Right

M. M. M.

(L.S.)

29/12/2020

4. Ag. EXD (M.3)

I hereby submit land documents mentioned above in favor of SALIMA OXYGEN LTD for plot NO. 1 and 2 Block "G" situated at VIAZI, MKURANGA District Council Pwani for ~~your~~ EXD's signature.


Ag. DIF

30/12/2020

5. EXD M.3 & 4

Please find attached land documents in favor of SALIMA OXYGEN LTD for plot no. 1 and 2 Block "G" located at Vianzi for your review and signature.

 Ag. EXD ← 30/12/2021



SALIMA OXYGEN LIMITED

P.O.BOX 19137, DAR ES SALAAM.

Cellular: 0755 - 088108, 0784 - 786107, 0753 - 633000, 0653 - 884766

E-mail: salimaoxygen@raha.com

①

Ref: SOL/TIC/2013/001

Date: 6th December, 2013

The Executive Director,
Tanzania Investment Centre,
P. O. Box 938,
Dar es salaam.



Dear Sir,

RE: APPLICATION FOR CERTIFICATE OF INCENTIVES.

1. The heading above refer
2. **SALIMA OXYGEN LIMITED** is applying for a **certificate of incentive** through Tanzania Investment Centre Directorate.
3. **SALIM OXYGEN LIMITED** will invest in manufacturing industry under gas sub-sector of economy.

4. *Necessary Attachments:*

The following information has been attached to this application:

- (i) TIC Application forms
- (ii) Detailed "**Business plan**"
- (iii) Certificate of incorporation
- (iv) Memorandum and Articles of Association
- (v) Evidence of project location - Title Deed
- (vi) Bank reference - letter
- (vii) Resolution to register the project at TIC and equity funding of the project.
- (viii) Profile of Directors.
- (ix) Project Implementation Schedule.
- (x) Audited Financial Statements

5. We hope the application will receive a favorable consideration from your good office.

Yours faithfully,

SALIMA OXYGEN LIMITED

Mehboob Sumar

.....
Mehboob Sumar
MANAGING DIRETOR

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF SALIMA OXYGEN LIMITED, HELD AT THE REGISTERED OFFICE ON 1st DECEMBER, 2013 AT 16: 00HRS

PRESENT: 1. Mehboob Pyarali Sumar - CHAIRMAN
2. Shahnawaz Pyarali Sumar - SECRETARY
3. Fidha Sumar - INVITEE

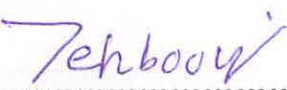
CHAIRMANSHIP: "Mr. Mehboob Sumar took the chair and confirmed that the meeting was constituted"

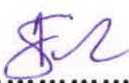
RESOLUTION:-

1. It was unanimously agreed that **SALIMA OXYGEN LIMITED** will register its gas manufacturing project at Tanzania Investment Centre.
2. It was further agreed that the project will be financed through equity funds.

VOTE OF THANKS:-

As there was no further business to transact, the meeting ended with vote of thanks to the chair at 16:30 HRS


.....
Mehboob. P. Sumar
CHAIRMAN


.....
Shahnawaz. P. Sumar
SECRETARY



27th November, 2013

DIRECTOR GENERAL,
TANZANA INVESTMENT CENTRE,
SHAABAN ROBERT STREET
P.O. BOX 938,
DAR -ES - SALAAM.

CONFIRMATION LETTER FOR SALIMA OXYGEN LIMITED

This is to certify and confirm that SALIMA OXYGEN LIMITED has been our customer since 2007.

The customer maintains 2 business current accounts No. 20160115006 (TSH) and 20160115304 (USD) with us, and further confirms that the customer has no any loan obligation with our bank

Kindly don't hesitate to extend any assistance needed from you because the accounts have been operated to our satisfaction.

It is our sincere hope that the given information will guide you appropriately.

Yours faithfully,

For **International Commercial Bank (Tanzania) Limited**

THERESIA JEREMIAH

Branch Manager – Kariakoo Br.





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 MEHBOOB PYRALI SUMAR
(director/directors/agent of SALIMA OXYGEN LIMITED
(name of business enterprise) apply for registration of GAS MANUFACTURING PROJECT
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 PLOT NO. 123
IMBAGALA TRADE SERVICE AREA, TEMEKI D'SALAAM

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 DAR-ES-SALAAM
4. The Principal Officers of the Company are 1. MEHBOOB PYRALI SUMAR
2. SHAHNAWAZ PYRALI SUMAR
5. Auditors of the Company are ASSAD ASSOCIATES
FCPA 216
6. The authorized share capital of the Company is Tshs./US\$ 100,000,000/=

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ 2,867,897.
8. The month and day of the financial year end is 31ST DECEMBER

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 Tshs./US\$ ONE HUNDRED ONLY. Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, MEHBOOB P. SUMAR of Post Office Number 19137 DIALAAM,
TANZANIA do solemnly and sincerely declare that I am a director/duly authorized agent of SALIMA OXYGEN LIMITED

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 Dar es Salaam
MEHBOOB P. SUMAR
The 27th day of January, 2014 }

Mehboob

Applicant

Before me:

[Signature]
Commissioner for Oaths



APPLICATION SUMMARY

Company Name: SALIMA OXYGEN LIMITED

Certificate of Incorporation Number: 44799 Status: PRIVATE

Certificate of Incorporation Date: 13TH NOVEMBER, 2002

Post Box: 19137

Town: DAR-ES-SALAAM

Sector: MANUFACTURING Sub-Sector: GAS

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
<u>1,686,000</u>	<u>1,181,897</u>	<u>—</u>	<u>—</u>

Project Objectives: TO INSTAL MODERN PLANT FOR POSSIBLE PRODUCTION OF DOMESTIC AND INDUSTRIAL BASES (OXYGEN, NITROGEN & ACETYLENE)

Capacity: ESTIMATED 919,800CM³/YEAR

Employment: Foreign: 5 Local: 115 Total: 120

Implementation Period: JANUARY 2014 / FEBRUARY 2018

Project Location

Site/Plot/Block No.: 123

Street: MBAGALA SERVICE TRADE District: TEMEKE Region: DI SALAAM
(Attach sketch map showing project location)

Shareholders	Nationality	%
1. <u>SHAHNAWAZ PYARALI SUMAR</u>	<u>KENYAN</u>	<u>31</u>
2. <u>MEHBOOB PYARALI SUMAR</u>	<u>KENYAN</u>	<u>31</u>
3. <u>HUSSEIN PYARALI SUMAR</u>	<u>KENYAN</u>	<u>31</u>
4. <u>PYARALI YUSUF SUMAR</u>	<u>TANZANIAN</u>	<u>7</u>
TOTAL	X — X — X — X — X —	<u>100%</u>

Investment Breakdown	US\$/Tshs.M
Land/Building	350,000
Plant	291,000
Vehicles	420,000
Furniture & Fittings	70,000
Pre-expenses	100,000
Others	1,400,000
Working Capital	236,897
TOTAL	2,867,897

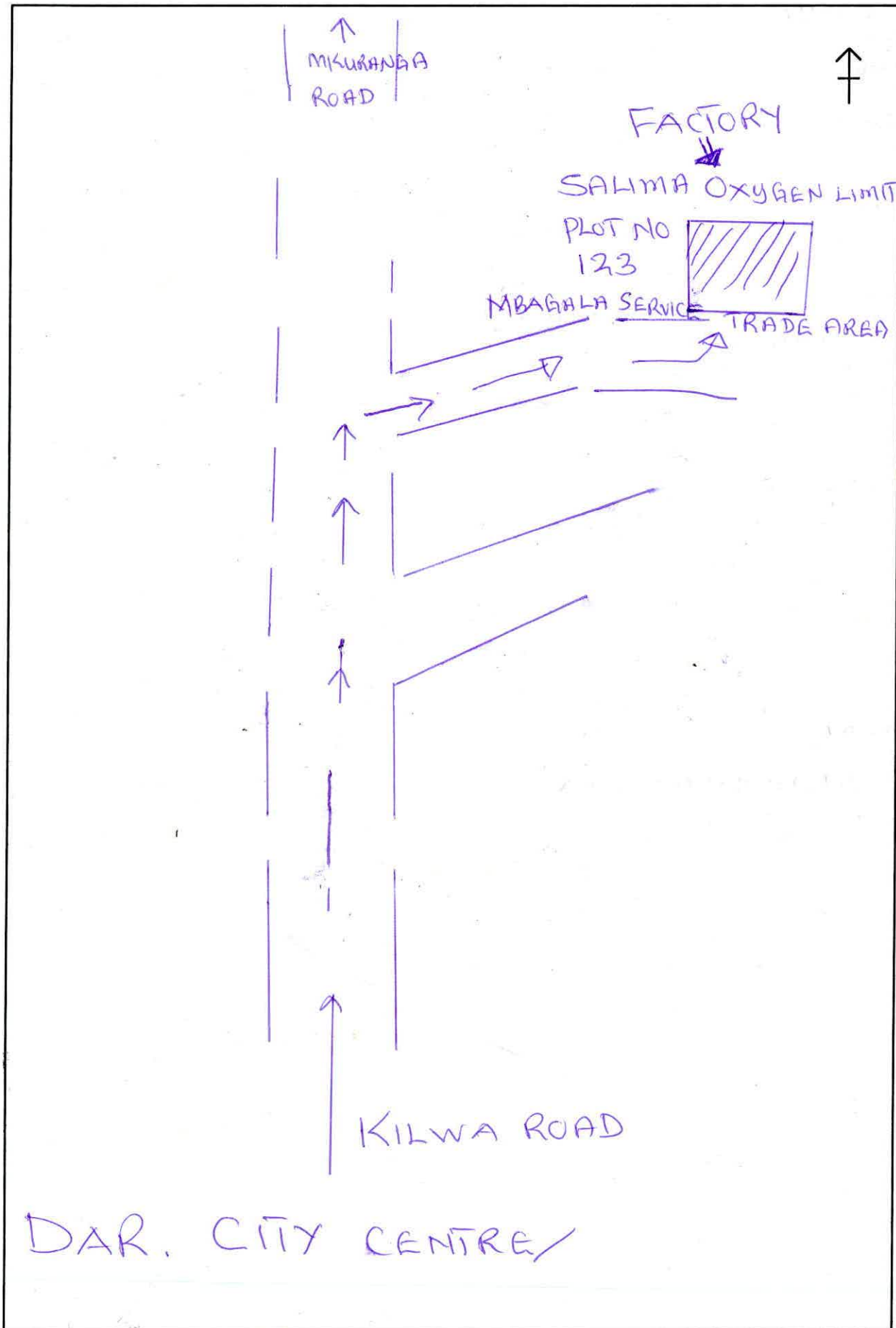
Contact Details:

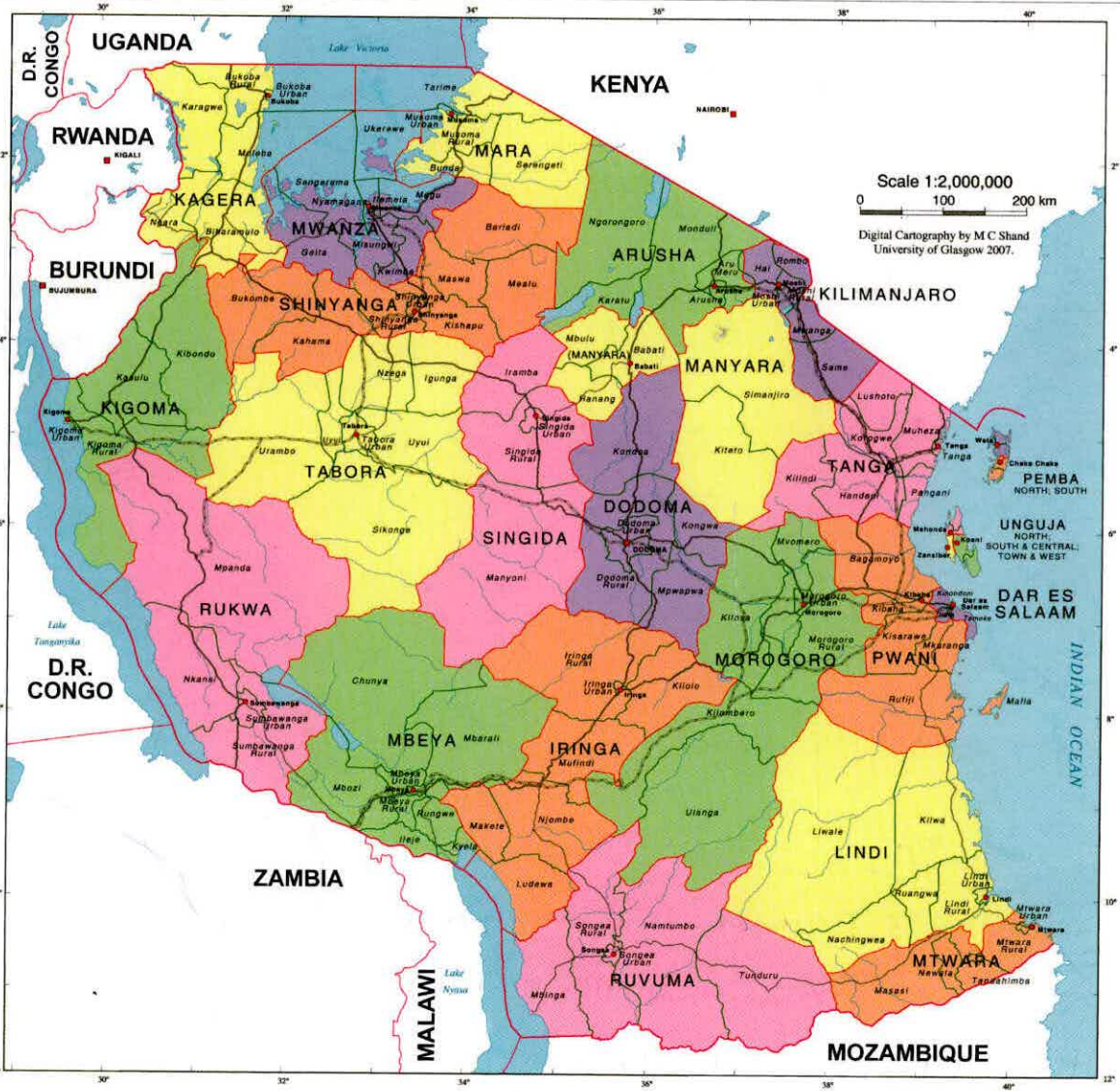
Name: MEHBOOB.P. SUMAR Title: MANAGING DIRECTOR
 Telephone: 0784-786107, 0653-884766 Fax:
 Email: Salimaoxygen@raha.com

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





Unclaimed refund beyond three years will be forfeited



TANZANIA INVESTMENT CENTRE

Shaaban Robert Street, P.O. Box 938, Dar Es Salaam, Tel. +255 22 2116328-31, Fax: +255 22 2118253

RECEIPT REC014419

No. 008330

Received from : SALIMA OXYGEN LIMITED

Address P.O. Box 19137, Dar Es Salaam.

Received the sum of (In words): ONE THOUSAND AND ZERO CENTS ONLY

TANZANIA INVESTMENT CENTRE
RECEIVED
13 FEB 2014
P. O. Box 938
DAR-ES-SALAAM

Being payment in respect of: CERTIFICATE OF INCENTIVES

Amount : USD 1,000.00

Cash / Cheque No: D/Deposits

Date : 13-Feb-2014

Buisso

Receiving Officer

TICC/PP.10/042600/3

31/01/2014

Managing Director,
Salima Oxygen Ltd
P.O. Box 19137
DAR ES SALAAM

RE: CERTIFICATE OF INCENTIVES FOR PRODUCTION OF DOMESTIC AND INDUSTRIAL GASES

We wish to acknowledge receipt of your project proposal to establish and operate production of domestic and Industrial gases as presented in the TIC P.A. 1 Form No. 11600 and Feasibility Study with a projected investment amounting to USD 2.867 m.

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.

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:-

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

... /2

TICC/PP.10/042600/3

31/01/2014

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

Yours sincerely,
Tanzania Investment Centre



Juliet R. Kairuki
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



TIC Evaluation Report

Name of the Company
Salima Oxygen Ltd.

Post Box	Mbagala Service Trade, Plot No. 123	COI Number	44799	Contact	Mr. Mehboob P. Sumar
Post Office	19137	COI Date	13/11/2002	Designation	Managing Director
Region	Dar Es Salaam	Application F. No	11600	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0784 786107 Or 0653 884 766
		Sub Sector	Gas	Fax	0
		File No	042600	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD											
Plot/Block	Plot No. 123	<table border="1" style="width: 100%;"> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> <tr> <td style="text-align: center;">1.686</td> <td style="text-align: center;">1.181897</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> </tr> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	1.686	1.181897	0	0			
Foreign Equity	Local Equity		Foreign Loan	Local Loan									
1.686	1.181897		0	0									
Street	Mbagala Service Trade												
District	Temeke												
Region	Dar es Salaam												

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.35
Pyarali Yusuf Sumar	Tanzanian	7	Plant	0.291
Hussein Pyarali Sumar	Kenyan	31	Vehicles	0.42
Mehboob Pyarali Sumar	Kenyan	31	Furniture & Fittings	0.07
Shahnawaz Pyarali Sumar	Kenyan	31	Pre-expenses	0.1
			Others	1.4
			Working Capital	0.236
			Total	2.867

Employment	120	Evaluated By	wf officer3
Capacity	xxxxxx	Drawn By	wf registry1
Project Turn Over		Project Type	Mixed(Local & Foreign)

Description

To establish and operate production of Domestic and Industrial Gases

Recommendations

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

Decision

APPROVED BY EXD

Sign:

Date: 29/01/14

SALIMA OXYGEN LIMITED

P.O. BOX 19137 DAR ES SALAAM, TANZANIA

5

Ref: SOL/TRA/TIC/2014/001

Date: 1st March, 2014

The Commissioner for Customs & Excise
Tanzania Revenue Authority
P.O. Box 9053
Dar es Salaam.

U.F.S

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



Dear Sir,

**RE: DUTY/ VAT EXEMPTIONS ON THE CAPITAL ITEMS/ DEEMED CAPITAL GOODS
UNDER CERTIFICATE NO: 042600**

1. The heading above refers.
2. We are Tanzania Investment Centre (TIC) approved project with Certificate of Incentives No. 042600 which is valid up to December, 2016.
3. We have been registered with objective of establishing and producing domestic and industrial gases. Therefore, we are requesting your good office to exempt duty/VAT on the capital items/deemed capital goods as listed on the schedules attached to this letter.
4. Attached herewith, please find the following documents for duty/ VAT exemption and approval:
 - (i) List of Capital items/ Deemed capital goods
 - (ii) Certificate of Incentives
 - (iii) TIN Certificate.
 - (iv) Soft Copy in CD or Flash Disk- scanned

Yours faithfully

SALIMA OXYGEN LIMITED

Mehboob

.....
Mehboob .P. Sumar
MANAGING DIRECTOR



00220657

THE UNITED REPUBLIC OF TANZANIA
Hort Executive Director
Tanzania Investment Centre

[Handwritten signature]
27/2/2014

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042600

This is to certify that

SALIMA OXYGEN LIMITED

of address P.O. BOX 19137

DAR ES SALAAM

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

SALIMA OXYGEN LIMITED

Which is located at PLOT NO. 123, MBAGALA SERVICE TRADE

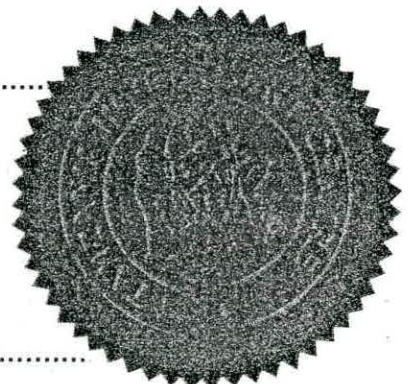
TEMEKE - DAR ES SALAAM

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

[Handwritten signature]

Executive Director

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



Dated 29TH JANUARY, 2014

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

Shareholders	Nationality	Shareholding (%)
<u>Pyarali Yusuf Sumar</u>	<u>Tanzanian</u>	<u>7</u>
<u>Hussein Pyarali Sumar</u>	<u>Kenyan</u>	<u>31</u>
<u>Mehboob Pyarali Sumar</u>	<u>Kenyan</u>	<u>31</u>
<u>Shahnawaz Pyarali Sumar</u>	<u>Kenyan</u>	<u>31</u>
2. Proposed Activities: To establish and operate production of Domestic and Industrial gases
3. Sector: Manufacturing Subsector: Gas
4. Investment cost: Foreign USD 1.685m. Local USD 1.182m. Total USD 2.868m.
5. Project Financing: Equity USD 2.868m. Loans USD 0m. Total USD 2.868m.
6. Source, terms and conditions of loan: —
7. Assets to be invested:

Capital items:	Foreign	Local	Total
	<u>USD 1.686m.</u>	<u>USD 1.182m.</u>	<u>USD 2.868m.</u>
8. Technology Agreement: None
9. Date of TIC Registration: 29th January, 2014
10. Implementation period: January, 2014 - December, 2016
11. Operative date: January, 2017
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
 - (i) Applicable Import Duty And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997
 - (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

CTIN.: 0136981



TANZANIA REVENUE AUTHORITY

CERTIFICATE OF REGISTRATION FOR TAXPAYER IDENTIFICATION NUMBER (TIN)

(ISSUED UNDER SECTION 3A(4) OF THE INCOME TAX ACT NO. 33 OF 1973)
AS AMMENDED BY THE FINANCIAL LAWS (MISCELLANEOUS AMENDMENTS) 2000

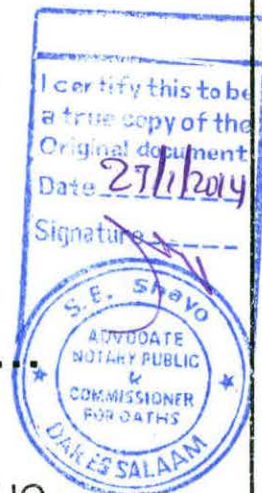
THIS IS TO CERTIFY THAT

SALIMA OXYGEN LIMITED

has been registered with the Tanzania Revenue
Authority and assigned the Taxpayer
Identification Number

101-637-050

with effect from 14/11/2002



OFFICIAL SEAL


H. M. Kitilya
COMMISSIONER FOR INCOME TAX

NOTE: THE REQUIREMENTS UNDER WHICH THIS CERTIFICATE IS ISSUED ARE STATED OVERLEAF

TOPIC: LIST OF CAPITAL ITEMS/ DEEMED CAPITAL GOODS

FOR

Company:- SALIMA OXYGEN LIMITED P.O. BOX 19137 DAR ES SALAAM

Sector:- PRODUCTION OF DOMESTIC AND INDUSTRIAL GASES

TIC Certificate of Incentives No:- 042600

TIN: 101-637-050

SN	ITEM GROUP:-	ITEMS NAME:-	UNIT MEASUREMENT	QUANTITY	TIN	EXEMPTIONS	EXEMPTION
					101-637-050	REFERENCE NO.	DATE
1	PLANT & MACHINERY	250CM ³ / Hour Oxygen, Nitrogen Gas plant with Liquid Tapping Facilities.	PCS	2			
		Suction Filters - Tanks consisting of woolen felt and perforated sheet duly covered with S.S wire mesh. These assist in drawing dust free air.	PCS	2			
		Air compressors (kirloskar) - Multi-Stage, Horizontal, Positive Displacement, Piston Type with Sight Glass for indication of oil lubrication for each stage complete with Flywheel, Inter Collers including Foundation Bolts, Motor, Motor Pulley, V-Belts, Belt-Guard, Motor Starter and Slide Rails.	PCS	2			
		After coolers - Cooler consisting of M.S Vessel submerged in cold circulating water.	PCS	2			
		Moisture separators - This is a capsule shape vessel made of M.S. duly fitted with Drain Valves for removal of moisture present in the process air.	PCS	2			
		Cascade coolers - This is a specially designed container consisting of M.S.Coils in two separate chambers. The process air that passes through this Cooler is cooled through incoming Nitrogen from the A.S.U. These coil are immersed in water with a provision for water level indicator.	PCS	2			
		Chilling units - Freon based Industrial Refrigerator with Chilling Unit Thermostatic Cooling Water Tank and Air Coil for cooling of the process Air to 8 Deg. C to 10 Deg. C before it enters Molecular Sieve Battery. This equipment will improve the efficiency of the Molecular Sieve Battery and longevity of the Molecular Sieve Chemical which is expensive.	PCS	2			

		Activated carbon filters - This equipment is made of M.S. capsule shape vessel with activated carbon with 2 Nos. sand filters inside. This assist absorption of Hydro-Carbons in the process air.	PCS	2			
		Ceramic Filters - This equipment is made of M.S. and is cylindrical in shape. It consist of micro ceramic filter to avoid entry of dust to the A.S.U.	PCS	2			
		Org 250 molecular sieve batteries - This consists of 2 Nos. M.S. Vessels inter-connected with pipelines of Nitrogen and Air, Electric Heater for regeneration, Temperature Sensor and Control Panel with automatic temperature controls. This assist in the removal of moisture Carbon present in the process air.	PCS	2			
		Org 250 air separation units -two complete Top & Bottom Column - for liquefaction and partial distillation of air. This unit consists of lower and upper column with a condenser in between, Heat Exchangers, Inter-Connected Pipe Lines fabricated out of copper and brass, housed in a steel box, duly insulated with Powder Perlite and fitted with Expansion Valves, Temperature Sensors and Liquid Level Indicator, Pressure Gauges and Electric Heater for defrosting, Safety Relief Valves for Top Column and Bottom Column.	PCS	2			
		Org 250 Expansion Engines - It is a vertical single acting dry running with hydraulic valve control bursting disc for safety, complete with Flywheel, Pressure Gauges, Motor, Motor Pulley, V-Belts, Belt Guard, Slide Rails, Inter Connecting Copper Pipes (Inlet and Outlet with A.S.U) but including Motor Starter.	PCS	2			
		Org 250 Liquid Oxygen pumps - Horizontal single acting pump with Piston, Piston Rings, Safety Devices, Non-Return Valves, Motor with Pulley, V-Belts, Belt Guard Inter Connecting Pipes with A.S.U. suitable for filling Oxygen.	PCS	2			

		Oxygen filling manifolds - For filling Oxygen Gas cylinders with pressure point for cylinders manifold with Buffer connections. It consists of main Isolation Valve and Pigtail connection with industrial individual regulation valve with pressure gauge and safety relief valve.	PCS	2		
		Org 250 liquid nitrogen pumps - Horizontal single acting pump with Piston, Piston Rings, Safety Devices, Non-Return Valves, Motor with Pulley, V-Belts, Belt Guard Inter Connecting Pipes with A.S.U. suitable for filling Nitrogen.	PCS	2		
		Nitrogen filling manifolds - For filling Nitrogen Gas cylinders with pressure point for cylinders manifold with Buffer connections. It consist of main Isolation Valve and Pigtail connection with industrial individual regulation valve with pressure gauge and safety relief valve.	PCS	2		
		Gas/air lines - all pipelines for the process air, Nitrogen and Oxgen line up to manifold along with short bend, elbow, socket and other necessary fittings as per our standard layout drawing.	PCS	2		
		All water lines - All inter - connected water lines from Cooling Tower, Water Pump to Air Compressor with suitable long bend, short bend, flanges, etc. as per our standard lay-out.	PCS	2		
		Water pumps - For circulation of water to Hot and Cold Well Centrifugal Pump - Mono Block Type.	PCS	2		
		Cooling Towers - Induced Draft-Rotary Sprinkler Type with Aluminium Casting Fan, FRP Body with suitable Electric Motor for maintaining the circulating water temperature between the Hot Well and Cold Well for optimum performance of the Plant.	PCS	2		
		Water softener plant - made of HDPE having single multiport valve for different valve for different operations. Used to remove hardness of the water and to avoid scaling in Air Compressor Cylinder Jacket and Water Line.	PCS	2		

	Electrical Panels - Electrical Panel for supply of electricity to individual motors. It has a bank of on/off switches and fuses. This helps to avoid Operator to run here and there for operation.	PCS	2			
	Cylinder Testing stations	PCS	2			
	Recommended spares for one year trouble-free operation of the plant.	PCS	2			
	Dual sensors oxygen analyzers	PCS	2			
2	TOOLS AND EQUIPMENT					
	Vaccum super insulated					
	Liquid cylinders with trolley tanks in different sizes	PCS	100			
	Oxygen cylinders	PCS	7,000			
	Acetylene Cylinders	PCS	5,000			
	Nitrogen Cylinders	PCS	4,000			
	Carbondioxide Cylinders	PCS	3,000			
	Argon Cylinders	PCS	2,000			
	Transformers	PCS	3			
	Power factors	PCS	3			
	Meter point	PCS	3			
	Electrical pannels	PCS	3			
	Halogen Light Fixtures with bulbs	PCS	20			
	Water pumps	PCS	10			
	Air Compressors	PCS	10			
	Press Machine	PCS	5			

	Electrical pannels				
	Tyre changers	PCS	5		
	Wheel balance machines	PCS	3		
	Workshop Tool boxes	SET	3		
	Trolleys	PCS	20		
	Car & Trucks Tracking Systems	PCS	20		
	Security Systems, CCTV & Camera	PCS	50		
	Battery Chargers	PCS	5		
	Generators	PCS	6		
	Water High Pressure Machinery Cleaners	PCS	6		
	Connecting Cables	SET	100		
	Extension Telecoms	SET	20		
3 MOTOR VEHICLES:-	Trucks for gases distribution to centres	PCS	7		
	Trailers	PCS	7		
	Minibuses for Staffs	PCS	3		
	Administrative Cars	PCS	4		
	Delivery tanks trucks	PCS	3		
	Break down recovery truck	PC	1		
	Maintenances pick ups	PCS	2		
4 OFFICE FACILITIES:-	Computers desktop	PCS	10		

	Laptop	PCS	10		
	Radio HF Base with handsets	SETS	10		
	Handsets	PCS	50		
	Telecom Cables	PCS	100		
	Network cables	PCS	100		
	Photocopiers	PCS	5		
	Air conditioners	PCS	50		
	Faxes	PCS	3		
	Internet cables & Moderns		3		
	Printers	PCS	5		
	Projectors for training and instruction	PCS	5		
	Refrigerators	PCS	10		
	Documents Safe	PCS	5		
5	FURNITURE & FITTINGS:-				
	Office tables	PCS	30		
	Office Chairs	PCS	30		
	Conference facilities	PCS	30		
	Cabinet & Shelves	PCS	10		
	Board Meeting Furnitures	PCS	100		
	Cash safe	PCS	2		
	Office sofa	Sets	3		
	Carpets	Sets	15		
	Others - cleaners	Sets	20		

Mebkub

DIRECTOR

1/3/2014

DATE



00220657

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042600

This is to certify that

SALIMA OXYGEN LIMITED

of address P.O. BOX 19137

DAR ES SALAAM

has been granted a Certificate of Incentives to invest in a new, ~~rehabilitation/extension~~
~~XXXXXX~~ of the enterprise known as

SALIMA OXYGEN LIMITED

Which is located at PLOT NO. 123, MBAGALA SERVICE TRADE

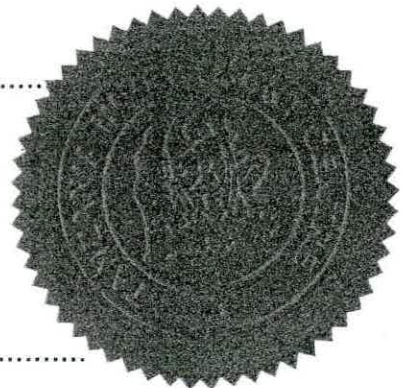
TEMEKE - DAR ES SALAAM

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 29TH JANUARY, 2014




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

Shareholders	Nationality	Shareholding (%)
Pyarali Yusuf Sumar	Tanzanian	7
Hussein Pyarali Sumar	Kenyan	31
Mehboob Pyarali Sumar	Kenyan	31
Shahnawaz Pyarali Sumar	Kenyan	31
2. Proposed Activities: **To establish and operate production of Domestic and Industrial gases**
3. Sector: **Manufacturing** Subsector: **Gas**
4. Investment cost: Foreign **USD 1.685m.** Local **USD 1.182m.** Total **USD 2.868m.**
5. Project Financing: **USD 2.868m.** Equity: **USD 2.868m.** Loans: **USD 0m.** Total: **USD 2.868m.**
6. Source, terms and conditions of loan: —
7. Assets to be invested:

Capital items:	Foreign	Local	Total
	USD 1.686m.	USD 1.182m.	USD 2.868m.
8. Technology Agreement: **None**
9. Date of TIC Registration: **29th January, 2014**
10. Implementation period: **January, 2014 - December, 2016**
11. Operative date: **January, 2017**
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
 - (i) Applicable Import Duty **And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997**
 - (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

(27) (7)

SALIMA OXYGEN LIMITED

P.O.BOX 19137, DAR ES SALAAM.

E-mail: salimaoxygen@hotmail.com

Our Ref: SOL/TIC/TRA/ 2014/002

Date: 24th March, 2014

The Commissioner for Customs and Excise
Tanzania Revenue Authority
P. O.Box 9053
Dar Es Salaam.

U.F.S

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



Dear Sir,

RE: REQUEST FOR RECONSIDERATION ON DUTY / VAT EXEMPTIONS ON CAPITAL ITEMS / DEEMED CAPITAL GOODS UNDER CERTIFICATE OF INCENTIVES NO. 042600. TIN: 101-637-050.

1. The heading above refers.
2. We thank you in advance for granting exemptions and approval on capital items for our project at 75% import duty and 45% VAT to be relieved accordingly vide approval letter with Ref. TRA/CE/C/P.20/08 dated 19th March, 2014.
3. We are submitting this request for **reconsideration** on duty / VAT exemptions at 99% import duty and VAT relief so that to enable the implementation of our incomplete project as per the plan. It must be understood that our gas project involves technical activities. The time limit given to implement the project has been expiring before the start of commercial production due to the nature of the project itself of which has been contradicting the policy/regulations of the authorities after time being bad. Look! Our project was granted full **0% import duty/VAT** relief under certificate No. **040623**. Due to the nature of the project, it consumed time to the extent that the certificate of incentives it expired before completing the project implementation of which required us to seek/apply for another valid certificate at **Tanzania Investment Centre** for the same purpose and use under the same project. These are the reasons why we reapplied for the **certificate of incentives** to enable complete the project implementation and accordingly.

4. We therefore request your good office to consider 99% exemptions on import duty and VAT relief on capital goods / items to enable us complete the project implementation. The completion of this project will realize creation of employment and increase national capital formation and revenues.
5. We are attaching copies of certificates and letters of approval (expired and valid) for your perusal, reference and for your decision.
6. We thank you in advance for your cooperation.

Yours faithfully
SALIMA OXYGEN LIMITED



.....
Mehboob P. Sumar
MANAGING DIRECTOR



TANZANIA REVENUE AUTHORITY

TRA/CE/C/P.20/08

10th June, 2005

Managing Director,
Salima Oxygen Ltd,
P. O. Box 19317,
DAR ES SALAAM.

Dear Sir,

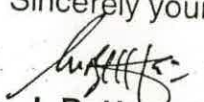
**RE: DUTY/VAT EXEMPTION ON CAPITAL/DEEMED CAPITAL GOODS-
CERTIFICATE OF INCENTIVES NO. 040623 OF 28.10.2004**

We are writing in response to your letter dated 01.06.2005 regarding captioned subject.

We hereby confirm and approve a **single-page** list of items as capital/deemed capital goods for expansion and operations of the project in question by certificate of incentives herein. However the approval of the vehicles is subject to submission of chassis and engine numbers before clearance for perusal.

The approved items will be assessable at 0% import duty and VAT deferment subject to completion of form VAT 225 duly approved by the Commissioner for VAT.

Sincerely yours,


J. B. Hassan

For: COMMISSIONER FOR CUSTOMS AND EXCISE

DDT/-

c.c. Commissioner for VAT
c.c. Manager - L/Room
c.c. Manager - Wharf

c.c. General Manager,
Tiscan Limited,
DSM

c.c. Executive Director,
T.I.C.
DAR ES SALAAM



No 00212255

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

THIS CERTIFICATE REPLACES/
EXTENDS THE PREVIOUS ONE

AMENDMENT ON SECTION
10 & 11 HAVE BEEN
EFFECTED

NO. 040623 ISSUED ON
28/10/2004.

No: 040623

This is to certify that

SALIMA OXYGEN LIMITED

of address P.O. BOX 77822

DAR ES SALAAM

has been granted a Certificate of Incentives to invest in a new, rehabilitation /expansion or equity of the enterprise known as

SALIMA OXYGEN LIMITED

Which is located at PLOT NO. 123, MBAGALA AREA,

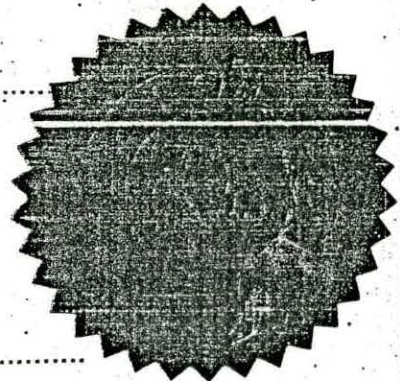
DAR ES SALAAM.

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 31ST JANUARY, 2006

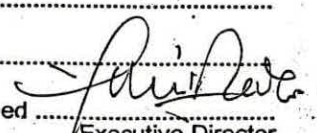


This Certificate is issued in accordance with the provisions of Section 17 of the Tanzania Investment Act, 1997 and subject to the conditions prescribed under item 14 and 15 hereafter:—

1. Shareholders

Shareholders	Nationality	Shareholding (%)
Shahnawaz P. Sumar	Pakistan	31
Mehboob P. Sumar	Pakistan	31
Hussein P. Sumar	Pakistan	31
Pyarali Y. Sumar	Pakistan	7
2. Proposed Activities : To establish and operate facilities for production of industrial gases.
3. Sector: Manufacturing Subsector: Industrial gases
4. Investment cost: Foreign Tshs. 461m Local Tshs. 151m Total Tshs. 612m
5. Project Financing: Equity Tshs. 612m Loans - Total Tshs. 612m.
6. Source, terms and conditions of loan: No applicable
7. Assets to be invested:

Capital items:	Foreign	Local	Total
	Tshs. 461m	Tshs. 151m.	Tshs. 612m.
8. Technology Agreement: None
9. Date of TIC Registration: 11th December 2002
10. Implementation period: November 2004 - October 2006
11. Operative date: 01st November 2006
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
(i) Applicable Import Duty And VAT as per Customs Tariff Act, 1976 and VAT Act, 1997
(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: None.

Signed 
Executive Director



TANZANIA REVENUE AUTHORITY

TRA/CE/C/P.20/08/

19th March, 2014

Managing Director,
M/s Salima Oxygen Ltd,
P.O.BOX 19137,
DAR ES SALAAM.

**RE: DUTY/VAT EXEMPTION ON CAPITAL/DEEMED CAPITAL GOODS
CERTIFICATE OF INCENTIVES NO. 042600 OF 29.01.2014 TIN: 101-
637-050**

We are writing in response to your letter dated 01st March, 2014 supported by the letter Ref. TICC/PP.10/042600/6 of 14th March, 2014 from Tanzania Investment Centre, regarding the captioned subject.

We hereby confirm and approve items as per a six page list herewith attached as capital/deemed capital goods for establishment and facilitation of your project with certificate of incentives mentioned above. Please note that deleted items herein indicated are not eligible for exemption under the project. You are also requested to observe the age limit imposed by the law on motor vehicles.

The approved goods will be subjected to 75% exemption of Import Duty payable while VAT will be relieved at the rate of 45% of VAT payable. Please complete VAT form 224 and submit for approval to the Commissioner for Domestic Revenue for local purchases and the Commissioner for Customs and Excise for importations.

Sincerely yours,

Said Athumani

FOR: COMMISSIONER FOR CUSTOMS AND EXCISE

RM/

C.C: Manager Tax Exemption,

C.C: Manager- TRA Temeke,

C.C: Executive Director, TIC

Dar es salaam

U

ISO 9001 : 2008 Certified

CUSTOMS & EXCISE DEPARTMENT

Sokoine Drive, P.O. Box 9053, Dar es Salaam, Tanzania

Tel: +255-22-2117765, or +255-22-2127783/4/6/8 Fax: +255 22-2138878/2135193

TICC/PP.10/042600/6

14/03/2014

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.
042600**

M/S Salima Oxygen Limited is a TIC registered company with certificate of incentives **No. 042600** which is valid up to **December 2016**

The company has been registered with objectives of establishing and operating production of Domestic and Industrial Gases.

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



THE UNITED REPUBLIC OF TANZANIA

02241036

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 202032

This is to certify that

SALIMA OXYGEN LIMITED

of address

P.O.BOX 19137

DAR ES SALAAM

has been granted a Certificate of Incentives to invest in a new investment project known as

MANUFACTURING OF INDUSTRIAL AND MEDICAL GASES PLANT

Which is located at **BLOCK G - VIANZI INDUSTRIAL AREA, PLOT NO.1 & 2**

MKURANGA-PWANI

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**

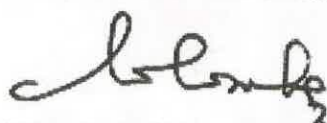
Dated: **31 March, 2020**



This Certificate is issued in accordance with the provision 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 (%) |
|-------------------|-------------|------------------|
| SHAHNAWAZ SUMAR | Kenya | 21.56 |
| MEHBOOB SUMAR | Kenya | 21.56 |
| HUSSEIN SUMAR | Kenya | 23.56 |
| PYARALI SUMAR | Tanzania | 5.32 |
| MOHAMED SUMAR | Kenya | 2 |
| YUSUF JAMIL SUMAR | Kenya | 2 |
| UN- ALLOTTED | Tanzania | 24 |
- 2 Proposed Activities: *To establish and operate a project of manufacturing of industrial and medical gases plant*
- 3 Sector **Manufacturing** Sub Sector **Industrial and Medical gases**
- 4 Investment Cost Foreign (M\$) **1.72** Local (M\$) **0.7** Total (M\$) **2.42**
- 5 Project Financing Equity (M\$) **2.42** Loan (M\$) **0** Total (M\$) **2.42**
- 6 Source, terms and conditions of loan **None**
- 7 Assets to be Invested
- | Capital items: | Foreign (M\$) | Local (M\$) | Total (M\$) |
|----------------|---------------|-------------|-------------|
| | 1.72 | 0.7 | 2.42 |
- 8 Technology Agreement **None**
- 9 Date of TIC Registration **31 March, 2020**
- 10 Implementation period **March 2020** - **February 2023**
- 11 Operative date **March 2023**
- 12 Investment Incentive Grade : As defined in part III Section 19(1), (2) and Section 20 of the Tanzania Investment Act, 1997
- | | |
|-----------------------------------------|-----------------------------------------------------------|
| (i) Applicable Import Duty | EAC Customs Management Act. 2004 and VAT Act. 2014 |
| (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
- Date of Commencement of investment has to be notified to the Centre
 - Certificate not to be transferred , assigned or amended
 - Failure to commence implementation within two years invalidates Certificate
 - Failure to operate investment must be notified to the Centre
 - 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

TITLE No. 55889
 REGISTERED 28.4.2004
 At 1:00 P.M Land Form 32
[Signature]
 Senior Asst. Registrar of Titles



L.O. No. 217348
 L.D/TM/ST/123

TANGANYIKA STAMP DUTY ACT
 Stamp Duty Shs. 8/-
 on original Receipt No. 423144
 of 5-6-1987
[Signature]
 Stamp Duty Officer

THE UNITED REPUBLIC OF TANZANIA

CERTIFICATE OF OCCUPANCY
 (Section 9 of the Land Ordinance)

The

22nd

day of

June

Two thousand and three

four

TITLE NO.....55889

THIS IS TO CERTIFY that M/S SALIMA OXYGEN LIMITED a limited liability company established under Companies Ordinance (Cap 212) and having its registered Office in Dar as Salaam of P.O. Box 19137, DAR ES SALAAM (hereinafter called "the Occupier") is entitled to a Right of Occupancy (hereinafter 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 **July, One thousand nine hundred eighty seven** 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 therefor or amendment thereof and to the following special conditions

1. The Occupier having paid rent up to the thirtieth day of June, 1988, shall thereafter pay rent of shillings **one thousand two hundred (Tshs.1,200/=)** only 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 1997, 2007 and 2017 or within **three** years thereafter in each case.

2. The Occupier shall:-

(i) Maintain 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 **Temeke Municipal Council** (hereinafter called "the Authority");

I certify this to be a true copy of the Original document
 Date 27/1/2014
 Signature *[Signature]*



TANGANYIKA STAMP DUTY ACT
 Stamp Duty Shs. 56/- Paid
 on original Receipt No. 423144
 of 5-6-1987
[Signature]
 Stamp Duty Officer

- (ii) At all times during the term after the **thirtieth day of June, 1990**; have on the land buildings 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");
- (iii) Not erect or commence to erect on the land building except in accordance with building plans and specifications which shall have been first approved by the Authority as here in before provided;
- (iv) Be responsible for the protection of all beacons on the land throughout the term of the Right. Missing beacons will have to be re-established at any time at the Occupier's expenses as assessed by the Director for Surveys and Mapping.

Approval of the plans of any building by the Authority shall not imply that the construction of such a building will satisfy the Occupier's obligation under the condition of the Right and shall not imply waiver or modification of any condition in the Right.

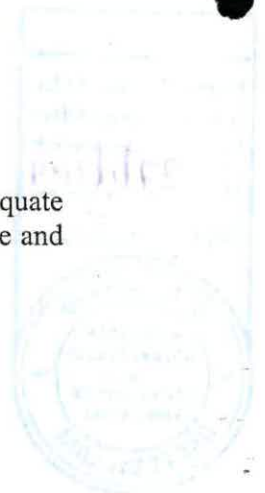
3.-(i) The Occupier shall not subdivide the land or assign, sublet or otherwise dispose of or deal with the whole or any part of it or of any building on it without the previous written consent of the Commissioner.

- (ii) Occupation or use of the whole or any part of the land or building on it by any person other than the Occupier or its employees agents contractors or members of the household shall be deemed dealing with the land or buildings.

4. Except as here in before provided the Commissioner shall have an absolute discretion to give or withhold consent under condition 3(i). Any dealing or agreement (other than a mortgage or charge) entered into before compliance with condition 2 (iv) will not receive consent except in special circumstances of which the Commissioner shall be the sole judge.

5. The Occupier shall further:-

- (i) Make and maintain on the land throughout the term adequate arrangements for water supply drainage and disposal of trade refuse and effluent to the satisfaction of the Authority;



- (ii) Make and keep all the buildings on the land rat-proof and carry out such measures as the Health Officer for the Authority may require for the purpose.
- (iii) Provide and maintain on the land ablution facilities and take and maintain such hygienic measures as may be required by the said Health Officer.

6. The Occupier 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 adjoin, 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. USER: The land and the existing buildings erected thereon shall be maintained and the same shall be used for **Service Trade** purposes only. Use Group 'M' Use Class (a) as defined in the Town and Country Planning (Use Classes) Regulations, 1960 as amended in 1993.

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


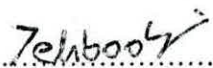
SCHEDULE

ALL that Land known as Plot No. 123 Mbagala Service Trade area, Dar es Salaam City containing two thousand nine hundred eighty eight (2988) square metres shown for identification only edged red on the plan attached to the Certificate and defined on the registered survey plan numbered 23892 deposited at the office of the Director for 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

The within named M/S SALIMA OXYGEN LIMITED hereby accept the terms and conditions contained in the foregoing Certificate of Occupancy.

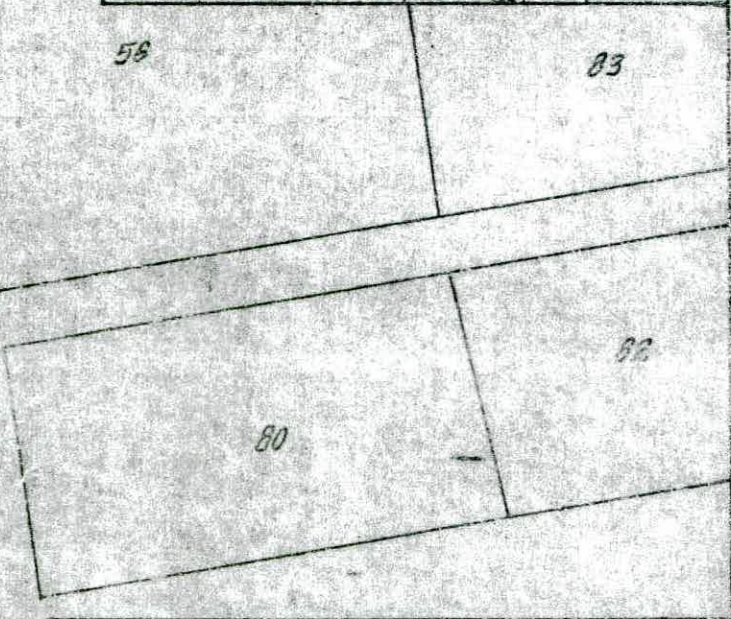
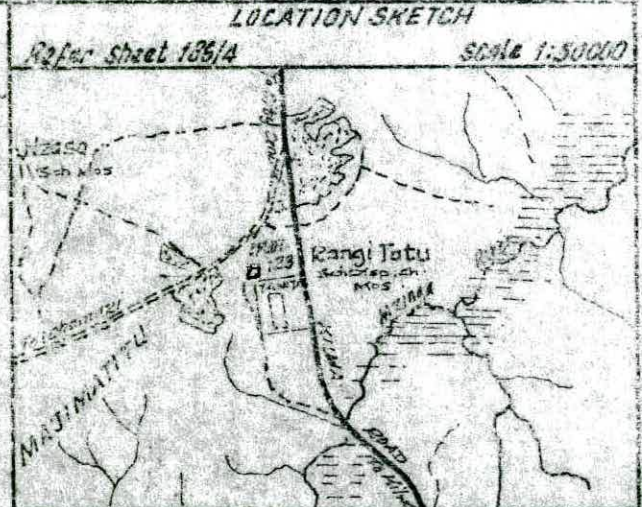
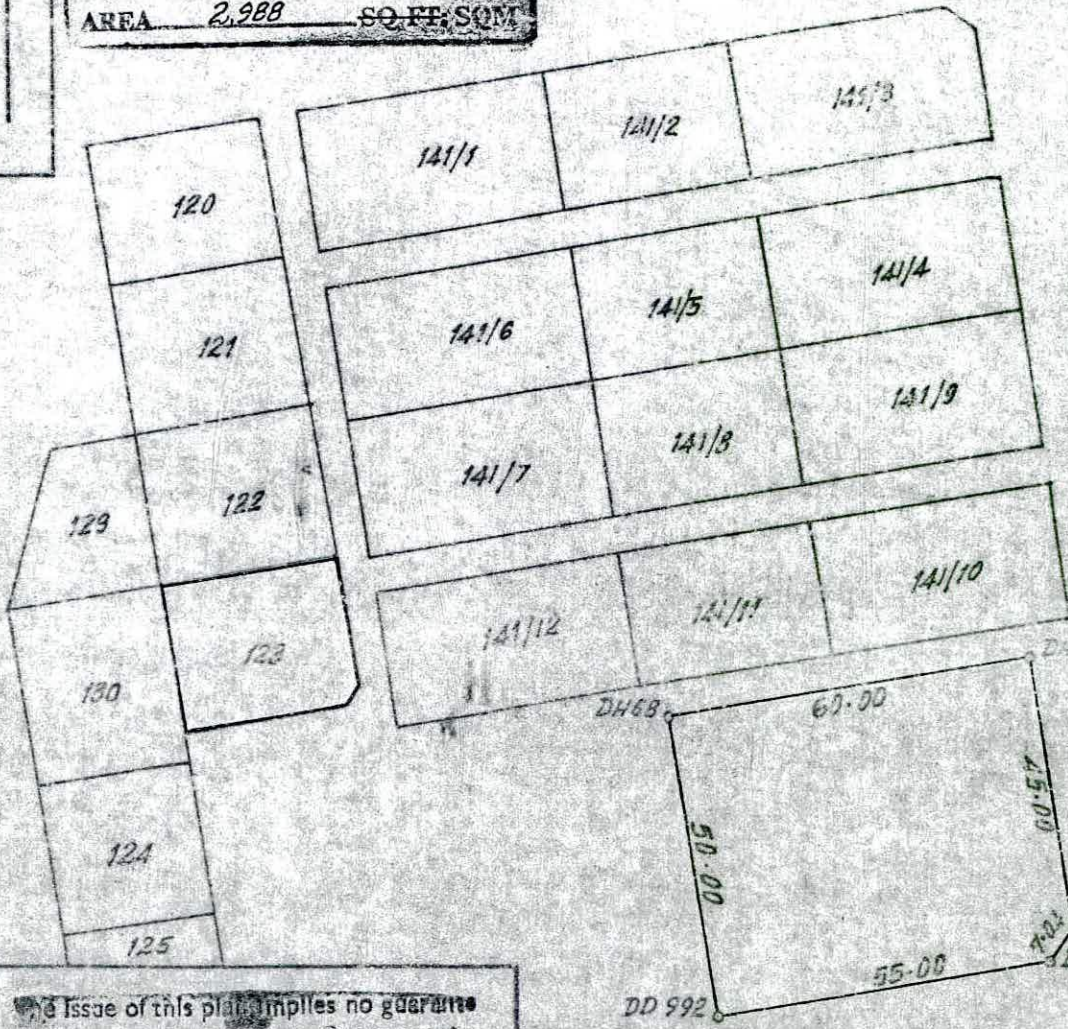
SEALED with the common SEAL of the said)
M/S SALIMA OXYGEN LIMITED and)
DELIVERED)
In the presence of us this 12th day of Dec 2003.)
Signature: )
Postal Address: P.O. Box 19137 DSM)
Qualification: BUSINESS DIRECTOR)
Signature: )
Postal Address: P.O. Box 19137 DSM)
Qualification: DIRECTOR)



DAR ES SALAAM CITY



LOCATION MBAGALA SERVICE TRADE
 BLOCK _____
 PLOT No. 123
 L.O. No. 217348
 AREA 2,988 SQ. FT. SQM



Issue of this plan implies no guarantee or admission of title by the Government

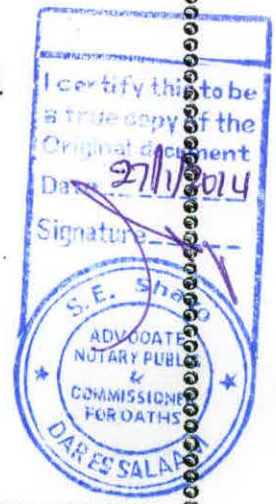
This plan prepared in accordance with registered plan No. 23892
 approved for purposes of the Land Registration Ordinance
 Director of Surveys and Mapping *Nematu* Date *7/11/03*
 Ministry of Lands, Housing and Urban Development, Dar es Salaam

TANZANIA



Certificate of Incorporation

No. 44799



I HEREBY CERTIFY THAT

SALIMA OXYGEN - - -

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 NOVEMBER

Two thousand and Two

ASST. Registrar of Companies

jtm

SALIMA OXYGEN LIMITED

"BUSINESS PLAN"

FOR

ESTABLISHMENT OF MODERN GAS PLANT

FOR

POSSIBLE PRODUCTION OF OXYGEN NITROGEN AND ACETYLENE

ON

PLOT NO. 123 MBAGALA SERVICE TRADE AREA, DAR ES SALAAM CITY

TANZANIA

Prepared for:-

Salima Oxygen Limited

P. O. BOX 19137,

Dar es Salaam.

Cellular: 0784-786107,0653-884766

E-mail: Salimaoxygen@raha.com

TANZANIA -EAST AFRICA

DECEMBER, 2013.

SALIMA OXYGEN LIMITED

"BUSINESS PLAN"

FOR

ESTABLISHMENT OF MODERN GAS PLANT

FOR

POSSIBLE PRODUCTION OF OXYGEN NITROGEN AND ACETYLENE

ON

PLOT NO. 123 MBAGALA SERVICE TRADE AREA, DAR ES SALAAM CITY

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0.0 SUMMARY OF SALIENT FEATURES:-

- 0.1 Name of the project : **SALIMA OXYGEN LIMITED**
- 0.2 Project concept : Establishment of Modern plant to produce Oxygen, Nitrogen and Acetylene gases
- 0.3 Project Sponsor : **SALIMA OXYGEN LIMITED**
- 0.4 Estimated Project Costs : In USD

SN	Project Components :	Local Cost	Foreign Cost	Total Cost
1.	Land and Buildings	300,000	50,000	350,000
2.	Plant and Machinery	50,000	241,000	291,000
3.	Motor Vehicles	125,000	295,000	420,000
4.	Tools and Equipment	300,000	850,000	1,150,000
5.	Office Facilities	50,000	200,000	250,000
6.	Furniture and Fittings	20,000	50,000	70,000
7.	Pre- Operational Expenses	100,000	0	100,000
8.	Initial Working Capital	236,897	0	236,897
	TOTAL PROJECT COST	1,181,897	1,686,000	2,867,897

0.5 Financing Plan: In USD

SN	Source Of Funds :	Local Cost	Foreign Cost	Total Cost
1.	Owners' Equity contribution	1,181,897	1,686,000	2,867,897
2.	Loan	0	0	0
3.	Other sources	0	0	0
	TOTAL PROJECT FINANCING	1,181,897.	1,686,000	2,867,897

0.6 Project Indicators for the next five years: In USD

SN	Details:	Years	1	2	3	4	5
1.	Gross Income		2,584,208	2,953,392	3,322,528	3,322,528	3,322,528
2.	Operating surplus		1,609,208	1,674,392	1,740,528	1,740,528	1,740,528
3.	Profit (Loss) After Tax		914,451	960,845	1,007,810	1,008,397	1,008,909
4.	Gross Margins %		6203	73.3	72.3	72.3	72.3
5.	Net Margins %		3504	32.5	30.3	30.4	30.4
6.	IRR= 27.9 %		-	-	-	-	-

- 0.7 Exchange Rate Used :
1USD = Tshs 1,600.

0.8 Commitment and Arrangement for the project include:-

- A personal guarantee of Directors
- A floating debentures of the company
- Company's assets

0.9 , Abbreviations and Acronyms used in the proposal:-

- URT = United Republic of Tanzania
- TIC = Tanzania Investment centre
- SOL = Salima Oxygen Limited
- TSHS = Tanzanian Shillings
- USD = United Stated Dollar
- S.L. = Straight in Method on depreciation
- D.B = Declining Balance Method on depreciation
- DCF = Discounted Cash flow and factors
- NPV = Net present Value
- NFV = Net Future Value
- IRR = Internal Return of Return
- BOT = Bank of Tanzania
- VAT = Value Added Tax
- TBS = Tanzania Bureau of standards
- NEMC = National Environmental Management Council
- GDP = Gross Domestic Product.

1.0.0 BACK GROUND INTRODUCTION:-

1.1.0 The business and the Promoters:

1.1.1 The partners in this business are experienced business people in manufacturing industry for the past twenty years. They started business career with workshop and auto-fittings in Mombasa-Kenya. Later in year 2002 they moved to search investment opportunities in Tanzania and successfully managed to incorporate **SALIMA OXYGEN LIMITED** for possible producing various domestic and industrial gases. The future of manufacturing industry in Tanzania is a profitable venture. With the good policy of trade liberalization and investment promotion granted by the government of Tanzania, the company expects to do well in venturing into gases production.

1.2.0 The company:-

1.2.1 Salima Oxygen Limited is a private company incorporated in Tanzania as per provisions of companies' laws. The company was incorporated on the 13th day of November 2002. Its certificate of incorporation is No. 44799.

1.3.0 Main Objective:

1.3.1 The main objective, of which the company was incorporated among others, is to deal with and carry on the business of manufacturing of domestic and industrial gases in Tanzania.

1.4.0 The capital:

1.4.1 The capital of the company during registration was Tshs.100,000,000/= divided into 1,000 shares of Tshs.100,000/= each. The authorized share capital base of the company is however, being enhanced to meet the investment requirements of the project.

1.5.0 Owners of the company:

1.5.1. The company is principally owned by four partners. Their details are:-

Names:	No. of share:	Per centum
• Shahnawaz .P. Sumar	310	31
• Mehboob .P. Sumar	310	31
• Hussein .P. Sumar	310	31
• Pyarali .Y. Sumar	<u>70</u>	<u>7</u>
• Total	1,000	100%

1.6.0 Nationality of the owners of the company:-

1.6.1 The details of nationality of shareholders of the company is as detailed below:-

Names :-	Nationality:-
• Shahnawaz. P. Sumar	Kenyan
• Mehboob .P. Sumar	Kenyan
• Hussein. P. Sumar	Kenyan
• Pharali. Y. Sumar	Tanzania

2.0.0 THE PROJECT DESCRIPTIONS:-

2.1.0 The Project:-

2.1.1 This project proposal entails the study to examine technical feasibility, financial viability, commercial and economical desirability of establishing such project to produce domestic and industrial gases. The sponsors intend to use this study for possible registering the projects at T.I.C to enable the investment centre grant, some of the incentives to the project. A number of initiatives have been taken by the government of Tanzania and development partners to support investors. **SALIMA OXYGEN LIMITED** expects a lot to enjoy the incentives for the same purpose.

2.2.0 Manufacturing Industry In Tanzania:-

2.2.1 Tanzania is still undeveloped on manufacturing industries. Most of the products are imported from abroad for many years now. The government has been encouraging investors to venture into manufacturing and agro-processing. This will really rescue the country from its GDP and maintain the stability of its economy. The manufacturing industries are vital to boost the country's economy.

2.3.0 The Products:-

2.3.1 The proposed project will be producing domestic and industrial gases of Oxygen, Nitrogen and Acetylene.

- **Oxygen -O₂:-**

Atmospheric Oxygen is of vital importance for all aerobic organisms and industrial purposes.

- **Nitrogen - N:-**

Nitrogen is one of the largest volume industrial gases, It is produced commercially as a gas or a liquid by several methods including:-

- (i) Cryogenic Air Separation
- (ii) Membrane Separation

- **Acetylene -Ca C₂:-**

This gas is produced by reaction of calcium carbide (CaC₂). It is a chemical compound very useful in metal cutting, welding and brazing.

3.0.0 TECHNICAL AND TECHNOLOGICAL ASPECTS.

3.1.0 Project Location:

3.1.1 Salima Oxygen Limited will be located on plot No. 123 Mbagala service trade area, Temeke Municipality, Dar- Es-Salaam, Tanzania.

3.2.0 Land & Buildings:

3.2.1 The factory will be constructed to fit for gases production. The structures will include stores, boreholes, garden, parking and administration blocks. The structures will be designed by engineers.

3.3.0 Plant and Machinery:-

3.3.1 The Unit plant to produce gasses will consist the following necessary accessories/sets of fittings:-

- 3-Sanction filters
- 3-Air Compressors
- 3-After coolers
- 3-Moisture Separator
- 3-Moisture Separators
- 3-Cascade coolers
- 3-Chilling Units
- 3-Activated Carbon filters
- 3-Ceramic filters
- 3-Molecule Sieve Batteries
- 3-Air Separation Units
- 3-Expansion Engines
- 3-Liquid Oxygen Pumps
- 3-Oxygen Filling Manifolds
- 3-Liquid Nitrogen Manifolds
- 3-Gases/ Air Lines
- 3-Water Pumps
- 3-Cooling Towers`
- 3-Water Softener Plants
- 3-Electrical Panels
- 3-Cylinder testing Stations
- 3-Dual Sensors

3.4.0 MOTOR VEHICLES:-

3.4.1 The Business will need several types of motor vehicles in order to run operations smoothly. These motor vehicles will include:-

- (i) 7-Trucks for gases distribution
- (ii) 4-Pick - ups for staffs and maintenances
- (iii) 3-Cars for administration
- (iv) 2-Mini buses for workers / Staffs

3.5.0 Tools and Equipment:-

The factory will require the following key important tools:-

- 7,000 Pcs of Oxygen Cylinders
- 5,000 Pcs of Acetylene Cylinders
- 4,000 Pcs of Nitrogen Cylinders
- 3 - Generators
- Others

3.6.0 Office Facilities:-

3.6.1 These will include:-

- 5 - Desktop computers with printers
- 5 - Laptop Computers
- 5 - Radio HF Base and Handsets
- 10 - Air Conditioners
- 10 - CCTV/TV Camera
- 10 - Telecom Cables
- 26 - Network Cables

3.7.0 Furniture and Fittings:-

3.7.1 These will include:-

- Office chairs
- Meeting room furniture
- General fittings

3.8.0 Production of Gases and Involvements:-

3.8.1 The production of gases involves various methods depending on the type of gas and the means the producer want to use. The following selected gases which will be produced under this project have been covered how it is produced its characteristics and general use of the same. Also it has be covered the capacities to be produced depending on the plant/factory capacity.

The following are the planned production capacity:

S/N	Details:	Year	1	2	3	4	5
1.	Number of working days per year		300	300	300	300	300
2.	Plant capacity per day:						
(a)	Oxygen in cubic meters		3,020	3,020	3,020	3,020	3,020
(b)	Nitrogen in cubic meters		600	600	600	600	600
(c)	Acetylene in cubic meters		760	760	760	760	760
3.	Assumed capacity Utilization%		70	80	90	90	90
4.	Total Production in cubic meters:-						
(a)	Oxygen -cm ³		634,200	724,800	815,400	815,400	815,400
(b)	Nitrogen-cm ³		126,000	144,000	162,000	162,000	162,000
(c)	Acetylene-cm ³		159,600	182,400	205,200	205,200	205,200

The following are the general descriptions of the gases to be produced by the project:-

- (a) **Oxygen -O₂**
 Chemically, Oxygen is gas characterized by color less, tasteless and odorless gaseous mainly belong to group VI (b) of the periodic table elements

The following are its characteristics:-

- Atomic Number : 8
- Atomic Mass : 15.9994
- Melting Point : -214 deg Centigrade
- Boiling Point : -183 deg Centigrade
- Density : 1.429

Atmospheric Oxygen is of vital importance for all aerobic Organisms. For industrial purpose, Oxygen is obtained by fractional distillation of liquid air. It is used in metallurgical process, in high temperature flames and breathing apparatus.

Discovery:-

The discovery of Oxygen was credited to Priestley in 1774 AD. However in a paper looking into Alchemy by Richard Brzezinski credited the discovery of Oxygen was found in 1621

Occurrence:-

Oxygen occurs in the free state as a gas, to the extent of 21% by volume or 23% by weight in the atmosphere. Combined oxygen also occurs in:-

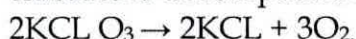
- Water
- Vegetable and animal tissues
- Near all rocks
- Many minerals
- Larger extent in the earth's crust than any other element.

Extraction and Preparation:-

Because oxygen is a component of air, it has been studied extensively over the centuries and there is a large number of different methods for its preparation. The most convenient method for preparing oxygen in the Laboratory involves either the catalytic decomposition of solid potassium chlorate or the catalytic decomposition of hydrogen peroxide.

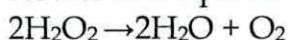
Preparation of Oxygen by using Potassium chlorate:-

Potassium chlorate decomposes at a low temperature if previously mixed with manganese dioxide which is a catalyst for decomposition. Here, only the potassium chlorate is decomposed and no perchlorate is formed.



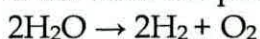
Preparation of Oxygen using Hydrogen Peroxide

The decomposition of hydrogen peroxide using Manganese dioxide as a catalyst also results in the production of oxygen gas



Preparation of Oxygen by electrolysis of water

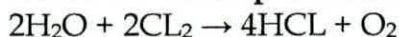
The electrolysis of acidified water is carried out in a hofmann voltameter. Oxygen is evolved at the positive electrode in the electrolysis.



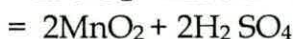
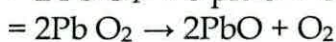
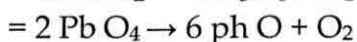
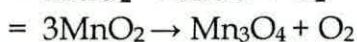
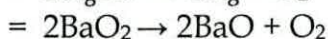
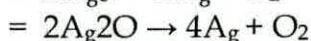
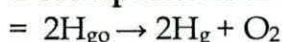
A solution of barium hydroxide with nickel electrodes may also be used. However, on prolonged electrolysis an explosive mixture of oxygen and hydrogen may be evolved at the positive electrode.

Some preparations of oxygen are:

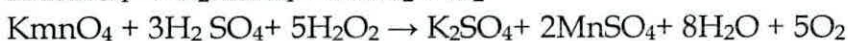
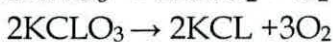
(i) **Chemical decomposition of water**



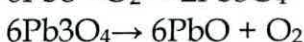
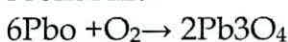
(ii) **Decomposition of Oxides**



(iii) **Decomposition of salts:**



From Air:-



Manufacturing of Oxygen:-

Various methods have been used for the large scale production of oxygen. At present, the only two methods are mostly used:-

- (i) The electrolysis of an aqueous solution of diluted sulphuric acid
- (ii) The fractional distillation of liquid air

From liquefied Air:-

Oxygen may be obtained from the atmosphere by liquefaction and fraction distillation of air. Liquid air is a mixture of: - liquid nitrogen, boiling point at (-196 deg. C) and liquid oxygen, boiling point (-183 deg C). The nitrogen is more volatile (i. e it has a lower boiling point) and boils off first during evaporation. Since some oxygen evaporates with the nitrogen, separation of the two gases is brought about by fractionation (i. e by letting the evolved gas mixture bubble through liquid air rich in Oxygen in a tall rectifying column). The oxygen in gas mixture condenses and almost pure nitrogen gas leaves the top of the column, leaving almost pure liquid oxygen which is then evaporated to give oxygen gas. The oxygen gas is distributed as a compressed gas in high pressure cylinder.

Properties of Oxygen Are:-

- Colorless Gas
- Without smell
- Without taste
- Slightly heavier than air
- Sparingly soluble in water
- Difficult to liquefy - boiling point - 183deg.C
- The liquid is pale blue in color and is appreciably magnetic
- At still lower temperatures, light blue solid oxygen is obtained which has a melting point of - 218.4 deg.C.

Uses and Application of Oxygen:-

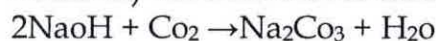
- Oxygen is essential for life and it takes part in process of combustion, its biological functions in respiration make it important.
- Oxygen is sparingly soluble in water, but the small quantity of dissolved oxygen is essential to the life of fish
- Oxygen gas is used with hydrogen or coal gas in blowpipes and with acetylene in the oxy - acetylene torch for welding and cutting metals.
- Oxygen gas is also used in a number of industrial processes.
- Health - medically, Oxygen gas is used in the treatment of pneumonia and gas poisoning. It is used as an anesthetic when mixed with nitrous oxide, ether vapor etc.
- Carbon Dioxide is often mixed with the oxygen as this stimulates breathing and this mixture is also used in cases of poisoning and collapse for restoring respiration
- Liquid Oxygen mixed with powdered charcoal has been used as explosive.

Nitrogen - N₂:-

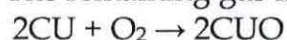
70% or more of the air we breathe is nitrogen of the total atmospheric air. Nitrogen is produced through nitrification. This is a process done bacterially in wet soils and underwater in oxygen environment. The bacteria process nitrogen oxides NO₃, NO₂, NO, N₂O from dead plant and animal matter. When the animal matter excrements to obtain oxygen, the nitrogen remains in the form of N₂ as a gas which is released into the atmosphere.

Nitrogen and its Compound:-

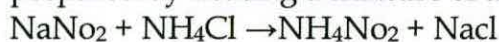
Nitrogen can be prepared from laboratory by removing oxygen and carbon dioxide from air. Water is used to push air through sodium hydroxide solution (**caustic soda solution**) which removes carbon dioxide:-



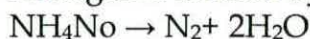
The remaining gas is passed over heated copper turning to remove oxygen



Then nitrogen is collected over water as it is insoluble in water, Or Nitrogen can also be prepared by heating a mixture of ammonium chloride and Sodium Nitrate.



Nitrogen is formed by decomposition of ammonium nitrate



Industrial Preparation of Nitrogen (Large Scale)

Industrially, Nitrogen is prepared by fractional distillation. Oxygen is obtained at the same time. Air is purified by removing gas from it. Then carbon dioxide is removed and lastly water vapor. The remaining air is removed to evaporate. Because nitrogen has a lower boiling point, it evaporates first leaving liquid oxygen.

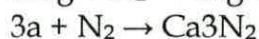
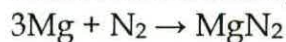
Properties of Nitrogen:-

Physical:-

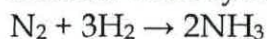
- It is colorless gas without smell
- It is a reactive gas
- It does not burn/ does not support combustion
- It is neither acidic nor basic

Chemical:-

- Nitrogen is inert unlike oxygen. It reacts under special conditions for example:- when at very high temperatures with metals, it forms nitrates such metals are Aluminum and Magnesium



- It reacts with hydrogen to form ammonia (**Haber's process**)



Applications of Nitrogen Gas:-

Nitrogen gas has a variety of application, including:-

- Serving as inert replacement for air where oxidation is undesirable
- As a modified atmosphere when pure or mixed with Carbon dioxide to preserve the freshness of packaged or bulk food (**by delaying rancidity**) and other forms of oxidative damage.
- Pure Nitrogen as food additive is labeled in the European Union with "E: number E941
- In ordinary, in incandescent light bulbs as an inexpensive alternative to argon
- The production of electronic parts such as transistors, diodes and integrated circuits, nitrogen is used.
- Dried and pressurized as a diametrical gas for high - voltage equipment
- Used in the manufacturing of stainless steel.
- Used in same aircraft fuel system to reduce fire hazard (**see inverting system**).
- On top of liquid explosives as a safety measure.
- Used in filling automotive and aircraft tires due to its inertness and lack of moisture or oxidative qualities as opposed to air. The difference in N₂ content between air and pure N₂ is 20%.
- Used as propellant for draft wine and as an alternative to or together with carbon dioxide for other beverages.
- Used during sample preparation procedures for chemical analysis. It is used to concentrate and reduce the volume of liquid samples.
- Used as replacement or in combination with Carbon dioxide to pressurize kegs of same beers in particular stouts or British ales. A pressure sensitive nitrogen capsule known commonly as a widget allows nitrogen - charged beers to be packed in cans and bottles etc.

Acetylene Gas:-

This is the Chemical compound with the formula C₂H₂. It is a hydrocarbon and the simplest alkyne. This colourless gas is widely used as a fuel and a chemical building block. It is unstable in pure form and thus is usually handled as a solution. Pure form acetylene is odorless, but commercial grades usually have a marked odor due to impurities. In the periodic table, it possess the "D" point group, it is a linear symmetrical molecule.

Preparation of Acetylene:-

Acetylene is mainly manufactured by the partial combustion of methane or appears as a side product in the ethylene stream from cracking of hydrocarbons. Approximately 400,000 tones are produced by this method annually. Acetylene is prepared by hydrolysis of calcium carbide as shown below:-



Calcium Carbide production, require extremely high temperatures - 2000°C necessitating the use of an electric arc furnace

Physical properties of Acetylene:-

Change of state - At atmospheric pressure, acetylene cannot exist as a liquid and does not have a melting point. Triple point on the phase diagram corresponds to the melting point (-80.8°C) at the minimum pressure at which liquid acetylene can exist (1.27 atm).

Application of Acetylene gas:-

- With alcohols, hydrogen cyanide, hydrogen chloride or carboxylic acid it gives vinyl compounds.
- With aldehydes, it gives ethynyl diols in the favorskii reaction
- With carbon monoxide, it gives acrylic acid or acrylonitrile which can be used to produce acrylic glass
- When cyclicized, it gives benzene and cyclooctatetraene
- Approximately 20% of acetylene is supplied by the industrial gasses for oxy - acetylene gas welding and metal cutting due to the high temperature of the flame
- Used to volatilize carbon in radio carbon dating etc.

3.9.0 Technical Assistance:-

3.9.1 The project technology is sourced from India. Running plant in a good condition under supervision of Lab. technicians and qualified engineers will be given priority. There will be an agreement for exchange of skills with the manufacturers of plant to visit the factory and see technical problems for possible assisting to enable the plant keep running production accordingly.

3.10.0 Governance:

3.10.1 The project will be governed by rules, principle and laws as stipulated in the Memorandum and Articles of Association of the company. Stake holders in the industry will be given priorities to contribute their professionals, experience and general knowledge they have to make the business grow, sustain its operations and break-even its profitability plans.

3.11.0 Implementation Plans:-

3.11.1 The project needs funds that will be used to establish a modern gas plant to produce three type of gases. The promoters prefers to implement the project at the earliest time as possible. The following schedule details the implementation plans:-

SN	Activities: Years	3013/2014	2014/2015	2015/2016	2016/2017	2017/2018
1	Funds mobilization					
2	Ordering plant					
3	Importation					
4	Clearing / Handling					
5	Installation					
6	Testing & Commissions					
7	Trial Operation					
8	Commercial production					
9	Progress and Reporting					

4.0.0 Financial Aspects:-

4.1.0 Assumptions and considerations:-

4.1.1 The following assumptions have been used in financial analyses:-

- Capital costs are based on current market value
- The project life is expected to be for 100yrs. For analysis purpose, we have assumed for five years.
- The corporation tax at 30% of taxable profit have been considered for analysis purposes
- Foreign currency at exchange rate of 1USD Tshs. 1,600/= is adopted.
- The basis data underlying financial assumptions have been detailed on the tables attached to this report.
- Replacement of fixed assets have been considered as shown below:-

	Items:	Rates:
(i)	Land & Buildings	Nil
(ii)	Plant & Machinery	10.0% S.L
(iii)	Motor Vehicles	25.0% S.L
(iv)	Tools & Equipment	10.0% S.L
(v)	Office Facilities	10.0% S.L
(vi)	Furniture & Fittings	10.0% S.L
(vii)	Pre-Operational Expenses	20.0% S.L

4.2.0 Working Capital Requirements:-

4.2.1 Initial working capital of the company is the amount which the business must have it initially in order to start its operations. According to our assumptions extracted from the working capital schedule the following must be considered:-

- Cash will be maintained at one month of the total operating costs
- Stocks will be maintained at one week of the total production costs.
- Trade debtors will be maintained at one week of sales volume.
- Trade creditors/business liabilities will be controlled at one month bill.
- The project has registered USD 236,897 as its initial working capital

4.3.0 Pre-operational Plan:-

4.3.1 This costs includes all the expenses incurred by the project promoters in the process to establish the company project study, consultation fees, T.I.C project registrations etc.

4.4.0 Investment Plan:

4.4.1 The total investment for the project is estimated at USD 2,867,897.00 The investment cost is summarized as shown below in USD:-

SN	Project Components	Local Cost	Foreign Cost	Total Cost
1	Land & Buildings	300,000	50,000	350,000
2	Plant & Machinery	50,000	241,000	291,000
3	Motor Vehicles	125,000	295,000	420,000
4	Tools & Equipment	300,000	850,000	1,150,000
5	Office Facilities	50,000	200,000	250,000
6	Furniture & Fittings	20,000	50,000	70,000
7	Pre-Operational Expenses	100,000	0	100,000
8	Initial Working Capital	236,897	0	236,897
	TOTAL PROJECT COST	1,181,897	1,686,000	2,867,897

4.5.0 Financing Plan:-

4.5.1 The proposed investment will be financed as shown below in USD:-

SN	Source of funds:-	Local cost	Foreign cost	Total cost
1	Owner's Equity	1,181,897	1,686,000	2,867,897
2	Loan	0	0	0
	TOTAL PROJECT FINANCING	1,181,897	1,686,000	2,867,897

4.6.0 Cost of production and Operating:-

4.6.1 The variable and fixed to operate this project, is detailed below up to third year in USD:-

SN	Details:-	Years	1	2	3
1	Production Costs		250,000	300,000	350,000
2	Labour		150,000	180,000	210,000
3	Other variable costs				
4	Fixed costs		320,000	490,000	660,000
	TOTAL OPERATING COSTS		975,000	1,279,000	1,582,000

4.7.0 Sales and Revenue Projections in USD:-

4.7.1 The Sales Revenue extracted from table VI(b) is summarized as shown below for the period up to the third year:-

SN	Details /Products Years	1	2	3
1	Oxygen in 6.7cm ³	501,677	573,354	645,021
2	Oxygen in 7.5cm ³	498,904	570,176	641,448
3	Nitrogen in 6.7cm ³	235,075	268,650	302,250
4	Nitrogen in 7.5cm ³	236,040	269,760	303,480
5	Acetylene in 3.5cm ³	768,816	878,659	988,474
6	Acetylene in 6.3cm ³	261,440	298,798	336,122
7	Acetylene in 8.5cm ³	82,256	93,995	105,733
	GROSS REVENUES	2,584,208	2,953,392	3,322,528

4.8.0 Projected Income and Expenditure Statement:-

4.8.1 The income and expenditure statements for the next five years under review are given on table IX. This statement is derived from revenue and operating expenses. The projections yield profit from the first year of operations. The accumulated undistributed net profit after tax amount to USD 4,900,412 at 5th year

4.9.0 Projected Cash Flow Statements:-

4.9.1 The detail of sources and application of fund or cash flow are presented in table X of this report. The net cash flow is positive right from the first year of operations. This shows that the project needs no intermediate financing after initial outlay.

4.10.0 Projected Balance Sheet:-

4.10.1 The Balance sheet for the next five years are presented on table XI. The projection(s) indicates strong capital structure. The net worth increases from USD 3,782,348 first year to USD 7,768,309 at 5th year.

4.11.0 The Internal Rate of Return and other indicators:

4.11.1 The financial analyses have shown that the project under reference is financially and economical viable. The key financial indicators are presented below:-

Profitability:-

Based on the discounted cash flow after tax the average rate of return on investment (ROI) of the project stands at 27.9%. The project is generally profitable. The 27.9% implies that the annual earnings capacity of a dollar invested is 27.9% after tax. This IRR is higher slightly than that rate of return currently on schedule in Tanzania environment, which has been taken as 12% (Proxy).

Profit:

Net profit before tax is assumed to be undistributed and no withholding taxes has been considered.

Value Added Tax:

The Value Added Tax (VAT) is neither calculated nor included on assumptions that the project will enjoy incentives.

Investment Incentives:

The project will be registered at Tanzania Investment Centre; (TIC) therefore will be entitled for the investment incentives and benefits in terms of:

- (i) Customs and duty relief
- (ii) Tax holiday- corporation tax, if any
- (iii) The aforementioned depreciation rates

Opportunity cost of capital:

The Central Bank of Tanzania (BOT) discount rate 12% per annum is taken as a proxy of the nominal opportunity cost of capital or the required rate of return. In using this cost of capital rate, the net cash flow are adjusted with the anticipated inflation rate of 7% per annum. The inflationary adjusted and discounted cash flow are presented on table XII to this report.

Break - Even point:

The break even point analysis calculated, indicates that at the assumed full capacity commercial application the break - even revenue will be USD 1,292,104 p.a. which is 50% of the annual earnings. This implies that the project is able to sustain its operating costs and can meet any maturing obligations in the case, even at 50% capacity utilization.

Payback period:

The payback period calculated from the cash flow presented in this report translate into gross rate of return on capital outlay of around 27.9%. This rate is reflective of the fact that at the moment manufacturing industry are pertinent in a gross rate of return between 12% and 21% which is good.

Net Present Value:

The NPV is calculated on the basis of the cash flow as presented in table XII. The discounted NPV is at the nominal rate to opportunity cost of 12% and the cash flow adjusted by the annual at 7% underlying inflation rate. The positive NPV, which is indicative of the unrealized creation of project under discussion. In other words, the monetary benefits associated with this project, outweigh the cost there of. This is good investment and return.

5.0.0 COMMERCIAL AND MARKETING ASPECT:-

5.1.0 The products;

5.1.1. The project will produce domestic and industrial gases typically:-

- Oxygen
- Nitrogen
- Acetylene

5.2.0 Market:-

5.2.1 The Market for the gases produced by the project will be for the general public of Tanzania and export to neighboring states. The following market outlets and category will be used to determine market shares:-

- Health Centers
- Manufacturing Industries
- Workshops
- Domestic
- Military Camps
- Schools and Colleges
- Export to neighbouring states

5.3.0 Products and Packages:-

5.3.1 The produced gases will be packed in cylinders of different sizes. For analysis purpose, we have used the following sized cylinders:-

- Oxygen gas in 6.7 cm³ cylinders
- Oxygen gas in 7.5 cm³ cylinders
- Nitrogen gas in 6.7 cm³ cylinders
- Nitrogen gas in 7.5 cm³ cylinders
- Acetylene gas in 3.5 cm³ cylinders
- Acetylene gas in 6.3cm³ cylinders
- Acetylene gas in 8.5 cm³ cylinders

5.4.0 Volume and Capacity:-

5.4.1 The following are the factory Capacity to produce selected gases in cubic meters:-

Sn	Details:	Years	1	2	3	4	5
1	Oxygen		634,200	724,800	815,400	815,400	815,400
2	Nitrogen		126,000	144,000	162,000	162,000	162,000
3	Acetylene		159,600	182,400	205,200	205,200	205,200

5.5.0 Price and Pricing:-

5.5.1 During appraisal, we have used the following market and suggested prices for the project:-

SN	Products	Package/Size	Selling Price In Usd
1	Oxygen	6.7 cm ³ cylinders	10.6
2	Oxygen	7.5 cm ³ cylinders	11.8
3	Nitrogen	6.7 cm ³ cylinders	25.0
4	Nitrogen	7.5 cm ³ cylinders	28.1
5	Acetylene	3.5 cm ³ cylinders	28.1
6	Acetylene	6.3cm ³ cylinders	34.4
7	Acetylene	8.5 cm ³ cylinders	43.8

5.6.0 Marketing Strategy and distribution:-

5.6.1 The company will distribute the products using its trucks in the whole Tanzania and neighboring states. The established marketing department will have organized team such a way, its main duty will be to market the produced gases accordingly. Export arrangement at 30% of the total volume produced will be for neighboring states.

5.7.0 Competition:-

5.7.1 With the recent trade liberalization in the country (URT), some companies have installed plants and started to produce gases. Their production and capacities varies and limited to local market only. The products that will be produced by the project will be for local and export market. Therefore, the issue of competitions is relative as to the project and its marketing strategies.

6.0.0 ORGANISATION AND MANAGEMENT ASPECTS:-

6.1.0 Organization set - up:-

6.1.1 The organization of the company will consist of the following people and department:

- Board of Directors
- Managing director
- Finance and Administration
- Planning and Research Department
- Accountant/ Finance Controller
- Marketing Manager
- Factory / Plant Engineer
- Environmental and Safety Manager
- Technical and Mechanical Manager
- Public Security and Safety
- Community Development Officer

6.2.0 Project Establishment and Implementation:-

6.2.1 The management to establish manufacturing industrial is being co- ordinate by the lead promoters of the company

6.3.0 Project Implementation Schedule:-

6.3.1 The proposed project will be implemented as shown below:-

Sn	Activities	Years	-	2014	2015	2016	2017	2018
1	Company Formation							
2	Funds Mobilization							
3	Project Study							
4	TIC Registration/ Approval							
5	Site/Factory Construction							
6	Ordering Machinery							
7	Receiving Machinery							
8	Clearing & Forwarding to Site							
9	Installation of Machinery							
10	Testing and Commissions							
11	Commercial Production							
12	Progress & Reporting (T.I.C/TRA)							

6.4.0 Operation Management:-

6.4.1 Day to day operational management will be under Mr. Mehboob Sumar. In view of his limited time and experience to supervise production. The company will recruit a competent staffs to man the activity professionally. For this case, professional factory engineers and technicians will be recruited.

6.5.0 Details of the owners:-

6.5.1 The details of the owner of the company are:-

Full name : Shahnawaz Pyrali Sumar
Age : 46 years
Nationality : Kenyan
Education : Diploma in Business Management
Address : P. O. Box 19137, Dar es Salaam
Residential Address : Plot No. 1 Block 67, Mchikichi Street Dar es Salaam
Marital Status : Married with Four Children
Current Status : Director - **SALIMA OXYGEN LIMITED**
Business Experience : Over twenty years in manufacturing

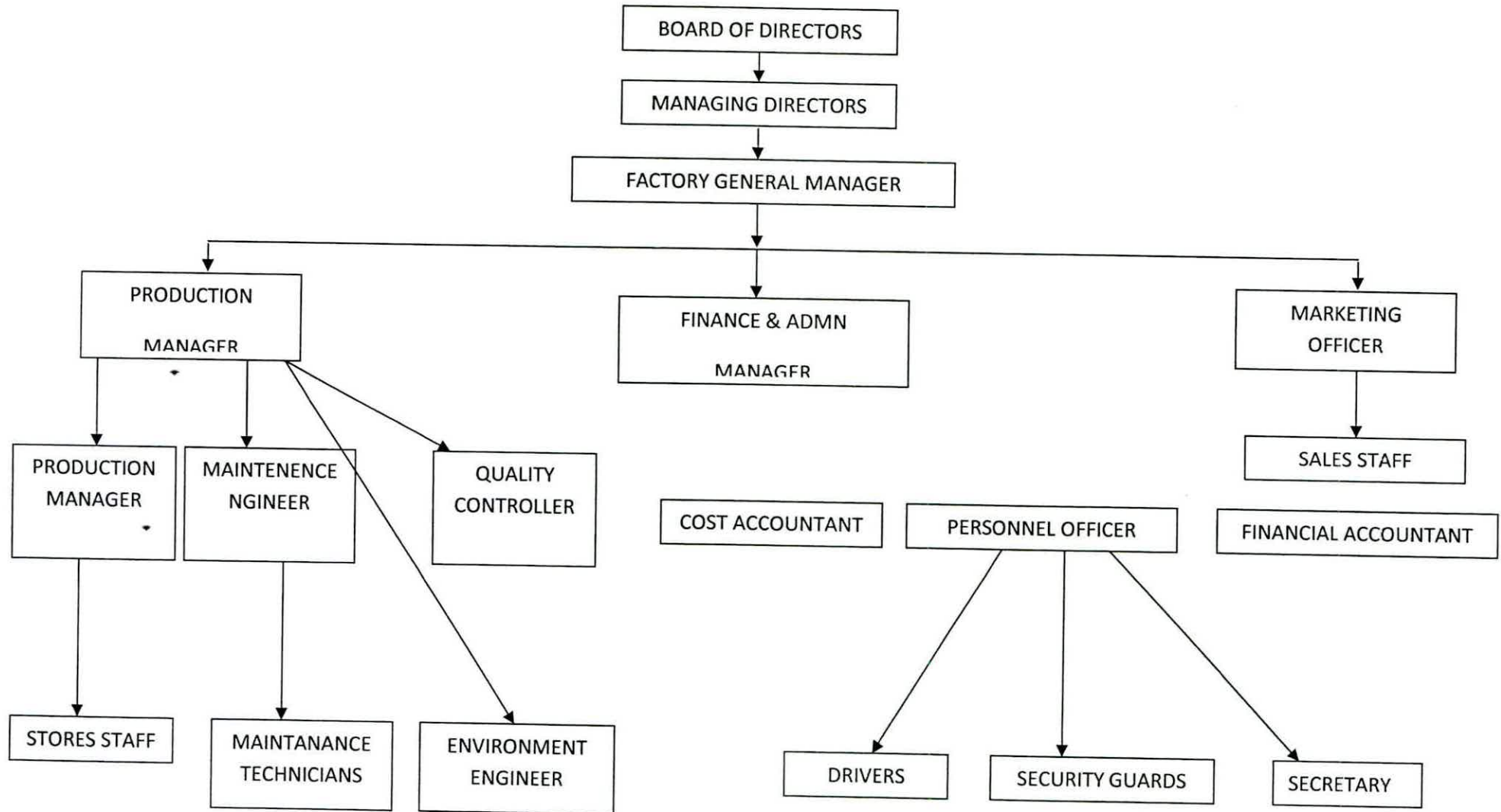
Full Name : Mehboob Pyarali Sumar
Age : 44years
Nationality : Kenyan
Education : Diploma in workshop Management
Address : P. O. Box 19137, Dar es Salaam
Residential Address : Plot No.1 Block 67, Mchikichi Street, Dar es Salaam
Current Status : Director- **SALIMA OXYGEN LIMITED**
Marital Status : Married with three children

6.6.0 Organization Chart and Structure:-

6.6.1 The Organization chart of the company will be fair and simple look as shown overleaf:-

SALIMA OXYGEN LIMITED

ORGANIZATION CHART



7.0.0 ECONOMIC AND SOCIAL ASPECTS:-

7.1.0 Project priority to the economy:-

7.1.1 The problem of inadequate supply of domestic and industrial gases may be alleviated by installation of the proposed project/plant.

7.2.0 Employment Effect:-

7.2.1 The proposed establishment will create employment for Tanzanians. The employment will stimulate income distribution among others. The same distribution will improve the standard of living of employee, their relatives and dependants.

7.3.0 Fiscal Effects:-

7.3.1 The project will be a source of government revenue in terms of taxes and levies

7.4.0 Linkage Effect:-

7.4.1 The project will have high forward linkages with all socio - economical activities throughout project will provide an important link to all manufacturing industry.

7.5.0 Capital Formation:-

7.5.1 The undertaking of this project will also contribute to the national capital

8.0.0 ENVIRONMENTAL ASPECTS:-

8.1.0 Environment Consideration:-

8.1.1 Environment conservation and management in Tanzania is duty of all people in the country. Carefulness measures on environmental issues will be the company's priority at the project site. National environmental Management Council (NEMC) has been communicated for consultation. This will be maintained during and beyond the project life. Also the project will be registered at NEMC for supervision.

9.0.0 CONCLUSION AND RECOMMENDATIONS:-

9.1.0 Conclusion:

9.1.1 The financial and economical evaluation of the proposed investment has revealed that:-

- (i). The project is economically viable
- (ii). The project is technically attractive
- (iii). The project is socially accepted

9.2.0 Recommendations:-

9.2.1 It is highly recommended that the office (T.I.C) assist the investor on the necessary steps required to enable the project take - off for the benefit of Tanzanians.

By: Prime Consult Network, P. O. Box 20132, Dar Es Salaam

Cellular: 0713 - 258110, 0784 - 258110, 0754 - 258110

December, 2013

SALIMA OXYGEN LIMITED

P. O. BOX 19137, DAR ES SALAAM.

ESTIMATED CAPITAL COST/EXPENDITURES: IN USD:- TABLE I(a)

SN	CAPITAL ITEMS REQUIRED	LOCAL COST	FOREIGN COST	TOTAL COST
1.	LAND AND BUILDINGS:-			
	(a) Land and development - Civil works			
	(b) Factory			
	(c) Stores			
	(d) Administration			
	Sub - Total	350,000	50,000	350,000
2.	PLANT & MACHINERY:-			
	(a) Complete units of gas plant			
	(b) Plant Accessories & sets of fillings:- Auto fittings			
	• Suction Filter			
	• Air Compressors			
	• After Cooler			
	• Moisture Separator			
	• Cascade Cooler			
	• Chilling Unit			
	• Activated Carbon Filter			
	• Ceramic Filter			
	• Molecular Sieve Battery			
	• Air Separation Unit			
	• Expansion Engine			
	• Liquid Oxygen Pump			

ESTIMATED CAPITAL COST/EXPENDITURES: IN USD:- TABLE I(b)

SN	CAPITAL ITEMS REQUIRED CONTINUED:-	LOCAL COST	FOREIGN COST	TOTAL COST
•	Nitrogen Filling Manifold			
•	Gases/ Air lines			
•	Water Lines			
•	Water Pumps			
•	Cooling Towers			
•	Water softener Plant			
•	Electrical panels			
•	Cylinder Testing Stations			
•	Recommended Spares for			
•	Dual Sensors for oxygen analyzer			
•	Others - Assorted			
	Sub - Total	50,000	241,000	291,000
3.	MOTOR VEHICLES:-			
(a)	7- Trucks for gases distribution			
(b)	4 - Pick up for staffs and maintenances			
(c)	3 - Cars for administration			
(d)	2 - mini - buses for staffs /workers			
	Sub - Total	125,000	295,000	420,000
4.	TOOLS & EQUIPMENT:-			
(a)	3 - Generators			
(b)	7,000Pcs Oxygen Cylinder			
(c)	5,000Pcs Acetylene			
(d)	4,000Pcs Nitrogen Cylinder			
(e)	Others			
	Sub - Total	300,000	850,000	1,150,000

ESTIMATED CAPITAL COST/EXPENDITURES: IN USD TABLE I(C)

SN	CAPITAL ITEMS REQUIRED CONTINUED:-	LOCAL COST	FOREIGN COST	TOTAL COST
5	OFFICE FACILITIES :-			
(a)	5- Computers with printers (Desk top)			
(b)	5- Laptops computers			
(c)	5- Radio HF Base/ Handsets			
(d)	10 - Air Conditioners			
(e)	15 - CCTV Camera/TV for security			
(f)	10 - Telecoms cables & facilities			
(g)	20 - Network Cables			
	Sub - Total	50,000	200,000	250,000
6.	FURNITURE & FITTINGS:-			
(a)	Tables with chairs - office			
(b)	Meeting room furniture			
(c)	General Fittings			
	Sub - Total	20,000	50,000	70,000
7.	PRE - OPERATIONAL EXPENES:-			
(a)	Company Establishment			
(b)	Project Study Research & Appraisal			
(c)	T. I. C Project Registration			
(d)	Project Implementing costs			
(e)	Other expenses and follow - ups			
(f)	Financial Commitment cm total investment			
	Sub total pre - operational Expenses	100,000	0	100,000
	TOTAL CAPITAL COST/ EXPENDITURE	945,000	1,686,000	2,631,000

INVESTMENT COST SUMMARY: IN USD TABLE II

SN	Project Components	Local Cost	Foreign Cost	Total Cost
1.	Land & Buildings	300,000	50,000	350,000
2.	Plant & Machinery	50,000	241,000	291,000
3.	Motor Vehicles	150,000	295,000	420,000
4.	Tools & Equipment	300,000	850,000	1,150,000
5.	Office Facilities	50,000	200,000	250,000
6.	Furniture & Fittings	20,000	50,000	70,000
7.	Pre - Operational Expenses	100,000	0	100,000
8.	Initial Working Capital	236,897	0	236,897
	TOTAL PROJECT COST	1,181,897	1,686,000	2,867,897

INVESTMENT PLAN:- IN USD TABLE III

SN	Assets Invested	Local Cost	Foreign Cost	Total Cost
1	Current Assets	236,897	0	236,897
2	Fixed Assets	945,000	1,686,000	2,631,000
	TOTAL ASSETS INVESTMENT	1,181,897	1,686,000	2,867,897

FINANCING PLAN: IN USD TABLE IV

SN	Source of Funds:	Local Cost	Foreign Cost	Total Cost
1	Owner's Equity Funds	1,181,897	1,686,000	2,867,897
2	Loan	0	0	0
	TOTAL PROJECT FINANCING	1,181,897	1,686,000	2,867,897

PROJECTED CAPITAL INVENTORY REPLACEMENT AND DEVELOPMENT SCHEDULE: IN USD TABLE V

SN	DETAILS	YEARS	BOOK VALUE	DEPR. RATE	1	2	3	4	5	TOTAL
A.	CAPITAL COST:-									
1.	Land & Buildings		350,000	0	0	0	0	0	0	0
2.	Plant & Machinery		291,000	0	0	0	0	0	0	0
3.	Motor Vehicles		420,000	0	0	0	0	0	420,000	420,000
4.	Tools & Equipment		1,150,000	0	0	0	0	0	0	0
5.	Office Facilities		250,000	0	0	0	0	0	0	0
6.	Furniture & Fittings		70,000	0	0	0	0	0	0	0
7.	Pre - Operational Expenses		100,000	0	0	0	0	0	0	0
	TOTAL CAPITAL COST		2,631,000	0	0	0	0	0	420,000	420,000
B.	DEPRECIATION:-									
1.	Land & Buildings		350,000	0	0	0	0	0	0	0
2.	Plants & Machinery		291,000	10.0% S.L	29,100	29,100	29,100	29,100	29,100	145,500
3.	Motor Vehicles		420,000	25.0% S.L	105,000	105,000	105,000	105,000	105,000	525,000
4.	Tools & Equipment		1,150,000	10.0% S.L	115,000	115,000	115,000	115,000	115,000	575,000
5.	Office Facilities		250,000	10.0% S.L	25,000	25,000	25,000	25,000	25,000	125,000
6.	Furniture & Fittings		70,000	12.5% S.L	8,750	7,656	6,699	5,862	5,129	34,096
7.	Pre - Operational Expenses		100,000	20.0% S.L	20,000	20,000	20,000	20,000	20,000	100,000
	TOTAL DEPRECIATION		2,631,000	-	305,850	301,756	300,799	299,962	299,229	1,504,596

PROJECTED PRODUCTION SCHEDULE AND FINANCING ASSUMPTIONS; IN USD TABLE VI (a)

SN	Production Assumptions:- Years	1	2	3	4	5	TOTAL
1.	Selected type of Gases:-						
(a)	Oxygen						
(b)	Nitrogen						
(c)	Acetylene						
2.	Number of Working Days /Years	300	300	300	300	300	-
3.	Plant Installed Capacities:-						
(a)	Oxygen in cubic meters per day	3,000	3,020	3,020	3,020	3,020	-
(b)	Nitrogen in cubic meters per day	600	600	600	600	600	-
(c)	Acetylene in cubic meters per day	760	760	760	760	760	-
	Assumed Capacity Utilization %	70	80	80	90	90	-
4.	Total Gases Produced In cm³ Per Year						
(a)	Oxygen in cubic meters	634,200	724,800	815,400	815,400	815,400	-
(b)	Nitrogen in cubic meters	126,000	144,000	162,000	162,000	162,000	-
(c)	Acetylene in cubic meters	159,600	182,400	205,200	205,200	205,200	-
5.	Packing Methods:-						
(a)	Oxygen:-						-
(i)	50% in 6.7 cm ³ = Cylinders	47,328	54,090	60,851	60,851	60,851	-
(ii)	50% in 7.5 cm ³ = Cylinders	42,280	48,320	54,360	54,360	54,360	-
(b)	Nitrogen:-						-
(i)	50% in 6.7 cm ³ = Cylinders	9,403	10,746	12,090	12,090	12,090	-
(ii)	50% in 7.5 cm ³ = Cylinders	8,400	9,600	10,800	10,800	10,800	-
(c)	Acetylene:-						-
(i)	60% in 3.5 cm ³ = Cylinders	27,360	31,269	35,177	35,177	35,177	-
(ii)	30% in 6.3 cm ³ = Cylinders	7,600	8,686	9,771	9,771	9,771	-
(iii)	10% in 8.5 cm ³ = Cylinders	1,878	2,146	2,414	2,414	2,414	-

PROJECTED PRODUCTION SCHEDULE AND FINANCING ASSUMPTIONS; IN USD TABLE VI (b)

SN	Assumptions Continued	Years	1	2	3	4	5	TOTAL
6.	Selling prices and outlays :-							
(a)	Oxygen in 6.7cm ³ = USD		10.6	10.6	10.6	10.6	10.6	-
(b)	Oxygen in 7.5cm ³ = USD		11.8	11.8	11.8	11.8	11.8	-
(c)	Nitrogen in 6.7cm ³ = USD		25.0	25.0	25.0	25.0	25.0	-
(d)	Nitrogen in 7.5cm ³ = USD		28.1	28.1	28.1	28.1	28.1	-
(e)	Acetylene in 3.5cm ³ = USD		28.1	28.1	28.1	28.1	28.1	-
(f)	Acetylene in 6.3cm ³ = USD		34.4	34.4	34.4	34.4	34.4	-
(g)	Acetylene in 8.5cm ³ = USD		43.8	43.8	43.8	43.8	43.8	-
7.	Sales Revenues:							
(a)	Oxygen in 6.7cm ³ = USD		501,677	573,354	645,021	645,021	645,021	-
(b)	Oxygen in 7.5 cm ³ = USD		498,904	570,176	641,448	641,448	641,448	-
(c)	Nitrogen in 6.7 cm ³ =USD		235,075	268,650	302,250	302,250	302,250	-
(d)	Nitrogen in 7.5 cm ³ = USD		236,040	269,760	303,480	303,480	303,480	-
(e)	Acetylene in 3.5 cm ³ = USD		768,816	878,659	988,474	988,474	988,474	-
(f)	Acetylene in 6.3 cm ³ = USD		261,440	298,798	336,122	336,122	336,122	-
(g)	Acetylene in 8.5 cm ³ = USD		82,256	93,995	105,733	105,733	105,733	-
	GROSS SALES REVENUES		2,584,208	2,953,392	3,322,528	3,322,528	3,322,528	-

PROJECTED VARIABLE AND FIXED COSTS: IN USD TABLE VII

S/N	Details:- Years	1	2	3	4	5	TOTAL
A	VARIABLE COSTS:-						
1.	Production costs	250,000	300,000	350,000	350,000	350,000	1,600,000
2.	General Laborers	150,000	180,000	210,000	210,000	210,000	960,000
3.	Factory Supplies	50,000	60,000	70,000	70,000	70,000	320,000
4.	Fuel and other utilities	15,000	20,000	25,000	25,000	25,000	110,000
5.	Printing & Stationeries	5,000	8,000	10,000	10,000	10,000	43,000
6.	Repair and Maintenances	60,000	70,000	80,000	80,000	80,000	370,000
7.	Social welfare & Securities	30,000	40,000	50,000	50,000	50,000	220,000
8.	Marketing, Research, Training	45,000	45,000	45,000	45,000	45,000	225,000
9.	Study tour, Seminars, Exhibitions	20,000	25,000	30,000	30,000	30,000	135,000
10.	Environmental conservations	15,000	20,000	25,000	25,000	25,000	110,000
11.	Postage, telecommunications	5,000	6,000	7,000	7,000	7,000	32,000
12.	Other expenses	10,000	15,000	20,000	20,000	20,000	85,000
	Sub-total	655,000	789,000	922,000	922,000	922,000	4,210,000
B	FIXED COSTS:-						
1.	Package for managers	150,000	200,000	250,000	250,000	250,000	1,100,000
2.	Administration overheads	50,000	60,000	70,000	70,000	70,000	320,000
3.	Financial & Accounting Expenses	5,000	10,000	15,000	15,000	15,000	60,000
4.	Directors Packages	100,000	200,000	300,000	300,000	300,000	1,200,000
5.	Other Expenses	15,000	20,000	25,000	25,000	25,000	110,000
	Sub-total	320,000	490,000	660,000	660,000	660,000	2,790,000
	TOTAL OPERATING EXPENSES	975,000	1,279,000	1,582,000	1,582,000	1,582,000	7,000,000

ESTIMATED WORKING CAPITAL REQUIREMENTS: IN TABLE VII

S/N	Details:	Years	1	2	3	4	5	TOTAL
A	CURRENT ASSETS ÷ Assumptions							
1.	Cash - 1 month of total operating		215,351	246,116	276,877	276,877	276,877	1,292,098
2.	Stocks - 1 week of production costs		5,208	6,250	7,292	7,292	7,292	33,334
3.	Debtors - 1 week sale value/Revenue		53,838	61,529	69,219	69,219	69,219	323,024
	TOTAL CURRENT ASSETS		274,397	313,895	353,388	353,388	353,388	1,648,456
B.	CURRENT LIABILITIES÷							
1.	Creditors for÷							
(a)	Salaries & Wages - 1 month bill		12,500	15,000	17,000	17,000	17,000	80,000
(b)	Production costs - 1month bill		20,833	25,000	29,167	29,167	29,167	133,334
(c)	Others -Admin overhead - 1 month		4,167	5,000	5,833	5,833	5,833	26,666
	TOTAL CURRENT LIABILITIES		37,500	45,000	52,000	52,000	52,000	240,000
	Net Current Assets (Liabilities)		236,897	268,895	300,888	300,888	300,888	1,408,456
	Increase (decrease) in Working capital		236,897	31,998	31,993	0	0	300,888

PROJECTED PROFIT AND LOSS ACCOUNTS: IN USD TABLE IX

S/N	Details	Years	1	2	3	4	5	TOTAL
1.	Sales Revenues		2,584,208	2,953,392	3,322,528	3,322,528	3,322,528	15,505,184
2.	Less: Variable cost		655,000	789,000	922,000	922,000	922,000	4,210,000
3.	Contribution Margin		1,929,208	2,164,392	2,400,528	2,400,528	2,400,528	11,290,000
4.	Less: Fixed cost		320,000	490,000	660,000	660,000	660,000	2,790,000
5.	Gross Operating Surplus		1,609,208	1,674,392	1,740,528	1,740,528	1,740,528	8,505,184
6.	Less: Financial & Capital charges:-							
(a)	Interest on term loan		0	0	0	0	0	0
(b)	Interest on overdraft		0	0	0	0	0	0
(c)	Depreciation		302,850	301,756	300,799	299,962	299,229	1,504,596
	Sub - total		302,850	301,756	300,799	299,962	299,299	1,504,596
7.	Net Profit (Loss) Before Tax		1,306,358	1,372,636	1,439,729	1,440,566	1,441,299	7,000,588
8.	Less: Taxation		3991,907	411,791	431,919	432,169	432,390	2,100,176
9.	Net Profit (Loss) After Tax		914,451	960,845	1,007,810	1,008,397	1,008,909	4,900,412
10.	Accumulated profit (Loss)		914,451	1,875,296	2,883,106	3,891,503	4,900,412	-
11.	Contribution Rate	%	74.7	73.3	72.3	72.3	72.3	-
12.	Gross Margins	%	62.3	56.7	52.4	52.4	52.4	-
13.	Net Margins	%	35.4	32.5	30.3	30.4	30.4	-

PROJECTED CASHFLOW STATEMENTS: IN USD TABLE X

S/N	Details:	Years	1	2	3	4	5	TOTAL
A	INFLOWS±							
1.	Gross Revenues		2,584,208	2,953,392	3,322,528	3,322,528	3,322,528	15,505,184
2.	Owners Equity contribution		2,867,897	0	0	0	0	2,867,897
3.	Term Loan		0	0	0	0	0	0
4.	Economic Depreciation		302,850	301,756	300,799	299,962	299,229	1,504,596
	TOTAL INFLOWS		5,754,955	3,255,148	3,623,327	3,622,490	3,621,757	17,009,780
B.	OUTFLOWS							
1.	Investments		2,867,897	0	0	0	0	0
2.	Re- investments		0	0	0	0	420,000	420,000
3.	Increase (decrease) in working capital		236,897	31,998	31,993	0	0	300,888
4.	Variable costs		655,000	789,000	922,000	922,000	922,000	4,210,000
5.	Fixed costs		320,000	490,000	660,000	660,000	660,000	2,790,000
6.	Interest on term loan		0	0	0	0	0	0
7.	Repayment on loan		0	0	0	0	0	0
8.	Taxation		391,907	411,791	431,919	432,169	432,390	2,100,176
	TOTAL OUTFLOWS		4,4771,701	1,722,678	2,045,912	2,014,169	2,434,390	9,821,064
	Net Cash flows		1,283,254	1,532,359	1,577,415	1,608,321	1,187,367	7,188,716
	Accumulated cash flows		1,283,254	2,815,613	4,393,128	6,001,349	7,188,716	-

PROJECTED BALANCE SHEETS: IN USD TABLE XI

S/N	Details:	Years	1	2	3	4	5
A	ASSETS INVESTMENT						
1.	Fixed Assets at cost		2,631,000	2,328,150	2,026,394	1,725,595	1,8845,633
2.	Less: Depreciation		302,850	301,756	300,799	299,962	299,229
3.	Net Fixed Assets		2,328,150	2,026,394	1,725,595	1,425,633	1,546,404
B.	CURRENT ASSETS:						
1.	Cash and Balances		1,283,254	2,815,613	4,393,028	6,001,349	7,188,716
2.	Stocks		546,513	296,448	47,580	(252,132)	(551,140)
3.	Debtors		553,838	61,529	69,219	69,219	69,219
	TOTAL CURRENT ASSETS		1,883,605	3,173,590	4,509,827	5,818,436	6,706,795
C.	CURRENT LIABILITIES:-						
1.	Creditors		37,500	45,000	52,000	52,000	52,000
2.	Overdraft		0	0	0	0	0
3.	Taxation		391,907	411,791	484,419	484,669	484,890
	TOTAL CURRENT LIABILITIES		429,407	4566,791	484,419	669	484,890
	Net Current Assets (Liabilities)		1,454,198	2,761,799	4,025,408	5,333,767	6,221,905
D.	LONG-TERM LIABILITIES:-						
1.	Term Loan		0	0	0	0	0
E.	TOTAL NET ASSETS		3,782,348	4,743,193	5,751,003	6,759,400	7,768,309
F.	FINANCED By:-						
1.	Owners' Equity		2,867,897	2,867,897	2,867,897	2,867,897	2,867,897
2.	Accumulated profit (Loss)		914,451	1,875,296	2,883,106	3,891,503	4,900,412
	TOTAL EQUITY AND FINANCE		3,782,348	4,743,193	5,751,003	6,759,400	7,768,309

PROJECTED INTERNAL RATE OF RETURN - IRR - CALCULATIONS (DCF): IN USD TABLE XII

S/N	Details :	Years	0	1	2	3	4	5	TOTAL
A. INFLOWS:-									
1.	Net profit (Loss) After Tax		0	914,451	960,845	1,007,810	1,008,397	1,008,909	4,900,412
2.	Salvage Value		0	0	0	0	0	1,546,404	1,546,404
3.	Recovery of Working capital		0	0	0	0	0	1,036,030	1,036,030
	TOTAL NFLOWS		0	914,451	960,845	1,007,810	1,008,397	3,591,343	7,482,846
B. OUTFLOWS:-									
1.	Investment		2,867,897	0	0	0	0	0	0
2.	Re - investments		0	0	0	0	0	4420,000	420,000
3.	Increase (decrease) in working capital		0	236,897	31,998	31,993	0	0	300,888
	TOTAL OUTFLOWS		2,867,897	236,897	31,998	31,993	0	420,000	720,888
	Net Cash flows		(2,867,897)	677,554	9928,847	975,817	1,008,397	3,171,343	6,761,958
	DF at 8%		1.0	0.781	0.610	0.477	0.373	0.291	1.0
	DCF =		2,860,225	529,170	566,597	465,465	376,132	922,861	2,860,225
	DF at 24%		1.0	0.806	0.650	0.524	0.423	0.341	1.0
	DCF =		3,169,168	546,109	603,751	511,328	426,552	1,081,428	3,169,168
	IRR = 27.9%								

$$\text{NPV at 28\% DF} = 2,880,255 + (2,867,897) = (7,672)$$

$$\text{NPV at 24\% DF} = 3,169,168 + (2,867,897) = 301,271$$

THE COMPANIES ORDINANCE
(CAP. 212)

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

SALIMA OXYGEN LIMITED

Incorporated this day of 2002

DRAWN BY:

MR. MEHBOOB PYRALI SUMAR
(SUBSCRIBER)
P. O. BOX 77822
DAR ES SALAAM - TANZANIA

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incorporation

No.

SALIMA OXYGEN 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
..... Two Thousand and Two



Asst. Registrar of Companies

TANZANIA

Stamp Duty Shs. 288/-

PAID ON ORIGINAL

Receipt No. 1248784 of 12/11/14

Butamb
Stamp Duty Officer

THE COMPANIES ORDINANCE (CAP. 212)
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
SALIMA OXYGEN LIMITED

TANZANIA

Stamp Duty Shs. 288/- Paid

Receipt No. 1248784 of 12/11/14

Butamb
Asst. Registrar of Companies

1. The name of the company is SALIMA OXYGEN LIMITED
2. The registered office of the Company will be situated in the United Republic of Tanzania Mainland
3. The objects for which the company is established are:-
 - (a) To carry on the business of manufacturing of oxygen, nitrogen, medical, gases and acetylene and all gases in industrial goods, petroleum and petroleum products, oil and oil products, agents for operator of air, sea, land or inland water way carriage undertakings, road transport owners and hires, promoter and managers of clubs and societies, foreign correspondents and advertising agents and generally to facilitate traveling and to provide for tourists and travelers, commission agents or promote the provision of facilities of every description and in particular by means of the booking of travel tickets and accommodation, provide guides, inquiry bureau, baggage transport and operating as tourist agents, secretarial services, photocopying, computer and computer graphics and telephone services and all general merchandise.
 - (b) To carry on business of industrial manufacturing goods of all kinds, building contractors, building materials, roads maintenance, construction of any kind of buildings, consultation, in connection with its or his insurance or underwriting business and to make arrangements for all classes of insurance including group, life and pension fund schemes, and to enter into any agreements for any of the purpose aforesaid with any such company or individual deal in insurance brokers, and agents and underwriting agents in all classes of insurance, consultancy advisers and managers in relation to insurance, life and pension schemes.
 - (c) To carry on the business of insurance agency, insurance brokers, and underwriting agents in all classes of insurance, transport of goods and passengers travel agents, agents, tourist agents and contractors, cable and telegraphic companies agents, bank agents, insurance, clearing, forwarding, and general agents, agents for operator of air, sea, land or inland water way carriage undertakings, road transport owners and hires, promoter and managers of clubs and societies (traveling, social educational or otherwise) periodicals and newspaper sellers, foreign correspondents and advertising agents and generally to facilitate traveling and to provide for tourists and travelers, commission agents or promote the provision of facilities of every description and in particular by means of the booking of travel tickets and accommodation, provide guides, inquiry bureau, baggage transport and operating as tourist agents, secretarial services, photocopying, computer and computer graphics and telephone services and all general merchandise.
 - (e) To carry on business as safari contractors, organizers and operators, computer and computer programming, computer services and to equip, organize and arrange hunting, photographic, cinematic, exploration and cinematographic expeditions and generally to organize and provide facilities for tourist safari adventures of every kind including but not limited to game, farming, fishing, river canoeing, kayaking, and other safaris and expeditions of every description, photographers, suppliers and caterers for hunting, fishing photographic, sight seeing and other expeditions whatsoever.

- (e) To carry on all or any of the business of manufacturers or dealers in and workers in cement, lime, plasters, whiting, sandstone, minerals, earths, fuels, artificial stones, bricks, tiles, pottery, earthenware, hardwares, and builders, requisites and conveniences of all kinds and as quarry owners, building, general contracts of all kinds and quarry owners building, and carriers, importers and exporters, wholesalers, retailers, factors, manufacturers, agents and representatives, commission agents, franchise holders, auctioneers, broilers and to buy, sell, hire, barter, pledge, exchange trade, and deal in goods, produce, articles and merchandise of all and every description.
- (f) To promote or concur in the promotion of any Company, the promotion of which shall be considered desirable, to lend money to and guarantee the performance of contracts, obligations of and the payment and repayment of the capital and principal of, and dividends, interest or premiums payable on any stock, shares and securities of any Company, firm, or person, whether having objects similar to those of this Company or not, and to give all kinds of indemnities.
- (g) To sell, lease, grant licenses, easements and other rights over and in any other manner deal with or dispose of the undertaking, property, assets, rights and effects of the Company or any part there of for such consideration as may thought fit and, in particular, for stock, shares or securities of any other company, whether fully or partly paid up.
- (h) To acquire any such shares, stocks, debentures, debenture stock, bonds, obligations or securities by original subscription, tender, purchase, exchange or otherwise, and to subscribe for the same, either conditionally or other and to guarantee the subscription thereof, and to exercise and enforce all rights and powers conferred by, of incidental to, the ownership thereof.
- (i) To issue debentures, debenture stock, bonds, obligations and securities of all kinds and to frame, constitute and secure the same, as may seem expedient, with full power to make the same transferable by delivery or by instrument of transfer or otherwise, and to charge or secure the same by trust deed or otherwise on the undertaking of the company or upon any specific property and rights, present and future, of the company (including, if thought fit, uncalled capital) or otherwise howsoever.
- (j) To carry on business of proprietors and / or hirers of trucks, Lorries, cars, minibuses, buses, self or chauffeur driven for transportation of passengers and goods within Tanzania and / or in the neighbouring countries, carry on the business of manufacturers of species, yellow gram, grain and seed merchants and millers of all types of food products.
- (k) To cultivate, grow, buy, prepare any kind of fruit such as pineapple, orange, lime, lemon, grapefruit, passion fruit, guava and all types of fruits and vegetables and to dispose of, sell and deal in any such products either in its raw form or its processed form.

- (l) To plant, grow, import, manufacture, sell and deal in fruits and / or vegetables in the form of juices, concentrates, and natural extracts nectars, pulps, piece / and or slices, jams, marmalades, pickles, chutney, oil, animal and poultry feeds.
- (m) To manufacture, buy, sell, improve, treat, preserve, fine aerate, mineralize, bottle, can and otherwise deal in mineral, aerated waters, juice and other liquids of every description.
- (n) To purchase, take on lease or in exchange of, or otherwise acquire lands and properties of any tenure whatsoever, and to carry on all or any of the trades of planters, gardeners, fruit farming, agriculturists and / or any trade or business in connection with agriculture or horticulture.
- (o) To drill, and shafts, and to make, build and construct, lay down, acquire and maintain factories, engines, machinery, tramways, docks, plant and appliances and to execute and to do all other works and things necessary or convenient for working, obtaining, storing, treating, preserving, fining, mineralizing, bottling, canning and discharging any such fruit products or otherwise for the purpose of the company.
- (p) To carry on the business of veterinary surgeons in all its branches for the treatment of animals, cattle, sheep, goats, poultry and all livestock generally to attend all animal patients, dispense any medicines, perform operations and to do all other acts and things necessary for the carrying of the business of the veterinary dispensary and general pharmacy and to carry on business of wholesale and retail fertilizers, agricultural chemist, inputs and plant medicines of all kinds and dealers in surgical instrument appliances and to make and deal in all requisites of veterinary hospitals, patients and invalid is and deal in all kinds and of electrical, medical, chemical, surgical, scientific apparatus and agricultural materials.
- (q) To carry on the business or trade and deal in the export of all wild like birds, live animals, live game and generally and kind of pets for sale and export, within the countries and to improve, prepare for export, import, deal and trade in carvings, handcrafts, paintings, curios, game, skin, pottery, leather and coconut by-products, beeswax, meat ghee, cooking oils, charcoal, corn flour, cloves, cheese and commodities from by-products of milk.
- (r) To carry on and deal in the business of pharmaceuticals, medical preparations, clinical laboratories, food suppliers, chemicals, animal feeds, manufacturing, making and assembling of machines equipment, plants, vessels, devices of all description using modern technology appropriate and applicable to veterinary and agricultural industries.

- (s) To engage in, conduct in and between any and all the regions and districts in Tanzania, neighboring countries and other foreign countries, as agent or otherwise, the business of general trucking, forwarding cartage, storage, warehousing, consolidation, distributing, wharf age, contracting loading, unloading and business and to conduct as general brokerage commission and customs house, brokerage service business and to handle and forward for transportation by air, highway, water and rail, road between cities, towns, villages and other places in various parts of the world person, bills notes, packages, merchandise, luggage, goods, wares, parcels, and other movable and personal property over and on such lines and routes as may from time to time exist and generally to act as agents for land and estate, brokers, charters, auctioneers, clearing and forwarding agents, insurance agents and agency in all its respective branches.
- (t) To carry on all or any of the business of stationers, printers, lithographers, stereotypes, electrotypes, engraves, photographic printers, photolithographers, typesetting machine operators, die sinkers, envelope makers, book binders, account book manufacturers, machine, rulers, numerical printers, paper makers, paper baffles and account book makers, box makers, flat and box file makers, cardboard manufacturers, type founders, photographers, manufacturers of and dealers in playing visiting, railways, festival invitation, business complimentary and fancy cards and valentine, dealers in parchment stamp agents of payments of stamps and other duties, advertising agents, designers, draftsmen manufacture, book sellers, publishers and dealers in materials used in the manufacturer of paper, cabinet makers, file rack maker and dealers in or manufacturers of any other articles of things of character similar of analogous to the foregoing or any of them or connected therewith and to deal in the manufacture of all sell by wholesale or retail of school chalks, and secretarial services.
- (u) To carry on the business of customers robe, dress and mantle makers, tailors, silk makers and suppliers of clothing, lingerie and trimmings of every kind, corset makers, furriers, general drapers, haberdashers, milliners, hosiery, furnitures, gloves, lace makers and dealers, feather dressers and merchants, hatters, boot and shoe makers, dealers in fabrics and materials of all kinds, ribbons, fans, perfume and flower (artificial and natural).
- (v) To carry on business of manufacturing, marketing, dealing in or otherwise handling trousers, pullovers, jerseys, sweaters, children's wear, ladies wear including ladies brassieres, blouses and panties, gents wear, including vests, briefs, swimming trunks, shirts, pants, uniforms, piece goods tie and dye and like other garments, raw materials, accessories and fittings for these products; import and export of second hand clothing and goods.

- (s) To engage in, conduct in and between any and all the regions and districts in Tanzania, neighboring countries and other foreign countries, as agent or otherwise, the business of general trucking, forwarding cartage, storage, warehousing, consolidation, distributing, wharf age, contracting loading, unloading and business and to conduct as general brokerage commission and customs house, brokerage service business and to handle and forward for transportation by air, highway, water and rail, road between cities, towns, villages and other places in various parts of the world person, bills notes, packages, merchandise, luggage, goods, wares, parcels, and other movable and personal property over and on such lines and routes as may from time to time exist and generally to act as agents for land and estate, brokers, charters, auctioneers, clearing and forwarding agents, insurance agents and agency in all its respective branches.
- (t) To carry on all or any of the business of stationers, printers, lithographers, stereotypes, electrotypes, engraves, photographic printers, photolithographers, typesetting machine operators, die sinkers, envelope makers, book binders, account book manufacturers, machine, rulers, numerical printers, paper makers, paper baffles and account book makers, box makers, flat and box file makers, cardboard manufacturers, type foundry, photographers, manufacturers of and dealers in playing visiting, railways, festival invitation, business complimentary and fancy cards and valentine, dealers in parchment stamp agents of payments of stamps and other duties, advertising agents, designers, draftsmen manufacture, book sellers, publishers and dealers in materials used in the manufacturer of paper, cabinet makers, file rack maker and dealers in or manufacturers of any other articles of things of character similar of analogous to the foregoing or any of them or connected therewith and to deal in the manufacture of all sell by wholesale or retail of school chalks, and secretarial services.
- (u) To carry on the business of customers robe, dress and mantle makers, tailors, silk makers and suppliers of clothing, lingerie and trimmings of every kind, corset makers, furriers, general drapers, haberdashers, milliners, hosiery, furnitures, gloves, lace makers and dealers, feather dressers and merchants, hatters, boot and shoe makers, dealers in fabrics and materials of all kinds, ribbons, fans, perfume and flower (artificial and natural).
- (v) To carry on business of manufacturing, marketing, dealing in or otherwise handling trousers, pullovers, jerseys, sweaters, children's wear, ladies wear including ladies brassieres, blouses and panties, gents wear, including vests, briefs, swimming trunks, shirts, pants, uniforms, piece goods tie and dye and like other garments, raw materials, accessories and fittings for these products: import and export of second hand clothing and goods.

- (w) To purchase or otherwise acquire the whole or any part of the undertaking and business of manufacturing and marketing, dealing or otherwise handling fishnets, fishing gears, spare parts, fishing equipments and all other items concerned with fishing.
- (x) To carry on the business of importers, exporters, manufacturers and dealers in stores and warehouse of pharmaceuticals and all or any other commodities and things which may be conveniently used or manufactured in connection with any of the above or similar business of manufacturers or which shall be capable or being used for the purpose of any business herein mentioned or likely to be required by customer, or any business.
- (y) To carry on the business as bakers and manufacturers of and dealers in bread, flour, biscuits, confectionery, juice, squash, packing and farinaceous compounds and materials of every description and to construct, acquire, hire, hold, work, let and sell, mills, factories, bakehouses, shops, buildings, machinery and appliances suitable for such baking manufacturing and dealing.
- (z) To carry on the business of manufacturing, making and producing starch and its derivatives, including glucose, dextrin, dextrose, isomers and both modified and unmodified starch.
- (aa) To establish and carry on the business of manufacturing, making and producing of every description of starch products and other derivatives and ancillary starch products and without limiting the generality of the foregoing to engage in the production, manufacturing, selling of the aforesaid products including glucose, dextrin, dextrose, isomers, modified and unmodified starch.
- (bb) To establish and carry on the business of manufacturing, making and producing all types of industrial starch, animal feed from flour, malt, hops, grains, meal, yeast, cassava, maize, rice, corn, gar.
- (cc) To purchase, own or otherwise acquire lands, real property, easements, rights and other property, real or personal for the purpose and conducive to the objects Compete including farming, cultivation of cassava, maize, potato, cereal crops and other agricultural crops which are suitable for the manufacture and production of starch and other derivatives aforementioned.
- (dd) To construct steamships, ships, trawlers, catchers, carriers, drifters, fishing boats, boat or other vessels whatsoever, slaughter houses, cold storage premises, warehouses, sheds and other building requisite useful for the business of the Company.


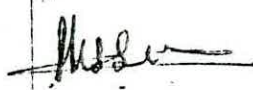

- (ee) To carry on business of hairdressing, haircutting, trimming, styling, setting hair dyeing, treatment, shampoo, massaging of scalp, beauty treatment, relaxing, facial, manicure, pedicure, waxing, acne, treatment and all sort of beauty soap, creams, lotion, all types of cosmetics, hair lotion, essential oils, denitrifies, bleaching preparations and other substances for laundry use, clearing, polishing, scouring and abrasive preparations.
- (fi) To carry on business of petrol service station and deal in petrol, diesel, oil, kerosene, mineral oil, crude oil, lubrication oil, grease and / or fuel oil of all kinds and all other kind of mineral and petroleum products as an importers, dealer or distributors and servicing and repairing of vehicles of all types generally.
- (gg) To carry on the business of motor vehicle garage and repairing and servicing of all types of vehicles and machineries and the business as dealers, wholesalers, retailers, distributor, agents, importers and exporters of hardware motor vehicles bicycles and its spares, agriculture and industrial machineries and spares, electrical machinery, accessories and spares of all kinds.
- (hh) To render veterinary services and educate or inform of advice or consult on all aspect of veterinary and agricultural sciences.
- (ii) To acquire, take-over, promote, establish and carry on all or any of the business of seed crushers and manufacturers and processors of soya beans, in seeds, cottonseeds, groundnuts, simsim, sunflowers and any other seeds and cakes, oil extractors by crushing, chemicals or any other process from the aforementioned plants or other natural and oil substances and to prepare, manufacture, mill and render marketable any such oil and to sell, dispose of and deal in any such oil within its prepared manufacture or raw state.
- (jj) To carry on the business of meal manufacturers, grain, seed, cake, corn, hay-straw and fodder merchants, varnish and paint makers, candle and stern makers and manufacturers of land and margarine, hydrogenated oils, glycerin and inks of all kinds.
- (kk) To carry on the business of manufacturers and distributors of cattle, poultry feed and feeding and fattening preparation of every description, makers and manufacturers of artificial manure and fertilizers of every description, manufacturers of soaps of all kinds and be wholesalers and retail dealers thereof, flax, cotton oil, cake, corn, merchants and any branch or subsidiary business commonly carried in connection therewith and to carry on the business as agents, consultants or representatives of overseas or as agents, consultants or representatives of overseas or local manufacturers, industrialists or other like organization in any type of goods, products or commodities.

- (ll) To transact any and every description of agency, commission, commercial, industrial, manufacturing, mercantile and financial business, and to carry in the business of clearing and forwarding agents, shipping agents, commission agents, customs agents, provisional merchants, stockiest, importers, omnibuses and coach proprietors and carries, boat owners, ship owners, amusement carriers and job masters.
- (mm) To carry on the business of imports of motor vehicles, spare parts, electrical goods of various kinds, machinery, computer calculators, metals, refrigerators, air-conditioners, cookers, textiles, building materials, industrial joinery spares, agricultural machinery, etc.
- (nn) To acquire and undertake the whole or any part of the business, property and liabilities of any person, firm or company carrying in any business which the company is authorized to carry on, or possess property suitable for the purpose of the company.
- (oo) To invest and deal with moneys of the Company not immediately required upon each securities and in such manner as may from time to time be determined.
- (pp) To purchase, lease, or otherwise acquire, and to hold, sell, improve, develop, exchange, mortgage or otherwise dispose of any lands, buildings, machinery or plants, mills, factories, warehouses or any hereditaments.
- (qq) To adopt means of making known the products of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works, art or interest, by publication of books and periodicals, and by granting prizes, rewards and donations.
- (rr) To enter into arrangements with any Government or authorities (supreme, municipal, local or otherwise) or any corporation, companies objects or any of them, and to obtain from any such government, Authority, Corporation, Company or person, any charters, contracts, decrees, rights privileges and concessions.
- (ss) To enter into (partnership or into) any arrangements for sharing profits, union or interests, co-operation, joint venture, reciprocal, concession, or otherwise with any persons, firm or Company carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorized to carry on, or engage in or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company. And to lend money to, guarantee the contracts of, or otherwise assist, and to sell, hold, reissue with or without guarantee, or otherwise deal with the same.

- (tt) To promote any other Company for the purpose of all or any of the property, and undertaking, or any of business or operation which may appear likely to assist or benefit this Company, or to enhance the value of the property or business of this Company, and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares of securities of each Company as aforesaid.
- (uu) To lend and advance money or give credit to such persons, firm or companies and on such terms as may seem expedient, and in particular to customers and others having dealings with Company, and to give guarantee to become surely for any persons, firms or companies for the due payment of money for the performance of any obligations or liabilities.
- (vv) To receive money of deposit or loan and borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debentures, or debenture stock (perpetual or otherwise) and to secure the repayment of money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the company (both present and future) including its uncalled capital and also by a similar mortgage charge or lien to secure and guarantee the performance by the company or any other person or company as the case may be.
- (ww) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (xx) To establish and support or aid in the establishment and support of association, institutions, funds, trusts, and clubs calculated to benefit the employees or ex-employees of the company which is subsidiary company of the company or is allied thereto or associated therewith, or dependents or connections of such persons and to grant or provide pensions and allowances, to make or enter into arrangements for the provisions of policies of life assurance pensions or other benefits to or for any Directors or employees of the company, or any such predecessor or such company as aforesaid, or the relations, connections or dependents of any such persons, to pay or contribute towards the payment of premiums in respect of any such policies, pensions or benefits, to establish or support funds, trusts and scheme (including funds, trusts, and scheme providing for payment towards insurance) which may be considered calculated to promote such persons or benefit.
- (yy) To sell or otherwise dispose of the whole or any part of the business or property of the company either together or in portions, for such consideration as the company thinks fit, and in particular for shares, debentures, or securities of any company purchasing the same.

- (zz) To purchase or otherwise acquire letters, patents, brevets, d'invention, concessions, licenses, rights and privileges subject to royalty or otherwise, and whether exclusive or on-exclusive or limited, or any part interest in such letters, patents, brevets, brevets d'invention, concessions, licenses, right and privileges, whether in East Africa or in any other part of the World.
- (aaa) To take all necessary and proper steps with the authorities, national, local, \ municipal, or otherwise, of any place in which the company may have interests, and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the company of effecting any modification in constitution of the company or furthering the interests of its members and to oppose any steps taken by any other company or persons which may be considered likely, directly or indirectly, to prejudice the interest of the company or its members.
- (bbb) To take part in formation, management, supervision to control the business or operations of any company, and for that purpose to act as Directors, Administrators, Managers, Secretaries or any other capacity and to appoint and remunerate any directors, administrators, managers, accountants or other expense or agents.
- (ccc) To carry on the business of email, fax, telephone, beauty contest, promotion of music, advertisements, consultations, printing, stationery, modeling, training, secretarial bureau, video & film activities, entertainment and all products of any type of computers and all products of any description, communication services, telecommunication, audio visual films, to be news collectors, editors, disseminators, photographers, printers, operators of auto-film studio Television and Radio Broadcasting, photographers, computers, computers programmes, telecommunication equipment supplies and maintenance, insurance and financial business and manufacturers representatives, consultancy services and all general merchandise.
- (ddd) To purchase, sell, subscribe for, underwrite, or otherwise acquire and hold shares, stocks or other interest in, or obligations of any other company or corporation.
- (eee) To distribute among the members of the company, in kind any property of the company, and in particular and shares or securities of other companies belonging to this company.
- (fff) To act as agents, or brokers and as trustèes for any person or company and to undertake and perform sub-contracts and to do all or any of the above business in any part of the world, and either as principals, agents, trustees, contractors or otherwise, and either alone or jointly with others and either by or through agents, sub-contractors, trustees or otherwise.
- (ggg) To do all such things as are incidental or conclusive to the attainment of the above objects or any of them.
- (hhh) To carry on the business as developers of immovable property of all kinds, and whether urban or rural and construct, erect and maintain either by the company or by any other person, firm or company building structures, houses, flats, shops, hotel, factories, godowns, sewers, roads and all other works erections and things of any descriptions whatsoever either upon land acquired by the company or upon other land and generally to alter develop and improve land and other property.

- (iii) To carry on business of electrical and electronics goods, audio visual goods, all types of foodstuff, agricultural products, domestic goods wares, chemicals, household goods, imitation jewelry and merchandise of every nature and description whatsoever as a dealer, wholesaler, distributors, retailers, importers, exporters and after sales services and repair.
- (jjj) To carry on the business of timber or wooden and steel furniture, carpentry joinery and steel fabrication. Joineries, manufacturers, importers, dealers, wholesalers, retailers and or representative for the above goods.
- (kkk) To carry on business of all types of agricultural, dairy and industrial equipment, machinery, implements, raw materials, spare parts for industrial, transport agriculture and minerals sector as an importer, exporter, distributors, wholesaler and retailer and also farming business.
- (lll) To carry on any other business whether manufacturing or otherwise which may seem to the company capable of being conveniently carried on in connection with any of the above business or objects or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights for the time being.
- (mmm) To construct, establish, open acquire, maintain and carry on factories, warehouses, shops, shop premises any similar establishments of all kinds, and in particular but without prejudice to the generality of the foregoing, retail shops, for the sale and / or dealt in by the company, or of provisions, beverages, clothing and other articles or products whatever which may be required by any employee of the company or of any subsidiary and dwelling houses or other accommodation for employees of the company or of any subsidiary.
- (nnn) To purchase, lease, licence, take in exchange or otherwise acquire, and lands, buildings, hereditaments, or premises whether freehold or leasehold, or any estates or interests in such lands, buildings, hereditaments or premises, anywhere in the world or options and licences of any descriptions which the company may think useful of any of its objects or purchases, and to develop, work dispose of or otherwise turn to account the same.
- (ooo) Generally to purchase, take on lease in exchange hire or otherwise acquire any movable or immovable property and any rights or privileges which the company may think necessary or convenient for the purpose of its business and in particular any land leases, options over lands or leases, stands, buildings, servitude, machinery, plant and also any concessions, licences trade marks, and other rights in Africa or elsewhere and either solely or jointly with others and to pay thereof in cash or in shares of the company or partly in cash and partly in stock.

NAMES, POSTAL ADDRESS AND DESCRIPTION OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER	SIGNATURE OF SUBSCRIBERS
1. SHAHNAWAZ PYRALI SUMAR P. O. BOX 77822 DAR ES SALAAM - TANZANIA	310	
2. MEHBOOB PYRALI SUMAR P. O. BOX 77822 DAR ES SALAAM - TANZANIA	310	Mehboob
3. HUSSEIN PYRALI SUMAR P. O. BOX 77822 DAR ES SALAAM - TANZANIA	310	
4. PYRALI YUSUF SUMAR P. O. BOX 77822 DAR ES SALAAM - TANZANIA	70	

Dated at DSM this 12th day of NOV 2002

WITNESS to the above Signatures:

NAME:

SIGNATURE: 

DESIDERI SEBASTIAN NGALO
POSTAL ADDRESS: ADVOCATE
Box 72349 DAR-ES-SALAAM



QUALIFICATIONS:

- (ppp) To establish and support, or aid in the establishment and support of associations, institutions, and conveniences, calculated to benefit any of the employee or ex-employees of the company, or the dependents or connections of such persons and to grant pensions and allowances and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects or for exhibition, or for any public, general or useful object.
- (qqq) To amalgamate with any other company having objects altogether or in any part similar to those of this country.
- (rrr) To distribute any of the property of the company among the members.
- (sss) To do all such other things as are incidental or conducive to the attainment of the objects.
- (ttt) To establish, promote and otherwise assist any company or the purpose or acquiring any of the property or furthering any of the objects of company.

And it is hereby declared that the word "Company" in this clause, except where used in reference to this Company, shall be deemed to include any partnership or other body of person, whether incorporated or not incorporated, and whether domiciled in Tanzania or elsewhere, and that the mention is that each of the objects set forth in any sub-clause of this clause shall not, except when the context expressly so requires, be in any wise limited or restricted by reference to or inference from the terms of any other sub-clause or by the name of the Company. None of such sub-clauses or the objects herein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in the first sub-clause, but the Company shall have full powers to exercise all or any of the powers conferred by any part of this clause and notwithstanding that the business, undertaking, property or acts proposed to be transacted, acquired, dealt with are performed do not fall within the objects of the first sub-clauses of this clause.

4. The liability of the members is limited.
5. The authorized share capital of the Company is Shilling 100,000,000/= divided into 1000 shares of Shillings 100,000 = each. The Company have the power to alter the capital value of shares and create classes to shares attach special rights to shares from time to time as it may deem fit.

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.

TANZANIA

Stamp Duty Sbs. 500/-

PAID ON ORIGINAL

Receipt No. 124224 of 12/4/14

Stamp Duty Officer

THE COMPANIES ORDINANCE (CAP. 212)

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

SALIMA OXYGEN LIMITED

PRELIMINARY

TANZANIA

Stamp Duty Sbs. 250/- Paid

Receipt No. 124224 of 12/4/14

Asst: Registrar of Companies

1. 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 in that provision as modified by any law of the time being in force.

Unless the context otherwise requires, the expressions 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 meaning so defined.

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

The regulation of Table 'A' in the First Schedule to the Companies Ordinance (hereinafter 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 the substitution for or the 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 hereinafter prescribed.
 - (b) The number of members of the Company (exclusive of persons who are in the employment of the Company and of the persons who having been formerly in the employment of the Company were 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 holding one or more shares in the company jointly they shall for the purpose of this regulation be treated as single member.

GENERAL MEETING

NOTICE OF GENERAL MEETING AND PROCEEDING AT GENERAL MEETING

5. Articles 39 to 53 of 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 personal or by proxy shall form a quorum.
 - (c) Any ordinary resolution of the Company determined without any general meeting and evidence by writing under the hands of majority of the Directors and of the members of the Company holding three-fourths of the issued shares of the Company shall be valid and effectual as an ordinary resolution duly passed at a general meeting of the Company.

DIRECTORS

6. (a) Until otherwise determined by the Company in general meeting the Directors shall not be less than two and not more than ten in number.
- (b) The following persons shall be the first Directors to the Company:-
1. SHAHNAWAZ PYARALI SUMAR
 2. MEHBOOB PYARALI SUMAR
 3. HUSSEIN PYARALI SUMAR
 4. PYARALI YUSUF SUMAR
7. The shareholding qualifications for Directors may be fixed by the Company in general meeting and unless and until so fixed no qualification shall be required.
8. The quorum of Directors, for transacting business shall unless otherwise fixed, by Directors, be two.
9. A resolution in writing signed by all the Directors then in Tanzania shall be 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 raise moneys for the purpose of the Company, which may exceed the issued share capital of the Company

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ALTERATIONS OR ADDITIONS

16. Subject to the provision of the Ordinance and to those contained in the Memorandum of Association, the Company may by special Resolution make alterations or additions to the Articles of Association and any such alterations or addition as made shall as valid and effectual as if originally contained in these Articles and be subject in like manner to alteration by Special Resolution.

ARBITRATION



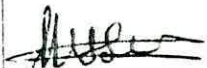

17. If and whenever any dispute or difference shall arise between the Company and any of the members of their respective representative touching upon the construction or meaning of any of the Articles herein contained or any act matter or thing made or done or omitted to be done or with regard to the rights or liabilities arising there under or arising out of the relation existing between the parties by reason of these Articles or the Ordinance such differences shall (unless a sole arbitrator be agreed upon) forthwith be referred to the arbitration of three (3) arbitrators, one to be appointed by each party and the third to be appointed by the first two or, in the event of failure to agree within thirty (30) days the procedure laid down in the Arbitration Ordinance (Cap. 15) or any then existing statutory modifications or re-enactments thereof shall apply.

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4. PYARALI YUSUF SUMAR P. O. BOX 77822 DAR ES SALAAM - TANZANIA	70	

Dated at Dsm this 12th day of NOV. 2002

WITNESS to the above Signatures:

NAME:

SIGNATURE: 

DESIDERI SEBASTIAN NGALO
ADVOCATE
POSTAL ADDRESS:
Box 72349 DAR-ES-SALAAM



QUALIFICATIONS: