



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

FILE BEGINS

ENDS

PART

FILE TITLE

FILE NUMBER

TICC

PART

FILE NUMBER

TICC

CONFIDENTIAL

042175

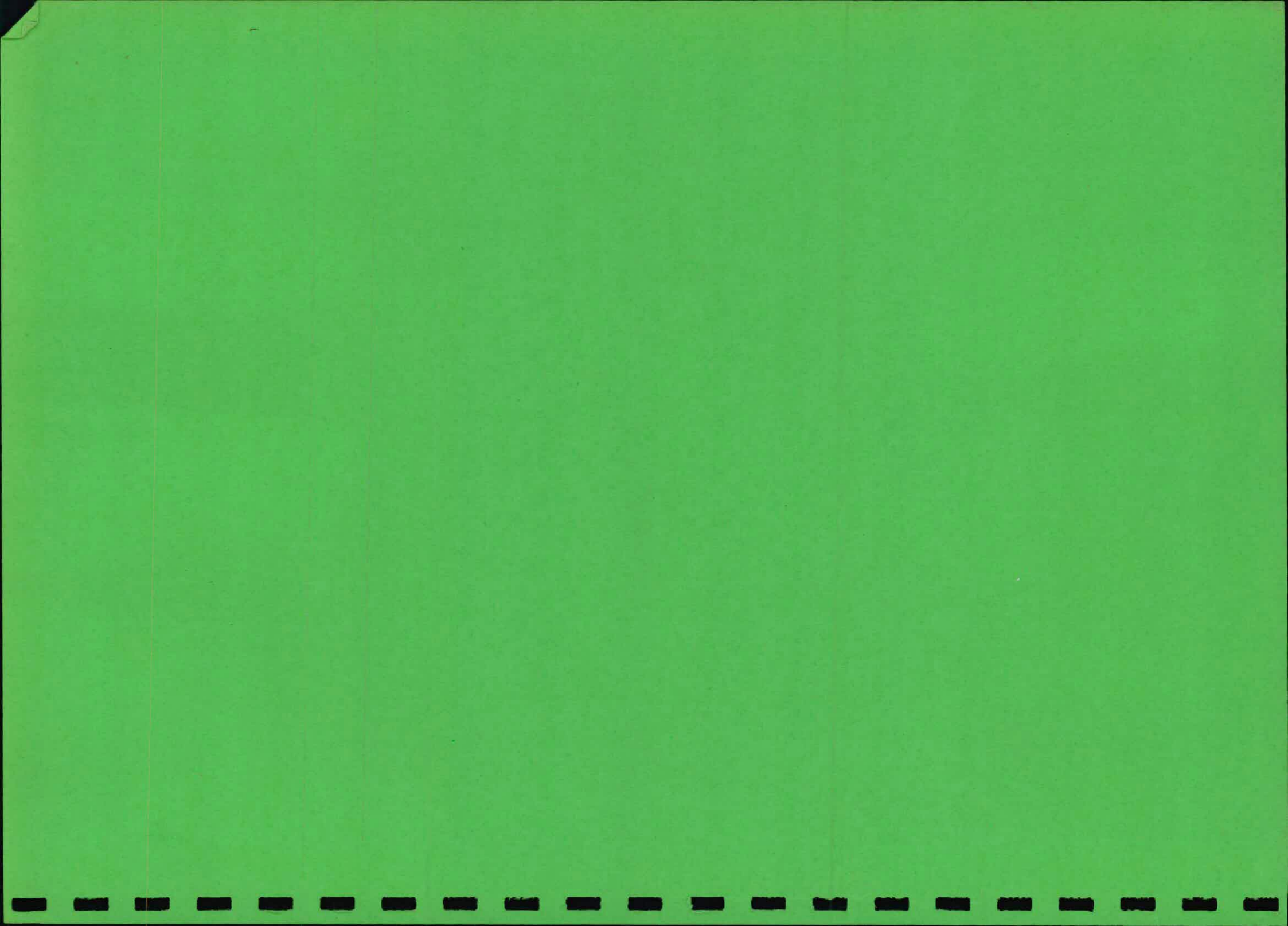
INDEX HEADINGS

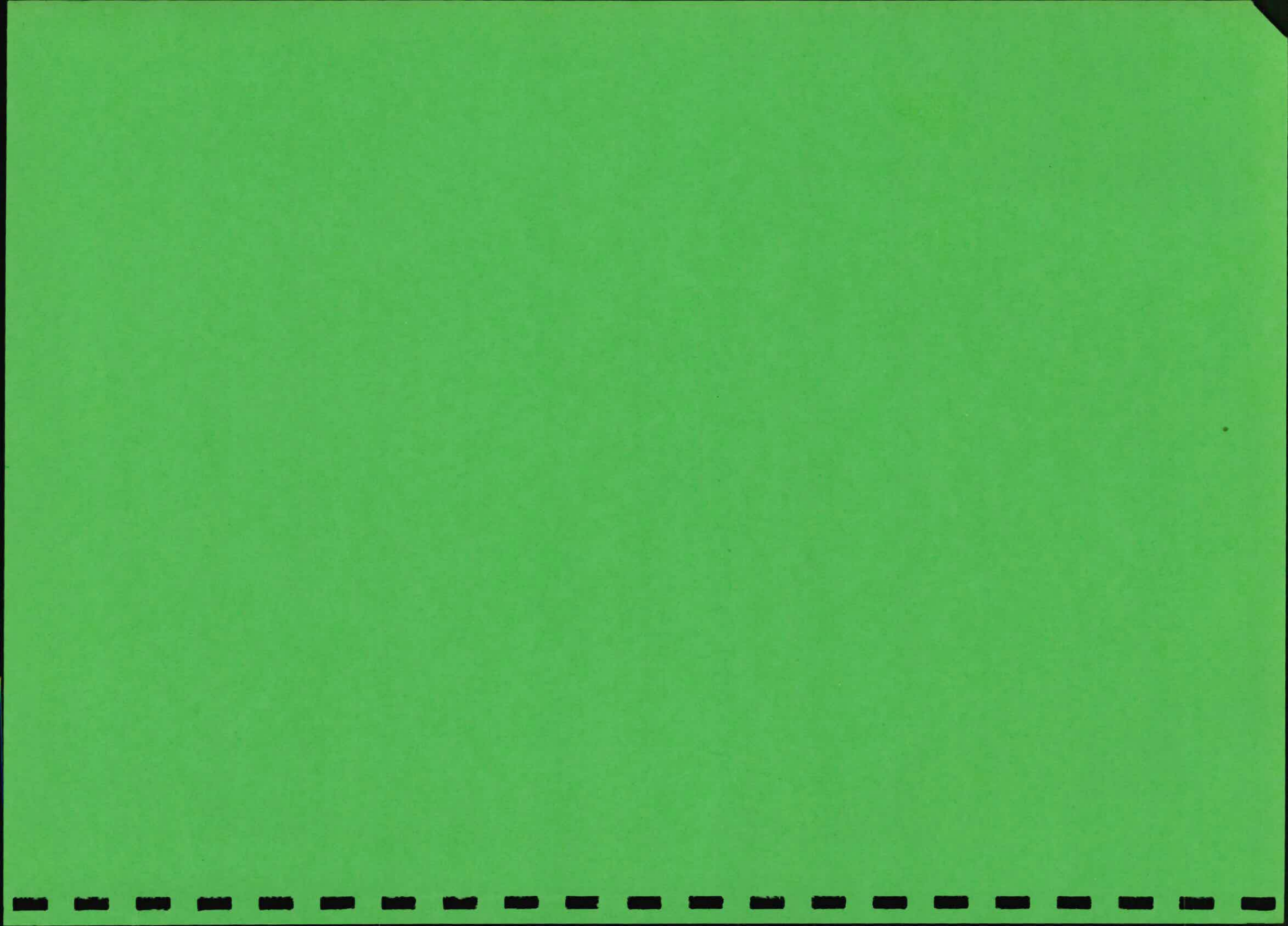
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AGEXD	M	⊙	20/2/12	⊙										

PP10/042175

PP10

A. BUSINESS CONSULTANTS





TANZANIA



Certificate of Incorporation

No. 46020

I HEREBY CERTIFY THAT

A. BUSINESS CONSULTANTS COMPANY

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 19th day of MAY,

Two Thousand and Three

mm

Asst Registrar of Companies

A.BUSINESS CONSULTANTS CO. LTD
PROJECTED PROFIT CASHFLOW

Appendix XII

USD '000

	0	1	2	3	4	5	6	7	8	9	10
CASH INFLOW											
Capital inflow											
Equity	1,135										
OPERATIONAL INFLOW											
Profit before Tax		6,150	6,659	7,483	7,487	7,491	7,496	7,499	7,502	7,503	7,505
Depreciation		563	557	553	549	545	540	537	534	533	531
Total Cash Inflow	1,135	6,713	7,216	8,036	8,036	8,036	8,036	8,036	8,036	8,036	8,036
CASH INFLOW											
Investment	1,135	-	-	-	-	-	-	-	-	-	-
Re-Investment	0	-	-	-	-	-	-	-	-	-	-
OUTFLOW											
Taxation	250	1,998	2,245	2,46	2,247	2,249	2,250	2,251	2,251	2,251	2,251
Increase in W/C	885	43	46								
Total Cash Outflow	1,135	1,330	2,041	2,291	2,240	2,247	2,249	2,250	2,251	2,251	2,251
Net Cash Outflow	0	5,353	5,175	5,745	5,790	5,789	5,787	5,786	5,785	5,785	5,785
Opening Balance	-	-	5,383	10,558	16,303	22,093	27,882	33,669	39,455	45,240	51,025
Closing Balance	-	5,383	10,558	16,303	22,093	27,882	33,669	39,455	45,240	51,025	56,810

A.BUSINESS CONSULTANTS CO. LTD
PROJECTED PROFIT AND LOSS ACCOUNTS

Appendix XI

USD 000

	1	2	3	4	5	6	7	8	9	10
Capacity Utilisation	80	90	100	110	120	130	140	150	160	170
Sales Revenue	7,784	8,716	9,685	9,685	9,685	9,685	9,685	9,685	9,685	9,685
Operating Expenses										
Overhead Expenses	887	1,352	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501
Salaries and Wages	1301	148	148	148	148	148	148	148	148	148
Total Operating Expenses	1,480	1,500	1,649	1,649	1,649	1,649	1,649	1,649	1,649	1,649
Total Operating Profit	5,174	7,216	8,036	8,036	8,036	8,036	8,036	8,036	8,036	8,036
Financial and Capital Charges										
Depreciation	563	537	553	549	545	540	537	534	533	531
Profit before Tax	4,162	6,659	7,483	7,487	7,491	7,496	7,499	7,502	7,503	7,505
Profit after Tax	2,913									
Capital Allowance	3,251	6,659	7,483	7,487	7,491	7,496	7,499	7,502	7,503	7,505
Taxation 30%	975	1,998	2,245	2,246	2,247	2,249	2,250	2,251	2,251	2,257
Profit after Tax	5,174	4,441	5,238	5,241	5,244	5,247	5,249	5,251	5,252	5,248
Profit Brought Forward	-	2,276	6,937	12,175	17,416	22,660	27,907	33,156	38,407	43,659
Total Revenue	5,174	6,937	12,175	17,416	22,660	27,907	33,156	38,407	43,659	48,907

A.BUSINESS CONSULTANTS CO. LTD
OVERHEAD EXPENSES

Appendix VIII

	Assumpt.	USD									
		1	2	3	4	5	6	7	8	9	10
Repairs and Maintenance		501,899	564,637	627,374	627,374	627,374	627,374	627,374	627,374	627,374	627,374
Fueil and Oil		257,418	289,594	321,772	321,772	321,772	321,772	321,772	321,772	321,772	321,772
Tyres and Tubes replacement		352,650	396,731	440,813	440,813	440,813	440,813	440,813	440,813	440,813	440,813
Administrative		68,863	77,471	86,079	86,079	86,079	86,079	86,079	86,079	86,079	86,079
Insurance		488,900	550,100	611,200	611,200	611,200	611,200	611,200	611,200	611,200	611,200
Direct Fees		19,058	19,058	19,058	19,058	19,058	19,058	19,058	19,058	19,058	19,058
TOTAL		1,688,789	1,897,593	2,106,299	2,106,300	2,106,301	2,106,302	2,106,303	2,106,304	2,106,305	2,106,306

Appendix VII

A.BUSINESS CONSULTANTS CO. LTD
SALARIES AND WAGES

	NOS.	Salary per month	Salary per annum USD
Executive1	1	500	6,000
Executive2	2	350	1,050
Accountants	3	150	1,500
Drivers	3	70	1,750
Mechanics	13	90	1,800
Office Attendants	2	65	260
Security Guard	3	65	650
Total Salaries	27		13,010

A.BUSINESS CONSULTANTS CO. LTD

WORKING CAPITAL

Appendix VI

US '000

YEAR	Assump.	1	2	3	4	5	6	7	8	9	10
Stock											
Woodworks	3 months	125	141	157	157	157	157	157	157	157	157
	essential										
	packs										
Tyres and Tubes	1 months	29	33	37	37	37	37	37	37	37	37
	requirement										
Utilities	2 months	8	8	8	8	8	8	8	8	8	8
Cash	1 months	12	12	12	12	12	12	12	12	12	12
		174	194	214	214	214	214	214	214	214	214
Debtors											
5% income		387	434	484	484	484	484	484	484	484	484
Creditors											
1 month overheads		32	36	40	40	40	40	40	40	40	40
Total Creditors		32	36	40	40	40	40	40	40	40	40
Net Working Capital		355	398	444	444	444	444	444	444	444	444
Charge in Working											
Capital		355	43	46							

A. BUSINESS CONSULTANTS CO. LTD
BREAK-DOWN OF VEHICLES TO BE PURCHASED

	UNITS	USD
¹ MOTOR VEHICLES		
Light Trucks	2	
4x4WD Station wagon	1	
4x4 Pickup	1	
TOTAL VEHICLES TO BE PURCHASED	4	50,000

A.BUSINESS CONSULTANTS CO. LTD
FINANCING PATTERN

USD

	FOREIGN	LOCAL	TOTAL
EQUITY		1,135,000	1,135,000
TOTAL	0	1,135,000	1,135,000

A.BUSINESS CONSULTANTS CO. LTD
DEPRECIATION SCHEDULE

	USD 000		1	2	3	4	5	6	7	8	9	10
Land and Building	100	4%	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Plant and Machinery	900	12.5%	11,750	10,281	8,924	7,881	6,896	6,034	5,237	4,625	4,047	3,541
Working capital	50											
Motor vehicle	50	25%	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Furniture & equipment	20	12.5%	31,250	27,343	23,926	20,935	18,318	16,028	14,025	12,272	10,738	9,395
Pre -Operational expenses	15	12.5%	11,750	10,281	8,924	7,881	6,896	6,034	5,237	4,625	4,047	3,541
Others	0	20%	1,000	1,000	1,000	1,000	1,000					
	1,135		267,750	260,905	254,774	249,697	245,110	240,096	236,499	233,522	230,832	228,477

A.BUSINESS CONSULTANTS CO. LTD
INVESTMENT COST

	FOREIGN	LOCAL	TOTAL
BUILDING AND BUILDINGS		100,000	100,000
PLANT AND MACHINERY		900,000	900,000
MOTOR VEHICLES		50,000	50,000
OTHERS			0
FURNITURE AND FITTING		20,000	20000
WORKING CAPITAL		50,000	50000
PRE-OPERATIONAL EXPENSES		15,000	15,000
TOTAL INVESTMENT COST			1,135,000

- ◆ The country will get a manufacturing unit, which will add to its scarce manufacturing base. As on date the country's manufacturing base is very low with contribution of 9% to the GDP and thereby making the economy pre-dominantly agriculture oriented.
- ◆ The project will bring in latest technology in the relevant field and will ensure training or development of skilled labour force in the country. The labour force will get on -job training and will thus make them more and more competent.
- ◆ All products envisaged to be manufactured are basically import substitute and will therefore save the scarce foreign currency for the country. Apart from that the country will save in terms of lowering of cost of manufacture and lower construction cost which will again lead to lower cost of other manufactured items.
- ◆ The project when implemented in full over a period of 24 months will ensure that there will be a direct flow of foreign currency in the country to the tune of US \$ 2,000,000/= which is considerable by any standard.
- ◆ It will generate employment to 500 locals at the expiry of 24 months. Further this direct employment generation will lead to creation of employment opportunities of nearly 10,000 individuals.
- ◆ It will provide cascading positive impact on the economic situation in Dar es Salaam region.

There are many other benefits direct and indirect of this project and therefore we conclude that this project is feasible technically as well as economically.

We also therefore recommend that this project be supported in totality, as it will be in favor of the nation on a whole.

This direct employment of more than 500 individuals will generate indirect employment for more than 10,000 individuals. In nutshell it can be concluded that this project will have a very positive impact on the level of employment in the country and will be welcome change.

◆ **Transfer of technology**

This project being a manufacturing project will usher in the country technology. Although the technology is simple the advantages to the country are quite significant. The country will get the advantage of value addition due to such incoming technology. Further the country can reduce its dependence on imports for the finished products manufactured by this project. Local employees will get on-the-job training from the experts (expatriate) employed and in long run will improve the technical competence of the local population.

◆ **Inflow of foreign exchange**

Majority of the output will be exported out of the country. This will have tow positive effects on the foreign exchange reserves of the country. IN the first place the imports of the output will be reduced which will enable the country to save on the outgo of foreign currency and secondly the output produced will be exported which will bring in the country foreign currency.

Thus this project will provide positive impact on the foreign currency reserves of the country.

◆ ***Contribution to the exchequer.***

This project will contribute substantially to the society in general and to the exchequer in particular. As has been observed the total turnover at 100% utilization will be in the range of US \$ 40 million. This will result into VAT outflow of substantial amounts. Besides the company will be contributing tremendously in terms of PAYE and NSSF. In addition the company will also be contributing in terms of corporate taxation from the year 2015 onwards.

◆ ***Positive cascading impact on the nation's economy.***

This project will have overall positive impact on the society. It will not only save the precious foreign currency reserves of the country by producing import substitute products, and by exporting the final product, but will also generate direct employment to more than 500 individuals and will provide means of livelihood to more than 10,000 individuals. The cascading positive impact on the society will be too great. This project will lead to creation of national wealth. Its contribution to the exchequer will also be quite significant in terms of NSSF, PAYE, VAT and direct taxation apart from skills and development levy.

13. Conclusion & Recommendation:-

The foregoing write-up indicates following benefits to the country, which in turn pleads for immediate acceptance of this project as a feasible project.

Operating profits will be ploughed in to the business. Once the operations are steadied from the year 2014, the annual contribution of operational profits shall be on the tune of US \$ 400,000/=

Depending on the surplus available, promoter's loan will be re-paid. As can be seen the company shall be in a position to commence repayment of promoters' loan by the year 2015.

As the operations will grow, the net working capital requirement will also grow. As can be seen the increase in net current assets will be from US \$ 90,000/= (year 2012) to US \$ 280,000/= (year 2014).

The company assumes to maintain a positive cash balance of US \$ 25,000/= to US \$ 50,000/=.

11.05 Projected Five Years Taxation Schedule:-

The company will enjoy tax incentives as per the governing laws of the country. It will have taxable profits only from the year 2008 and will then onwards contribute to the exchequer in excess of US \$ 150,000/= in the first year and then onwards in excess of US \$ 340,000/= The company may reduce its tax burden by investing or expanding its operations and in either case the country benefits.

12. Social & Development Benefits:-

- ◆ Impact on forests and vegetation and consequent impact on environment.

Generally it is presumed that a project for manufacture of furniture, plywood or timber will result into de-forestation. Whilst this is true to a very larger extent, it should be noted that this project plans to acquire more and more land even for planting of trees. The idea is to grow more trees than cut them. In other words this project will not necessary result in to de-forestation. Rather it is expected that reverse may happen in long run.

It should also be mentioned here that the species to be used will be of inferior quality. These species have never been used for manufacture of furniture or plywood. This is also an advantage of this project from the viewpoint of impact on forests and vegetation.

In other words the promoters of the project are fully conscious of the negative impact of cutting trees and have already provided for a mechanism whereby the same can be reversed.

- ◆ **Employment creation**

As has been observed earlier this project will provide direct employment opportunities to more than 200 locals inclusive of skilled, semi- skilled and un-skilled class. Few expatriates will also be employed as per the requirement of the project.

- i) Land will be available on lease in future as and when required.
- j) Import duty exemption and deferment of VAT will be available on import of plant and machinery.

11.02 Projected Five Years Profitability Statements

As can be seen from the enclosed projected profitability statement, the company will not earn profits in the first year where the operations are to run only for six months; however there will be cash- profits.

The company will attain a turnover of US \$ 0.62 million in first six months; will go up to US \$ 0240 millions in the next years and from third year of operation will remain steady at US \$ 1.580 millions.

The profits will start coming from the 2nd year of operations. From the year 4 and onwards the annual profits will be in the range of US \$ 1.0 million and above. The project enjoys a payback period of 5 years.

The company will be earning gross profit @ 6% and net profit of nearly 2.5%. For a very large project, like this a net profit of 2% is quite reasonable. Government will earn lot of revenues due to such high turnover.

Selling costs have been assumed at 2% of the sales and other overheads have been assumed not to cross US \$ 50,000 a month including manpower costs.

Depreciation has been provided as per the prevailing income tax rates. Further full depreciation has been provided on assets purchased during the year. Separate schedules are attached with this report for calculation of depreciation.

11.03: Projected Five Years Balance Sheet

The enclosed balance sheet shows a very sound position of the company. The current assets ration is in excess of 1.2 from the beginning and by the year 5 it reaches 2.

Inventory will be maintained only for a period of one week. The reason being the plant is going to be located in the close proximity of timber.

Since majority of sales will be done inside Tanzania, vide advance TT or L.C debtors are not expected to be on the higher side. However for demotic sales on month credit has been considered.

Creditors will be outstanding for a period of 15 days and suppliers of services will be paid at the expiry of one month.

11.04 Projected Five Years Funds Flow Statements:-

As can be seen from the appended projected funds flow statement the company will be financed by the promoter's own funds. In the initial year (2012) the investment will be of US \$ 1,135,000/=.

	VAT NSSF, etc., securing TIC certificate of incentive Industrial license etc.	
02	Site identification, purchasing the same, designing of plant layout and commencing of construction of factory shed.	Feb 2012
03	Order placement for various machineries, recruitment of key personnel.	March/April 2012
04	Installation of Machines	April/June 2012
05	Procurement of logs for initial trial runs also for future.	July/August 2012
06	Commencement of Trial Runs	Oct 2012
07	Commencement of commercial Operations.	Dec '12/Jan 2013

The project implementation schedule is shown in form of a table hereunder (PHASE II)

Sr. NO.	Activity	Completion Period
01	Site Mobilization & Factory Construction	Oct. 2013 & November 2013
02	Factory Shed Complete & Plant Layout finalized for implementation.	November 2008 & December 2008
03	Order placement for various machineries, recruitment of key personnel	January 2014 & February 2014.
04	Installation of Plant & Machines	March/April 2014
05	Procurement of logs for initial trial runs and plant commissioning.	April/May 2014
06	Commencement of Trial Runs	May/June 2014
07	Commencement of Commercial Operations.	May/June 2014.

The second phase implementation will begin immediately after twelve months and it is expected that within a span of another nine months major expansion as envisaged will be completed. Improvements will be introduced in the next phase based on the experiences of the first phase.

11. Project Financials:-

11.01 Assumptions

- a) The rate of one US \$ is equal to T.shs 1,650/=
- b) Required labor force will be available
- c) Required permits will be granted within the limited time schedule to ensure implementation as per schedule.
- d) The first phase will be operational within a span of three months.
- e) Output in first phase will be 100 cubic meters of timber and plywood taken together, per day.
- f) The second phase will taken nearly 21 months to complete after the start of first year and will increase the capacity to 450 cubic meters per day.
- g) Total investment will be US \$ 1,135,000 million
- h) The project will have own finance

18	Re-saw
19	Multiple Rib-Saw
20	Thickness Planners
21	Circular Saws
22	Boilers-fired by furnace oil
23	Generators-operated on Industrial Diesel Oil (IDO)
24	Aluminum Plates
25	Steel Plates
26	Work – shop equipments

Three in-house utility vehicles will be needed to transport the finished goods from the factory to the buyers' place and also for moving the logs within the factory premises wherever required.

Office furniture will be bare minimum and so will be computers (may be three sets). Telephone lines; fax line and Internet line will be kept handy at the factory to ensure speedy and cheap communication.

Pre-operating costs will take care of the preliminary expenses, initial survey and travel costs including accommodation charges, professional charges for preparation of reports etc and shall also cover for the initial joining costs of various key personnel till the real operations commence.

Initial working capital shall include the money required to bring in enough quantity of logs, spend for the revenue expenses for the process carried out on them and the financing of other revenue costs till the time money starts flowing back from the debtors for the goods sold to them on credit.

The promoters of ABCL are in possession of required finances and are committed to put in the same as and when required. The initial capital has been created at 21 million Tanzanian Shillings and balance amount will be treated as loan from promoters, interest free.

10. Project Implementation Schedule:-

As has been stated in the earlier paragraphs the entire project will be implemented in two phases within a period of 24 months. The first phase is expected to be completed within a span of nearly two to three months and the next phase is expected to be completed in another 21 months. The initial capacity shall be 100 cubic meters a day and after completion of the second phase the manufacturing capacity shall be 450 cubic meters a day.

Considering March 2007 as the first month, the first phase is expected to be completed by June 2007 and commercial operations expected form Jan 2008. Where as the increased production form 100 cubic meters a day to 450 cubic meters as day will be achieved gradually, however optimum capacity will be reached within 24 months.

The project implementation schedule is shown in form of a table hereunder: (PHASE I).

Sr. No	Activity	Completion Period
01	Company Formation, Registrering with statutory authorities, like Income tax,	Jan 2012 & Feb 2012

3.	Furniture, Computers & Fixtures	20,000/=
4.	Vehicles	50,000/=
5.	Pre-operating Costs	15,000/=
6.	Initial working capital	50,000/=
	Total Cost of the Project	1,135,000/=

B. Means of Finance:-

Sr. NO.	Details	US \$
1	Equity Funds	1,000,000/=
2	Promoters' Loan	135,000/=
	Total Means of finance	1,135,000/=

The total cost of the project consisting of both the phases has been estimated at US \$ **1,135,000/=**. As can be seen from the above chart, majority of the expenses involved will be on plant and machinery. Nearly 73.33%. Besides considerable money will be required in the starting up of the unit which has been grouped under the head pre-operating and initial working capital costs.

Phase I will be implemented within a span of three months and the second and the final phase will be completed within a span of nearly 21 months from the date of the completion of the first phase.

Building will be a simple structure based on pillars with sidewalls open to facilitate future expansions. The height of the factory shed will be 15 feet. A small training house and a rest room for the workers will also be constructed.

Details of Plant & Machinery to be imported is as under:-

Sr. NO.	Description
01	Cranes – Two nos.
02	Fork Lifts – Two nos.
03	Electrical Hoist
04	Peelers 4 feet to 8 feet
05	Veneer Clippers
06	Peddle Choppers
07	Dryers (Jet)
08	Gilitolene Machines
09	Glue Spreader
10	Glue Mixer
11	Sciessors Lift
12	Hot Press
13	D.D. Saw
14	Wide Belt Sandles
15	Belt Sandles
16	Seasoning Kiln
17	Band Saws Nos 2

especially at lower end shall be required to carry out preparatory processes as well as for quick movement of logs within the factory premises.

ABCL estimated that total manpower required will nearly 200 however in the first stage of project implementation nearly 120 workers will be required. The first phase of the project will result into an output of nearly 100 cubic meters (per day). The first stage will be achieved within two the three months and the second and final stage of current project will take another 21 months from the date of completion of the first project. Once the second and the final stage is completed the output per day will increase to 450 cubic meters a day. The manpower requirement after the completion of both the phases will be 500.

ABCL will hire expatriates to oversee the operations. Workers will be guided and trained by the expatriate technical experts to run machines. Organization hierarchy shall be as under:-

- a. Top level
Chairman cum Managing Director
General Manager
- b. Middle Level
Production Manager
Chief Engineer
Finance Manager
Marketing Manager
- c. Lower Level
Production Supervisors
Personnel and Administrative Officer
Accounts Officer.
Sales Officer

ABCL shall endeavor to promote local staff as much as possible to ensure better employment opportunities to the local populace. However it shall always ensure that efficiency of the unit is kept intact.

ABCL shall run simultaneously a small in-house training house, where the experts will provide training to the new recruits before they are put on the jobs for on-job training. ABCL believes that a motivated and skilled manpower can for sure bring in immense benefits to the industry and can ensure peaceful co-existence of all concerned.

09. Cost of the Project & Means of Finance:-

A. Cost of the Project:-

Sr. NO.	Details	US \$
1	Land & Building	100,000/=
2.	Plant & Machinery	900,000/=

cracks. This process thus reduces loss of yield. This process assumes more importance in case of this project due to the fact that the timber envisaged to be utilized here is of very inferior/perishable quality. As per the study of the promoters the species expected to be utilized have never been utilized up till now in the country. There are nearly 15 such varieties and barring for one or two none of these species have been commercially exploited. In a way this is also one of the edge of this project.

The timber is then hosted from the log pond and fed to the peelers. The log is peeled and the peeled log veneer is clipped in the clippers.

This is done to accommodate the process of sorting out of the good and bad timber. The bad timber identified is thrown into the boiler and is treated as boiler fuel. The veneers are then dried in the driers and then taken to the hot press. The core veneers are passed through the glue spreader & assembled over assembly tables in front of the hot press. Number of layers of core veneers will depend upon the thickness of the plywood required. The assembled veneers are fed into the press and pressed under pressure & temperature as required by the thickness & size of the sheet.

ABCL envisages manufacturing of all the varieties of plywood and block boards in varying sizes such as (all dimensions in feet's) 8*4, 7*4, 6*4, 5*4, 8*3, 7*3, 6*3, 5*3. In addition to these sizes ABCL shall also produce other sizes as per local market demand. 8*4 is the only size, which is movable in the international market, and therefore the same size will be made available for the export market. After the required and then taken to the D.D. saw to cut the same into required sizes of plywood. Then the same is taken to the sanding machines and sanded. The finished plywood is further checked piece-by-piece by the final checking authority and an OK Seal and the brand name is affixed & the plywood is ready for the market.

After the required time elapses, the block board/flush doors are unloaded from the press, D.D sawed, sanded & finished for the market.

For the manufacture of moisture resistant grade of plywood, block board/flush door a chemical process is undertaken wherein urea formal dehydrate is used along with melamine TSP (tamrind seed powder) etc. Similarly for manufacture of boiling water proof (BWP) plywood/block boards/flush doors these are processed by using phenol formal dehydrate is used.

Yet another category of plywood namely film faced plywood will be manufactured by using films imported form either Germany or Malaysia. All film-faced plywood will be of BWP grade.

Band Saws and Re-Saws machines will also produce sawn timber/sizes for local as well as export markets.

8. Manpower:-

Although the project of manufacturing Furniture, plywood, and block board/.flush doors will require lot of automatic machines, lot of man power

ABCL promoters firmly believe that they will not encounter any major hurdle in marketing their produce. Some time will definitely be required as the product boast of being import substitute and the products are not meant for direct consumption (which imply that they are being sold to an intermediary). However in long run ABCL promoters and management are very much sure about the successful operation of the project.

The per capital consumption of wood products in Tanzania being one of the lowest in the world and the growing economy and changes in international situation it is very likely that the demand for wood and wooden products shall grown in geometric proportions. ABCL seeks to initiate its activities on the premise of such calculations.

In nut shell as observed in this chapter market and demand for the wood products can not pose to be a bottle neck for successful establishment and running of the project envisaged.

06. Promoters & Magement:-

The importance of well-informed promoters and professional management can never be over estimated for successful implementation of the any project. It is said that well – informed promoter and professional management can make even a not so viable project otherwise and vice-a-versa.

07. Manufacturing Process & Technology:-

The factory to be put-up for manufacture plywood, block boards, flush doors veneers and sawn timber etc., shall be a very simple and target oriented structure. Pillars will support the roof and the sidewalls will leave open. This will not only ensure that the initial set – up cost of the project will be minimal but will also enable ABCL to increase the factory will maintain a very large open space to accommodate the storage of wood received in form of logs waiting for further processing. A log pond will also be constructed in which every log will be soaked to avoid end cracks. In other works the factory will be consuming a piece of land.

The project envisages manufacture of:

- ◆ M.R. Grade Plywood (Moisture Resistance).
- ◆ B.W.P. Grade plywood (Boiling Water Proof).
- ◆ Film faced plywood;
- ◆ Checkered plywood;
- ◆ Flush Doors;
- ◆ Block Boards; and
- ◆ Veneers.
- ◆ Office Tables
- ◆ Chairs
- ◆ And all allied kinds of furniture

The manufacturing process is briefly described as under:

Logs form the earmarked area from the forest are brought to the factory and put into the long pond. This is done in order to ensure that there are no end

Promoters have identified more than 20 acres of land, which is on the Dodoma Road. The plots or areas identified are outside the municipal limits. Such location has resulted into relatively cheaper land with very easy access to the city infrastructure. The promoters have made necessary contracts with the District Land Development Office and have received confirmation about availability of the envisaged plot of land. As of now some 9.48 acres of land has already been taken on 33 years lease. In other words availability of adequate land, which is so crucial for the success of such project, has been more or less tied up. Such situation provides the project with an edge as compared to others in similar lines.

The local authorities have assured the promoters about adequate supply of power and water, which is required for the successful running of the business. Power requirement has been estimated at 1,100 h.p. With 24 hours running. A log pond will be constructed at the site and will require considerable amount of water, however since the

Water will be stored in one place no major bottleneck on that count is envisaged or anticipated.

0.5 **THE MARKET & DEMAND:-**

Plywood, Block Boards, Flush Door, Sawn Timber and Veneers' that form the core product line of this project are all sourced from wood. These products are being used in construction industry as well as in preparation of industrial and domestic furniture. The end use of plywood and blocs boards are numerous ranging from doors, flooring, ceiling walls, furniture, berths, decks school and college benches, temporary structures, houses etc. a review of the various end uses listed (Where the list is not exhaustive) here itself can provide enough indication about the demand for the product envisaged buy the project. Sawn Timber in various sizes has a ready export market and has lot of domestic demand.

Tanzania as a country has been enjoying a steady economic growth rate of nearly 4.5% to 5% for last more than 8 years and that has resulted into spurt of demand for quality products. The demand has been more pronounced in the basic necessity sector. Furniture and construction sector have also shown impressive growth

As on date, as revealed by the survey carried out by promoters, more than 90% of the demand for plywood and block board is being serviced through imports. Besides due to imports (which are costlier), it is felt that the real demand is not being exhibited. The promoters are confident that all their produce will meet with ready market.

ABCL plans to establish the entire project into two phases. In the first phase (which shall run for first six months), output expected form the project is nearly 100 cubic meters and in further twelve months (being the second phase) the capacity will be increased to 450 cubic meters.

their latest technology and manufacturing process. ABCL is sure to process high quality timber products out of the so considered inferior quality wood.

The promoters are aware that this project shall call upon for deforestation in the initial stages, and therefore in long run it has made plans to ensure more forestation than de - forestation. For this purpose the project envisages taking on lease 1000 acres of land every year and go on planting trees, and this exercise to continue for 10 years and thereafter the nature will take care of itself with minimal support form the project.

The project will ensure that it will replace to very large extent plywood and block boards and all others types of furniture, which are being imported as on date to be used by various government and private agencies, public and private sector and various furniture manufacturers. The sawn timber in various sizes will be mainly exported which will bring in valuable foreign exchange for the country.

The project will create nearly 200 employment opportunities directly and more than that indirectly. Apart from adding to the wealth of the nation, it shall also increase the purchasing power of the community thereby leading to an overall increase in demand for other consumer products, which shall in turn lead to better economy conditions.

Since the entire project cost is to be borne by the promoters there will be inflow of previous foreign exchange. Since the output of the project is in the nature of import substitution, it will restrict the outgo of foreign exchange. In other words the project shall prove to be very much beneficial from foreign trade point of view.

The project shall bring in plant and machinery from outside the country and shall eventually train the local population in the running of the plant. The project will thus contribute towards the manufacturing sector of the economy. As per the latest findings of CTI (confederation of Tanzanian Industries), manufacturing contributes less than 10% of contribution towards this sector which is very much welcome by the government. The manufacturing process being undertaken shall also ensure that value addition is being done within the country, which is added advantage.

04. Project Location & Inputs:-

Since the project is related to manufacturing of furniture, plywood, block boards, flush doors, veneers, sawn timbers etc., which is an outcome of specialized processes carried out on raw timber or wood, the project location preferably has to be near to the business/commercial region. A part from the very fact that the project requires lot of wood transport related issues also dictate the location of such projects as being nearer to the source of raw materials.

The promoters reportedly carried out a survey of various regions in Tanzania where such project can be established with minimal obstacles. Their study led them to the Dar es Salaam region.

A.BUSINESS CONSULTANTS CO. LTD
P.O. Box 6831
Dar es Salaam

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- ◆ Cost of the Project & Means of Finance
- ◆ Projected Five Years Profit & Loss Account
- ◆ Project Five Years Balance Sheet
- ◆ Projected Five Years Funds Flow Statement
- ◆ Projected Taxation Schedule
- ◆ Projected Depreciation Statement (Phase I)
- ◆ Projected Depreciation Statement (Phase II)
- ◆ Chart on Projected Profits for Five Years
- ◆ Chart on Cash-Profits for Five Years
- ◆ Implementation Schedule (Phase I)
- ◆ Implementation Schedule (Phase II)

0.1 Introduction

This feasibility study report is being prepared for M/S A.BUSINESS CONSULTANTS CO. LTD. of P.O. Box 6831, Dar es salaam, Tanzania hereinafter referred to as ABCL. ABCL has undertaken a project to venture into the manufacturing of all types of furniture's including processing of wood, Formica, chipboard, plywood, sawn timber, flush doors, veneers and other allied products including trading of commodities and also to get involved at a latter date into the construction line.

The purpose of this study is to assess the commercial viability and operational feasibility of the project being undertaken by ABCL. Most of the data has been compiled by the promoters' own research and study in Tanzania and is first hand information. The financials have also been worked out on the basis of market and cost information provided by the promoters of the project.

This report has additionally deliberated upon the social and related economic benefits (net) that will accrue to the nation and has given adequate weight age for the same in the conclusion & recommendation paragraph.

02. Company Details:

Registration:

M/s ABCL has been registered with the Registrar of Companies on 19th of May 2003 as a limited liability company. The Authorized share capital of the company is same as the paid-up share capital. The registration number of the company is 46020.

Object Clause:

"To carry on the business of carpeting, plywood manufacturers, interior designers, decorators, curtain and sofa set makers of all kinds of wood work and furniture requisites and trimmings, aircraft and rocket furniture fixtures in relation to woodwork and furniture line of business in general, and also dealers in all types of ceramic items, but not limited to block boards, flush doors, veneers, sawn timber etc. and also to include manufacturing of allied products as well"

Other object clauses include the business of import and export of commodities, general merchandise, office equipments of all kinds and also interest in construction line.

A.BUSINESS CONSULTANTS CO. LTD.

P.O. BOX 6831
DAR ES SALAAM

Feasibility Study Report

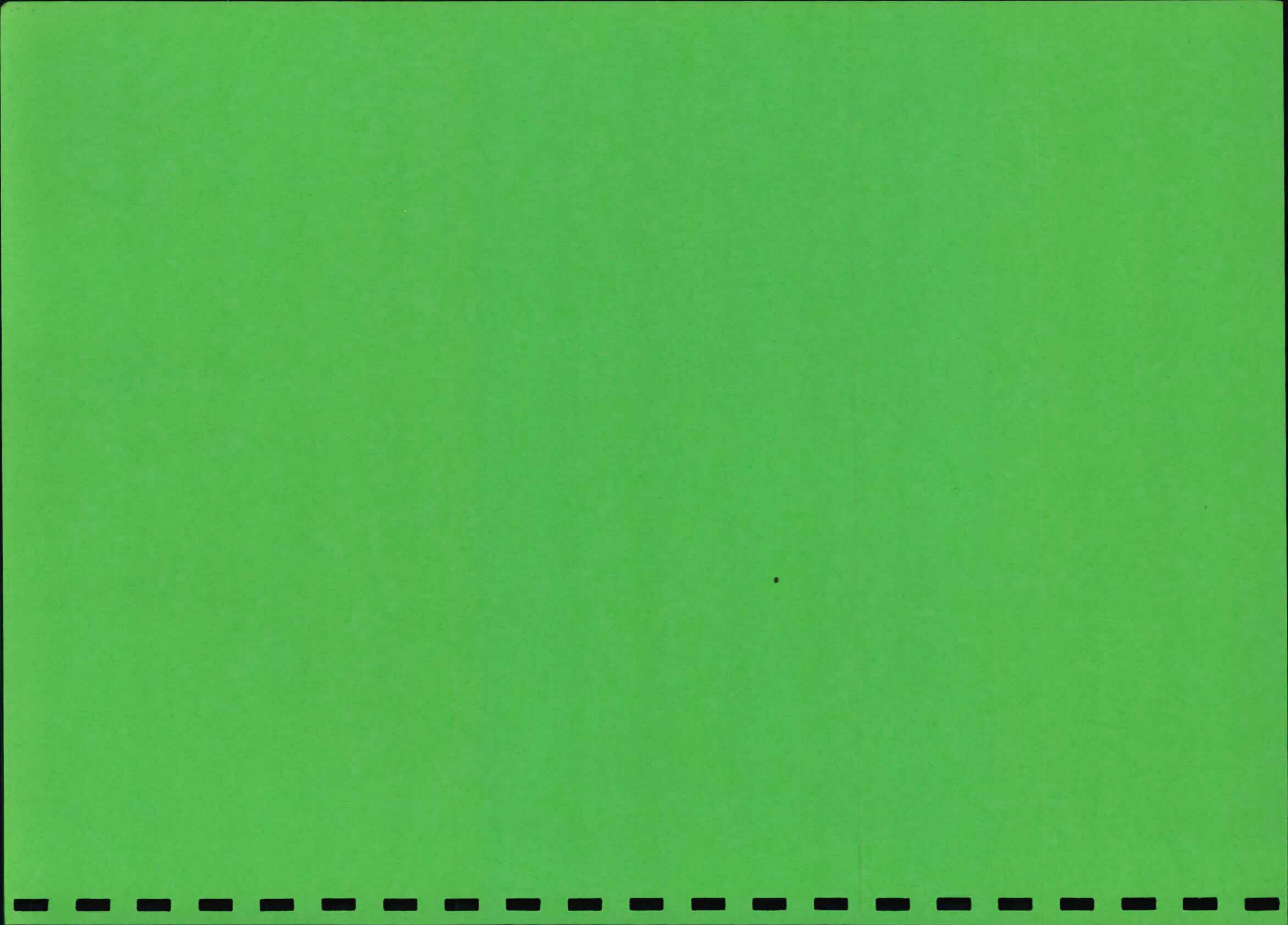
On

Establishment of Furniture
Manufacturing Unit

In

Dar es Salaam, Tanzania

Prepared for:
A.Business Consultants co. ltd
P.O. Box 6831,
Dar es Salaam.



A.BUSINESS CONSULTANTS
CO. LTD.

P.O. BOX 6831
DAR ES SALAAM

Feasibility Study Report

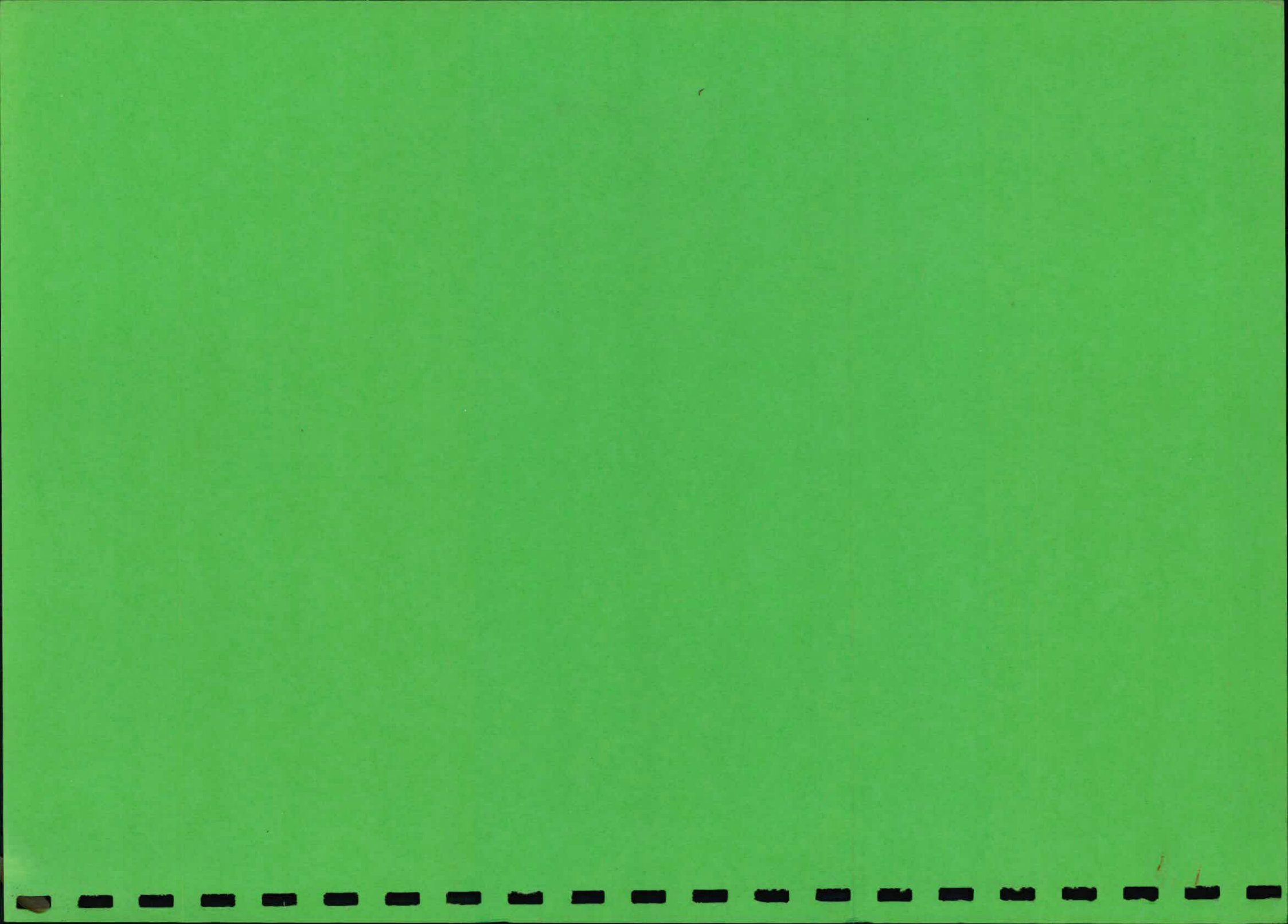
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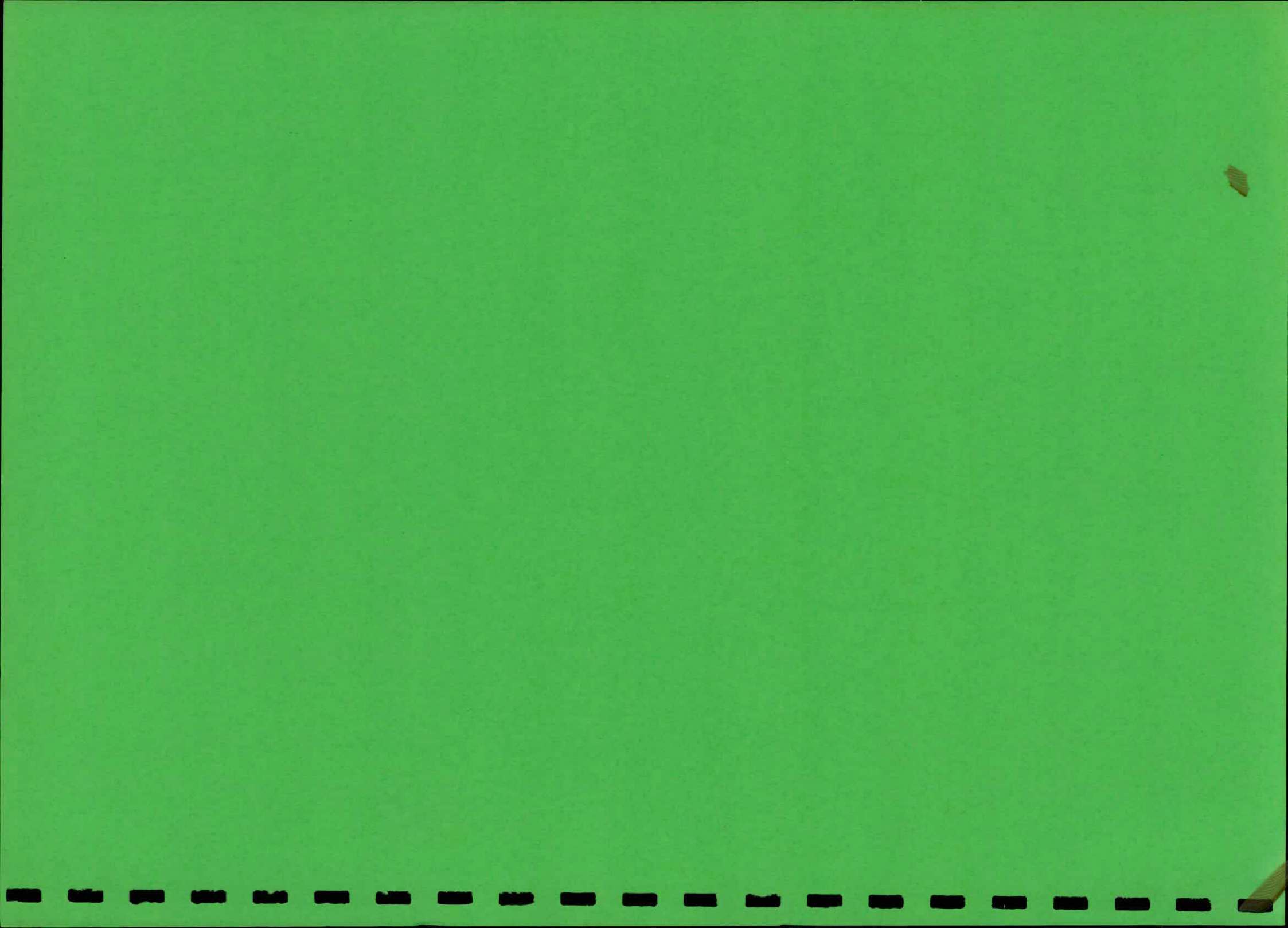
Establishment of Furniture
Manufacturing Unit

In

Dar es Salaam, Tanzania

Prepared for:
A.Business Consultants co. ltd
P.O. Box 6831,
Dar es Salaam.





TANZANIA



Certificate of Incorporation

No. 46020

I HEREBY CERTIFY THAT

A. BUSINESS CONSULTANTS COMPANY

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 19th day of MAY,

Two Thousand and Three

mm

Asst. Registrar of Companies

A.BUSINESS CONSULTANTS CO. LTD
PROJECTED PROFIT AND LOSS ACCOUNTS

Appendix XI

	USD 000									
	1	2	3	4	5	6	7	8	9	10
Capacity Utilisation	80	90	100	110	120	130	140	150	160	170
Sales Revenue	7,784	8,716	9,685	9,685	9,685	9,685	9,685	9,685	9,685	9,685
Operating Expenses										
Overhead Expenses	887	1,352	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501
Salaries and Wages	1301	148	148	148	148	148	148	148	148	148
Total Operating Expenses	1,480	1,500	1,649	1,649	1,649	1,649	1,649	1,649	1,649	1,649
Total Operating Profit	5,174	7,216	8,036	8,036	8,036	8,036	8,036	8,036	8,036	8,036
Financial and Capital Charges										
Depreciation	563	537	553	549	545	540	537	534	533	531
Profit before Tax	4,162	6,659	7,483	7,487	7,491	7,496	7,499	7,502	7,503	7,505
Profit after Tax	2,913									
Capital Allowance	3,251	6,659	7,483	7,487	7,491	7,496	7,499	7,502	7,503	7,505
Taxation 30%	975	1,998	2,245	2,246	2,247	2,249	2,250	2,251	2,251	2,257
Profit after Tax	5,174	4,441	5,238	5,241	5,244	5,247	5,249	5,251	5,252	5,248
Profit Brought Forward	-	2,276	6,937	12,175	17,416	22,660	27,907	33,156	38,407	43,659
Total Revenue	5,174	6,937	12,175	17,416	22,660	27,907	33,156	38,407	43,659	48,907

A.BUSINESS CONSULTANTS CO. LTD
PROJECTED PROFIT CASHFLOW

Appendix XII

	USD '000										
	0	1	2	3	4	5	6	7	8	9	10
CASH INFLOW											
Capital inflow											
Equity	1,135										
OPERATIONAL INFLOW											
Profit before Tax		6,150	6,659	7,483	7,487	7,491	7,496	7,499	7,502	7,503	7,505
Depreciation		563	557	553	549	545	540	537	534	533	531
Total Cash Inflow	1,135	6,713	7,216	8,036	8,036	8,036	8,036	8,036	8,036	8,036	8,036
CASH INFLOW											
Investment	1,135	-	-	-	-	-	-	-	-	-	-
Re-Investment	0	-	-	-	-	-	-	-	-	-	-
OUTFLOW											
Taxation	250	1,998	2,245	2,46	2,247	2,249	2,250	2,251	2,251	2,251	2,251
Increase in W/C	885	43	46								
Total Cash Outflow	1,135	1,330	2,041	2,291	2,240	2,247	2,249	2,250	2,251	2,251	2,251
Net Cash Outflow	0	5,353	5,175	5,745	5,790	5,789	5,787	5,786	5,785	5,785	5,785
Opening Balance	-	-	5,383	10,558	16,303	22,093	27,882	33,669	39,455	45,240	51,025
Closing Balance	-	5,383	10,558	16,303	22,093	27,882	33,669	39,455	45,240	51,025	56,810

A. BUSINESS CONSULTANTS CO. LTD
OVERHEAD EXPENSES

Appendix VIII

	Assumpt.	USD									
		1	2	3	4	5	6	7	8	9	10
Repairs and Maintenance		501,899	564,637	627,374	627,374	627,374	627,374	627,374	627,374	627,374	627,374
Fueil and Oil		257,418	289,594	321,772	321,772	321,772	321,772	321,772	321,772	321,772	321,772
Tyres and Tubes replacement		352,650	396,731	440,813	440,813	440,813	440,813	440,813	440,813	440,813	440,813
Administrative		68,863	77,471	86,079	86,079	86,079	86,079	86,079	86,079	86,079	86,079
Insurance		488,900	550,100	611,200	611,200	611,200	611,200	611,200	611,200	611,200	611,200
Direct Fees		19,058	19,058	19,058	19,058	19,058	19,058	19,058	19,058	19,058	19,058
TOTAL		1,688,789	1,897,593	2,106,299	2,106,300	2,106,301	2,106,302	2,106,303	2,106,304	2,106,305	2,106,306

Appendix VII

A.BUSINESS CONSULTANTS CO. LTD
SALARIES AND WAGES

	NOS.	Salary per month	Salary per annum USD
Executive1	1	500	6,000
Executive2	2	350	1,050
Accountants	3	150	1,500
Drivers	3	70	1,750
Mechanics	13	90	1,800
Office Attendants	2	65	260
Security Guard	3	65	650
Total Salaries	27		13,010

A.BUSINESS CONSULTANTS CO. LTD

WORKING CAPITAL

Appendix VI

US '000

YEAR	Assump.	1	2	3	4	5	6	7	8	9	10
Stock											
Woodworks	3 months essential packs	125	141	157	157	157	157	157	157	157	157
Tyres and Tubes	1 months requirement	29	33	37	37	37	37	37	37	37	37
Utilities	2 months	8	8	8	8	8	8	8	8	8	8
Cash	1 months	12	12	12	12	12	12	12	12	12	12
		174	194	214	214	214	214	214	214	214	214
Debtors											
5% income		387	434	484	484	484	484	484	484	484	484
Creditors											
1 month overheads		32	36	40	40	40	40	40	40	40	40
Total Creditors		32	36	40	40	40	40	40	40	40	40
Net Working Capital		355	398	444	444	444	444	444	444	444	444
Charge in Working Capital		355	43	46							

A. BUSINESS CONSULTANTS CO. LTD
BREAK-DOWN OF VEHICLES TO BE PURCHASED

	UNITS	USD
1 MOTOR VEHICLES		
Light Trucks	2	
4x4WD Station wagon	1	
4x4 Pickup	1	
TOTAL VEHICLES TO BE PURCHASED	4	50,000

A.BUSINESS CONSULTANTS CO. LTD
FINANCING PATTERN

USD

	FOREIGN	LOCAL	TOTAL
EQUITY		1,135,000	1,135,000
TOTAL	0	1,135,000	1,135,000

A.BUSINESS CONSULTANTS CO. LTD
DEPRECIATION SCHEDULE

	USD 000		1	2	3	4	5	6	7	8	9	10
Land and Building	100	4%	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Plant and Machinery	900	12.5%	11,750	10,281	8,924	7,881	6,896	6,034	5,237	4,625	4,047	3,541
Working capital	50											
Motor vehicle	50	25%	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Furniture & equipment	20	12.5%	31,250	27,343	23,926	20,935	18,318	16,028	14,025	12,272	10,738	9,395
Pre -Operational expenses	15	12.5%	11,750	10,281	8,924	7,881	6,896	6,034	5,237	4,625	4,047	3,541
Others	0	20%	1,000	1,000	1,000	1,000	1,000					
	1,135		267,750	260,905	254,774	249,697	245,110	240,096	236,499	233,522	230,832	228,477

A.BUSINESS CONSULTANTS CO. LTD
INVESTMENT COST

	FOREIGN	LOCAL	TOTAL
BUILDING AND BUILDINGS			
PLANT AND MACHINERY		100,000	100,000
MOTOR VEHICLES		900,000	900,000
OTHERS		50,000	50,000
FURNITURE AND FITTING			0
WORKING CAPITAL		20,000	20000
PRE-OPERATIONAL EXPENSES		50,000	50000
TOTAL INVESTMENT COST		15,000	15,000
			1,135,000

- ◆ The country will get a manufacturing unit, which will add to its scarce manufacturing base. As on date the country's manufacturing base is very low with contribution of 9% to the GDP and thereby making the economy pre-dominantly agriculture oriented.
- ◆ The project will bring in latest technology in the relevant field and will ensure training or development of skilled labour force in the country. The labour force will get on -job training and will thus make them more and more competent.
- ◆ All products envisaged to be manufactured are basically import substitute and will therefore save the scarce foreign currency for the country. Apart from that the country will save in terms of lowering of cost of manufacture and lower construction cost which will again lead to lower cost of other manufactured items.
- ◆ The project when implemented in full over a period of 24 months will ensure that there will be a direct flow of foreign currency in the country to the tune of US \$ 2,000,000/= which is considerable by any standard.
- ◆ It will generate employment to 500 locals at the expiry of 24 months. Further this direct employment generation will lead to creation of employment opportunities of nearly 10,000 individuals.
- ◆ It will provide cascading positive impact on the economic situation in Dar es Salaam region.

There are many other benefits direct and indirect of this project and therefore we conclude that this project is feasible technically as well as economically.

We also therefore recommend that this project be supported in totality, as it will be in favor of the nation on a whole.

This direct employment of more than 500 individuals will generate indirect employment for more than 10,000 individuals. In nutshell it can be concluded that this project will have a very positive impact on the level of employment in the country and will be welcome change.

◆ **Transfer of technology**

This project being a manufacturing project will usher in the country technology. Although the technology is simple the advantages to the country are quite significant. The country will get the advantage of value addition due to such incoming technology. Further the country can reduce its dependence on imports for the finished products manufactured by this project. Local employees will get on-the-job training from the experts (expatriate) employed and in long run will improve the technical competence of the local population.

◆ **Inflow of foreign exchange**

Majority of the output will be exported out of the country. This will have tow positive effects on the foreign exchange reserves of the country. IN the first place the imports of the output will be reduced which will enable the country to save on the outgo of foreign currency and secondly the output produced will be exported which will bring in the country foreign currency.

Thus this project will provide positive impact on the foreign currency reserves of the country.

◆ ***Contribution to the exchequer.***

This project will contribute substantially to the society in general and to the exchequer in particular. As has been observed the total turnover at 100% utilization will be in the range of US \$ 40 million. This will result into VAT outflow of substantial amounts. Besides the company will be contributing tremendously in terms of PAYE and NSSF. In addition the company will also be contributing in terms of corporate taxation from the year 2015 onwards.

◆ ***Positive cascading impact on the nation's economy.***

This project will have overall positive impact on the society. It will not only save the precious foreign currency reserves of the country by producing import substitute products, and by exporting the final product, but will also generate direct employment to more than 500 individuals and will provide means of livelihood to more than 10,000 individuals. The cascading positive impact on the society will be too great. This project will lead to creation of national wealth. Its contribution to the exchequer will also be quite significant in terms of NSSF, PAYE, VAT and direct taxation apart from skills and development levy.

13. Conclusion & Recommendation:-

The foregoing write-up indicates following benefits to the country, which in turn pleads for immediate acceptance of this project as a feasible project.

Operating profits will be ploughed in to the business. Once the operations are steadied from the year 2014, the annual contribution of operational profits shall be on the tune of US \$ 400,000/=

Depending on the surplus available, promoter's loan will be re-paid. As can be seen the company shall be in a position to commence repayment or promoters' loan by the year 2015.

As the operations will grow, the net working capital requirement will also grow. As can be seen the increase in net current assets will be from US \$ 90,000/= (year 2012) to US \$ 280,000/= (year 2014).

The company assumes to maintain a positive cash balance of US \$ 25,000/= to US \$ 50,000/=.

11.05 Projected Five Years Taxation Schedule:-

The company will enjoy tax incentives as per the governing laws of the country. It will have taxable profits only from the year 2008 and will then onwards contribute to the exchequer in excess of US \$ 150,000/= in the first year and then onwards in excess of US \$ 340,000/= The company may reduce its tax burden by investing or expanding its operations and in either case the country benefits.

12. Social & Development Benefits:-

- ◆ Impact on forests and vegetation and consequent impact on environment.

Generally it is presumed that a project for manufacture of furniture, plywood or timber will result into de-forestation. Whilst this is true to a very larger extent, it should be noted that this project plans to acquire more and more land even for planting of trees. The idea is to grow more trees than cut them. In other words this project will not necessary result in de-forestation. Rather it is expected that reverse may happen in long run.

It should also be mentioned here that the species to be used will be of inferior quality. These species have never been used for manufacture of furniture or plywood. This is also an advantage of this project from the viewpoint of impact on forests and vegetation.

In other words the promoters of the project are fully conscious of the negative impact of cutting trees and have already provided for a mechanism whereby the same can be reversed.

- ◆ **Employment creation**

As has been observed earlier this project will provide direct employment opportunities to more than 200 locals inclusive of skilled, semi- skilled and un-skilled class. Few expatriates will also be employed as per the requirement of the project.

- i) Land will be available on lease in future as and when required.
- j) Import duty exemption and deferment of VAT will be available on import of plant and machinery.

11.02 Projected Five Years Profitability Statements

As can be seen from the enclosed projected profitability statement, the company will not earn profits in the first year where the operations are to run only for six months; however there will be cash- profits.

The company will attain a turnover of US \$ 0.62 million in first six months; will go up to US \$ 0240 millions in the next years and from third year of operation will remain steady at US \$ 1.580 millions.

The profits will start coming from the 2nd year of operations. From the year 4 and onwards the annual profits will be in the range of US \$ 1.0 million and above. The project enjoys a payback period of 5 years.

The company will be earning gross profit @ 6% and net profit of nearly 2.5%. For a very large project, like this a net profit of 2% is quite reasonable. Government will earn lot of revenues due to such high turnover.

Selling costs have been assumed at 2% of the sales and other overheads have been assumed not to cross US \$ 50,000 a month including manpower costs.

Depreciation has been provided as per the prevailing income tax rates. Further full depreciation has been provided on assets purchased during the year. Separate schedules are attached with this report for calculation of depreciation.

11.03: Projected Five Years Balance Sheet

The enclosed balance sheet shows a very sound position of the company. The current assets ration is in excess of 1.2 from the beginning and by the year 5 it reaches 2.

Inventory will be maintained only for a period of one week. The reason being the plant is going to be located in the close proximity of timber.

Since majority of sales will be done inside Tanzania, vide advance TT or L.C debtors are not expected to be on the higher side. However for demotic sales on month credit has been considered.

Creditors will be outstanding for a period of 15 days and suppliers of services will be paid at the expiry of one month.

11.04 Projected Five Years Funds Flow Statements:-

As can be seen from the appended projected funds flow statement the company will be financed by the promoter's own funds. In the initial year (2012) the investment will be of US \$ 1,135,000/=.

	VAT NSSF, etc., securing TIC certificate of incentive Industrial license etc.	
02	Site identification, purchasing the same, designing of plant layout and commencing of construction of factory shed.	Feb 2012
03	Order placement for various machineries, recruitment of key personnel.	March/April 2012
04	Installation of Machines	April/June 2012
05	Procurement of logs for initial trial runs also for future.	July/August 2012
06	Commencement of Trial Runs	Oct 2012
07	Commencement of commercial Operations.	Dec '12/Jan 2013

The project implementation schedule is shown in form of a table hereunder (PHASE II)

Sr. NO.	Activity	Completion Period
01	Site Mobilization & Factory Construction	Oct. 2013 & November 2013
02	Factory Shed Complete & Plant Layout finalized for implementation.	November 2008 & December 2008
03	Order placement for various machineries, recruitment of key personnel	January 2014 & February 2014.
04	Installation of Plant & Machines	March/April 2014
05	Procurement of logs for initial trial runs and plant commissioning.	April/May 2014
06	Commencement of Trial Runs	May/June 2014
07	Commencement of Commercial Operations.	May/June 2014.

The second phase implementation will begin immediately after twelve months and it is expected that within a span of another nine months major expansion as envisaged will be completed. Improvements will be introduced in the next phase based on the experiences of the first phase.

11. Project Financials:-

11.01 Assumptions

- a) The rate of one US \$ is equal to T.shs 1,650/=
- b) Required labor force will be available
- c) Required permits will be granted within the limited time schedule to ensure implementation as per schedule.
- d) The first phase will be operational within a span of three months.
- e) Output in first phase will be 100 cubic meters of timber and plywood taken together, per day.
- f) The second phase will taken nearly 21 months to complete after the start of first year and will increase the capacity to 450 cubic meters per day.
- g) Total investment will be US \$ 1,135,000 million
- h) The project will have own finance

18	Re-saw
19	Multiple Rib-Saw
20	Thickness Planners
21	Circular Saws
22	Boilers-fired by furnace oil
23	Generators-operated on Industrial Diesel Oil (IDO)
24	Aluminum Plates
25	Steel Plates
26	Work – shop equipments

Three in-house utility vehicles will be needed to transport the finished goods from the factory to the buyers' place and also for moving the logs within the factory premises wherever required.

Office furniture will be bare minimum and so will be computers (may be three sets). Telephone lines; fax line and Internet line will be kept handy at the factory to ensure speedy and cheap communication.

Pre-operating costs will take care of the preliminary expenses, initial survey and travel costs including accommodation charges, professional charges for preparation of reports etc and shall also cover for the initial joining costs of various key personnel till the real operations commence.

Initial working capital shall include the money required to bring in enough quantity of logs, spend for the revenue expenses for the process carried out on them and the financing of other revenue costs till the time money starts flowing back from the debtors for the goods sold to them on credit.

The promoters of ABCL are in possession of required finances and are committed to put in the same as and when required. The initial capital has been created at 21 million Tanzanian Shillings and balance amount will be treated as loan from promoters, interest free.

10. Project Implementation Schedule:-

As has been stated in the earlier paragraphs the entire project will be implemented in two phases within a period of 24 months. The first phase is expected to be completed within a span of nearly two to three months and the next phase is expected to be completed in another 21 months. The initial capacity shall be 100 cubic meters a day and after completion of the second phase the manufacturing capacity shall be 450 cubic meters a day.

Considering March 2007 as the first month, the first phase is expected to be completed by June 2007 and commercial operations expected form Jan 2008. Where as the increased production form 100 cubic meters a day to 450 cubic meters as day will be achieved gradually, however optimum capacity will be reached within 24 months.

The project implementation schedule is shown in form of a table hereunder: (PHASE I).

Sr. No	Activity	Completion Period
01	Company Formation, Registrering with statutory authorities, like Income tax,	Jan 2012 & Feb 2012

3.	Furniture, Computers & Fixtures	20,000/=
4.	Vehicles	50,000/=
5.	Pre-operating Costs	15,000/=
6.	Initial working capital	50,000/=
	Total Cost of the Project	1,135,000/=

B. Means of Finance:-

Sr. NO.	Details	US \$
1	Equity Funds	1,000,000/=
2	Promoters' Loan	135,000/=
	Total Means of finance	1,135,000/=

The total cost of the project consisting of both the phases has been estimated at US \$ **1,135,000/=** As can be seen from the above chart, majority of the expenses involved will be on plant and machinery. Nearly 73.33%. Besides considerable money will be required in the starting up of the unit which has been grouped under the head pre-operating and initial working capital costs.

Phase I will be implemented within a span of three months and the second and the final phase will be completed within a span of nearly 21 months from the date of the completion of the first phase.

Building will be a simple structure based on pillars with sidewalls open to facilitate future expansions. The height of the factory shed will be 15 feet. A small training house and a rest room for the workers will also be constructed.

Details of Plant & Machinery to be imported is as under:-

Sr. NO.	Description
01	Cranes – Two nos.
02	Fork Lifts – Two nos.
03	Electrical Hoist
04	Peelers 4 feets to 8 feets
05	Veneer Clippers
06	Peddle Choppers
07	Dryers (Jet)
08	Gilitolene Machines
09	Glue Spreader
10	Glue Mixer
11	Sciessors Lift
12	Hot Press
13	D.D. Saw
14	Wide Belt Sandles
15	Belt Sandles
16	Seasoning Kiln
17	Band Saws Nos 2

especially at lower end shall be required to carry out preparatory processes as well as for quick movement of logs within the factory premises.

ABCL estimated that total manpower required will nearly 200 however in the first stage of project implementation nearly 120 workers will be required. The first phase of the project will result into an output of nearly 100 cubic meters (per day). The first stage will be achieved within two the three months and the second and final stage of current project will take another 21 months from the date of completion of the first project. Once the second and the final stage is completed the output per day will increase to 450 cubic meters a day. The manpower requirement after the completion of both the phases will be 500.

ABCL will hire expatriates to oversee the operations. Workers will be guided and trained by the expatriate technical experts to run machines. Organization hierarchy shall be as under:-

- a. Top level
Chairman cum Managing Director
General Manager
- b. Middle Level
Production Manager
Chief Engineer
Finance Manager
Marketing Manager
- c. Lower Level
Production Supervisors
Personnel and Administrative Officer
Accounts Officer.
Sales Officer

ABCL shall endeavor to promote local staff as much as possible to ensure better employment opportunities to the local populace. However it shall always ensure that efficiency of the unit is kept intact.

ABCL shall run simultaneously a small in-house training house, where the experts will provide training to the new recruits before they are put on the jobs for on-job training. ABCL believes that a motivated and skilled manpower can for sure bring in immense benefits to the industry and can ensure peaceful co-existence of all concerned.

09. Cost of the Project & Means of Finance:-

A. Cost of the Project:-

Sr. NO.	Details	US \$
1	Land & Building	100,000/=
2.	Plant & Machinery	900,000/=

cracks. This process thus reduces loss of yield. This process assumes more importance in case of this project due to the fact that the timber envisaged to be utilized here is of very inferior/perishable quality. As per the study of the promoters the species expected to be utilized have never been utilized up till now in the country. There are nearly 15 such varieties and barring for one or two none of these species have been commercially exploited. In a way this is also one of the edge of this project.

The timber is then hosted from the log pond and fed to the peelers. The log is peeled and the peeled log veneer is clipped in the clippers.

This is done to accommodate the process of sorting out of the good and bad timber. The bad timber identified is thrown into the boiler and is treated as boiler fuel. The veneers are then dried in the driers and then taken to the hot press. The core veneers are passed through the glue spreader & assembled over assembly tables in front of the hot press. Number of layers of core veneers will depend upon the thickness of the plywood required. The assembled veneers are fed into the press and pressed under pressure & temperature as required by the thickness & size of the sheet.

ABCL envisages manufacturing of all the varieties of plywood and block boards in varying sizes such as (all dimensions in feet's) 8*4, 7*4, 6*4, 5*4, 8*3, 7*3, 6*3, 5*3. In addition to these sizes ABCL shall also produce other sizes as per local market demand. 8*4 is the only size, which is movable in the international market, and therefore the same size will be made available for the export market. After the required and then taken to the D.D. saw to cut the same into required sizes of plywood. Then the same is taken to the sanding machines and sanded. The finished plywood is further checked piece-by-piece by the final checking authority and an OK Seal and the brand name is affixed & the plywood is ready for the market.

After the required time elapses, the block board/flush doors are unloaded from the press, D.D sawed, sanded & finished for the market.

For the manufacture of moisture resistant grade of plywood, block board/flush door a chemical process is undertaken wherein urea formal dehydrate is used along with melamine TSP (tamrind seed powder) etc. Similarly for manufacture of boiling water proof (BWP) plywood/block boards/flush doors these are processed by using phenol formal dehydrate is used.

Yet another category of plywood namely film faced plywood will be manufactured by using films imported form either Germany or Malaysia. All film-faced plywood will be of BWP grade.

Band Saws and Re-Saws machines will also produce sawn timber/sizes for local as well as export markets.

8. Manpower:-

Although the project of manufacturing Furniture, plywood, and block board/.flush doors will require lot of automatic machines, lot of man power

ABCL promoters firmly believe that they will not encounter any major hurdle in marketing their produce. Some time will definitely be required as the product boast of being import substitute and the products are not meant for direct consumption (which imply that they are being sold to an intermediary). However in long run ABCL promoters and management are very much sure about the successful operation of the project.

The per capital consumption of wood products in Tanzania being one of the lowest in the world and the growing economy and changes in international situation it is very likely that the demand for wood and wooden products shall grown in geometric proportions. ABCL seeks to initiate its activities on the premise of such calculations.

In nut shell as observed in this chapter market and demand for the wood products can not pose to be a bottle neck for successful establishment and running of the project envisaged.

06. Promoters & Magement:-

The importance of well-informed promoters and professional management can never be over estimated for successful implementation of the any project. It is said that well – informed promoter and professional management can make even a not so viable project otherwise and vice-a-versa.

07. Manufacturing Process & Technology:-

The factory to be put-up for manufacture plywood, block boards, flush doors veneers and sawn timber etc., shall be a very simple and target oriented structure. Pillars will support the roof and the sidewalls will leave open. This will not only ensure that the initial set – up cost of the project will be minimal but will also enable ABCL to increase the factory will maintain a very large open space to accommodate the storage of wood received in form of logs waiting for further processing. A log pond will also be constructed in which every log will be soaked to avoid end cracks. In other works the factory will be consuming a piece of land.

The project envisages manufacture of:

- ◆ M.R. Grade Plywood (Moisture Resistance).
- ◆ B.W.P. Grade plywood (Boiling Water Proof).
- ◆ Film faced plywood;
- ◆ Checkered plywood;
- ◆ Flush Doors;
- ◆ Block Boards; and
- ◆ Veneers.
- ◆ Office Tables
- ◆ Chairs
- ◆ And all allied kinds of furniture

The manufacturing process is briefly described as under:

Logs form the earmarked area from the forest are brought to the factory and put into the long pond. This is done in order to ensure that there are no end

Promoters have identified more than 20 acres of land, which is on the Dodoma Road. The plots or areas identified are outside the municipal limits. Such location has resulted into relatively cheaper land with very easy access to the city infrastructure. The promoters have made necessary contracts with the District Land Development Office and have received confirmation about availability of the envisaged plot of land. As of now some 9.48 acres of land has already been taken on 33 years lease. In other words availability of adequate land, which is so crucial for the success of such project, has been more or less tied up. Such situation provides the project with an edge as compared to others in similar lines.

The local authorities have assured the promoters about adequate supply of power and water, which is required for the successful running of the business. Power requirement has been estimated at 1,100 h.p. With 24 hours running. A log pond will be constructed at the site and will require considerable amount of water, however since the

Water will be stored in one place no major bottleneck on that count is envisaged or anticipated.

0.5 **THE MARKET & DEMAND:-**

Plywood, Block Boards, Flush Door, Sawn Timber and Veneers' that form the core product line of this project are all sourced from wood. These products are being used in construction industry as well as in preparation of industrial and domestic furniture. The end use of plywood and blocs boards are numerous ranging from doors, flooring, ceiling walls, furniture, berths, decks school and college benches, temporary structures, houses etc. a review of the various end uses listed (Where the list is not exhaustive) here itself can provide enough indication about the demand for the product envisaged buy the project. Sawn Timber in various sizes has a ready export market and has lot of domestic demand.

Tanzania as a country has been enjoying a steady economic growth rate of nearly 4.5% to 5% for last more than 8 years and that has resulted into spurt of demand for quality products. The demand has been more pronounced in the basic necessity sector. Furniture and construction sector have also shown impressive growth

As on date, as revealed by the survey carried out by promoters, more than 90% of the demand for plywood and block board is being serviced through imports. Besides due to imports (which are costlier), it is felt that the real demand is not being exhibited. The promoters are confident that all their produce will meet with ready market.

ABCL plans to establish the entire project into two phases. In the first phase (which shall run for first six months), output expected form the project is nearly 100 cubic meters and in further twelve months (being the second phase) the capacity will be increased to 450 cubic meters.

their latest technology and manufacturing process. ABCL is sure to process high quality timber products out of the so considered inferior quality wood.

The promoters are aware that this project shall call upon for deforestation in the initial stages, and therefore in long run it has made plans to ensure more forestation than de – forestation. For this purpose the project envisages taking on lease 1000 acres of land every year and go on planting trees, and this exercise to continue for 10 years and thereafter the nature will take care of itself with minimal support form the project.

The project will ensure that it will replace to very large extent plywood and block boards and all others types of furniture, which are being imported as on date to be used by various government and private agencies, public and private sector and various furniture manufacturers. The sawn timber in various sizes will be mainly exported which will bring in valuable foreign exchange for the country.

The project will create nearly 200 employment opportunities directly and more than that indirectly. Apart from adding to the wealth of the nation, it shall also increase the purchasing power of the community thereby leading to an overall increase in demand for other consumer products, which shall in turn lead to better economy conditions.

Since the entire project cost is to be borne by the promoters there will be inflow of previous foreign exchange. Since the output of the project is in the nature of import substitution, it will restrict the outgo of foreign exchange. In other words the project shall prove to be very much beneficial from foreign trade point of view.

The project shall bring in plant and machinery from outside the country and shall eventually train the local population in the running of the plant. The project will thus contribute towards the manufacturing sector of the economy. As per the latest findings of CTI (confederation of Tanzanian Industries), manufacturing contributes less than 10% of contribution towards this sector which is very much welcome by the government. The manufacturing process being undertaken shall also ensure that value addition is being done within the country, which is added advantage.

04. Project Location & Inputs:-

Since the project is related to manufacturing of furniture, plywood, block boards, flush doors, veneers, sawn timbers etc., which is an outcome of specialized processes carried out on raw timber or wood, the project location preferably has to be near to the business/commercial region. A part from the very fact that the project requires lot of wood transport related issues also dictate the location of such projects as being nearer to the source of raw materials.

The promoters reportedly carried out a survey of various regions in Tanzania where such project can be established with minimal obstacles. Their study led them to the Dar es Salaam region.

Promoters/Shareholders & Directors:

The Shareholders of ABCL are as under:

Name of the Share Holder	Nationality	No. of Shares Held	% Holding
Mr. Andrew E.Matemba	Tanzanian	2000	40%
Mr. Albert Andrew	Tanzanian	500	10%
Mrs. Angel A.Matemba	Tanzanian	1000	20%

The first directors of the company are:

01. Mr. Andrew E.Matemba &
02. Mrs. Angel A.Matemba.

Location of the Proposed Factory:

The site for the factory shall be in Mabibo MBB/JTG/362, Kinondoni, Dar es Salaam Region. Since the project is concerned with processing of timber and all allied products into finished material such as plywood and all allied kinds of furniture, a piece of land will be required

Registered Office Address:

Jued Mall, 1st floor
Adjacent Shoppers Plaza
Old Bagamoyo rd,
Dar es Salaam.

03. The Project:

As stated in the paragraph on introduction, the project is "to process good quality timber out of relatively inferior quality of wood, into a classic finished products as such all kinds of furniture and block boards, flush doors, veneers' and other related products, by utilizing local inputs to its maximum and thereby contribute towards the manufacturing sector of the economy and create wealth and employment resulting into a positive cascading impact on the entire economy".

The basic purpose of the entire project is to add value to the abundantly available inputs, which have hitherto not been adequately exploited. The project will create more wealth for the nation and shall endeavor to bring in more prosperity and economic independence.

Own study of the promoters has revealed that there are nearly 15 species of timber, which are considered to be of inferior quality and therefore barring for one or two species non have been exploited commercially. ABCL is interested in venturing into this area, as they are confident about

0.1 Introduction

This feasibility study report is being prepared for M/S A.BUSINESS CONSULTANTS CO. LTD. of P.O. Box 6831, Dar es salaam, Tanzania hereinafter referred to as ABCL. ABCL has undertaken a project to venture into the manufacturing of all types of furniture's including processing of wood, Formica, chipboard, plywood, sawn timber, flush doors, veneers and other allied products including trading of commodities and also to get involved at a latter date into the construction line.

The purpose of this study is to assess the commercial viability and operational feasibility of the project being undertaken by ABCL. Most of the data has been compiled by the promoters' own research and study in Tanzania and is first hand information. The financials have also been worked out on the basis of market and cost information provided by the promoters of the project.

This report has additionally deliberated upon the social and related economic benefits (net) that will accrue to the nation and has given adequate weight age for the same in the conclusion & recommendation paragraph.

02. Company Details:

Registration:

M/s ABCL has been registered with the Registrar of Companies on 19th of May 2003 as a limited liability company. The Authorized share capital of the company is same as the paid-up share capital. The registration number of the company is 46020.

Object Clause:

"To carry on the business of carpeting, plywood manufacturers, interior designers, decorators, curtain and sofa set makers of all kinds of wood work and furniture requisites and trimmings, aircraft and rocket furniture fixtures in relation to woodwork and furniture line of business in general, and also dealers in all types of ceramic items, but not limited to block boards, flush doors, veneers, sawn timber etc. and also to include manufacturing of allied products as well"

Other object clauses include the business of import and export of commodities, general merchandise, office equipments of all kinds and also interest in construction line.

A.BUSINESS CONSULTANTS CO. LTD
P.O. Box 6831
Dar es Salaam

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- ◆ Project Five Years Balance Sheet
- ◆ Projected Five Years Funds Flow Statement
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- ◆ Projected Depreciation Statement (Phase I)
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- ◆ Chart on Cash-Profits for Five Years
- ◆ Implementation Schedule (Phase I)
- ◆ Implementation Schedule (Phase II)

A.BUSINESS CONSULTANTS CO. LTD.

P.O. BOX 6831
DAR ES SALAAM

Feasibility Study Report

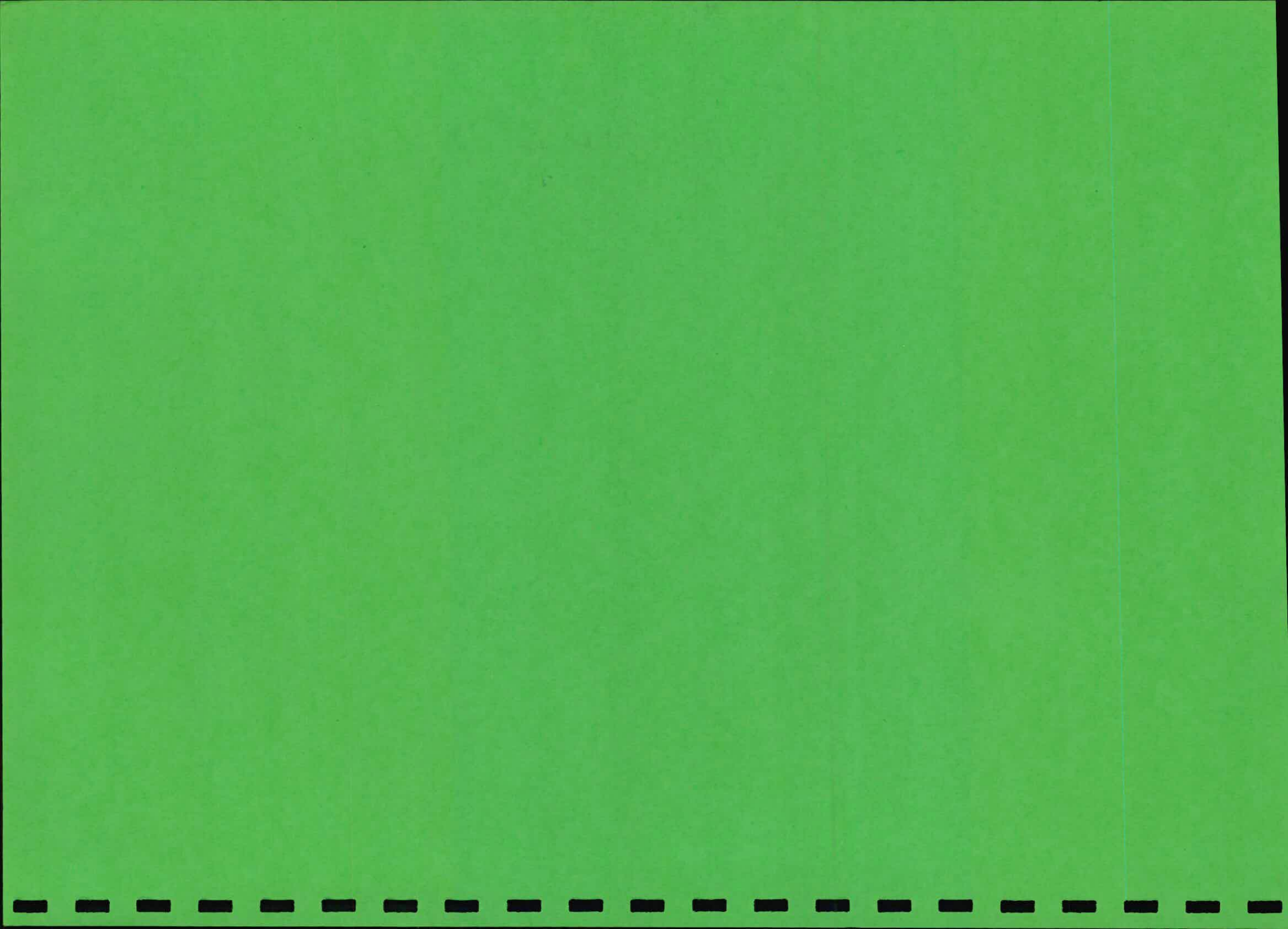
On

Establishment of Furniture
Manufacturing Unit

In

Dar es Salaam, Tanzania

Prepared for:
A.Business Consultants co. ltd
P.O. Box 6831,
Dar es Salaam.



A.BUSINESS CONSULTANTS
CO. LTD.

P.O. BOX 6831
DAR ES SALAAM

Feasibility Study Report

On

Establishment of Furniture
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In

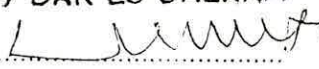
Dar es Salaam, Tanzania

Prepared for:
A.Business Consultants co. ltd
P.O. Box 6831,
Dar es Salaam.

Witness to the above signatures

Name: DESIDERI SEBASTIAN NGALO
ADVOCATE


Postal Address: BOX 72349 DAR-ES-SALAAM

Signature: 

Qualification:



I Hereby Certify This to
be a True Copy of the
Original


~~Box 5923 Dar~~
10-12-2008




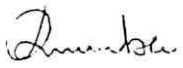

death or bankruptcy of a member, who, but for his death or bankruptcy, would be entitled to receive notice of the meeting and (c) the auditors for the time being of the company. No other person shall be entitled to receive notices of general meetings.

WINDING UP

117. If the Company shall be wound up the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Companies Ordinance (Cap. 212), divide amongst the members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such decision shall be carried out as between the members or different classes of members. The Liquidator may, with sanction, vest the whole or any part of the assets in trustees up on such trusts for the benefit of the contributors as the liquidator, with the like sanction shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

118. Subject to the provisions of the Companies Ordinance (Cap. 212), every director, managing director, agent, auditor, secretary and other officer for the time being of the Company shall be indemnified any proceedings, whether civil or criminal, in which judgment is given in his favor or in which he is acquitted.

Names, Addresses, and Description of Subscribers.	Number of shares taken by each Subscriber	Signature
ANDREW E MATEMBA P. O. BOX 6831 DAR ES SALAAM	2,000	
ANGEL A MATEMBA P. O. BOX 6831 DAR ES SALAAM	1,000	
ALBRIGHT ANDREW P. O. BOX 6831 DAR ES SALAAM	500	

Dated at Dar es Salaam this 15th day of May 2003

SECRETARY

93. *The secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may removed by them.*
94. *No person shall be appointed or hold office as a Secretary who is: -*
- (a) The sole director of the Company; or*
 - (b) A corporation the sole director of which is the sole director of the Company;
or*
 - (c) The sole director of a corporation, which is the sole director of the Company*
95. *A provision of the Companies Ordinance or these regulations requiring or authorizing a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of the secretary.*

THE SEAL

96. *The Director shall provide for the safe custody of the seal, which shall only be used by the authority of the directors or of a committee of the directors or of a committee of the directors authorized by the directors in that behalf, and every instrument to which the Seal Secretary or by a second director or by some other person appointed by the directors for the purpose but so that the directors may be resolution determine, either generally or in any particular case, that the signature of any director may be affixed by some mechanical means to be specified in such resolution, provided that the use of such means is by such resolution restricted to certificates which have first been approved for sealing by the Auditors, Transfer Auditors, Transfer Agents or Bankers of the Company in writing.*

DIVIDENDS AND RESERVE

97. *The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the directors.*
98. *The directors may from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the Company.*
99. *No dividends shall be paid otherwise than out of profits.*

85. *The quorum necessary for the transaction of the business of the directors may be fixed by the directors and unless so fixed shall be two.*

86. *The continuing directors may act notwithstanding any vacancy in the body, but, if and so long as their number is reduced below the number fixed by or pursuant to these articles as the quorum of*

⋮

Directors, the continuing director may act for the purpose of increasing the number of directors to that number, or summoning a general meeting of the Company, but for no other purpose.

87. *The Directors may elect a chairman of their general meeting and determine the period for which he is to hold office; but if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be chairman of their meeting.*

88. *The directors may delegate any of their powers to committees consisting of such members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegate conform to any regulation that may be imposed on them by the directors.*

89. *A committee may elect a chairman of their meeting; if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose any of their number to be chairman of the meeting.*

90. *A committee may meet and adjourn as they think proper. Questions arising at any meeting shall determined by a majority of votes of the members present, and in the case if an equality of votes the chairman shall have a second or casting vote.*

91. *All acts done by any meeting of the directors or of a committee of directors, or any person acting as a director, shall, notwithstanding that it afterwards discovered that there was some defect in the appointment of any such directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed to be a director.*

92. *A resolution determined on without any meeting of directors and evidenced by writing under the hands of all directors, or sole director, or of all members of a committee, or of sole member of a committee, shall be as valid and effectual as a resolution duly passed at meeting of the directors or of such committee.*

⋮

- (c) *Of all resolutions; and proceedings at all meetings of the Company, and of the directors, and of committees of directors and every director present at any meeting of directors of committee of directors shall sign his name in a book to be kept for that purpose.*

DISQUALIFICATION OF DIRECTORS

82. *The Office of any director shall be vacated, if the director:*
- (a) *Resigns his office by notice in writing to the Company; or*
 - (b) *Becomes bankrupt in this Territory or in any other territory which is declared to be a reciprocating territory under section 147 of the bankruptcy Ordinance; or*
 - (c) *Is found lunatic or becomes unsound mind; or*
 - (d) *Is punished with imprisonment for a term exceeding six months without the option of fine; or*
 - (e) *Is requested in writing by all his co-directors to resign.*
83. *Any director or any Company of firm of which a director is a member, may enter into contracts with the Company and any director may vote as a director or shareholder in respect of such contract and retain for his own use profits made by him under any such contract; provided always that unless he be at the time sole director he must disclose his interest to his co-directors before the contract is entered into by the directors, and if he be at the time sole directors be interested contract the contract must be entered into by the Company in general meeting, and before the contract is entered into, the director or directors must disclose his or their interest to the meeting.*

PROCEEDINGS OF DIRECTORS

84. *The directors may meet together for the dispatch of, adjourn and otherwise regulate their meetings, as they think fit, question arising at any meeting shall be decided by a majority of votes. In case of any equality of votes the chairman shall have a second or casting vote. A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the directors.*

POWERS AND DUTIES OF DIRECTORS

77. *The business of the Company shall be managed by the directors, who may pay all expenses incurred in forming and registering the Company, and may exercise all such powers of the Company as are not, by the Companies Ordinance (Cap. 212) or any statutory modification thereof, for the time being in force, or by these articles, required to be exercised by the Company in general meeting, subject nevertheless to the provisions of these articles and of the said Ordinance, and the exercise of such powers shall be subject to control of any general meeting of the Company specially convened for the purpose, but no resolution of the Company in general meeting shall invalidate any prior act of the directors which would have been valid if that resolution had not been passed.*
78. *The directors may from time to time appoint one or more of their body to the office of managing director or manager for such term and at such remuneration (whether by way of salary, or commission, or participation in profits, or partly in one way and partially in another) as they may think fit. The office of managing director shall be subject to determination ipso facto if he ceases from any cause to be a director, or if the Company in general meeting resolves that his tenure of the office of managing director or manager be determined.*
79. *The directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property, uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt liability or obligation of the Company or of any third party.*
80. *The directors shall duly comply with the provisions of the Companies Ordinance (Cap. 212) or any statutory modification thereof for the time being in force, and particular with the provisions in regard to registration of the particulars of mortgages and charges affecting the property of the Company, or created by it, and to keeping a register of the directors and secretaries, and to sending to the Registrar of Companies an annual list of members, and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital, or conversion of shares into stock, and copies of special and extraordinary resolutions and a copy of the register of directors and notification of any changes therein.*
81. *The directors shall cause minutes to be made in the books provided for the purpose:-*
- (a) *Of all appointments of officers made by the directors;*
 - (b) *Of the names of the directors present at each meeting of the directors and of any committee of the directors;*

72. *The names of the first directors of the Company are as follows:*

1. *ANDREW E MATEMBA*
2. *ANGEL A MATEMBA*
3. *ALBRIGHT ANDREW*

73.

(1) The remuneration of the directors shall from time to time be determined by the General meeting:

(2) In addition to their usual remuneration the directors shall also be paid such traveling, hotel and other expenses as may reasonably be incurred by them in the exercise of their duties, including any such expenses incurred in connection with their attendance at meetings of director.

74. *Any director any in writing appoint any person, who is approved by the majority of the directors, to be his alternate to act in his place at any meeting of the directors to which he is unable to be*

Present. Every such alternate shall be entitled to notice of meetings of the directors and to attend and vote there at as a director when the person appointing him is not personally present, and where he is a director, to have a separate vote on behalf of the director he is representing in addition to his own vote. A director may at any time in writing revoke the appointment of an alternate appointed by him. Every such alternate shall be an officer of the Company and shall not be deemed to be the agent of the director appointing him. The remuneration of such alternate shall be payable out of the remuneration payable to the director appointing him, and the proportion thereof shall be agreed between them. An alternate director need not hold nay share qualification.

75. *A director and alternate director shall not require a share qualification by nevertheless shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company.*

76. *The Company may by extraordinary resolution remove any director before the expiration of his period of office, and may by an ordinary resolution appoint another person in his stead. A vacancy occurring in the board of directors may be filled up by the Company by an ordinary resolution.*

67. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorized in writing, or if the appointer is a corporation, either under the common seal, or under the hand of an officer or attorney so authorized. A member shall not be entitled to appoint more than one proxy to attend on the same occasion nor may a proxy vote except on a poll.

68. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a naturally certified copy of that power or authority shall be deposited at the registered office of the Company not less than forty-eight hours before the time for holding the meeting, or adjourned meeting, or taking of the poll at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

69. An instrument appointing a proxy may be in the following form, or in any other form which the directors shall approve: -.....Limited

"I.....of, act. Being a member of the Limited, hereby appoint of, act. as my proxy to vote for me and on my behalf at the ordinary {or extraordinary, as the case may be} general meeting of the Company to be held on theday of..... And at any adjourned meeting thereof".

Signed this.....day of.....2003 Signature of Member

70. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorize such person as it thinks fit to act as its representative at any meeting of the Company and the person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

DIRECTORS

71. The directors shall be not less than two in number and shall be appointed by the subscribers to the Memorandum of Association. Unless and until otherwise determined by the Company by ordinary resolution the number of directors (excluding alternate directors) shall not be less than two and no more than six.

57. *If a poll is duly demanded it shall be taken in sum manner as the chairman directs, and the result of the poll shall be deemed to be a resolution of the meeting at which the poll was demanded.*
58. *In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or casting vote.*
59. *A poll demanded on the election of a chairman, or in a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs.*
60. *Any ordinary resolution of the Company determined on without any general meeting and evidenced by writing under the hands of all the directors or a sole director and of members of the Company holding three-fourths of the issued shares of the Company shall be as valid and effectual as an ordinary resolution duly passed at a general meeting of the Company duly convened and held.*

VOTES OF MEMBERS

61. *On a show of hands every member present in person shall have one vote. On a poll every member shall have one vote for each share of which he is the holder.*
62. *In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of member.*
63. *A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, a curator bonus, or other person in the nature of a committee or curator boons appointed by that court, and any such committee, curator boons, or other person may, on a poll, vote by proxy.*
64. *No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.*
65. *No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.*
66. *On a poll votes may be given either personally or by proxy.*

50. *All business shall deemed special that is transacted at an extraordinary general meeting, and all that is transacted at an annual general meeting, with the exception of sanctioning a dividend, the consideration of the accounts and balance sheet and the ordinary report of the directors and auditors, the election of directors in the place of those retiring by rotation, and the appointment and fixing of the remuneration of the directors.*
51. *No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; same as herein otherwise provided two members personally present shall be a quorum.*
52. *If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, and, if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the meeting shall be dissolved.*
53. *The chairman, if any, of the board of directors shall preside as chairman at every general meeting of the Company.*
54. *If there is no such chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the members present shall choose some one of their number to be chairman.*
55. *The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.*
56. *At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded*

by at least one member entitled to vote present in person or by proxy; and unless a poll is so demanded, a declaration by the chairman that the resolution has, on a show of hands, been carried, or carried unanimously, or by particular majority, or lost, and an entry to that effect in the minute book shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favor of, or against the resolution.

GENERAL MEETINGS

45. *The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it, and not more than fifteen months shall elapse between the date of one annual general meeting and that of the next. Provided that so long as the Company holds its first annual general meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The annual general meeting shall be held at such time and at such place, as the directors shall appoint.*
46. *All general meeting other than the annual general meeting shall be called extraordinary general meetings.*
47. *The directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or in default, may be convened by such requisitions, as provided by section 114 of the Companies Ordinance. (Cap. 212). If at any time there are not within the united republic of Tanzania sufficient directors capable of acting to form a quorum, any director or any one member of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.*

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PROCEEDINGS AT GENERAL MEETINGS

48. *An annual general meeting and a meeting called for the passing of special resolution shall be called by twenty-one days' notice in writing at the least and all other meetings by fourteen days' notice in writing at least. Such notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and shall specify the place, the day, and the hour of meeting and, in case of special business, the general nature of the business shall be given in the manner hereinafter mentioned, or in such other manner, if nay, as may be prescribed by Company in general meeting to such persons as are, under these articles, entitled to receive such notices from the Company; but with the consent of all the members entitled to receive notice of some particular meeting, that meeting may be convened by such shorter notice and in such manner as those members may think fit.*
49. *The accidental omission to give notice to, or the non-receipt of notice of a meeting by, any member shall not invalidate the proceedings at any meetings.*

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40. *The provisions of these articles as to forfeiture shall apply in the case of non-payment of any sum which, by terms of issue of share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the same had been payable by virtue of a call duly made and notified.*

ALTERATION OF CAPITAL

41. *The Company may, from time to time by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.*
42. *Subject to any direction to the contrary that may be given by the resolution sanctioning the increase of share capital, all new shares shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration to that time, or on receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the directors may dispose of the same in such manner as they think most beneficial to the Company. The directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares cannot, in the opinion of the director, be conveniently offered under this article.*
43. *The new shares shall be subject to the same provisions with reference to payment of calls, lien, transfer, transmission, forfeiture, expropriation, and otherwise as the shares in the original share capital.*
44. *The Company may by ordinary resolution:-*
- (a) *Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;*
 - (b) *Sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the memorandum of association, subject, nevertheless, to the provisions in section 51 (1) (d) of the Companies Ordinance (Cap. 212);*
 - (c) *Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person; and may by special resolution:-*
 - (d) *Reduce its share capital and any capital redemption reserve fund in any manner and with, and subject to, any incident authorized, and consent, required, by law.*

35. *If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the directors to that effect and such forfeiture shall extend to any dividends in respect of any share so forfeited not actually paid at the date of the said notice.*
36. *A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the directors think fit.*
37. *A person whose shares have been forfeited shall ceased to be a member in respect of the forfeited shares, but shall notwithstanding, remain liable to pay to the Company all moneys which, at the date of the forfeiture, were presently payable by him to the Company in respect of the shares, but his liability shall cease if and when the Company receive payment in the full of the nominal amount of the shares.*
38. *The holders for the time being of four-fifths of the issued shares in the Company shall be entitled at any time to purchase ex dividend all or any of the shares held by any member of the Company at a price equal to the sum paid up thereon and upon the tender of that price by the holders of four-fifths of the issued shares to any other member for the shares held by him that member shall execute transfer of the shares to the members by whom the tender is made or their nominees in such shares and proportions as they shall direct. If the member to whom the tender is made neglects or refuses to accept the sum tendered or to execute transfers of the shares the Company may on proof of his neglect or refusal accept and give a good discharge for the moneys tendered on behalf of the member to whom the same shall have been tendered, and the provisions of article 23 shall apply to the execution of transfer of the shares and the registration of the members by whom the tender was made or their nominees as owners of the said shares.*
39. *A statutory declaration in writing that declarant is a director of the Company, and that a share in the Company has been duly forfeited or expropriated on a date sated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favor of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase-money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture or expropriation, sale or disposal of the share.*

30. *At the expiration of the said twenty-one days the board shall allocate the said shares to or among the member or members who shall have expressed his or their willingness to purchase as aforesaid, and (if more than one) so far as may be pro rata according to the number of shares already held by them respectively, provided that no member shall be obliged to take more than the said maximum number of shares so notified by him as aforesaid. Upon such allocation being made the vendor shall bound on payment of the said price to transfer the shares to the purchaser or purchasers. If he make default in so doing the chairman for the time being of the directors of the Company or failing him one of the directors duly nominated by resolution of the board for that purpose shall forthwith be deemed to be duly appointed attorney of the vendor with full power to execute complete and deliver in the name and on behalf of the vendor a transfer of the shares to the purchasing member and the board may receive and give a good discharge for the purchase-money on behalf of the vendor and enter the name of the purchaser in the register of members as holder by transfer of the shares purchased by him.*
31. *In the event of the whole of the said shares not being purchased under article 28 the vendor may, at any time within six calendar months after the expiration of the said twenty-one days, transfer the shares not sold to any person (subject to article 17) and at any price.*
32. *Articles 25, 26, 27, 28 and 29 hereof shall not apply to a transfer to a person who is already a member of the Company, nor to a transfer merely for the purpose of effecting the appointment of new trustees, nor to a transfer by personal representatives to a legatee under the will of, or to the husband, wife or next of kin of, a deceased member, nor to a transfer by trustee to a beneficiary, provided that it is proved to the satisfaction of the board that the transfer bona fide falls within one of these exceptions.*

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**FORFEITURE OF SHARES AND EXPROPRIATION OF
SMALL HOLDINGS**

33. *If a member fails to pay any call or installment of a call, on the day appointed for payment thereof, the directors may at any time thereafter during such time as any part of such call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.*
34. *The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited.*

- (b) *The instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the directors may reasonably require showing the right of the transferor to make the transfer.*

If the directors refuse to register a transfer of any shares, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.

25. *The personal representatives of a deceased sole holder of share shall be the only persons recognized by the Company as having any title to the share. In the case of share registers in the names of two or more holders, the survivors or survivor, or the personal representatives of the deceased survivor, shall be the only persons recognized by the Company as having any title to the share.*
26. *Any person becoming entitled to a share in consequence of the death or bankruptcy of a member shall, upon such evidence being produced as may from time to time be required by the directors, have the right, either to be registered as a member in respect of the share or, instead of being registered himself, to make such transfer of share as the deceased or bankrupt person could have made; but the directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of transfer of the share by the deceased or bankrupt person before the death or bankruptcy.*
27. *Except as hereinafter provided no share in the Company shall be transferred unless and until the rights of pre-emption hereinafter conferred shall have been exhausted.*
28. *Every member or other person referred to in article 26 hereof who intends to transfer shares (hereinafter called the vendor) shall give notice in writing to the board of his intention. The notice shall constitute the board his agent for the sale of the said shares in one or more lots at the discretion of the board to members of the Company at a price to be agreed upon by the vendor and the board, and in default of agreement, at a price which the auditor of the Company for the time being shall certify, by writing under his hand, to be in his opinion, the fair selling value thereof as between a willing vendor and a willing purchaser.*
29. *Upon the price being fixed as aforesaid the board shall forthwith give notice to all the members of the Company other than holders of employees' shares of the number and price of the shares to be*

Sold and invite each of them to state in writing within twenty-one days from the date of the said notice whether he is willing to purchase any, and if so, what maximum number, of the said shares.

18. *The joint holders of a share shall be jointly and severally liable to pay all calls in respect hereof.*
19. *If sum called in respect of a share is not paid before or on the date appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at bank rate prevailing from time to time from the day appointed for payment thereof to the time of actual payment, but the directors shall be at liberty waive payment of the interest wholly or in part.*
20. *The provisions of these articles as to the liability of joint holders and as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the same has become payable by virtue of a call duly made and notified.*
21. *The directors may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.*
22. *The directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him; and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rated (not exceeding, without the sanction of any Company in general meeting, the bank rate existing from time as may be agreed upon between the member paying the sum in advance and the directors.*

TRANSFER AND TRANSMISSION

23. *Subject to the provisions hereinafter continued shares in the Company shall be transferable by written instrument in the common form signed by both the transfer and transferee, and the Transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof.*
24. *The directors may in their absolute discretion and without assigning any reason therefore decline to register any transfer of shares to any person whom they do not approve not being already a member of the Company and may also decline to register any transfer of shares on which the Company has alien. The directors may also suspend the registration of transfers during the fourteen days immediately preceding the ordinary general meeting in each year. The directors may decline to recognize any instrument of transfer unless; -*
 - (a) *A fee not exceeding shillings two hundred and fifty is paid to the Company in respect thereof; and*

12. *If a share certificate is defaced, lost, or destroyed, it may be renewed on payment of such fee, if any, not exceeding one hundred shillings, and on such terms, if any, as to evidence and indemnity as the directors think fit.*

LIEN

13. *The Company shall have a lien on every share for all moneys (whether present payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a lien on all shares standing registered in the name of a single person for all moneys presently payable by him or his estate to the Company; but the directors may at any time declare any share to be wholly or in part exempt from the provisions of this article. The Company's lien, if any on a share shall extend to all dividends payable thereon.*
14. *The Company may sell, in such manner as the directors thin fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the person entitled by reason of his death or bankruptcy to the share.*
15. *For giving effect to any such sale the directors may authorize some person to transfer the share sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer and he shall not be found to see to the application of the purchaser money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.*
16. *The proceeds of sale shall be applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue shall be held (subject to a like lien for sums not presently payable as existed upon the shares prior to the sale) by the Company on behalf of the person entitled to the shares at the date of the sale.*

CALLS ON SHARES

17. *The directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares, and each member shall (subject to receiving at least fourteen days notice specifying the time or times of payment) pay to the Company at the time or times of specified the amount called in his shares. A call shall be deemed to have been made at the time when the resolution of the directors authorizing the call was passed.*

CAPITAL

6. *The capital of the Company is T.shs 5,000,000/= divided into 5,000 shares of T.shs 1,000/=.*

SHARES

7. *Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the capital of the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine.*
8. *Subject to the provisions of section 47 of the Companies Ordinance (Cap 212), any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable to be redeemed on such terms and in such manner as the Company before the issue of the shares may by Special Resolution determine.*
9. *The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed not to be varied by the creation or issued of further shares ranking *pari passu* therewith.*
10. *If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied with the consent in writing of the holders of the three fourths of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate meeting the provisions of this articles relating to general meetings shall mutants apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy on-third of the issue shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll.*
11. *Every person whose name is entered as member in the register of members shall, without payment, be entitled to one certificate under the common seal of the Company specifying the share or shares held by him and the amount paid up thereon, provided that in respect of a share or shares held jointly by several persons the Company shall be bound to issue more than one certificate, and delivery of certificate of a share to one of several jointly holders shall be sufficient delivery to all.*

THE COMPANIES ORDINANCE (CAP. 212)
 COMPANY LIMITED BY SHARES
 ARTICLES OF ASSOCIATION
 OF
A. BUSINESS CONSULTANTS COMPANY LIMITED
 PRELIMINARY

TANZANIA
 Stamp Duty Sbs. 500/-
 PAID ON ORIGINAL
 Receipt No. 17337366 of 16/1/09
 Stamp Duty Office
 Dar Es Salaam

TANZANIA
 Stamp Duty Sbs. 2000/- Paid
 Receipt No. 17337366 of 16/1/09
 Stamp Duty Office
 Dar Es Salaam

Asst. Registrar of Companies

1. The company is registered as a private company and accordingly: -
 - (a) The right to transfer shares is restricted in the manner hereinafter provided.
 - (b) The number of members of the Company (exclusive of persons who are in the employment of the Company and of persons who having been formerly in the employment and have continued after determination of such employment to be members of the Company) is limited to fifty Provided that where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this article be treated as a single person.
 - (c) Any invitation to the public to subscribe for any shares or debenture of the company is prohibited.
 - (d) The Company shall not have power to issue share warrants to bearer.
2. Table A in the first schedule to the Companies Ordinance shall not apply to this Company.
3. In these Articles, unless the context otherwise requires, expressions defined in the Companies Ordinance or any statutory modification thereof in force at the date of which these articles become binding on the Company, shall have the meaning so defined; and words importing the singular shall include the plural, and vice versa, and words importing the masculine gender shall include females, and words importing persons shall include bodies corporate.
4. Any branch or kind of business which the Company is either expressly or by implication authorized to undertake may be undertaken by the directors at such time or times as they shall think fit, and further may be suffered by them to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the directors may deem it expedient not to commence or proceed with such branch or kind of business.
5. The registered office of the Company shall be at such place, as the directors shall from time to time appoint.

I Hereby Certify This to
 be a True Copy of the
 Original


 Michael Msaifi
 ADVOCATE,
 NOTARY PUBLIC &
 COMMISSIONER FOR
 OATHS
 Dar Es Salaam

Box 5923 Dar
 10-12-2009

Dated of May 2003 at Dsm this 15 day

Witness to the above signatures

Name: DESIDERI SEBASTIAN NGALO

Postal Address: ADVOCATE
Box 72349 DAR-ES-SALAAM

Signature: [Handwritten Signature]

Qualification:



I Hereby Certify This to be a True Copy of the Original

[Handwritten Signature]
Box 5923 Dsm
10-12-2004





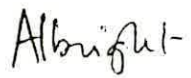
And it is hereby declared that: -

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 persons, whether corporate or incorporate, and whether domiciled in the United Republic of Tanzania or elsewhere, and.

The object specified in each of the paragraphs of this clause shall be regarded as independent objects, and accordingly shall in no wise be limited or restricted (except where otherwise expressed in such paragraphs) by reference to or inference from the terms of any other paragraph or the name of the Company, sense as if each of the said paragraphs defined the objects of a separate and distinct company. ∴

4. The Liability of the Members is Limited.
5. The capital of the Company is T.shs 5,000,000/= divided into 5000 shares of T.shs 1,000/= each. The Company shall have powers to increase its capital and to divide the shares in its capital for the time being into several classes of stock or shares and to attach thereto respectively such preferential, deferred or special rights, privileges, or conditions as may be determined by or in accordance with the Articles of Association of the Company.

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

Names, Addresses, and Description of Subscribers.	Number of shares taken by each Subscriber	Signature
ANDREW E MATEMBA P. O. BOX 6831 DAR ES SALAAM	2,000	
ANGEL A MATEMBA P. O. BOX 6831 DAR ES SALAAM	1,000	
ALBRIGHT ANDREW P. O. BOX 6831 DAR ES SALAAM	500	

sharing profits, union of interest, reciprocal concessions or co-operation with any person, partnership or company, and to promote, and aid in promoting, constitute, form or organize any company, syndicate or partnership of any kind, for the purpose of acquiring and undertaking any property and liabilities of this Company, or of advancing, directly or indirectly, the objects thereof, or for any other purpose which the company may think expedient.

- w) *To vest any real or person property, rights or interest acquired by or belonging to the company in any person or company on behalf of or for the benefit of the Company, and with or without any declared trust in favor of the Company.*
- x) *To receive money on 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 secure the payment of any 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 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.*
- y) *To draw, make, accept, indorse, discount, execute, and issue promissory notes, bills of exchange, bills of lading, warrant, debentures, and other negotiable or transferable instruments.*
- z) *To pay out of the funds of the Company all expenses, which the Company may lawfully pay with respect to the formation and registration of the Company or the issue of its capital, including brokerage and commissions for obtaining applications for o; shares, debentures, or other securities of the Company.*
- aa) *To procure the Company to be registered or recognized in any part of the world outside the United Republic of Tanzania.*
- bb) *To sell, lease, mortgage or otherwise dispose of the property, assets or undertake of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, stock debentures, or other securities of any other company whether or not having objects altogether or in part to those of the Company.*
- cc) *To act as agents or brokers and as trustees for any person or company and to undertake and perform sub-contracts and to do all or any of the above things 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 through agents, sub-contractors, trustees or otherwise.*
- dd) *To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.*

⋮

- n) *To carry on the business of providing security services to individual residences and premises belonging to individuals, companies, corporations, local authority, government institutions, bodies politic, and all bodies corporate or unincorporated and in particular to provide security guards, security alarm systems and communication systems against burglary, fire, sudden illness or any other kind of emergencies whatsoever.*

- o) *To carry on the business of architectural work and technical drawings on building and contractors, masonry and general construction contractors and were necessary to give consultation on the same.*

- p) *To provide consultancy on estate plans, architecture, construction, soil testing, structural designs and engineering, construction labour management.*

- q) *To develop the resources of the turn to account any lands and any rights over or connected with land belonging to or in which the Company is interested, and in particular by cleaning, draining, fencing, planning, cultivating, building, improving, farming, irrigation, grazing and by promoting immigration and emigration and the establishment of towns, villages and settlements.*

- r) *To carry on business as bankers, capitalists, financiers, concessionaires, and to undertake, carry on, and execute all kinds of financial, commercial, trading, and other operations, and to carry on any other business which any seem to be capable of being conveniently carried on in connection with any of these objects, or calculated, directly or indirectly to enhance the value of, or facilitate the realization of, or render profitable, any of the property or rights of the Company.*

- s) *To advance, deposit or lend money, securities, and property, to, or with such persons and on such terms as may seem expedient, to discount, buy, sell, and deal in bills, notes, warrants, coupons, and other negotiable or transferable securities or documents.*

- t) *To amalgamate or enter into a joint venture with any other company or firm, be it foreign or local having similar objects.*

- u) *To guarantee or become liable for the payment of money or for the performance of any obligations, and generally, to transact all kinds of guarantee.*

- v) *To subscribe for, conditionally or unconditionally, to underwrite, issue on commissions or otherwise, take, hold, deal in, and convert, stocks, shares, and securities of all kinds, and to enter into partnership, or into any arrangement for*

- h) To carry on the business of general merchants, general storekeepers, importers, exporters, and wholesale and/or retail traders of or otherwise dealers of and in piece goods, hardware, glassware, crockery, cutlery, hosiery, enamelware, ironmongery, machinery, turners, spare parts of every description and other household fittings, and requirements and other articles and commodities of personal, household use and consumption provisions, groceries, medicines, drugs, wines spirits, liquors, surgical, optical, photographic and other instruments apparatus stationery and material and generally in all manufactured goods of all types, and merchandise of all kinds.
- i) To carry on all or any of the business of stationeries, printers, lithographers, stereotypes, engraves, photographic printers, typesetting machines operators, die sinkers, envelopes makers, bookbinders, account book manufacturers machines, rrlers, numerical printers, paper makers, paper baffles and account book makers, box makers, flat and box file makers, card board manufacturers, type founders, photographers,
- ⌘ j) To carry on the business of buyers, sellers, importers, exporters, manufacturers, dealers and hirers of motor cars, motor vans, lorries, buses, motor coaches, vehicles bodies, engines, machinery and other chattels, implements, utencils, apparatus, motorcycles, bicycles, tractors, and other agricultural implements, garage tools and other equipments, motor spare parts, accessories, tires, tubes, cements solutions, lubricants, fuel and other oils petroleum of all kinds and to carry on the business of garage proprietors.
- ⌘ k) To engage and or carry on the business of general civil works, engineering, road constructions, buildings, renovations, office practitioners, decorators, maintainers of dilapidated buildings, plumbing, furniture manufactures, suppliers and exporters, residential and office furnisners and generally to be designers and fabricators of all kinds of gadgets whatsoever, to be timber processors, saw millers and suppliers of all kinds of timber, to be hardware and building materials suppliers, manufactures of electrical equipments and suppliers of same.
- ⌘ l) To carry on the business of building and civil engineering contractors, designers of buildings, roads, civil and road engineering works, structural maintenance, contractors, architects and quantity surveyors, painters, decorators, plumbers, grazers, metal and allay workers, fineries and engineers, electricians, warehousemen, harbingers and dealers in hardware, sanitary ware, plants appliances and fittings, tiles, pipes, earthen ware goods, cement concrete workers and building materials and requisites of every kind.
- m) To engage in all business related to real estate, estate agents construction as contractors, living houses, warehouses, roads, bridges and other building and repair works.

TANZANIA

Stamp Duty Shs. 5000 = PAID ON ORIGINAL
Receipt No. 1738266 of 16/1/03
Haweza

Stamp Duty Officer

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

TANZANIA

Stamp Duty Shs. 2000 = Paid
Receipt No. 1738266 of 16/1/03
Haweza

Asst: Registrar of Companies

OF
A. BUSINESS CONSULTANTS COMPANY LIMITED

1. The name of the company is **A. BUSINESS CONSULTANTS COMPANY LIMITED**
2. The Registered office of the Company will be situated in the United Republic of Tanzania.
3. The objects for which the Company is established are: -
 - a) To acquire and take over as going concern business carried now under the name and style of **A. BUSINESS CONSULTANTS COMPANY**, With all its Assets and liabilities of the said business.
 - b) To carry on the business of mining, buying and selling of all types of gemstones found in the United of United of Tanzania and engage in exportation or rough, cut and polished gemstones to different parts of the world and to open up lapidaries and to acquire mine workings and mining grounds in Tanzania.
 - c) To carry on the business as jewelers, gold and silver smiths, dealers in curiosities, articles of vertu, coins medals, bullion and stones and as manufacturers of and dealers in gold and silver plate, plated articles, watches, clocks chronometers and optical and scientific instruments of any description.
 - d) To carry out exploration of all types of minerals and gemstones in Tanzania, to search for ores and minerals and to work the mines and mining rights under or upon the land and properties to be acquired by the company, and to crush, wash, smelt, reduce or otherwise treat and render marketable and sell and dispose of the produce of any mines, whether belonging to the company or not.
 - e) To purchase, take on lease or exchange, or acquire by license, concession, grant, or otherwise, any lands, mines, mineral rights, buildings, easements, rights and privileges, machinery, plant, which the company may from time to time think proper to be acquired for any of its purposes.
 - f) To establish run, manage and operate jeweler shops in every part of the United Republic of Tanzania
 - g) To carry on the business of clearing and forwarding agents, commission agents, transporters, freighters, haulers, customs bonded warehouse and godown keepers, cargo and travel agents, insurance agents, tourist agents, manufacturers' representatives, road contractors, cargo superintendents, packers, machinery haulage specialists, warehousemen, engineers, electricians, motor cars, cabs, omnibus, lorries, oil tank and coach proprietors and transporters, civil transport contractors and transporters by any other means of conveyance of people and goods in Tanzania

I Hereby Certify This to be a True Copy of the Original

[Signature]
Box 5923 Dar
10-12-2002



THE COMPANIES ORDINANCE (CAP. 212)

COMPANY LIMITED BY SHARES

**MEMORANDUM
AND
ARTICLES OF ASSOCIATION**

OF

A BUSINESS CONSULTANTS COMPANY LIMITED

Incorporated this 16th Day of may 2003

Drawn by:

ANDREW E MATEMBA

(SUBSCRIBER)

P. O. Box 6831

DAR ES SALAAM

13.46	Flat edge Trimmer	2	set
13.47	Film machine	3	No
Total Purchase Order			



**A. BUSINESS CONSULTANTS
CO. LIMITED
P. O. Box 6831
DAR-ES-SALAAH-TANZANIA**



13.22	Wood CNC Router machine	3	No
13.23	Vacuum Press machine	3	No
13.24	Computer panel saw machine	2	No
13.25	Spindle moulder wood machinery	3	No
13.26	Four side wood Moulder machine	3	No
13.27	Wood Lathe machine	3	No
13.28	Stone Cutting Machine- For Table Tops	3	set
13.29	Stone crusher For Table finishing	2	set
13.30	Roll Sheet Roof forming machine	4	set
13.31	Nailing Machine	3	set
13.32	Aluminium work Machine and tools	1	set
13.33	Decorative PVC Foil for furniture	150	Rolls
13.34	PVC Furniture Film for Vacuum	150	Rolls
13.35	Wood grain laminate for doors	200	Rolls
13.36	Veener paper roll for Furnitures	150	Rolls
13.37	Automatic laminating machine for MDF Board	2	set
13.38	Hot Press machine for melamine paper on MDF	2	set
13.39	Epoxy Floor Application	757	Sq.m
13.40	Sanding machine	2	No
13.41	Gang Drill Machines	2	No
13.42	Multifunction engraving machine	2	No
13.43	Generator 20 Kva	2	No
13.44	Pulling bench saw machine	2	set
13.45	Hinger drill	2	set

A. BUSINESS CONSULTANTS
CO. LIMITED
P. O. Box 6831
DAR-ES-SALAA-1-TANZANIA



12.5	Tape Measure	500	No
12.6	Hammers of various sizes	50	No
13	Project Furniture Machines		
13.1	Industrial Filter Dust Collector	3	set
13.2	Multiblade wood saw machine	3	set
13.3	Log Splitter Machine	2	set
13.4	Wood edging machine	2	set
13.5	Paper Board Laminating machine	3	set
13.6	Wood edge bending machine	3	set
13.7	Precision Panel Saw Machine	3	set
13.8	Wood bend saw machine	2	set
13.9	Saw Machine	2	No
13.10	Machine Accessories	1,500	No
13.11	High Pressure planner machine	3	set
13.12	Table Planner machine	2	No
13.13	Wood Finger jointer machine	3	No
13.14	Wood Stitching machine	2	set
13.15	Compressor Machine	4	set
13.16	Vertical Shaft wood milling machine	4	set
13.17	Profile Milling machine	3	set
13.18	Wood working Cold Press machine	2	set
13.19	Wood PVC Laminate machine	3	set
13.20	Comb Tenon Mortising machine	3	
13.21	Single head mortising machine	3	No



**A. BUSINESS CONSULTANTS
CO. LIMITED
P. O. Box 6831
DAR-ES-SALAAM, T. TANZANIA**

8.13	Electrical fence systems and Fittings	1,200	m
9	Sanitarywares		
9.1	WC complete with water Cistern- western type	10	No
9.2	Handwash Basin complete with fittings	10	No
10	Plants and Equipments		
10.1	Pick-up 4x4 (Single Cabin)	2	No
10.2	Light Truck-1.5 Tonnes	3	No
10.3	Light Truck- 2 Tonnes	2	No
10.4	Light Truck- 3 Tonnes	2	No
10.5	Staff Bus	1	No
11	Office Furnitures		
11.1	PVC Windows	20	No
11.2	Glass Doors- Double Door for Showrooms	4	No
11.3	Office Doors and Ironmongeries	4	No
11.4	Office tables	18	Set
11.5	Office chairs	18	No
11.6	Reception table	2	No
11.7	Money safe	2	No
11.8	TV LED 46 inches complete with all fittings	2	No
12	Workshop Equipments		
12.1	Drill machines	30	No
12.2	Aluminium cutting machine	20	No
12.3	Welding machines	10	No
12.4	Screw Drivers	500	No



5.2	Suspended Ceiling material	757	Sq.m
5.3	Gypsum boards for partition	2,000	Sq.m
6	Painting and Decorative materials		
6.1	Emulsion paints	933	Litres
6.2	Wash n wear Paint	950	Litres
6.3	High Gloss Paints	1,904	Litres
6.4	Aluminium composite panel	50	Sq.m
7	Glazing Materials		
7.1	Aluminium Glazing Frames	300	m
7.2	Tinted Glazing Glass	100	Sq.m
7.3	Aluminium Adhesives	17	Gallons
8	Electrical and Electronic Materials		
8.1	Decorative Ceiling Lights	200	No
8.2	Fire Extinguishers- 9 KG Dry Powder type	10	No
8.3	Smoke Detectors	20	No
8.4	CCTV Cameras	15	No
8.5	CCTV Recording Unit	1	No
8.6	CCTV Television	2	No
8.7	Air conditioning-2400 BTU Split System Units	20	No
8.8	Distribution Boards 3- phase 250 A	2	No
8.9	Distribution Boards 12- way 100 A	2	No
8.10	4- Core 6 mm wire	50	Rolls
8.11	4- Core 4 mm wire	150	Rolls
8.12	2.5 mm wire	100	Rolls

A. BUSINESS CONSULTANTS
 CO. LIMITED
 P. O. Box 6831
 DAR-ES-SALAAH, TANZANIA



List of capital/ Deemed capital Goods to be Imported or Purchased Locally

SCHEDULE OF MATERIALS

ITEM	DESCRIPTION	QUANTITY	UNITS
1	Structural Materials		
1.1	Pre-Engineered Mezzanine Steel Structure- As per attached pro-forma Invoice	1	No
1.2	Plastic membrane	8	Rolls
2	Concrete Materials		
2.1	Cement	1,335	Bags
2.2	Fine Sand	100	Cu.m
2.3	Aggregates	173	Cu.m
2.4	Rebars- Y8	15	Ton
2.5	Rebars- Y10	25	Ton
2.6	Rebars- Y12	15	Ton
2.7	Rebars- Y16	20	Ton
3	Roofing- Treated Timbers		
3.1	50X50 mm	1,176	m
3.2	50X100 mm	986	m
3.3	50 x150 mm	875	m
3.4	20x200 mm	183	m
3.5	Marine Plywood for formworks	400	Sq.m
4	Roofing-Corrugated iron sheets		
4.1	Aluminium-zinc roofing sheet- 26 G	850	Sq.m
4.2	Entrance Door Grillages-3000x3000 high	4	No
5	Finishing Materials		
5.1	Granite Floor Tiles	757	Sq.m

**A. BUSINESS CONSULTANTS
 CO. LIMITED
 P. O. Box 6831
 DAR-ES-SALAA,1-TANZANIA**





TANZANIA REVENUE AUTHORITY

TRA/CE/C/P.20/8/2029

16th March, 2012

The Managing Director,
M/S A. Business Consultation,
P. O. Box 938,
DAR ES SALAAM.

Dear Sir,

**RE: DUTY/VAT EXEMPTION ON CAPITAL/DEEMED CAPITAL GOODS-
CERTIFICATE OF INCENTIVES OF NO .042175 OF 08.03.2012**

We are writing in response to your letter dated 06.03.2012 as supported by the letter ref. TICC/PP.10/042175 of 8/3/2012 from Tanzania Investment Centre regarding the captioned subject.

We hereby approve and submit a **Five-page list** of capital deemed capital goods for establishment and facilitation of the project with the certificate of incentives mentioned above. However, it should be noted that, locally manufactured items are to be purchased locally and items therein deleted could not be approved because they are not among items which are eligible for exemption under your project.

The approved goods will be subject to 0% import duty and VAT relief under the 3rd Schedule to the VAT Act, cap 148; subject to completion of form VAT 224 duly, for import goods are approved by the Commissioner for Customs and Excise and for locally procured items, the forms should be submitted to the commissioner for Domestic revenue.

Sincerely yours,

A handwritten signature in blue ink, appearing to read 'Godfrey Kitundu', is written over a horizontal line.

Godfrey Kitundu

FOR: COMMISSIONER FOR CUSTOMS AND EXCISE

JCM

c.c. Manager –ILaLa Tax Regional

c.c. Manager - Customs Service Centre

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

**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.10/042175/6

08/03/2012

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

Dear Sir,

**RE: DUTY/ VAT REMISSIONS ON CAPITAL/ DEEMED CAPITAL
GOODS – CERTIFICATE OF INCENTIVES No: 042175**

M/S A. Business Consultants Co. Limited is a TIC registered company with certificate of incentives **No. 042175** which is valid up to **January 2015**

The company has been registered with objectives of establishing a modern furniture manufacturing units.

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

Yours sincerely

TANZANIA INVESTMENT CENTRE



Revocatus Arbogast

FOR: EXECUTIVE DIRECTOR



International Commercial Bank (Tanzania) Limited.

Ref: ICB/OP/BM/2012/002

JAN
31st May 2012

To

The Tanzania Investment Centre,
Shaaban Robert Street,
P.O.Box 938,
Dar es Salaam
TANZANIA.



Dear Sirs,

Sub: M/s A - Business Consultants Company Limited

This is to certify and confirm that **M/s A BUSINESS CONSULTANTS COMPANY LTD, P.O.Box 6831, Dar es Salaam** have been Banking with us since 25th October 2010. The operations of their account is satisfactorily.

The Directors of the Company are well known to our Bank and in the event we are approached for any credit facility, we shall consider it favorably.

This Certificate is issued at the specific request of M/s A - Business Consultants Company Limited to enable them to submit their application for Investment Incentives at Tanzania Investment Centre.

For INTERNATIONAL COMMERCIAL BANK (TANZANIA) LTD.



EDWIN POLLE
Branch Manager - Mikocheni

TANZANIA



Certificate of Incorporation

No. 46020

I HEREBY CERTIFY THAT

A. BUSINESS CONSULTANTS COMPANY 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 19th day of MAY,

Two Thousand and Three

Asst. Registrar of Companies

mm

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

1. Shareholders

	Nationality	Shareholding (%)
Albright Andrew	Tanzanian	14.72
Angela A. Matemba	Tanzanian	28.57
Andrew Matemba	Tanzanian	57.14
.....

2. Proposed Activities : To establish a modern furniture manufacturing units

3. Sector: Manufacturing Subsector Furniture manufacturing

4. Investment cost:

	Foreign	-	Local	USD 1.135m.	Total	USD 1.136 m
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5. Project Financing:

Equity	1	Loans	USD 0.135m.	Total	USD 1.135m.
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6. Source, terms and conditions of loan: -

7. Assets to be invested:

Capital items:	Foreign	Local	Total
	-	USD 1.135m.	USD 1.135m.

8. Technology Agreement none

9. Date of TIC Registration: 9th February, 2012

10. Implementation period February, 2012 - January, 2015

11. Operative date: February, 2015

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 As 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

None

Signed 
Ag. Executive Director



00218497

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042175

This is to certify that

A. BUSINESS CONSULTANTS CO. LTD

of address P.O. BOX 6831

DAR ES SALAAM

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

A. BUSINESS CONSULTANTS CO. LTD

Which is located at PLOT NO. 362 MBB/JTG, MABIBO NEAR URAFIKI

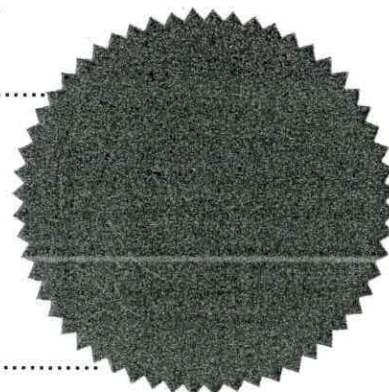
TEXTILES MILLS, KINONDONI, DSM

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


Ag. Executive Director

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

21ST FEBRUARY, 2012
Dated



13.46	Flat edge Trimmer	2	set
13.47	Film machine	3	No
	Total Purchase Order		



13.22	Wood CNC Router machine	3	No
13.23	Vacuum Press machine	3	No
13.24	Computer panel saw machine	2	No
13.25	Spindle moulder wood machinery	3	No
13.26	Four side wood Moulder machine	3	No
13.27	Wood Lathe machine	3	No
13.28	Stone Cutting Machine- For Table Tops	3	set
13.29	Stone crusher For Table finishing	2	set
13.30	Roll Sheet Roof forming machine	4	set
13.31	Nailing Machine	3	set
13.32	Aluminium work Machine and tools	1	set
13.33	Decorative PVC Foil for furniture	150	Rolls
13.34	PVC Furniture Film for Vacuum	150	Rolls
13.35	Wood grain laminate for doors	200	Rolls
13.36	Veener paper roll for Furnitures	150	Rolls
13.37	Automatic laminating machine for MDF Board	2	set
13.38	Hot Press machine for melamine paper on MDF	2	set
13.39	Epoxy Floor Application	757	Sq.m
13.40	Sanding machine	2	No
13.41	Gang Drill Machines	2	No
13.42	Multifunction engraving machine	2	No
13.43	Generator 20 Kva	2	No
13.44	Pulling bench saw machine	2	set
13.45	Hinger drill	2	set



12.5	Tape Measure X	500	No
12.6	Hammers of various sizes X	50	No
13	Project Furniture Machines		
13.1	Industrial Filter Dust Collector	3	set
13.2	Multiblade wood saw machine	3	set
13.3	Log Splitter Machine	2	set
13.4	Wood edging machine	2	set
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13.6	Wood edge bending machine	3	set
13.7	Precision Panel Saw Machine	3	set
13.8	Wood bend saw machine	2	set
13.9	Saw Machine	2	No
13.10	Machine Accessories	1,500	No
13.11	High Pressure planner machine	3	set
13.12	Table Planner machine	2	No
13.13	Wood Finger jointer machine	3	No
13.14	Wood Stitching machine	2	set
13.15	Compressor Machine	4	set
13.16	Vertical Shaft wood milling machine	4	set
13.17	Profile Milling machine	3	set
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13.19	Wood PVC Laminate machine	3	set
13.20	Comb Tenon Mortising machine	3	
13.21	Single head mortising machine	3	No



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9.1	WC complete with water Cistern- western type	10	No
9.2	Handwash Basin complete with fittings	10	No
10	Plants and Equipments		
10.1	Pick-up 4x4 (SINGLE)	2	No
10.2	Light Truck-1.5 Tonnes	3	No
10.3	Light Truck- 2 Tonnes	2	No
10.4	Light Truck- 3 Tonnes	2	No
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11	Office Furnitures		
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11.2	Glass Doors- Double Door for Showrooms	4	No
11.3	Office Doors and Ironmongeries	4	No
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11.5	Office chairs	18	No
11.6	Reception table	2	No
11.7	Money safe	2	No
11.8	TV LED 46 inches complete with all fittings	2	No
12	Workshop Equipments		
12.1	Drill machines	30	No
12.2	Aluminium cutting machine	20	No
12.3	Welding machines	10	No
12.4	Screw Drivers	500	No



5.2	Suspended Ceiling material	757	Sq.m
5.3	Gypsum boards for partition	2,000	Sq.m
6	Painting and Decorative materials		
6.1	Emulsion paints	933	Litres
6.2	Wash n wear Paint	950	Litres
6.3	High Gloss Paints	1,904	Litres
6.4	Aluminium composite panel	50	Sq.m
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7.2	Tinted Glazing Glass	100	Sq.m
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8.2	Fire Extinguishers- 9 KG Dry Powder type	10	No
8.3	Smoke Detectors	20	No
8.4	CCTV Cameras	15	No
8.5	CCTV Recording Unit	1	No
8.6	CCTV Television	2	No
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8.9	Distribution Boards 12- way 100 A	2	No
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8.11	4- Core 4 mm wire	150	Rolls
8.12	2.5 mm wire	100	Rolls



List of capital/ Deemed capital Goods to be Imported or Purchased Locally

SCHEDULE OF MATERIALS

ITEM	DESCRIPTION	QUANTITY	UNITS
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1.1	Pre-Engineered Mezzanine Steel Structure- As per attached pro-forma Invoice	1	No
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2.2	Fine Sand	100	Cu.m
2.3	Aggregates	173	Cu.m
2.4	Rebars- Y8	15	Ton
2.5	Rebars- Y10	25	Ton
2.6	Rebars- Y12	15	Ton
2.7	Rebars- Y16	20	Ton
3	Roofing- Treated Timbers		
3.1	50X50 mm	1,176	m
3.2	50X100 mm	986	m
3.3	50 x150 mm	875	m
3.4	20x200 mm	183	m
3.5	Marine Plywood for formworks	400	Sq.m
4	Roofing-Corrugated iron sheets		
4.1	Aluminium-zinc roofing sheet- 26 G	850	Sq.m
4.2	Entrance Door Grillages-3000x3000 high	4	No
5	Finishing Materials		
5.1	Granite Floor Tiles	757	Sq.m



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 (%) |
|-------------------|-------------|------------------|
| Albright Andrew | Tanzanian | 14.72 |
| Angela A. Matemba | Tanzanian | 28.57 |
| Andrew Matemba | Tanzanian | 57.14 |
2. Proposed Activities : To establish a modern furniture manufacturing units
3. Sector: Manufacturing Subsector Furniture manufacturing
4. Investment cost: Foreign - Local USD 1.135m. Total USD 1.136 m
5. Project Financing: 1 Equity Loans USD 0.135m. Total USD 1.135m.
6. Source, terms and conditions of loan -
7. Assets to be invested:
- | Capital items: | Foreign | Local | Total |
|----------------|---------|-------------|-------------|
| | - | USD 1.135m. | USD 1.135m. |
8. Technology Agreement none
9. Date of TIC Registration: 9th February, 2012
10. Implementation period February, 2012 - January, 2015
11. Operative date February, 2015
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 As 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
- None

Signed _____
Ag. Executive Director

Original
22/2/2012



00218497

For: Executive Director
Tanzania Investment Centre THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042175

This is to certify that

A. BUSINESS CONSULTANTS CO. LTD

of address P.O. BOX 6831

DAR ES SALAAM

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

A. BUSINESS CONSULTANTS CO. LTD

Which is located at PLOT NO. 362 MBB/JTG, MABIBO NEAR URAFIKI

TEXTILES MILLS, KINONDONI, DSM

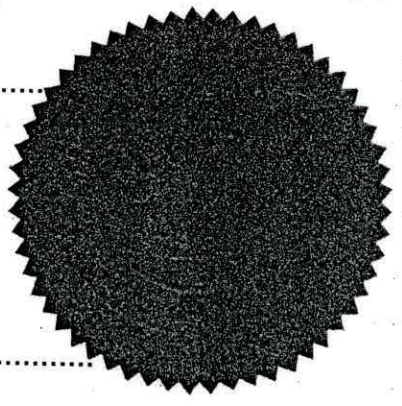
Further particulars required by Section 17 of the Tanzania Investment Act are set out overleaf.

Ag. Executive Director

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

21ST FEBRUARY, 2012

Dated



A.BUSINESS CONSULTANTS CO. LIMITED.

P.O. BOX 6831,
DAR ES SALAAM.

5

The Commissioner for Custom and Excise,
P.o. Box 9050,
Dar Es Salaam.

6th March 2012.

UFS

Executive Director,
Tanzania Investment Centre,
P.o. Box 938,
Dar Es Salaam.



Dear Sir / Madam,

**RE: APPLICATION FOR DUTY/VAT EXEMPTION ON CAPITAL /
DEEMED CAPITAL GOODS ON CERTIFICATE NO. 042175.**

Reference is made as per above-mentioned, our Company was given a certificate of Incentive **No. 042175**, certified copy of which is attached hereunder for your necessary use.

Together with, we are now attaching a comprehensive list of importations intended for your approval for the above mentioned.

Looking forward to receiving your earliest and kind attention.

Faithfully yours,
A.BUSINESS CONSULTANTS CO. LTD.

A handwritten signature in blue ink, appearing to read "AEM".

Andrew E. Matemba
Managing Director.





TIC Evaluation Report

Name of the Company

A. Business Consultants Co. Ltd.

Post Box	Mabibo, Plot No. 362	COI Number	46020	Contact	Mr. Andrew E. Matemba
Post Office	6831	COI Date	19/05/2003	Designation	Director
Region	Dar Es Salaam	Application F. No	09825	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0714 21 35 21
		Sub Sector	Furniture Manufacturing	Fax	0
		File No	042175	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD											
Plot/Block	Plot No. 362	<table border="1"> <thead> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>1</td> <td>0</td> <td>0.135</td> </tr> </tbody> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0	1	0	0.135			
Foreign Equity	Local Equity		Foreign Loan	Local Loan									
0	1		0	0.135									
Street	Mabibo												
District	Kinondoni												
Region	Dar es Salaam												

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	Plant
Albright Andrew	Tanzanian	14.72	0.1	0.9
Angela A. Matemba	Tanzanian	28.57	Vehicles	0.05
Andrew Matemba	Tanzanian	57.14	Furniture & Fittings	0.02
			Pre-expenses	0.015
			Others	0
			Working Capital	0.05
			Total	1.135

Employment	50	Evaluated By	wf officer3
Capacity	2000 cabs	Drawn By	wf registry2
Project Turn Over		Project Type	Local

Description

To establish a modern furniture manufacturing units

Recommendations

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

Decision

Approved

 Ag EXD
 07/0/12

TICC/PP.10/042175/3

9th February, 2012

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

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

Yours sincerely,

TANZANIA INVESTMENT CENTRE


B.D. Chonjo

For: EXECUTIVE DIRECTOR

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

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

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

TICC/PP.10/042175/3

9th February, 2012

Managing Director,
A. Business Consultants Co. Ltd.,
P.O. Box 6831,
DAR ES SALAAM

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE
ESTABLISHMENT A MORDERN FURNITURE MANUFACTURING UNITS**

We wish to acknowledge receipt of your project proposal to establish a modern furniture manufacturing units as presented in the TIC P.A. 1 Form No. 09825 and Feasibility Study with a projected investment of USD 1.135m.

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

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

You will also be required to submit to the Centre a Progress Report on the implementation of the project after every six months for our information and review. Guidelines for the preparation of the report are contained in annexure 2 also attached to this letter. Please do not hesitate to contact the Centre for any clarification if the need arises. Please also note that a facilitation fee equivalent to US\$ 750.00 is payable at the ruling exchange rate before your Certificate of Incentives is prepared. Please make deposit direct to the bank as per bank details below:-



4

TANZANIA INVESTMENT CENTRE

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

RECEIPT REC006184

No. 000929

Received from : A. BUSINESS CONSULT CO. LTD

Address P. O. Box 6831 Dar Es Salaam.

Received the sum of (In words): SEVEN HUNDRED FIFTY AND ZERO CENTS ONLY

Being payment in respect of : CERTIFICATE OF INCENTIVES FEES

Amount : USD 750.00

Cash / Cheque No: D/deposit 13/2

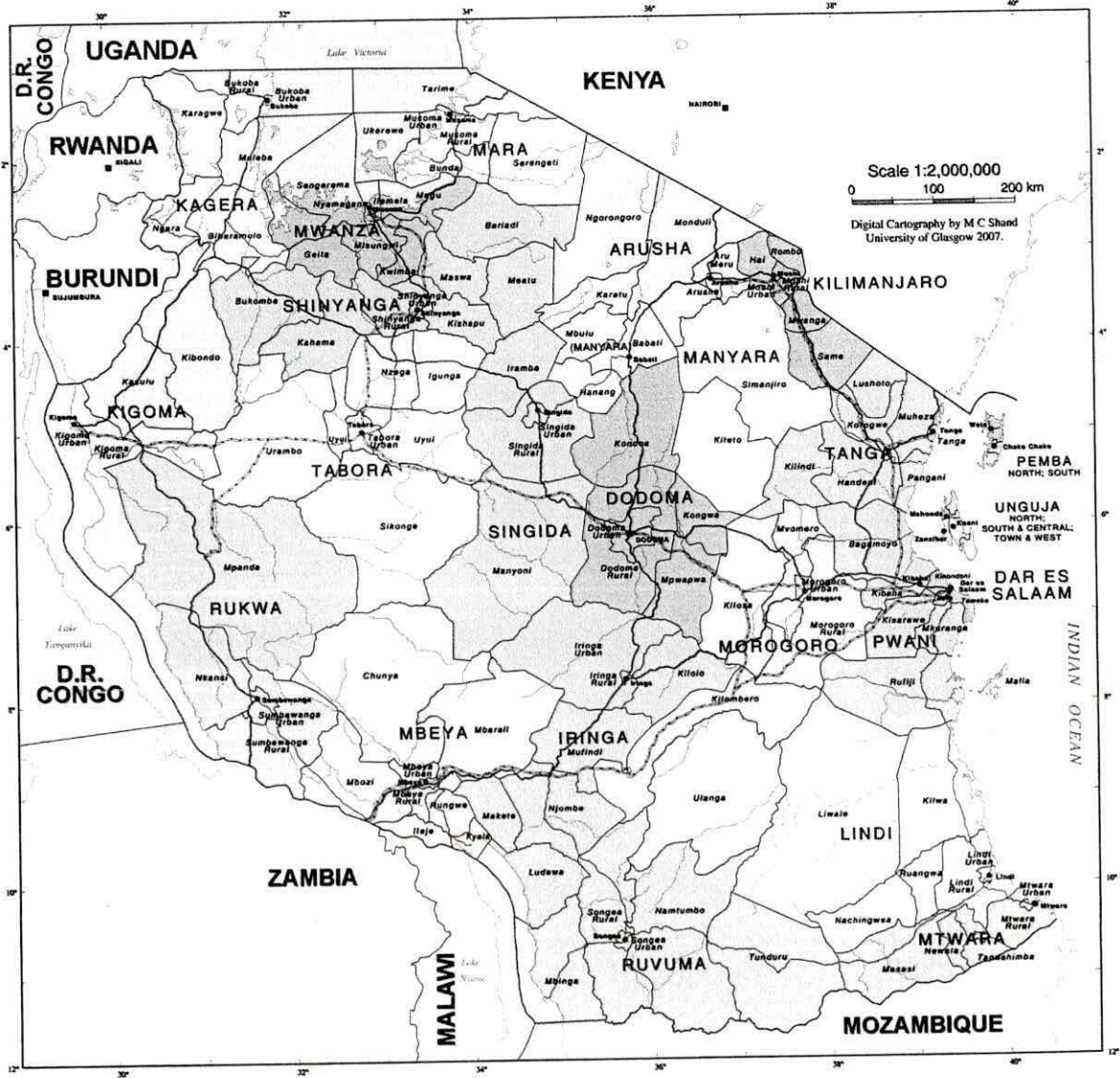
Date : 13-Feb-2012

JSimba

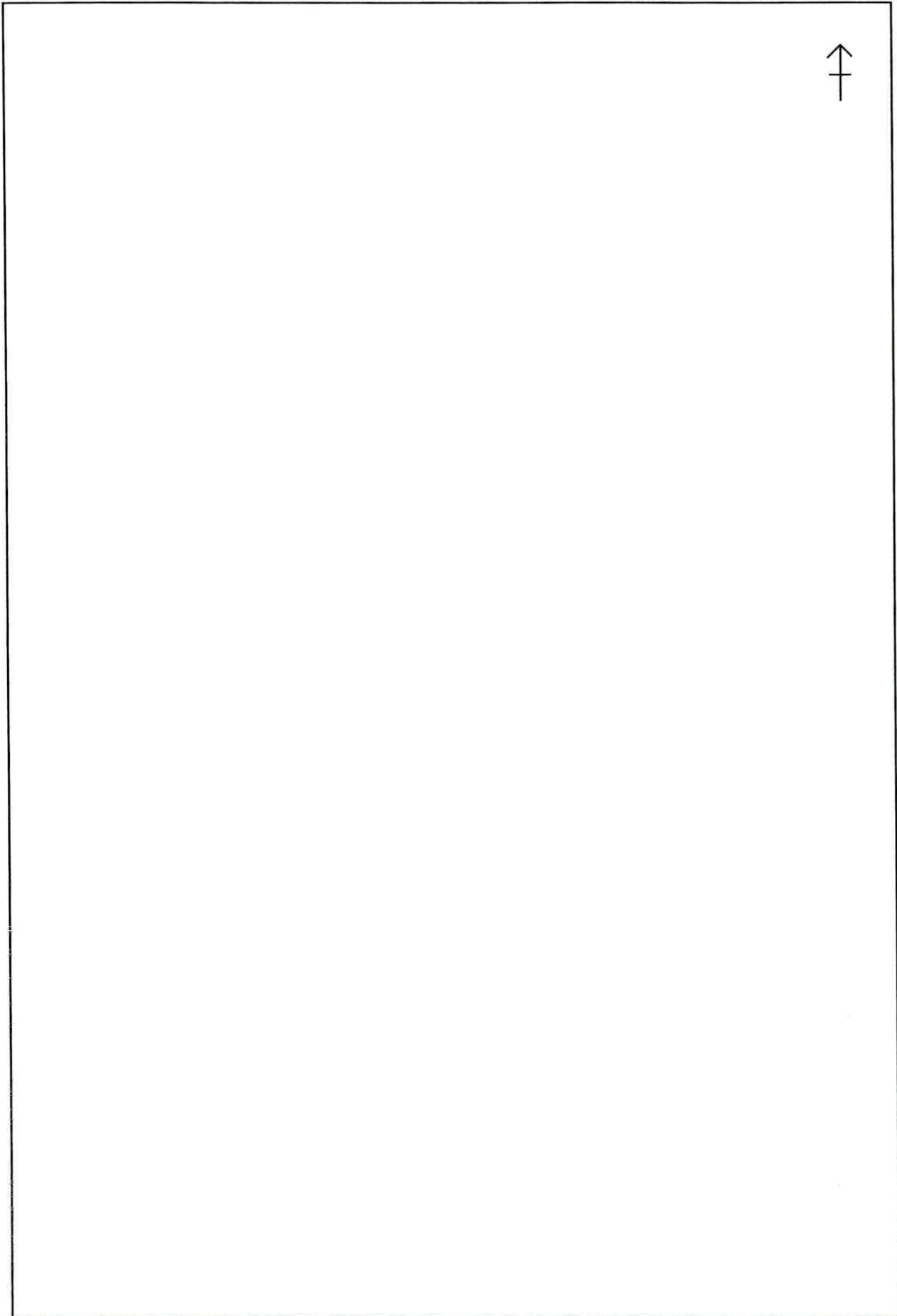
Receiving Officer



*For Executive Director
Tanzania Investment Centre*



SKETCH MAP SHOWING PROJECT LOCATION



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

Land/Building	..... 100,000/-
Plant	..... 900,000/-
Vehicles	..... 50,000/-
Furniture & Fittings	..... 20,000/-
Pre-expenses	..... 15,000/-
Others -
Working Capital	..... 50,000/-
TOTAL	..... 1,135,000/-

Contact Details:

Name:	Andrew E. Matamba	Title:	Director Managing
Telephone:	0711 213521	Fax:	-
Email:	ammatamba@yahoo.com		

Payments to be made payable to:

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

APPLICATION SUMMARY

Company Name: A. BUSINESS CONSULTANTS CO LTD

Certificate of Incorporation Number: 46020 Status: New

Certificate of Incorporation Date: 19th May 2003

Post Box: 6831

Town: Dar es Salaam

Sector: Manufacturing Sub-Sector: Furniture Manufacturing

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
.....	<u>1,000,000/-</u>	.....	<u>135,000/-</u>

Project Objectives: Establishment of a modern furniture manufacturing unit

Capacity: 2000 sets

Employment: Foreign: 3 Local: 47 Total: 50

Implementation Period: 3 yrs.

Project Location

Site/Plot/Block No.: 302

Street: Habibo District: Kivukoni Region: DSM

(Attach sketch map showing project location)

Shareholders	Nationality	%
<u>Andrew Malimba</u>	<u>Tanzania</u>	<u>40</u>
<u>Angela A. Malimba</u>	<u>Tanzania</u>	<u>20</u>
<u>Albright Andrew</u>	<u>Tanzania</u>	<u>10</u>
.....
.....

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

is ~~Tshs~~/US\$ 1,135,000/-

8. The month and day of the financial year end is 31st Dec

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\$

100/- Being the Registration Fees. In the event this application is unsuccessful we understand that this fee will not be refunded.

I. ANDREW MATEMBA of Post Office Number 6831 Dar es

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

authorized agent of A. BUSINESS CONSULTANTS CO LTD.

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 }

The 20th day of Jan 2010 }

Signature of Applicant
Applicant

Before me:



Signature of Commissioner for Oaths

Commissioner for Oaths

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 Andrew E. Matemba
(director/directors/agent of A. BUSINESS CONSULTANTS CO LTD
(name of business enterprise) apply for registration of Tanzania Investment Centre
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 4, Jued Mall, Old
Bagamoyo rd, Dar es 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 362, MBB, JTC Malibo rd, Dar
4. The Principal Officers of the Company are 1. Andrew Matemba
2. Angela A. Matemba 3. Albright Andrew
5. Auditors of the Company are to be appointed
6. The authorized share capital of the Company is Tshs./~~US\$~~ 5,000,000/-



TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

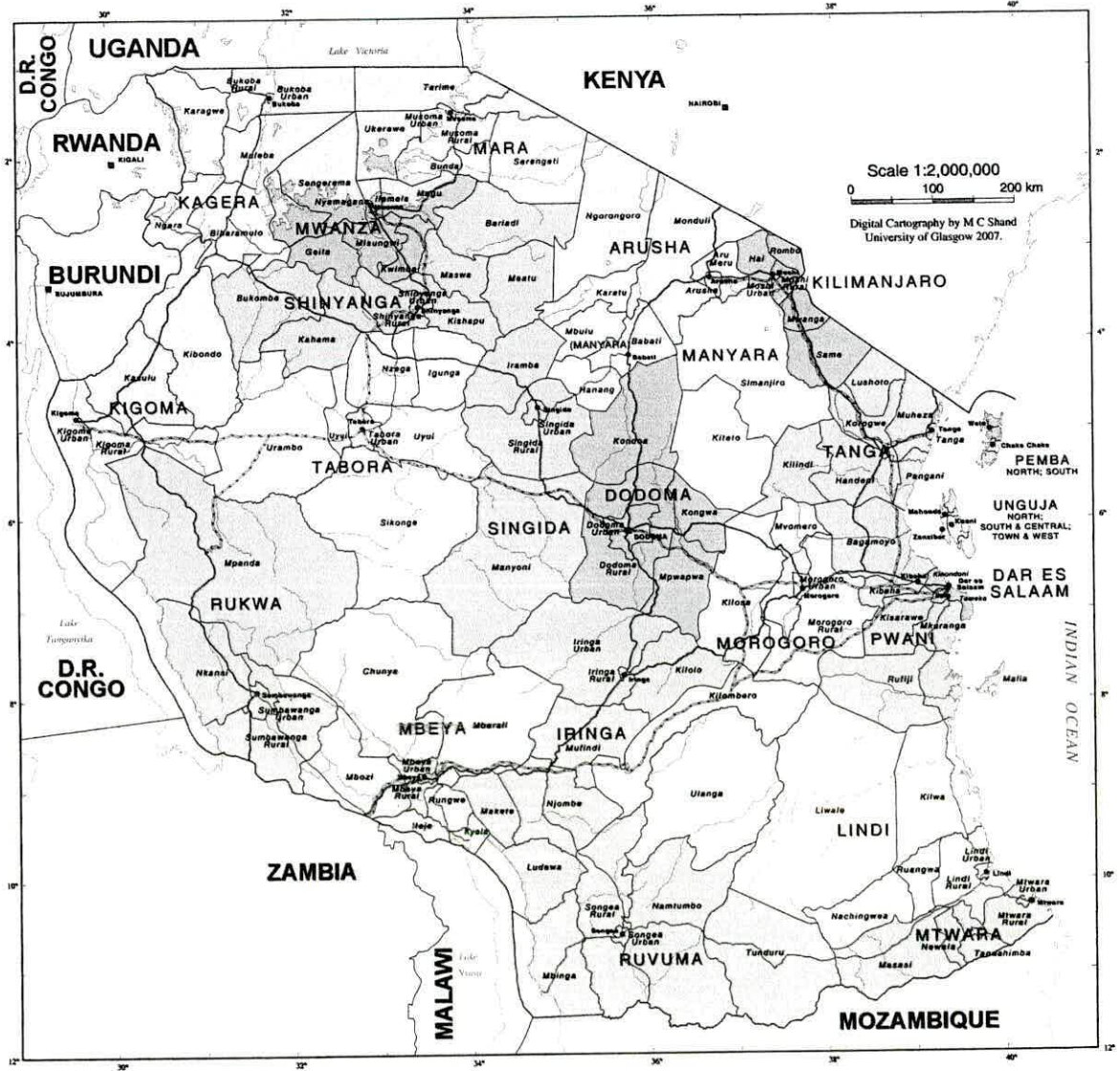
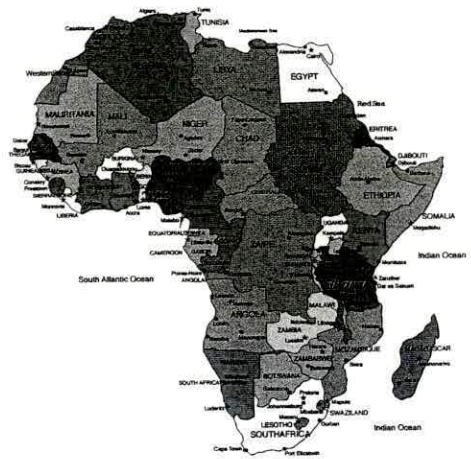
FOR

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)



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

Land/Building	..... 100,000/-
Plant	..... 900,000/-
Vehicles	..... 50,000/-
Furniture & Fittings	..... 20,000/-
Pre-expenses	..... 15,000/-
Others -
Working Capital	..... 50,000/-
TOTAL	..... 1,135,000/-

Contact Details:

Name: <u>Andrew E. Matamba</u>	Title: <u>Director Managing</u>
Telephone: <u>0711 213521</u>	Fax: <u>-</u>
Email: <u>ammatamba@yahoo.com</u>	

Payments to be made payable to:

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

APPLICATION SUMMARY

Company Name: A. BUSINESS CONSULTANTS CO LTD

Certificate of Incorporation Number: 46020 Status: New

Certificate of Incorporation Date: 19th May 2003

Post Box: 6831

Town: Dar es Salaam

Sector: Manufacturing Sub-Sector: Furniture Manufacturing

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity Local Equity Foreign Loan Local Loan
1,000,000/- 135,000/-

Project Objectives: Establishment of a modern furniture manufacturing unit

Capacity: 2000 cabs

Employment: Foreign: 3 Local: 47 Total: 50

Implementation Period: 3 yrs.

Project Location

Site/Plot/Block No.: 362

Street: Habibo District: Kinondoni Region: DSM
(Attach sketch map showing project location)

Table with 3 columns: Shareholders, Nationality, %
Andrew Malimba Tanzania 40
Angela A. Malimba Tanzania 20
Albright Andrew Tanzania 10

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

is ~~Tsh~~ US\$ 1,135,000/-

8. The month and day of the financial year end is 31st Dec

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

I/We enclose a cheque/cash made payable to the Tanzania Investment Centre for ~~Tsh~~ US\$

100/- Being the Registration Fees. In the event this application is unsuccessful we understand that this fee will not be refunded.

I. ANDREW MATEMBA of Post Office Number 6831 Dar es

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

authorized agent of A. BUSINESS CONSULTANTS CO LTD.

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

The 20th day of Jan 2011

Signature of Applicant
Applicant

Before me:



Signature of Commissioner for Oaths

Commissioner for Oaths

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

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Bagamoyo rd, Dar es Salaam

Copies of the following documents are attached to this application:

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 - (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 362, MBB, JTC Malibo rd, Dar
4. The Principal Officers of the Company are 1. Andrew Matemba
2. Angela A. Matemba 3. Albright Andrew
5. Auditors of the Company are to be appointed
6. The authorized share capital of the Company is Tshs./~~1000~~ 5,000,000/-



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)

4. The Lessee shall pay the rent as agreed failure to that the Lessor has the right to Terminate the agreement forthwith.

PROVIDED ALWAYS and it is **HEREBY AGREED AND DECLARED that:**

If the rent reserved or any parts thereof shall in arrears for the space of twenty-one days (21) next after any of the days whereon the said out to be paid as aforesaid.

(Where the same have demanded formally or not) or if there shall have been any breach of any of the covenants of conditions (or non performance of the same) therein before contained them and in any such case it shall be lawful for **the LESSOR** to enter at any time in the demised premises or any parts thereof in the name of the whole and the same have again have the responses and enjoy in his favour state.

SIGNED and DELIVERED by the said
Esmail Gullam

Who is known to me personally
This day 27th January 2012

» Esmail Gullam
» **OWNER**
» **(LESSOR)**

NAME: Esmail Gullam

ADDRESS: [Signature]

QUALIFICATION: Advocate

SIGNED and DELIVERED by the said
A.BUSINESS CONSULTANTS CO. LTD.

Who is known to me personally
This day 27th January 2012

» A. Matamba
» **Andrew E. Matamba.**
» **(LESSEE)**

NAME: A. Matamba

ADDRESS: [Signature]

QUALIFICATION: [Signature]



LEASE AGREEMENT:

I, **Esmail Gullam of P.o.Box 1928, DAR ES SALAAM** (here in after called the **LESSOR**) hereby lease to **A.BUSINESS CONSULTANTS CO. Ltd of P.o Box 6831, Dar es Salaam** (here in after called the **LESSEE**) a premises situated at plot No 362 MBB/JTG, Mabibo near Urafiki textile Mills area, Kinondoni Dar es Salaam region, (here in after called the demised premises) for a term of **One** year commencing on 1st Dec 2011 to 30th Nov 2020 at a monthly rent of Tanzanian shillings 650,000/= (Six hundred and fifty thousands only) thus making a total of Tanzanian shillings 7,800,000/= (Seven million, eight hundred thousands only) the first year and United States dollars 700/- (Seven hundred only) monthly thus making a total of United States dollars 8,400/-. Per annum for the next remaining **nine** years.i.e from 1st Dec 2012 to 30th Nov 2020.

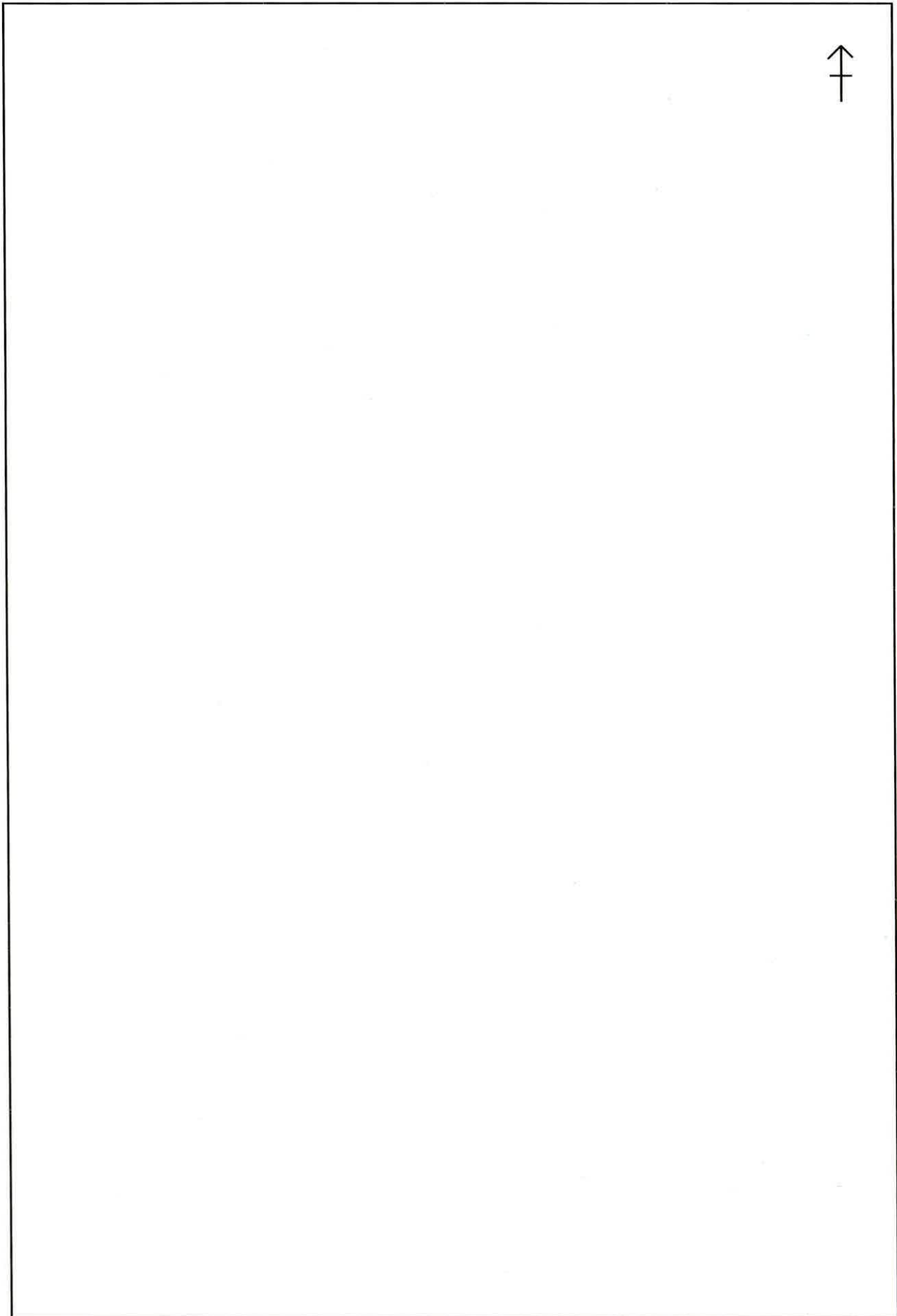
The LESSEE hereby covenant with the **LESSOR** during the term hereby created as follows:-

1. To pay the rent hereby reserved on the days in the manner aforesaid.
2. To pay water and electricity charges as from the date of occupation until the expiration of the lease.
3. **No permit** to assign, sublet or part with the possession of the demised premises or any parts thereof under any reason or circumstance whatsoever.
4. To use the demised premises for commercial purposes only.
5. To permit the **LESSOR** or her duly authorized Agents, Surveyors and Workman with Tools and all necessary appliances at all reasonable times during the term hereby Created and upon giving two weeks previous written notice to enter upon the demised Premises or any part or parts thereof and as often as the **LESSOR** shall reasonably Desirer or direct for the purpose of examining the state and condition thereof and for Any such repairs, alteration, additions, improvements or renewals to or of the demised or any part or parts thereof.
6. To keep the demises premises including all floors, walls, ceilings, doors, windows, Locks and fittings and fixtures therein or thereon well and sufficiently cleaned, good and tenantable repair and condition, wear and tear expected.

The **LESSOR** hereby covenant with the **LESSEE** as follows:-

1. That the **LESSEE** paying the rent herein before resumes performing and observing the Several covenants and conditions on his behalf herein contained shall be entitled Peacefully to hold and enjoy the demised premises during the terms hereby created Without any interruption by the **LESSOR** or any person or persons rightfully claiming Through, under or in trust for him.
2. To keep the walls, ceiling, roof, drainage and sewage in good, tenantable repair and Condition,
3. The contract will be for complete one year and either party if interested to renew the Agreement the **LESSEE** should inform the **LESSOR** in writing one month before the Expiration of the Lease Agreement.

SKETCH MAP SHOWING PROJECT LOCATION



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

Land/Building	..... 100,000/-
Plant	..... 900,000/-
Vehicles	..... 50,000/-
Furniture & Fittings	..... 20,000/-
Pre-expenses	..... 15,000/-
Others -
Working Capital	..... 50,000/-
TOTAL	..... 1,135,000/-

Contact Details:

Name:	<u>Andrew E. Matamba</u>	Title:	<u>Director Managing</u>
Telephone:	<u>0714 213521</u>	Fax:	<u>-</u>
Email:	<u>ammatamba@yahoo.com</u>		

Payments to be made payable to:

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

APPLICATION SUMMARY

Company Name: A. BUSINESS CONSULTANTS CO LTD

Certificate of Incorporation Number: 46020 Status: New

Certificate of Incorporation Date: 19th May 2003

Post Box: 6831

Town: Dar es Salaam

Sector: Manufacturing

Sub-Sector: Furniture Manufacturing

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
	1,000,000/-		135,000/-

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Implementation Period: 3 yrs.

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Street: Habibo District: Kivukoni Region: DSM

(Attach sketch map showing project location)

Shareholders	Nationality	%
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Angela A. Malimba	Tanzania	20
Albright Andrew	Tanzania	10

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is ~~Tsh.~~ **US\$** 1,135,000/-
8. The month and day of the financial year end is 31st Dec

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

I/We enclose a cheque/cash made payable to the **Tanzania Investment Centre** for ~~Tsh.~~ **US\$** 100/- Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, ANDREW MATEMBA of Post Office Number 6831, Dar es

Salaam do solemnly and sincerely declare that I am a director/duly authorized agent of A. BUSINESS CONSULTANTS CO LTD.

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 }
 }
 The 20th day of Jan 2012 }

AM
Applicant

Before me:


[Signature]

.....
Commissioner for Oaths

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 Andrew E. Matamba
.....
(director/directors/agent of A. BUSINESS CONSULTANTS CO LTD
.....
(name of business enterprise) apply for registration of Tanzania Investment Centre
.....
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.
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Bagamoyo rd, Dar es Salaam
.....

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 - (iv) Evidence of financing and evidence of land ownership for the project
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.....
4. The Principal Officers of the Company are 1. Andrew Matamba
2. Angela A. Matamba 3. Albright Andrew
.....
.....
5. Auditors of the Company are to be appointed
.....
.....
6. The authorized share capital of the Company is Tshs./US\$ 5,000,000/-
.....
.....



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)

A.BUSINESS CONSULTANTS CO.LTD

P.O. BOX 6831,
Old Bagamoyo Rd,
DAR ES SALAAM,
TANZANIA.

EXTRACT OF THE RESOLUTION PASSED IN THE EXTRA ORDINARY GENERAL MEETING OF M/S A.BUSINESS CONSULTANTS LIMITED HELD ON 10TH JAN, 2012 AT 10:00 HOURS.

PRESENT:

MR. ANDREW E.MATEMBA
MR. ALBRIGHT ANDREW
MRS. ANGEL A.MATEMBA.

"RESOLVED that the company should apply to Tanzania Investment Centre (TIC) in order to obtain the approval for the project. Mr. Andrew E.Matemba was authorized to prepare and submit all required documents to TIC to get the Certificate of Approval"

CERTIFIED TRUE COPY



SIGNATURE

①

A.BUSINESS CONSULTANTS CO.LTD

P.O. BOX 6831,
Old Bagamoyo Rd,
DAR ES SALAAM,
TANZANIA.

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

16th Jan 2012.

APPLICATION FOR TIC CERTIFICATE OF INCENTIVES.

Please refer to the above heading. We as local investors;

- We are planning to establish a Modern Furniture manufacturing unit with modern facilities.

Attached herewith please find a revised

- Business plan and
- Application form dully filled,
- Certificate of incorporation,
- Memorandum and articles of association for your necessary consideration.
- Bank references.
- Evidences of Lands

Thanking you in advance.

Yours Sincerely,
A.Business Consultants Co. Ltd


Andrew E. Matamba.
Managing Director



MINUTE SHEET

Dokezo
No.

18/11/2008
18/11/2008

7

18/11/2008
18/11/2008

MINUTE SHEET

Dokezo
No.

1-10

Ag. 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\$ 1.135 m.....

(b) Legal entity has been incorporated under certificate

No. 46020 of 19/05/2003.

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. A. Senzia

DIF

9th February, 2012

2.0

EXD

In response to the TIC letter of registration dated 9th February 2012.....

the project has submitted the required documents namely: -

(a) Company Board Resolution.

(b) Reference letter/Financing from International Commercial Bank of TZ.....

(c) Lease Agreement as guidance of land.....

With the above submission EXD is requested to sign Certificate of Incentives No. 04275 herein attached.

20/02/2011



DIF