

C DIF F1 WTRK 28/8/17 KJ
 IFM(D) F.1 KJ 29/8
 PETA M1 ~~AD~~ 29/8/19 B
 IFM(D) M2 B 02/09/19 M2
 PFD MS ~~AD~~ do-

FILE NUMBER
 TIC/

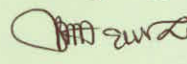
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INDEX HEADINGS

Officer or Section	For Action F/M	Initials	Date	Action taken Vide F/M	Officer or Section	For Action F/M	Initials	Date	Action taken Vide F/M	Officer or Section
DIF	F1	W	23/6/09	B						
Rossan	F1	W	24/6/09	R						
ADIF	F1	W	30/6/09							
Ag Exp	M2	W	8/7/09							
ADIF	F1	R	14/7/09	R						
Adam	F1	R	15/7/09							
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ADIF	F9	W	28/11/2010							
Adam	F1	W	28/11/10	W						

1. BRELA (F.1)

Please authenticate the changes of shareholder as per BRELA authority (urgent please)

 IFMP 29/08/2019

2. IFMP (P).

The current position of shareholders is as indicated in the detailed company information dated 07/08/2019.

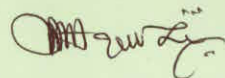


BRELA

02-09-2019.

3. PfO (M.1-2)

Proceed with amendment process as per procedure.

 IFMP 29/08/2019



EXD

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

- (a) Minimum finance investment threshold has been exceeded, the project expects to invest USD 1.275M
- (b) Legal entity has been incorporated under certificate No. 29382-01 of 23/01/06

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.



Arbogast Revocatus
Ag. DIF

30th June 2009

EXD




In response to the TIC letter of registration dated 30/06/09

the project has submitted the required documents namely: -

- (a) Company Board Resolution.
- (b) Reference letter/Financing from Exim Bank Ltd
- (c) Plot No. 24 - Pemba Industrial Area (Nithe dead)

With the above submission EXD is requested to sign Certificate of Incentives No. 041713 herein attached.

 09/07/09
Ag DIF



Hanspaul Industries Ltd

Manufacturers & Printers of export quality corrugated carton boxes, SFK rolls and wrappers

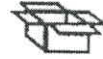
P.O. Box 613 ARUSHA, TANZANIA

Tel/Fax: +255 27 254 8231, +255 27 250 6138, +255 784 506138

Cell: +255 754 307838, +255 784 307838

Email: sales@hanspaul.co.tz

Website: www.hanspaul.co.tz



1

22nd June 2009

The Executive Director
Tanzania Investment Centre
P.O. Box 938
TANZANIA



Dear Sir,

RE: APPLICATION FOR TIC CERTIFICATE OF INCENTIVES

We are an incorporated company created for among other purposes running a project for manufacturing paper corrugated carton boxes. It is due to this reason that we hereby submit our application for TIC Certificate of Incentives to facilitate expansion of the project.

Attached herewith please find the following basic documents for your kind approval:

1. Duly completed and signed Application Form
2. A copy of our Certificate of Incorporation
3. A copy of the company's Memorandum and Articles of Association
4. Company Board Resolution to register with TIC
5. A copy of our Business Plan
6. Evidence of land ownership for location of the project
7. Bank reference letter

Thanking you for your kind cooperation.

Yours' sincerely

Kamaljeet Singh Hanspaul
DIRECTOR

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

Land/Building	.....	541,547
Plant	.....	478,761
Vehicles	.....	227,762
Furniture & Fittings	.....	0
Pre-expenses	.....	15,000
Others	.....	12,000
Working Capital	.....	0
TOTAL	.....	1,275,070

Contact Details:

Name:	.....	<i>Kamaljit Singh</i>	Title:	.....	<i>Managing Director</i>
Telephone:	.....	<i>0754 307838</i> <i>+255272506138</i>	Fax:	.....
Email:	.....	<i>auto@hanspaul.co.tz</i>			

Payments to be made payable to:

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

APPLICATION SUMMARY

Company Name: HANSPAUL INDUSTRIES LTD

Certificate of Incorporation Number: 29382 Status: EXPANSION

Certificate of Incorporation Date: 15/2/1996

Post Box: 613

Town: ARUSHA

Sector: MANUFACTURING

Sub-Sector: PAPER CORRUGATED CARTON BOXES

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
-	280,515	-	994,555

Project Objectives: TO EXPAND A PROJECT FOR MANUFACTURING PAPER CORRUGATED CARTON BOXES

Capacity:

Employment: Foreign: 5 Local: 50 Total: 55

Implementation Period: 5 YEARS

Project Location

Site/Plot/Block No.: 44

Street: THEME INDUSTRIAL AREA District: ARUSHA Region: ARUSHA

(Attach sketch map showing project location)

Shareholders	Nationality	%
KAMALJIT SINGH HANSPAUL	TANZANIAN	50
SATBIK SINGH HANSPAUL	TANZANIAN	50

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ 1,275,070
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, KAMALJIT SINGH of Post Office Number 613
ARUSHA do solemnly and sincerely declare that I am a director/~~duly~~
~~authorized agent~~ of HANSPAL INDUSTRIES 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 day of 2003 }

[Signature]
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

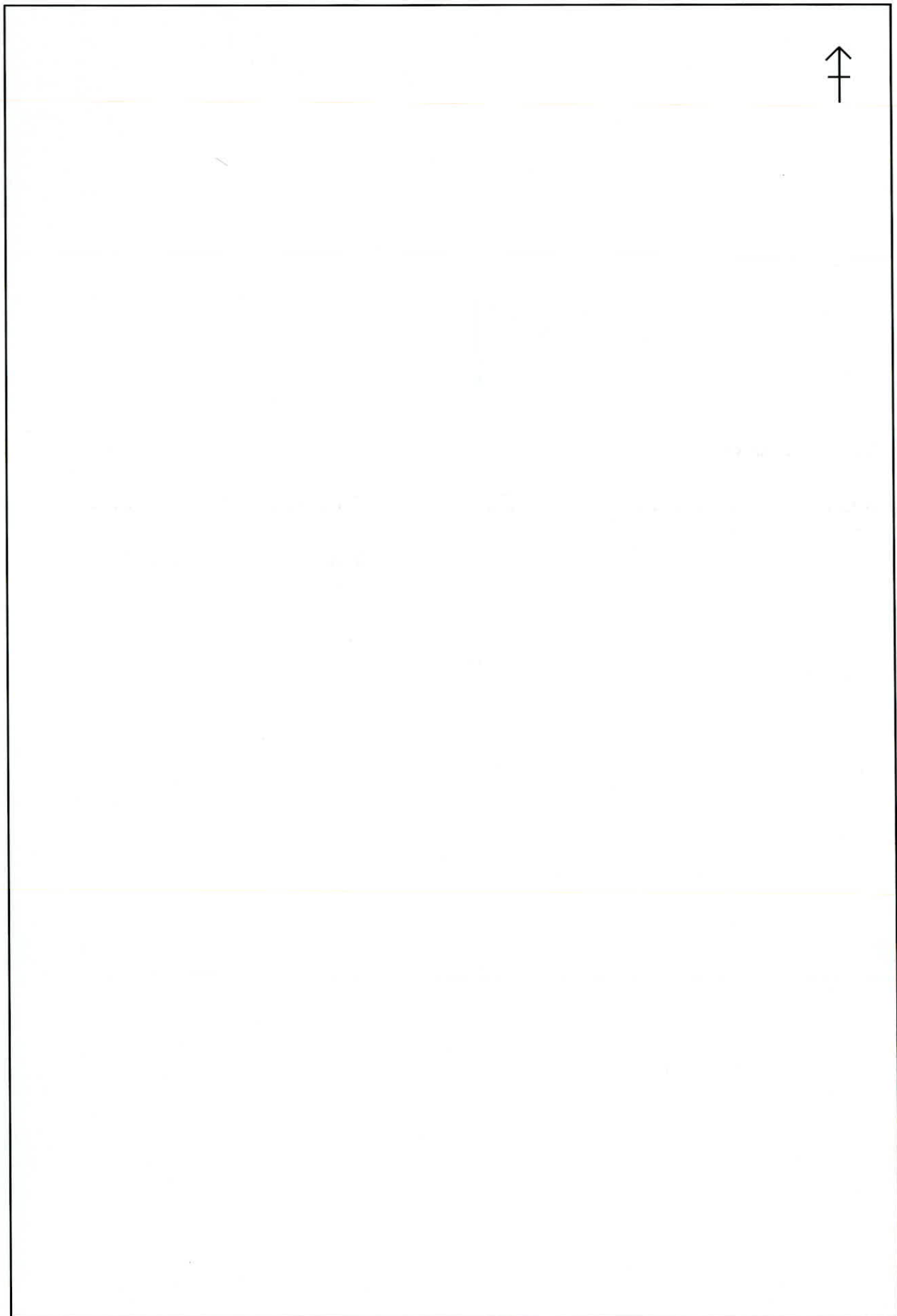
1. I/We KAMALJIT SINGH
(director/directors/agent of HANSPAUL INDUSTRIES LTD
(name of business enterprise) apply for registration of CERTIFICATE OF INCENTIVES
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.
2. The registered office of the company will be situated at PLOT No 44,
THEMI INDUSTRIAL AREA, ARUSHA

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 AS IN 2 ABOVE
4. The Principal Officers of the Company are MR KAMALJIT SINGH
MRS BALBIR KAUR HANSPAUL
MR SATBIR SINGH HANSPAUL
5. Auditors of the Company are J. L & ASSOCIATES
6. The authorized share capital of the Company is Tshs./US\$ 1,000,000.00



SKETCH MAP SHOWING PROJECT LOCATION





TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

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

Tanzania Investment Centre
9A & B Shaaban Robert Street
P. O. Box 938

DAR ES SALAAM

Tel. 022 2116328

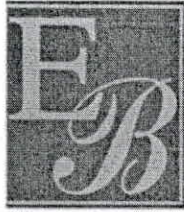
Fax. 022 2118253

e-mail: information@tic.co.tz

Website: www.tic.co.tz

(Please fill the form in duplicate)

COPY



LETTER OF OFFER

EX/1089/2009

OL/ARS/037/2009

May 8, 2009

**THE MANAGING DIRECTOR,
M/S HANSPAUL INDUSTRIES LTD,
P. O. BOX 613,
ARUSHA.**

Dear Sir,

RE: YOUR REQUEST FOR TERM LOAN FACILITY OF TZS 799 MILLION.

Kindly refer to your letter no^o. 2009/05/03 of 2nd May 2009 in respect of the above quoted subject.

We are pleased to inform you that the Bank has approved sanction of **Term loan facility TZS 799 million** subject to the terms and conditions set out below:

1. Lender:	Exim Bank (Tanzania) Ltd	
2. Borrower:	M/s Hanspaul Industries Ltd	
3. Credit facilities sanctioned and Tenor		
Nature of Facility	Limit (Tzs in million)	Tenor
Fund Based		
a) Overdraft (review)	350.00	12 months from the date last expire i.e.21.01.2009
b) Loan I (Review)	12.87	Up to 05.06.2009
c) Loan II	799.00	36 months from the date of first disbursement
Non-Fund Based		
a) Letters of Credit		
b) Guarantees		
c) Avalization /Co-acceptance		
4. Purpose of the facility	For capex in the business expansion plan	
5. Rate of interest		
(a) Loan I (review):	1% below Exim Base Lending Rate currently at 19% p.a. Minimum 18% p.a with monthly rests. A penalty of 27% will be charged on any defaulted principle and or interest installment.	
(b) Loan II:	2.5% below Exim Base Lending Rate currently at 19% p.a. minimum 16.5% p.a with monthly rests. A penalty of 27% will be charged on any defaulted principle and or interest installment.	

Exim Bank (Tanzania) Ltd.

P. O. Box 1431, Dar es Salaam,
Tel: (255) 22-2113091 Fax (255) 22-2119737
Website: www.eximbank-tz.com
E-mail: enquiry@eximbank-tz.com

Barber kaen.

[Handwritten signature]

[Handwritten signature]

(c) Overdraft (review):	3% below Exim Base Lending Rate currently at 19% p.a., minimum 16% p.a. Unauthorized excess over and above the limit and expired limit will be subjected to penal interest of 27% per annum.	
6. Rate of Commission		
a) Letters of Credit	N/A	
b) Guarantees	N/A	
c) Avalization/Co-acceptance	N/A	
7. Security		
Extension of Legal Mortgage over the Landed Property situated on Plot No. 44, Themi Industrial Area, Arusha Municipality held under Certificate of Title No. 7127 in the name of M/s Hanspaul Industries Limited.		
Personal Guarantee of Directors and Shareholders of the company		
Debenture over the entire assets of the Company		
8. Names of Guarantors	1. Mr. Kamaljit Singh Hanspaul 2. Ms. Balbir Kaur Hanspaul 3. Mr. Satbir Singh Hanspaul	
9. Repayment		
In 36 equal monthly installments from the date of first disbursement.		
10. Insurance		
a) The securities charged to the Bank should be adequately insured and continue to remain insured at all times during the currency of the credit facilities against fire/ strike/ riot/ civil commotion/theft/burglary/earthquake/flood risks with an Insurance Company, pre approved by the Bank, and the Bank should be specified in the policy as "loss payee". b) Original insurance policy to be deposited with the Bank. c) Though it is the prime responsibility of the Borrower to renew the insurance policy/ies from time to time well before the due date/s, to obviate the risk arising out of non-renewal of policy in time, the Bank may, though not under obligation, at its sole discretion, debit the Borrower's account and pay the premium either directly or through insurance agent and arrange for renewal of the insurance policy and provide copies of premium paid receipts to the Borrower.		
11. Land Rent Receipt:		
Receipts in respect of land rent paid should be deposited with the Bank for the current/ and subsequent years.		
12. Facility fee		
1% flat payable upfront and on yearly basis on the outstanding loan amount.		
13. Processing & documentation fee		
1% flat payable upfront		
14. Disbursement of credit facilities sanctioned		
The facility/ies sanctioned herein shall be disbursed upon execution of all security documents prescribed by the Bank and completion of all pre-disbursement formalities/covenants to the satisfaction of the Bank and/or its legal counsel.		
15. Events of Default		
The Bank reserves its right to recall the entire liability/ies outstanding under the various facilities sanctioned to the Borrower as detailed above, together with accrued interest thereon, on the happening or occurrence of any of the "Events of Default", more fully described in Annexure 1 hereto, provided however the borrower(s)/guarantor would be given due opportunity to remedy the defect/set right the deficiencies within the time specified in the said Annexure.		

Hanspaul

x *[Signature]*

Balbir Kaur
2

[Signature]

x

16. Other Covenants

The borrower/guarantor/s hereby agree that the facilities herein sanctioned by the Bank shall be subject to the other covenants stipulated in Annexure 2 hereto and those contained in the loan documents that would be executed by the borrower/guarantor and these shall be construed as an integral part of the sanction terms and conditions and the Borrower and Guarantor/s shall be bound by the same.

17. Validity of Sanction

The credit limits sanctioned hereinabove, if not availed on or before **30 days** from date hereof, shall automatically expire, unless revalidated by the Bank and the borrower advised accordingly.

18. General

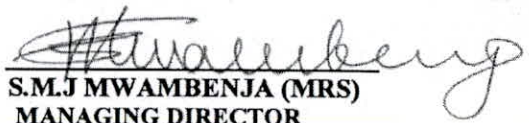
Notwithstanding anything contained herein, the Bank reserves the right to change the existing terms and conditions / impose additional terms and conditions under intimation to the borrower/guarantor(s) which shall be binding on the borrower/guarantor(s) unless the Bank is advised to the contrary within seven days from date of receipt of such intimation from the Bank by the borrower/guarantor(s).

Please return the duplicate of this letter duly signed by you signifying acceptance to the terms and conditions of this letter of offer.

Yours faithfully,



DINESH ARORA
GENERAL MANAGER



S.M.J MWAMBENJA (MRS)
MANAGING DIRECTOR

X 

X Balbir kaur



WE HEREBY ACCEPT THE TERMS AND CONDITIONS STIPULATED ABOVE AND ALSO AGREE AND AUTHORIZE EXIM BANK (TANZANIA) LTD TO: -

- a. Make any enquiries from any bank, financial institution or TBA approved credit reference bureau in Tanzania to confirm any information provided by us.
- b. Seek any information from any bank, financial institution or TBA approved credit reference bureau in Tanzania when assessing us at any time during the existence of our account.
- c. Disclose to TBA approved credit reference bureau information relating to our account maintained with Exim Bank (Tanzania) Ltd.

For and on behalf of:

M/s Hanspaul Industries Ltd

1. Name... *Kamaljit Singh* ✓

Signature and Date... *[Signature]* ✓

1. Mr. Kamaljit Singh Hanspaul

Signature and Date... *[Signature]* ✓

2. Name... *Satbir Hanspaul* ✓

Signature and Date... *[Signature]* 12/05/09 ✓

2. Ms. Balbir Kaur Hanspaul

Signature and Date... *Balbir kaur*

AUTHORISED SIGNATORIES

Affix Co. Seal

3. Mr. Satbir Singh Hanspaul

Signature and Date... *[Signature]* 12/05/09

GUARANTORS

[Signature]

EVENTS OF DEFAULT

An "event of default" shall be deemed to occur upon the happening of any one or more of the events specified hereunder. The Bank reserves its right to recall the entire liability/ies outstanding under the various credit facilities sanctioned to the Borrower, together with accrued interest thereon, on the happening or occurrence of any of such "Events of Default". Before resorting to such action, the Bank, though not bound to do so, will serve notice to the Borrower (s)/ guarantor (s) to initiate remedial measures to set right the defect/deficiencies within 15 days from receipt of such notice. If the Borrower(s)/ Guarantor(s) fail to set right/rectify the same to the satisfaction of the Bank within the period specified herein or such extended period as the Bank may permit at its sole discretion, the Bank shall proceed ahead with initiation of the recall of the advance.

1. Breach of covenants:

The Borrower commits any breach or makes any default in the observance/performance of any term, condition or undertaking or covenants contained in this letter or in any other agreement, present or future, for the borrowing of money or the granting of any other facility or payment of any statutory levy as and when they fall due which breach is not remedied within 7 days after the Borrower becomes aware of such breach.

2. Any indebtedness of the Borrower becomes due and payable prior to its stated maturity by reasons of default of the Borrower or is not paid when due or if the security for the Borrower's obligation shall become enforceable (whether the same shall be enforceable or not)**3. Cessation of Business/Adverse business position**

- i) A Receiver or Encumbrancer is appointed over the whole or any part of the Borrower's and/or Guarantor's Undertaking, property or assets.
- ii) Any action is taken to wind up the Borrower's undertaking or it is transferred to another party and/or there is otherwise a material change in the control and management of the Borrower's business.
- iii) The business of the Borrower or any guarantor is in jeopardy and notice thereof has been given to the Borrower/guarantor.

4. Adverse conduct of the facility

The Borrower deploys the funds lent by the bank for purposes other than those specified in the sanction letter and/or other loan documents or diverts the funds so lent for unapproved purposes or indulges in/gets involved with any illegal or unlawful activities or activities violating any laws of the land and/or conducts the account with the Bank in such a manner that the Bank deems such conduct unsatisfactory having regard to the normal conduct of accounts as between Banker and Customer.

5. Legal proceedings and execution

- i) If any distress attachment or execution proceedings are initiated against any of the property or assets of the Borrower and/ or any guarantor and if such proceedings are not vacated and/or liability discharged within fifteen days from the date of commencement of such distress or execution.
- ii) If legal proceedings suits or actions of any kind whatsoever (civil or criminal) are instituted against the Borrower and or any Guarantor, which in the opinion of the Bank would materially and adversely affect the Borrower's or the guarantor's ability to perform and observe his/its obligation herein to the Bank.

X 

Balbir kaur. X

V 

6. **Cross arrangement with creditors**

If the Borrower or any guarantor shall enter into composition or arrangement with or shall make a general assignment for the benefit of his/its creditors.

7. **Misinformation**

If any representation or warrant made to the Bank in any manner is or shall become incorrect in any material respect.

8. **Material adverse change**

If any event occurs or circumstances arise including changes in the financial condition, operating environment, management or directorship of the Borrower or any guarantor which in the opinion of the Bank would materially affect the ability of the Borrower or the guarantor to perform or comply with his/its obligations herein to the Bank.

9. **Adverse statute**

If a notice or proposal for compulsory acquisition of the property charged to the Bank or any part thereof shall be issued or made under or by virtue of an Ordinance / Act of Parliament or other statutory provision

10. **Business/security in jeopardy:** If in the opinion of the Bank the business of the borrower or security/ies charged in its favour is/are in jeopardy or there is serious erosion in value, causing threat to the realisability of the bank's dues.

X 

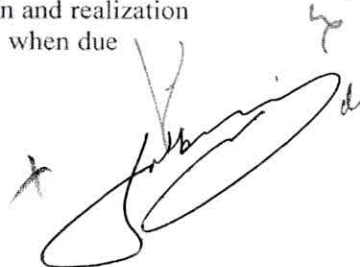
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X Balbir Kaur.

OTHER LOAN COVENANTS

1. The Borrower will operate his account with the Bank satisfactorily and route all sale proceeds through his accounts with the Bank.
2. During the currency of the Bank's facilities
 - a) The principal and interest of any other inter-Company /Directors'/Shareholders'/ Guarantors' loans /deposits shall be subordinated to the Bank's facilities and shall not be repaid until the Bank's facilities are fully repaid.
 - b) The borrower shall keep the Bank informed of:
 - i. The happening of any event likely to have a substantial adverse effect on his profit or business; illustratively, for instance if the monthly production or sales are substantially less than what had been indicated to the Bank, the Borrower shall inform the Bank accordingly with explanations and remedial steps proposed
 - ii. Any circumstances adversely affecting the financial position of subsidiaries/associates including action, if any, taken by creditors against the said entities.
 - c) The Borrower shall submit/furnish to the Bank promptly
 - i. Audited accounts every year, within 120 days and in any case not later than 180 days of the close of the financial year.
 - ii. Details of inventory (Raw materials, stores & spares, stock-in-process and finished goods, valued at cost or market price whichever is lower) and receivables charged to the Bank at monthly/quarterly intervals as maybe stipulated by the Bank together with age-wise breakup of receivables and details of trade Creditors outstanding within 30 days from the end of each month/quarter, as the case may be.
 - iii. Information as the Bank may reasonably request from time to time concerning the business, assets, liabilities, operations and financial condition of the Borrower.
3. The Bank shall have the right to examine the Borrower's books of accounts and to have the Borrower's factories inspected from time to time by officers of the Bank and/or qualified auditors/ technical experts/ consultants of the Bank's choice and the cost thereof shall be borne by the Borrower.
4. The Borrower shall be liable to pay penal interest at the rate of 27% per annum on the outstandings in the Bank's facilities for any delay in submission of financial statements (beyond 6 months from the end of financial year), stock statements (beyond 30 days succeeding the end of the period for which it is to be submitted) and renewal data (beyond 3 months from the due date of renewal).
5. The Borrower hereby authorises the Bank to debit its loan/ current/or any other account with the Bank, with all expenses and charges incurred by the Bank from time to time in regard to the credit facilities sanctioned and/or availed by it, more specifically:
 - a) All legal, registration and other expenses and professional fee paid towards execution of loan documents and creation of security in favour of the Bank from time to time
 - b) Professional fee paid to valuers for valuation /revaluation of collateral security/ies
 - c) Professional fee paid to Collateral Managers if and when appointed
 - d) Any expenses incurred by the Bank from time to time for inspection of the securities charged to the bank, its protection and realization
 - e) Interest and Penal interest as and when due

X 

X 

X Balbir Kaur.

6. During the currency of the Bank's facilities the Borrower shall not, without the prior permission in writing of the Bank
- Effect/permit any change in the Company's capital structure/shareholding pattern and/or formulate any scheme of amalgamation or reconstruction
 - Permit any transfer of the controlling interest
 - Sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the Bank;
 - Enter into borrowing arrangement, either secured or unsecured, with any other bank, financial institution, company or otherwise
 - Create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company firm or persons;
 - Undertake any guarantee obligation on behalf of any other company (including group companies) or person;
 - Invest by way of share capital in or lend or advance funds to or place deposits with any other concern (including group companies); normal trade credit or security deposits in the normal course of business or advances to employees can, however, be extended;
 - Undertake any new project, implement any scheme of expansion / modernization or acquire fixed assets except those indicated in the cash flow statement submitted to the Bank from time to time and approved by the Bank.
 - Enter into any contractual obligation of a long term nature or affecting the company financially to a significant extent
 - Declare dividends for any year except out of profits relating to that year after making all due and necessary provisions and provided further that no default had occurred in any repayment obligations to the Bank
7. The Bank shall be entitled at any time and without notice to the Borrower, to combine/consolidate/merge all or any of the Borrower's accounts whether in debit or credit and irrespective of the currencies in which they are expressed, effect any necessary conversions at the Bank's own rate of exchange then prevailing, and also set off credit balances, if any, in these accounts, including deposits held by the borrower, against any liability of the borrower to the Bank.
8. Notwithstanding anything contained in the letter of offer/hereinabove, the Bank reserves its right to
- Revise the interest rate and any other terms and conditions by giving notice thereof to the borrower.
 - Annul at any point of time, without assigning any reason whatsoever, the credit facilities sanctioned herein, before or after execution of relevant loan documents or withhold or stop initial or further disbursements of loan and demand immediate repayment of any sum disbursed already either directly to the Borrower or to any third party authorized by the Borrower and the Borrower shall immediately on such demand from the Bank, repay the amount outstanding in the loan account with accrued interest.
9. Without prejudice to the generality of the terms and conditions contained therein, the Bank may terminate any facility due to non-observance of any of the terms and conditions, lack or paucity of funds with the Bank occasioned by law, regulatory directive or general economic conditions.

X 

X 

X Balbir Kaur.

ARUSHA MUNICIPAL COUNCIL

Municipal Hall,
P.O. Box 3013,
Phone: 503631/2



Building Permit

The Township (Building) Rules, 1930

HANS PAUL INDUSTRIES LTD

Permission is hereby given to to

INDUSTRIES LTD

erect a build as

PLOT NO. 44 AREA THEM I INDUSTRIAL

on

In accordance with the plan (429/2003) Attached here to and all conditions imposed by the above Rules.

DATE: 14/08/2006

S. N. N. N. N.
~~Municipal Engineer~~
Arusha Municipal Council

N. B: Your attention is invited to the electricity Rules, 1953, which require you to notify the Tanzania Electric Supply Company Limited, as well as the Electrical Engineer, General Post Office, before commencing to erect a building should the electric wire in the street be accessible from any portion of such building when erected or from the scaffolding required during its construction.

Building Rules 5(6). **HANS PAUL INDUSTRIES LTD** lessee of the above mentioned plot and the Authority, concerning connection of the building(s) to the main sewerage system when this is applicable.

Building rule 5(6). (G. N. 45/1955). He prescribe number of occupants permitted to reside in the building to which this Permit refers is:-

.....
.....
(Note: - Two children may be counted as one adult person).

YOU RE HEREBY WARNED THAT APPROVAL OF PLANS BY THE AUTHORITY DOES NOT IMPLY THAT ERECTION OF BUILDINGS IN ACCORDANCE WITH THESE PLANS WILL NECESSARILY BE I ACCORDANCE WITH THE CONDITIONS OF THE RIGHT OF OCCUPANCY UNDER WHICH YOU HOLD THE LAND.

Copy to: Municipal Land Officer.

Certified true copy of the original



ENTRIES IN THE REGISTER
TITLE No. 7127

No. 26.3.90 Registered 26.3.90 at 8.00 a.m
To SINGH GARMENTS LIMITED of
P.O. Box 613, Arusha.

Wadhvani
Principal Registrar of Titles

No. _____ Registered _____ at _____ m
To _____

Asst. Registrar of Titles

TRANSFER

No. 9478 Registered 12-7-96 at 8.00 A.m
To HANSPAL INDUSTRIES LIMITED
P.O. Box 613, ARUSHA.
(CONS SHS 2,000,000/-)

Wadhvani
Asst. Registrar of Titles

No. _____ Registered _____ at _____ m
To _____

Asst. Registrar of Titles

No. _____ Registered _____ at _____ m
To _____

Asst. Registrar of Titles

No. _____ Registered _____ at _____ m
To _____

Asst. Registrar of Titles

No. _____ Registered _____ at _____ m
To _____

Asst. Registrar of Titles

No. _____ Registered _____ at _____ m
To _____

Asst. Registrar of Titles

TANGANYIKA

The Land Registration Ordinance (Cap. 334 of the Laws)



CERTIFICATE OF TITLE TO LEASEHOLD LAND

ISSUED UNDER SECTION 38

This is to certify that the annexed Certificate of Occupancy dated the Second day of August 1989 registered in the Land Registry under Title No. 7127

Copies of the said title and entries in the register are within.

Dated the Second day of February, 1995

[Signature] Principal Asst. Registrar of Titles

Title No. Description of registered land.

ALL RIGHTS AND INTERESTS IN AND TO Plot No. 44 Themu Industrial Area containing twelve thousand seven Hundred and ... Square Metres shown for identification only on the plan attached to this certificate and ... registered survey Plan Number 19893 deposited ... Commissioner for Surveys and Mapping at Dar es Salaam.

Certified true copy of the original

[Signature]



*Certified true copy
of the original*



CERTIFICATE OF OCCUPANCY

(Issued under Section 9 of the Land Ordinance)

<p>CERTIFIED TRUE COPY</p> <p><i>Mwaka</i></p> <p>Assy Registrar of Titles</p> <p>Date: <i>2-2-</i> 19<i>95</i></p>

Date of Issue:


Title Number: **7127** AND REGISTRY - MOET

Land Office Number: 87338

Land: PLOT NO. 44 THE M INDUSTRIAL AREA

Term: **NINETY NINE (99) YEARS**

TITLE No. 7127
 REGISTERED ON
 26-3-1990
 at 8:00 a.m.
 Ass't Registrar of Titles



Stamp Duty Shs. 1290/- Paid
 and Revenue Receipt No. 790054
 of 22-4-86, Issued. L.O.N.O. 87538
 Ass't Registrar of Titles

Certified true copy of the Original



THE UNITED REPUBLIC OF TANZANIA

CERTIFIED TRUE COPY
 Ass't Registrar of Titles
 Date 2-2-1995

CERTIFICATE OF OCCUPANCY

(Section 9 of the Land Ordinance)

The 2nd day of August One thousand nine hundred and eighty eight *Nine*
88/80

TITLE NO. 7127 ARUSHI REGISTRY - MOEST

THIS IS TO CERTIFY THAT SINGH GARMENTS LIMITED of P.O. BOX 613 5047 ARUSHA a limited liability company incorporated in Tanzania under Cap. 212 (hereinafter called "the Occupiers") are entitled to a Right of Occupancy (hereinafter called "the Right") in and over the Land described in the Schedule hereto (hereinafter called "the land") for a term of ninety nine years from the first day of April One thousand nine hundred and eighty six according to the true intent and meaning of the Land Ordinance and subject to the provisions thereof and to any regulations made thereunder and to any enactment in substitution therefor or amendment thereof and to the following special conditions:-

1. The Occupiers having paid rent up to the thirtieth day of June, 1986 shall thereafter pay rent of shillings twenty five thousand seven hundred and six and seventy five cents (25,706/75) a year in advance on the first day of July in every year of the term without any deduction PROVIDED that the rent may be revised by the Minister for the time being responsible for Lands (hereinafter called "the Minister") on the first day of July in each of the years 1996, 2005, 2016, 2026, 2036, 2046, 2056, 2066 and 2076 or within three years thereafter in each case.

2. The Occupier shall:-

- (i) Erect on the land buildings (hereinafter called "the buildings") in permanent materials designed for use in accordance with the conditions of the Right and which conform to the building line (if any) decided by the Arusha Municipal Council (hereinafter called "the Authority");
- (ii) By the thirtieth day of September 1986, submit to the Authority such plans for the buildings (including block plans showing the position of the buildings) and such drawings, elevations and specifications of them as will satisfy the Authority and as are

CERTIFICATE OF TITLE
Realities
Date *2-2-1995*

in accordance with the building condition in sub-paragraph (1) above which said plans and specifications shall be submitted in triplicate;

- (iii) Within six months from the date of notification by the Authority of approval of the plans and specifications referred to in sub-paragraph (ii) above begin building on the land in accordance with such plans and specifications;
- (iv) Complete the buildings according to the plans and specifications so that they are ready for use and occupation by the thirty first day of March 1989;
- (v) At all times during the term after the thirty first day of March 1989, have on the the land buildings as approved by the Authority and maintain them in good order and repair to the satisfaction of the Commissioner for Lands (hereinafter called "the Commissioner");
- (vi) Not erect or commence to erect on the land any building except in accordance with building plans and specifications which shall have been first approved by the Authority as hereinbefore provided;
- (vii) Be responsible for the protection of all beacons on the land throughout the term of the Right. Missing beacons will have to be re-established at any time at the Occupiers expenses as assessed by the Commissioner for Surveys and Mapping.

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

3. -(1) The Occupier shall not subdivide the land or assign, sublet or otherwise dispose of or deal with the whole or any part of it or of any building on it without the previous written consent of the Commissioner PROVIDED that after conditions 2(iv) has been complied with by the Occupier the consent of the Commissioner shall not be necessary-

to a sub-letting of the whole of the land or of the whole or any part of any building on it where the sub-lease contains conditions sufficient to ensure compliance with the conditions of the Right.

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

ARUSHA MUNICIPALITY

INSET SHOWING DETAILS OF PLOT

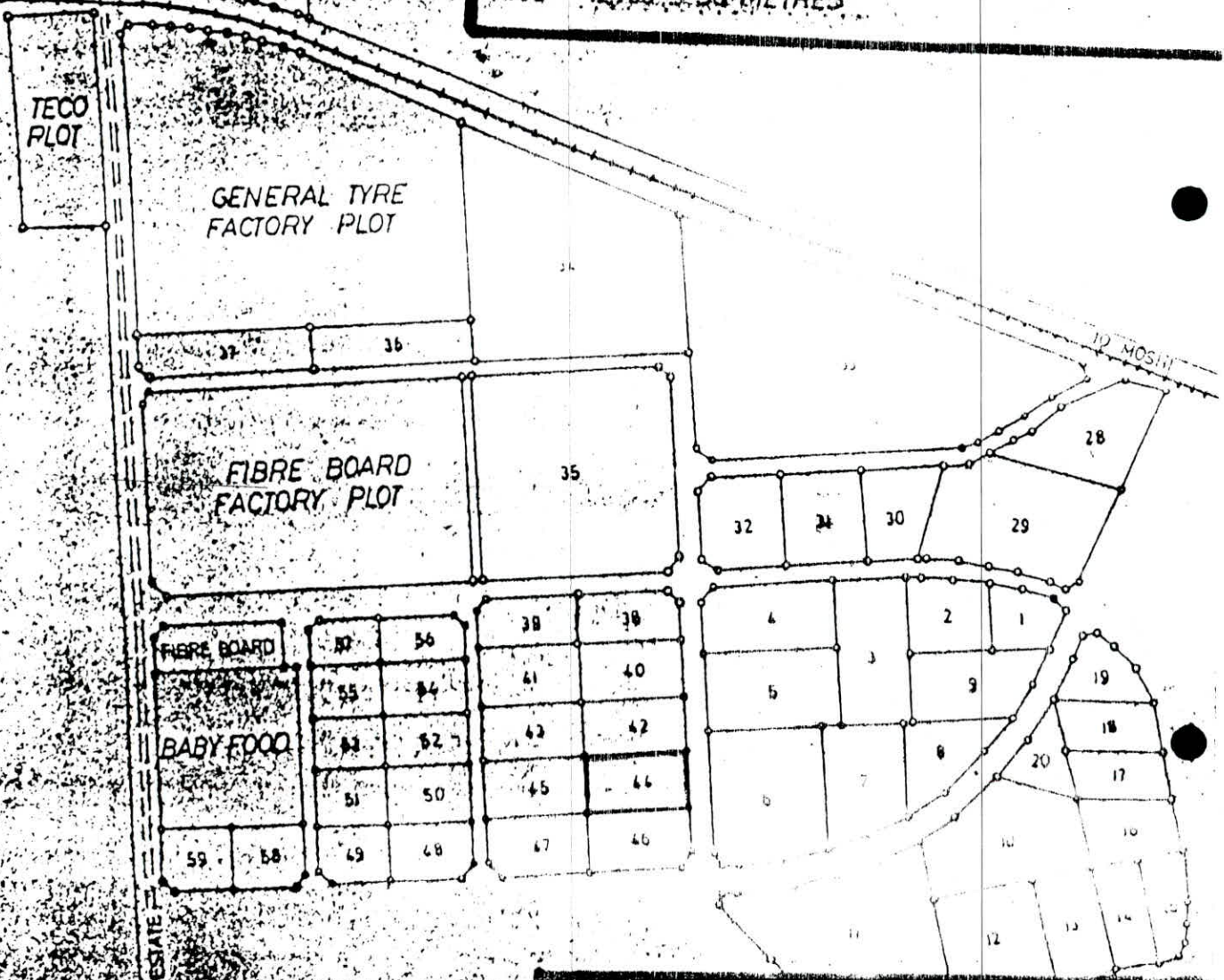
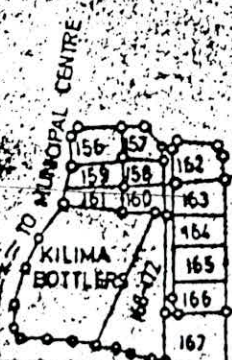
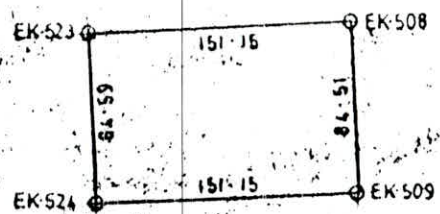
Locality, THEMI INDUSTRIAL AREA

Block

Plot No. 44

L.O. No. 87338

Area 12780 SQ. METRES



The issue of this plan implies no guarantee or admission of title by the Government.

This plan, prepared in accordance with Registered plan No. 19893 is approved for the purposes of the Land Registration Ordinance
 Director of Surveys and Mapping
 Date 12.08.88 Ministry of Lands,
 Natural Resources and Tourism
 Dar es Salaam.

SCHEDULE

All that land known as Plot No. 44 Themi Industrial Area Arusha Municipality containing twelve thousand seven hundred and eight (12700) square metres shown for identification only edged on the plan attached to this certificate and defined on the registered survey plan numbered 19893 deposited at the Office of the Commissioner for Surveys and Mapping at Dar Es Salaam.

GIVEN under my hand and seal and by order of the Minister the day and year first abovementioned.

CERTIFIED TRUE COPY
Mwalimu
Asst. Registrar of Titles
Date 2-2-1995

[Signature]
DIRECTOR GENERAL DEVELOPMENT SERVICES

WE the within-named SINGH GARMENTS LIMITED hereby accept the terms and conditions contained in the foregoing certificate of occupancy.

SEALED with the COMMON SEAL of the said SINGH GARMENTS LIMITED and delivered in the presence of us this 2nd day of June 1989

Signature: *[Signature]*
Postal Address: P.O. BOX 2511
DAR-ES-SALAAM

Qualification: MANAGING DIRECTOR
Signature: *[Signature]*
Postal Address: P.O. BOX 2511
DAR-ES-SALAAM

Qualification: CHAIRMAN

Certified true copy of the original



Stamp Duty Shs. 50/= Paid
and Revenue Receipt No. A0336549
of 2-2-1995 issued.
Mwalimu
Asst. Registrar



Certified true copy of the original

THE UNITED REPUBLIC OF TANZANIA



Certificate of Change of Name

29382

I HEREBY CERTIFY THAT

HANSPAL INDUSTRIES

..... Limited

having, with the sanction of a Special Resolution of the said Company, and with the approval of the Registrar signified in writing changed its name, is now called the

HANSPAUL INDUSTRIES

..... Limited,

and I have entered such new name on the Register accordingly.

Given under my hand at Dar es Salaam

this 23rd day of JANUARY

Two thousand and SIX

A handwritten signature in black ink, appearing to read 'H. P. ...'.

Asst. Registrar of Companies

7

TANZANIA



Certificate of Incorporation

No. 29382.....

I HEREBY CERTIFY THAT

H.A.N.S.P.A.L. I.N.D.U.S.T.R.I.E.S

.....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 15th day of FEBRUARY

One thousand nine hundred and NINETY SIX

Asst: Registrar of Companies

THE UNITED REPUBLIC OF TANZANIA

THE COMPANIES ORDINANCE (CAP.212)

COMPANY LIMITED BY SHARES

Memorandum

and

Articles of Association

of

HANSPAL INDUSTRIES LIMITED

Incorporated this day of 1996

Drawn by:

Dharam Singh Hanspal
P. O. Box 613,
ARUSHA.

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

MEMORANDUM OF ASSOCIATION
OF
HANSPAL INDUSTRIES LIMITED

TANZANIA
Stamp Duty Shs: 500/-
2/2/2006
259749 of 2 d/2/06
PZ

1. The name of the Company is HANSPAL INDUSTRIES 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 carry on the business of advisory services and management consulting, provide storage and all related transit services and for all related goods.
 - (b) To carry on the business of manufacturers, importers, exporters, buyers, sellers of all kinds of building materials, hardware, equipments, tools, agricultural machinery and implements and dealers in concrete blocks, sand quarry, products, red soil, boulders hardcore, windows and doors, grill fittings, sanitary fittings, ceiling boards, dash boards, soft boards, aggregates, timber and/or timber products including any other construction materials of type and description whatsoever.
 - (c) To sell, lease, grant licenses, easements and other rights over and in any other manner deal with or dispose of the undertaking, property, assets, rights and effects of the Company or any part thereof for such consideration as may thought fit and in particular for stock, shares or securities of any other company, whether fully or partly paid up.
 - (d) To cultivate, grow, buy, prepare any kind of fruit such as pineapple, orange, lime, lemon, grapefruit, passion fruit, guava and all types of fruits and vegetables and to dispose off, sell and deal in any such products either in its raw form or its processed form.
 - (e) To carry on the business of importers, dealers and distributors of kerosene, petroleum, lubricating oil, grease and all kinds of mineral and petroleum products and to own petrol and kerosene service station.
 - (f) To carry on the business of general motor and electrical engineers, plumbers and gas fitter and any other business which may be conveniently carried on in connection therewith.

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ASSISTANT REGISTRAR OF COMPANIES
Date 2/3/06

- (g) To carry on the business of garage proprietors, haulage and transport contractors, omnibus proprietors, clearing and forwarding agents and any other business which may conveniently be carried on in connection therewith.
- (h) To carry on the business of dealers and fitters of wireless and electrical goods of all descriptions and other business which may conveniently be carried on in connection therewith.
- (i) To carry on the business of auctioneers, brokers, estate or commission agents or any other business which may conveniently be carried out in connection therewith, gold prospecting and mining gemstones, prospecting and digging, general trader and export, general trade import, manufacture of food,
- (j) To carry on any other business (whether manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with the above or calculate directly or indirectly to enhance the value of or render more profitable any of the Company's property.
- (k) To purchase or by any other means acquire any freehold, leasehold or other property for any real estate or interest whatsoever and any property and buildings, factories, mills, works, wharves, roads, railways, machinery engines, rolling stock, plant, live and dead stock, barges, vessels of things and any real and personal property or rights whatsoever which may be necessary for or may be conveniently used with or may enhance the value of any other property of the company.
- (l) To build, construct, maintain, alter, enlarge, pull down and remove or replace any buildings, factories, mills, office works, wharves, roads, railways, tramway, machinery engines, walls, fences, banks, dams, wervices or water courses and to clear sites for the same or to join with any person firm or company in doing any of the things aforesaid and to work, manage, and control the same or join with others in so doing.
- (m) To apply for, purchase, or by other means acquire and protect, prolong and renew whether in Tanganyika or elsewhere any patents, rights, brevets, invention, licenses, protections and concessions which may appear likely to be advantageous or successful to the Company and to use and turn to account and to manufacture under or grant licenses or privileges in respect of the same and to spend money in experimenting upon and testing and in improving or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire.
- (n) To improve, manage, cultivate, develop, exchange, let on lease or otherwise, mortgage, sell, dispose of, turn to account, grant rights and privileges in

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Asst. Registrar of Companies
Date 2/3/2012

respect of or otherwise and with all or any part of the property and rights of the Company.

- (o) To invest and deal with the moneys of the Company not immediately required upon such securities and in such manner as may from time to time be determined.
- (p) To carry on the business of manufacturers and dealers of paper, paper products, packaging goods and other products of pulp and paper and other natural and man made materials, whether for own use or for use by other traders, manufacturers and service providers in the country and overseas.
- (q) To carry on the business of importers, exporters, manufacturers, dealers of garments, general merchandise, cosmetics, medicines, textile dealers, goods, wares, chemicals and merchandise of every nature, kind and description whatsoever.
- (r) To carry To lend at advantage moneys or give credit to such persons on such terms as may seem expedient and in particular to customers and others having dealings with the Company and to give guarantees or become security for any such persons.
- (s) To borrow or raise money in such manner as the company shall think fit and in particular by the issue of debentures or debenture-stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage charge or lien upon the whole or any part of the Company's property or assets (whether present or future) including its uncalled capital and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company of any obligation or liability it may undertake.
- (t) To receive money on deposit or loan without allowance of interest thereon.
- (u) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, warrants, debentures, and other negotiable instruments.
- (v) To enter into partnership or any other arrangement for sharing profits, union of interest, co-operation, reciprocal consensus in or otherwise with any persons, firm or firms, or company on or engaged in or about to carry on or engaged in any business or transactions which may seem to the company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property and/or whereby the Company would be benefited.

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A. S. Registrar of Companies
Date 23/3/20

- (w) To enter into arrangements with any Governments, or authorities (supreme, municipal, local or otherwise) or any corporations, companies or persons that may seem conducive to the Company's objects or any of them and to obtain from any Government, authority, corporation, company or persons any charters, decrees, rights, privileges and concessions which the company may think desirable and to carry out, exercise and comply with any such charters, contracts, decrees, rights, privileges and concessions.
- (x) To subscribe for, take purchase or otherwise acquire and hold shares in other company having objects altogether or in part similar to those of this Company or carrying on any business capable of being conducted so directly or indirectly to benefit this Company.
- (y) To act as agents or brokers and as trustees for any person, firm or company and to undertake and perform sub-contracts and also to act in any of the business of the company through or by means of agents, brokers, sub-contractors or others.
- (z) To remunerate any person, firm or company rendering services to this company whether by such cash payment or by allotment to him of or them of shares or securities of the company credited as paid up in full or the part or otherwise.
- (za) To pay all or any expenses incurred in connection with the formation and incorporation of the Company or to contract with any person, firm or company to pay the same and to pay commission to brokers and others for underwriting, placing, selling or guaranteeing the subscription of any shares, debentures, debenture-stock or securities of this Company.
- (zb) To support and subscribe to any charitable or public object and any institution, society or club which may be for the benefit of the Company or its employees or may be connected with any town or place where the Company carries on business, to give pensions, gratuities or other charitable aid to any person or persons who may have served the Company or to wives, children or their relatives of such persons, to make payments towards insurance and from and contribute to provident and to benefit funds for the benefit or any person employed by the Company.

4. It is hereby declared that:-

The word "Company" in this clause, except when used in reference to this Company, shall deem to include any partnership or other body of persons whether domiciled in Tanzania or otherwise.

5. The object set forth in each sub-clause of this clause shall not be restrictively constructed but the widest interpretation shall be given thereto and they shall

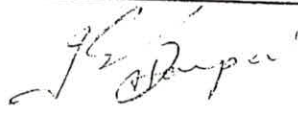
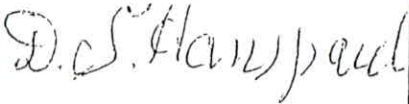
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Date 2/3/20

not, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects here in specified on the powers thereby conferred shall be deemed subsidiary or ancillary to the objects or powers mentioned in any other sub-clause but the Company shall have powers to exercise all or any of the objects conferred by or provided in each of the said sub-clauses.

6. The liability of the members is limited.

7. The share capital of the Company is Shillings 1,000,000/= divided into 100 shares of Shillings 10,000/= each with power to increase or reduce the capital, to consolidate or sub-divide the share into shares or larger or smaller amount and to issue all or any part of the said capital.

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 name.

NAMES, ADDRESSES & DESCRIPTION OF SUBSCRIBERS	NO. OF SHARES TAKEN	SIGNATURE
KAMALJIT SINGH HANSPAUL, P.O.BOX 613, ARUSHA. DIRECTOR	FIFTY	
DHARAM SINGH HANSPAUL, P.O.BOX 613, ARUSHA. DIRECTOR	FIFTY	

DATED AT Arusha ON 14th Feb 1961

WITNESS TO THE ABOVE SIGNATURES



I HEREBY CERTIFY THAT THIS IS A TRUE COPY OF THE ORIGINAL

Asst. Registrar of Companies
Date 2/3/61

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

ARTICLES OF ASSOCIATION
OF
HANSPAL INDUSTRIES LIMITED

TANZANIA
Company No. 25674
Date 20/2/06
P.T.

(1) PRELIMINARY

In the Regulations:

“The Ordinance” means the Companies Ordinance Chapter 212 of the Laws of Tanzania.

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

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

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

Regulations of Table “A” in the First schedule to the Companies Ordinance (hereinafter called Table “A”) shall apply to the Company, save in so far as they are varied or excluded hereby, but in case of conflict between the provisions herein and the provisions under Table “A”, the former shall prevail; and in addition to substitution shall be the regulations of the Company.

(2) PRIVATE COMPANY

The Company is a private company and accordingly:

- (a) The right to transfer shares is restricted in the manner hereinafter prescribed.
- (b) The number of members of the Company (exclusive of persons who are in the employment of the Company and of persons who having been formerly in the

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Date

employment of the Company were while in such employment and have continued after the termination of such employment to be the 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 relation, be treated as a single member.

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

TRANSFER OF SHARES

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

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Date

Upon such apportionment being made or such one shareholder notifying his intention to purchase, as the case may be, the party desiring to sell or transfer such shares shall be bound upon payment of the said price to transfer the shares to the respective shareholders or the single shareholder who shall have agreed to purchase the same.

(5) GENERAL MEETING

NOTICE OF GENERAL MEETINGS AND PROCEEDINGS AT MEETINGS

Articles 39 to 53 of Table "A" shall apply subject to the following variations:

- (a) A general meeting, Ordinary or Extraordinary, may with the consent in writing of all members, be convened at a shorter notice than seven days or without notice.
- (b) Two members, present either personally or by proxy, shall for a quorum.
- (c) Any ordinary resolution of the Company determined without any General meeting and evidenced by writing under the hands of the majority of Directors and of the members of the Company shall be as valid and effectual as an ordinary resolution duly passed at a General Meeting of the Company.

(6) DIRECTORS

- (a) Until otherwise determined by the Company in General Meeting the Directors shall not be less than two and not more than seven in number.
- (b) The following persons shall be the first Directors of the Company:

MR. DHARAM SINGH HANSPAUL
MR. KAMALJIT SINGH HANSPAUL

- (7) The shareholding qualification of the Directors may be fixed by the Company in General Meeting, and unless and until so fixed, no qualification shall be required.
- (8) The quorum of Directors for transacting business shall, unless otherwise fixed by the Directors, be two.
- (9) A resolution in writing signed by all the Directors then in Tanzania shall be as valid and effectual as it had been passed at a Meeting of directors duly called and constituted.
- (10) The Directors may from time to time borrow or raise any moneys for the purpose of the Company which may exceed the issued share capital of the Company.

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Date 2/3/20

(11) BORROWING POWERS

The Directors may raise or borrow for the purpose of the Company's business such sum or sums of money as they think fit and they make secure the repayment of or raise any such sum or sums as aforesaid by mortgages or charge upon the whole or any part of the property and assets of the Company, present or future, including its uncalled or unissued capital or by the issue, at such price as they may think fit of bonds or debentures, either charged upon the whole or any part of the property or assets of the Company or not charged, or in such other way as the Directors may think expedient.

(12) ALTERNATE DIRECTORS

Each Director may nominate a person who shall be approved of in writing by the other Directors to act as an Alternate in his absence from Tanzania or inability to act as such Director. Such Alternate Director shall be subject in all other respects to the terms and conditions existing with reference to the Directors and discharge all duties and functions of the director who he represents and in the case of an Alternate Director being unable to act during the absence of or inability to act as the Director whom he represents, he may subject to the like approval of the other Directors appoint a duly qualified person to act in his place.

(13) SECRETARY

The Secretary shall be appointed by the Board for such terms, reference to the Directors and discharge all duties at such remuneration and upon such conditions as it may think fit, and any secretary so appointed may be removed from the Board.

(14) WINDING UP

With the sanction of a Special Resolution of the shareholders any part of the assets of the Company including any shares in other companies may be divided between the members of the Company in specie or may be vested in Trustees for the benefit of such members and the company dissolved but so that no member shall be compelled to accept any shares whereupon there is no liability.

(15) INDEMNITY

Every director, managing Director, Agent, Audit, Secretary and other officer for time being of the Company shall be indemnified out of the assets of the

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Date 2/3/20
Asst. Registrar of Companies

Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application made (under Section 345 of the Ordinance) in which relief is granted to him by the Court.

(16) ALTERATIONS OR ADDITIONS

Subject to the provisions of the Ordinance and to those contained in the Memorandum of Association, the Company may by Special Resolution make alterations or additions which shall be valid and effectual as if originally contained in these Articles and be subject in like manner to alteration by Special resolution.

NAMES, ADDRESSES & DESCRIPTION OF SUBSCRIBERS	NO. OF SHARES TAKEN	SIGNATURE
KAMALJIT SINGH HANSPAUL, P.O.BOX 613, ARUSHA. DIRECTOR	FIFTY	<i>[Signature]</i>
DHARAM SINGH HANSPAUL, P.O.BOX 613, ARUSHA. DIRECTOR	FIFTY	<i>[Signature]</i>

DATED AT *Arusha* ON *17th* *June* *1991*

WITNESS TO THE ABOVE SIGNATURES



I HEREBY CERTIFY THAT THIS IS A TRUE COPY OF THE ORIGINAL
 Asst. Registrar of Companies
 Date *23/6/91*

HANSPAUL INDUSTRIES LIMITED

FINANCIAL STATEMENTS

31ST DECEMBER, 2006

J. L. & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS IN PUBLIC PRACTICE

TAX CONSULTANTS

P. O. BOX 891

ARUSHA

HANSPAUL INDUSTRIES LIMITED - ARUSHA.**REPORT OF THE DIRECTORS.**

The directors submit their report and the audited accounts for the period ended 31st December, 2006 which show the state of the company's affairs.

1. PRINCIPAL ACTIVITY:

The business of the company is Manufacturers of Paper Corrugated Boxes

2. RESULTS:

The profit for the period and appropriation thereof are stated on page 4.

3. DIVIDENDS:

The directors do not recommend the payment of dividend.

4. DIRECTORS:

The directors who served during the period were:-

MR.KAMALJEET SINGH HANSPAUL
MRS.BALBIR KAUR HANSPAUL
MR.SATBIR SINGH HANSPAUL

5. AUDITORS:

The Auditors M/S. J. L. & Associates have indicated their willingness to continue in office and do so under the terms of the Companies Ordinance.

BY ORDER OF THE BOARD.



MANAGING DIRECTOR.

REPORT OF THE AUDITORS

TO THE MEMBERS OF

HANSPAUL INDUSTRIES LIMITED.

We have examined the financial statements of the company set out on pages 3 to 8 and have obtained the information and explanations considered necessary for our audit.

The company's system of control is dependent upon the close involvement of the directors who are major shareholders. Where independent confirmation of the completeness of the accounting records was therefore not available we have accepted assurances from the directors that all the company's transactions have been reflected in the records.

Subject to the foregoing the accounts give true and fair view of the state of the company's affairs as at 31st December, 2006 and of the Profits for the year ended on that date and comply with the Companies Ordinance.




J. & L. ASSOCIATES.
Certified Public Accountants in Public Practice.

ARUSHA: 07 JAN 2008


HANSPAUL INDUSTRIES LIMITED - ARUSHA.BALANCE SHEET AS AT 31ST DECEMBER, 2006.

	<u>NOTES.</u>	<u>SHS.</u>
<u>FIXED ASSETS:</u>	2	489,280,479.00 [^]
<u>CURRENT ASSETS:</u>		
Stocks.	3	33,440,960.00
Sundry Debtors.		441,260,894.01
Cash in Hand.		752,283.78
Exim Bank (T) Ltd - US \$ A/C.		6,483,847.03
		<u>481,937,984.82</u>
<u>CURRENT LIABILITIES:</u>		
Sundry Creditors.		638,414,465.79
Exim Bank (T) Ltd - (Clean Loan A/c.)		158,050,097.93
Exim Bank (T) Ltd - T.Shs. A/c.		60,678,598.39
		<u>857,143,162.11</u>
NET CURRENT LIABILITIES.		<u>(375,205,177.29)</u>
		<u>114,075,301.71</u>
<u>REPRESENTED BY:</u>		
<u>SHARE CAPITAL:</u>		
<u>AUTHORISED CAPITAL:</u>		
50,000 Ordinary Shares of Shs. 10,000/= each.		<u>500,000,000.00</u>
<u>ISSUED & PAID UP CAPITAL</u>		
10,000 Ordinary Shares of Shs. 10,000/= each.		100,000,000.00
<u>RETAINED PROFITS.</u>		
Profit for the Period.		20,575,301.71
Less: Income Tax Paid for:		
2006		6,500,000.00
		14,075,301.71
		<u>114,075,301.71</u>

Certified Correct.



DIRECTOR.



DIRECTOR.



DIRECTOR.

(Notes on page 7 form part of these Accounts)
 (Auditors Report on page 2).

HANSPAUL INDUSTRIES LIMITED - ARUSHA.PROFIT & LOSS APPROPRIATION A/C. FOR THE PERIOD ENDED 31ST DECEMBER, 2006.

	<u>NOTES.</u>	<u>SHS.</u>	<u>SHS.</u>
TURNOVER:	4		<u>1,309,685,370.73</u>
NET PROFIT FOR THE PERIOD BEFORE TAXATION.			20,575,301.71
After Charging:-			
Directors Fees & Remunerations.		28,200,000.00	
Depreciation.		28,148,237.29	
Accountancy & Audit Fees.		<u>2,000,000.00</u>	
Less: Taxation for 2006.			6,500,000.00
RETAINED PROFIT FOR THE PERIOD.			<u><u>14,075,301.71</u></u>

HANSPAUL INDUSTRIES LIMITED - ARUSHA.
DETAILED MANUFACTURING, TRADING & PROFIT & LOSS ACCOUNT FOR THE YEAR
ENDED 31ST DECEMBER, 2006.

SHS.SHS.

Paper Unit Sales.		1,309,685,370.73
Less:		
Stock Transferred from Dharam Singh Hanspaul & Sons Ltd on 1.7.2006.	21,997,549.00	
Paper Unit Purchases	934,732,615.66	
Clearing Forwarding, Freight Charges.	2,658,252.35	
	<u>959,388,417.01</u>	
Less: Closing Stock.	33,440,960.00	925,947,457.01
GROSS PROFIT		<u>383,737,913.72</u>

LESS: MANUFACTURING COSTS:

Packing & Pasting Materials	113,500,739.47	
Industrial Cess	1,800,254.00	
Transport Charges.	63,822,500.00	
Printing Expenses.	15,587,930.00	
Salaries.	24,654,291.00	
Staff Uniforms.	44,228.00	
N.S.S.F Contributions.	3,184,551.00	
Skills & Development Levy	3,362,330.00	
Factory Electricity Charges .	8,879,938.00	
Water Charges.	38,120.00	
Gas.	242,100.00	
Machinery Running, Spares, Repair & Maintenance.	6,154,870.02	
Electrical Spares, Repairs & Maint.	684,434.00	
Building Repairs & Maintenance.	540,045.78	
Insurance for Workshop.	2,575,516.00	
Land Rent & Service Charges & Property Tax.	2,667,453.00	
Medical Expenses.	673,900.00	
Entertainment.	18,300.00	
Fumigation Exps.	52,000.00	
Factory Inspection Fees.	250,000.00	
Sewarge Charges.	50,000.00	
Depreciation:-		
Class I	1,987,016.00	
Class II	15,906,399.21	
Class V	937,000.00	
Class VI	9,213,539.75	28,043,954.96
		<u>276,827,455.23</u>
GROSS PROFIT C/F. Page 6.		<u>106,910,458.49</u>

HANSPAUL INDUSTRIES LIMITED**DETAILED MANUFACTURING, TRADING, PROFIT & LOSS ACCOUNT FOR THE****PERIOD ENDED 31ST DECEMBER, 2006.****SHS.****SHS.**

GROSS PROFIT B/F. Page 5

106,910,458.49

LESS: OPERATIONAL & ADMINISTRATION EXPENSES.

Directors Fees & Remuneration.	28,200,000.00	
Licence	380,000.00	
Postages & Parcels.	360,800.00	
Printing & Stationery.	844,201.00	
Telephones.	4,398,580.80	
Vehicle Fuel & Lubricants.	12,777,086.63	
Vehicle Spares & Repairs.	2,806,699.34	
Vehicle Insurance & T.L.B. Licence.	571,000.00	
Vehicle Tyres & Tubes.	890,833.67	
Vehicle Parking Fees.	41,060.00	
Business Travel Expenses for obtaining Goods.	4,995,116.33	
Bank Charges , Interest & Guarantee Fees.	26,312,273.68	
Internet & Subscription Fees.	173,556.00	
Expenses for Expatriate Staff.	845,650.00	
Office Maintenance.	55,117.00	
Road Maintenance.	120,000.00	
Security Expenses.	458,900.00	
Accountancy & Audit Fees.	2,000,000.00	
Depreciation:-		
Class III	104,282.33	
		86,335,156.78
NET PROFIT FOR THE PERIOD.		<u>20,575,301.71</u>

HAUSPAUL INDUSTRIES LIMITED - ARUSHA.**NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31ST DECEMBER, 2006.****1. ACCOUNTING POLICIES:****(1) ACCOUNTING CONVENTION:**

These accounts are prepared under the Historical Cost Convention.

(ii) FIXED ASSETS:

The Fixed assets are stated in the Balance Sheet at cost less depreciation.

(iii) DEPRECIATION:

Depreciation is calculated to write off the cost of the assets during the expected useful lives of the assets concerned on the reducing balance basis.

The principal rates used for the purpose are:-

Motor vehicles.	25 % per annum.
Furniture, Fittings, Office Machines,	12.5% " "
Security Alarm.	12.5% " "
Pant, Machinery, Electric Generator	25 % " "

(iv) STOCKS:

Stocks are valued by the management at the lower of the cost and net realisable value which can be realised in the normal course of business after allowing for the cost of realisation and where appropriate, the cost of conversion from its state to a finished condition.

2. FIXED ASSETS: (See page 8)**3. STOCKS:**

Paper Unit Section: Stocks.

SHS.

33,440,960.00

33,440,960.00**4. TURNOVER:**

Turnover represents Income from work done on manufacture of Paper Corrugated Boxes, etc. net off VAT.

5. CURRENCY:

These Accounts are expressed in Tanzanian Currency.

HANSPAUL INDUSTRIES LIMITED - ARUSHA.

SCHEDULE OF FIXED ASSETS AS AT 31ST DECEMBER, 2006.

	CLASS <u>I</u> 37.50%	CLASS <u>II</u> 25%	CLASS <u>III</u> 12.50%	CLASS <u>V</u> 20%	CLASS <u>VI</u> 5%	TOTAL.
Transfer from Dharamsingh Hanspaul & Sons at Net Book Value on 1.7.2006.						
Mitsubishi FUSO Truck T 264 ACA and T 718 AJF	10,163,023.00					10,163,023.00
Machinery for making Paper Cartons Boxes.		34,806,474.00				34,806,474.00
AT COST:						
Bore Hole				9,370,000.00		9,370,000.00
Office Equipments:-						
Cabinet	198,750					
Cupboard	250,000		448,750.00			448,750.00
T.V. Set	470,000					
Gas Cooker	95,000					
Carpet	174,000					
Chester Drawer	70,000					
Standing Fan	95,000					
Godowns						904,000.00
Hard Disc Drive Exten 100 GB					368,541,584.75	368,541,584.75
HP Desk Printer and HP Photo Paper	434,400.00					434,400.00
Fire Extinguisher				198,000.00		198,000.00
Tools & Equipments				117,766.33		117,766.33
Plant & Machinery		88,634,718.21				88,634,718.21
Hiace T 442 AGB	3,750,000					
Add: Transfer fee	60,000					
		3,810,000.00				3,810,000.00
	10,597,423.00	127,251,192.21	1,668,516.33	9,370,000.00	368,541,584.75	517,428,716.29
LESS:						
Depreciation for 6 Months on Diminishing Value Method	1,987,016.00	15,906,399.21	104,282.33	937,000.00		18,934,697.54
Straight Line Method					9,213,539.75	9,213,539.75
W.D.V. on 31.12.2006.	8,610,407	111,344,793	1,564,234	8,433,000	359,328,045	489,280,479.00

HANSPAUL INDUSTRIES LIMITED.

LIST OF SUNDRY DEBTORS AS AT 31ST DECEMBER, 2006.

	<u>SHS.</u>
Aluminium Africa Ltd.	8,000,000.00
Liyang Delong Leather Box.	39,681,600.00
African Mosfly Industries Ltd.	1,977,216.00
Bamy Tamzan Food Production	65,327.00
Bonite Bottlers Ltd.	22,828,404.00
Bright Oyat Manufactures Ltd.	274,000.00
Darsh Industries Ltd.	6,880,332.00
Dekker Bruins Ltd.	8,229,600.00
Furaha Nyanza Co. Ltd.	25,465,230.00
Gomba Estate (GEL) Ltd.	14,757,401.48
Green Star Cuttings.	6,113,199.70
Hotel & Lodges (T)	2,469,600.00
Kibo Match Group Ltd.	38,254,817.13
Kibo Poultry Products Ltd.	2,092,500.00
Mc Moody's Restaurant.	105,600.00
Mount Meru Flowers Ltd.	26,702,760.60
Nile Parch Fisheries Ltd.	8,501,472.00
Nyanza Bottling Ltd.	45,233,232.00
Poly Foam Ltd.	647,574.00
Prestige Industres Ltd.	3,002,967.00
Primier Distilleries Ltd.	412,758.00
Sopa Lodges Ltd.	1,050,000.00
Sunflag (T) Ltd.	28,803,621.00
Tanzania Distilleries Ltd.	21,578,136.00
Tanzania Flowers Ltd.	22,998,314.40
Tanzania Poultry Farms Ltd.	3,483,000.00
Tengeru Flowers Ltd.	15,590,172.60
Unilever Tanzania Ltd.	16,043,846.00
Vaso Agroventure Ltd.	1,867,915.30
Vic Fish Ltd.	11,451,235.80
Kamaljeet Singh Hanspaul	47,999,062.00
Balbir Kaur Hanspaul	4,700,000.00
Satbir Singh	4,000,000.00
TOTAL SHS.	<u><u>441,260,894.01</u></u>

HANSPAUL INDUSTRIES LIMITED - ARUSHA.
LIST OF SUNDRY CREDITORS AS AT 31ST DECEMBER, 2006.

	<u>SHS.</u>
Auwsa - Themi.	17,520.00
Aim-Steel Ltd.	1,100,980.00
Arusha Municipal Council (Cess)	301,401.00
Bansal Transport Ltd.	7,200,000.00
BP Themi Hill Service Station.	221,743.00
Bulk Distributors Ltd.	1,310,062.00
Commissioner of Domestic Revenue.VAT	7,096,382.66
Commissioner of Income Tax PAYE	456,425.00
Commissioner of Income Tax SDL	1,609,208.00
Cyclone (T) Ltd	577,011.32
Dharam Singh Hanspaul & Sons Ltd.	69,269,734.59
District Associate Trading (T) Ltd.	669,300.00
Director of NSSF.	1,056,620.00
Estate Care (T) Ltd.	1,000,000.00
Gupta Autospares & Hardware Ltd.	15,840.00
Kibo Match Group Ltd.	33,483,282.80
Mufindi Paper Mills Ltd.	428,801,241.65
Panafrican Paper Mills Ltd	71,534,609.37
Saju Traders Co. Ltd.	1,219,200.00
Security Group Cash in Transit (T) Ltd.	252,000.00
Shree Hindu Union Charitable Health Centre.	182,500.00
Simba Trucking Co. Ltd.	3,900,000.00
Tanganyika Universal Transport Ltd.	2,880,000.00
Tanzania Enterprises	245,160.00
Tanzania Telkom. Co. Ltd:-	
Telephone No. 2506138	598,864.80
Telephone No. 2548231	70,083.60
Commisioner for Land	592,353.00
O.M. Saraiya & Co.	1,800,000.00
J. L. & Associates.	200,000.00
Edith Food & Bewerage.	554,861.00
Makuza Chicks Ltd.	198,082.00
TOTAL SHS.	<u><u>638,414,465.79</u></u>

HANSPAUL INDUSTRIES LIMITED - ARUSHA.

I. T. FILE NO. 02/12430.

COMPUTATION OF TOTAL INCOME FOR 2006.


	<u>SHS.</u>
Profits as per Accounts.	20,575,301.71
Addback: 20% Telephone.	879,716.00
50% Entertainment.	9,150.00
Total Adjusted Profits	<u><u>21,464,167.71</u></u>

HANSPAUL INDUSTRIES LIMITED

FINANCIAL STATEMENTS

31ST DECEMBER 2007

J. L. & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS IN PUBLIC PRACTICE
TAX CONSULTANTS
P. O. BOX 891
ARUSHA



HANSPAUL INDUSTRIES LTD.
P. O. BOX 613
ARUSHA

HANSPAUL INDUSTRIES LIMITED - ARUSHA.

I. T. FILE NO. 02/12430. TIN : 104-421-644

COMPUTATION OF TOTAL INCOME FOR 2007.

	<u>SHS.</u>
Profits as per Accounts.	64,913,989.77
Addback: 20% Telephone.	1,658,534.23
50% Entertainments.	63,245.00
Total Adjusted Profits	<u>66,635,769.00</u>


HANSPAUL INDUSTRIES LTD.
P. O. Box 613
ARUSHA

HANSPAUL INDUSTRIES LIMITED - ARUSHA.**REPORT OF THE DIRECTORS.**

The directors submit their report and the audited accounts for the ended 31st December, 2007 which show the state of the year.

1. PRINCIPAL ACTIVITY:

The business of the company is Manufacturers of Paper Corrugated Boxes, etc.

2. RESULTS:

The profit for the year and appropriation thereof are stated on page 4.

3. DIVIDENDS:

The directors do not recommend the payment of dividend.

4. DIRECTORS:

The directors who served during the year were:-

MR. KAMALJEET SINGH HANSPAUL
MRS. BALBIR KAUR HANSPAUL
MR. SATBIR SINGH HANSPAUL

5. AUDITORS:

The Auditors M/S. J. L. & Associates have indicated their willingness to continue in office and do so under the terms of of the Companies Ordinance.

BY ORDER OF THE BOARD.



MANAGING DIRECTOR.



HANSPAUL INDUSTRIES LTD.
P. O. Box 613
ARUSHA

REPORT OF THE AUDITORS

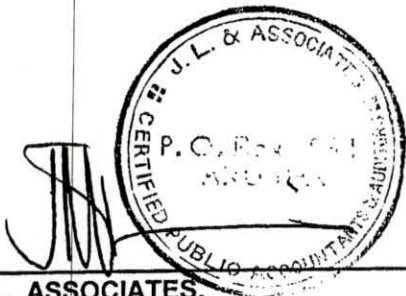
TO THE MEMBERS OF

HANSPAUL INDUSTRIES LIMITED.

We have examined the financial statements of the company set out on pages 3 to 8 and have obtained the information and explanations considered necessary for our audit.

The company's system of control is dependent upon the close involvement of the directors who are major shareholders. Where independent confirmation of the completeness of the accounting records was therefore not available we have accepted assurances from the directors that all the company's transactions have been reflected in the records.

Subject to the foregoing the accounts give true and fair view of the state of the company's affairs as at 31st December, 2007 and of the Profits for the year ended on that date and comply with the Companies Ordinance.



J. & L. ASSOCIATES.
Certified Public Accountants in Public Practice.
ARUSHA: 2.5. SEP. 2008

J. Hans Paul
HANSPAUL INDUSTRIES LTD.
P. O. Box 613
ARUSHA

HANSPAUL INDUSTRIES LIMITED - ARUSHA
BALANCE SHEET AS AT 31ST DECEMBER, 2007

FIXED ASSETS:**CURRENT ASSETS:**

Stocks.	36,463,135.00
Sundry Debtors.	434,829,250.95
Cash in Hand.	654,794.76
N.B.C. Arusha.	3,863,973.41
	475,811,154.12

CURRENT LIABILITIES:

Sundry Creditors.	701,246,351.77
Exim Bank (T) Ltd:	201,607,352.32
T.Shs. A/c.	13,077,252.00
US \$ A/c.	103,122,832.55
Clean Loan A/c.	1,019,053,788.64
	1,019,053,788.64

NET CURRENT LIABILITIES

(543,242,634.52)
159,489,291.48

REPRESENTED BY:**SHARE CAPITAL:****AUTHORISED SHARES:**

50,000 Ordinary Shares of Shs. 10,000/= each.

500,000,000.00

ISSUED & PAID UP CAPITAL

10,000 Ordinary shares of Shs. 10,000/= each

100,000,000.00

RETAINED PROFITS.

Balance B/F.

14,075,301.71

Add: Profit for the Year.

64,913,989.77

78,989,291.48

Less: Income Tax Paid for 2007.

19,500,000.00

59,489,291.48

159,489,291.48

Certified Correct.




DIRECTOR.




DIRECTOR.

(Notes on page 7 form part of these Accounts)
 (Auditors Report on page 2).


HANSPAUL INDUSTRIES LTD.
 P. O. Box 613
 ARUSHA

HANSPAUL INDUSTRIES LIMITED - ARUSHA.PROFIT & LOSS APPROPRIATION A/C. FOR THE YEAR ENDED 31ST DECEMBER, 2007.


	<u>NOTES.</u>	<u>SHS.</u>	<u>SHS.</u>
TURNOVER:	4		<u>2,586,794,728.97</u>
NET PROFIT FOR THE YEAR BEFORE TAXATION.			64,913,989.77
After Charging:-			
Directors Fees & Remunerations.		37,900,000.00	
Depreciation.		79,367,074.50	
Accountancy & Audit Fees.		<u>2,100,000.00</u>	
Less: Taxation for 2007.			19,500,000.00
RETAINED PROFIT FOR THE YEAR.			<u>45,413,989.77</u>
<u>STATEMENT OF RETAINED PROFITS</u>			
Retained Profit brought forward as previously reported			14,075,301.71
Retained Profit for the Year.			45,413,989.77
Retained Profit at the end of Year.			<u>59,489,291.48</u>


 HANSPAUL INDUSTRIES LTD.
 P. O. Box 613
 ARUSHA

HANSPAUL INDUSTRIES LIMITED - ARUSHA.
DETAILED MANUFACTURING, TRADING & PROFIT & LOSS ACCOUNT FOR THE YEAR
ENDED 31ST DECEMBER, 2007.


	<u>SHS.</u>	<u>SHS.</u>
Paper Unit: Sales.		2,586,794,728.97
Less:	33,440,960.00	
Opening Stock	1,785,249,421.27	
Purchases.		
Clearing Forwarding & Freight Charges.	2,661,109.67	
	1,821,351,490.94	
	36,463,135.00	1,784,888,355.94
Less: Closing Stock.		801,906,373.03
GROSS PROFIT		
		24,271,355.92
Gains Arrising from Rate Flactuations in US Dollar.		826,177,728.95
 LESS: MANUFACTURING COSTS:		
Packing & Pasting Materials	171,252,246.81	
Printing Expenses.	27,014,725.00	
Transport & Transit Toll.	153,936,940.00	
Industrial Cess.	5,582,465.00	
Salaries.	66,455,151.00	
Staff Uniforms & Safety Wear.	843,450.00	
N.S.S.F Contributions.	8,335,515.10	
Skills & Development Levy	6,761,440.00	
Factory Electricity Charges .	21,330,196.05	
Water Charges.	451,200.00	
Gas & Firewood.	487,000.00	
Machinery Running Spares Repair & Maintenance.	5,584,301.68	
Electrical Spares, Repairs & Maint.	1,080,900.00	
Building Repairs & Maintenance.	666,266.33	
Insurance for Workshop.	7,070,542.00	
Land Rent & Service Charges & Property Tax.	1,375,100.00	
Workshop Sanitary & Cleaning.	135,593.33	
Medical Expense.	1,266,700.00	
Entertainment.	126,491.33	
Factory Labour Inspection Fees.	250,000.00	
Municipal Service Levy.	2,214,814.00	
Depreciation:-		
Class I	3,372,902.00	
Class II	44,318,122.35	
Class V	1,686,600.00	
Class VI	29,724,753.15	79,102,377.50
		561,323,415.13
		264,854,313.82

GROSS PROFIT C/F. Page 6.


HANSPAUL INDUSTRIES LTD.
 P. O. Box 613
 ARUSHA

DHARAMSINGH HANSPAUL & SONS LIMITED.DETAILED MANUFACTURING, TRADING, PROFIT & LOSS ACCOUNT FOR THE
YEAR ENDED 31ST DECEMBER, 2007.

	<u>SHS.</u>	<u>SHS.</u>
GROSS PROFIT B/F. Page 5		264,854,313.82
<u>LESS: OPERATIONAL & ADMINISTRATION EXPENSES.</u>		
Directors Fees & Remuneration.	37,900,000.00	
Postages & Parcels.	602,733.33	
Printing & Stationery.	1,875,516.32	
Telephones.	8,292,671.05	
Office Maintenance Computers Spares Repairs & maint.	1,134,000.00	
Vehicle Fuel & Lubricants.	32,226,476.66	
Vehicle Spares & Repairs.	7,401,556.66	
Vehicle Insurance & T.L.B. Road Licence & Notifications.	2,986,500.00	
Vehicle Tyres & Tubes.	2,711,633.34	
Vehicle Parking Fees.	180,500.00	
Business Travel Expenses for obtaining Goods.	22,420,150.00	
Bank Charges , Interest & Guarantee Fees.	65,694,150.87	
Internet & Subscription Fees.	1,310,000.00	
Fire Appliance Service & Maintenance.	821,000.00	
Expenses for Expatriate Staff.	6,662,332.99	
Advertisements.	188,400.00	
Security Expenses.	5,168,005.83	
Accountancy & Audit Fees.	2,100,000.00	
Depreciation:-		
Class III	<u>264,697.00</u>	199,940,324.05
NET PROFIT FOR THE YEAR.		<u><u>64,913,989.77</u></u>


 HANSPAUL INDUSTRIES LTD.
 P. O. Box 613
 ARUSHA

HAUSPAUL INDUSTRIES LIMITED - ARUSHA.**NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31ST DECEMBER, 2007.****1. ACCOUNTING POLICIES:****(i) ACCOUNTING CONVENTION:**

These accounts are prepared under the Historical Cost Convention.

(ii) FIXED ASSETS:

The Fixed assets are stated in the Balance Sheet at cost less depreciation.

(iii) DEPRECIATION:

Depreciation is calculated to write off the cost of the assets during the expected useful lives of the assets concerned on the reducing balance basis.

The principal rates used for the purpose are:-

Motor vehicles.	25 % per annum.
Furniture, Fittings, Office Machines,	12.5% " "
Security Alarm.	12.5% " "
Pant, Machinery, Electric Generator, Tools.	25.0 % " "
Trucks	37.5% " "

(iv) STOCKS:

Stocks are valued by the management at the lower of the cost and net realisable value which can be realised in the normal course of business after allowing for the cost of realisation and where appropriate, the cost of conversion from its state to a finished condition.

2. FIXED ASSETS: (see page 8)**3. STOCKS:****SHS.**

Paper Unit Section: Stocks.


36,463,135.00

36,463,135.00**4. TURNOVER:**

Turnover represents Income from work done on manufacture of Paper Corrugated Boxes, etc. net off VAT.

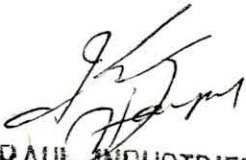
5. CURRENCY:

These Accounts are expressed in Tanzanian Currency.


HANSPAUL INDUSTRIES LTD.
 P. O. Box 613
 ARUSHA

HANSPAUL INDUSTRIES LIMITED - ARUSHA.SCHEDULE OF FIXED ASSETS & DEPRECIATION AS AT 31ST DECEMBER, 2007.

<u>PARTICULAR OF ASSETS:</u>	<u>CLASS</u>	<u>CLASS</u>	<u>CLASS</u>	<u>CLASS</u>	<u>CLASS</u>	<u>TOTAL</u>
	<u>I</u>	<u>II</u>	<u>III</u>	<u>V</u>	<u>VI</u>	
	<u>37.50%</u>	<u>25%</u>	<u>12.50%</u>	<u>20%</u>	<u>5%</u>	
W.D.V. on 01.01.2007.	8,610,407	111,344,793.00	1,564,234	8,433,000	359,328,045	489,280,479.00
<u>Additions</u>					225,953,483.15	225,953,483.15
Chairs	400,000.00					
Tables	<u>153,340.00</u>		553,340.00			553,340.00
Key Board.	36,000.00					-
Hard Disk.	<u>348,000.00</u>	384,000				384,000.00
Range Rover Vogue T902 ASA	13,175,390					-
Toyota Hiace T 923 AJX	6,600,000					
Suzuki Vitara T 128 ANN	8,125,000					
Mitsubishi Pickup T 992 ASA	<u>28,868,308.35</u>	56,768,698.35				56,768,698.35
Transformer.	8,184,000					
Air Condition.	<u>975,000</u>	9,159,000.00				9,159,000.00
	8,994,407.00	177,272,491.35	2,117,574.00	8,433,000.00	585,281,528.15	782,099,000.50
<u>LESS:</u>						
Depreciation:						
On Diminishing Value Method	3,372,902.00	44,318,122.35	264,697.00	1,686,600.00		49,642,321.35
On Stranght Line Method					29,724,753.15	29,724,753.15
W.D.V. on 31.12.2007	<u>5,621,505.00</u>	<u>132,954,369.00</u>	<u>1,852,877.00</u>	<u>6,746,400.00</u>	<u>555,556,775.00</u>	<u>702,731,926.00</u>


 HANSPAUL INDUSTRIES LTD.
 P. O. Box 613
 ARUSHA

HANSPAUL INDUSTRIES LIMITED - ARUSHA.
LIST OF SUNDRY CREDITORS AS AT 31ST DECEMBER, 2007.


	<u>SHS.</u>
Arusha Municipal Council Service Levy A/c.	141,872.00
Arusha Municipal Council - Industrial Cess A/c.	472,908.00
Arusha Urban Water & Sew Auth.- Them	32,200.00
Bansal Transport Ltd.	11,880,000.00
B.P Them Hill Service Station	675,760.00
Bulk Distributors Ltd.	589,680.00
Commissioner of Domestic Revenue -PAYE.	619,733.00
Commissioner of Domestic Revenue - S.D.L	3,010,807.00
Computec Technologies.	368,000.00
Desbro (T) Ltd.	2,160,000.00
Dharamsingh Hanspaul & Sons Ltd.	91,269,734.59
Director of NSSF.	1,464,716.80
Gupta Autospares & Hardware Ltd.	132,000.00
Hasa Speed Co. Ltd.	1,536,600.00
J. L. & Associates.	400,000.00
Kerai Construction Ltd.	1,026,000.00
Kibo Match Group Ltd.	21,490,431.25
Milmar Insurance Consultants.	3,695,337.00
Mufundi Paper Mills Ltd.	483,407,297.20
O.M. Saraiya & Co.	3,700,000.00
Pan African Paper Mills (EA) Ltd.	41,739,052.16
Saifuddin F. Kapasi.	6,761,700.00
Security Group in Transit (T) Ltd.	511,600.00
Shree Hindu Union Charitable Dispensary	197,600.00
Steel Centre Ltd.	1,712,800.00
Tanesco Ltd- Them Hill A/c	196,123.20
Tanzila Enterprises.	224,760.00
Tapioca Ltd.	9,739,716.57
T.T.C.L. Tel No. 2506138.	341,121.00
T.T.C.L. Tel No. 2548231.	28,114.00
Commissioner of Domestic Revenue - VAT A/c.	7,586,078.00
Satbir Singh Hanspaul.	2,000,000.00
Balbir Kaur Hanspaul.	2,134,610.00
 TOTAL SHS.	 <u><u>701,246,351.77</u></u>


HANSPAUL INDUSTRIES LTD.
 P. O. Box 613
 ARUSHA

HANSPAUL INDUSTRIES LIMITED.

LIST OF SUNDRY DEBTORS AS AT 31ST DECEMBER, 2007.

	<u>SHS.</u>
Lijang Delong Leather Box.	39,681,600.00
Milkhasingh Jawalasingh	720,000.00
The New Darshan Engineering.	11,520,000.00
Abercrombie & Kent (T) Ltd.	195,000.00
Africa Bulk Supplies.	712,764.00
African Mosely Industries Ltd.	6,493,924.00
Alpha Grosp.	1,260,000.00
Banana Investment Ltd.	1,401,660.00
Bonite Bottlers Ltd.	6,001,980.40
Darsh Industries Ltd.	3,449,784.00
Gomba Estate (GEL) Ltd.	15,030,401.48
Haz Enterprises	1,211,904.00
Hotels & Lodges (T) Ltd	957,600.00
Interchick Co. Ltd.	3,000,000.00
Kibo Match Group Ltd.	54,154,419.40
Kiliflora Ltd.	3,939,840.00
Mastermind Tobacco (T) Ltd.	2,519,025.80
Mc Moodys.	204,600.00
Megatrade Investment	6,264,313.20
Mkuza Chicks Ltd.	1,449,742.42
Moerman Bruins Flowers Ltd.	3,066,048.00
Mount Meru Flowers Ltd.	29,309,184.00
Multiflowers Ltd.	1,740,557.00
Nampak Tanzania Ltd.	3,564,059.20
Nile Perch Fisheries Ltd.	54,680,640.05
Nyanza Bottling Co. Ltd.	72,694,591.00
Polyfoam Ltd.	4,368,960.00
Primier Distilleries Ltd.	433,458.00
Prestige Industries Ltd.	5,098,838.40
Regional Immigration Office	127,440.00
Ronteam International Co. Ltd.	145,782.00
Sopa Lodges Ltd.	1,260,000.00
Suba Agro Trading	4,250,700.00
Sunflag Tanzania Ltd.	25,610,568.20
Tanganyika Instant coffee Co.	25,608.80
Tanzania Distilleries Ltd.	11,068,350.00
Tanzania Flowers Ltd.	12,442,392.00
Tanzania Pharmaceuticals Ltd.	5,190,480.00
Tanzania Poultry Farms Ltd.	3,396,600.00
The New Arusha Hotel Ltd.	318,600.00
Vasso Agro Ventures Ltd.	3,598,272.00
Promosidor (T) Pty Ltd.	2,341,501.60
Kamaljeet Singh Hanspaul.	29,928,062.00
	<u>434,829,250.95</u>


HANSPAUL INDUSTRIES LTD.
P. O. Box 613
ARUSHA



TANZANIA REVENUE AUTHORITY

Certificate of Registration for Value Added Tax (VAT)

(ISSUED UNDER SECTION 20 OF THE VALUE ADDED TAX ACT NO. 24 OF 1997)

THIS IS TO CERTIFY THAT
HANSPAUL INDUSTRIES LIMITED

WHOSE TAXPAYER IDENTIFICATION NUMBER (TIN) IS
104-421-644

HAS BEEN REGISTERED FOR VALUE ADDED TAX (VAT)
AND ASSIGNED VAT REGISTRATION NUMBER (VRN)
11-012735-A

FOR BUSINESS LOCATED AT PLOT NO. 44 THEMI INDUSTRIAL AREA
NJIRO ARUSHA

WITH EFFECT FROM 1st April 2006

GIVEN UNDER MY HAND

THIS 6th DAY OF June 2006


COMMISSIONER FOR VAT



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

CTIN.:

00062816



TANZANIA REVENUE AUTHORITY

CERTIFICATE OF REGISTRATION

FOR

TAXPAYER IDENTIFICATION NUMBER (TIN)

(ISSUED UNDER SECTION 133 OF THE INCOME TAX ACT NO. 11 OF 2004)

THIS IS TO CERTIFY THAT

HANSPAUL INDUSTRIES LIMITED.

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

104-421-644

with effect from 20/02/2006

A handwritten signature in black ink, appearing to read 'Shekidele', is written over a faint circular stamp.

Ms. Christine Shekidele

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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

Proforma Invoice

Multi Import & Export

P.O.Box 24301, Dar-es-salaam, Tanzania

Tel: +255 22 2123468/2110838, Fax: +255 22 2111033, E-mail: mcl04@cats-net.com

Website: www.almasi-group.com

Tin: 103-327-741 Vrn: 10-017699-R

We thank you for your enquiry, we are pleased to submit our quotation as under:

TO: HANSPAUL INDUSTRIES LTD
P.O.BOX 613
ARUSHA

PI NO: 78611052/160609-B

DATE: 16-Jun-09

S/N	Item Description	Qty	Uom	Price	Total
1	95mm x 4core Armoured Cable	100	Mtrs	58,000.00	5,800,000.00

Please note quantity may vary + or -, kindly allow
variation of 10%

Sub Total in TSHS 5,800,000.00

Vat 20% 1,160,000.00

Grand Total in TSHS 6,960,000.00

Delivery: Ex Stock, else 10day

Payment: Advance

Validity: 7 days, If order not confirmed by the set date, Prices are likely to
change depending on prevailing situation of copper prices.

We hope that our rates are competitive and look forward to receiving your confirmed order
and hope to do much business together in the near future. Thanking you for your enquiry.


By Almasi IMPORT & EXPORT
Sales & Marketing Executive P.O. Box 24301
DAR ES SALAAM

Proforma Invoice

Multi Import & Export

P.O.Box 24301, Dar-es-salaam, Tanzania

Tel: +255 22 2123468/2110838, Fax: +255 22 2111033, E-mail: mcl04@cats-net.com

Website: www.almasi-group.com

Tin: 103-327-741 Vrn: 10-017699-R

We thank you for your enquiry, we are pleased to submit our quotation as under;

TO: HANSPAUL INDUSTRIES LTD
P.O.BOX 613
ARUSHA

PI NO: 78611052/160609-A

DATE: 16-Jun-09

S/N	Item Description	Qty	Uom	Price	Total
1	185mm x 1core Armoured Cable	440	Mtrs	25,000.00	11,000,000.00

Please note quantity may vary + or -, kindly allow variation of 10%

Sub Total in TSHS 11,000,000.00

Vat 20% 2,200,000.00


Grand Total in TSHS 13,200,000.00

Delivery: Ex Stock, else 10day

Payment: Advance

Validity: 7 days, If order not confirmed by the set date, Prices are likely to change depending on prevailing situation of copper prices.

We hope that our rates are competitive and look forward to receiving your confirmed order and hope to do much business together in the near future. Thanking you for your enquiry.

By  Ali Ebrahim
Sales & Marketing Executive

MULTI IMPORT & EXPORT
P. O. Box 24301
DAR ES SALAAM



SUN-UP (India) PACKAGING MACHINERY CO. PVT. LTD.

**MANUFACTURERS & EXPORTERS - COMPLETE RANGE OF CORRUGATED BOARD & BOX MAKING MACHINERY
with 3/5 Ply in Line Automatic Corrugated Board & Box Making Plant**

Off. & Factory : Plot No. R 268, MIDC Rabale, T.T.C. Industrial Area, Dist. Thane, Navi Mumbai - 400 707.
Phone : 27690782/2760 6187/65141212 • Cell : 9821045985 • E-mail : rsbhurjee@rediffmail.com • E-mail : raunak@sun-upindia.com

SUPMCPL: 186/2008-2009

28TH MARCH 2009.

TO,
M/S. HANSPAUL INDUSTRIES,
TANZANIA.
E-MAIL: sales@hanspaul.co.tz

KIND ATTN: MR. HANSPAUL.

DEAR SIR,
THANK YOU VERY MUCH FOR YOUR VALUABLE ORDER. WE GIVE BELOW FINAL
CONFIRMATION VALUE. PLEASE SEND US ADVANCE PAYMENT AS DISCUSSED.

SUMMARY:

1) 5 PLY IN LINE AUTOMATIC MACHINE SIZE: 62:	US \$ 2,30,000.	(PROF. INV.NO.169 DT: 27 TH MARCH 2009)
2) PIPE LINE	US\$ 30,000.	
3) HYDRAULIC WASTE BAILING MACHINE	US\$ 3,800.	
<u>TOTAL US \$:</u>	<u>2,63,800.</u>	



THE ABOVE FINALIZED ORDER IS EX FACTORY NAVI MUMBAI.

THANKING YOU,
FOR SUN-UP (INDIA) PACKAGING MACHINERY CO. PVT. LTD.,

Raunak Singh Bhurjee
(RAUNAK SINGH BHURJEE)
MANAGING DIRECTOR
ENCL.: AS ABOVE.



GLIMEXS

'Building Brighter Lives'

GLIMEXS Ltd.

☒ : Suite # 1503, II - Building - Yi Cui Garden,
Zijing Northern, Guicheng - Nanhai -528200
Guangdong Province - CHINA.

☎ +86 757 83204031 ☏ +86 757 83204041

E Mail: china@glimexs.com

COMMERCIAL INVOICE # HP/TZ - 051809

DATE: May, 18th 2009

Customer Name: **HANSPAUL INDUSTRIES LTD. - P.O.Box - 613, ARUSHA, TANZANIA.**
Address & Contact: **Tel: +255 27 2509138, Fax: +255 27 2548231, Email: auto@hanspaul.co.tz**

Time of shipment:		<i>Within 30 Days of Payment.</i>		
Port of shipment:		<i>FOSHAN, CHINA</i>	Origin:	CHINA
Port of Discharge:		<i>Mombasa, Tanzania</i>	Packing:	<i>Export Standard</i>
Insurance:		<i>Covered by buyer.</i>		
Term of payment:		100 % T.T at Confirmation.		
COMMODITY NAME	SIZE & DESCRIPTION	QUANTITY UNITS	Unit Price F.O.B	TOTAL PRICE F.O.B CHINA PORT
POWER GENERATION SET HS CODE: 85.01.61	CUMMINS ENGINE STAMFORD GENERATOR SUPER SILENT BODY Model # SC200 / 50 HZ STANDBY Power : 200 Kva PRIME Power : 180 Kva	1	19,350.00 US\$	19,350.00 US\$
POWER GENERATION SET HS CODE: 85.01.62	CUMMINS ENGINE STAMFORD GENERATOR SUPER SILENT BODY Model # SC30 / 50 HZ STANDBY Power : 30 Kva PRIME Power : 27.5 Kva	1	8,400.00 US\$	8,400.00 US\$
PAGE SUBTOTAL		2	-----	27,750.00 US\$

COMMODITY NAME	SIZE & DESCRIPTION	QUANTITY UNITS	Unit Price F.O.B	TOTAL PRICE F.O.B CHINA PORT
3.5 TON FORKLIFT HS CODE: 84.27.90	COUNTER BALANCED INTERNAL COMBUSTION DIESEL POWER 3.5 Ton - FORKLIFT including PAPER ROLL CLAMP Attachment.	1	19,700.00 US\$	19,700.00 US\$
	TOTAL F.O.B - FOSHAN, CHINA.	3	-----	US\$ 47,450.00
	FREIGHT FROM FOSHAN PORT, CHINA TO MOMBASA PORT, KENYA US\$ 1,300.00 / 20ft Container			US\$ 1,300.00 (1 X 20 ft) GP DRY
TOTAL PRICE CNF MOMBASA, KENYA.				48,750.00 US\$

Say US\$ Forty Eight Thousand Seven Hundred & Fifty Only.



PROP (T) LTD

Sido industrial estate
 Unga ltd
 P.O. Box 11491
 Arusha - Tanzania Phone 027-2504343, Mob 0754-400032

M/S HANSPAUL INDUSTRIES LTD
P.O. BOX 613
ARUSHA, TANZANIA

QUOTATION

NO. 938

DATE: 04-Jun-09

DESCRIPTION	SQUAREM.	UNIT PRICE	VALUE
		Tshs.	Tshs.
<p><i>Dear Sirs,</i> <i>We thank You for Your enquiry and have the pleasure to quote You without engagement for:</i></p>			
Pavingblocks 60mm Coloured	436	24,240	10,568,640
Compaction and fixing of blocks	436	5,800	2,528,800
Kerbstones high incl fixing	147	8,000	1,176,000
Sand and morram for base	436	4,000	1,744,000
<p>VAT 20% included <i>Terms of payment :50% on order, 30% halfway paved, 20% when ready</i></p>			
<p><i>This quotation is valid for 10 week with reservation for changes in cost of rawmaterial. We would be pleased if, after careful study of this offer. You could decide to favour us with Your esteemed order. Looking forward to receive Your reply, we remain,</i></p>			
		Discount-5%	-800,872
TOTALS		Tshs.	15,216,568
TRANSPORT CHARGES			
INV.NO			
INSURANCE CHARGES			N/A
CRET No.			
TOTAL			15,216,568

Yours faithfully

PROP (T) LTD

PROP (T) LTD

Sido industrial estate
 Unga ltd
 P.O. Box 11491
 Arusha - Tanzania Phone 027-2504343, Mob 0754-400032

M/S HANSPAUL INDUSTRIES LTD
P.O. BOX 613
ARUSHA, TANZANIA

QUOTATION

NO. 939

DATE: 04-Jun-09

DESCRIPTION	SQUAREM.	UNIT PRICE	VALUE
<i>Dear Sirs, We thank You for Your enquiry and have the pleasure to quote You without engagement for:</i>		Tshs,	Tshs,
Pavingblocks 80mm grey	358	25,800	9,236,400
Compaction and fixing of blocks	358	5,800	2,076,400
Kerbstones low incl fixing	13	7,000	91,000
Kerbstones high incl fixing	85	8,000	680,000
Sand and morram for base	358	3,700	1,324,600
 VAT 20% included <i>Terms of payment :50% on order, 30% halfway paved, 20% when ready</i>			
 <i>This quotation is valid for 10 week with reservation for changes in cost of rawmaterial. We would be pleased if, after careful study of this offer You could decide to favour us with Your esteemed order. Looking forward to receive Your reply, we remain,</i>		Discount-5%	-670,420
 <i>Yours faithfully</i>			
PROP (T) LTD			
TOTALS		Tshs,	12,737,980
TRANSPORT CHARGES			
INV NO			
INSURANCE CHARGES			N/A
CRET. No.			
TOTAL			12,737,980

PROP (T) LTD

Sido industrial estate
 Unga ltd
 P.O. Box 11491
 Arusha - Tanzania Phone 027-2504343, Mob 0754-400032

M/S HANSPAU INDUSTRIES LTD

P.O. BOX 613

ARUSHA, TANZANIA

QUOTATION

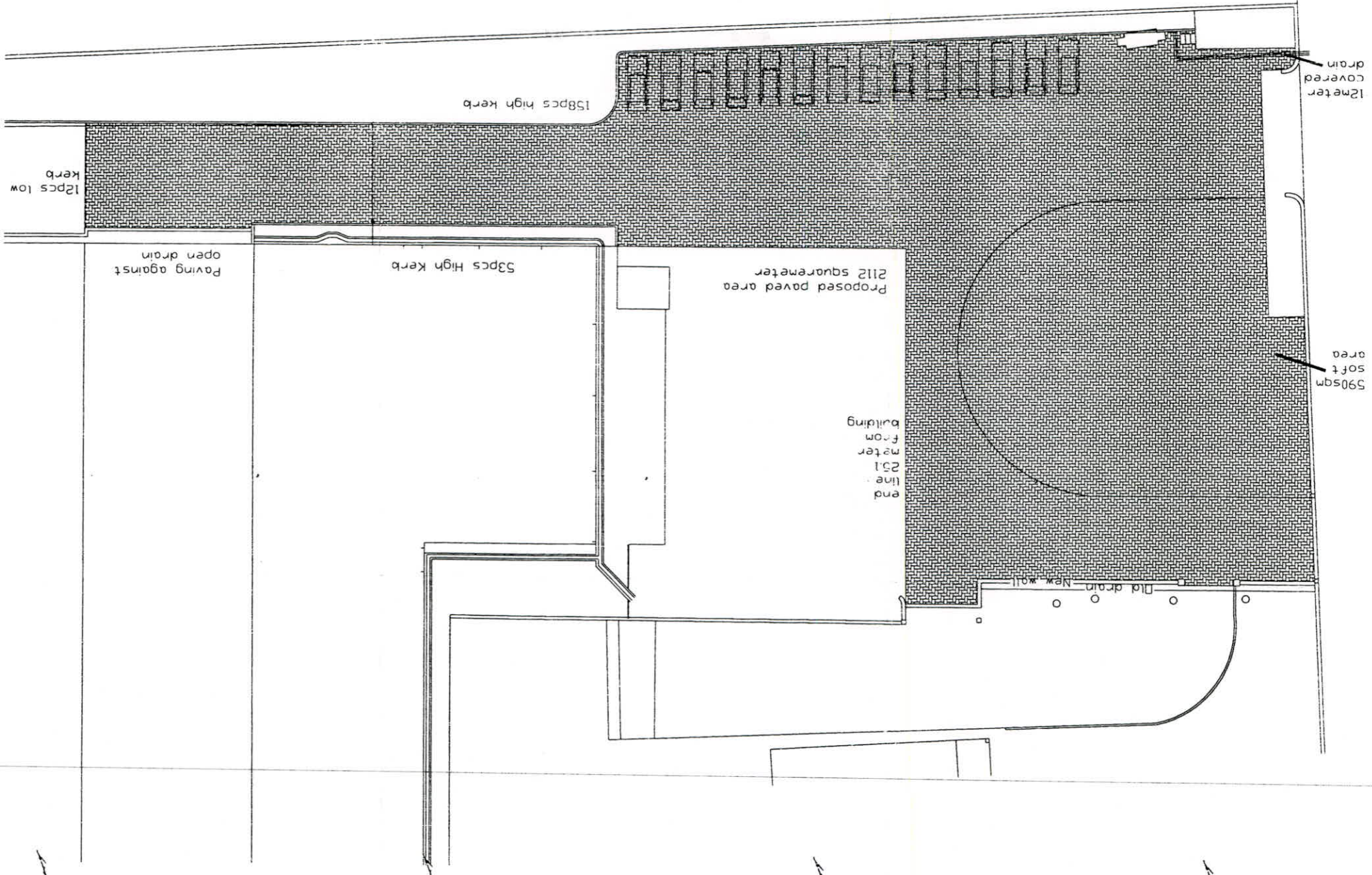
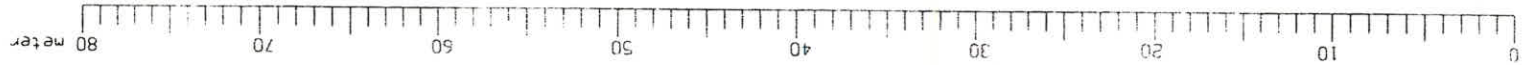
NO. 940

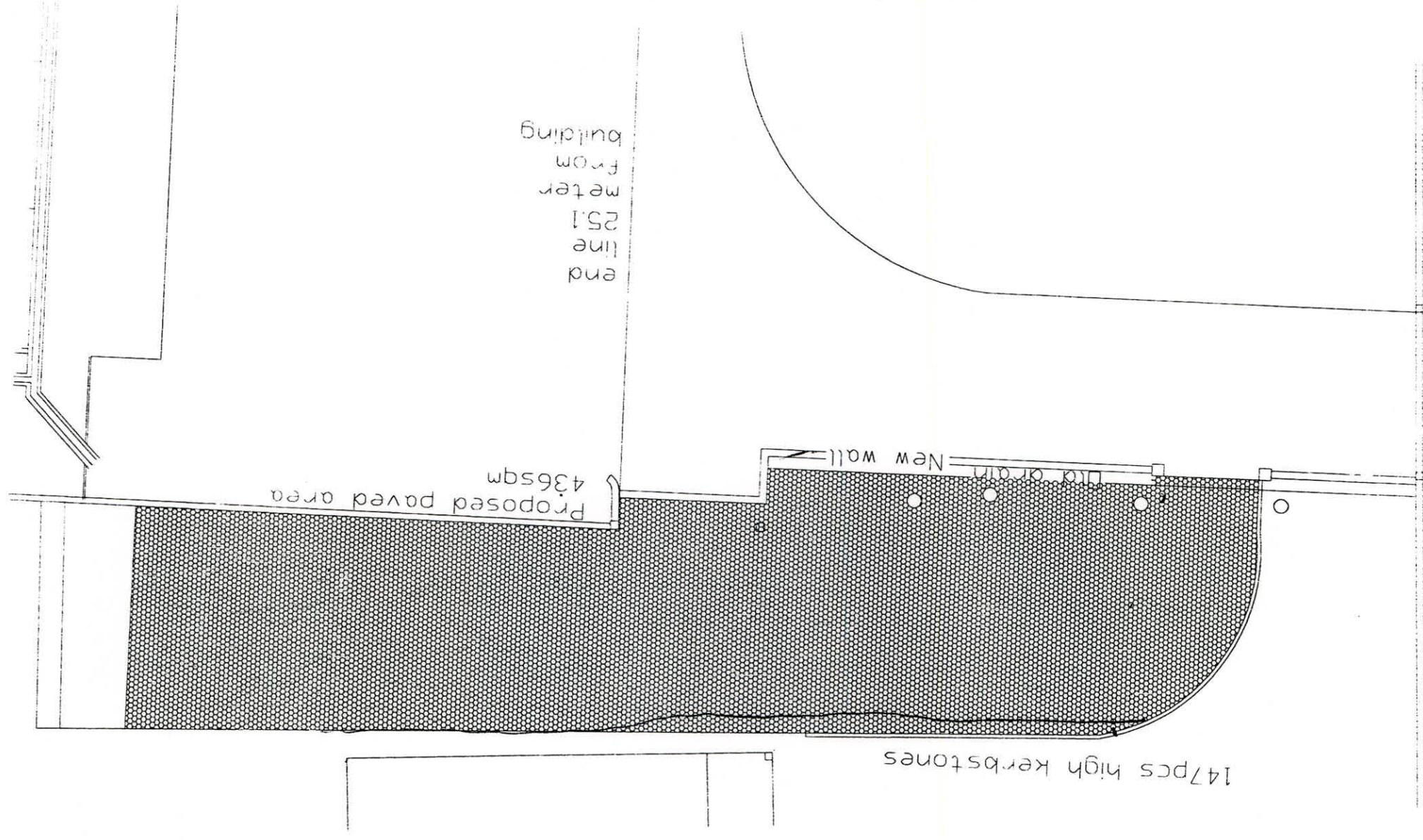
DATE: 04-Jun-09

DESCRIPTION	SQUAREM.	UNIT PRICE	VALUE
		Tshs,	Tshs,
<p><i>Dear Sirs,</i> <i>We thank You for Your enquiry and have the pleasure to quote You without engagement for:</i></p>			
Pavingblocks 80mm grey	2112	25,800	54,489,600
Compaction and fixing of blocks	2112	5,800	12,249,600
Kerbstones low incl fixing	12	7,000	84,000
Kerbstones high incl fixing	211	8,000	1,688,000
Sand and morram for base	2112	3,700	7,814,400
12 meter Covered small drain	12	55,000	660,000
Removing soil +extra filling and compaction Soft area	590	4,000	2,360,000
VAT 20% included			
<p><i>Terms of payment :50% on order, 30% halfway paved, 20% when ready</i></p>			
<p><i>This quotation is valid for 10 week with reservation for changes in cost of rawmaterial. We would be pleased if, after careful study of this offer, You could decide to favour us with Your esteemed order. Looking forward to receive Your reply, we remain,</i></p>		Discount-5%	-3,967,280
TOTALS		Tshs,	75,378,320
TRANSPORT CHARGES			
INV.NO			
INSURANCE CHARGES			
CRET. No.			N/A
TOTAL			75,378,320

Yours faithfully

PROP (T) LTD





end
line
25.1
meter
from
building

Proposed paved area
436sqm

New wall

Drg drain

147pcs high kerbstones



HansPaul Industries Ltd
P.O.BOX 613
Arusha

Attr: K.S. Hanspaul
Project: HPIL

PROFORMA INVOICE
PI No. 4418

9-Apr-09

Item	Description of Goods.	Unit	Unit price	Total
1	Manufacturing, Testing and Supply of 630A Indoor floor standing panel of our design, c/w:	1	6,350	6,350
	Incomer			
	1 No. 630A 3P Fixed ABB MCCB type Tmax T5N630			
	1 No. 630A 4P Manual Changeover switch type OETL630K4C			
	Instruments & accessories			
	1 No. Voltmeter 500V c/w selector switch type EC96 FNIII + N			
	3Nos. Ammeters type EC96 each with scale - 600/5A			
	Outgoings			
	11Nos. 63A 3P Fixed ABB MCCB type Tmax T1B160			
	2Nos. 100A 3P Fixed ABB MCCB type Tmax T1B160			
	Sub Total			6,350
	20% VAT			1,270
	EURO			7,620
TOTAL: EURO. Seven Thousand Six Hundred Twenty Only.				

Remarks:

Currency:

Terms of Payment:

Terms of Delivery:

Delivery Time:

Our Reference:

Validity of Quotation:

Your Reference:

Revised

EURO

50% With Order, 50% on or before delivery

Ex-works Arusha Factory

6 - 8 working weeks after order is confirmed and down payment done

PI No. 4418

1 month from the date of this quotation.

Office visit, 08.04.2009

Best regards,

Eng. Bagabuje Joseph
Sales - Switchgear

Ian Robertson
Managing Director

TANELEC LIMITED

1880 Euro Rate
Confirmed with Bimal
02/06/09
paid of 50% Total

HANSPAUL INDUSTRIES LTD
P.O BOX 613
ARUSHA

Confirmed & Paid

Date: 01/06/2009

PROFORMA INVOICE

PI 2563R1

itm	Description	Qty	Unit Price (Euro)	Total Price (Euro)
1	Distribution Transformer 500kVA, 11/0.4kV	1	11,000.00	11,000.00
	<u>20% VAT</u>			2,200.00
				13,200.00
Total Invoice in Words				
EURO: Thirteen Thousand Two Hundred Only.				

Terms of Payments : 50% with order, 50% Payment before delivery :
Pay to STANBIC BANK, ARUSHA BRANCHA/C No. 704 000 75462 01

Terms of Delivery : Ex Factory Arusha

Time of Delivery : 16 weeks after payments.

Our Ref : PI 2563R1

Validity : 30 Days from date of proforma invoice.

Best Regards,
for : Tanelec Ltd.

725 014 00 075 462-01
Rate 1903.27


Alex Gerald.
Sales Engineer-Service & Repair.


Godfrey Kingu.
Operations Manager(S&R).



Tanelec Limited
Themi Industrial area
Arusha
Tanzania

Postal address:
P. O. Box 7156
Arusha
Tanzania

Telephone:
+255 27 2507892/4
2503950
2508727
2508027

Telefax:
+255 27 2508725
+255 272508212



CARRYON PACKAGE MACHINERY CO.,LTD
 ADDRESS: R. MARGINAL CANAL HORTAS S/N 8 ANDAR H BL. 1EB. HOU KONG FA UN MACAU.

PROFORMA INVOICE

TO KIND ATTN OF HANSPAUL INDUSTRIES LTD
 PLOT NO. 44 NJIRO INDUSTRIAL ESTATE P.O.
 BOX 613 ARUSHA - TANZANIA
 EMAIL: AUTO@HANSPAUL.CO.TZ
 TEL: +255 756 888864 / +255 713 000 555
 +255 754 307 838
WWW.HANSPAUL.CO.TZ

INVOICE NO: HT20090321

DATE: MAR. 21, 2009

SHIPPING MARKS: HUATONG

FROM: CHINA MAIN PORT

TO: MOMBASA, KENYA

BY: SHIP

NO	DESCRIPTIONS OF GOODS	SPEC.	UNIT PRICE FOB USD	QTY	AMOUNT FOB USD
1	1200X2400 FOUR-COLOR FLEXO PRINTER SLOTTER AND ROTARY DIE-CUTTER 1200X2400 四色水性印刷开槽 圆压圆模切机	KICKER FEEDER	108,780.00/ SET	1SET	108,780.00
		FOUR COLORS (METAL ANILOX ROLL)			
		SLOTTER			
		ROTARY DIE-CUTTER			
2	SEMI-AUTO FOLDER GLUER 半自动粘箱机	HT-2460	9,800.00/ SET	2SETS	19,600.00
3	HEAVY DUTY TROLLIES 手推车	1 TON CAPACITY	300.00/ SET	10SETS	3,000.00
4	DIE MAKING TOOLS & MACHINES 制模板机	ONE UNIT WIRE CUTTER	5,000.00/ SET	1SET	5,000.00
		ONE UNIT GROOVING MACHINE			
		ONE UNIT CUTTING MACHINE			
		ONE UNIT CUTTER			
		ONE UNIT SLUGGING MACHINE			
5	DIE-CUTTING WOOD 模切板	360×13×2400MM	60.00/PC	100PCS	6,000.00
6	CUTTING BLADE CREASING 压线	1.42×22.5×φ 360MM	3.00/M	200M	600.00
7	CUTTING BLADE STRAIGHT CREASING 直压线	1.42×23MM	2.00/M	200M	400.00
8	CUTTING BLADE SAW 尖齿刀	φ 360×1.42×25.4 MM	9.00/M	200M	1,800.00



CARRYON PACKAGE MACHINERY CO.,LTD

ADDRESS: R. MARGINAL CANAL HORTAS S/N 8 ANDAR H BL. 1EB. HOU KONG FA UN MACAU.

9	CUTTING BLADE STRAIGHT SAW 直牙刀	1.42x25.8mm	9.00/M	200M	1,800.00
10	PROTECTIVE RUBBER 护条	BLACK	2.5/M	200M	500.00
11	SPRINGBACK RUBBER 勾母海绵	YELLOW	80.00/PC	20 PCS	1,600.00

TOTAL GOODS VALUE: FOB USD149,080.00 CHINA MAIN PORT

TOTAL OCEAN FREIGHT: USD7,200.00 (3 X 40 FEET CONTAINERS TO MOMBASA POR, KENYA)

TOTAL: CNF USD 156,280.00 MOMBASA, KENYA

SAY US DOLLARS ONE HUNDRED AND FIFTY SIX THOUSAND TWO HUNDRED AND EIGHTY



NOTE:

1. COUNTRY OF ORIGIN: MADE IN CHINA.
2. TERMS OF PAYMENT:
25% OF THE TOTAL AMOUN (USD39,070.00) BY T/T AS DOWNPAYMENT.
75% OF THE TOTAL AMOUNT(USD117,210.00) BY IRREVOCABLE SIGHT LETTER OF CREDIT WITH AT LEAST 120 DAYS VALIDATY. IT WILL BE PAID AGAINST PRESENTATION OF SHIPPING DOCUMENTS AFTER SHIPMENT.
WE WILL BEGIN PRODUCTION AFTER RECEIVED THE FULL DOWNPAYMENT.
3. TIME OF DELIVERY: 100 DAYS UPON RECEIPT OF DOWNPAYMENT.
4. PACKING: NUDE PACK WITH NECESSARY FIXTY.
5. INSTALLATION & TEST RUNNING:
SELLER WILL SEND 1~2 TECHNICIANS TO BUYER'S FACTORY TO INSTALL THE MACHINES AT BUYER'S REQUST. TECHNICIANS' VISA, RETURN FLIGHT TICKET, HOTEL, FOOD, ACCOMODATION AND LOCAL TRANSPORTATION IN BUYER'S COUNTRY IS AT BUYER'S EXPENSE .
6. GURANTEE: ONE YEAR UNDER NORMAL USE.
7. BANK DETAILS:

BANK NAME: BANK OF CHINA MACAU BRANCH

ADDRESS: NO.323 AVE. DOUTOR MARIO SOARES MACAU

SWIFT ADDRESS: BKCHMOMX

CH NUMBER: 100333

BENEFICIARY: CARRYON PACKAGE MACHINERY CO.,LTD.

ADDRESS: R. MARGINAL CANAL HORTAS S/N 8 ANDAR H BL. 1EB. HOU KONG FA UN MACAU

ACCOUNT: 10-88-10-009968

CARRYON PACKAGE MACHINERY CO.,LTD

ADDRESS: R. MARGINAL CANAL HORTAS S/N 8 ANDAR H BL. 1EB. HOU KONG FA UN MACAU.

FROM: M/S. CARRYON PACKAGE MACHINERY CO., LTD



CONTACTS:

ZHONGSHAN HUATONG PACKAGING INDUSTRY CO., LTD

ZHONGSHAN HUATONG IMPORT & EXPORT CO., LTD

CARRYON PACKAGE MACHINERY CO., LTD

Head Office:

ZHONGSHAN HUATONG PACKAGING INDUSTRY CO., LTD

Add: XIN'AN INDUSTRIAL AVENUE, XIN'AN VILLAGE, EAST DISTRICT, ZHONGSHAN CITY, GUANGDONG PROVINCE, CHINA.

Post Code :528400. Tel:+86-760-88880916,88880926. Fax:+86-760-88338666

E-mail: zshuatong@vip.163.com

Website: www.huatong-machinery.com

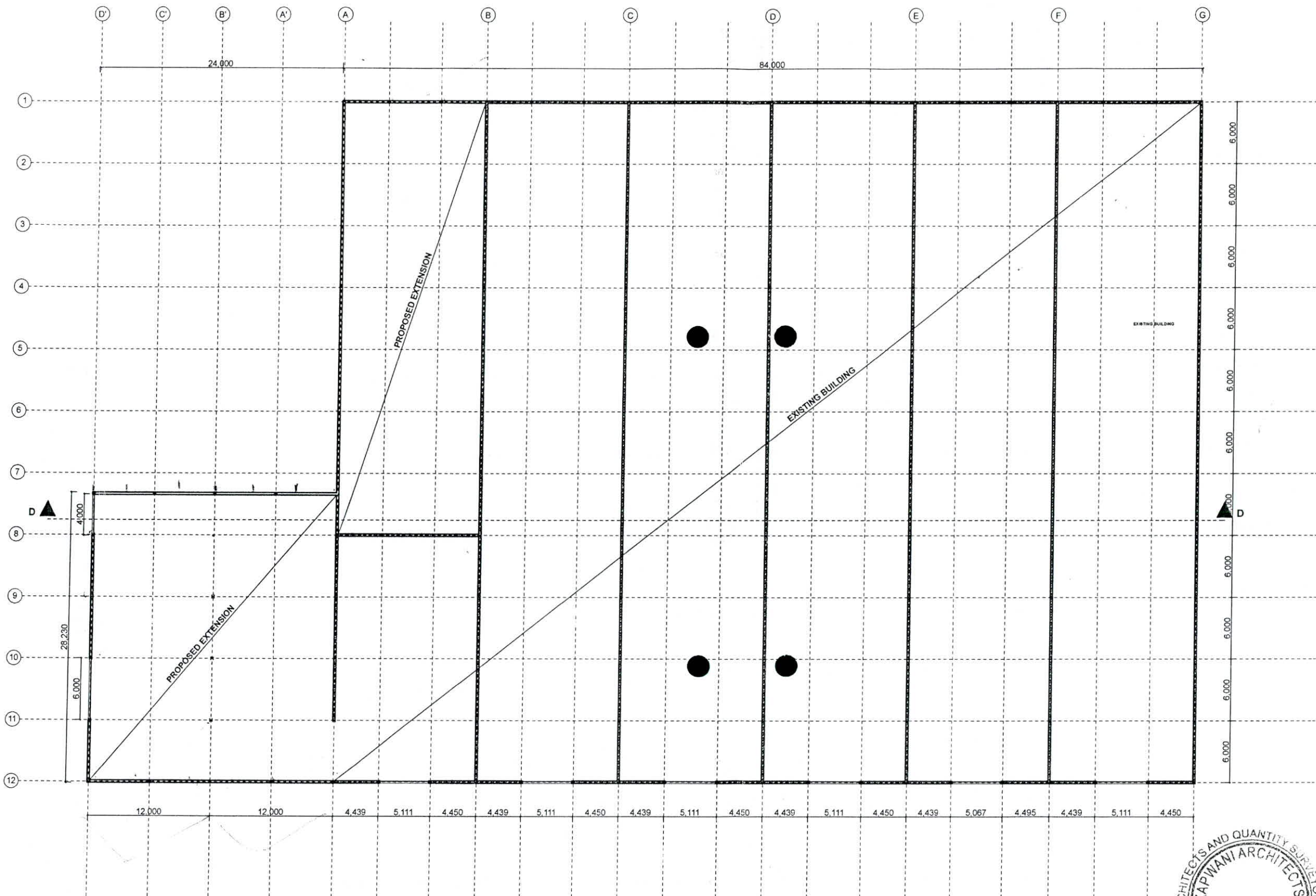
Contact Person: Mr.Hong (General Manager)

+86-13809688796

Ms.Vanilla(Exporting Manager)

+86-13823937005





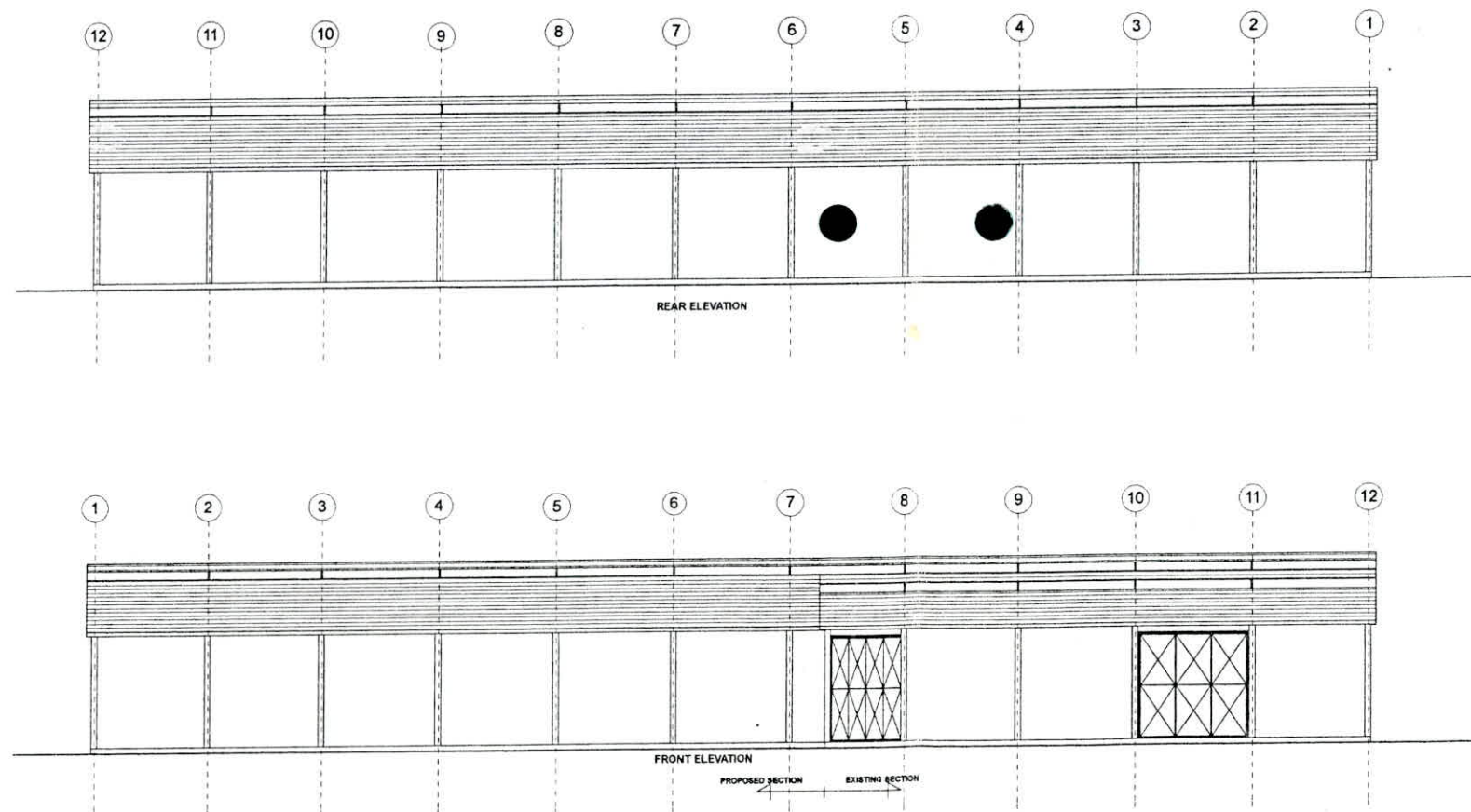
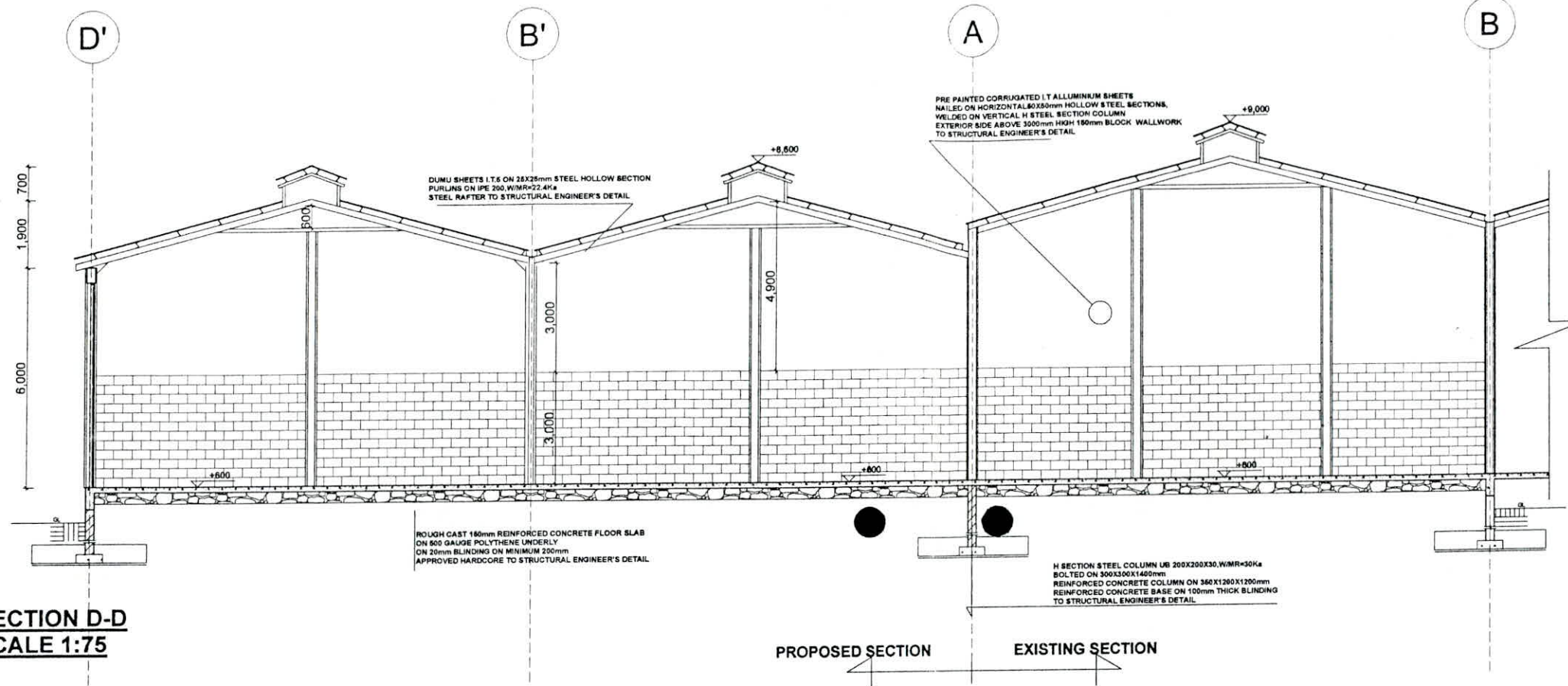
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Project Title		
PROPOSED GODOWNS ON PLOT No 44 THEMI INDUSTRIAL AREA ARUSHA MUNICIPALITY		
Client		
HANSPAL INDUSTRIES LTD P.O BOX 613, ARUSHA, TANZANIA		
Drawing Type		
GROUND FLOOR PLAN		
Job No	501	Date 11/03/09
Drawing No	501-02	Issue Date 12/01/08
Scale	1:400	Revision
Drawn	MAUID.Y	Checked R.S.K
KAPWANI ARCHITECTS P.O. BOX 2339 Tel: 255 732 975521 Mobile: 255 713 225755 E-mail: rashidkapwani@yahoo.co.uk		
ARUSHA		

ARCHITECTS AND QUANTITY SURVEYORS
KAPWANI ARCHITECTS
 APL 127.143.12/07
 Sign: *Rashid Kapwani*
 REGISTRATION BOARD
 TANZANIA

9



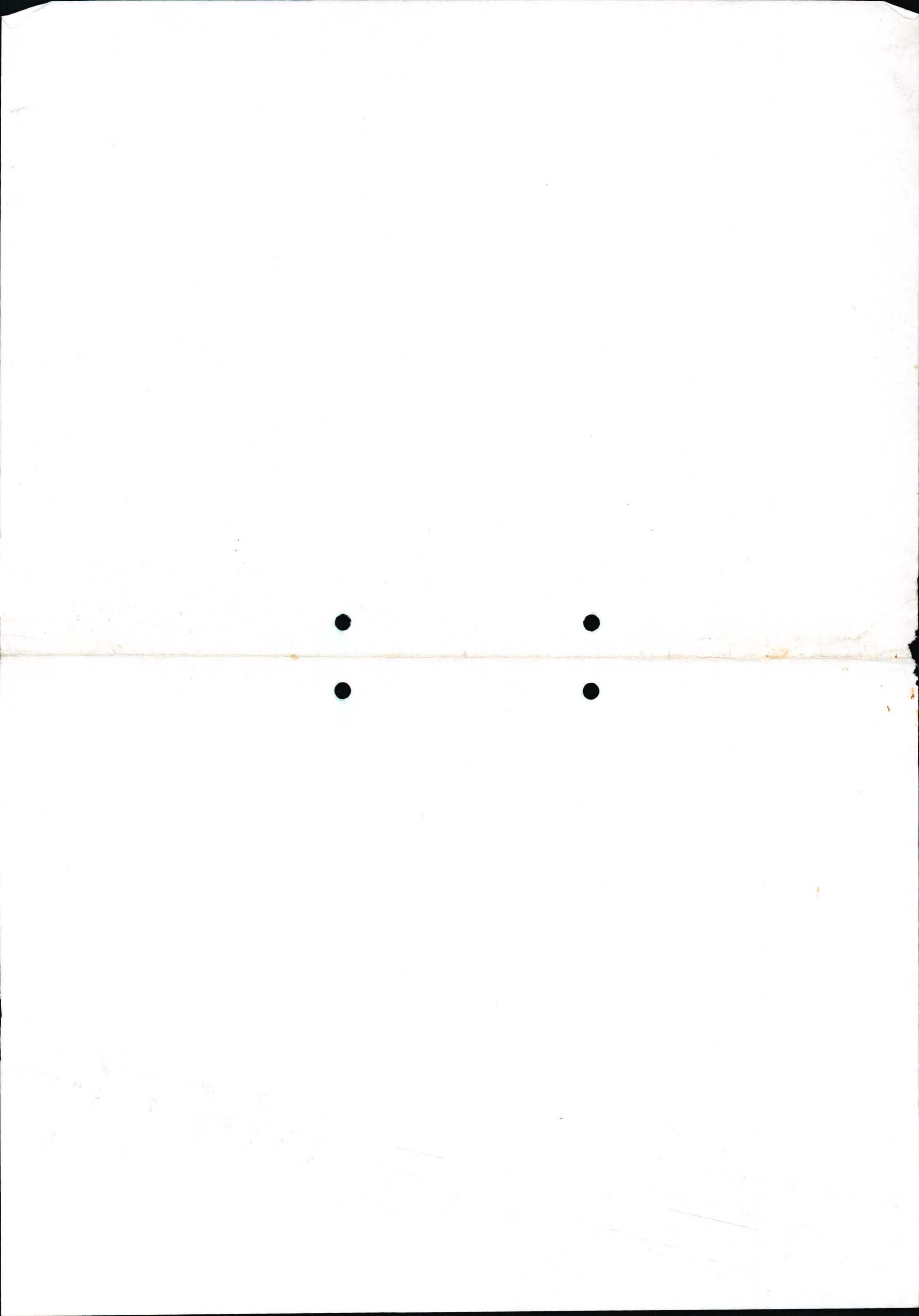
SECTION D-D
SCALE 1:75



ELEVATIONS
SCALE 1:175

REV	DESCRIPTION	ISSUE
Project Title PROPOSED GODOWNS ON PLOT No 44 THERMI HILL INDUSTRIAL AREA ARUSHA MUNICIPALITY		
Client HANSPAL INDUSTRIES P.O BOX 613, ARUSHA, TANZANIA		
Drawing Type PROPOSED SECTION D-D & ELEVATIONS		
Job No	501	Date 27/04/09
Drawing No	501-03	Issue Date 29/04/09
Scale	As shown	Revision
Drawn	MAULID.Y	Checked R.S.K
KAPWANI ARCHITECTS P.O.BOX 2339 Tel:255 732 975521 Mobile:255 713 225755 E-mail:rashidkapwani@yahoo.co.uk ARUSHA		



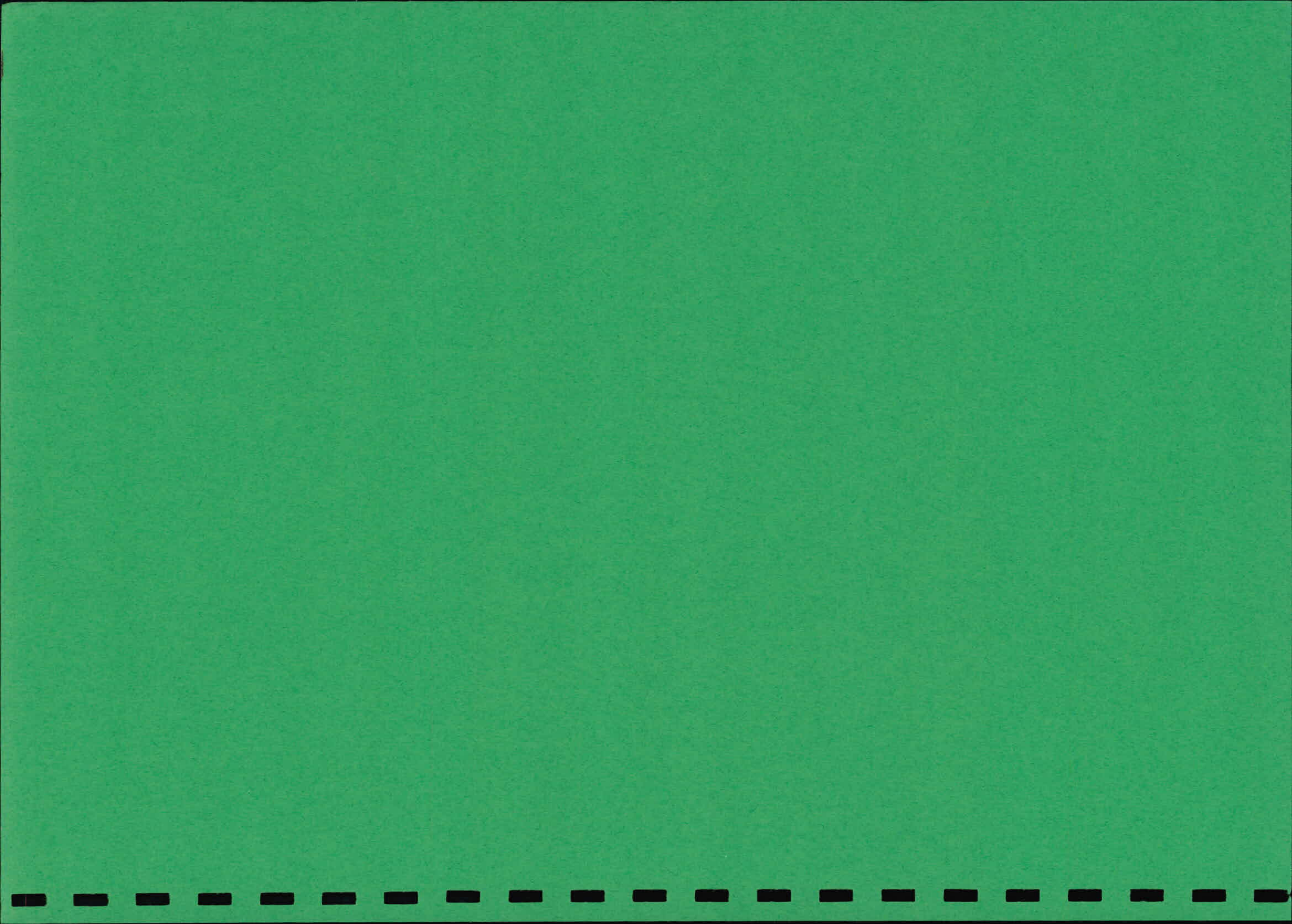


HANSPAUL INDUSTRIES LIMITED

PROJECT FOR MANUFACTURING OF PAPER CORRUGATED CARTON BOXES

A BUSINESS PLAN

Presented by:
Hanspaul Industries Ltd
P.O. Box 613
Arusha



HANSPAUL INDUSTRIES LIMITED

PROJECTOR MANUFACTURING OF PAPER CORRUGATED CARTON BOXES

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1. INTRODUCTION

1.1 FOREWORD

Hanspaul Industries Ltd is establishing a new Project of Paper corrugated carton boxes. The new project involves investing in to purchasing state-of-the-art plant & machinery to manufacture products of very high quality in the most efficient manner; these machines would include an automatic board making plant including a boiler with its pipeline & accessories to power it, waste paper bailer, 4 colour automatic printer slotter, semi- auto gluer, 1 ton capacity trollies, die making tools & machinery. In the new project, the paper is fed into 3 rollers, where it is processed in to corrugated sheets and cut into the sizes required automatically, there after the cut boards are fed into the automatic printer slotter where the printing and slotting process is done and finally fed into the semi-auto gluer where the boards are folded and glued ready for dispatch.

In addition to the investment of plant & machinery, the company is also investing in 2 new go downs / warehouse and expanding one existing godown / warehouse, approximately 1,300m², where the new project will be established. Due to convenience purposes, the company is also building engineers' & managers' accommodation, approximately 250m², on site to reduce transportation, renting out & security costs in the long run.

The company has a current establishment which is running two semi – automatic plants converting 180 tons of paper a month working on 8 hour normal shifts. It is employing approximately 55 full time employees in its present factory and a further 5 to 7 senior staff handling the administration & management.

The company has decided to increase its production capacity to 400 to 500 tons a month by investing into the new plant. This new investment would generate further 50 to 75 jobs, increasing over a period of time as the company settles in to the new market. The company has also planned to explore export markets in neighbouring countries.

During the off loading process of paper reels, a 3.5 ton fork lift with paper clamps would be required in order to ease the off loading process. The paper clamp fork lift would also be used to stack the paper reels onto each other in order to efficiently utilize the space while storing in the warehouse. Each paper reel is weighed between 650kgs to 1300 KGs, making it is impossible for them to be off loaded or stacked without a fork lift with paper clamps.

In order to make this project's product distribution successful, the company would also require increasing its distribution muscle; this includes purchasing of more trucks and other utility vehicles.

Due to the current terrain being rough & muddy in the rainy seasons, at premises that is going to be utilized for this new project, it is crucial that the drive ways and off loading as well as loading ways are paved with paving blocks in order for heavy trucks to turn & commute in and out of the premises with out being stuck.

The current Transformer running the semi automatic plants at the premises is 200KVA. For the new project, the company would require to purchase a new transformer of 500KVA in order to be sufficient enough to power the new fully automatic board making plant and all the other automatic machines in the production line. Another issue is that the electricity supply from TANESCO has no reliability, there are quite a few times when the company faces power cuts and production cannot be stopped. In order to solve this problem, the company would require 2 Generators, one being a 200KVA to run the factory and the other being a 30 KVA to run the office when the machines are not running, especially on weekends and holidays.

1.2 OBJECTIVES OF THE STUDY

The purpose of this Feasibility Study is to work out the technical and commercial details and the financial viability for the above mentioned project.

1.3 PROJECT PROMOTERS

The following sponsors are promoting the proposed project. Directors (shareholders) are namely:

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	% SHARE-HOLDING
Kamaljit Singh Hanspaul P.O Box 613 Arusha	50%
Dharam Singh Hanspaul P.O Box 613 Arusha	50%

The current shareholders of the company have a wealth of experience in paper carton boxes manufacturing projects and are keen to exploit such experience to make this project a success.

1.4 STUDY LAYOUT

This study is presented in one document comprising the following major chapters.

Chapter One	-Introduction
Chapter Two	-Executive Summary
Chapter Three	-Manufacturing Sector in Tanzania
Chapter Four	-Production Process and Technology
Chapter Five	-Machinery, Equipment and Civil Works
Chapter Six	-Production Inputs Requirement & Availability
Chapter Seven	-Manpower and Plant Organization
Chapter Eight	-Investment and Financing
Chapter Nine	-Costs of Operation
Chapter Ten	-Financial Analysis
Chapter Eleven	-Economic Analysis
Chapter Twelve	- Recommendations

2 EXECUTIVE SUMMARY

2.1 INTRODUCTION

The Study examines the possibility of expanding facilities for manufacturing paper corrugated carton boxes. A techno-economic evaluation has been carried out to determine the feasibility of this project.

2.2 PAPER CARTON BOXES MANUFACTURING

Cardboard is a lay term used to describe a variety of heavy wood-based types of paper, notable for their stiffness and durability. Paperboard packaging used for food and small consumer goods, as well as corrugated packaging used for larger goods and shipping cartons are the most common examples of items referred to as cardboard. Paperboard was first invented in China some time in the 15th century, and is used for a wide variety of purposes. One of its more common uses is as a packaging material.

Corrugated board is given its strength by a wavy, fluted middle layer. The first commercial paperboard box was produced in England in 1817.

Corrugation

In the mid 19th century, an ingenious concept enabled flimsy sheets of paper to be transformed into a rigid, stackable and cushioning form of packaging for delicate goods in transit. Corrugated (also called pleated) paper was patented in England in 1856, and used as a liner for tall hats, but corrugated boxboard would not be patented and used as a shipping material until December 20, 1871.

The patent was issued to Albert Jones of New York, New York for single-sided (single-face) corrugated board. Jones used the corrugated board for wrapping bottles and glass lantern chimneys. The first machine for producing large quantities of corrugated board was built in 1874 by G. Smyth, and in the same year Oliver Long improved upon Jones' design by inventing corrugated board with liner sheets on both sides. This was now corrugated board as we know it today.

Prefabricated Cartons

The American Robert Gair invented the corrugated box in 1890, consisting of pre-cut flat pieces manufactured in bulk that folded into boxes. Gair's invention, as with so many other great innovations, came about as a result of an accident: he was a Brooklyn printer and paper-bag maker during the 1870s, and while he was printing an order of seed bags a metal ruler normally used to crease bags shifted in position and cut the bag. Gair discovered that by cutting and creasing board in one operation he could make prefabricated cartons. Extending this to corrugated boxboard was a straightforward development when the material became available. By the start of the 20th century, corrugated boxes began replacing the custom-made wooden crates and boxes previously used for trade.

The corrugated carton was initially used for packaging glass and pottery containers, which are easily broken in transit. Later, the case enabled fruit and produce to be brought from the farm to the retailer without bruising, improving the return to the producers and opening up hitherto unaffordable export markets. (There had previously been a great deal of waste when, for example, oranges were craned out of the hold of a ship, having been bulk loaded into it.)

Will Keith Kellogg first used paperboard cartons to hold flaked corn cereal, and later when he began marketing it to the general public, a heat-sealed waxed bag of Waxtite was wrapped around the outside of the box and printed with their brand name. This marked the origin of the cereal box, though in modern times the sealed bag is plastic and is kept inside the box rather than outside.

Today paperboard packaging in general, and especially products from certified sustainable sources, are receiving new attention, as manufacturers dealing with environmental, health, and regulatory issues look to renewable resources to meet increasing demand. It is now mandatory in many countries for paper-based packaging to be manufactured wholly or partially composed of recycled as well as tree-free fibers.

The industry is working to eliminate the inaccurate term "cardboard", since it describes both paperboard and corrugated board.

Today's corrugated board

Today's corrugated board usually consists of outer flat sheets (liners) of puncture resistant paper, sandwiching a central "filling" of corrugated short fibre paper (fluted paper, or "medium"), which resists crushing under compression and gives cushioning protection to the box's contents.

The "liner" and "medium" (outer and inner portion of the final corrugated board product) are glued together along the outsides of the peaks and valleys of each flute, normally using starch adhesives. The starch is derived from corn, wheat or potato. Thus the complete make-up of corrugated board is from natural, sustainable materials in plentiful supply and the board is fully recyclable and can be pulped down to make more paper for more board once it has ended its own life.

The board has high end-to-end strength along the corrugated flutes, so the box is normally designed with the flutes running vertically for stacking strength. The modern method of testing the stacking strength of a corrugated box is called the Box Compression Test (BCT). To measure the resistance against penetration of the box wall the bursting strength test (known as a Mullen Test) is used. Box Manufacturers often certify the strength of boxes by imprinting a Box Maker's Certificate (BMC) on the bottom of cartons. This will contain the name of the company that made the box as well as the city and state where it was manufactured along with the pertinent test information.

Paper made from hardwood, short fibre pulp, has good compression strength and is easily moldable with moisture and heat, but is weak in tension and tears easily. Paper made from softwoods, with their longer fibres, on the other hand, is strong in tension and resists puncturing and tearing better and is less plastic, so tends to keep its shape. It also provides a better surface for printing.

Common flute sizes are "A", "B", "C", "E" and "F" or microflute. The letter designation relates to the order that the flutes were invented, not the relative sizes. Flute size refers to the number of flutes per lineal foot. For example, "B" flute is approximately 1/4 inch from the top of one flute to the next, or 50 flutes per foot. "C" Flute is 5/16

inch from flute to flute or 42 flutes per lineal foot. "E" flute is 1/8 inch flute to flute or 90 flutes per lineal foot. Board thickness is an unreliable metric, due to various manufacturing conditions. However, a rough guide is: "C" flute=5/32 inch thick, "B" flute=1/8 inch thick, "E" flute=1/16 inch thick.

Double and triple-wall corrugated is also manufactured for specialized industrial applications and, at the other extreme, microflute is manufactured for fine printed packaging or displays or presentation packaging for high-value contents such as spirits, perfume, jewellery, etc. Almost all corrugated boxes are shipped flat for ease and economy of transport, then erected, filled and closed at packing stations.

Old corrugated cartons are an excellent source of fibre for recycling. They can be compressed and baled for cost effective transport to anywhere in need of fibre for papermaking. Thus they help developing countries without sustainable wood resources build a paper and packaging industry locally and develop their exports to global markets.

Corrugated board is manufactured on high-precision machinery lines called Corrugators running at 500 lineal feet per minute or faster. Various types of "converting" machinery are used to manufacture boxes from the board coming off the corrugator. The most important, universal and revolutionary of all converting corrugated equipment is the "Flexo Folder Gluer" (FFG), which is a machine that in one single pass prints, cuts, folds, and glues flat sheets of board to convert them to boxes for any application, from storing old family pictures to shipping the biggest of plasma TV sets to the global market. The most advanced of FFG's can run at speeds of up to 26,000 boxes per hour.

A box factory may be started up with simple, sometimes old equipment. Additions and/or upgrades can be performed as demand expands and growth is affordable.

2.3 MARKET AND MARKETING ASPECTS

The market survey carried out reveals that there is a huge demand for paper corrugated carton boxes. There is wide gap between supply and demand and therefore, business opportunity exists for expanding paper corrugated carton boxes production facilities to satisfy the market requirement. With increased local manufacturing facilities, the country will save foreign exchange lost each year through import of paper corrugated carton boxes.

2.4 PROCESS AND TECHNOLOGY

As mentioned earlier corrugated board is manufactured on high-precision machinery lines called corrugators running at 500 lineal feet per minute or faster. Various types of "converting" machinery are used to manufacture boxes from the board coming off the corrugator. The most important, universal and revolutionary of all converting corrugated equipment is the "Flexo Folder Gluer" (FFG), which is a machine that in one single pass prints, cuts, folds, and glues flat sheets of board to convert them to boxes

2.5 LOCATION

The plant will be located on industrial site on plot no.44, Njiro Industrial Area, Arusha region.

2.6 MANPOWER REQUIREMENTS

The whole new project will comprise more than 50 permanent employees and several other on temporary basis. Initially there will be a few technical expatriates who will give training to the local staff. Maximum employment will be given to the local work force. The factory will be organized into three major areas namely:

- Production
- Marketing
- Finance and administration

2.7 IMPLEMENTATION

The project is planned to undergo two phases:

Phase I: Major activities to be involved include registration of the expansion project and approvals by the Tanzania Investment Centre (TIC), and mobilization of funds from Sponsors. Other activities include identification of appropriate technology, sourcing of machinery and equipment, construction and renovation of buildings, staff recruitment and training of core personnel.

Phase II: Will involve commencement of manufacturing operations after expansion phase

2.8 PROJECT ECONOMICS

2.8.1 Capital Investment Requirements

COST STRUCTURE

PARTICULAR	AMOUNT USD
Land and Buildings	541,547
Machinery & Equipment	478,761
Motor Vehicles	227,762
Furniture & Fixtures	0
Pre exp	15,000
Others	12,000
Working Capital	0
TOTAL	1,275,070

*US\$ 1 = Tshs 1,300

2.9.2 Expenditure on basic materials and Profitability

The major expenditure item is the purchase of various materials used in paper corrugated carton boxes manufacturing process. Project revenue will accrue from sale of paper corrugated carton boxes. Based on projected revenue at sustainable levels of production the project is quite profitable.

2.9 RECOMMENDATIONS

The study shows the proposed expansion is both technically and financially a feasible undertaking. Furthermore, it will create local employment for the national benefit. In view of the findings, the project is recommended for implementation.

3 MANUFACTURING SECTOR IN TANZANIA

3.1 GROWTH OF INDUSTRIAL SECTOR

In 2006, the industrial sector grew by 8.65%, compared to 9.0 % recorded in the year 2005. Such decrease in growth of this sector resulted from increase in the cost of electricity and fuel used to operate machinery and motor vehicles. These contributed to increase in the cost of production in the industrial sector.

Also contribution of the manufacturing sector to the Gross Domestic Product increased to 9.2% , compared to 9.0% in the year 2005. The increase in contribution of this sector was a result of rise in production of products such as Cement, Drinks, Corrugates Sheets, Steel Bars, Plastic Products, and Textiles.

In 2006, the Export Processing Zones Authority (EPZA) was established. Also, areas earmarked for establishment of such zones include Dar es Salaam, Pwani, Mwanza, Arusha, Kilimanjaro, Morogoro, Lindi, Ruvuma, Kigoma, Tanga, Mtwara, Mara and Kagera.

In the year 2006, the Government continued to implement its policy for development of small and medium enterprises (SME Policy), including empowerment of entrepreneurs. The Government through the Small Industries Development Organization (SIDO) trained 5,478 entrepreneurs and 184 trainers. Also, the organization extended loans amounting Tsh. 2.506 billion to groups of entrepreneurs

3.2 COST OF PRODUCTION IN INDUSTRIAL SECTOR

In 2006, cost of production in the Industrial Sector stood at Tsh. 2,177,611 million, compared to Tsh. 1,957,757 million in 2005, equivalent to an increase of 11.2%. This increase resulted from increase in the cost of electricity and fuel used to operate machinery and motor vehicles. Otherwise, poor infrastructure especially railways and roads continued to contribute to increase in cost of production.

4 PRODUCTION PROCESS AND TECHNOLOGY

4.1 BASIC PROCESS

Corrugated board is manufactured on high-precision machinery lines called corrugators running at 500 lineal feet per minute or faster. Various types of "converting" machinery are used to manufacture boxes from the board coming off the corrugator. The most important, universal and revolutionary of all converting corrugated equipment is the "Flexo Folder Gluer" (FFG), which is a machine that in one single pass prints, cuts, folds, and glues flat sheets of board to convert them to boxes

The new project involves investing in to purchasing state-of-the-art plant & machinery to manufacture products of very high quality in the most efficient manner; these machines would include an automatic board making plant including a boiler with its pipeline & accessories to power it, waste paper bailer, 4 colour automatic printer slotter, semi- auto gluer, 1 ton capacity trollies, die making tools & machinery. In the new project, the paper is fed into 3 rollers, where it is processed in to corrugated sheets and cut into the sizes required automatically, there after the cut boards are fed into the automatic printer slotter where the printing and slotting process is done and finally fed into the semi-auto gluer where the boards are folded and glued ready for dispatch

4.2 QUALITY CONTROL SYSTEM

Required quality control measures will be pursued to ensure that best quality paper corrugated carton boxes are produced to cater for the needs of local as well as export market. The company will consider exploitation of market existing in the neighbouring countries.

4.3 ENVIRONMENT PROTECTION

Our aim is to make this project environment friendly. Appropriate action will be taken to ensure that the paper corrugated carton boxes manufacturing processes cause no harm to the environment. By taking such measures, we can protect the country's environment in particular and global environment in general.

5 MACHINERY EQUIPMENT AND CIVIL WORKS

5.1 MACHINERY & EQUIPMENT

The company will acquire various machinery and equipment to include an automatic board making plant including a boiler with its pipeline & accessories to power it, waste paper bailer, 4 colour automatic printer slotter, semi- auto gluer, 1 ton capacity trolleys, die making tools & machinery. The technology to be used will be modern to achieve high quality paper corrugated carton boxes production. The company is already negotiating with suppliers of required machinery and equipment for supply of the same once all necessary preparations are completed.

5.2 PLANT LOCATION AND CIVIL WORKS

i. Site and Location

The plant shall be located on industrial site on plot no.44, Njiro Industrial Area, Arusha region. This location takes into consideration such important factors like availability of reliable power.

ii. Production Building Required

The company is also investing in 2 new godowns / warehouse and expanding one existing godown / warehouse, approximately 1,300m², where the new project will be established. Due to convenience purposes, the company is also building engineers' & managers' accommodation, approximately 250m², on site to reduce transportation, renting out & security costs in the long run.

iii. Office Building

An office block to accommodate the administrative and clerical staff will also be required.

5.3 UTILITY SERVICES

iv. Water

A three-inch diameter pipeline to the premises from the main pipeline is adequate. Due to frequent water shortage a water reservoir is recommended to be constructed.

v. Electricity

The Tanzania Electric Supply Company Ltd. (TANESCO) has no problem in providing the required amount of electricity from the national grid.

6 PRODUCTION INPUT REQUIREMENTS AND AVAILABILITY

6.1 INPUTS

As explained earlier, the major expenditure item will be purchase of paper, glue, chemicals and other materials used in paper corrugated carton boxes manufacturing process.

6.2 UTILITIES

i. Water

We have explained that water will be supplied to the premises from the main pipeline. Due to frequent water shortage, a water reservoir has been recommended for construction

ii. Power

As said earlier in this report, the source of energy for the proposed project will be electric power.

A standby power generator has also been budgeted for to avoid inconveniences caused by frequent power cuts by TANESCO.

7 MANPOWER AND PLANT ORGANIZATION

The proposed project will have three independent departments, namely:

- Production
- Sales and Marketing
- Administration and Finance

7.1 ORGANIZATION

The Board of Directors of M/s Hanspaul Industries Limited shall manage the project at policy level. The top most person in the day to day running of the company will be the Managing Director. Under the Managing Director's office will be the three Departments mentioned above. Each will be under a Manager and will comprise a number of Sections each headed by a Section Head as follows.

PRODUCTION DEPARTMENT

Sections:

- Operations
- Maintenance

SALES AND MARKETING DEPARTMENT

Sections:

- Research & Promotion
- Sales

ADMINISTRATION AND FINANCE DEPARTMENT

Sections:

- Human Resources & Administration
- Finance & Accounts

Each Department will be manned by a number of personnel with varying education levels and work experiences.

The management team of M/s Hanspaul Industries Limited will comprise the Managing Director, Production Manager, Finance & Administration Manager and Sales & Marketing Manager.

7.2 RESPONSIBILITIES

Responsibilities will be as follows:

i. Production Department

The Manager will be responsible for paper corrugated carton boxes manufacturing operations planning and overseeing daily production activities being carried out. He will further be responsible for repair and maintenance of company assets and research and development activities. The Department will comprise Sections, namely:

- The Production Section which would be responsible for overseeing manufacturing operations. An expatriate will be employed to train the local technicians in this aspect of operations.
- Maintenance Section which will manage paper corrugated carton boxes manufacturing plant and machinery maintenance

ii. Finance and Administration Department

An Administration and Finance Manager will head the Department. He will be responsible for the administration of the company as well as overseeing the financial aspects of the company. An Accountant will manage the finance function while a Human Resources Section Head will oversee company human resource issues. The following important units will be under the Department.

- The personnel and administration unit which will be responsible for the general administrative matters of the company as well as personnel issues.
- The finance unit, which will be responsible for financial issues. It will also be responsible for the proper maintenance of books of accounts and financial planning.
- The purchasing unit which will be responsible for the purchase of raw materials, spare parts and equipment. This section will also be responsible for the receipt, storage and issue of purchased materials.

iii. Sales and Marketing Department

This Department will be headed by the Sales and Marketing Manager who will be responsible for the development of a sustainable sales and distribution network. This will involve developing distribution network and recruitment and training of qualified and well motivated marketing and sales personnel.

There will be two Section Heads under the Department. One Section will be responsible for Research & Promotion and another will handle Sales function.

7.3 MANPOWER REQUIREMENT

The permanent manpower requirement for running the proposed factory is over 50. Several other employees will be contracted on temporary basis.

7.4 SOURCE OF MANPOWER

Manpower for proposed project will be employed from local sources, except for a few expatriates who would basically be engaged in the training of local staff. The workers will be given on-the-job training for familiarize them with the proposed machinery and equipment.

After the initial 2 years, depending on the results of the training, local counter parts will replace the expatriates.

8. INVESTMENT AND FINANCING

8.1 ASSUMPTIONS

The financial projections to determine the viability of the project by M/s Hanspaul Industries Limited are based on the following key assumptions:

- Expansion of paper corrugated carton boxes manufacturing facilities will start immediately. Thereafter production of paper corrugated carton boxes will commence.
- The company market will be local as well as export based on current operations
- Financial calculations are based on current market prices and costs are assumed constant throughout the operating period under review on the assumption that if operation costs change, selling prices will change proportionally to preserve the profit margins.

- The project has adopted the currency exchange rate of United States Dollar 1 = Tanzania Shilling 1,300.00 as prevailing during June 2009.

8.2 SUMMARY OF CAPITAL COSTS

On completion of project implementation, the total investment will reach to US\$ 1.275 million as shown in attached schedules.

8.3 BUILDING AND CIVIL WORKS COSTS

The company is also investing in 2 new godowns / warehouses and expanding one existing godown / warehouse, approximately 1,300m², where the expansion project will be established. Due to convenience purposes, the company is also building engineers' & managers' accommodation, approximately 250m², on site to reduce transportation, renting out & security costs in the long run. The estimated cost is US\$ 541,547

8.4 PLANT MACHINERY AND EQUIPMENT COSTS

The project involves investing in to purchasing state-of-the-art plant & machinery to manufacture products of very high quality in the most efficient manner; these machines would include an automatic board making plant including a boiler with its pipeline & accessories to power it, waste paper bailer, four colour automatic printer slotter, semi- auto gluer, 1 ton capacity trolley, die making tools & machinery. Other supporting equipment, tools, accessories, etc. will be required as explained earlier

The total investment on machinery and equipment is based on a quotation received from major suppliers for main production machinery and amount to US\$ 478,761 approximately.

8.5 MOTOR VEHICLES

In order to make this project's product distribution successful, the company would also require to increase its distribution muscle. This includes purchasing of more trucks and other utility vehicles for company work. The promoters intend to procure various vehicles at total cost of US\$ 227,762

8.6 PRE-PRODUCTION CAPITAL EXPENDITURES

These include project development cost for feasibility study and start-up expenses. A budget of US\$ 15,000 is considered adequate for this item

8.7 OTHER EXPENSES

This is mainly for contingencies whose value cannot be estimated with certainty at the moment. The amount budgeted for this item stands at US\$ 12,000

The following is a breakdown of the proposed costs to expand facilities for manufacturing paper corrugated carton boxes

A) LAND & BUILDINGS

ITEM	QUANTITY	TOTAL COST IN USD \$	TOTAL COST IN TSH
LAND	APPROXIMATELY 3 ACRES	244,451	325,120,000/=
GODOWNS INCLUDING EXTENDING EXISTING GODOWN	1,300m ²	187,969	250,000,000/=
ENGINEERS ACCOMMODATION	250m ²	37,593	50,000,000/=
WATER TANK	10,000 LITRES	6,767	9,000,000/=
PAVING BLOCKS	2,906	64,767	86,110,723/=
TOTAL		541,547	720,230,723

B) 1 - PLANT, MACHINERY & EQUIPMENTS

ITEM	SPEC	QUANTITY	TOTAL COST IN USD \$	TOTAL COST IN TSH
1200X2400 FOUR-COLOR FLEXO PRINTER SLOTTOR AND ROTARY DIE-CUTTER	KICKER FEEDER, FOUR COLOURS - (METAL ANILOX ROLL), SLOTTOR, ROTARY DIE CUTTER	1 SET	108,780	144,677,400/=
SEMI-AUTO FOLDER GLUER	HT-2460	2 SETS	19,600	26,068,000/=
HEAVY DUTY TROLLIES	1 TON CAPACITY	10 PCS	3,000	3,990,000/=
DIE MAKING TOOLS, MACHINES & MATERIALS: - DIE CUTTING WOOD - CUTTING BLADE CREAMING - CUTTING BLADE STRAIGHT CREAMING - CUTTING BLADE SAW - CUTTING BLADE STARIGHT PROTECTIVE RUBBER (BLACK) 200 METRES - SPRINGBACK RUBBER (YELLOW) 20 PCS	* 1 UNIT WIRE CUTTER * 1UNIT GROOVING MACHINE * 1UNIT CUTTING MACHINE * 1UNIT CUTTER * 1 UNIT SLUGGING MACHINE	1 FULL SET *360X13X240 0MM 100PCS *1.42X22.5Xφ 360MM 200METRES *1.42X23MM 200 METRES *φ360X1.42X2 5.4MM 200 METRES *1.42X25.8M M 200 METRES	17,700	23,541,000/=
5 PLY IN LINE COMBINED AUTOMATIC CORRUGATED BOARD MAKING PLANT WITH ACCESSORIES	WITH 1 SINGLE & 1 DOUBLE CORRUGATION PROFILE WITH SHAFT-LESS REEL STAND	1 SET	230,000	305,900,000/=
THERMIC FLUID BOILER WITH PIPELINE, CHIMNEY & ACCESSORIES	600,000 KG/CAL.	1 FULL SET	30,000	39,900,000/=
HYDRAULIC WASTE BAILING MACHINE	3. H.P.	2 SETS	3,800	5,054,000/=
TOTAL			412,880	549,130,400/=

B) 2 – ELECTRICAL EQUIPMENTS & MATERIALS

ITEM	SPEC	QUANTITY	TOTAL COST IN USD \$	TOTAL COST IN TSH
POWER GENERATION SET HS CODE: 85.01.61	CUMMINS ENGINE STAMFORD GENERATOR SUPER SILENT BODY MODEL NO.SC200/50HZ STAND BY POWER: 200KVA, PRIME POWER: 180KVA WITH AUTOMATIC TRANSFER SWITCH (ATS) – MAKE:ABB	1 PC	19,350	25,735,500/=
POWER GENERATION SET HS CODE: 85.01.62	CUMMINS ENGINE STAMFORD GENERATOR SUPER SILENT BODY MODEL NO.SC30/50HZ STAND BY POWER: 30KVA, PRIME POWER: 27.5KVA	1 PC	8,400	11,172,000/=
DISTRIBUTION TRANSFORMER 500Kva	500Kva, TANELEC	1 PC	15,921 (EUROS 11,000)	21,175,000/=
INDOOR FLOOR STANDING PANEL OF 630A	630 A	1 UNIT	9,190 (EUROS 6,350)	12,223,750
4 CORE ARMOURED CABLE 185MM	4 CORE 185MM	110 METRES	8684.21	11,550,000/=
4 CORE ARMOURED CABLE 95MM	4 CORE 95MM	100 METRES	4335.84	5,766,666/=
TOTAL			65,881.05	87,622,916

C) MOTOR / UTILITY VEHICLES

ITEM	QUANTITY	TOTAL COST IN USD \$	TOTAL COST IN TSH
4 - 5 TON TRUCKS	7	173,684	231,000,000/=
1 TON SINGLE CABIN P/UP	3	31,578	42,000,000/=
MINI BUS 9 SEATER FOR STAFF	2	22,500	29,925,000/=
TOTAL		227,762	302,925,000/=

D) PRE - EXPENSES - MARKET SURVEY, FEASIBILITY STUDY, TRAVELLING ETC

ITEM	QUANTITY	TOTAL COST IN USD \$	TOTAL COST IN TSH
TRIP TO INDIA & CHINA FOR MACHINERY ORDERING & INSPECTION	2 PERSONS, 2 TIMES	15,000	19,950,000

E) OTHERS / CONTINGENCIES

ITEM	QUANTITY	TOTAL COST IN USD \$	TOTAL COST IN TSH
MISCELLANEOUS EXPENSES	MISCELLANEOUS	12,000	15,960,000

F) WORKING CAPITAL

ITEM	QUANTITY	TOTAL COST IN USD \$	TOTAL COST IN TSH
WORKING CAPITAL, OVER DRAFT FACILITY UPTO TZS 350,000,000 @ 16% PER ANNUM	UPTO TSH 350,000,000	N/A	N/A

G) GRAND TOTAL

ITEM	QUANTITY	TOTAL COST IN USD \$	TOTAL COST IN TSH
GRAND TOTAL OF PROJECT	TOTAL	1,275,070.05	1,695,819,039

8.8 FINANCING PATTERN

The financing of the project will be from shareholder's equity as well as bank loan. The financing of the project will take the following form

	EQUITY(US\$)	LOAN(US\$)
FOREIGN	-	-
LOCAL	280,515	994,555

9 COST OF OPERATIONS

The anticipated costs for operating the project are detailed in the following sections and summarized in attached schedules. The summarized costs are based on the fifth year of operation.

9.1 UTILITIES

A total of US\$ 122,984 will be required per annum as water bills and for the purchase of electric power at sustainable production level.

9.2 VEHICLE RUNNING EXPENSES

Vehicle running expenses include fuel, lubricants, road licenses, etc. The cost has been estimated at US\$ 38,652

9.3 SALARIES AND WAGES

The number of employees, along with their incomes, is shown in attached schedules. The total annual wage package is estimated at US \$ 430,445 including fringe benefits and related taxes

9.4 ADMINISTRATIVE OVERHEADS

The administrative costs are estimated at US\$ 52,708 per annum as per attached schedules

9.5 DEPRECIATION

The following is depreciation schedule for major assets to be employed in the project for manufacturing of paper corrugated carton boxes.

DEPRECIATION	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Land and Buildings	10,831	10,831	10,831	10,831	10,831
Machinery, tools & Equipment	9,575	9,575	9,575	9,575	9,575
Motor Vehicles	4,555	4,555	4,555	4,555	4,555
Furniture & Fixtures	-	-	-	-	-
ANNUAL DEPRECIATION	24,961	24,961	24,961	24,961	24,961

9.6 INTEREST

A total of US\$ 21,880 will be required as interest expenses as detailed in the attached financial statements.

10 FINANCIAL ANALYSIS

10.1 INCOME AND EXPENDITURE

10.1.1 Income

The proposed project by M/s Hanspaul Industries Limited expects to earn its income through revenue generated from sale of paper corrugated carton boxes. The total sales are expected to stand at US\$ 1,458,608 in the fifth year of operation.

10.1.2 Expenditure

Some project costs have been discussed in Chapter 9 and are summarized in detail in attached schedule.

10.2 NET INCOME STATEMENT HIGHLIGHTS

The project's annual after tax net income during the fifth year of production is estimated to reach US\$ 44,541 as presented in the Income Statement of the financial statements appendix.

10.3 CASH FLOW HIGHLIGHTS

This is shown in the financial statements. The project has a positive end of the year cash flow from year 1 of operation to the 5th year as shown hereunder.

1 st Year	2,381,576.00
2 nd Year	2,199,620.00
3 rd Year	1,988,529.00
4 th Year	1,755,242.00
5 th Year	1,530,231.00

10.4 BALANCE SHEET

The projected Balance Sheet of the project is shown in the financial statements under same heading. Net worth of the project increases from US\$ 370,364.00 in the first year of operation to US\$ 629,542.00 in the 5th year.

1 st Year	370,364.00
2 nd Year	452,518.00
3 rd Year	524,861.00
4 th Year	585,002.00
5 th Year	629,542.00

11. ECONOMIC ANALYSIS:

11.1 ASSUMPTIONS AND CONSIDERATIONS

The basic assumptions underlying economic benefits and costs are:

11.1.1 Taxes on capital costs have not been considered.

11.1.2 Conversion factors have been used to determine economic costs and benefits.

11.1.3 Economic life of the project is assumed to be 5 years.

11.2 ECONOMIC BENEFITS OF THE PROJECT

The successful operation of the Project will contribute significant economic benefits to Tanzania. In summary the benefits which will be realized are as follows:-

- This project will boost investment in manufacturing sector which is important for the economy, contributing to research and other skills development. It will provide vital support to the manufacturing sector.
- Employment opportunities for at least 50 permanent staff when the project is fully operational.
- The direct income for the workers, combined with other social benefits that the Management of M/s Hanspaul Industries Limited will provide, will help in overall efforts of alleviation of poverty in the Region.
- Provision of a market for goods and services demanded by expanded tax base to the Treasury and local Government authorities and generation of substantial income to the Government.

12 RECOMMENDATIONS

The project is technically feasible, financially and economically viable and environmental friendly. A fast implementation of the project is highly recommended to avoid cost overruns and for the project to be able to realize the benefits outlined above; especially at this juncture when the Government is making effort to boost investment in various sectors in the economy.

In view of the above it is further strongly recommended that the project be approved by Tanzania Investment Centre and be granted the TIC Certificate of Incentives with its associated privileges and benefits as provided for under Tanzania Investment Act, 1997 to facilitate smooth implementation.

HANSPAUL INDUSTRIES LTD**PROJECTED INCOME & EXPENDITURE STATEMENT**

	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Sales Revenue	1,200,000	1,260,000	1,323,000	1,389,150	1,458,608
Cost of Sales	480,000	504,000	529,200	555,660	583,443
Gross Profit	720,000	756,000	793,800	833,490	875,165
Operating Expenses:					
Administrative Overhead Costs:	36,000	39,600	43,560	47,916	52,708
Motor Vehicle running expenses	26,400	29,040	31,944	35,138	38,652
Salaries and wages	294,000	323,400	355,740	391,314	430,445
Depreciation	24,961	24,961	24,961	24,961	24,961
Marketing Costs	24,000	26,400	29,040	31,944	35,138
Utility costs	84,000	92,400	101,640	111,804	122,984
Insurance	62,404	61,155	59,907	58,659	57,411
Communication	18,000	19,800	21,780	23,958	27,354
Interest expense	21,880	21,880	21,880	21,880	21,880
Total Expenses	591,645	638,637	690,453	747,575	811,535
Profit before Tax	128,355	117,363	103,347	85,915	63,630
Tax (30%)	38,506	35,209	31,004	25,774	19,089
Profit After Tax	89,848	82,154	72,343	60,140	44,541

HANSPAUL INDUSTRIES LTD**PROJECTED BALANCE SHEET**

	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
<u>Fixed Assets</u>					
Long-term Assets	1,248,070	1,223,109	1,198,147	1,173,186	1,148,224
Depreciation	24,961	24,961	24,961	24,961	24,961
Total Long-term Assets	1,223,109	1,198,147	1,173,186	1,148,224	1,123,263
<u>Current Assets</u>					
Cash	2,381,576	2,199,620	1,988,529	1,755,242	1,530,232
Accounts Receivable	12,000	37,800	39,690	41,675	43,758
Inventory	12,000	21,420	22,491	23,616	24,796
Total Current Assets	2,405,576	2,258,840	2,050,710	1,820,532	1,598,787
Total Assets	3,628,685	3,456,988	3,223,895	2,968,756	2,722,050
<u>Current Liabilities</u>					
Accounts Payable	1,186,766	1,126,315	932,300	847,115	510,437
Other Current Liabilities	1,077,000	883,600	772,180	542,085	587,516
Subtotal Current Liabilities	2,263,766	2,009,915	1,704,480	1,389,200	1,097,953
<u>Long-term Liabilities</u>					
Long-term Liabilities	994,555	994,555	994,555	994,555	994,555
Total Liabilities	3,258,321	3,004,470	2,699,035	2,383,755	2,092,508
Net Assets	370,364	452,518	524,861	585,002	629,542
<u>Capital and Reserves</u>					
Owners Contribution	280,515	280,515	280,515	280,515	280,515
Retained Earnings	89,848	172,003	244,345	304,486	349,027
Total Capital	370,364	452,518	524,861	585,001	629,542

HANSPAUL INDUSTRIES LTD

PROJECTED CASHFLOW

	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
CASHFLOW FROM OPERATIONS					
Cash Sales	720,000	756,000	793,800	833,490	875,165
VAT Receipt	240,000	252,000	264,600	277,830	291,722
Subtotal Cash Received	960,000	1,008,000	1,058,400	1,111,320	1,166,886
Expenditures from Operations:					
Purchases	432,000	453,600	476,280	488,981	466,754
Additional Cash Spent	566,684	613,676	665,492	722,614	786,573
VAT payments	96,000	100,800	105,840	111,132	116,689
Interest expense	21,880	21,880	21,880	21,880	21,880
Subtotal Cash payment	1,116,564	1,189,956	1,269,492	1,344,607	1,391,896
CASH FROM OPERATIONS	- 156,564	- 181,956	- 211,092	- 233,287	- 225,010
CASH FLOW FROM INVESTMENTS:					
Purchase of Assets	1,248,070				
Pre expenses	15,000				
CASH FLOW FROM INVESTMENTS:	1,263,070	-	-	-	-
CASH FLOW FROM FINANCING:					
Bank loan	994,555				
Owners Equity Contribution	280,515				
CASH FLOW FROM FINANCING	1,275,070	-	-	-	-
NET CASHFLOW FOR PERIOD	2,381,576	181,956	211,092	233,287	225,010
CASHFLOW AT START OF YEAR	-	2,381,576	2,199,620	1,988,529	1,755,242
CASHFLOW AT THE END OF YEAR	2,381,576	2,199,620	1,988,529	1,755,242	1,530,231

HANSPAUL INDUSTRIES LTD SCHEDULES AND TABLES

SCHEDULE 1

REVENUE PROJECTION

PRODUCTS	YEARS				
	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
SALES	1,200,000	1,260,000	1,323,000	1,389,150	1,458,608
	1,200,000	1,260,000	1,323,000	1,389,150	1,458,608

SCHEDULE 2

OTHER OPERATING COST

OTHER OPERATING COST	YEARS				
	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Motor vehicle running expenses	26,400	29,040	31,944	35,138	38,652
Salaries and wages	294,000	323,400	355,740	391,314	430,445
Depreciation	24,961	24,961	24,961	24,961	24,961
Administrative Overhead Costs:	36,000	39,600	43,560	47,916	52,708
Marketing Costs	24,000	26,400	29,040	31,944	35,138
Utility costs	84,000	92,400	101,640	111,804	122,984
Insurance	62,404	61,155	59,907	58,659	57,411
Communication	18,000	19,800	21,780	23,958	26,354
Interest Expense	21,880	21,880	21,880	21,880	21,880
Total costs	569,765	616,757	668,573	725,695	788,654

SCHEDULE 3

COST STRUCTURE

PARTICULAR	AMOUNT USD
Land and Buildings	541,547
Machinery & Equipment	478,761
Motor Vehicles	227,762
Furniture & Fixtures	0
Pre exp	15,000
Others	12,000
Working Capital	0
TOTAL	1,275,070

SCHEDULE 4

FIXED ASSETS SCHEDULE

NAME OF ASSETS	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Land and Buildings	541,547	530,716	519,885	509,054	498,223
Machinery, tools & Equipment	478,761	469,186	459,611	450,035	440,460
Motor Vehicles	227,762	223,207	218,652	214,096	209,541
Furniture & Fixtures	0	-	-	-	-
TOTAL	1,248,070	1,223,109	1,198,147	1,173,186	1,148,224
DEPRECIATION	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Land and Buildings	10,831	10,831	10,831	10,831	10,831
Machinery, tools & Equipment	9,575	9,575	9,575	9,575	9,575
Motor Vehicles	4,555	4,555	4,555	4,555	4,555
Furniture & Fixtures	-	-	-	-	-
ANNUAL DEPRECIATION	24,961	24,961	24,961	24,961	24,961
CLOSING FIXED ASSETS	1,223,109	1,198,147	1,173,186	1,148,224	1,123,263

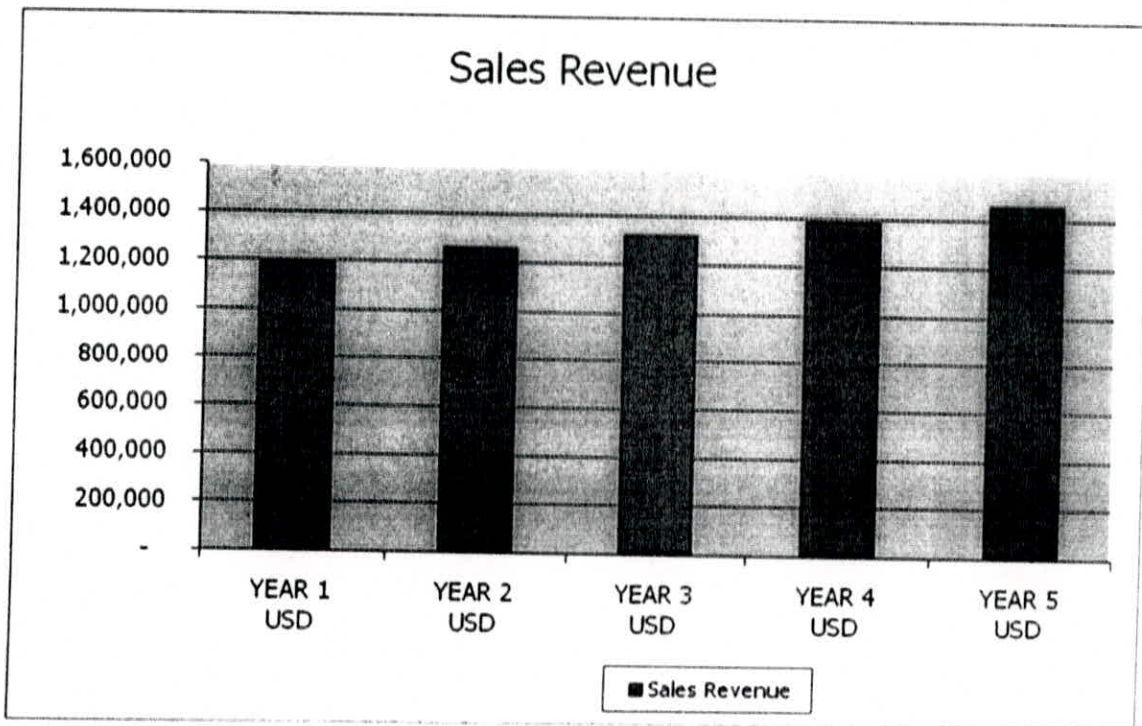
SCHEDULE 5

SALARIES & WAGES

NO	EMPLOYEE DESIGNATION	NO.	SALARY PER MONTH	SUBTOTAL MONTHLY SALARY	ANNUAL GROSS SALARY
1	Managing Director	1	3000	3000	36,000
2	Production Manager	1	2000	2000	24,000
3	Finance and Administration Manager	1	2000	2000	24,000
4	Marketing Manager	1	2000	2000	24,000
5	Production Supervisor	1	1000	1000	12,000
6	Other officers	2	1000	2000	24,000
7	Machine Operators & Technicians	15	500	7500	90,000
8	Drivers	12	300	3600	43,200
9	Secretary	2	500	1000	12,000
10	Security Guards	2	200	400	4,800
TOTAL USD \$			12,500	24,500	294,000

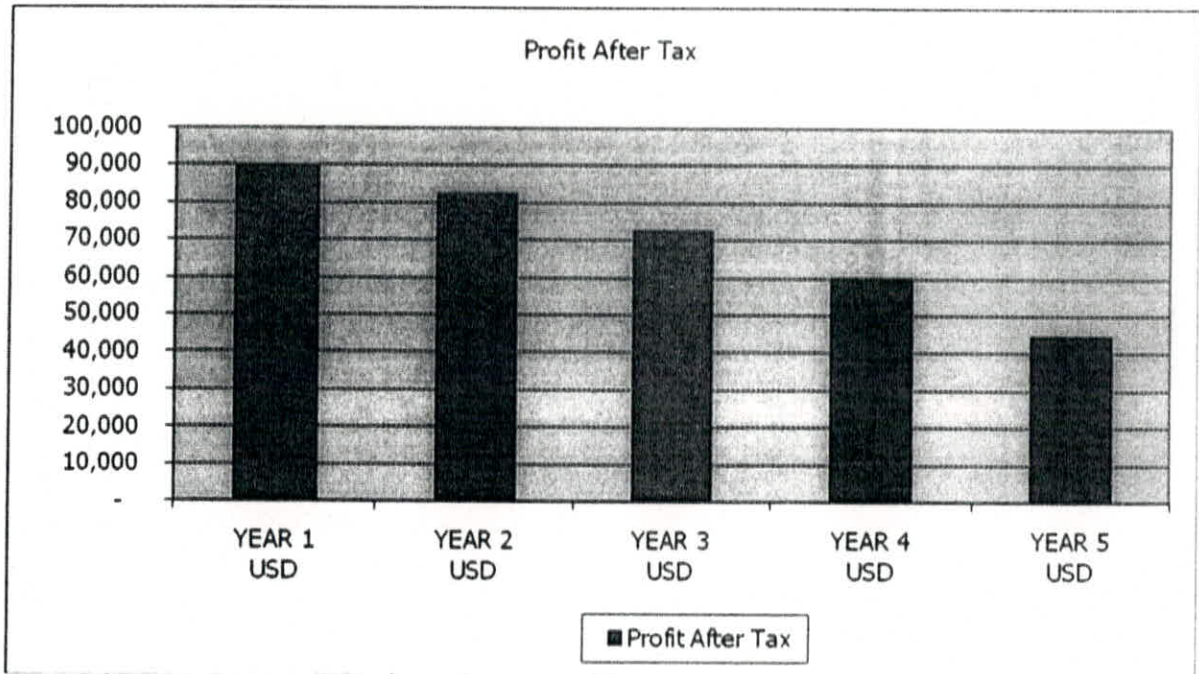
REVENUE PROJECTION

	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Sales Revenue	1,200,000	1,260,000	1,323,000	1,389,150	1,458,608



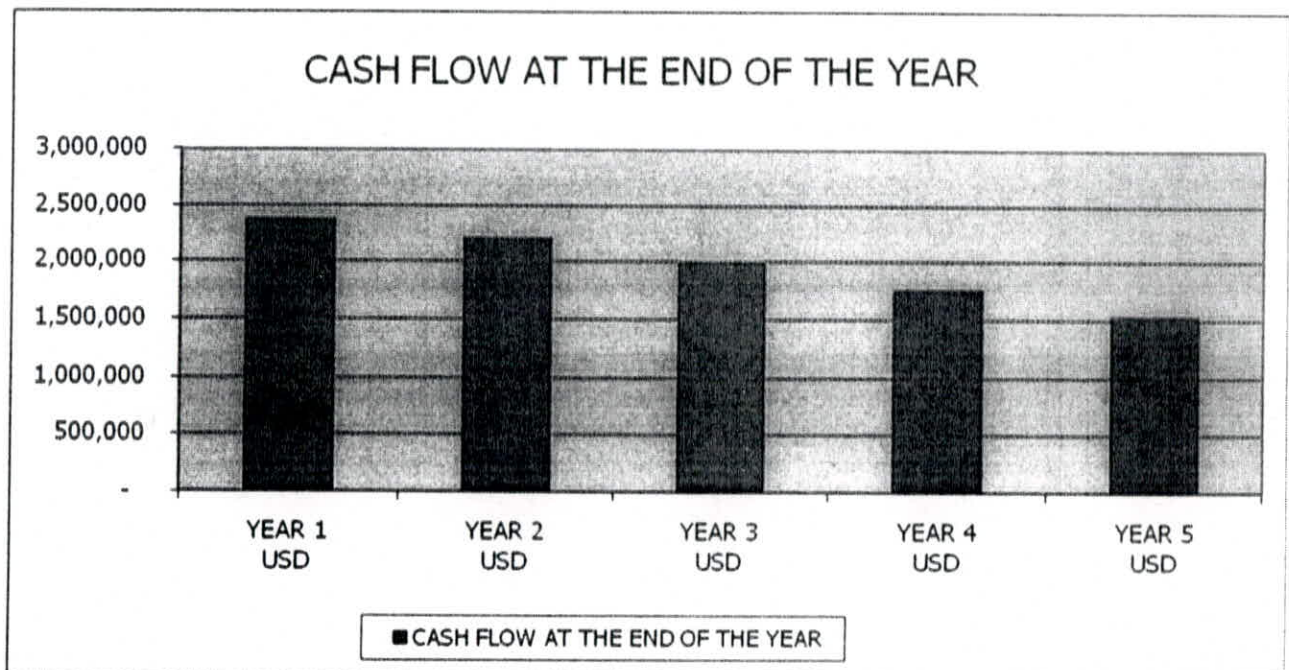
PROFIT PROJECTION

	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Profit After Tax	89,848	82,154	72,343	60,140	44,541



CASH FLOW PROJECTION

	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
CASH FLOW AT THE END OF THE YEAR	2,381,576	2,199,620	1,988,529	1,755,242	1,530,231





Hanspaul Industries Ltd

Manufacturers & Printers of export quality corrugated carton boxes, SFK rolls and wrappers

P.O. Box 613 ARUSHA, TANZANIA

Tel/Fax: +255 27 254 8231, +255 27 250 6138, +255 784 506138

Cell: +255 754 307838, +255 784 307838

Email: sales@hanspaul.co.tz

Website: www.hanspaul.co.tz



EXTRACT FROM A MEETING OF THE BOARD OF DIRECTORS AND SHAREHOLDERS

AT A DULY CONVENED AND CONSTITUTED MEETING OF THE BOARD OF DIRECTORS OF HANSPAUL INDUSTRIES LIMITED HELD AT THE REGISTERED OFFICES OF THE COMPANY ON THE 15TH DAY OF MARCH 2009, THE FOLLOWING RESOLUTIONS WERE PASSED:

1. THAT FUND AMOUNTING USD. 280,515 BE CONTRIBUTED BY SHAREHOLDERS TO FINANCE EXPANSION OF PROJECT FOR MANUFACTURING PAPER CORRUGATED CARTON BOXES AT COST OF USD. 1,275,070. THE BALANCE TO BE RAISED THROUGH BANK LOANS
2. THAT MR. KAMALJEET SINGH HANSPAUL IS THE PRINCIPAL OFFICER TO OVERSEE IMPLEMENTATION OF THE PROJECT.
3. THAT THE PROJECT BE REGISTERED WITH TANZANIA INVESTMENT CENTRE SO AS TO ENJOY FULLY INVESTMENT INCENTIVES, BENEFITS AND PROTECTION AS STATUTORILY PROVIDED FOR UNDER TANZANIA INVESTMENT ACT, 1997.

CERTIFIED TRUE EXTRACT
(By order of the Board)

CHAIRMAN

SECRETARY



Name of the Company
Hanspal Industries Ltd.

Post Box	Themu Industrial Area, Plot No. 44	COI Number	29382-01	Contact	Kamaljit Singh
Post Office	613	COI Date	23/01/2006	Designation	Managing Director
Region	Arusha	Application F. No	08013	Phone	027 250 6138
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0754 307 838
		Sub Sector	Paper Corrugated Carton Boxes	Fax	0
		File No	041713	E-Mail Address	Auto@Hanspaul.Co.Tz

Project Location		Investment Finance Plan in Millions USD										
Plot/Block	Plot No.44	<table border="1"> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> <tr> <td>0</td> <td>0.281</td> <td>0</td> <td>0.995</td> </tr> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0	0.281	0	0.995		
Foreign Equity	Local Equity		Foreign Loan	Local Loan								
0	0.281		0	0.995								
Street	Themu Industrial Area											
District	Arusha											
Region	Arusha											

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.541
Satbir Singh Hanpaul	Tanzanian	50	Plant	0.479
Kamaljit Singh Hanpaul	Tanzanian	50	Vehicles	0.228
			Furniture & Fittings	0
			Pre-expenses	0.015
			Others	0.012
			Working Capital	0
			Total	1.275

Employment	55	Evaluated By	Revocatus Arbogast
Capacity	xxxx	Drawn By	Sarah Registry
Project Turn Over			

Description

To expand a project to manufacture paper corrugated carton boxes

Recommendations

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

Decision

Approved for New
Feb 25/06

TICC/PP.10/041713/3

30 June 2009

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 and Economic Affairs,
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

3

TICC/PP.10/041713/3

30 June 2009

Managing Director,
Hanspaul Industries Limited,
P.O. Box 613,
ARUSHA

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE
EXPANSION OF A PROJECT FOR MANUFACTURING OF PAPER
CORRUGATED CARTON BOXES**

We wish to acknowledge receipt of your project proposal to manufacture paper corrugated carton boxes as presented in the TIC P.A. 1 Form No. 08013 and Feasibility Study with a projected investment of USD 1.275m.

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.

You will 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:

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

.../2

certified true copy
of the original

Signature
Date 9/7/2009



No 00215761

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

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 041713

This is to certify that

HANSPAUL INDUSTRIES LIMITED

of address P.O. BOX 613

ARUSHA

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

HANSPAUL INDUSTRIES LIMITED

Which is located at P.O. BOX 44, THEMI INDUSTRIAL AREA

ARUSHA

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

Executive Director

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

Dated 9th JULY 2009

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 (%)	
	<u>Kamaljit Singh</u> <u>Hanspaul</u>	<u>Tanzanian</u>	<u>50</u>	
	<u>Satbir Singh</u> <u>Hanspaul</u>	<u>Tanzanian</u>	<u>50</u>	
2.	Proposed Activities: <u>To expand a project to manufacture paper corrugated carton boxes</u>			
3.	Sector: <u>Manufacturing</u>	Subsector: <u>Paper Corrugated Carton Boxes</u>		
4.	Investment cost:	Foreign: <u>-</u>	Local: <u>USD 1.275m.</u> Total: <u>USD 1.275m.</u>	
5.	Project Financing:	Equity: <u>USD 0.28m.</u>	Loans: <u>USD 0.995m.</u> Total: <u>USD 1.275m.</u>	
6.	Source, terms and conditions of loan:			
7.	Assets to be invested:			
	Capital items:	Foreign	Local	Total
		<u>-</u>	<u>USD 1.275m.</u>	<u>USD 1.275m.</u>
8.	Technology Agreement	<u>None</u>		
9.	Date of TIC Registration:	<u>30th June 2009</u>		
10.	Implementation period	<u>June 2009 - May 2012</u>		
11.	Operative date	<u>June 2012</u>		
12.	Investment Incentive Grade: As defined in part III Section 13 (1), (2) and Section 16 of the Tanzania Investment Act, 1997			
	(i) Applicable Import Duty	<u>And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997</u>		
	(ii) Applicable with-holding Tax	<u>As per Income Tax Act, 2004 (as amended)</u>		
	(iii) Eligibility of Capital Allowances	<u>As per Income Tax Act, 2004 (as amended)</u>		
13.	Prohibition of Investment, Dividend and Transfer of Shares:			
14.	Conditions required to carry the benefit of incentives:			
	(i)	Date of completion of investment must be within		
	(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)	Change in shareholding, project activities and level of invested capital must be notified to the Centre		
	(vi)	Export of intermediate goods and services		
	(vii)	Finished goods are not allowed under this Certificate		



TANZANIA REVENUE AUTHORITY

CERTIFICATE OF REGISTRATION FOR TAXPAYER IDENTIFICATION NUMBER (TIN)

(ISSUED UNDER SECTION 133 OF THE INCOME TAX ACT NO. 11 OF 2004)

THIS IS TO CERTIFY THAT

HANSPAUL INDUSTRIES LIMITED.

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

104-421-644

with effect from 20/02/2006

Ms. Christine Shekidele

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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



Hanspaul Industries Ltd

Manufacturers & Printers of export quality corrugated carton boxes, SFK rolls and wrappers

P.O. Box 613 ARUSHA, TANZANIA

Tel/Fax: +255 27 254 8231, +255 27 250 6138, +255 784 506138

Cell: +255 754 307838, +255 784 307838

Email: sales@hanspaul.co.tz

Website: www.hanspaul.co.tz



CAPITAL GOODS ONLY

ITEMS REQUESTED TO BE EXEMPTED FROM IMPORT DUTY & VAT

1. PLANT, MACHINERY & EQUIPMENTS

ITEM	SPEC	QUANTITY
1200X2400 FOUR-COLOR FLEXP PRINTER SLOTTOR AND ROTARY DIE- CUTTER	KICKER FEEDER, FOUR COLOURS - (METAL ANILOX ROLL), SLOTTOR, ROTARY DIE CUTTER	1 SET
SEMI-AUTO FOLDER GLUER	HT-2460	2 SETS
HEAVY DUTY TROLLIES	1 TON CAPACITY	10 PCS
DIE MAKING TOOLS, MACHINES & MATERIALS: - DIE CUTTING WOOD - CUTTING BLADE CREASING - CUTTING BLADE STRAIGHT CREASING - CUTTING BLADE SAW - CUTTING BLADE STARIGHT PROTECTIVE RUBBER (BLACK) 200 METRES - SPRINGBACK RUBBER (YELLOW) 20 PCS	* 1 UNIT WIRE CUTTER * 1 UNIT GROOVING MACHINE * 1 UNIT CUTTING MACHINE * 1 UNIT CUTTER * 1 UNIT SLUGGING MACHINE	1 FULL SET *360X13X240 0MM 100PCS *1.42X22.5Xφ 360MM 200METRES *1.42X23MM 200 METRES *φ360X1.42X2 5.4MM 200 METRES *1.42X25.8M M 200 METRES
5 PLY IN LINE COMBINED AUTOMATIC CORRUGATED BOARD MAKING PLANT WITH ACCESSORIES	WITH 1 SINGLE & 1 DOUBLE CORRUGATION PROFILE WITH SHAFT- LESS REEL STAND	1 SET
THERMIC FLUID BOILER WITH PIPELINE, CHIMNEY & ACCESSORIES	600,000 KG/CAL.	1 FULL SET
HYDRAULIC WASTE BAILING	3. H.P.	2 SETS

MACHINE		
3.5 TON FORK LIFT HS CODE: 84.27.90	COUNTER BALANCE INTERNAL COMBUSTION DIESEL POWER 3.5 TON - INCLUDING PAPER ROLL CLAMP ATTACHMENT	1 UNIT
POWER GENERATION SET HS CODE: 85.01.61	CUMMINS ENGINE STAMFORD GENERATOR SUPER SILENT BODY MODEL NO.SC200/50HZ STAND BY POWER: 200KVA, PRIME POWER: 180KVA WITH AUTOMATIC TRANSFER SWITCH (ATS) - MAKE:ABB	1 PC
POWER GENERATION SET HS CODE: 85.01.62	CUMMINS ENGINE STAMFORD GENERATOR SUPER SILENT BODY MODEL NO.SC30/50HZ STAND BY POWER: 30KVA, PRIME POWER: 27.5KVA	1 PC

2. MOTOR / UTILITY VEHICLES FOR DISTRIBUTION & STAFF TRANSPORT

ITEM	QUANTITY
4 - 7 TON TRUCKS (DISTRIBUTION)	7
1 TON SINGLE CABIN P/UP (DISTRIBUTION)	3
MINI BUS 9 TO 12 SEATER (FOR SENIOR STAFF)	2
SUZUKI MARUTI OMNI 800CC (FOR MARKETING)	3



Hanspaul Industries Ltd

Manufacturers & Printers of export quality corrugated carton boxes, SFK rolls and wrappers

P.O. Box 613 ARUSHA, TANZANIA

Tel/Fax: .255 27 254 8231, +255 27 250 6138, +255 784 506138

Cell: +255 754 307838, +255 784 307838

Email: sales@hanspaul.co.tz

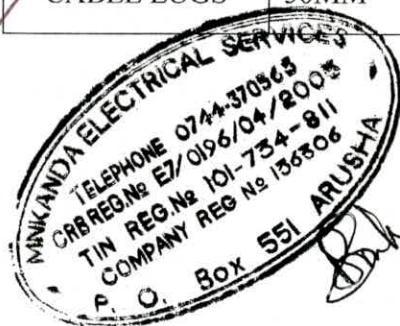
Website: www.hanspaul.co.tz



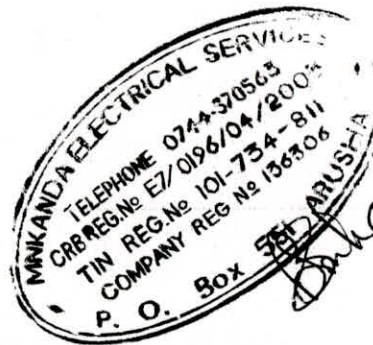
ITEMS REQUESTED TO BE EXEMPTED FROM IMPORT DUTY & VAT

ELECTRICAL EQUIPMENTS & MATERIALS

ITEM	SPEC	QUANTITY
DISTRIBUTION TRANSFORMER 500Kva	500Kva, TANELEC	1 PC
INDOOR FLOOR STANDING PANEL OF 630A	630 A	1 UNIT
SINGLE CORE ARMOURED CABLE 185MM	SINGLE CORE 185MM (OR 4 CORE AROMOURED CABLE 185MM 200 METRES)	800 METRES
4 CORE ARMOURED CABLE 95MM	4 CORE 95MM	100 METRES
4 CORE ARMOURED CABLE 50MM	4 CORE 50MM	
4 CORE ARMOURED CABLE 25MM	4 CORE 25MM	100 METRES
4 CORE ARMOURED CABLE 16MM	4 CORE 16MM	250 METRES
4 CORE ARMOURED CABLE 2.5MM	4 CORE 2.5MM	450 METRES
4 CORE ARMOURED CABLE	4 CORE 1.5MM	350 METRES
JOINT KIT 95MM	95MM	2PCS
MAIN SWITCHES	100A OF 3-PHASE	10PCS
CABLE LUGS 95MM	95MM	25PCS
CABLE LUGS	50MM	25PCS



CABLE LUGS 25MM	25MM	25PCS
CABLE LUGS 50MM	16MM	25PCS
SINGLE WIRE 50MM	50MM	30 METRES
TWIN FITTING TUBE LIGHTS	TWIN FITTING	40 PCS
WIRE 1.5MM TWIN	1.5MM TWIN	30 ROLLS
CONDUIT PIPE	3/4"	110 PCS
SADDLE CLAMP	3/4"	425 PCS
SWITCH SOCKET	13A TWIN	16PCS
3 PHASE SOCKET	32A	16PCS
SWITCH 3GAN 2WAY	3GAN 2WAY	8PCS
SURFACE BOX	SURFACE BOX	8PCS
COPPER EARTH RODS	COPPER	20 PCS





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2009

ITEMS REQUESTED TO BE EXEMPTED FROM IMPORT DUTY & VAT

CONSTRUCTION

SR NO.	ITEM	DESCRIPTION	SPEC	UNITS	QTY
1	I - BEAM	200MM x 133MM	6 METRES	PCS	25
2	I - BEAM	200MM X 100MM	6 METRES	PCS	17
3	I - BEAM	180MM X 91MM	6 METRES	PCS	58
4	Z - PERLINS	150MM X 2MM OR 140MM X 2MM	6 METRES	PCS	137
5	M.S. PLATE	8MM X 4MM X 2MM	PC (8MM X 4MM)	PCS	75
6	ANGLE IRONS	50MM X 50MM X 4MM	PC 6 METRES	PCS	68
7	PLATE	8MM X 4MM X 10MM	PC (8MM X 4MM)	PCS	5
8	PLATE	8MM X 4MM X 8MM	PC (8MM X 4MM)	PCS	5
9	PLATE	8MM X 4MM X 6MM	PC (8MM X 4MM)	PCS	7
10	ROUND IRON BAR	12MM	12 METRES	PCS	22
11	I.T. 5 SHEET	26G	RMT	RMT	2,375
12	IT - 5 SHEETS	28G	RMT	RMT	320
13	PLAIN SHEET	26G	RMT	RMT	215
14	TRANSPARENT SHEET IT. 5	-	RMT	RMT	140
15	Y BAR 6MM	-	-	PCS	60
16	Y BAR 8MM	-	-	PCS	275
17	Y BAR 10MM	-	-	PCS	1,130
18	Y BAR 12MM	-	-	PCS	300
19	Y BAR 16MM	-	-	PCS	240
20	TIMBER	1"X6"	-	RMT	6,000



21	TIMBER	1"X9"	-	RMT	400
22	TIMBER	1"X10"	-	RMT	110
23	TIMBER	2"X3"	-	RMT	800
24	TIMBER	4"X2"	-	RMT	1300
25	PROPS	3 METRES	-	PCS	210
26	NAILS	-	-	KGS	330
27	AGGREGATES	-	-	M ³	450
28	SAND	-	-	M ³	1,000
29	CEMENT	-	-	BAGS	2,850
30	BLOCKS	6"X9"X18"	-	PCS	11,600
31	BINDING WIRE	-	-	KGS	370
32	STONES	-	-	M ³	310
33	MURRAM	-	-	M ³	70
34	WEATHER GUARD PAINT	-	-	LTRS	600
35	HIGH GLOSS PAINT	-	-	LTRS	100
36	UNDER COAT PAINT	-	-	LTRS	170
37	EMULSION PAINT	-	-	LTRS	100
38	GYPSUM FILLER	-	-	BAGS	20
39	10,000 LTR CAPACITY PLASTIC WATER TANK	-	-	PCS	2
40	ROOFING NAILS (SCREWS)	-	-	PKTS	8
41	RIDGE CAP	-	-	PCS	30
42	PAVING BLOCKS	80 MM THICK	-	M ²	2,906





No 00215761

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 041713

This is to certify that

HANSPAUL INDUSTRIES LIMITED

of address P.O. BOX 613

ARUSHA

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

HANSPAUL INDUSTRIES LIMITED

Which is located at P.O. BOX 44, THEMI INDUSTRIAL AREA

ARUSHA

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

Executive Director

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

Date: 25 JULY 2000

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 (%)
	Kamaljit Singh Hanspaul	Tanzanian	50
	Satbir Singh Hanspaul	Tanzanian	50
2.	Proposed Activities : To expand a project to manufacture paper corrugated carton boxes		
3.	Sector: Manufacturing	Subsector: Paper Corrugated Carton Boxes	
4.	Investment cost:	Foreign -	Local USD 1.275m. Total USD 1.275m.
5.	Project Financing:	Equity USD 0.28m.	Loans USD 0.995m. Total USD 1.275m.
6.	Source, terms and conditions of loan.....		
7.	Assets to be invested:		
	Capital items:	Foreign -	Local USD 1.275m. Total USD 1.275m.
8.	Technology Agreement	None	
9.	Date of TIC Registration:	30th June 2009	
10.	Implementation period	June 2009 - May 2012	
11.	Operative date	June 2012	
12.	Investment Incentive (rate): As defined in part III Section 10 (1), (2) and Section 10 of the Tanzania Investment Act, 1997		
	(i) Applicable Import Duty	And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997	
	(ii) Applicable with-holding Tax	As per Income Tax Act, 2004 (as amended)	
	(iii) Eligibility of Capital Allowances	As per Income Tax Act, 2004 (as amended)	
13.	Prohibition of business: (i) Importation and Transfer of Foreign Capital		
14.	Conditions attached to this Certificate are as follows:		
	(i)	Date of commencement of investment must 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 shareholders, project activities and level of invested capital must be notified to the Centre	
15.	Features/terms of investment: (i) Finished goods are not allowed under this Certificate		

041713

4

AMHURI YA MUUNGANO WA TANZANIA
THE UNITED REPUBLIC OF TANZANIA

TFN: 614 (Rev. 8.94)

STAKABADHI YA SERIKALI
EXCHEQUER RECEIPT

37886514

1

NIMEPOKEA KWA
Received from

HANS PAUL INDUSTRIES LTD



KIASI
Amount

Shs.				Cts.
USD	7	50		

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

USD SEVEN HUNDRED FIFTY ONLY

NA SENTI
And Cents

KWA MALIPO YA
In respect of

CERTIFICATE OF INCENTIVES

KWA FEDHA TASLIMU HUNDI

NAMBA By Cash/Cheque No. CASH

KITUO - Station

SAHIHI YA MPOKEAJI
Signature

[Signature]

CHEO - Title

Acc

TAREHE - Date

26 JUNE 2009

BEM.

NPC-KIUTA



Hanspaul Industries Ltd

Manufacturers & Printers of export quality corrugated carton boxes, SFK rolls and wrappers

P.O. Box 613 ARUSHA, TANZANIA

Tel/Fax: +255 27 254 8231, +255 27 250 6138, +255 784 506138

Cell: +255 754 307838, +255 784 307838

Email: sales@hanspaul.co.tz

Website: www.hanspaul.co.tz



7

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

18th August 2009

UFS

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



Dear Sir,

REF: APPEAL FOR DUTY / VAT EXEMPTION ON CAPITAL / DEEMED CAPITAL GOODS

We confirm receipt of your letter ref. TRA/CE/C/P.20/8 dated Reference is made to your letter ref. LI-1A, 05-145/NIMR/QSIA/CR.17 dated 5th February 2009 on the above subject.

We inform you that our expansion project was officially registered on 30th June 2009. This is explained clearly in the letter under ref. TICC-PP.10/041713/3 written to us on 30th June 2009 and copied to you. The registration date is also clearly shown on the Certificate of Incentives issued to us.

It is clear that the date of issue of the Certificate of Incentives does not reflect the date the project was approved for registration.

The decision to invest was made well in advance and the application was made and got approved within period for which Duty and VAT exemption for Capital goods should be considered.

Being genuine investors and large tax payers we appeal against the decision not to consider our application for Duty VAT exemption on Capital / Deemed Capital goods.

Attached herewith please find copies of the letter informing us registration of the project, Certificate of Incentives showing the registration of the Incentives showing the registration date and your letter dated 12th August 2009.

We believe that you will reconsider your decision and approve our application for Duty / VAT exemption on Capital / Deemed capital goods.

Yours faithfully,


K.S. HANSPAUL
MANAGING DIRECTOR

THE UNITED REPUBLIC OF TANZANIA
TANZANIA INVESTMENT CENTRE

Telegraphic Address: "INVEST"
Tel: No: (255)-22-2116328
Fax: (255-22) -2118253
E-mail: information@tic.co.tz
Website: www.tic.co.tz
In reply please quote:



Shaaban Robert Street
P.O. Box 938,
DAR ES SALAAM.

Ref. No:.....TICC/PP.10/041713/3

30 June 2009

Managing Director,
Hanspaul Industries Limited,
P.O. Box 613,
ARUSHA

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE
EXPANSION OF A PROJECT FOR MANUFACTURING OF PAPER
CORRUGATED CARTON BOXES**

We wish to acknowledge receipt of your project proposal to manufacture paper corrugated carton boxes as presented in the TIC P.A. 1 Form No. 08013 and Feasibility Study with a projected investment of USD 1.275m.

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.

You will 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:

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

.../2

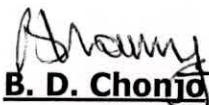
TICC/PP.10/041713/3

30 June 2009

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 and Economic Affairs,
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



TANZANIA REVENUE AUTHORITY

TRA/CE/C/P.20/8

12th August 2009

✓ Managing Director,
Hanspaul Industries Ltd,
P. O. Box 613,
ARUSHA.

Dear Sir,

**RE: DUTY AND VAT EXEMPTION ON CAPITAL/DEEMED CAPITAL GOODS
VIDE CERTIFICATE OF INCENTIVES NO. 041713 OF 08.07.2009.**

Reference is made to your letter dated 09.07.2009 as supported by a letter Ref.TICC/PP.10/041713/6 from Tanzania Investment Centre regarding the captioned subject.

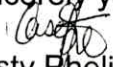
We wish to inform you that the Government through the Finance Act, 2009/2010 amended various tax laws and abolish the practice of categorizing certain goods deemed as capital goods which otherwise are not defined as such according to the Harmonised Customs Tariff Classification (The East African Community Common External Tariff, 2007).

In the spirit of facilitation trade it was decided that this decision will affect new investment that will be registered by the Tanzania investment Centre (TIC) after 30th June 2009. Therefore all investors holding certificates of incentives issued on or before 30th June 2009 will be grandfathered till expiration of their certificates.

A thorough scrutiny of your application document has revealed that your certificate of incentives was issued by TIC on 08th July 2009. It is on this foresaid reasons we regret to inform you that your exemption request has not been considered.

We hope the above clarify the matter.

Sincerely yours,


Kasty Rhelicean**For: COMMISSIONER FOR CUSTOMS AND EXCISE**

c.c. Executive Director,
Tanzania Investment Centre, **DSM**

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

Certified True
of the Original
Signature
Date 9/7/2009



No 00215761

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 041713

This is to certify that

HANSPAUL INDUSTRIES LIMITED

of address P.O. BOX 613

ARUSHA

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

HANSPAUL INDUSTRIES LIMITED

Which is located at P.O. BOX 44, THEMI INDUSTRIAL AREA

ARUSHA

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

Executive Director

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

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 (%)
Xamaljit Singh Hanspaul	Tanzanian	50
Satbir Singh Hanspaul	Tanzanian	50

2. Proposed Activities : To expand a project to manufacture paper corrugated carton boxes

3. Sector: Manufacturing Subsector: Paper Corrugated Carton Boxes

4. Investment cost: Foreign - Local USD 1.275m. Total USD 1.275m.

5. Project Financing: Equity USD 0.28m. Loans USD 0.995m. Total USD 1.275m.

6. Source, terms and conditions of loan.....

7. Assets to be invested:

Capital items:	Foreign	Local	Total
	<u>-</u>	<u>USD 1.275m.</u>	<u>USD 1.275m.</u>

8. Technology Agreements: None

9. Date of TIC Registration: 30th June 2009

10. Implementation period: June 2009 - May 2012

11. Operative date: June 2012

12. And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997
As per Income Tax Act, 2004 (as amended)
As per Income Tax Act, 2004 (as amended)

14. Conditions, terms and conditions, as per attached

15. Failure to, breach of, non-compliance with, etc.

16. Failure to, breach of, non-compliance with, etc.

17. Failure to, breach of, non-compliance with, etc.

18. Failure to, breach of, non-compliance with, etc.

TICC/PP.10/041713/6

20/07/2009

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

Dear Sir,

RE: VAT SPECIAL RELIEF ON CAPITAL GOODS (PLANT & MACHINERY)

M/S Hanspaul Industries Limited is a TIC registered company with certificate of incentives **No. 041713** which is valid up to **May 2012**

The company has been registered with objectives of expanding a project to manufacturing paper corrugated carton boxes.

Attached herewith please find a list of Capital Goods for VAT special Relief approval.

Yours sincerely

TANZANIA INVESTMENT CENTRE



Revocatus Arbogast

FOR: EXECUTIVE DIRECTOR



Hanspaul Industries Ltd

Manufacturers & Printers of export quality corrugated carton boxes, SFK rolls and wrappers

P.O. Box 613 ARUSHA, TANZANIA

Tel/Fax: +255 27 254 8231, +255 27 250 6138, +255 784 506138

Cell: +255 754 307838, +255 784 307838

Email: sales@hanspaul.co.tz

Website: www.hanspaul.co.tz



5

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

09/07/2009

UFS
Executive Director,
Tanzania Investment Centre,
P.O. Box 938,
DAR ES SALAAM



RE: TAX EXEMPTION ON CAPITAL GOODS - CERTIFICATE OF INCENTIVES
NO. 041713

We are TIC registered company with certificate of incentives No. 041713 which is valid up to May 2012

The company has been registered with objectives of expanding a project to manufacture paper corrugated carton boxes.

Attached herewith please find a list of Capital Goods, TIN and for VAT exemption approval.

Yours sincerely

K. S. Hanspaul
Managing Director



Hanspaul Industries Ltd

Manufacturers & Printers of export quality corrugated carton boxes, SFK rolls and wrappers

P.O. Box 613 ARUSHA, TANZANIA

Tel/Fax: +255 27 254 8231, +255 27 250 6138, +255 784 506138

Cell: +255 754 307838, +255 784 307838

Email: sales@hanspaul.co.tz

Website: www.hanspaul.co.tz



9

REF: HIL/CUSTOMS/TIC/01/2010

DATE: 14.01.2010

COMMISSIONER FOR CUSTOMS & EXCISE,
TANZANIA REVENUE AUTHORITY,
P. O. BOX 9053,
DAR ES SALAAM



UFS

EXECUTIVE DIRECTOR,
P.O. BOX 938
DAR ES SALAAM

Dear Sir,

RE: VAT EXEMPTION ON THE CAPITAL GOODS (PLANT & MACHINERY) BY
GENERIC DESCRIPTION

We are TIC registered company with certificate of incentives No. 041713 which is valid up to May 2012.

The company has been registered with objectives of expanding a project to manufacture paper corrugated carton boxes.

We are applying for VAT Special Relief for Plant & Machinery with their accessories which are Capital Goods by Generic Description.

Attached herewith please find a list of Capital Goods and TIN for VAT exemption approval.

Yours sincerely

For Hanspaul Industries Ltd

K.S. Hanspaul
Managing Director

*"For all your packaging requirements"
At your service at all times!*



TANZANIA REVENUE AUTHORITY

Certificate of Registration for Value Added Tax (VAT)

(ISSUED UNDER SECTION 20 OF THE VALUE ADDED TAX ACT NO. 24 OF 1997)

THIS IS TO CERTIFY THAT
HANSPAUL INDUSTRIES LIMITED

WHOSE TAXPAYER IDENTIFICATION NUMBER (TIN) IS
104-421-644

HAS BEEN REGISTERED FOR VALUE ADDED TAX (VAT)
AND ASSIGNED VAT REGISTRATION NUMBER (VRN)
11-012735-A

FOR BUSINESS LOCATED AT PLOT NO. 44 THEM I INDUSTRIAL AREA
NIRO ARUSHA

WITH EFFECT FROM 1st April 2006

GIVEN UNDER MY HAND

THIS 6th DAY OF June 2006


COMMISSIONER FOR VAT



CTIN.:

00062816



TANZANIA REVENUE AUTHORITY

CERTIFICATE OF REGISTRATION

FOR

TAXPAYER IDENTIFICATION NUMBER (TIN)

(ISSUED UNDER SECTION 133 OF THE INCOME TAX ACT NO. 11 OF 2004)

THIS IS TO CERTIFY THAT

HANSPAUL INDUSTRIES LIMITED.

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

104-421-644

with effect from

20/02/2006

A handwritten signature in black ink, appearing to read 'Shekidele', is written over a circular official seal.

Ms. Christine Shekidele

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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



Hanspaul Industries Ltd

Manufacturers & Printers of export quality corrugated carton boxes, SFK rolls and wrappers

P.O. Box 613 ARUSHA, TANZANIA

Tel/Fax: +255 27 254 8231, +255 27 250 6138, +255 784 506138

Cell: +255 754 307838, +255 784 307838

Email: sales@hanspaul.co.tz

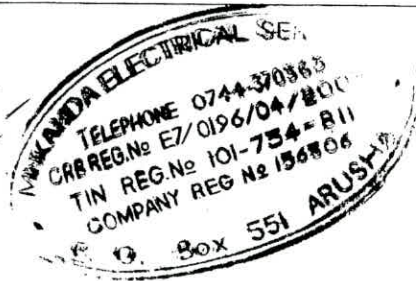
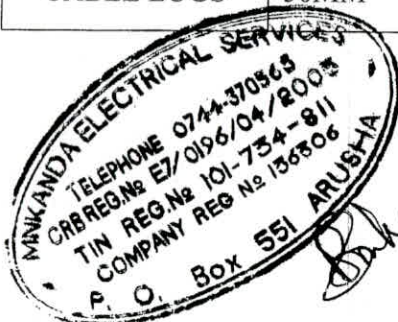
Website: www.hanspaul.co.tz



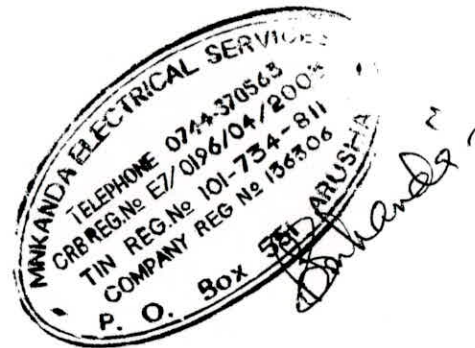
ITEMS REQUESTED TO BE EXEMPTED FROM IMPORT DUTY & VAT

ELECTRICAL EQUIPMENTS & MATERIALS

ITEM	SPEC	QUANTITY
DISTRIBUTION TRANSFORMER 500Kva	500Kva, TANELEC	1 PC
INDOOR FLOOR STANDING PANEL OF 630A	630 A	1 UNIT
SINGLE CORE ARMOURED CABLE 185MM	SINGLE CORE 185MM (OR 4 CORE AROMOURED CABLE 185MM 200 METRES)	800 METRES
4 CORE ARMOURED CABLE 95MM	4 CORE 95MM	100 METRES
4 CORE ARMOURED CABLE 50MM	4 CORE 50MM	
4 CORE ARMOURED CABLE 25MM	4 CORE 25MM	100 METRES
4 CORE ARMOURED CABLE 16MM	4 CORE 16MM	250 METRES
4 CORE ARMOURED CABLE 2.5MM	4 CORE 2.5MM	450 METRES
4 CORE ARMOURED CABLE	4 CORE 1.5MM	350 METRES
JOINT KIT 95MM	95MM	2PCS
MAIN SWITCHES	100A OF 3-PHASE	10PCS
CABLE LUGS 95MM	95MM	25PCS
CABLE LUGS	50MM	25PCS

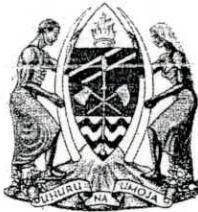


CABLE LUGS 25MM	25MM	25PCS
CABLE LUGS 50MM	16MM	25PCS
SINGLE WIRE 50MM	50MM	30 METRES
TWIN FITTING TUBE LIGHTS	TWIN FITTING	40 PCS
WIRE 1.5MM TWIN	1.5MM TWIN	30 ROLLS
CONDUIT PIPE	3/4"	110 PCS
SADDLE CLAMP	3/4"	425 PCS
SWITCH SOCKET	13A TWIN	16PCS
3 PHASE SOCKET	32A	16PCS
SWITCH 3GAN 2WAY	3GAN 2WAY	8PCS
SURFACE BOX	SURFACE BOX	8PCS
COPPER EARTH RODS	COPPER	20 PCS



Certified True Copy
by the original

Signature: [Signature]
Date: 9/7/2009



No: 00215761

Per: Executive Director
Tanzania Investment Centre

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 041713

This is to certify that

HANSPAUL INDUSTRIES LIMITED

of address P.O. BOX 613

ARUSHA

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

HANSPAUL INDUSTRIES LIMITED

Which is located at P.O. BOX 44, THEMI INDUSTRIAL AREA

ARUSHA

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

[Signature]

Executive Director

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

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 (%)
	Kamaljit Singh Hanspaul	Tanzanian	50
	Satbir Singh Hanspaul	Tanzanian	50
2.	Proposed Activities : <u>To expand a project to manufacture paper corrugated carton boxes</u>		
3.	Sector: <u>Manufacturing</u>	Subsector: <u>Paper Corrugated Carton Boxes</u>	
4.	Investment cost:	Foreign: <u>-</u>	Local: <u>USD 1.275m.</u> Total: <u>USD 1.275m.</u>
5.	Project Financing:	Equity: <u>USD 0.28m.</u>	Loans: <u>USD 0.995m.</u> Total: <u>USD 1.275m.</u>
6.	Source, terms and conditions of loan:		
7.	Assets to be invested:		
	Capital items:	Foreign	Local
		<u>-</u>	<u>USD 1.275m.</u>
			<u>USD 1.275m.</u>
8.	Technology Agreement	<u>None</u>	
9.	Date of TIC Registration:	<u>30th June 2009</u>	
10.	Implementation period	<u>June 2009 - May 2012</u>	
11.	Operative date	<u>June 2012</u>	
12.	Investment Incentives (Grades as defined in section 17(1) of the Tanzania Investment Act, 1997)	<u>And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997</u> <u>As per Income Tax Act, 2004 (as amended)</u> <u>As per Income Tax Act, 2004 (as amended)</u>	
13.	Forestry (if applicable)		
14.	Conditions of investment (if applicable)		
15.	Failure to comply with conditions must be reported to the Director		
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TICC/PP.10/041713/8

27/08/2009

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

Dear Sir,

**RE: DUTY/VAT EXEMPTION ON THE CAPITAL/DEEMED CAPITAL
GOODS OF CERTIFICATE OF INCENTIVES NO. 041713
- HANSPAUL INDUSTRIES LIMITED**

We are writing in response to your letter with Vide Reference No: TRA/CE/C/P.20/08 of 12th August, 2009 regarding the above captioned subject.

The company has been registered with objectives of expanding a project to manufacturing paper corrugated carton boxes.

We would like to clarify on the date of registration and date of issue; the project was registered in 30th June, 2009 though the Certificate was issued on 9th July, 2009. The date of Registration is the date which the project was approved and therefore registered and is shown under Section 9 of the Certificate of incentives. Hence the amendment of the tax laws and abolishment of the deemed capital goods will not affect the project as it was registered before 1st July, 2009 as explained in your Public Notice.

Attached herewith please find the TIC registration letter, TRA rejection letter and the published public notice for Duty and VAT exemption approval.

Yours sincerely

TANZANIA INVESTMENT CENTRE

N.A. Senzia

FOR: EXECUTIVE DIRECTOR

(10)

TICC/PP.10/041713/10

28/01/2010

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

Dear Sir,

RE: VAT SPECIAL RELIEF ON CAPITAL GOODS (PLANT & MACHINERY)

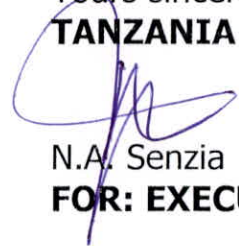
M/S Hanspaul Industries Limited is a TIC registered company with certificate of incentives **No. 041713** which is valid up to **May 2012**

The company has been registered with objectives of expanding a project to manufacturing paper corrugated carton boxes.

Attached herewith please find a list of Capital Goods for VAT special Relief approval.

Yours sincerely

TANZANIA INVESTMENT CENTRE



N.A. Senzia

FOR: EXECUTIVE DIRECTOR



Hanspaul Industries Ltd

Manufacturers & Printers of export quality corrugated carton boxes, SFK rolls and wrappers

P.O. Box 613 ARUSHA, TANZANIA

Tel/Fax: +255 27 254 8231, +255 27 250 6138, +255 784 506138

Cell: +255 754 307838, +255 784 307838

Email: sales@hanspaul.co.tz

Website: www.hanspaul.co.tz



Dated: 23.08.2019

HIL/TIC/08/01

TO
THE DIRECTOR GENERAL
TANZANIA INVESTMENT CENTRE
P.O. BOX 938
DAR ES SALAAM - TANZANIA



Dear Sir,

REF: REQUEST FOR UPDATION OF NAME OF SHAREHOLDER ON TIC CERTIFICATE

In reference to the above heading. We here by request your good office to kindly update the below mentioned shareholder in our company on our TIC certificate, as it's a requirement from the Labour department for his Labour permit application.

Name: DEVILAL PATHAK
Passport Number: 09266412
Nationality: Nepalese

Please also find attached BRELA Updated Certificate where the above-mentioned shareholder is already updated.

Thanking you in advance.

Yours sincerely,

For Hanspaul Industries Ltd

Satbir Singh Hanspaul
Group CEO

HIL
HANSPAUL INDUSTRIES LTD
P.O. BOX 613, ARUSHA - TANZANIA

041713



TANZANIA



Register of Companies Detailed information

Information date and time: 07/08/2019 17:23:27

Registration date and time: 15/02/1996 00:00:00

1. **Status:** Registered
2. **Incorporation number:** 29382
3. **Company:** HANSPAUL INDUSTRIES LIMITED
4. **Company type:** Private company Limited by shares
5. **Registered office:** Region Arusha, District Arusha, Ward Olorien, Postal code 23210, Street THEMI STREET, Road NJIRO ROAD, Plot number 44, Block number 44, House number 44
6. **Contacts:** Email: auto@hanspaul.co.tz, Mob no/Tel no: 255685333555, P.O.Box 613
7. **Business activity:** 1702 - Manufacture of corrugated paper and paperboard and of containers of paper and paperboard, Main activity
8. **Directors / Directors in the country of origin:** KAMALJIT SINGH HANSPAUL, Tanzania
SATBIR SINGH HANSPAUL, Tanzania
DEVILAL PATHAK, Nepalese
9. **Company secretary / Company secretary in the country of origin:** SALIMU JUMA MUSHI, Tanzania
10. **Authorised share capital:** 500000000 TZS
11. **Class of shares:** Class Ordinary: 50000 shares, 10000 TZS/share, 500000000 TZS
12. **Shareholders:** KAMALJIT SINGH HANSPAUL Class Ordinary 9000 shares taken -18
SATBIR SINGH HANSPAUL Class Ordinary 9000 shares taken 18
DEVILAL PATHAK Class Ordinary 10 shares taken 0102
Unalotted 63098

Information ordered by: BELLA KALOLI

NOTE. Information printed from the Register of Company is true and complete as per extract generation date and time. Please be advised to refer to the Online Registration System at BRELA (ors.brela.go.tz) for an up-to-date information regarding given Company.



Registrar of Companies



No 00215761

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 041713

This is to certify that

HANSPAUL INDUSTRIES LIMITED

of address P.O. BOX 613

ARUSHA

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

HANSPAUL INDUSTRIES LIMITED

Which is located at P.O. BOX 44, THEMI INDUSTRIAL AREA

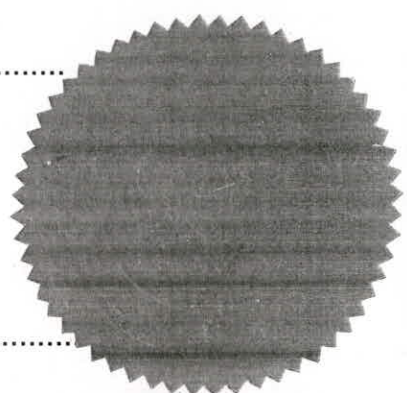
ARUSHA

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

Executive Director

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

Dated 8th JULY 2009



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

1. Shareholders

Shareholders	Nationality	Shareholding (%)
<u>Xamaljit Singh</u> <u>Hanspaul</u>	<u>Tanzanian</u>	<u>50</u>
<u>Satbir Singh</u> <u>Hanspaul</u>	<u>Tanzanian</u>	<u>50</u>
2. Proposed Activities : To expand a project to manufacture paper corrugated carton boxes
3. Sector: Manufacturing Subsector: Paper Corrugated Carton Boxes
4. Investment cost: Foreign - Local USD 1.275m. Total USD 1.275m.
5. Project Financing:
Equity USD 0.28m. Loans USD 0.995m. Total USD 1.275m.
6. Source, terms and conditions of loan.....
7. Assets to be invested:

Capital items:	Foreign	Local	Total
	<u>-</u>	<u>USD 1.275m.</u>	<u>USD 1.275m.</u>
8. Technology Agreement None
9. Date of TIC Registration: 30th June 2009
10. Implementation period June 2009 - May 2012
11. Operative date June 2012
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
(i) Applicable Import Duty And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997
(ii) Applicable with-holding Tax As per Income Tax Act, 2004 (as amended)
(iii) Eligibility of Capital Allowances As per Income Tax Act, 2004 (as amended)
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
(i) Date of Commencement of investment has to be notified to the Centre.
(ii) Certificate not to be transferred, assigned or amended
(iii) Failure to commence implementation within two years invalidates Certificate
(iv) Failure to operate investment must be notified to the Centre
(v) Changes in shareholding, project activities and level of invested capital must be notified to the centre
15. Additional conditions attached to Certificate
Finished goods are not allowed under this Certificate

Signed


Executive Director



Jamhuri ya Muungano wa Tanzania
United Republic of Tanzania
Tanzania Investment Centre
Exchequer Receipt
Stakabadhi ya Malipo ya Serikali

Receipt No : 99024387090
Received from : HANSPaul INDUSTRIES LIMITED
Amount : 1,000.00 USD
Amount in Words : One Thousand United States of
America Dollar Only
In respect of : **1403091 - Certificate of
Incentives Fees**
Bill Reference : Certificate of Incentives
Payment Control Number : **995360001548**
Payment Date : **2019-08-27 00:00:00.0**
Issued by : BETHUEL B UISSO
Date Issued : 27-08-2019 10:29:43
Signature :


Government Payment Gateway © 2017 All Rights Reserved (GePG)
**For Executive Director
Tanzania Investment Centre**



THE UNITED REPUBLIC OF TANZANIA

0224182

Certificate of Incentives

THIS CERTIFICATE REPLACES THE PREVIOUS ONE NO.041713 ISSUED ON 08/07/2009 (Section 17 of the Tanzania Investment Act, 1997) AMENDMENT ON SECTION 1 HAS BEEN EFFECTED

No: 041713

This is to certify that

HANSPAUL INDUSTRIES LIMITED

P. O. BOX 613

of address.....

ARUSHA

has been granted a Certificate of Incentives to invest in a new ~~venture/ expansion~~ enterprise known as

HANSPAUL INDUSTRIES LIMITED

THEMI INDUSTRIAL AREA

Which is located at

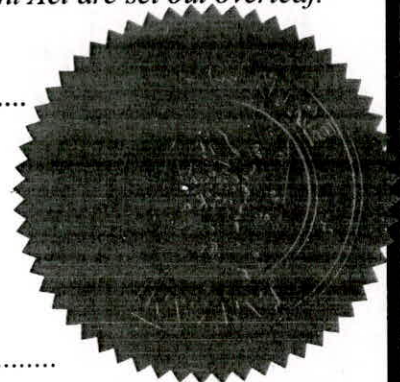
ARUSHA

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

Executive Director

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

Dated 02ND SEPTEMBER 2019



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

1. Shareholders

Shareholders	Nationality	Shareholding (%)
<u>Kamaljit S. Hanspaul</u>	<u>Tanzania</u>	<u>18</u>
<u>Satbir S. Hanspaul</u>	<u>Tanzania</u>	<u>18</u>
<u>Devilal Pathak</u>	<u>Nepal</u>	<u>0.02</u>
<u>Un-allotted</u>		<u>63.98</u>
2. Proposed Activities: To expand a project to Manufacture Paper corrugated Carton Boxes
3. Sector: Manufacturing Subsector: Paper Corrugated Carton Boxes
4. Investment cost: Foreign - Local USD 1.275m. Total USD 1.275m.
5. Project Financing: Equity USD 0.28m. Loans USD 0.995m. Total USD 1.275m.
6. Source, terms and conditions of loan.....
7. Assets to be invested:

Capital items:	Foreign	Local	Total
	<u>-</u>	<u>USD 1.275m.</u>	<u>USD 1.275m.</u>
	<u>None</u>		
8. Technology Agreement None
9. Date of TIC Registration: 30th June 2009
10. Implementation period June 2009 - May 2012
11. Operative date June 2012
12. Investment Incentive Grade: As defined in part III Section 19(1), (2) and Section 20 of the Tanzania Investment Act, 1997
 - (i) Applicable Import Duty EAC Customs Management Act. 2004 and VAT Act. 2014
 - (ii) Applicable with-holding Tax As per Income Tax Act. 2004 (as amended)
 - (iii) Eligibility of Capital Allowances As per Income Tax Act. 2004 (as amended)
13. Protection of Investment, Arbitration and Transfer of Foreign Currency as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
 - (i) Date of Commencement of investment has to be notified to the Centre.
 - (ii) Certificate not to be transferred, assigned or ammended
 - (iii) Failure to commence implementation within two years invalidates Certificate
 - (iv). Failure to operate investment must be notified to the Centre
 - (v) Changes in shareholding, project activities and level of invested capital must be notified to the Centre
15. Additional conditions attached to Certificate
Finished goods are not allowed under this Certificate

Signed 
Executive Director



Hanspaul Industries Ltd



(B)

Manufacturers & Printers of export quality corrugated carton boxes, SFK rolls and wrappers

P.O. Box 613 ARUSHA, TANZANIA

Tel/Fax: +255 27 254 8231, +255 27 250 6138, +255 784 506138

Cell: +255 754 307838, +255 784 307838

Email: sales@hanspaul.co.tz

Website: www.hanspaul.co.tz



Dated: 26.02.2020

HIL/TIC/02/01

TO
THE DIRECTOR GENERAL
TANZANIA INVESTMENT CENTRE
P.O. BOX 938
DAR ES SALAAM - TANZANIA



Dear Sir,

REF: REQUEST FOR UPDATION OF NAME OF SHAREHOLDER ON TIC CERTIFICATE

In reference to the above heading. We here by request your good office to kindly update the below mentioned shareholder in our company on our TIC certificate, as it's a requirement from the Labour department for his Labour permit application.

Name: BIJU NAMBIELIL JOSEPH
Passport Number: L1502016
Nationality: INDIAN

Please also find attached BRELA Updated Certificate where the above-mentioned shareholder is already updated.

Thanking you in advance.

Yours sincerely,

For Hanspaul Industries Ltd

K.S Hanspaul
Group Chairman



*P/S
kindly work
on this.
K.S Hanspaul
28/2/2020*



TANZANIA



Register of Companies Detailed information

Information date and time: 14/02/2020 13:33:57

Last update date and time: 14/02/2020 11:13:00

Registration date and time: 15/02/1996 00:00:00

1. **Status:** Registered
2. **Incorporation number:** 29382
3. **Company:** HANSPAUL INDUSTRIES LIMITED
4. **Company type:** Private company Limited by shares
5. **Registered office:** Region Arusha, District Arusha, Ward Olorien, Postal code 23210, Street THEMI STREET, Road NJIRO ROAD, Plot number 44, Block number 44, House number 44
6. **Contacts:** Email: auto@hanspaul.co.tz, Mob no/Tel no: 255685333555, P.O.Box 613
7. **Business activity:** 1702 - Manufacture of corrugated paper and paperboard and of containers of paper and paperboard, Main activity
8. **Directors / Directors in the country of origin:** KAMALJIT SINGH HANSPAUL, Tanzania
SATBIR SINGH HANSPAUL, Tanzania
DEVILAL PATHAK, Nepalese
BIJU NAMBIELIL JOSEPH, Indian
9. **Company secretary / Company secretary in the country of origin:** SALIMU JUMA MUSHI, Tanzania
10. **Authorised share capital:** 500000000 TZS
11. **Class of shares:** Class Ordinary: 50000 shares, 10000 TZS/share, 500000000 TZS
12. **Shareholders:** KAMALJIT SINGH HANSPAUL Class Ordinary 9000 shares taken 18
SATBIR SINGH HANSPAUL Class Ordinary 9000 shares taken 18
DEVILAL PATHAK Class Ordinary 10 shares taken 0.02
BIJU NAMBIELIL JOSEPH Class Ordinary 1 shares taken 0.002

Unall. - 63.978

Information ordered by: SATBIR HANSPAUL

NOTE. Information printed from the Register of Company is true and complete as per extract generation date and time. Please be advised to refer to the Online Registration System at BRELA (ors.brela.go.tz) for an up-to-date information regarding given Company.

составил 8,9 млн 2,0 рубль.

Прогнозируя по плану на 1993 г. количество бондов, на их основе в организации был проведен конкурс, в котором победила фирма «Орион» (Москва). Договоренность заключена с компанией в соответствии с условиями ее участия в конкурсе на 1993 г. (таблица 1).

В 1993 г. в организации был проведен конкурс на приобретение облигаций ЦБ РФ. В конкурсе участвовали 11 фирм, из них победил «Орион» (Москва). Цена облигаций составила 1,2 рубль. В конкурсе участвовали 11 фирм, из них победил «Орион» (Москва). Цена облигаций составила 1,2 рубль.

1.5. Анализ работы
1.6. Анализ работы
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1.14. Анализ работы
1.15. Анализ работы
1.16. Анализ работы

1.17. Анализ работы
1.18. Анализ работы
1.19. Анализ работы

Детализация информации Регистр от Комбината



МИНИСТЕРСТВО
ФИНАНСОВ
РОССИЙСКОЙ ФЕДЕРАЦИИ

ВЕЩЕТА



Princ. Asst. Registrar of Companies



0224182

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

THIS CERTIFICATE REPLACES THE PREVIOUS ONE NO.041713 ISSUED ON 08/07/2009 (Section 17 of the Tanzania Investment Act, 1997) AMENDMENT ON SECTION 1 HAS BEEN EFFECTED

No: 041713

This is to certify that

HANSPAUL INDUSTRIES LIMITED

of address P. O. BOX 613

ARUSHA

has been granted a Certificate of Incentives to invest in a new ~~enterprise~~ / ~~expansion~~ ~~of an existing~~ enterprise known as

HANSPAUL INDUSTRIES LIMITED

Which is located at THEMI INDUSTRIAL AREA

ARUSHA

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

Executive Director

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

Dated 02ND SEPTEMBER 2019



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 (%)
Kamaljit S. Hanspaul	Tanzania	18
Satbir S. Hanspaul	Tanzania	18
Devilal Pathak	Nepal	0.02
Un-allotted		63.98
2. Proposed Activities: **To expand a project to Manufacture Paper corrugated Carton Boxes**
3. Sector: **Manufacturing** Subsector: **Paper Corrugated Carton Boxes**
4. Investment cost: Foreign **—** Local **USD 1.275m.** Total **USD 1.275m.**
5. Project Financing: Equity **USD 0.28m.** Loans **USD 0.995m.** Total **USD 1.275m.**
6. Source, terms and conditions of loan.....
7. Assets to be invested:

	Foreign	Local	Total
Capital items:	—	USD 1.275m.	USD 1.275m.
8. Technology Agreement **None**
9. Date of TIC Registration: **30th June 2009**
10. Implementation period **June 2009 - May 2012**
11. Operative date **June 2012**
12. Investment Incentive Grade: As defined in part III Section 19(1), (2) and Section 20 of the Tanzania Investment Act, 1997 **EAC Customs Management Act. 2004 and VAT Act. 2014**
 - (i) Applicable Import Duty **As per Income Tax Act. 2004 (as amended)**
 - (ii) Applicable with-holding Tax **As per Income Tax Act. 2004 (as amended)**
 - (iii) Eligibility of Capital Allowances **As per Income Tax Act. 2004 (as amended)**
13. Protection of Investment, Arbitration and Transfer of Foreign Currency as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
 - (i) Date of Commencement of investment has to be notified to the Centre.
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 - (iii) Failure to commence implementation within two years invalidates Certificate
 - (iv). Failure to operate investment must be notified to the Centre
 - (v) Changes in shareholding, project activities and level of invested capital must be notified to the Centre
15. Additional conditions attached to Certificate **Finished goods are not allowed under this Certificate**

Signed 
Executive Director

TANZANIA



Certificate of Incorporation

No. 29382.....

I HEREBY CERTIFY THAT

H.A.N.S.P.A.L..... I.N.D.U.S.T.R.I.E.S.....

..... 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..... 15th..... day of..... FEBRUARY.....

One thousand nine hundred and..... NINETY SIX.....

Asst: Registrar of Companies

CTIN: 0108889



TANZANIA REVENUE AUTHORITY

CERTIFICATE OF REGISTRATION FOR TAXPAYER IDENTIFICATION NUMBER (TIN)

(ISSUED UNDER SECTION 23 OF THE TAX ADMINISTRATION ACT 2015)

**THIS IS TO CERTIFY THAT
HANSPAUL INDUSTRIES LIMITED.**

HAS BEEN REGISTERED WITH THE TANZANIA REVENUE AUTHORITY
AND ASSIGNED THE TAXPAYER IDENTIFICATION NUMBER

104-421-644

with effect from 20-02-2006

TRA Location: Arusha Tax Office:

Physical Location: Plot No. 44 Block No. C

Street / Area: THEMI INDUSTRIAL AREA


Elijah G. Mwandumbya

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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



Hanspaul Industries Ltd

Manufacturers & Printers of export quality corrugated carton boxes, SFK rolls and wrappers

P.O. Box 613 ARUSHA, TANZANIA

Tel/Fax: +255 27 254 8231, +255 27 250 6138, +255 784 506138

Cell: +255 754 307838, +255 784 307838

Email: sales@hanspaul.co.tz

Website: www.hanspaul.co.tz



To
The Executive Director
Tanzania Investment Centre
Dar Es Salaam
Tanzania

28th February 2020

PROGRESS REPORT

Planned Activities for the Period

Previously, Hanspaul Industries Limited manufactured only Corrugated Carton Boxes, Paper Bags SFK Rolls and Wrappers.

In 2019, HIL expanded its operations by introducing manufacturing of paper bags aiming to extend its reach throughout Tanzania.

We have heavily invested in Plant & Machinery for this paper bag production and mechanisms are already in place to support these new plant & machinery. Our most recent paper bag machine has a capacity to produce 250 paper bags per minute.

Also, the directors have proposed to employ professional engineers to run these machines. This will also lead a drastic increase in our production capacity.

Status of Activites that have already been undertaken

Major concentration in maximizing our products to meet the requirements demanded by a variety of our customers. We have extended our reach in various sectors; our products now include; Flower Boxes, Match Boxes, Soap Boxes, Chick Boxes, Soft Drinks Boxes, Cake Boxes, Honey Boxes, Candle Boxes, Detergent Boxes, Biscuit Boxes, Sweet Boxes, Lunch Boxes, Pizza Boxes, Seed Boxes, Brewery Boxes, Vegetable Boxes, Water Resistant Food Grade Fishery Boxes, SFK Rolls / wrappers for flower exports – General printed/ non printed cartons / boxes and paper bags.

Investment in various Plant and Machinery resulted our success in producing the above products.

Also, Hanspaul Industries Ltd has carried out major renovations in its property which has been rented out to its sister company Hanspaul Automechs Ltd located at Plot no.44 Njiro, Arusha including building newly equipped office.



Displaying above new head office located at Plot No.44

HANSPAUL INDUSTRIES LIMITED			
P.O BOX 613 ARUSHA			
PROJECT FINANCIAL EXPENDITURE TO DATE			
	FOREIGN	LOCAL	TOTAL
Land and buildings	0	\$ 412,185.38	\$ 412,185.38
Plant and Machinery	0	\$ 383,935.33	\$ 383,935.33
Vehicle/Aircrafts	0	\$ 46,545.02	\$ 46,545.02
Furniture	0	\$ 30,427.04	\$ 30,427.04
Office Equipment	0	\$ 3,526.01	\$ 3,526.01
Insurance Cover	0	\$ 54,079.94	\$ 54,079.94
Pre-Operational Expenses	0	\$ 80,000.00	\$ 80,000.00
Working Sub-total capital	0	\$ 110,000.00	\$ 110,000.00
GRAND TOTAL	0	\$ 1,120,699	\$ 1,120,699

Project Financial Expenditure

Project Financing

We acquired a Term Loan of amount USD 300,000 towards investment in our Plant & Machinery.

We have an additional over draft facility with our bankers Exim Bank (T) Ltd of Tshs 1 Billion for our operational requirements.

Both above are facilitated by our bankers, Exim Bank (T) Ltd.

Problems and Solution

Due to having a sophisticated machinery, we need to employ very professional, trained and experienced personnel to run these machines in order to minimize the level of waste in production.

We have purchased a new boiler which needs routine service and maintenance, only professional and experienced staff can carry out this task.

Recruiting experienced staff and looking for capable individuals who can perform in this field can sometimes be a problem.

Future Plans

Focusing on market reach of our products not only in Tanzania but throughout the East African countries. We also intend to purchase our main raw material; Paper and paper products solely from Tanzania.

We aim to employ over 150 employees from this expansion project this year from the current number of 71 employees.



United Republic of Tanzania
Tanzania Investment Centre
Government Bill

Control Number : 995360006705
Payment Ref : Certificate of Incentives Fee
Service Provider Code : SP536
Payer Name : HANSPAUL INDUSTRIES LIMITED
Payer Phone : 255756888864
Bill Description : Payment for amendment of
Certificate of Incentives for Hanspaul
Industries Limited

Billed Item (1) : Certificate of Incentives Fees - Certificate of Incentives Fee : 1,000.00

Total Billed Amount : 1,000.00 (USD)

Amount in Words : One thousand United States of America Dollar .

Expires on : 29-Mar-2020

Prepared By : Gasper T Tembo

Collection Centre : NORTH ZONE

Printed By : Gasper T Tembo

Printed on : 28-Feb-2020

Signature :

Jinsi ya Kullipa

1. Kupitia Benki: Fika tawi lolote au wakala wa benki ya BOT, NMB. 1. Via Bank: Visit any branch or bank agent of BOT, NMB.

Namba ya kumbukumbu: 995360006705.

2. Kupitia Mtandao ya Simu:

- Ingia kwenye menu ya mtandao husika
- Chagua 4 (Lipa Bill)
- Chagua 5 (Malipo ya Serikali)
- Ingiza 995360006705 kama namba ya kumbukumbu

How to Pay

Reference Number: 995360006705.

2. Via Mobile Network Operators (MNO): Enter to the respective USSD Menu of MNO

- Select 4 (Make Payments)
- Select 5 (Government Payments)
- Enter 995360006705 as reference number

Government e Payment Gateway © 2020 All Rights Reserved (GePG)



TIC/041713/14

03rd March, 2020

Managing Director,
P. O. Box 613,
ARUSHA.

**RE: CERTIFICATE OF INCENTIVES FOR M/S HANSPAUL INDUSTRIES
LIMITED**

Kindly refer to your letter dated 26th February, 2020 on the above captioned matter.

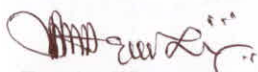
We wish to acknowledge receipt of your application to register with TIC with an objective to establish and operate a project for manufacturing paper corrugated carton boxes. The investment cost of the said project is estimated at USD 1.27m.

We are pleased to inform you that your project has been officially registered and granted the TIC Certificate of Incentives **No. 041713 of 28th February, 2020** as per Tanzania Investment Act, 1997, Section 17 (1-8).

Kindly be informed that you will be required to submit a project implementation progress report in every six months for the Centre's information and review. The guidelines for preparation of the report are contained in the annexure attached with this letter.

For more information, please do not hesitate to contact the Centre for clarification. We wish you success in implementing the project.

Yours Sincerely,
TANZANIA INVESTMENT CENTRE


Bevin Ngenzi

For: EXECUTIVE DIRECTOR

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 (%)
Kamaljit S. Hanspaul	Tanzania	18
Satbir S. Hanspaul	Tanzania	18
Devilal Pathak	Nepal	0.02
Biju N. Joseph	India	0.002
Un-allotted	Tanzania	63.978
2. Proposed Activities: **To establish and operate a project for manufacturing paper corrugated carton boxes**
3. Sector: **Manufacturing** Subsector: **Paper corrugated carton boxes**
4. Investment cost: Foreign **USD 0.01m.** Local **USD 1.26m.** Total **USD 1.27m.**
5. Project Financing: Equity **USD 0.28m.** Loans **USD 0.99m.** Total **USD 1.27m.**
6. Source, terms and conditions of loan.....
7. Assets to be invested:

Capital items:	Foreign	Local	Total
	USD 0.01m.	USD 1.26m.	USD 1.27m.
8. Technology Agreement **None**
9. Date of TIC Registration: **30th June 2009**
10. Implementation period **June 2009 - May 2012**
11. Operative date **June 2012**
12. Investment Incentive Grade: As defined in part III Section 19(1), (2) and Section 20 of the Tanzania Investment Act, 1997
 (i) Applicable Import Duty **EAC Customs Management Act. 2004 and VAT Act. 2014**
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 - (iv). Failure to operate investment must be notified to the Centre
 - (v) Changes in shareholding, project activities and level of invested capital must be notified to the Centre
15. Additional conditions attached to Certificate
Finished goods are not allowed under this Certificate

Signed 
Executive Director



THE UNITED REPUBLIC OF TANZANIA

0224385

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: **041713**

This is to certify that

HANSPAUL INDUSTRIES LIMITED

of address **P.O.BOX 613**

ARUSHA

has been granted a Certificate of Incentives to invest in a new project. This Certificate replaces the previous one No. 041713 issued on 28/02/2020 due to amendment on section 1

PROJECT NAME - MANUFACTURING OF CORRUGATED BOXES

Which is located at **PLOT NO. 44 NJIRO INDUSTRIAL AREA**

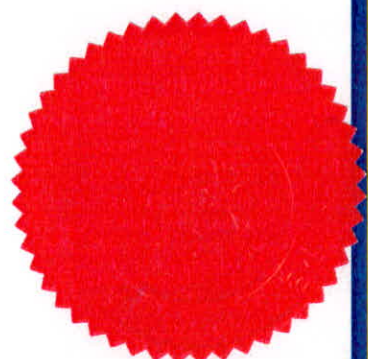
ARUSHA-ARUSHA

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

Executive Director

**Tanzania Investment Centre
P.O.Box 938 , Dar-es-salaam**

Dated: **3 February, 2022**



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

1	Shareholders	Nationality	Shareholding (%)
	<i>Kamaljit Singh Hanspaul</i>	<i>Tanzania</i>	<i>49.942</i>
	<i>Satbir Singh Hanspaul</i>	<i>Tanzania</i>	<i>49.942</i>
	<i>Devilal Pathak</i>	<i>Nepal</i>	<i>0.055</i>
	<i>Mohan Krishna Mandadi</i>	<i>India</i>	<i>0.055</i>
	<i>Biju Nambielil Joseph</i>	<i>India</i>	<i>0.006</i>
2	Proposed Activities: <i>To expand a project to manufacture paper corrugated carton boxes</i>		
3	Sector Manufacturing	Sub Sector Paper Corrugated Carton Boxes	
4	Investment Cost	Foreign (M\$) 0	Local (M\$) 1.276 Total (M\$) 1.276
5	Project Financing	Equity (M\$) 0.281	Loan (M\$) 0.995 Total (M\$) 1.276
6	Source, terms and conditions of loan	None	
7	Assets to be Invested	Foreign (M\$)	Local (M\$) Total (M\$)
	Capital items:	0	1.276 1.276
8	Technology Agreement	None	
9	Date of TIC Registration	30 June, 2009	
10	Implementation period	30 June, 2009 - 29 June, 2012	
11	Operative date	29 June, 2012	
12	Investment Incentive Grade : As defined in part III Section 19(1), (2) and Section 20 of the Tanzania Investment Act, 1997		
	(i) Applicable Import Duty	EAC Customs Management Act. 2004 and VAT Act. 2014	
	(ii) Applicable with-holding Tax	As per Income Tax Act. 2004 (as amended)	
	(iii) Eligibility of Capital Allowances	As per Income Tax Act. 2004 (as amended)	
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	(i)	Date of Commencement of investment has to be notified to the Centre	
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	(iv)	Failure to operate investment must be notified to the Centre	
	(v)	Changes in shareholding, project activities and level of invested capital must be notified to the Centre	
15	Additional conditions attached to Certificate		
	Finished goods are not allowed under this Certificate		



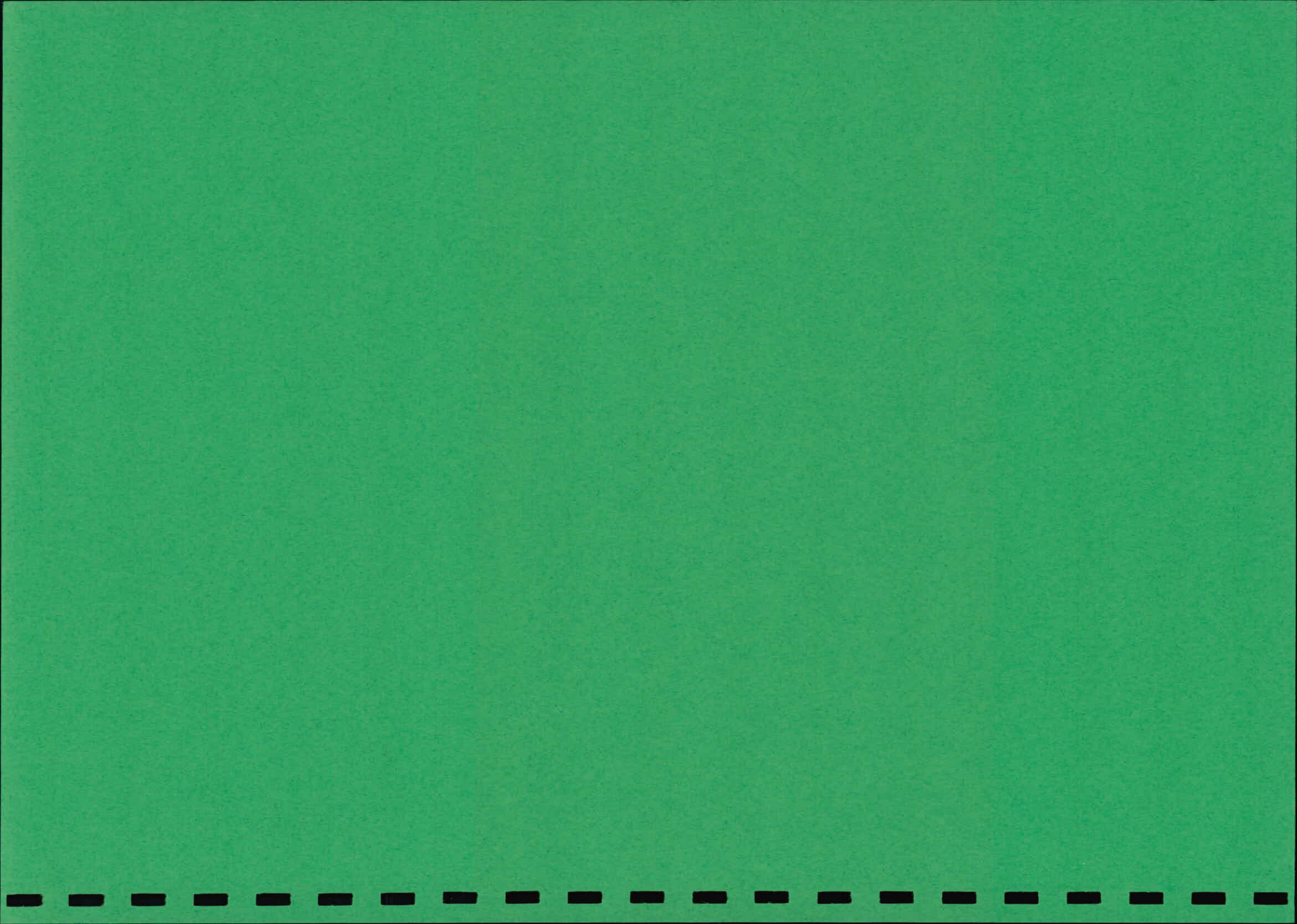
Signed _____
Executive Director

HANSPAUL INDUSTRIES LIMITED

PROJECT FOR MANUFACTURING OF PAPER CORRUGATED CARTON BOXES

A BUSINESS PLAN

**Presented by:
Hanspaul Industries Ltd
P.O. Box 613
Arusha**



HANSPAUL INDUSTRIES LIMITED

PROJECT FOR MANUFACTURING OF PAPER CORRUGATED CARTON BOXES

A BUSINESS PLAN

**Presented by:
Hanspaul Industries Ltd
P.O. Box 613
Arusha**

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1. INTRODUCTION

1.1 FOREWORD

Hanspaul Industries Ltd is establishing a new Project of Paper corrugated carton boxes. The new project involves investing in to purchasing state-of-the-art plant & machinery to manufacture products of very high quality in the most efficient manner; these machines would include an automatic board making plant including a boiler with its pipeline & accessories to power it, waste paper bailer, 4 colour automatic printer slotter, semi- auto gluer, 1 ton capacity trollies, die making tools & machinery. In the new project, the paper is fed into 3 rollers, where it is processed in to corrugated sheets and cut into the sizes required automatically, there after the cut boards are fed into the automatic printer slotter where the printing and slotting process is done and finally fed into the semi-auto gluer where the boards are folded and glued ready for dispatch.

In addition to the investment of plant & machinery, the company is also investing in 2 new go downs / warehouse and expanding one existing godown / warehouse, approximately 1,300m², where the new project will be established. Due to convenience purposes, the company is also building engineers' & managers' accommodation, approximately 250m², on site to reduce transportation, renting out & security costs in the long run.

The company has a current establishment which is running two semi – automatic plants converting 180 tons of paper a month working on 8 hour normal shifts. It is employing approximately 55 full time employees in its present factory and a further 5 to 7 senior staff handling the administration & management.

The company has decided to increase its production capacity to 400 to 500 tons a month by investing into the new plant. This new investment would generate further 50 to 75 jobs, increasing over a period of time as the company settles in to the new market. The company has also planned to explore export markets in neighbouring countries.

During the off loading process of paper reels, a 3.5 ton fork lift with paper clamps would be required in order to ease the off loading process. The paper clamp fork lift would also be used to stack the paper reels onto each other in order to efficiently utilize the space while storing in the warehouse. Each paper reel is weighed between 650kgs to 1300 KGs, making it is impossible for them to be off loaded or stacked without a fork lift with paper clamps.

In order to make this project's product distribution successful, the company would also require increasing its distribution muscle; this includes purchasing of more trucks and other utility vehicles.

Due to the current terrain being rough & muddy in the rainy seasons, at premises that is going to be utilized for this new project, it is crucial that the drive ways and off loading as well as loading ways are paved with paving blocks in order for heavy trucks to turn & commute in and out of the premises with out being stuck.

The current Transformer running the semi automatic plants at the premises is 200KVA. For the new project, the company would require to purchase a new transformer of 500KVA in order to be sufficient enough to power the new fully automatic board making plant and all the other automatic machines in the production line. Another issue is that the electricity supply from TANESCO has no reliability, there are quite a few times when the company faces power cuts and production cannot be stopped. In order to solve this problem, the company would require 2 Generators, one being a 200KVA to run the factory and the other being a 30 KVA to run the office when the machines are not running, especially on weekends and holidays.

1.2 OBJECTIVES OF THE STUDY

The purpose of this Feasibility Study is to work out the technical and commercial details and the financial viability for the above mentioned project.

1.3 PROJECT PROMOTERS

The following sponsors are promoting the proposed project. Directors (shareholders) are namely:

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	% SHARE-HOLDING
Kamaljit Singh Hanspaul P.O Box 613 Arusha	50%
Dharam Singh Hanspaul P.O Box 613 Arusha	50%

The current shareholders of the company have a wealth of experience in paper carton boxes manufacturing projects and are keen to exploit such experience to make this project a success.

1.4 STUDY LAYOUT

This study is presented in one document comprising the following major chapters.

Chapter One	-Introduction
Chapter Two	-Executive Summary
Chapter Three	-Manufacturing Sector in Tanzania
Chapter Four	-Production Process and Technology
Chapter Five	-Machinery, Equipment and Civil Works
Chapter Six	-Production Inputs Requirement & Availability
Chapter Seven	-Manpower and Plant Organization
Chapter Eight	-Investment and Financing
Chapter Nine	-Costs of Operation
Chapter Ten	-Financial Analysis
Chapter Eleven	-Economic Analysis
Chapter Twelve	- Recommendations

2 EXECUTIVE SUMMARY

2.1 INTRODUCTION

The Study examines the possibility of expanding facilities for manufacturing paper corrugated carton boxes. A techno-economic evaluation has been carried out to determine the feasibility of this project.

2.2 PAPER CARTON BOXES MANUFACTURING

Cardboard is a lay term used to describe a variety of heavy wood-based types of paper, notable for their stiffness and durability. Paperboard packaging used for food and small consumer goods, as well as corrugated packaging used for larger goods and shipping cartons are the most common examples of items referred to as cardboard. Paperboard was first invented in China some time in the 15th century, and is used for a wide variety of purposes. One of its more common uses is as a packaging material.

Corrugated board is given its strength by a wavy, fluted middle layer. The first commercial paperboard box was produced in England in 1817.

Corrugation

In the mid 19th century, an ingenious concept enabled flimsy sheets of paper to be transformed into a rigid, stackable and cushioning form of packaging for delicate goods in transit. Corrugated (also called pleated) paper was patented in England in 1856, and used as a liner for tall hats, but corrugated boxboard would not be patented and used as a shipping material until December 20, 1871.

The patent was issued to Albert Jones of New York, New York for single-sided (single-face) corrugated board. Jones used the corrugated board for wrapping bottles and glass lantern chimneys. The first machine for producing large quantities of corrugated board was built in 1874 by G. Smyth, and in the same year Oliver Long improved upon Jones' design by inventing corrugated board with liner sheets on both sides. This was now corrugated board as we know it today.

Prefabricated Cartons

The American Robert Gair invented the corrugated box in 1890, consisting of pre-cut flat pieces manufactured in bulk that folded into boxes. Gair's invention, as with so many other great innovations, came about as a result of an accident: he was a Brooklyn printer and paper-bag maker during the 1870s, and while he was printing an order of seed bags a metal ruler normally used to crease bags shifted in position and cut the bag. Gair discovered that by cutting and creasing board in one operation he could make prefabricated cartons. Extending this to corrugated boxboard was a straightforward development when the material became available. By the start of the 20th century, corrugated boxes began replacing the custom-made wooden crates and boxes previously used for trade.

The corrugated carton was initially used for packaging glass and pottery containers, which are easily broken in transit. Later, the case enabled fruit and produce to be brought from the farm to the retailer without bruising, improving the return to the producers and opening up hitherto unaffordable export markets. (There had previously been a great deal of waste when, for example, oranges were craned out of the hold of a ship, having been bulk loaded into it.)

Will Keith Kellogg first used paperboard cartons to hold flaked corn cereal, and later when he began marketing it to the general public, a heat-sealed waxed bag of Waxtite was wrapped around the outside of the box and printed with their brand name. This marked the origin of the cereal box, though in modern times the sealed bag is plastic and is kept inside the box rather than outside.

Today paperboard packaging in general, and especially products from certified sustainable sources, are receiving new attention, as manufacturers dealing with environmental, health, and regulatory issues look to renewable resources to meet increasing demand. It is now mandatory in many countries for paper-based packaging to be manufactured wholly or partially composed of recycled as well as tree-free fibers.

The industry is working to eliminate the inaccurate term "cardboard", since it describes both paperboard and corrugated board.

Today's corrugated board

Today's corrugated board usually consists of outer flat sheets (liners) of puncture resistant paper, sandwiching a central "filling" of corrugated short fibre paper (fluted paper, or "medium"), which resists crushing under compression and gives cushioning protection to the box's contents.

The "liner" and "medium" (outer and inner portion of the final corrugated board product) are glued together along the outsides of the peaks and valleys of each flute, normally using starch adhesives. The starch is derived from corn, wheat or potato. Thus the complete make-up of corrugated board is from natural, sustainable materials in plentiful supply and the board is fully recyclable and can be pulped down to make more paper for more board once it has ended its own life.

The board has high end-to-end strength along the corrugated flutes, so the box is normally designed with the flutes running vertically for stacking strength. The modern method of testing the stacking strength of a corrugated box is called the Box Compression Test (BCT). To measure the resistance against penetration of the box wall the bursting strength test (known as a Mullen Test) is used. Box Manufacturers often certify the strength of boxes by imprinting a Box Maker's Certificate (BMC) on the bottom of cartons. This will contain the name of the company that made the box as well as the city and state where it was manufactured along with the pertinent test information.

Paper made from hardwood, short fibre pulp, has good compression strength and is easily moldable with moisture and heat, but is weak in tension and tears easily. Paper made from softwoods, with their longer fibres, on the other hand, is strong in tension and resists puncturing and tearing better and is less plastic, so tends to keep its shape. It also provides a better surface for printing.

Common flute sizes are "A", "B", "C", "E" and "F" or microflute. The letter designation relates to the order that the flutes were invented, not the relative sizes. Flute size refers to the number of flutes per lineal foot. For example, "B" flute is approximately 1/4 inch from the top of one flute to the next, or 50 flutes per foot. "C" Flute is 5/16

inch from flute to flute or 42 flutes per lineal foot. "E" flute is 1/8 inch flute to flute or 90 flutes per lineal foot. Board thickness is an unreliable metric, due to various manufacturing conditions. However, a rough guide is: "C" flute=5/32 inch thick, "B" flute=1/8 inch thick, "E" flute=1/16 inch thick.

Double and triple-wall corrugated is also manufactured for specialized industrial applications and, at the other extreme, microflute is manufactured for fine printed packaging or displays or presentation packaging for high-value contents such as spirits, perfume, jewellery, etc. Almost all corrugated boxes are shipped flat for ease and economy of transport, then erected, filled and closed at packing stations.

Old corrugated cartons are an excellent source of fibre for recycling. They can be compressed and baled for cost effective transport to anywhere in need of fibre for papermaking. Thus they help developing countries without sustainable wood resources build a paper and packaging industry locally and develop their exports to global markets.

Corrugated board is manufactured on high-precision machinery lines called Corrugators running at 500 lineal feet per minute or faster. Various types of "converting" machinery are used to manufacture boxes from the board coming off the corrugator. The most important, universal and revolutionary of all converting corrugated equipment is the "Flexo Folder Gluer" (FFG), which is a machine that in one single pass prints, cuts, folds, and glues flat sheets of board to convert them to boxes for any application, from storing old family pictures to shipping the biggest of plasma TV sets to the global market. The most advanced of FFG's can run at speeds of up to 26,000 boxes per hour.

A box factory may be started up with simple, sometimes old equipment. Additions and/or upgrades can be performed as demand expands and growth is affordable.

2.3 MARKET AND MARKETING ASPECTS

The market survey carried out reveals that there is a huge demand for paper corrugated carton boxes. There is wide gap between supply and demand and therefore, business opportunity exists for expanding paper corrugated carton boxes production facilities to satisfy the market requirement. With increased local manufacturing facilities, the country will save foreign exchange lost each year through import of paper corrugated carton boxes.

2.4 PROCESS AND TECHNOLOGY

As mentioned earlier corrugated board is manufactured on high-precision machinery lines called corrugators running at 500 lineal feet per minute or faster. Various types of "converting" machinery are used to manufacture boxes from the board coming off the corrugator. The most important, universal and revolutionary of all converting corrugated equipment is the "Flexo Folder Gluer" (FFG), which is a machine that in one single pass prints, cuts, folds, and glues flat sheets of board to convert them to boxes

2.5 LOCATION

The plant will be located on industrial site on plot no.44, Njiro Industrial Area, Arusha region.

2.6 MANPOWER REQUIREMENTS

The whole new project will comprise more than 50 permanent employees and several other on temporary basis. Initially there will be a few technical expatriates who will give training to the local staff. Maximum employment will be given to the local work force. The factory will be organized into three major areas namely:

- Production
- Marketing
- Finance and administration

2.7 IMPLEMENTATION

The project is planned to undergo two phases:

Phase I: Major activities to be involved include registration of the expansion project and approvals by the Tanzania Investment Centre (TIC), and mobilization of funds from Sponsors. Other activities include identification of appropriate technology, sourcing of machinery and equipment, construction and renovation of buildings, staff recruitment and training of core personnel.

Phase II: Will involve commencement of manufacturing operations after expansion phase

2.8 PROJECT ECONOMICS

2.8.1 Capital Investment Requirements

COST STRUCTURE

PARTICULAR	AMOUNT USD
Land and Buildings	541,547
Machinery & Equipment	478,761
Motor Vehicles	227,762
Furniture & Fixtures	0
Pre exp	15,000
Others	12,000
Working Capital	0
TOTAL	1,275,070

*US\$ 1 = Tshs 1,300

2.9.2 Expenditure on basic materials and Profitability

The major expenditure item is the purchase of various materials used in paper corrugated carton boxes manufacturing process. Project revenue will accrue from sale of paper corrugated carton boxes. Based on projected revenue at sustainable levels of production the project is quite profitable.

2.9 RECOMMENDATIONS

The study shows the proposed expansion is both technically and financially a feasible undertaking. Furthermore, it will create local employment for the national benefit. In view of the findings, the project is recommended for implementation.

3 MANUFACTURING SECTOR IN TANZANIA

3.1 GROWTH OF INDUSTRIAL SECTOR

In 2006, the industrial sector grew by 8.65%, compared to 9.0 % recorded in the year 2005. Such decrease in growth of this sector resulted from increase in the cost of electricity and fuel used to operate machinery and motor vehicles. These contributed to increase in the cost of production in the industrial sector.

Also contribution of the manufacturing sector to the Gross Domestic Product increased to 9.2% , compared to 9.0% in the year 2005. The increase in contribution of this sector was a result of rise in production of products such as Cement, Drinks, Corrugates Sheets, Steel Bars, Plastic Products, and Textiles.

In 2006, the Export Processing Zones Authority (EPZA) was established. Also, areas earmarked for establishment of such zones include Dar es Salaam, Pwani, Mwanza, Arusha, Kilimanjaro, Morogoro, Lindi, Ruvuma, Kigoma, Tanga, Mtwara, Mara and Kagera.

In the year 2006, the Government continued to implement its policy for development of small and medium enterprises (SME Policy), including empowerment of entrepreneurs. The Government through the Small Industries Development Organization (SIDO) trained 5,478 entrepreneurs and 184 trainers. Also, the organization extended loans amounting Tsh. 2.506 billion to groups of entrepreneurs

3.2 COST OF PRODUCTION IN INDUSTRIAL SECTOR

In 2006, cost of production in the Industrial Sector stood at Tsh. 2,177,611 million, compared to Tsh. 1,957,757 million in 2005, equivalent to an increase of 11.2%. This increase resulted from increase in the cost of electricity and fuel used to operate machinery and motor vehicles. Otherwise, poor infrastructure especially railways and roads continued to contribute to increase in cost of production.

4 PRODUCTION PROCESS AND TECHNOLOGY

4.1 BASIC PROCESS

Corrugated board is manufactured on high-precision machinery lines called corrugators running at 500 lineal feet per minute or faster. Various types of "converting" machinery are used to manufacture boxes from the board coming off the corrugator. The most important, universal and revolutionary of all converting corrugated equipment is the "Flexo Folder Gluer" (FFG), which is a machine that in one single pass prints, cuts, folds, and glues flat sheets of board to convert them to boxes

The new project involves investing in to purchasing state-of-the-art plant & machinery to manufacture products of very high quality in the most efficient manner; these machines would include an automatic board making plant including a boiler with its pipeline & accessories to power it, waste paper bailer, 4 colour automatic printer slotter, semi- auto gluer, 1 ton capacity trollies, die making tools & machinery. In the new project, the paper is fed into 3 rollers, where it is processed in to corrugated sheets and cut into the sizes required automatically, there after the cut boards are fed into the automatic printer slotter where the printing and slotting process is done and finally fed into the semi-auto gluer where the boards are folded and glued ready for dispatch

4.2 QUALITY CONTROL SYSTEM

Required quality control measures will be pursued to ensure that best quality paper corrugated carton boxes are produced to cater for the needs of local as well as export market. The company will consider exploitation of market existing in the neighbouring countries.

4.3 ENVIRONMENT PROTECTION

Our aim is to make this project environment friendly. Appropriate action will be taken to ensure that the paper corrugated carton boxes manufacturing processes cause no harm to the environment. By taking such measures, we can protect the country's environment in particular and global environment in general.

5 MACHINERY EQUIPMENT AND CIVIL WORKS

5.1 MACHINERY & EQUIPMENT

The company will acquire various machinery and equipment to include an automatic board making plant including a boiler with its pipeline & accessories to power it, waste paper bailer, 4 colour automatic printer slotter, semi- auto gluer, 1 ton capacity trolleys, die making tools & machinery. The technology to be used will be modern to achieve high quality paper corrugated carton boxes production. The company is already negotiating with suppliers of required machinery and equipment for supply of the same once all necessary preparations are completed.

5.2 PLANT LOCATION AND CIVIL WORKS

i. Site and Location

The plant shall be located on industrial site on plot no.44, Njiro Industrial Area, Arusha region. This location takes into consideration such important factors like availability of reliable power.

ii. Production Building Required

The company is also investing in 2 new godowns / warehouse and expanding one existing godown / warehouse, approximately 1,300m², where the new project will be established. Due to convenience purposes, the company is also building engineers' & managers' accommodation, approximately 250m², on site to reduce transportation, renting out & security costs in the long run.

iii. Office Building

An office block to accommodate the administrative and clerical staff will also be required.

5.3 UTILITY SERVICES

iv. Water

A three-inch diameter pipeline to the premises from the main pipeline is adequate. Due to frequent water shortage a water reservoir is recommended to be constructed.

v. Electricity

The Tanzania Electric Supply Company Ltd. (TANESCO) has no problem in providing the required amount of electricity from the national grid.

6 PRODUCTION INPUT REQUIREMENTS AND AVAILABILITY

6.1 INPUTS

As explained earlier, the major expenditure item will be purchase of paper, glue, chemicals and other materials used in paper corrugated carton boxes manufacturing process.

6.2 UTILITIES

i. Water

We have explained that water will be supplied to the premises from the main pipeline. Due to frequent water shortage, a water reservoir has been recommended for construction

ii. Power

As said earlier in this report, the source of energy for the proposed project will be electric power.

A standby power generator has also been budgeted for to avoid inconveniences caused by frequent power cuts by TANESCO.

7 MANPOWER AND PLANT ORGANIZATION

The proposed project will have three independent departments, namely:

- Production
- Sales and Marketing
- Administration and Finance

7.1 ORGANIZATION

The Board of Directors of M/s Hanspaul Industries Limited shall manage the project at policy level. The top most person in the day to day running of the company will be the Managing Director. Under the Managing Director's office will be the three Departments mentioned above. Each will be under a Manager and will comprise a number of Sections each headed by a Section Head as follows.

PRODUCTION DEPARTMENT

Sections:

- Operations
- Maintenance

SALES AND MARKETING DEPARTMENT

Sections:

- Research & Promotion
- Sales

ADMINISTRATION AND FINANCE DEPARTMENT

Sections:

- Human Resources & Administration
- Finance & Accounts

Each Department will be manned by a number of personnel with varying education levels and work experiences.

The management team of M/s Hanspaul Industries Limited will comprise the Managing Director, Production Manager, Finance & Administration Manager and Sales & Marketing Manager.

7.2 RESPONSIBILITIES

Responsibilities will be as follows:

i. Production Department

The Manager will be responsible for paper corrugated carton boxes manufacturing operations planning and overseeing daily production activities being carried out. He will further be responsible for repair and maintenance of company assets and research and development activities. The Department will comprise Sections, namely:

- The Production Section which would be responsible for overseeing manufacturing operations. An expatriate will be employed to train the local technicians in this aspect of operations.
- Maintenance Section which will manage paper corrugated carton boxes manufacturing plant and machinery maintenance

ii. Finance and Administration Department

An Administration and Finance Manager will head the Department. He will be responsible for the administration of the company as well as overseeing the financial aspects of the company. An Accountant will manage the finance function while a Human Resources Section Head will oversee company human resource issues. The following important units will be under the Department.

- The personnel and administration unit which will be responsible for the general administrative matters of the company as well as personnel issues.
- The finance unit, which will be responsible for financial issues. It will also be responsible for the proper maintenance of books of accounts and financial planning.
- The purchasing unit which will be responsible for the purchase of raw materials, spare parts and equipment. This section will also be responsible for the receipt, storage and issue of purchased materials.

iii. Sales and Marketing Department

This Department will be headed by the Sales and Marketing Manager who will be responsible for the development of a sustainable sales and distribution network. This will involve developing distribution network and recruitment and training of qualified and well motivated marketing and sales personnel.

There will be two Section Heads under the Department. One Section will be responsible for Research & Promotion and another will handle Sales function.

7.3 MANPOWER REQUIREMENT

The permanent manpower requirement for running the proposed factory is over 50. Several other employees will be contracted on temporary basis.

7.4 SOURCE OF MANPOWER

Manpower for proposed project will be employed from local sources, except for a few expatriates who would basically be engaged in the training of local staff. The workers will be given on-the-job training for familiarize them with the proposed machinery and equipment.

After the initial 2 years, depending on the results of the training, local counter parts will replace the expatriates.

8. INVESTMENT AND FINANCING

8.1 ASSUMPTIONS

The financial projections to determine the viability of the project by M/s Hanspaul Industries Limited are based on the following key assumptions:

- Expansion of paper corrugated carton boxes manufacturing facilities will start immediately. Thereafter production of paper corrugated carton boxes will commence.
- The company market will be local as well as export based on current operations
- Financial calculations are based on current market prices and costs are assumed constant throughout the operating period under review on the assumption that if operation costs change, selling prices will change proportionally to preserve the profit margins.

- The project has adopted the currency exchange rate of United States Dollar 1 = Tanzania Shilling 1,300.00 as prevailing during June 2009.

8.2 SUMMARY OF CAPITAL COSTS

On completion of project implementation, the total investment will reach to US\$ 1.275 million as shown in attached schedules.

8.3 BUILDING AND CIVIL WORKS COSTS

The company is also investing in 2 new godowns / warehouses and expanding one existing godown / warehouse, approximately 1,300m², where the expansion project will be established. Due to convenience purposes, the company is also building engineers' & managers' accommodation, approximately 250m², on site to reduce transportation, renting out & security costs in the long run. The estimated cost is US\$ 541,547

8.4 PLANT MACHINERY AND EQUIPMENT COSTS

The project involves investing in to purchasing state-of-the-art plant & machinery to manufacture products of very high quality in the most efficient manner; these machines would include an automatic board making plant including a boiler with its pipeline & accessories to power it, waste paper bailer, four colour automatic printer slotter, semi- auto gluer, 1 ton capacity trolley, die making tools & machinery. Other supporting equipment, tools, accessories, etc. will be required as explained earlier

The total investment on machinery and equipment is based on a quotation received from major suppliers for main production machinery and amount to US\$ 478,761 approximately.

8.5 MOTOR VEHICLES

In order to make this project's product distribution successful, the company would also require to increase its distribution muscle. This includes purchasing of more trucks and other utility vehicles for company work. The promoters intend to procure various vehicles at total cost of US\$ 227,762

8.6 PRE-PRODUCTION CAPITAL EXPENDITURES

These include project development cost for feasibility study and start-up expenses. A budget of US\$ 15,000 is considered adequate for this item

8.7 OTHER EXPENSES

This is mainly for contingencies whose value cannot be estimated with certainty at the moment. The amount budgeted for this item stands at US\$ 12,000

The following is a breakdown of the proposed costs to expand facilities for manufacturing paper corrugated carton boxes

A) LAND & BUILDINGS

ITEM	QUANTITY	TOTAL COST IN USD \$	TOTAL COST IN TSH
LAND	APPROXIMATELY 3 ACRES	244,451	325,120,000/=
GODOWNS INCLUDING EXTENDING EXISTING GODOWN	1,300m ²	187,969	250,000,000/=
ENGINEERS ACCOMMODATION	250m ²	37,593	50,000,000/=
WATER TANK	10,000 LITRES	6,767	9,000,000/=
PAVING BLOCKS	2,906	64,767	86,110,723/=
TOTAL		541,547	720,230,723

B) 1 - PLANT, MACHINERY & EQUIPMENTS

ITEM	SPEC	QUANTITY	TOTAL COST IN USD \$	TOTAL COST IN TSH
1200X2400 FOUR-COLOR FLEXO PRINTER SLOTTER AND ROTARY DIE-CUTTER	KICKER FEEDER, FOUR COLOURS - (METAL ANILOX ROLL), SLOTTER, ROTARY DIE CUTTER	1 SET	108,780	144,677,400/=
SEMI-AUTO FOLDER GLUER	HT-2460	2 SETS	19,600	26,068,000/=
HEAVY DUTY TROLLIES	1 TON CAPACITY	10 PCS	3,000	3,990,000/=
DIE MAKING TOOLS, MACHINES & MATERIALS: - DIE CUTTING WOOD - CUTTING BLADE CREAMING - CUTTING BLADE STRAIGHT CREAMING - CUTTING BLADE SAW - CUTTING BLADE STARIGHT PROTECTIVE RUBBER (BLACK) 200 METRES - SPRINGBACK RUBBER (YELLOW) 20 PCS	* 1 UNIT WIRE CUTTER * 1 UNIT GROOVING MACHINE * 1 UNIT CUTTING MACHINE * 1 UNIT CUTTER * 1 UNIT SLUGGING MACHINE	1 FULL SET *360X13X240 0MM 100PCS *1.42X22.5Xφ 360MM 200METRES *1.42X23MM 200 METRES *φ360X1.42X2 5.4MM 200 METRES *1.42X25.8M M 200 METRES	17,700	23,541,000/=
5 PLY IN LINE COMBINED AUTOMATIC CORRUGATED BOARD MAKING PLANT WITH ACCESSORIES	WITH 1 SINGLE & 1 DOUBLE CORRUGATION PROFILE WITH SHAFT-LESS REEL STAND	1 SET	230,000	305,900,000/=
THERMIC FLUID BOILER WITH PIPELINE, CHIMNEY & ACCESSORIES	600,000 KG/CAL.	1 FULL SET	30,000	39,900,000/=
HYDRAULIC WASTE BAILING MACHINE	3. H.P.	2 SETS	3,800	5,054,000/=
TOTAL			412,880	549,130,400/=

B) 2 – ELECTRICAL EQUIPMENTS & MATERIALS

ITEM	SPEC	QUANTITY	TOTAL COST IN USD \$	TOTAL COST IN TSH
POWER GENERATION SET HS CODE: 85.01.61	CUMMINS ENGINE STAMFORD GENERATOR SUPER SILENT BODY MODEL NO.SC200/50HZ STAND BY POWER: 200KVA, PRIME POWER: 180KVA WITH AUTOMATIC TRANSFER SWITCH (ATS) – MAKE:ABB	1 PC	19,350	25,735,500/=
POWER GENERATION SET HS CODE: 85.01.62	CUMMINS ENGINE STAMFORD GENERATOR SUPER SILENT BODY MODEL NO.SC30/50HZ STAND BY POWER: 30KVA, PRIME POWER: 27.5KVA	1 PC	8,400	11,172,000/=
DISTRIBUTION TRANSFORMER 500Kva	500Kva, TANELEC	1 PC	15,921 (EUROS 11,000)	21,175,000/=
INDOOR FLOOR STANDING PANEL OF 630A	630 A	1 UNIT	9,190 (EUROS 6,350)	12,223,750
4 CORE ARMOURED CABLE 185MM	4 CORE 185MM	110 METRES	8684.21	11,550,000/=
4 CORE ARMOURED CABLE 95MM	4 CORE 95MM	100 METRES	4335.84	5,766,666/=
TOTAL			65,881.05	87,622,916

C) MOTOR / UTILITY VEHICLES

ITEM	QUANTITY	TOTAL COST IN USD \$	TOTAL COST IN TSH
4 - 5 TON TRUCKS	7	173,684	231,000,000/=
1 TON SINGLE CABIN P/UP	3	31,578	42,000,000/=
MINI BUS 9 SEATER FOR STAFF	2	22,500	29,925,000/=
TOTAL		227,762	302,925,000/=

D) PRE - EXPENSES - MARKET SURVEY, FEASIBILITY STUDY, TRAVELLING ETC

ITEM	QUANTITY	TOTAL COST IN USD \$	TOTAL COST IN TSH
TRIP TO INDIA & CHINA FOR MACHINERY ORDERING & INSPECTION	2 PERSONS, 2 TIMES	15,000	19,950,000

E) OTHERS / CONTINGENCIES

ITEM	QUANTITY	TOTAL COST IN USD \$	TOTAL COST IN TSH
MISCELLANEOUS EXPENSES	MISCELLANEOUS	12,000	15,960,000

F) WORKING CAPITAL

ITEM	QUANTITY	TOTAL COST IN USD \$	TOTAL COST IN TSH
WORKING CAPITAL, OVER DRAFT FACILITY UPTO TZS 350,000,000 @ 16% PER ANNUM	UPTO TSH 350,000,000	N/A	N/A

G) GRAND TOTAL

ITEM	QUANTITY	TOTAL COST IN USD \$	TOTAL COST IN TSH
GRAND TOTAL OF PROJECT	TOTAL	1,275,070.05	1,695,819,039

8.8 FINANCING PATTERN

The financing of the project will be from shareholder's equity as well as bank loan. The financing of the project will take the following form

	EQUITY(US\$)	LOAN(US\$)
FOREIGN	-	-
LOCAL	280,515	994,555

9 COST OF OPERATIONS

The anticipated costs for operating the project are detailed in the following sections and summarized in attached schedules. The summarized costs are based on the fifth year of operation.

9.1 UTILITIES

A total of US\$ 122,984 will be required per annum as water bills and for the purchase of electric power at sustainable production level.

9.2 VEHICLE RUNNING EXPENSES

Vehicle running expenses include fuel, lubricants, road licenses, etc. The cost has been estimated at US\$ 38,652

9.3 SALARIES AND WAGES

The number of employees, along with their incomes, is shown in attached schedules. The total annual wage package is estimated at US \$ 430,445 including fringe benefits and related taxes

9.4 ADMINISTRATIVE OVERHEADS

The administrative costs are estimated at US\$ 52,708 per annum as per attached schedules

9.5 DEPRECIATION

The following is depreciation schedule for major assets to be employed in the project for manufacturing of paper corrugated carton boxes.

DEPRECIATION	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Land and Buildings	10,831	10,831	10,831	10,831	10,831
Machinery, tools & Equipment	9,575	9,575	9,575	9,575	9,575
Motor Vehicles	4,555	4,555	4,555	4,555	4,555
Furniture & Fixtures	-	-	-	-	-
ANNUAL DEPRECIATION	24,961	24,961	24,961	24,961	24,961

9.6 INTEREST

A total of US\$ 21,880 will be required as interest expenses as detailed in the attached financial statements.

10 FINANCIAL ANALYSIS

10.1 INCOME AND EXPENDITURE

10.1.1 Income

The proposed project by M/s Hanspaul Industries Limited expects to earn its income through revenue generated from sale of paper corrugated carton boxes. The total sales are expected to stand at US\$ 1,458,608 in the fifth year of operation.

10.1.2 Expenditure

Some project costs have been discussed in Chapter 9 and are summarized in detail in attached schedule.

10.2 NET INCOME STATEMENT HIGHLIGHTS

The project's annual after tax net income during the fifth year of production is estimated to reach US\$ 44,541 as presented in the Income Statement of the financial statements appendix.

10.3 CASH FLOW HIGHLIGHTS

This is shown in the financial statements. The project has a positive end of the year cash flow from year 1 of operation to the 5th year as shown hereunder.

1 st Year	2,381,576.00
2 nd Year	2,199,620.00
3 rd Year	1,988,529.00
4 th Year	1,755,242.00
5 th Year	1,530,231.00

10.4 BALANCE SHEET

The projected Balance Sheet of the projected is shown in the financial statements under same heading. Net worth of the project increases from US\$ 370,364.00 in the first year of operation to US\$ 629,542.00 in the 5th year.

1 st Year	370,364.00
2 nd Year	452,518.00
3 rd Year	524,861.00
4 th Year	585,002.00
5 th Year	629,542.00

11. ECONOMIC ANALYSIS:

11.1 ASSUMPTIONS AND CONSIDERATIONS

The basic assumptions underlying economic benefits and costs are:

11.1.1 Taxes on capital costs have not been considered.

11.1.2 Conversion factors have been used to determine economic costs and benefits.

11.1.3 Economic life of the project is assumed to be 5 years.

11.2 ECONOMIC BENEFITS OF THE PROJECT

The successful operation of the Project will contribute significant economic benefits to Tanzania. In summary the benefits which will be realized are as follows:-

- This project will boost investment in manufacturing sector which is important for the economy, contributing to research and other skills development. It will provide vital support to the manufacturing sector.
- Employment opportunities for at least 50 permanent staff when the project is fully operational.
- The direct income for the workers, combined with other social benefits that the Management of M/s Hanspaul Industries Limited will provide, will help in overall efforts of alleviation of poverty in the Region.
- Provision of a market for goods and services demanded by expanded tax base to the Treasury and local Government authorities and generation of substantial income to the Government.

12 RECOMMENDATIONS

The project is technically feasible, financially and economically viable and environmental friendly. A fast implementation of the project is highly recommended to avoid cost overruns and for the project to be able to realize the benefits outlined above; especially at this juncture when the Government is making effort to boost investment in various sectors in the economy.

In view of the above it is further strongly recommended that the project be approved by Tanzania Investment Centre and be granted the TIC Certificate of Incentives with its associated privileges and benefits as provided for under Tanzania Investment Act, 1997 to facilitate smooth implementation.

HANSPAUL INDUSTRIES LTD**PROJECTED INCOME & EXPENDITURE STATEMENT**

	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Sales Revenue	1,200,000	1,260,000	1,323,000	1,389,150	1,458,608
Cost of Sales	480,000	504,000	529,200	555,660	583,443
Gross Profit	720,000	756,000	793,800	833,490	875,165
Operating Expenses:					
Administrative Overhead Costs:	36,000	39,600	43,560	47,916	52,708
Motor Vehicle running expenses	26,400	29,040	31,944	35,138	38,652
Salaries and wages	294,000	323,400	355,740	391,314	430,445
Depreciation	24,961	24,961	24,961	24,961	24,961
Marketing Costs	24,000	26,400	29,040	31,944	35,138
Utility costs	84,000	92,400	101,640	111,804	122,984
Insurance	62,404	61,155	59,907	58,659	57,411
Communication	18,000	19,800	21,780	23,958	27,354
Interest expense	21,880	21,880	21,880	21,880	21,880
Total Expenses	591,645	638,637	690,453	747,575	811,535
Profit before Tax	128,355	117,363	103,347	85,915	63,630
Tax (30%)	38,506	35,209	31,004	25,774	19,089
Profit After Tax	89,848	82,154	72,343	60,140	44,541

HANSPAUL INDUSTRIES LTD**PROJECTED BALANCE SHEET**

	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
<u>Fixed Assets</u>					
Long-term Assets	1,248,070	1,223,109	1,198,147	1,173,186	1,148,224
Depreciation	24,961	24,961	24,961	24,961	24,961
Total Long-term Assets	1,223,109	1,198,147	1,173,186	1,148,224	1,123,263
<u>Current Assets</u>					
Cash	2,381,576	2,199,620	1,988,529	1,755,242	1,530,232
Accounts Receivable	12,000	37,800	39,690	41,675	43,758
Inventory	12,000	21,420	22,491	23,616	24,796
Total Current Assets	2,405,576	2,258,840	2,050,710	1,820,532	1,598,787
Total Assets	3,628,685	3,456,988	3,223,895	2,968,756	2,722,050
<u>Current Liabilities</u>					
Accounts Payable	1,186,766	1,126,315	932,300	847,115	510,437
Other Current Liabilities	1,077,000	883,600	772,180	542,085	587,516
Subtotal Current Liabilities	2,263,766	2,009,915	1,704,480	1,389,200	1,097,953
<u>Long-term Liabilities</u>					
Long-term Liabilities	994,555	994,555	994,555	994,555	994,555
Total Liabilities	3,258,321	3,004,470	2,699,035	2,383,755	2,092,508
Net Assets	370,364	452,518	524,861	585,002	629,542
<u>Capital and Reserves</u>					
Owners Contribution	280,515	280,515	280,515	280,515	280,515
Retained Earnings	89,848	172,003	244,345	304,486	349,027
Total Capital	370,364	452,518	524,861	585,001	629,542

HANSPAUL INDUSTRIES LTD

PROJECTED CASHFLOW

	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
CASHFLOW FROM OPERATIONS					
Cash Sales	720,000	756,000	793,800	833,490	875,165
VAT Receipt	240,000	252,000	264,600	277,830	291,722
Subtotal Cash Received	960,000	1,008,000	1,058,400	1,111,320	1,166,886
Expenditures from Operations:					
Purchases	432,000	453,600	476,280	488,981	466,754
Additional Cash Spent	566,684	613,676	665,492	722,614	786,573
VAT payments	96,000	100,800	105,840	111,132	116,689
Interest expense	21,880	21,880	21,880	21,880	21,880
Subtotal Cash payment	1,116,564	1,189,956	1,269,492	1,344,607	1,391,896
CASH FROM OPERATIONS	- 156,564	- 181,956	- 211,092	- 233,287	- 225,010
CASH FLOW FROM INVESTMENTS:					
Purchase of Assets	1,248,070				
Pre expenses	15,000				
CASH FLOW FROM INVESTMENTS:	1,263,070	-	-	-	-
CASH FLOW FROM FINANCING:					
Bank loan	994,555				
Owners Equity Contribution	280,515				
CASH FLOW FROM FINANCING	1,275,070	-	-	-	-
NET CASHFLOW FOR PERIOD	2,381,576	181,956	211,092	233,287	225,010
CASHFLOW AT START OF YEAR	-	2,381,576	2,199,620	1,988,529	1,755,242
CASHFLOW AT THE END OF YEAR	2,381,576	2,199,620	1,988,529	1,755,242	1,530,231

HANSPAUL INDUSTRIES LTD SCHEDULES AND TABLES

SCHEDULE 1

REVENUE PROJECTION

PRODUCTS	YEARS				
	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
SALES	1,200,000	1,260,000	1,323,000	1,389,150	1,458,608
	1,200,000	1,260,000	1,323,000	1,389,150	1,458,608

SCHEDULE 2

OTHER OPERATING COST

OTHER OPERATING COST	YEARS				
	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Motor vehicle running expenses	26,400	29,040	31,944	35,138	38,652
Salaries and wages	294,000	323,400	355,740	391,314	430,445
Depreciation	24,961	24,961	24,961	24,961	24,961
Administrative Overhead Costs:	36,000	39,600	43,560	47,916	52,708
Marketing Costs	24,000	26,400	29,040	31,944	35,138
Utility costs	84,000	92,400	101,640	111,804	122,984
Insurance	62,404	61,155	59,907	58,659	57,411
Communication	18,000	19,800	21,780	23,958	26,354
Interest Expense	21,880	21,880	21,880	21,880	21,880
Total costs	569,765	616,757	668,573	725,695	788,654

SCHEDULE 3

COST STRUCTURE

PARTICULAR	AMOUNT USD
Land and Buildings	541,547
Machinery & Equipment	478,761
Motor Vehicles	227,762
Furniture & Fixtures	0
Pre exp	15,000
Others	12,000
Working Capital	0
TOTAL	1,275,070

SCHEDULE 4

FIXED ASSETS SCHEDULE

NAME OF ASSETS	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Land and Buildings	541,547	530,716	519,885	509,054	498,223
Machinery, tools & Equipment	478,761	469,186	459,611	450,035	440,460
Motor Vehicles	227,762	223,207	218,652	214,096	209,541
Furniture & Fixtures	0	-	-	-	-
TOTAL	1,248,070	1,223,109	1,198,147	1,173,186	1,148,224
DEPRECIATION	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Land and Buildings	10,831	10,831	10,831	10,831	10,831
Machinery, tools & Equipment	9,575	9,575	9,575	9,575	9,575
Motor Vehicles	4,555	4,555	4,555	4,555	4,555
Furniture & Fixtures	-	-	-	-	-
ANNUAL DEPRECIATION	24,961	24,961	24,961	24,961	24,961
CLOSING FIXED ASSETS	1,223,109	1,198,147	1,173,186	1,148,224	1,123,263

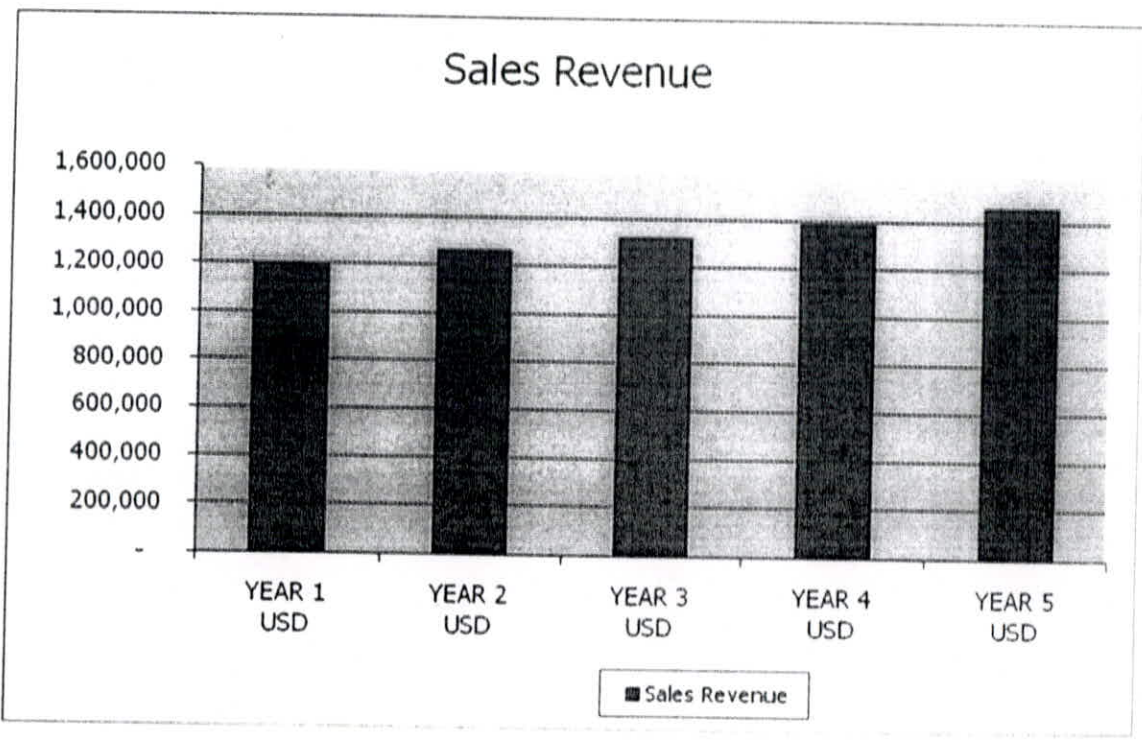
SCHEDULE 5

SALARIES & WAGES

NO	EMPLOYEE DESIGNATION	NO.	SALARY PER MONTH	SUBTOTAL MONTHLY SALARY	ANNUAL GROSS SALARY
1	Managing Director	1	3000	3000	36,000
2	Production Manager	1	2000	2000	24,000
3	Finance and Administration Manager	1	2000	2000	24,000
4	Marketing Manager	1	2000	2000	24,000
5	Production Supervisor	1	1000	1000	12,000
6	Other officers	2	1000	2000	24,000
7	Machine Operators & Technicians	15	500	7500	90,000
8	Drivers	12	300	3600	43,200
9	Secretary	2	500	1000	12,000
10	Security Guards	2	200	400	4,800
TOTAL USD \$			12,500	24,500	294,000

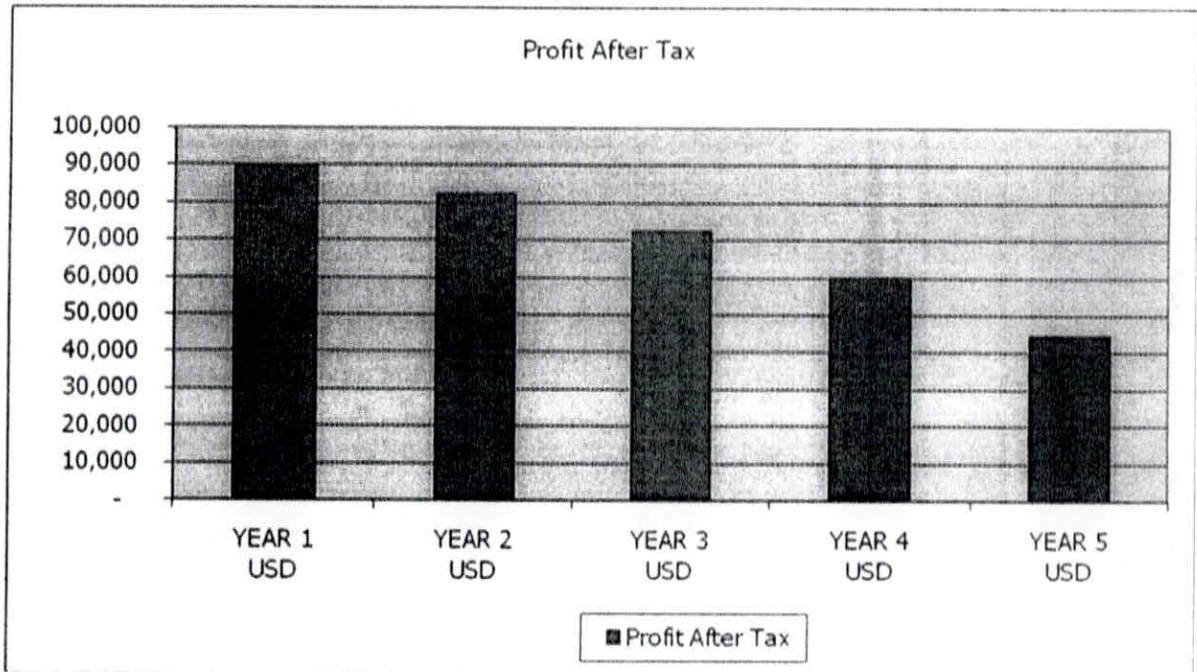
REVENUE PROJECTION

	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Sales Revenue	1,200,000	1,260,000	1,323,000	1,389,150	1,458,608



PROFIT PROJECTION

	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Profit After Tax	89,848	82,154	72,343	60,140	44,541



CASH FLOW PROJECTION

	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
CASH FLOW AT THE END OF THE YEAR	2,381,576	2,199,620	1,988,529	1,755,242	1,530,231

