

1.0

EXD

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

(a) Minimum finance investment threshold has been exceeded, the project expects to invest US\$ 5 = 106 m

(b) Legal entity has been incorporated under certificate

No. 64941 of 03/04/2008

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

Submitted for signature.

N. A. Senzia

DIF

11th March 2009

2.0

EXD

In response to the TIC letter of registration dated 11th March 2009

the project has submitted the required documents namely: -

(a) Company Board Resolution

(b) Reference letter/Financing from Barclays Bank LTD

(c) Lease Agreement in evidence of land

With the above submission EXD is requested to sign Certificate of Incentives 04/16 59 herein attached.

18/05/2011

3.0

As Exd

Certificate of membership has been amended as per folio 12 and is hereby submitted for your signature

20/07/2012

[Signature]

4.

As DIF

Re: Fo 17

DIF

I hereby submit a brief project visit report for Bansal steel Rolling Mill Limited.

5.

Hibanki / Chove (AO)

~~Ag. DIF~~

TP
17/2014

Refer F. 17. Report was reviewed. Does the investor pay 10% facilitation fee to TIC? Chove (AO) include in Aftercare Database.

[Signature]

Ag. DIF

02/07/2014

6.

Kelundi / Chove Ref. M. 5

The said investor is owning certificate of right of occupancy and ^{not} derivative, therefore is not entitled to pay facilitation fees to TIC.

~~Ag. DIF~~

TP
22/07/2014

10

TICC/PP.10/041659/10

25/08/2011

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

Dear Sir,

**RE: DUTY/ VAT REMISSIONS ON CAPITAL/ DEEMED CAPITAL
GOODS – CERTIFICATE OF INCENTIVES No: 041659**

M/S Bansal Steel Rolling Mill Limited is a TIC registered company with certificate of incentives **No. 041659** which is valid up to **February 2012**

The company has been registered with objectives of establishing Steel Rolling Mill.

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

Yours sincerely
TANZANIA INVESTMENT CENTRE



N.A. Senzia
FOR: EXECUTIVE DIRECTOR



BANSAL STEEL ROLLING MILLS LTD.



QUALITY THROUGH TECHNOLOGY
Manufactures of T.M.T. Bars, Quality Angles, Flats, Window Sections

9

August 18, 2011

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

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



Dear Sir,

RE: APPLICATION FOR IMPORT DUTY & VAT EXEMPTION ON CAPITAL GOODS FOR STEEL ROLLING MILL PLANT IN ARUSHA
CERTIFICATE OF INCENTIVES No. 041659 dated 18th MAY 2011

Kindly refer to the above subject.

Our Company is investing in Tanzania in establishment of a steel rolling mill plant project in Arusha Region under the auspices of Tanzania Investment Centre.

We present herewith our application for approval of import duty and VAT exemption for building materials and plant & machinery required for the steel rolling mill plant capital goods required for our investment project.

Our project envisages the establishment of a modern steel rolling mill project by acquiring state of the art drilling machinery and equipment with an estimated investment of US Dollars 5.106 million over a three year period.

The establishment of our project will generate 225 new employment opportunities, and will contribute to government revenue in terms of taxes.

We shall be grateful if you will kindly grant your approval of capital goods required for our project to enable us proceed with our investment Project.

Thanking you in anticipation,
Yours faithfully,

BANSAL STEEL ROLLING MILL LIMITED

.....
DIRECTOR



MATCONSULT (T) LTD

Consulting Engineers & Planners, Logistics, Business and Environmental consultants

P.O. Box 1838,
Arusha.
Tanzania.

Tel: +255 732 971418 / 19
Cell: +255 784 290566
E-mail: matconsult2007@yahoo.com

Ref. No. MAT/26/2011/BT

Date: 27th APR 2011

Dear Sir/Madam

**RE; PROPOSED CONSTRUCTION OF SHED FOR BANSAL STEEL ROLLING
MILL -KISONGO**

Kindly allow this letter to serve as confirmation that, the attached document Titled Bills of Quantities and list of materials for the work above are accurate reflection of materials required for the said shed building.


.....

Yours truly.

Eng Zuberi Abdallah.

BILL OF QUANTITY FOR BANSAL STEEL ROLLING MILL SHED AT KISONGO

S/No.	MATERIAL	QUANTITY	PRICE	TOTAL PRICE
1	I BEAM 406 X 178 X 12M LONG	80pcs	1,570,000.00	125,600,000.00
2	I BEAM 200 X 100 X 12M LONG	70pcs	1,275,000.00	89,250,000.00
3	ANGLES 100 X 100 3MM X 6M LONG	100pcs	125,000.00	12,500,000.00
4	Z PERLIN 150 X 50 X 2MM X 6M LONG	800pcs	65,000.00	52,000,000.00
5	M.S PLATES 8' X 4' X 12MM	12pcs	635,000.00	7,620,000.00
6	M.S PLATES 8' X 4' X 10MM	15pcs	540,000.00	8,100,000.00
7	M.S PLATES 8' X 4' X 2MM	120pcs	102,000.00	12,240,000.00
8	M.S PLATES 8' X 4' X 6MM	10pcs	292,000.00	2,920,000.00
9	BLACK PIPE B CLASS 3"	40pcs	135,000.00	5,400,000.00
10	ANGLES 50 X 50 X 6MM	40pcs	55,000.00	2,200,000.00
11	CHANELS 100 X 50MM	70pcs	127,000.00	8,890,000.00
12	BOLT & NUTS 12MM X 40MM	800kg	9,000.00	7,200,000.00
13	BOLT & NUTS 18MM X 50MM	250kg	9,000.00	2,250,000.00
14	BOLT & NUTS 25MM X 50MM	150kg	9,000.00	1,350,000.00
15	FLAT WACHER 12MM	1000pcs	9,000.00	9,000,000.00
16	SELF DRILLING SCREWS	6000pcs	350.00	2,100,000.00
17	1/2" NUTS 1" NUTS	200kg	9,000.00	1,800,000.00
18	J.HOOK WITHCESS WASHER 3 1/2"	800pcs	450.00	360,000.00
19	P.V.C PIPES 6"	30pcs	95,000.00	2,850,000.00
20	P.V.C PIPES 8"	15pcs	135,000.00	2,025,000.00
21	FLATBARS 30 X 3MM	30pcs	8,500.00	255,000.00
22	HOLLOW SECTION 50 X 50 X 2.5MM	40pcs	45,000.00	1,800,000.00
23	WELDING RODS	1500kg	2,200.00	3,300,000.00
24	RED OXIDE 4LTRS	50Tons	19,800.00	990,000.00
25	SOLVENT	50ltrs	19,800.00	990,000.00
26	GREY OLI PAINT	100ltrs	21,800.00	2,180,000.00
27	ROOFING SHEETS IT5 8M LONG	500pcs	110,000.00	55,000,000.00
28	ROOFING SHEETS IT5 2M LONG	600pcs	27,300.00	16,380,000.00
29	ROOFING SHEETS IT5 3M LONG	120pcs	41,000.00	4,920,000.00
30	ROOFING SHEETS IT5 4M LONG	150pcs	54,600.00	8,190,000.00
31	IT5 ROOFING SHEET 6.6M	100pcs	90,100.00	9,010,000.00
32	IT5 ROOFING SHEET 4.5M	100pcs	61,500.00	6,150,000.00
33	RIDGES 2.44M LONG	100pcs	11,000.00	1,100,000.00
	TOTAL VALUE INCLUSIVE VAT 18%			465,920,000.00

ENGINEERS REGISTRATION BOARD TANZANIA
MATconsult (T) LTD.
 P. O. Box 1838 — ARUSHA *Atidimmo*
 Registered Engineering Consulting Firm
 No. 099
 (Civil / Structural)

BANSAL STEEL ROLLING MILL LIMITED
Exemption List

Bansal Steel Rolling Mill Limited

*P. O. Box 193,
Arusha,
Tanzania.*

Summary Of Material Requirements For Investment in Establishment of a Steel Rolling Mill in Arusha Region
Tanzania Investment Centre Certificate Of Incentives
Certificate of Incentives number 041659 issued on 18th May 2011

ITEM NO	ITEM NAME	UNIT OF MEASUREMENT	QTY	ITEM GROUP	ITEM PRICE	TIN	EXEMPTION REFERENCE NO	EXEMPT DATE
A	CONSTRUCTION							
A.1	Steel Mill Foundation, Office Block & Staff Housing	Bills of Quantities				106-646-775		
A.1.1	Rope	Roll	5	Building		106-646-775		
A.1.2	Hoe	Pcs	20	Building		106-646-775		
A.1.3	Digging tools	Pcs	30	Building		106-646-775		
A.1.4	Wire nails	Kgs	150	Building		106-646-775		
A.1.5	Wheel barrow	Pcs	20	Building		106-646-775		
A.1.6	Selected earth materials	cubic metres	100	Building		106-646-775		
A.1.7	Hardcore	cubic metres	160	Building		106-646-775		
A.1.8	Murram	cubic metres	160	Building		106-646-775		
A.1.9	Gladiator solution	Litres	240	Building		106-646-775		
A.1.10	DPC / DPM	metres	1,200	Building		106-646-775		
A.1.11	Course aggregate	cubic metres	1,200	Building		106-646-775		
A.1.12	Fine aggregate	cubic metres	1,500	Building		106-646-775		
A.1.13	Cement	bags	6,260	Building		106-646-775		
A.1.14	Reinforcement bar Y12	Kgs	29,650	Building		106-646-775		
A.1.15	Reinforcement bar Y8	Kgs	12,500	Building		106-646-775		
A.1.16	Timber for formwork	metres	6,120	Building		106-646-775		
A.1.17	Concrete block	Pcs	60,440	Building		106-646-775		
A.1.18	Binding wire	Kgs	300	Building		106-646-775		
A.1.19	Wire nails	Kgs	300	Building		106-646-775		
A.1.20	Steel measuring / tape	Pcs	50	Building		106-646-775		
A.1.21	Pipe level	Pcs	100	Building		106-646-775		
A.1.22	Bituminous paint	Tins	200	Building		106-646-775		
A.1.23	Brushes	Pcs	100	Building		106-646-775		
A.1.24	Steel trowel	Pcs	50	Building		106-646-775		
A.1.25	Bush poles	Pcs	3,800	Building		106-646-775		
A.1.26	Steel Iron Dishes	Pcs	100	Building		106-646-775		
A.1.27	Spade	Pcs	300	Building		106-646-775		
A.1.28	Markin pins	Pcs	1,500	Building		106-646-775		
A.1.29	Water Pipe	Roll	10	Building		106-646-775		

BANSAL STEEL ROLLING MILL LIMITED
Exemption List

A.1.30	Water Tanks (Sirtank) 10,000 litres	Pcs	10	Building	106-646-775	
A.1.31	Square	Pcs	30	Building	106-646-775	
A.1.32	Emulsion Paint	Buckets	100	Building	106-646-775	
A.1.33	Oil Paint	Buckets	50	Building	106-646-775	
A.1.34	Harvey Tiles	Sq metres	600	Building	106-646-775	
A.1.35	Alluminium Glass	Sq metres	300	Building	106-646-775	
A.1.36	Handwash Basins	Pcs	15	Building	106-646-775	
A.1.37	WC Toilets	Pcs	20	Building	106-646-775	
A.1.38	Shower Basin	Pcs	7	Building	106-646-775	
A.2	PRE-FABRICATED STEEL ROLLING MILL SHED consisting of:					
A.2.1	1 BEAM 406 X 178 X 12M LONG	Pcs	80	Building	106-646-775	
A.2.2	1 BEAM 200 X 100 X 12M LONG	Pcs	70	Building	106-646-775	
A.2.3	ANGLES 100 X 100 3MM X 6M LONG	Pcs	100	Building	106-646-775	
A.2.4	Z PERLIN 150 X 50 X 2MM X 6M LONG	Pcs	800	Building	106-646-775	
A.2.5	M.S PLATES 8'X 4'X 12MM	Pcs	12	Building	106-646-775	
A.2.6	M.S PLATES 8X 4X 10MM	Pcs	15	Building	106-646-775	
A.2.7	M.S PLATES 8X 4'X 2MM	Pcs	120	Building	106-646-775	
A.2.8	M.S PLATES 8X 4'X 6MM	Pcs	10	Building	106-646-775	
A.2.9	BLACK PIPE B CLASS 311	Pcs	40	Building	106-646-775	
A.2.10	ANGLES 50 X 50 X 6MM	Pcs	40	Building	106-646-775	
A.2.11	CHANELS 100 X 50MM	Pcs	70	Building	106-646-775	
A.2.12	BOLT & NUTS 12MM X 40MM	Kgs	800	Building	106-646-775	
A.2.13	BOLT & NUTS 18MM X 50MM	Kgs	250	Building	106-646-775	
A.2.14	BOLT & NUTS 25MM X 50MM	Kgs	150	Building	106-646-775	
A.2.15	FLAT WACHER 12MM	Pcs	1,000	Building	106-646-775	
A.2.16	SELF DRILLING SCREWS	Pcs	6,000	Building	106-646-775	
A.2.17	1/2" NUTS 1" NUTS	Kgs	200	Building	106-646-775	
A.2.18	J.HOOK WITHCESS WASHER 3 1/2"	Pcs	800	Building	106-646-775	
A.2.19	P.V.O PIPES 611	Pcs	30	Building	106-646-775	
A.2.20	P.V.O PIPES goo	Pcs	15	Building	106-646-775	
A.2.21	FLATBARS, 30 X 3MM	Pcs	30	Building	106-646-775	
A.2.22	HOLLOW SECTION 50 X 50 X 2.5MM	Pcs	40	Building	106-646-775	
A.2.23	WELDING RODS	Kgs	1,500	Building	106-646-775	
A.2.24	RED OXIDE 4LTRS	Tins	50	Building	106-646-775	
A.2.25	SOLVENT	Litres	50	Building	106-646-775	
A.2.26	GREY OIL PAINT	litres	100	Building	106-646-775	
A.2.27	ROOFING SHEETS IT5 8M LONG	Pcs	500	Building	106-646-775	
A.2.28	ROOFING SHEETS IT5 2M LONG	Pcs	600	Building	106-646-775	
A.2.29	ROOFING SHEETS IT5 3M LONG	Pcs	120	Building	106-646-775	
A.2.30	ROOFING SHEETS IT5 4M LONG	Pcs	150	Building	106-646-775	
A.2.31	IT5 ROOFING SHEET 6.6M	Pcs	100	Building	106-646-775	
A.2.32	IT5 ROOFING SHEET 4.5M	Pcs	100	Building	106-646-775	
A.2.33	RIDGES 2.44M LONG	Pcs	100	Building	106-646-775	

BANSAL STEEL ROLLING MILL LIMITED
Exemption List

B:	COMPLETE STEEL ROLLING MILL PLANT consisting of:						
B.1	14" ROUGHING MILL WITH ACCESSORIES AND DRIVE MOTORS & PANELS	Complete Unit	1	Machinery	106-646-775		
B.2	10" FINISHING MILL WITH ACCESSORIES & DRIVE MOTORS & PANELS		1	Machinery	106-646-775		
B.3	MAINTENANCE MACHINERY FOR STEEL MILL CONSISTING OF:						
B.3.1	Lathe Machine 14'	Pcs	2	Equipment	106-646-775		
B.3.2	Lathe Machine 12'	Pcs	1	Equipment	106-646-775		
B.3.3	Lathe Machine 10'	Pcs	1	Equipment	106-646-775		
B.3.4	Lathe Machine 08'	Pcs	1	Equipment	106-646-775		
B.3.5	Shaping Machine	Pcs	1	Equipment	106-646-775		
B.3.6	Radial Drill Machine	Pcs	2	Equipment	106-646-775		
B.3.7	Welding Set	Pcs	6	Equipment	106-646-775		
B.3.8	Hydraulic Press	Pcs	1	Equipment	106-646-775		
B.4	ELECTRICAL CONTROL PANELS & ACCESSORIES FOR STEEL PLANT	Complete Unit	1	Machinery	106-646-775		
B.5	REHEATING FURNACE FOR INGOTS	Complete Unit	1	Machinery	106-646-775		
B.6	FLOOR PLATES / GIRDERS	Complete Unit	1	Machinery	106-646-775		
B.7	SECTION STRAIGHTENING MACHINE	Complete Unit	1	Machinery	106-646-775		
B.8	CONCRETE MIXTURE (DALA TYPE)	Unit	1	Equipment	106-646-775		
B.9	DUMPER / IRON TROLLEY	Unit	2	Equipment	106-646-775		
B.10	GENERATOR ENGINE	Unit	2	Equipment	106-646-775		
B.11	6-Tonne INDUCTION FURNACE	Unit	1	Machinery	106-646-775		
B.12	GENERATOR 85 KW.A	Unit	2	Equipment	106-646-775		
B.13	SUBMERSIBLE PUMP	Unit	2	Equipment	106-646-775		
B.14	WEIGH BRIDGE	Unit	2	Equipment	106-646-775		
B.15	AIR COMPRESSOR	Unit	3	Equipment	106-646-775		
B.16	BATTERY CHARGER	Unit	2	Equipment	106-646-775		
C	MOTOR VEHICLES						
C.1	10-tonne E.O.T. CRANES	Pcs	2	Vehicles	106-646-775		
C.2	Staff Transport Vans	Pcs	5	Vehicles	106-646-775		
C.3	Dumper Trucks for Scrap Metal	Pcs	5	Vehicles	106-646-775		
C.4	Trucks	Pcs	10	Vehicles	106-646-775		
C.5	Trailers	Pcs	10	Vehicles	106-646-775		
C.6	3-Tonne Pick up vehicles	Pcs	5	Vehicles	106-646-775		

BANSAL STEEL ROLLING MILL LIMITED
Exemption List

Bansal Steel Rolling Mill Limited

P. O. Box 193.

Arusha.

Tanzania.

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BANSAL STEEL ROLLING MILL LIMITED
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A.2.17	1/2" NUTS 1" NUTS	Kgs	200	Building	106-646-775		
A.2.18	J.HOOK WITHCESS WASHER 3 1/211	Pcs	800	Building	106-646-775		
A.2.19	P.V.0 PIPES 611	Pcs	30	Building	106-646-775		
A.2.20	P.V.0 PIPES 900	Pcs	15	Building	106-646-775		
A.2.21	FLATBARS, 30 X 3MM	Pcs	30	Building	106-646-775		
A.2.22	HOLLOW SECTION 50 X 50 X 2.5MM	Pcs	40	Building	106-646-775		
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BANSAL STEEL ROLLING MILL LIMITED
Exemption List

B:	COMPLETE STEEL ROLLING MILL PLANT consisting of:						
B.1	14" ROUGHING MILL WITH ACCESSORIES AND DRIVE MOTORS & PANELS	Complete Unit	1	Machinery	106-646-775		
B.2	10" FINISHING MILL WITH ACCESSORIES & DRIVE MOTORS & PANELS		1	Machinery	106-646-775		
B.3	MAINTENANCE MACHINERY FOR STEEL MILL CONSISTING OF:						
B.3.1	Lathe Machine 14'	Pcs	2	Equipment	106-646-775		
B.3.2	Lathe Machine 12'	Pcs	1	Equipment	106-646-775		
B.3.3	Lathe Machine 10'	Pcs	1	Equipment	106-646-775		
B.3.4	Lathe Machine 08'	Pcs	1	Equipment	106-646-775		
B.3.5	Shaping Machine	Pcs	1	Equipment	106-646-775		
B.3.6	Radial Drill Machine	Pcs	2	Equipment	106-646-775		
B.3.7	Welding Set	Pcs	6	Equipment	106-646-775		
B.3.8	Hydraulic Press	Pcs	1	Equipment	106-646-775		
B.4	ELECTRICAL CONTROL PANELS & ACCESSORIES FOR STEEL PLANT	Complete Unit	1	Machinery	106-646-775		
B.5	REHEATING FURNACE FOR INGOTS	Complete Unit	1	Machinery	106-646-775		
B.6	FLOOR PLATES / GIRDERS	Complete Unit	1	Machinery	106-646-775		
B.7	SECTION STRAIGHTENING MACHINE	Complete Unit	1	Machinery	106-646-775		
B.8	CONCRETE MIXTURE (DALA TYPE)	Unit	1	Equipment	106-646-775		
B.9	DUMPER / IRON TROLLEY	Unit	2	Equipment	106-646-775		
B.10	GENERATOR ENGINE	Unit	2	Equipment	106-646-775		
B.11	6-Tonne INDUCTION FURNACE	Unit	1	Machinery	106-646-775		
B.12	GENERATOR 85 KW.A	Unit	2	Equipment	106-646-775		
B.13	SUBMERSIBLE PUMP	Unit	2	Equipment	106-646-775		
B.14	WEIGH BRIDGE	Unit	2	Equipment	106-646-775		
B.15	AIR COMPRESSOR	Unit	3	Equipment	106-646-775		
B.16	BATTERY CHARGER	Unit	2	Equipment	106-646-775		
C	MOTOR VEHICLES						
C.1	10-tonne E.O.T. CRANES	Pcs	2	Vehicles	106-646-775		
C.2	Staff Transport Vans	Pcs	5	Vehicles	106-646-775		
C.3	Dumper Trucks for Scrap Metal	Pcs	5	Vehicles	106-646-775		
C.4	Trucks	Pcs	10	Vehicles	106-646-775		
C.5	Trailers	Pcs	10	Vehicles	106-646-775		
C.6	3-Tonne Pick up vehicles	Pcs	5	Vehicles	106-646-775		



REF. NO. BSRM/2011-12/0255

DATED: _____

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



PROGRESS REPORT M/S. BANSAL STEEL ROLLING MILLS LTD, FOR THE PERIOD MARCH 2010 - APRIL 2012

INTRODUCTION

M/s. BANSAL STEEL ROLLING MILL LTD is a legally recognized business entity that is registered in Tanzania for the specific purpose of erecting a Steel Rolling Mill Plant.

M/s. BANSAL STEEL ROLLING MILL LTD is registered by BRELA under the Companies' Act holds Certificate of Incorporation No. 64941 dated 3rd April 2008; the Company also holds the Tanzania Investment Centre Certificate of Incentives No. 041659 issued on 18th May 2011 whose expiry is within a few weeks.

1. PLANNED ACTIVITIES:

As per the Business plan submitted to TIC in respect of which TIC Certificate of Incentives No. 041659 was issued the project promoters were supposed to construct, equip and finish their proposed steel rolling mill plant located at Kisongo by end of April 2012. All the various investment aspects of this project were initially estimated to cost US \$ 2,988,485 as shown below.

Sr. No.	ITEM	Foreign (US\$.)
1.	Land & Building	724,500.00
2.	Plant & Machinery	1,799,850.00
3.	Plant & Machinery Installation	160,335.00
4.	Working Capital	270,000.00
5.	Pre-Operational Expenses	33,800.00
	TOTAL	2,988,485.00

The project was supposed to put up a Steel rolling mill plant with an induction melting furnace for the specific purpose of producing sections and round angles, channels, hollow sections, flats, bars, and rounds of various sizes according to market demand.



2. **ACHIEVEMENTS ON THE PROJECT IMPLEMENTATION TODATE:**

Management of BSRML is happy to report that some noticeable works have been satisfactorily carried out at the project site; this includes Electric Line, Approachable road to mill plant, mostly civil works with respect to the laying of foundation for the roughing mill, finishing mill; re-heating furnace; induction melting furnace; shed foundation ; the electric panels' room and floor of the rolling mill. These civil works are at different stage of implementation

3. **PROJECT FINANCIAL EXPENDITURE:**

Below is the exact position of the project implementation as of to date:

Sr. No.	ITEM	PLANNED (IN USS.)	ACTUAL (IN USS.)	PENDING (IN USS.)
1.	Land & Building	724,500.00	411,334.00	313,166.00
2.	Plant & Machinery	1,799,850.00	312,625.00	1,487,225.00
3.	Plant & Machinery Installation	160,335.00	--	160,335.00
4.	Working Capital	270,000.00	--	270,000.00
5.	Pre-Operational Expenses	33,800.00	13,341.00	20,459.00
	G.TOTAL	2,988,485.00	737,300.00	2,251,185.00

From the above table it is easily noted that up to now US \$ 737,300.00 or 25% (approx.) of the planned initial investment that has actually been invested.

4. **PROJECT FINANCING**

The entire investment amount of US \$ 2,988,485 was originally planned to come from two sources: project promoters' own funds and bank loans. So far only internal funds have been used, while loan funding is expected for the remaining works.

The project's major loan provider is Exim Bank (T) Ltd Dar-Es-Salaam that is going to provide US \$ 1.4 million that will be used both as working capital and for procuring the required plant machineries from Indian Manufacturers.

5. **PROBLEMS AND SOLUTIONS:**

It is normal for any business for the responsible people to encounter problems in the course of conducting it; however, it is very gratifying to note that so far M/s. Bansal Steel Rolling Mills Ltd has not yet encountered any major operational problem; so far things are going on smoothly.

6. **FUTURE PLANS:**

The management of M/s. Bansal Steel Rolling Mills Ltd currently is all tuned and geared towards accomplishing their steel rolling mill by undertaking the remaining aspects which consists of procuring and installing the necessary machines for the eventual operation of the project.

The planned operating strategy is to reach at least 85% of installed operating production capacity in the initial five years. It is expected that Ms Bansal Steel Rolling Mills Ltd, BSRM, will start with 50% capacity utilization in year one and this will be increasing gradually as years go on till it somehow stabilizes at 85% from the 5th year onwards.

7. **RECOMMENDATION**

The current Certificate of Incentives held by the Company is expiring end April 30th 2012 which is only a month away. It is due to this fact that Management of Bansal Steel Rolling Mills Ltd is requesting for the extension of its Certificate of Incentives to enable them bring their investment to full completion. Therefore TIC and TRA, and other investor facilitators are keenly asked to provide the required assistance and facilitation.

8. **ATTACHMENTS:**

The following documents and pictures are being attached that show our endeavors in the implementation of our Steel Rolling Mill Plant:

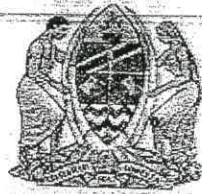
- 8.1 Copy of **TIC Certificate of Incentives No. 041659**
- 8.2 Copy of **Certificate of Incorporation No. 64941** dated 3rd April 2008
- 8.3 Sample pictures of the various project works done up to now.

Yours truly,

For BANSAL STEEL ROLLING MILL LIMITED


(TEJINDER SINGH BANSAL)
DIRECTOR

TANZANIA



Certificate of Incorporation

Section 15

No **64941**

I HEREBY CERTIFY THAT


BANSAL STEEL ROLLING MILL LIMITED ===

is this day incorporated under the Companies Act, 2002 and that the Company is Limited.

Given under my hand at Dar es salaam

this **3RD** day of **APRIL**

TWO THOUSAND AND EIGHT


Asst. Registrar of Companies



Nº 00217659

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

041659

No:

This is to certify that

.....
BANSAL STEEL ROLLING MILL LIMITED
.....

.....
of address P.O. BOX 193

ARUSHA
.....

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

BANSAL STEEL ROLLING MILL LIMITED

.....
KISONGO - ARUSHA

Which is located at

.....
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 18TH MAY 2011



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 (%) |
|------------------------|-------------|------------------|
| Balvinder Singh Bansal | Tanzanian | 30 |
| Tajinder Singh Bansal | Tanzanian | 30 |
| Amarjit Kaur Bansal | Tanzanian | 30 |
| Gurmail Singh Panasar | Tanzanian | 10 |
2. Proposed Activities : To establish steel Rolling Mill
3. Sector: Manufacturing Subsector Steel Manufacturer
4. Investment cost: Foreign USD 0.500m. Local USD 4.606m. Total USD 5.106m
5. Project Financing: Equity USD 3.106m. Loans USD 2.0m. Total USD 5.106m.
6. Source, terms and conditions of loan
7. Assets to be invested:
- | Capital items: | Foreign | Local | Total |
|----------------|-------------|-------------|------------|
| | USD 0.500m. | USD 4.606m. | USD 5.106m |
8. Technology Agreement None
9. Date of TIC Registration: 11th March 2009
10. Implementation period March 2009 - February 2012
11. Operative date March 2012
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997 And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997
- (i) Applicable Import Duty As per Income Tax Act, 2004 (as amended)
 - (ii) Applicable with-holding Tax As per Income Tax Act, 2004 (as amended)
 - (iii) Eligibility of Capital Allowances As per Income Tax Act, 2004 (as amended)
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
- (i) Date of Commencement of investment has to be notified to the Centre.
 - (ii) Certificate not to be transferred, assigned or amended
 - (iii) Failure to commence implementation within two years invalidates Certificate
 - (iv) Failure to operate investment must be notified to the Centre
 - (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre
15. Additional conditions attached to Certificate
Finished goods are not allowed under this Certificate

Signed 
Executive Director











THE UNITED REPUBLIC OF TANZANIA

00218667

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

THIS CERTIFICATE REPLACE
EXTENDS THE PREVIOUS ONE

AMENDMENT ON SECTIONS 10&11
HAVE BEEN EFFECTED

NO. 041659 ISSUED ON No: 041659

This is to certify that

BANSAL STEEL ROLLING MILL LIMITED

P.O. BOX 193

of address

ARUSHA

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

BANSAL STEEL ROLLING MILL LIMITED

KISONGO - ARUSHA

Which is located at

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

Ag. Executive Director

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

Dated20TH APRIL 2012.....



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 (%) |
|------------------------|-------------|------------------|
| Balvinder Singh Bansal | Tanzanian | 30 |
| Tajinder Singh Bansal | Tanzanian | 30 |
| Amarjit Kaur Bansal | Tanzanian | 30 |
| Gurmail Singh Panasar | Tanzanian | 10 |
2. Proposed Activities : **To establish steel Rolling Mill**
3. Sector: **Manufacturing** Subsector **Steel Manufacturer**
4. Investment cost: Foreign **USD 0.500m.** Local **USD 4.606m.** Total **USD 5.106m**
5. Project Financing:
Equity.....**USD 3.106m.** Loans.....**USD 2.0m.** Total.....**USD 5.106m.**
6. Source, terms and conditions of loan.....
7. Assets to be invested:
- | Capital items: | Foreign | Local | Total |
|----------------|--------------------|--------------------|--------------------|
| | USD 0.500m. | USD 4.606m. | USD 5.106m. |
8. Technology Agreement **None**
9. Date of TIC Registration: **11th March 2009**
10. Implementation period **March 2009 - February 2013**
11. Operative date..... **March 2013**
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 
Ag. Executive Director

12

PROJECT FOR EXTENSION OF IMPLEMENTATION PERIOD

Name of the Project:

Bansal Steel Rolling Mill Ltd.

Project Description: Certificate No.: 041659

To establish steel rolling mill

Approval Date:

11th March 2009

Implementation Period Expiry:

March 2009 – February 2012

Number of Previous Extensions:

Nil

Reasons for this Extension:

To complete project implementation program

Recommendations:

I recommend the project implementation period be extended for one year.

Decision:

Approved
A. S. S. S.
19/11/2012



TANZANIA REVENUE AUTHORITY

TRA/CE/C/P.20/8

11th October, 2011

The Managing Director,
M/S Bansal Steel Rolling Mill Limited,
P. O. Box 193,
ARUSHA

Dear Sir/Madam,

**RE: DUTY/VAT EXEMPTION ON CAPITAL/DEEMED CAPITAL GOODS-
CERTIFICATE OF INCENTIVES NO. 041659 OF 18.05.2011 TIN 106-
646-775**

We are writing in response to your letter of 18.08.2011 and letter TICC/PP.10/041659/10 of 25.08.2011 from Tanzania Investment Centre regarding the captioned subject.

We hereby approve and submit **a single-page list** of capital/deemed capital goods for facilitation of the project with the certificate of incentives mentioned above. It is a condition that locally manufactured items are to be purchased locally.

The approved goods will be subject to 0% import duty and VAT relief under the 3rd Schedule to the VAT Act, Cap 148; subject to completion of form VAT 224 duly approved by the Commissioner for Customs and Excise.

Sincerely yours,

Said Athumani

For: COMMISSIONER FOR CUSTOMS AND EXCISE

RLM/-

c.c. Manager - Tax exemptions

c.c. Assistant Regional Manager Customs- Arusha

c.c. Executive Director, Tanzania Investment Centre,
Dar es Salaam

ISO 9001:2000 CERTIFIED
CUSTOMS & EXCISE DEPARTMENT

Sokoine Drive, P.O. Box 9053, Dar es Salaam, Tanzania
Tel: 255-22-2117765 or 255-22-2127783/4/6/8 Fax: 255-22-2138878/2135193

BANSAL STEEL ROLLING MILL LIMITED
Exemption List

Bansal Steel Rolling Mill Limited

P. O. Box 193,

Arusha,

Tanzania.



Summary Of Material Requirements For Investment in Establishment of a Steel Rolling Mill in Arusha Region

Tanzania Investment Centre Certificate Of Incentives

Certificate of Incentives number 041659 issued on 18th May 2011

Approved

ITEM NO	ITEM NAME	UNIT OF MEASUREMENT	QTY	ITEM GROUP	ITEM PRICE	TIN	EXEMPTION REFERENCE NO	EXEMPT DATE
A	CONSTRUCTION							
A.1	Steel Mill Foundation, Office Block & Staff Housing	Bills of Quantities				106-646-775		
A.1.1	Rope	Roll	5	Building		106-646-775		
A.1.2	Hoe	Pcs	20	Building		106-646-775		
A.1.3	Digging tools	Pcs	30	Building		106-646-775		
A.1.4	Wire nails	Kgs	150	Building		106-646-775		
A.1.5	Wheel barrow	Pcs	20	Building		106-646-775		
A.1.6	Selected earth materials	cubic metres	100	Building		106-646-775		
A.1.7	Hardcore	cubic metres	160	Building		106-646-775		
A.1.8	Murram	cubic metres	160	Building		106-646-775		
A.1.9	Gladiator solution	Litres	240	Building		106-646-775		
A.1.10	DPC / DPM	metres	1,200	Building		106-646-775		
A.1.11	Course aggregate	cubic metres	1,200	Building		106-646-775		
A.1.12	Fine aggregate	cubic metres	1,500	Building		106-646-775		
A.1.13	Cement	bags	6,260	Building		106-646-775		
A.1.14	Reinforcement bar Y12	Kgs	29,650	Building		106-646-775		
A.1.15	Reinforcement bar Y8	Kgs	12,500	Building		106-646-775		
A.1.16	Timber for formwork	metres	6,120	Building		106-646-775		
A.1.17	Concrete block	Pcs	60,440	Building		106-646-775		
A.1.18	Binding wire	Kgs	300	Building		106-646-775		
A.1.19	Wire nails	Kgs	300	Building		106-646-775		
A.1.20	Steel measuring / tape	Pcs	50	Building		106-646-775		
A.1.21	Pipe level	Pcs	100	Building		106-646-775		
A.1.22	Bituminous paint	Tins	200	Building		106-646-775		
A.1.23	Brushes	Pcs	100	Building		106-646-775		
A.1.24	Steel trowel	Pcs	50	Building		106-646-775		
A.1.25	Bush poles	Pcs	3,800	Building		106-646-775		
A.1.26	Steel Iron Dishes	Pcs	100	Building		106-646-775		
A.1.27	Spade	Pcs	300	Building		106-646-775		
A.1.28	Markin pins	Pcs	1,500	Building		106-646-775		
A.1.29	Water Pipe	Roll	10	Building		106-646-775		



BANSAL STEEL ROLLING MILL LIMITED
Exemption List

A.1.30	Water Tanks (Simtank) 10,000 litres	Pcs	10	Building	106-646-775
A.1.31	Square	Pcs	30	Building	106-646-775
A.1.32	Emulsion Paint	Buckets	100	Building	106-646-775
A.1.33	Oil Paint	Buckets	50	Building	106-646-775
A.1.34	Harvey Tiles	Sq metres	600	Building	106-646-775
A.1.35	Alluminium Glass	Sq metres	300	Building	106-646-775
A.1.36	Handwash Basins	Pcs	15	Building	106-646-775
A.1.37	WC Toilets	Pcs	20	Building	106-646-775
A.1.38	Shower Basin	Pcs	7	Building	106-646-775
A.2	PRE-FABRICATED STEEL ROLLING MILL SHED consisting of:				
A.2.1	1 BEAM 406 X 178 X 12M LONG	Pcs	80	Building	106-646-775
A.2.2	1 BEAM 200 X 100 X 12M LONG	Pcs	70	Building	106-646-775
A.2.3	ANGLES 100 X 100 3MM X 6M LONG	Pcs	100	Building	106-646-775
A.2.4	Z PERLIN 150 X 50 X 2MM X 6M LONG	Pcs	800	Building	106-646-775
A.2.5	M.S PLATES 8'X 4'X 12MM	Pcs	12	Building	106-646-775
A.2.6	M.S PLATES 8X 4X 10MM	Pcs	15	Building	106-646-775
A.2.7	M.S PLATES 8X 4'X 2MM	Pcs	120	Building	106-646-775
A.2.8	M.S PLATES 8X 4'X 6MM	Pcs	10	Building	106-646-775
A.2.9	BLACK PIPE B CLASS 311	Pcs	40	Building	106-646-775
A.2.10	ANGLES 50 X 50 X 6MM	Pcs	40	Building	106-646-775
A.2.11	CHANELS 100 X 50MM	Pcs	70	Building	106-646-775
A.2.12	BOLT & NUTS 12MM X 40MM	Kgs	800	Building	106-646-775
A.2.13	BOLT & NUTS 18MM X 50MM	Kgs	250	Building	106-646-775
A.2.14	BOLT & NUTS 25MM X 50MM	Kgs	150	Building	106-646-775
A.2.15	FLAT WACHER 12MM	Pcs	1,000	Building	106-646-775
A.2.16	SELF DRILLING SCREWS	Pcs	6,000	Building	106-646-775
A.2.17	1/2" NUTS 1' NUTS	Kgs	200	Building	106-646-775
A.2.18	J.HOOK WITHCESS WASHER 3 1/211	Pcs	800	Building	106-646-775
A.2.19	P.V.0 PIPES 611	Pcs	30	Building	106-646-775
A.2.20	P.V.0 PIPES goo	Pcs	15	Building	106-646-775
A.2.21	FLATBARS, 30 X 3MM	Pcs	30	Building	106-646-775
A.2.22	HOLLOW SECTION 50 X 50 X 2.5MM	Pcs	40	Building	106-646-775
A.2.23	WELDING RODS	Kgs	1,500	Building	106-646-775
A.2.24	RED OXIDE 4LTRS	Tins	50	Building	106-646-775
A.2.25	SOLVENT	Litres	50	Building	106-646-775
A.2.26	GREY OIL PAINT	litres	100	Building	106-646-775
A.2.27	ROOFING SHEETS IT5 8M LONG	Pcs	500	Building	106-646-775
A.2.28	ROOFING SHEETS IT5 2M LONG	Pcs	600	Building	106-646-775
A.2.29	ROOFING SHEETS IT5 3M LONG	Pcs	120	Building	106-646-775
A.2.30	ROOFING SHEETS IT5 4M LONG	Pcs	150	Building	106-646-775
A.2.31	IT5 ROOFING SHEET 6.6M	Pcs	100	Building	106-646-775
A.2.32	IT5 ROOFING SHEET 4.5M	Pcs	100	Building	106-646-775
A.2.33	RIDGES 2.44M LONG	Pcs	100	Building	106-646-775



Approved



BANSAL STEEL ROLLING MILL LIMITED
Exemption List

B:	COMPLETE STEEL ROLLING MILL PLANT consisting of:						
B.1	14" ROUGHING MILL WITH ACCESSORIES AND DRIVE MOTORS & PANELS	Complete Unit	1	Machinery		106-646-775	
B.2	10" FINISHING MILL WITH ACCESSORIES & DRIVE MOTORS & PANELS		1	Machinery		106-646-775	
B.3	MAINTENANCE MACHINERY FOR STEEL MILL CONSISTING OF:						
B.3.1	Lathe Machine 14'	Pcs	2	Equipment		106-646-775	
B.3.2	Lathe Machine 12'	Pcs	1	Equipment		106-646-775	
B.3.3	Lathe Machine 10'	Pcs	1	Equipment		106-646-775	
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B.3.7	Welding Set	Pcs	6	Equipment		106-646-775	
B.3.8	Hydraulic Press	Pcs	1	Equipment		106-646-775	
B.4	ELECTRICAL CONTROL PANELS & ACCESSORIES FOR STEEL PLANT	Complete Unit	1	Machinery		106-646-775	
B.5	REHEATING FURNACE FOR INGOTS	Complete Unit	1	Machinery		106-646-775	
B.6	FLOOR PLATES / GIRDERS	Complete Unit	1	Machinery		106-646-775	
B.7	SECTION STRAIGHTENING MACHINE	Complete Unit	1	Machinery		106-646-775	
B.8	CONCRETE MIXTURE (DALA TYPE)	Unit	1	Equipment		106-646-775	
B.9	DUMPER / IRON TROLLEY	Unit	2	Equipment		106-646-775	
B.10	GENERATOR ENGINE	Unit	2	Equipment		106-646-775	
B.11	6-Tonne INDUCTION FURNACE	Unit	1	Machinery		106-646-775	
B.12	GENERATOR 85 KW.A	Unit	2	Equipment		106-646-775	
B.13	SUBMERSIBLE PUMP	Unit	2	Equipment		106-646-775	
B.14	WEIGH BRIDGE	Unit	2	Equipment		106-646-775	
B.15	AIR COMPRESSOR	Unit	3	Equipment		106-646-775	
B.16	BATTERY CHARGER	Unit	2	Equipment		106-646-775	
C	MOTOR VEHICLES						
C.1	10-tonne E.O.T. CRANES	Pcs	2	Vehicles		106-646-775	
C.2	Staff Transport Vans	Pcs	5	Vehicles		106-646-775	
C.3	Dumper Trucks for Scrap Metal	Pcs	5	Vehicles		106-646-775	
C.4	Trucks	Pcs	10	Vehicles		106-646-775	
C.5	Trailers	Pcs	10	Vehicles		106-646-775	
C.6	3-Tonne Pick up vehicles	Pcs	5	Vehicles		106-646-775	



(16)

TICC/PP.10/041659/16

12/06/2012

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

Dear Sir,

**RE: DUTY AND VAT REMISSIONS ON CAPITAL/ DEEMED
CAPITAL GOODS – CERTIFICATE OF INCENTIVES NO:
041659**

M/S Bansal Steel Rolling Mill Limited is a TIC registered company with certificate of incentives **No. 041659** which is valid up to **February 2013**.

The company has been registered with objectives of establishing steel Rolling Mill.

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

Yours sincerely

TANZANIA INVESTMENT CENTRE


N.A. Senzia

FOR: EXECUTIVE DIRECTOR



BANSAL STEEL ROLLING MILLS LTD.



QUALITY THROUGH TECHNOLOGY
Manufacturers of T.M.T. Bars, Quality Angles, Flats, Window Sections

15

To
The Commissioner For Customs & Excise
Tanzania Revenue Authority
P.O.Box:9053
Dar Es Salaam
Tanzania.

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



31st May 2012

Dear Sir

**Ref: DUTY/VAT EXEMPTION ON CAPITAL/DEEMED CAPITAL GOODS-
CERTIFICATE OF INCENTIVES NO. 041659 OF 20.04.2012 TIN 106- 646-775.**

We would like to inform you that we had a three page approved list of capital/deemed capital goods for the facilitation of the project with the certificate of incentives mentioned above.

On the approved list on page 3 under section B & C, from B1 to C1 we had the approved list of the major components which form the complete steel rolling plant. These components mentioned are very huge and cannot be imported in the assembled form. These items will have to be imported in semi knocked down condition due their size and nature.

So as to avoid any complications in the process of clearance we request to submit to your good office a list which is having all the sub components for these major components. We request for your kind approval for this list to be approved for easy reference as and when the machinery will be imported.

We thank you for your usual co operation.

Warm Regards
Yours truly,
For Bansal Steel Rolling Mills Limited

for Jinder Singh
Tejinder Singh Bansal
Managing Director.



BANSAL STEEL ROLLING MILL LIMITED
Exemption List

Bansal Steel Rolling Mill Limited
P. O. Box 193,
Arusha,
Tanzania.

Summary Of Material Requirements For Investment in Establishment of a Steel Rolling Mill in Arusha Region
Tanzania Investment Centre Certificate Of Incentives
Certificate of Incentives number 041659 issued on 18th May 2011

ITEM NO	ITEM NAME	UNIT OF MEASUREMENT	QTY	ITEM GROUP	ITEM PRICE	TIN	EXEMPTION REFERENCE NO	EXEMPT DATE
B:	COMPLETE STEEL ROLLING MILL PLANT consisting of:							
B.1	14" ROUGHING MILL WITH ONE STAND CONSISTING OF	Complete Unit				106-646-775		
B.1.1	Reduction Gear Box with Gear Coupling	Set	1	Machinery		106-646-775		
B.1.2	Base Rails for Reduction Gear Box	Pcs	2	Machinery		106-646-775		
B.1.3	Pinion Stand with Gear Coupling	Set	1	Machinery		106-646-775		
B.1.4	Mill Stand	Pcs	1	Machinery		106-646-775		
B.1.5	Tie-Rods	Pcs	3	Machinery		106-646-775		
B.1.6	Rest Bars	Pcs	4	Machinery		106-646-775		
B.1.7	T-Bolts	Pcs	20	Machinery		106-646-775		
B.1.8	Spindles	Pcs	6	Machinery		106-646-775		
B.1.9	Couplings	Pcs	50	Machinery		106-646-775		
B.1.10	Rails for Mill Stand & Pinion Stand	Pcs	4	Machinery		106-646-775		
B.1.11	Base for Motor Foundation	Pcs	2	Machinery		106-646-775		
B.1.12	Foundation Bolts	Pcs	100	Machinery		106-646-775		
B.1.13	400 HP Motor	Set	1	Machinery		106-646-775		
B.1.14	Rolls	Pcs	12	Machinery		106-646-775		
B.1.15	Fibre Bearings	Pcs	50	Machinery		106-646-775		
B.1.16	Water Pumps	Pcs	2	Machinery		106-646-775		
B.1.17	Lubrication Pump	Pcs	1	Machinery		106-646-775		
B.1.18	Roller Table for 1 st Stand of Roughing Mill with Motor	Pcs	1	Machinery		106-646-775		
B.2	10" FINISHING MILL WITH SIX STANDS CONSISTING OF	Complete Unit						
B.2.1	Mill Stand	Set	2	Machinery		106-646-775		
B.2.2	Tie-Rods	Pcs	18	Machinery		106-646-775		
B.2.3	Rest Bars	Pcs	20	Machinery		106-646-775		
B.2.4	T-Bolts	Pcs	60	Machinery		106-646-775		
B.2.5	Spindles	Pcs	40	Machinery		106-646-775		
B.2.6	Couplings	Pcs	100	Machinery		106-646-775		
B.2.7	Foundation Bolts	Pcs	68	Machinery		106-646-775		
B.2.8	Rolls	Pcs	60	Machinery		106-646-775		
B.2.9	Fibre Bearings	Pcs	100	Machinery		106-646-775		
B.2.10	Lubrication Pump with Motor	Pcs	1	Machinery		106-646-775		
B.2.11	Roller Conveyor Between Roughing & Finishing Mill with Motor	Pcs	2	Machinery		106-646-775		
B.2.12	Hot Crop Between Rolling & Finishing Mill	Pcs	1	Machinery		106-646-775		
B.2.13	Cooling Bed (Size 35 x 4 Mtr.) with Roller Conveyor & Channel, Be	Set	1	Machinery		106-646-775		

BANSAL STEEL ROLLING MILL LIMITED
Exemption List

B.2.14	Roller Conveyor Furnace to Roughing Mill	Pcs	1	Machinery		106-646-775		
B.3	MAINTENANCE MACHINERY FOR STEEL MILL CONSISTING OF:							
B.3.1	Lathe Machine 14'	Pcs	1	Equipment		106-646-775		
B.3.2	Lathe Machine 12'	Pcs	1	Equipment		106-646-775		
B.3.3	Radial Drill Machine	Pcs	1	Equipment		106-646-775		
B.3.4	Welding Set	Pcs	4	Equipment		106-646-775		
B.3.5	Hydraulic Press	Pcs	1	Equipment		106-646-775		
B.4	ELECTRICAL CONTROL PANELS & ACCESSORIES FOR STEE	Complete						
B.4.1	HTOCB	Pcs	2	Machinery		106-646-775		
B.4.2	Auxiliary Transformer 350 KVA	Pcs	1	Machinery		106-646-775		
B.4.3	Capacitor Bank	Pcs	1	Machinery		106-646-775		
B.4.4	Cables	Full Set	Full Set	Machinery		106-646-775		
B.4.5	Small Motors for Auxiliaries Items	Lot	1	Machinery		106-646-775		
B.4.6	Pedestal Fans	Pcs	6	Equipment		106-646-775		
B.4.7	Industrial Lights	Pcs	40	Equipment		106-646-775		
B.5	REHEATING FURNACE FOR INGOTS CONSISTING OF	Complete Unit						
B.5.1	Fire Bricks / Refractories	Pcs	40,000	Machinery		106-646-775		
B.5.2	C.I. Gates	Pcs	15	Machinery		106-646-775		
B.5.3	C.I. Lines	Pcs	44	Machinery		106-646-775		
B.5.4	Burners	Pcs	2	Machinery		106-646-775		
B.5.5	Nut-Bolts	Bags	5	Machinery		106-646-775		
B.5.6	Oil Pumping Unit	Pcs	1	Machinery		106-646-775		
B.5.7	Pusher	Pcs	1	Machinery		106-646-775		
B.5.8	Heating pumping Unit	Pcs	1	Machinery		106-646-775		
B.5.9	Blower	Pcs	1	Machinery		106-646-775		
B.6	FLOOR PLATES / GIRDERS	Pcs	100	Machinery		106-646-775		
B.6.1	Girders	Pcs	20	Machinery		106-646-775		
B.7	SECTION STRAIGHTENING MACHINE MODAL NO. SSM-25	Complete Unit	1	Machinery		106-646-775		
B.8	DUMPER / IRON TROLLEY	Unit	2	Equipment		106-646-775		
B.9	GENERATOR ENGINE (MAHINDRA)	Unit	2	Equipment		106-646-775		
B.10	6-TON INDUCTION FURNACE- CAPACITY 6 TONS CONSISTIN	Complete Unit						
B.10.1	8" Tawa Grinder	Pcs	1	Machinery		106-646-775		
B.10.2	8" Grinder Three Phase	Pcs	1	Machinery		106-646-775		
B.10.3	Drill Machine 1" Cap with 3 HP Motor	Pcs	1	Machinery		106-646-775		
B.10.4	Bus Bar (Copper)	Pcs	2	Machinery		106-646-775		
B.11	GENERATOR 85 KW.A	Unit	2	Equipment		106-646-775		
B.12	WEIGH BRIDGE WITH COMPLETE ASSEMBLY	Unit	2	Equipment		106-646-775		
B.13	AIR COMPRESSOR	Unit	3	Equipment		106-646-775		
B.14	BATTERY CHARGER	Unit	2	Equipment		106-646-775		
B.15	EOT15 TON CRANE + 15 TON MOBILE CRANE	2 Complete Units	2	Machinery		106-646-775		
B.15.1	Angle for Bus Bar	Pcs	30	Equipment		106-646-775		
B.15.2	Rail for Gantry 230 Mtr.	Pcs	46	Equipment		106-646-775		
B.15.3	Trolley / End carriage / Beam / Platform / Cabin / Electric Motor wit	Lot	1	Equipment		106-646-775		
B.16	Rotary Shears	Unit	2	Machinery		106-646-775		
B.17	Industrial Oxygen Gas Cylinders (Cap. 7 Cubic Meter)	Pcs	650	Equipment		106-646-775		
B.18	Acetylene Cylinder (6.3 Cubic Meter)	Pcs	200	Equipment		106-646-775		
B.19	Pinch Roll	Unit	1	Machinery		106-646-775		
B.20	Electric Magnet With Electrical (5 Ton)	Unit	1	Equipment		106-646-775		

Copy of the Original
Signature
08/06/2012



For: Executive Director
Tanzania Investment Centre

THE UNITED REPUBLIC OF TANZANIA

00218667

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

THIS CERTIFICATE REPLACE
EXTENDS THE PREVIOUS ONE
NO. 041659 ISSUED ON

AMENDMENT ON SECTIONS 10&11
HAVE BEEN EFFECTED

No: 041659

This is to certify that

BANSAL STEEL ROLLING MILL LIMITED

P.O. BOX 193

of address

ARUSHA

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

BANSAL STEEL ROLLING MILL LIMITED

KISONGO - ARUSHA

Which is located at

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

Ag. Executive Director

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

Dated 20TH APRIL 2012



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 (%) |
|------------------------|-------------|------------------|
| Balvinder Singh Bansal | Tanzanian | 30 |
| Tajinder Singh Bansal | Tanzanian | 30 |
| Amarjit Kaur Bansal | Tanzanian | 30 |
| Gurmail Singh Panasar | Tanzanian | 10 |
2. Proposed Activities : **To establish steel Rolling Mill**
3. Sector: **Manufacturing** Subsector **Steel Manufacturer**
4. Investment cost: Foreign **USD 0.500m.** Local **USD 4.606m.** Total **USD 5.106m**
5. Project Financing: Equity **USD 3.106m.** Loans **USD 2.0m.** Total **USD 5.106m.**
6. Source, terms and conditions of loan
7. Assets to be invested:
- | Capital items: | Foreign | Local | Total |
|----------------|--------------------|--------------------|--------------------|
| | USD 0.500m. | USD 4.606m. | USD 5.106m. |
8. Technology Agreement **None**
9. Date of TIC Registration: **11th March 2009**
10. Implementation period **March 2009 - February 2013**
11. Operative date **March 2013**
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 
Ag. Executive Director

CTIN: 00105224



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

BANSAL STEEL ROLLING MILL LIMITED

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

EDWARD JOHN MROSSO,
ADVOCATE
Notary Public &
Commissioner for Oaths
P.O. Box 1222 ARUSHA

106-646-775

CERTIFIED TRUE COPY
OF THE ORIGINAL
Date: 24.04.08
Sig: [Signature]

with effect from 21-Apr-2008

JOANNES N. A. MALLY

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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



TANZANIA REVENUE AUTHORITY

TRA/CE/C/P.20/8 11836

11th October, 2011

The Managing Director,
M/S Bansal Steel Rolling Mill Limited,
P. O. Box 193,
ARUSHA

Dear Sir/Madam,

**RE: DUTY/VAT EXEMPTION ON CAPITAL/DEEMED CAPITAL GOODS-
CERTIFICATE OF INCENTIVES NO. 041659 OF 18.05.2011 TIN 106-
646-775**

We are writing in response to your letter of 18.08.2011 and letter TICC/PP.10/041659/10 of 25.08.2011 from Tanzania Investment Centre regarding the captioned subject.

We hereby approve and submit **a single-page list** of capital/deemed capital goods for facilitation of the project with the certificate of incentives mentioned above. It is a condition that locally manufactured items are to be purchased locally.

The approved goods will be subject to 0% import duty and VAT relief under the 3rd Schedule to the VAT Act, Cap 148; subject to completion of form VAT 224 duly approved by the Commissioner for Customs and Excise.

Sincerely yours,

Said Athumani

For: COMMISSIONER FOR CUSTOMS AND EXCISE

RLM/-

c.c. Manager - Tax exemptions

c.c. Assistant Regional Manager Customs- Arusha

c.c. Executive Director, Tanzania Investment Centre,
Dar es Salaam

ISO 9001:2000 CERTIFIED

CUSTOMS & EXCISE DEPARTMENT

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

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



BANSAL STEEL ROLLING MILLS LTD.



QUALITY THROUGH TECHNOLOGY
Manufacturers of T.M.T. Bars, Quality Angles, Flats, Window Sections

To
The Commissioner For Customs & Excise
Tanzania Revenue Authority
P.O.Box:9053
Dar Es Salaam
Tanzania.

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



3rd May 2012

Dear Sir

**Ref: DUTY/VAT EXEMPTION ON CAPITAL/DEEMED CAPITAL GOODS-
CERTIFICATE OF INCENTIVES NO. 041659 OF 20.04.2012 TIN 106- 646-775.**

We would like to inform you that we had a three page approved list of capital/deemed capital goods for the facilitation of the project with the certificate of incentives mentioned above.

On the approved list on page 3 under section B & C, from B1 to C1 we had the approved list of the major components which form the complete steel rolling plant. These components mentioned are very huge and cannot be imported in the assembled form. These items will have to be imported in semi knocked down condition due their size and nature.

So as to avoid any complications in the process of clearance we request to submit to your good office a list which is having all the sub components for these major components. We request for your kind approval for this list to be approved for easy reference as and when the machinery will be imported.

We thank you for your usual co operation.

Warm Regards
Yours truly,
For Bansal Steel Rolling Mills Limited

for signature
Tejinder Singh Bansal
Managing Director.



DIF
All Goods exempted
vide Ref: TRA/CEL/CP/20/8
of 11/10/2011



MZ
Tejinder

Original Copy
of The Original
Signature
Date 2/4/12
For: Executive Director
Tanzania Investment Centre



THE UNITED REPUBLIC OF TANZANIA 00218667

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)
THIS CERTIFICATE REPLACE AMENDMENT ON SECTIONS 10&11
EXTENDS THE PREVIOUS ONE HAVE BEEN EFFECTED
NO. 041659 ISSUED ON No: 041659

This is to certify that

BANSAL STEEL ROLLING MILL LIMITED

of address
P.O. BOX 193
ARUSHA

has been granted a Certificate of Incentives to invest in a new, ~~rehabilitation/expansion~~
~~or equity of the~~ enterprise known as
BANSAL STEEL ROLLING MILL LIMITED

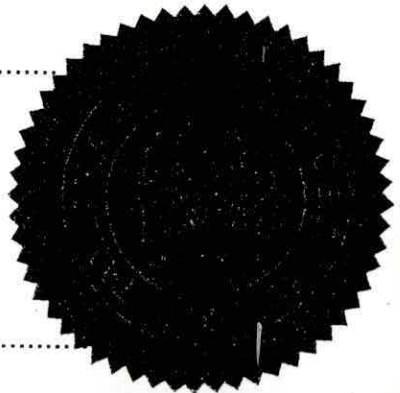
Which is located at
KISONGO - ARUSHA

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

.....
Ag. Executive Director

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

Dated 20TH. APRIL. 2012.....



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 (%)
Balvinder Singh Bansal	Tanzanian	30
Tajinder Singh Bansal	Tanzanian	30
Amarjit Kaur Bansal	Tanzanian	30
Gurmail Singh Panasar	Tanzanian	10
2. Proposed Activities : **To establish steel Rolling Mill**
3. Sector: **Manufacturing** Subsector **Steel Manufacturer**
4. Investment cost: Foreign **USD 0.500m.** Local **USD 4.606m.** Total **USD 5.106m**
5. Project Financing:
Equity **USD 3.106m.** Loans **USD 2.0m.** Total **USD 5.106m.**
6. Source, terms and conditions of loan
7. Assets to be invested:

Capital items:	Foreign	Local	Total
	USD 0.500m.	USD 4.606m.	USD 5.106m.
8. Technology Agreement **None**
9. Date of TIC Registration: **11th March 2009**
10. Implementation period **March 2009 - February 2013**
11. Operative date **March 2013**
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 
Ag. Executive Director

CTIN.: 00105224



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

BANSAL STEEL ROLLING MILL LIMITED

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

EDWARD JOHN MOROSSO.
ADVOCATE
Notary Public &
Commissioner for Oaths
P. O. Box 1222 ACHISHA

106-646-775

CERTIFIED TRUE COPY
OF THE ORIGINAL
Date 24.04.08
Signature

with effect from

21-Apr-2008

JOANNES N. A. MALLY

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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

BANSAL STEEL ROLLING MILL LIMITED
Exemption List

Bansal Steel Rolling Mill Limited

P. O. Box 193,
Arusha,
Tanzania.

BOQ

Summary Of Material Requirements For Investment in Establishment of a Steel Rolling Mill in Arusha Region
Tanzania Investment Centre Certificate Of Incentives
Certificate of Incentives number 041659 issued on 18th May 2011

ITEM NO	ITEM NAME	UNIT OF MEASUREMENT	QTY	ITEM GROUP	ITEM PRICE	TIN	EXEMPTION REFERENCE NO	EXEMPT DATE
A	CONSTRUCTION							
A.1	Steel Mill Foundation, Office Block & Staff Housing	Bills of Quantities				106-646-775		
A.1.1	Rope	Roll	5	Building		106-646-775		
A.1.2	Hoe	Pcs	20	Building		106-646-775		
A.1.3	Digging tools	Pcs	30	Building		106-646-775		
A.1.4	Wire nails	Kgs	150	Building		106-646-775		
A.1.5	Wheel barrow	Pcs	20	Building		106-646-775		
A.1.6	Selected earth materials	cubic metres	100	Building		106-646-775		
A.1.7	Hardcore	cubic metres	160	Building		106-646-775		
A.1.8	Murram	cubic metres	160	Building		106-646-775		
A.1.9	Gladiator solution	Litres	240	Building		106-646-775		
A.1.10	DPC / DPM	metres	1,200	Building		106-646-775		
A.1.11	Course aggregate	cubic metres	1,200	Building		106-646-775		
A.1.12	Fine aggregate	cubic metres	1,500	Building		106-646-775		
A.1.13	Cement	bags	6,260	Building		106-646-775		
A.1.14	Reinforcement bar Y12	Kgs	29,650	Building		106-646-775		
A.1.15	Reinforcement bar Y8	Kgs	12,500	Building		106-646-775		
A.1.16	Timber for formwork	metres	6,120	Building		106-646-775		
A.1.17	Concrete block	Pcs	60,440	Building		106-646-775		
A.1.18	Binding wire	Kgs	300	Building		106-646-775		
A.1.19	Wire nails	Kgs	300	Building		106-646-775		
A.1.20	Steel measuring / tape	Pcs	50	Building		106-646-775		
A.1.21	Pipe level	Pcs	100	Building		106-646-775		
A.1.22	Bituminous paint	Tins	200	Building		106-646-775		
A.1.23	Brushes	Pcs	100	Building		106-646-775		
A.1.24	Steel trowell	Pcs	50	Building		106-646-775		
A.1.25	Bush poles	Pcs	3,800	Building		106-646-775		
A.1.26	Steel Iron Dishes	Pcs	100	Building		106-646-775		
A.1.27	Spade	Pcs	300	Building		106-646-775		
A.1.28	Markin pins	Pcs	1,500	Building		106-646-775		
A.1.29	Water Pipe	Roll	10	Building		106-646-775		

BOQ

BANSAL STEEL ROLLING MILL LIMITED
Exemption List

A.1.30	Water Tanks (Simtank) 10,000 litres	Pcs	10	Building	106-646-775		
A.1.31	Square	Pcs	30	Building	106-646-775		
A.1.32	Emulsion Paint	Buckets	100	Building	106-646-775		
A.1.33	Oil Paint	Buckets	50	Building	106-646-775		
A.1.34	Harvey Tiles	Sq metres	600	Building	106-646-775		
A.1.35	Alluminium Glass	Sq metres	300	Building	106-646-775		
A.1.36	Handwash Basins	Pcs	15	Building	106-646-775		
A.1.37	WC Toilets	Pcs	20	Building	106-646-775		
A.1.38	Shower Basin	Pcs	7	Building	106-646-775		
A.2	PRE-FABRICATED STEEL ROLLING MILL SHED consisting of:						
A.2.1	1 BEAM 406 X 178 X 12M LONG	Pcs	80	Building	106-646-775		
A.2.2	1 BEAM 200 X 100 X 12M LONG	Pcs	70	Building	106-646-775		
A.2.3	ANGLES 100 X 100 3MM X 6M LONG	Pcs	100	Building	106-646-775		
A.2.4	Z PERLIN 150 X 50 X 2MM X 6M LONG	Pcs	800	Building	106-646-775		
A.2.5	M.S PLATES 8'X 4'X 12MM	Pcs	12	Building	106-646-775		
A.2.6	M.S PLATES 8X 4X 10MM	Pcs	15	Building	106-646-775		
A.2.7	M.S PLATES 8X 4'X 2MM	Pcs	120	Building	106-646-775		
A.2.8	M.S PLATES 8X 4'X 6MM	Pcs	10	Building	106-646-775		
A.2.9	BLACK PIPE B CLASS 311	Pcs	40	Building	106-646-775		
A.2.10	ANGLES 50 X 50 X 6MM	Pcs	40	Building	106-646-775		
A.2.11	CHANELS 100 X 50MM	Pcs	70	Building	106-646-775		
A.2.12	BOLT & NUTS 12MM X 40MM	Kgs	800	Building	106-646-775		
A.2.13	BOLT & NUTS 18MM X 50MM	Kgs	250	Building	106-646-775		
A.2.14	BOLT & NUTS 25MM X 50MM	Kgs	150	Building	106-646-775		
A.2.15	FLAT WACHER 12MM	Pcs	1,000	Building	106-646-775		
A.2.16	SELF DRILLING SCREWS	Pcs	6,000	Building	106-646-775		
A.2.17	1/2" NUTS 1" NUTS	Kgs	200	Building	106-646-775		
A.2.18	J.HOOK WITHCESS WASHER 3 1/211	Pcs	800	Building	106-646-775		
A.2.19	P.V.0 PIPES 611	Pcs	30	Building	106-646-775		
A.2.20	P.V.0 PIPES goo	Pcs	15	Building	106-646-775		
A.2.21	FLATBARS, 30 X 3MM	Pcs	30	Building	106-646-775		
A.2.22	HOLLOW SECTION 50 X 50 X 2.5MM	Pcs	40	Building	106-646-775		
A.2.23	WELDING RODS	Kgs	1,500	Building	106-646-775		
A.2.24	RED OXIDE 4LTRS	Tins	50	Building	106-646-775		
A.2.25	SOLVENT	Litres	50	Building	106-646-775		
A.2.26	GREY OIL PAINT	litres	100	Building	106-646-775		
A.2.27	ROOFING SHEETS IT5 8M LONG	Pcs	500	Building	106-646-775		
A.2.28	ROOFING SHEETS IT5 2M LONG	Pcs	600	Building	106-646-775		
A.2.29	ROOFING SHEETS IT5 3M LONG	Pcs	120	Building	106-646-775		
A.2.30	ROOFING SHEETS IT5 4M LONG	Pcs	150	Building	106-646-775		
A.2.31	IT5 ROOFING SHEET 6.6M	Pcs	100	Building	106-646-775		
A.2.32	IT5 ROOFING SHEET 4.5M	Pcs	100	Building	106-646-775		
A.2.33	RIDGES 2.44M LONG	Pcs	100	Building	106-646-775		

BANSAL STEEL ROLLING MILL LIMITED
Exemption List

B:	COMPLETE STEEL ROLLING MILL PLANT consisting of:						
B.1	14" ROUGHING MILL WITH ONE STAND CONSISTING OF	Complete Unit					
B.1.1	Flywheel (Complete with Shaft, Bearing, C.I. Brackets, pedestals)	Set	1	Machinery	106-646-775		
B.1.2	Reduction Gear Box with Gear Coupling	Set	1	Machinery	106-646-775		
B.1.3	Base Rails for Reduction Gear Box	Pcs	2	Machinery	106-646-775		
B.1.4	Pinion Stand with Gear Coupling	Set	1	Machinery	106-646-775		
B.1.5	Mill Stand	Pcs	1	Machinery	106-646-775		
B.1.6	Tie-Rods	Pcs	3	Machinery	106-646-775		
B.1.7	Rest Bars	Pcs	4	Machinery	106-646-775		
B.1.8	T-Bolts	Pcs	20	Machinery	106-646-775		
B.1.9	Spindles	Pcs	6	Machinery	106-646-775		
B.1.10	Couplings	Pcs	50	Machinery	106-646-775		
B.1.11	Rails for Mill Stand & Pinion Stand	Pcs	4	Machinery	106-646-775		
B.1.12	Base for Motor Foundation	Pcs	2	Machinery	106-646-775		
B.1.13	Foundation Bolts	Pcs	100	Machinery	106-646-775		
B.1.14	400 HP Motor	Set	1	Machinery	106-646-775		
B.1.15	Rolls	Pcs	12	Machinery	106-646-775		
B.1.16	Fibre Bearings	Pcs	50	Machinery	106-646-775		
B.1.17	Water Pumps	Pcs	2	Machinery	106-646-775		
B.1.18	Lubrication Pump	Pcs	1	Machinery	106-646-775		
B.1.19	Roller Table for 1 st Stand of Roughing Mill with Motor	Pcs	1	Machinery	106-646-775		
B.2	10" FINISHING MILL WITH SIX STANDS CONSISTING OF	Complete Unit					
B.2.1	Flywheel (Complete with Shaft, Bearing, C.I. Brackets, pedestals)	Pcs	1	Machinery	106-646-775		
B.2.2	Reduction Gear Box with Gear Coupling (with Splash Type Lubrication)	Pcs	1	Machinery	106-646-775		
B.2.3	Base Rails for Reduction Gear Box	Pcs	2	Machinery	106-646-775		
B.2.4	Pinion Stand with Gear Coupling (with Splash Type Lubrication)	Pcs	1	Machinery	106-646-775		
B.2.5	Mill Stand	Pcs	6	Machinery	106-646-775		
B.2.6	Tie-Rods	Pcs	18	Machinery	106-646-775		
B.2.7	Rest Bars	Pcs	20	Machinery	106-646-775		
B.2.8	T-Bolts	Pcs	60	Machinery	106-646-775		
B.2.9	Spindles	Pcs	30	Machinery	106-646-775		
B.2.10	Couplings	Pcs	100	Machinery	106-646-775		
B.2.11	Rails for Mill Stand & Pinion Stand	Pcs	12	Machinery	106-646-775		
B.2.12	Base for Motor Foundation	Pcs	2	Machinery	106-646-775		
B.2.13	Foundation Bolts	Pcs	200	Machinery	106-646-775		
B.2.14	800 HP Motor	Set	1	Machinery	106-646-775		
B.2.15	Rolls	Pcs	50	Machinery	106-646-775		
B.2.16	Fibre Bearings	Pcs	100	Machinery	106-646-775		
B.2.17	Lubrication Pump with Motor	Pcs	1	Machinery	106-646-775		
B.2.18	Roller Conveyor Between Roughing & Finishing Mill with Motor	Pcs	2	Machinery	106-646-775		
B.2.19	Aligator Shear	Pcs	2	Machinery	106-646-775		
B.2.20	Hot Crop Between Rolling & Finishing Mill	Pcs	1	Machinery	106-646-775		
B.2.21	Cooling Bed Shear	Pcs	1	Machinery	106-646-775		
B.2.22	Cooling Bed (Size 35 x 4 Mtr.) with Roller Conveyor & Channel, Beams etc.	Set	1	Machinery	106-646-775		
B.3	MAINTENANCE MACHINERY FOR STEEL MILL CONSISTING OF:						
B.3.1	Lathe Machine 14'	Pcs	2	Equipment	106-646-775		
B.3.2	Lathe Machine 12'	Pcs	1	Equipment	106-646-775		
B.3.3	Lathe Machine 10'	Pcs	1	Equipment	106-646-775		
B.3.4	Lathe Machine 08'	Pcs	1	Equipment	106-646-775		
B.3.5	Shaping Machine	Pcs	1	Equipment	106-646-775		
B.3.6	Radial Drill Machine	Pcs	2	Equipment	106-646-775		
B.3.7	Welding Set	Pcs	6	Equipment	106-646-775		
B.3.8	Hydraulic Press	Pcs	1	Equipment	106-646-775		
B.4	ELECTRICAL CONTROL PANELS & ACCESSORIES FOR STEEL PLANT CONSISTING OF	Complete					

BANSAL STEEL ROLLING MILL LIMITED
Exemption List

B.4.1	HCOCB	Pcs	2	Machinery		106-646-775		
B.4.2	Transformer of 3000 KVA	Pcs	1	Machinery		106-646-775		
B.4.3	Transformer of 1250 KVA	Pcs	1	Machinery		106-646-775		
B.4.4	Auxiliary Transformer 350 KVA	Pcs	1	Machinery		106-646-775		
B.4.5	Electric Pannels	Pcs	16	Machinery		106-646-775		
B.4.6	Capacitor Bank	Pcs	1	Machinery		106-646-775		
B.4.7	Cables	Full Set	Full Set	Machinery		106-646-775		
B.4.8	Water Starters	Pcs	2	Machinery		106-646-775		
B.4.9	Small Motors for Auxiliaries Items	Lot	1	Machinery		106-646-775		
B.4.10	Pedestal Fans	Pcs	6	Equipment		106-646-775		
B.4.11	Industrial Lights	Pcs	40	Equipment		106-646-775		
B.5	REHEATING FURNACE FOR INGOTS CONSISTING OF	Complete Unit						
B.5.1	Fire Bricks / Refractories	Pcs	40,000	Machinery		106-646-775		
B.5.2	Structural Fitting	Pcs	25	Machinery		106-646-775		
B.5.3	C.I. Gates	Pcs	20	Machinery		106-646-775		
B.5.4	C.I. Lines	Pcs	44	Machinery		106-646-775		
B.5.5	Burners	Pcs	2	Machinery		106-646-775		
B.5.6	Nut-Bolts	Bags	5	Machinery		106-646-775		
B.5.7	Oil Pumping Unit	Pcs	1	Machinery		106-646-775		
B.5.8	Pusher	Pcs	1	Machinery		106-646-775		
B.5.9	Heating pumping Unit	Pcs	1	Machinery		106-646-775		
B.5.10	Blower	Pcs	1	Machinery		106-646-775		
C.6	FLOOR PLATES / GIRDERS	Pcs	100	Machinery		106-646-775		
C.6.1	Girders	Pcs	20	Machinery		106-646-775		
B.7	SECTION STRAIGHTENING MACHINE MODAL NO. SSM-25	Complete Unit	1	Machinery		106-646-775		
B.8	CONCRETE MIXTURE (DALA TYPE) WITH 10 HP ENGINE FOR 1.5 BAG CEMENT CAPACIT	Unit	1	Equipment		106-646-775		
B.9	DUMPER / IRON TROLLEY	Unit	2	Equipment		106-646-775		
B.10	GENERATOR ENGINE (MAHINDRA)	Unit	2	Equipment		106-646-775		
B.11	6-TON INDUCTION FURNACE- CAPACITY 6 TONS CONSISTING OF	Complete Unit						
B.11.1	Crucible	Pcs	2	Machinery		106-646-775		
B.11.2	Hydraulic Power Pack	Pcs	1	Machinery		106-646-775		
B.11.3	Water Pumps	Pcs	3	Machinery		106-646-775		
B.11.4	Water Cooling Tower	Pcs	2	Machinery		106-646-775		
B.11.5	30 HP Electric Motor with Mono Block Pump	Pcs	1	Machinery		106-646-775		
B.11.6	7.5 HP Electric Motor with Mono Block Pump	Pcs	1	Machinery		106-646-775		
B.11.7	D.M.Plant	Pcs	1	Machinery		106-646-775		
B.11.8	Softner Plant	Pcs	1	Machinery		106-646-775		
B.11.9	M.S. Pipe with Flench	Full set	Full set	Machinery		106-646-775		
B.11.10	Nut-Bolts	Full set	Full set	Machinery		106-646-775		
B.11.11	Temperature Recorder	Pcs	1	Machinery		106-646-775		
B.11.12	E.R.O.	Pcs	1	Machinery		106-646-775		
B.11.13	Multi-meter 2500 Volt	Pcs	1	Machinery		106-646-775		
B.11.14	Multi-meter 1000 Volt	Pcs	1	Machinery		106-646-775		
B.11.15	Clamp Meter	Pcs	1	Machinery		106-646-775		
B.11.16	Pipe Rinch	Set	1	Machinery		106-646-775		
B.11.17	8" Tawa Grinder	Pcs	1	Machinery		106-646-775		
B.11.18	8" Grinder Three Phase	Pcs	1	Machinery		106-646-775		
B.11.19	Drill Machine 1" Cap with 3 HP Motor	Pcs	1	Machinery		106-646-775		
B.11.20	Plate Form	Pcs	2	Machinery		106-646-775		
B.11.21	Bus Bar (Copper)	Pcs	12	Machinery		106-646-775		
B.12	GENERATOR 85 KW.A	Unit	2	Equipment		106-646-775		
B.13	SUBMERSIBLE PUMP (OUTER DIA 4") WITH MOTOR & DROP CABLE	Unit	2	Equipment		106-646-775		
B.14	WEIGH BRIDGE WITH COMPLETE ASSEMBLY	Unit	2	Equipment		106-646-775		

BANSAL STEEL ROLLING MILL LIMITED
Exemption List

B.15	AIR COMPRESSOR	Unit	3	Equipment	106-646-775		
B.16	BATTERY CHARGER	Unit	2	Equipment	106-646-775		
B.17	10-tonne E.O.T. CRANES CONSISTING OF	2 Complete Units					
B.17.1	Angle for Bus Bar	Pcs	60	Equipment	106-646-775		
B.17.2	Rail for Gantry 400 Mtr.	Pcs	80	Equipment	106-646-775		
B.17.3	Trolley / End carriage / Beam / Platform / Cabin / Electric Motor with Cables & Panels	Lot	1	Equipment	106-646-775		
C	MOTOR VEHICLES						
C.1	Staff Transport Vans	Pcs	5	Vehicles	106-646-775		
C.2	Dumper Trucks for Scrap Metal	Pcs	5	Vehicles	106-646-775		
C.3	Trucks	Pcs	10	Vehicles	106-646-775		
C.4	Traillers	Pcs	10	Vehicles	106-646-775		
C.5	3-Tonne Pick up vehicles	Pcs	5	Vehicles	106-646-775		

PLOT NO. 2353 SITUATED IN ENGORORA -KISONGO IN ARUSHA DISTRICT,

**BRIEF PROJECT VISIT REPORT CONDUCTED ON 21th JUNE, 2014
FOR
BANSAL STEEL ROLLING MILL LIMITED**

1. 0 INTRODUCTION

BANSAL STEEL ROLLING MILL LIMITED is a company incorporated in Tanzania with Certificate of incorporation No. 64941 and a Certificate of Occupancy No. 23521 for a term of 99 years starting from 1/10/2007.

The company owns a TIC Certificate of Incentives No. 041659 which was issued on 11/12/2012.

2.0 PROJECT VISIT OBJECTIVE

This site visit was made as TIC routine to inspect and verify whether investors are adhering with the condition stipulated in Certificate of Occupancy or Lease Agreement (derivative title)

3.0 PRESENT

- i. Elibariki Ngorovil- TIC
- ii. Suneel K. Sharma - General Manager Bansal Steel Rolling Mill Limited

4.0 ASPECTS TAKEN INTO ACCOUNT

During the survey visit the following aspects as stipulated in the Lease Agreement (Derivative Right) were taken into consideration:

- i) Adherent to the use conditions of the industrial land
- ii) Payment of annual Land Rent and facilitation fees thereof
- iii) Development status of the factory/ manufacturing
- iv) Environment management
- v) General observation

5.0 FINDINGS/FIELD OBSERVATION

Through site inspection and some enquiries made to the general manager, I managed to collect the following information in relation to the above aspects:

5.1 On adherent to the use conditions of Service trade Industry land

The use of the land as per the Certificate of Occupancy/Certificate of incentives, as also reflected in the Business plan of the company is **Manufacturing** purposes. It was observed that the investor has complied with this condition by establishing steel manufacturing industry.

5.2 On payment of annual Land Rent and facilitation fees thereof

Bansal Steel Rolling Limited has been paying the land rent to the Arusha District Council. The Company has been advised to do the same on the coming years that is, starting from 1/7/2014/2015.

5.3 On development status of the industry

During the site visit I was able to see and witness the extent of development/investment of the industry by the investor:

- i) Site construction:
 - Office block have been constructed
 - .Factory building have been constructed
 - Fencing of whole Industrial area
- ii) Production: Machines are in place and production was going on despite the fact that the investor ^{WCS} unhappy about the tight market for their product He said production cost is too high.

5.4 On general observation

Generally production of steel was going on but investor was not happy with market for their products due to high production cost. Also he blamed that the Government do not support investors through providing them with conducive environment. Meanwhile, Bansal Steel rolling mills Limited could still prosper by utilizing the booming construction sector based in Northern Tanzania particularly in Arusha city.

5.4 Future plans of the investor

- i) General Manager said that, there is no plan for expanding the industry because the future is not promising.

5.5 Challenges facing Investor

- Tax.
- To many charges from different agency like NEMC (EIA), Ministry of health (OSHA)
- Imported steel bar

6.0 CONCLUSION & RECOMMENDATION

Based on the current status pertaining level of production, I have advised the investor to consume the market of Northern zone because of booming construction industry. Also I asked the investor to submit progressive report on implementation of project because he has not delivered the same since March 2010.

I submit for your further guidance


.....
Elibariki Ngorovil

DATE: 29/06/2014



TANZANIA REVENUE AUTHORITY

TRACE/C/P.20/8

11th October, 2011

The Managing Director,
M/S Bansal Steel Rolling Mill Limited,
P. O. Box 193,
ARUSHA

Dear Sir/Madam,

**RE: DUTY/VAT EXEMPTION ON CAPITAL/DEEMED CAPITAL GOODS-
CERTIFICATE OF INCENTIVES NO. 041659 OF 18.05.2011 TIN 106-
646-775**

We are writing in response to your letter of 18.08.2011 and letter TICC/PP.10/041659/10 of 25.08.2011 from Tanzania Investment Centre regarding the captioned subject.

We hereby approve and submit **a single-page list** of capital/deemed capital goods for facilitation of the project with the certificate of incentives mentioned above. It is a condition that locally manufactured items are to be purchased locally.

The approved goods will be subject to 0% import duty and VAT relief under the 3rd Schedule to the VAT Act, Cap 148; subject to completion of form VAT 224 duly approved by the Commissioner for Customs and Excise.

Sincerely yours,

Said Athumani

For: COMMISSIONER FOR CUSTOMS AND EXCISE

RLM/-

c.c. Manager - Tax exemptions

c.c. Assistant Regional Manager Customs- Arusha

c.c. Executive Director, Tanzania Investment Centre,
Dar es Salaam

ISO 9001:2000 CERTIFIED
CUSTOMS & EXCISE DEPARTMENT

Sokoine Drive, P.O. Box 9053, Dar es Salaam, Tanzania
Tel: 255-22-2117765 or 255-22-2127783/4/6/8 Fax: 255-22-2138878/2135193

BANSAL STEEL ROLLING MILL LIMITED
Exemption List

Bansal Steel Rolling Mill Limited

P. O. Box 193,

Arusha,

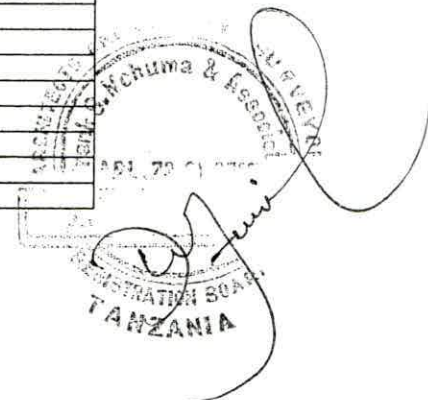
Tanzania.



Approved

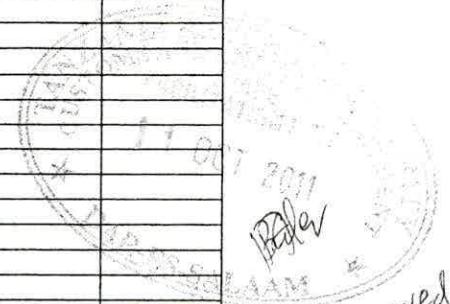
Summary Of Material Requirements For Investment in Establishment of a Steel Rolling Mill in Arusha Region
Tanzania Investment Centre Certificate Of Incentives
Certificate of Incentives number 041659 issued on 18th May 2011

ITEM NO	ITEM NAME	UNIT OF MEASUREMENT	QTY	ITEM GROUP	ITEM PRICE	TIN	EXEMPTION REFERENCE NO	EXEMPT DATE
A	CONSTRUCTION							
A.1	Steel Mill Foundation, Office Block & Staff Housing	Bills of Quantities				106-646-775		
A.1.1	Rope	Roll	5	Building		106-646-775		
A.1.2	Hoe	Pcs	20	Building		106-646-775		
A.1.3	Digging tools	Pcs	30	Building		106-646-775		
A.1.4	Wire nails	Kgs	150	Building		106-646-775		
A.1.5	Wheel barrow	Pcs	20	Building		106-646-775		
A.1.6	Selected earth materials	cubic metres	100	Building		106-646-775		
A.1.7	Hardcore	cubic metres	160	Building		106-646-775		
A.1.8	Murram	cubic metres	160	Building		106-646-775		
A.1.9	Gladiator solution	Litres	240	Building		106-646-775		
A.1.10	DPC / DPM	metres	1,200	Building		106-646-775		
A.1.11	Course aggregate	cubic metres	1,200	Building		106-646-775		
A.1.12	Fine aggregate	cubic metres	1,500	Building		106-646-775		
A.1.13	Cement	bags	6,260	Building		106-646-775		
A.1.14	Reinforcement bar Y12	Kgs	29,650	Building		106-646-775		
A.1.15	Reinforcement bar Y8	Kgs	12,500	Building		106-646-775		
A.1.16	Timber for formwork	metres	6,120	Building		106-646-775		
A.1.17	Concrete block	Pcs	60,440	Building		106-646-775		
A.1.18	Binding wire	Kgs	300	Building		106-646-775		
A.1.19	Wire nails	Kgs	300	Building		106-646-775		
A.1.20	Steel measuring / tape	Pcs	50	Building		106-646-775		
A.1.21	Pipe level	Pcs	100	Building		106-646-775		
A.1.22	Bituminous paint	Tins	200	Building		106-646-775		
A.1.23	Brushes	Pcs	100	Building		106-646-775		
A.1.24	Steel trowel	Pcs	50	Building		106-646-775		
A.1.25	Bush poles	Pcs	3,800	Building		106-646-775		
A.1.26	Steel Iron Dishes	Pcs	100	Building		106-646-775		
A.1.27	Spade	Pcs	300	Building		106-646-775		
A.1.28	Markin pins	Pcs	1,500	Building		106-646-775		
A.1.29	Water Pipe	Roll	10	Building		106-646-775		

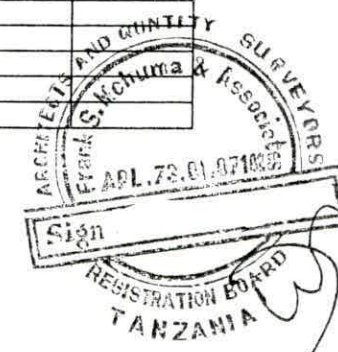


BANSAL STEEL ROLLING MILL LIMITED
Exemption List

A.1.30	Water Tanks (Simtank) 10,000 litres	Pcs	10	Building	106-646-775
A.1.31	Square	Pcs	30	Building	106-646-775
A.1.32	Emulsion Paint	Buckets	100	Building	106-646-775
A.1.33	Oil Paint	Buckets	50	Building	106-646-775
A.1.34	Harvey Tiles	Sq metres	600	Building	106-646-775
A.1.35	Alluminium Glass	Sq metres	300	Building	106-646-775
A.1.36	Handwash Basins	Pcs	15	Building	106-646-775
A.1.37	WC Toilets	Pcs	20	Building	106-646-775
A.1.38	Shower Basin	Pcs	7	Building	106-646-775
A.2	PRE-FABRICATED STEEL ROLLING MILL SHED consisting of:				
A.2.1	1 BEAM 406 X 178 X 12M LONG	Pcs	80	Building	106-646-775
A.2.2	1 BEAM 200 X 100 X 12M LONG	Pcs	70	Building	106-646-775
A.2.3	ANGLES 100 X 100 3MM X 6M LONG	Pcs	100	Building	106-646-775
A.2.4	Z PERLIN 150 X 50 X 2MM X 6M LONG	Pcs	800	Building	106-646-775
A.2.5	M.S PLATES 8'X 4'X 12MM	Pcs	12	Building	106-646-775
A.2.6	M.S PLATES 8X 4X 10MM	Pcs	15	Building	106-646-775
A.2.7	M.S PLATES 8X 4'X 2MM	Pcs	120	Building	106-646-775
A.2.8	M.S PLATES 8X 4'X 6MM	Pcs	10	Building	106-646-775
A.2.9	BLACK PIPE B CLASS 311	Pcs	40	Building	106-646-775
A.2.10	ANGLES 50 X 50 X 6MM	Pcs	40	Building	106-646-775
A.2.11	CHANELS 100 X 50MM	Pcs	70	Building	106-646-775
A.2.12	BOLT & NUTS 12MM X 40MM	Kgs	800	Building	106-646-775
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A.2.30	ROOFING SHEETS IT5 4M LONG	Pcs	150	Building	106-646-775
A.2.31	IT5 ROOFING SHEET 6.6M	Pcs	100	Building	106-646-775
A.2.32	IT5 ROOFING SHEET 4.5M	Pcs	100	Building	106-646-775
A.2.33	RIDGES 2.44M LONG	Pcs	100	Building	106-646-775



Approved

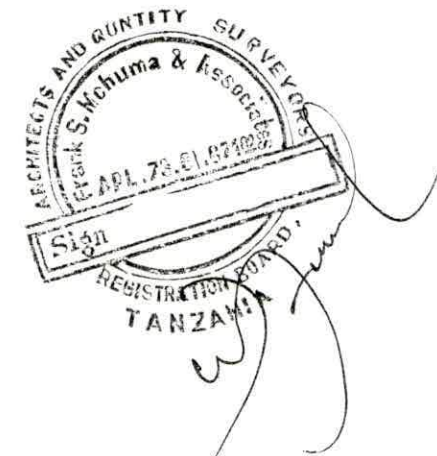


BANSAL STEEL ROLLING MILL LIMITED
Exemption List

B:	COMPLETE STEEL ROLLING MILL PLANT consisting of:						
B.1	14" ROUGHING MILL WITH ACCESSORIES AND DRIVE MOTORS & PANELS	Complete Unit	1	Machinery	106-646-775		
B.2	10" FINISHING MILL WITH ACCESSORIES & DRIVE MOTORS & PANELS		1	Machinery	106-646-775		
B.3	MAINTENANCE MACHINERY FOR STEEL MILL CONSISTING OF:						
B.3.1	Lathe Machine 14'	Pcs	2	Equipment	106-646-775		
B.3.2	Lathe Machine 12'	Pcs	1	Equipment	106-646-775		
B.3.3	Lathe Machine 10'	Pcs	1	Equipment	106-646-775		
B.3.4	Lathe Machine 08'	Pcs	1	Equipment	106-646-775		
B.3.5	Shaping Machine	Pcs	1	Equipment	106-646-775		
B.3.6	Radial Drill Machine	Pcs	2	Equipment	106-646-775		
B.3.7	Welding Set	Pcs	6	Equipment	106-646-775		
B.3.8	Hydraulic Press	Pcs	1	Equipment	106-646-775		
B.4	ELECTRICAL CONTROL PANELS & ACCESSORIES FOR STEEL PLANT	Complete Unit	1	Machinery	106-646-775		
B.5	REHEATING FURNACE FOR INGOTS	Complete Unit	1	Machinery	106-646-775		
B.6	FLOOR PLATES / GIRDERS	Complete Unit	1	Machinery	106-646-775		
B.7	SECTION STRAIGHTENING MACHINE	Complete Unit	1	Machinery	106-646-775		
B.8	CONCRETE MIXTURE (DALA TYPE)	Unit	1	Equipment	106-646-775		
B.9	DUMPER / IRON TROLLEY	Unit	2	Equipment	106-646-775		
B.10	GENERATOR ENGINE	Unit	2	Equipment	106-646-775		
B.11	6-Tonne INDUCTION FURNACE	Unit	1	Machinery	106-646-775		
B.12	GENERATOR 85 KW.A	Unit	2	Equipment	106-646-775		
B.13	SUBMERSIBLE PUMP	Unit	2	Equipment	106-646-775		
B.14	WEIGH BRIDGE	Unit	2	Equipment	106-646-775		
B.15	AIR COMPRESSOR	Unit	3	Equipment	106-646-775		
B.16	BATTERY CHARGER	Unit	2	Equipment	106-646-775		
C	MOTOR VEHICLES						
C.1	10-tonne E.O.T. CRANES	Pcs	2	Vehicles	106-646-775		
C.2	Staff Transport Vans	Pcs	5	Vehicles	106-646-775		
C.3	Dumper Trucks for Scrap Metal	Pcs	5	Vehicles	106-646-775		
C.4	Trucks	Pcs	10	Vehicles	106-646-775		
C.5	Trailers	Pcs	10	Vehicles	106-646-775		
C.6	3-Tonne Pick up vehicles	Pcs	5	Vehicles	106-646-775		



Approved







TANZANIA INVESTMENT CENTRE

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

RECEIPT REC006873

No. 001602

Received from : BANSAL STEEL ROLLING MILLS

Address P. O. Box 193, ARUSHA

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

Being payment in respect of : CERTIFICATE OF INCENTIVES

Amount : USD 750.00

Cash / Cheque No: D/Deposit 20/04

Date : 20-Adr-2012

BUisso

Receiving Officer

15

**RE: PROPOSED CONSTRUCTION OF STAFF HOUSE, OFFICES
BLOCK, BOUNDARY WALLS AND FOUNDATION FOR BANSAL AT
ARUMERU DISTRICT ARUSHA**

Kindly allow this letter to serve as confirmation that the attached document
Titled Bills of Quantities and list of materials for the work above are an accurate
reflection of materials required for the said construction.

- | | |
|--|---------|
| • Bill of Quantities for construction of boundary wall | 4pages |
| • Bill of quantities for construction of staff house. | 10pages |
| • Bill of quantities for construction of office block. | 9pages |
| • Bill of quantities for construction of foundation. | 3pages |
| • List of materials. | 1page |

Yours truly,

F.S. MCHUMA



BILL OF QUANTITIES FOR PROPOSED BOUNDARY WALL

S /NO	ITEM DESCRIPTION	QTY	UNIT	RATE	AMOUNT
	ELEMENT NR 1 SUBSTRUCTURE				
	Excavation and Earth				
A	Excavate oversite to remove vegetable top soil average 150mm deep	860	sm	1000	860,000/=
B	Excavate foundation trench commencing at formation level and not exceeding 1.50 metres deep	725	cm	6000	4,350,000/=
C	Earth blackfilling well rammed and consolidated around foundation	430	Cm	4000	1,720,000/=
D	Load up surplus excavated material and remove from site	245	cm	10,000	2,450,000/=
	SOIL STERILIZATION				
E	Gladiator solution applied to hardcore bed surface at a rate of 8 litres per square metre	860	cm	1000	860,000/=
F	Ditto at the rate of 8litre per linear meter 300mm wide to 1200mm deep backfilling to one external side of foundation	430	Lm	1000	430,000/=
	DAMP PROOF MEMBRANE				
G	500 gauge polyathene damp roof membrane in two layers laid with 150mm laps on blinded hardcore bed surface	860	cm	1000	860,000/=
	CONCRETE WORK				
	Plain insity concrete grade 15 nominal mix (1:3:6)				
A	Foundations	140	cm	200,000	28,000,000/=
B	100mm footing	70	cm	200,000	14,000,000/=
	Reinforced concrete grade 20 including vibrating around reinforcement				
C	Plinth beam	30	cm	200,000	6,000,000/=
D	Ground beam	30	cm	200,000	6,000,000/=
	Mild steel bar reinforcement to BS 4449 + 1969				
E	12mm bar	19,165	kgs	3000	57,495,000/=



SUMMARY

S/ NO	DESCRIPTION	PAGE	AMOUNT
	ELEMENT NO. 1 SUBSTRUCTURE	1 & 2	246,528,000/=
	ELEMENT NO. 2 WALLING	3	89,760,000/=
	GRAND TOTAL		336,288,000/=



BILL OF QUANTITIES FOR PROPOSED STAFF HOUSE

S /NO	ITEM DESCRIPTION	QTY	UNIT	RATE	AMOUNT
	ELEMENT NR 1 SUBSTRUCTURE				
	Excavation and Earth				
A	Excavate oversite to remove vegetable tep soil average 150mm deep	306	sm	1000	306,000/=
B	Excavate foundation trench commencing at formation level and not exceeding 1.50 metres deep	230	cm	6000	1,230,000/=
C	Earth blackfilling well rammed and consoildated around foundation	108	Cm	4000	432,000/=
D	Load up surplus excavated material and remove from sitee	115	cm	4000	460,000/=
E	Imported approved earth filling to make up level under hardcore	16	cm	20,000	320,000/=
	HARDCORE				
F	150mm thick hardcore filling well rammed and consolidated	306	cm	3000	918,000/=
G	Level and blind top of hardcore with 150mm thick layer of clean murram	306	cm	2000	612,000/=
	SOIL STERILIZATION				
H	Gladiator solution applied to hardcore bed surface at a rate of 8 litres per square metre	306	cm	1000	306,000/=
I	Ditto at the rate of 8litre per linear meter 300mm wide to 1200mm deep backfilling to one external side of foundation	150	Lm		150,000/=
	DAMP PROOF MEMBRANE				
J	500 gauge pollyathene damp roof membrane in two layers laid with 150mm laps on blinded hardcore bed surface	306	cm	1000	306,000/=
	CONCRETE WORK				
	Plain insity concrete grade 15 nominel mix (1:3:6)				
A	Foundations	31	cm	200,000	6,200,000/=
B	100mm bed	31	cm	200,000	6,200,000/=



	Reinforced concrete grade 20 including vibrating around reinforcement				
C	Plinth beam	7	cm	200,000	1,400,000/=
D	Ground beam	7	cm	200,000	1,400,000/=
	Mild steel bar reinforcement to BS 4449 + 1969				
E	12mm bar	675	kgs	3000	2,025,000/=
F	6mm bar				507,000/=
	Sawn formwork to				
G	Sides of plinth beam	57	Cm	1000	57,000/=
	WALLING				
	Blockwork				
	Solid concrete block to BS 202B type A (4N/mm ²) bedded and jointed in cement and sandmortar (1:3)				
A	230mm wall	228	cm	31000	7,068,000/=
	DAMP PROOF COURSE				
B	230mm wide hessian based damp proof course laid on block with 150mm layas	190	m	1000	190,000/=
	FINISHING				
	Render cement and sand (1:3) trowelled				
C	12mm thick to plinth to concrete or blockwork base	228	cm	4000	912,000/=
	Prepare and apply two coats of black bituminous paint on				
D	Rendered surface to plinth	228	cm	4000	912,000/=
	TOTAL ELEMENT NR1				
	SUBSTRUCTURE CARRIED TO GENERAL SUMMARY				30,661,000/=



NO	ITEM DESCRIPTION	QTY	UNIT	RATE	AMOUNT
	ELEMENT NR 8. PLUMBING & ENGINEERING INSTALLATIONS				
	<u>SANITARY INSTALLATIONS:</u> Supply and fix the following sanitary appliance including all connections and fixing to wall or floor where necessary as directed				
A	White vitreous china low level we Asian comprising litres capacity cirsten with cover 12mm high pressure ball value plastic syphone fitting side supply and overflow set plastic flush bend and p trap outlet	7	Nr	50,000	350,000/=
B	White vitrous China wash hand basen completed with 12mm chromium plated piller tape safety bruckets 32mm waste with chain and plug and 32mm bottle trap with 75mm seal plastered walls	7	Nr	50,000	350,000/=
C	Allow for plumbing installation including pipe work and waster pipes Supply and fix the following 150 x 75mm toilet will holder with plastic roller into blockwork	7	Nr	item 10,000/=	300,000/= 70,000/=
E	Mirror size 600 x 600mm fixed with done screw to background requireing struting	7	Nr	60,000/=	420,000/=
	TOTAL ELEMENT NR 8 PLUMBING ENGINEERING INSTALLATION CARRIED GENERAL SUMMARY				1,190,000/=



SUMMARY

S/ NO	DESCRIPTION	PAGE	AMOUNT
	ELEMENT NO. 1 SUBSTRUCTURE	1 & 2	30,661,000/=
	ELEMENT NO. 2 WALLING & FRAMES	3	17, 242,000/=
	ELEMENT NO. 3 ROOFING	4	5, 678,000/=
	ELEMENT NO. 4. DOORS	5	5,396,000/=
	ELEMENT NO. 5. WINDOWS	6	8,600,000/=
	ELEMENT NO. 6. FINISHING	7	6,364,000/=
	ELEMENT NO. 7. PAINTING & DECORATION	8	2,080,000/=
	ELEMENT NO. 8 PLUMBING	9	1,190,000/=
	GRAND TOTAL		77,211,000/=



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BILL OF QUANTITIES FOR PROPOSED OFFICE BLOCK

S/NO	ITEM DESCRIPTION	QTY	UNIT	RATE	AMOUNT
	ELEMENT NR 1 SUBSTRUCTURE				
	Excavation and Earth				
A	Excavate oversite to remove vegetable tep soil average 150mm deep	410	sm	1000	410,000/=
B	Excavate foundation trench commencing at formation level and not exceeding 1.50 metres deep	160	cm	6000	960,000/=
C	Earth blackfilling well rammed and consoildated around foundation	80	Cm	4000	320,000/=
D	Load up surplus excavated material and remove from sitee	110	cm	4000	440,000/=
E	Imported approved earth filling to make up level under hardcore	41	cm	20,000	820,000/=
	HARDCORE				
F	150mm thick hardcore filling well rammed and consolidated	410	sm	3000	1,230,000/=
G	Level and blind top of hardcore with 150mm thick layer of clean murrum	410	cm	2000	820,000/=
	SOIL STERILIZATION				
H	Gladiator solution applied to hardcore bed surface at a rate of 8 litres per square metre	410	cm	1000	410,000/=
I	Ditto at the rate of 8litre per linear meter 300mm wide to 1200mm deep backfilling to one external side of foundation	200	Lm	1000	200,000/=
	DAMP PROOF MEMBRANE				
J	500 gauge pollyathene damp roof membrane in two layers laid with 150mm laps on blinded hardcore bed surface	410	cm	1000	410,000/=
	CONCRETE WORK				
	Plain insity concrete grade 15 nominel mix (1:3:6)				



A	Foundations	32	cm	200,000	6,400,000/=
B	100mm bed	41	cm	200,000	8,200,000/=
	Reinforced concrete grade 20 including vibrating around reinforcement				
C	Plinth beam	7	cm	200,000	1,400,000/=
D	Ground beam	7	cm	200,000	1,400,000/=
	Mild steel bar reinforcement to BS 4449 + 1969				
E	12mm bar	695	kgs	3000	2,085,000/=
F	6mm bar	175	kgs	3000	5,025,000/=
	Sawn formwork to				
G	Sides of plinth beam	90	Cm	1000	90,000/=
	WALLING				
	Blockwork				
	Solid concrete block to BS 202B type A (4N/mm ²) bedded and jointed in cement and sandmortar (1:3)				
A	230mm wall	235	cm	31000	7,285,000/=
	DAMP PROOF COURSE				
B	230mm wide hessian based damp proof course laid on block with 150mm layas	195	m	1000	195,000/=
	FINISHING				
	Render cement and sand (1:3) trowelled				
C	12mm thick to plinth to concrete or blockwork base	235	cm	4000	940,000/=
	Prepare and apply two coats of black bituminous paint on				
D	Rendered surface to plinth	235	cm	4000	940,000/=
	TOTAL ELEMENT NRI				
	SUBSTRUCTURE CARRIED TO GENERAL SUMMARY				35,500,000/=



NO	ITEM DESCRIPTION	QTY	UNIT	RATE	AMOUNT
	ELEMENT NR 4. DOORS + WINDOWS Alluminium slade door and windows complete with its necessary fittings (mortices locks, fasteners, stoppers, handles.)	290	sm	240,500	69,745,000/=
	TOTAL ELEMENT NR 4 DOORS CARRIED TO GENERAL SUMMARY				69,745,000/=



NO	ITEM DESCRIPTION	QTY	UNIT	RATE	AMOUNT
	ELEMENT NR 8. PLUMBING & ENGINEERING INSTALLATIONS				
	<u>SANITARY INSTALLATIONS:</u> Supply and fix the following sanitary appliance including all connections and fixing to wall or floor where necessary as directed				
A	White vitreous china low level we Asian comprising litres capacity cirsten with cover 12mm high pressure ball value plastic syphone fitting side supply and overflow set plastic flush bend and p trap outlet	9	Nr	60,000	540,000/=
B	White vitrous China wash hand basen completed with 12mm chromium plated piller tape safety bruckets 32mm waste with chain and plug and 32mm bottle trap with 75mm seal plastered walls	6	Nr	60,000	360,000/=
C	Allow for plumbing installation including pipe work and water pipes Supply and fix the following 150 x 75mm toilet will holder with plastic roller into blockwork		Item		1,500,000/=
		15	Nr	10,000/=	150,000/=
E	Mirror size 600 x 600mm fixed with done screw to background requirening struting	7	Nr	60,000/=	420,000/=
	TOTAL ELEMENT NR 8 PLUMBING ENGINEERING INSTALLATION CARRIED GENERAL SUMMARY				1,190,000/=



SUMMARY

S/ NO	DESCRIPTION	PAGE	AMOUNT
	ELEMENT NO. 1 SUBSTRUCTURE	1 & 2	35,500,000/=
	ELEMENT NO. 2 WALLING	3	20,000,000/=
	ELEMENT NO. 3 SLAB, BEAM & COLUMNS	4	125,697,000/=
	ELEMENT NO. 4. DOORS + WINDOWS	5	69,745,000/=
	ELEMENT NO. 5. FINISHING	6	7,140,000/=
	ELEMENT NO. 6. PAINTING & DECORATION	7	1,800,000/=
	ELEMENT NO. 7 PLUMBING	8	1,190,000/=
	GRAND TOTAL		261,072,000/=



PROPOSED BILL OF QUANTITY FOR MILL FOUNDATION 60M³

S/NO	ITEM DESCRIPTION	QTY	UNIT	RATE	AMOUNT
	Excavation and Earth works				
A.	Excavate oversite avenge 150mm deep to remove resistible tip soil deposit it in spoil heaps and subsequently spread and level on site where directed	564	M ²	2,000/=	1,128,000/=
B.	Excavate foundation french commencing at stripped level not exceeding 1.5m	564	M ²	6,000/=	3,384,000/=
C.	Ditto exceeding 1.5 not exceeding 3m deep	308	cm	8,000/=	2,464,000/=
D.	Excavate pit column bases commencing at stripped level not exceeding 1.5 meter	120	No	6,000/=	7,200,000/=
E.	Ditto exceeding 1.5m not exceeding 3m deep	60	cm	7,000/=	420,000/=
F.	200mm thick imported earth fill to make up level under hardcore well rammed and consoilidated	564	m ²	4,000/=	2,256,000/=
G.	Return fill and ram imported selected earth fill around foundation	308	m	4,000/=	1,232,000/=
H.	Load up surplus excavated materials spread or take away from site as advice	308	m	4,000/=	1,232,000/=
I.	Hardcore 200mm thick hardcore bed well rammed and consolidated	308	m	7,000/=	2,156,000/=



J.	Level and blind top of hardcore with 200mm layer of clear morram	308	m	6,000/=	1,848,000/=
	PLINTH BEAM				
K.	Supply and fix iron bar's of 12mm thick 564m long	188	pcs	18,000/=	3,384,000/=
L.	Supply and fix iron bar of 8mm thick (stirups)	250	pcs	9,000/=	2,250,000/=
M.	Binding wire	300	Kg's	3,500/=	105,000/=
	CONCRETE				
	Course Aggregate	364	M3	42,900/=	15,599,999/=
	Sand	220	M3	17,857	3,928,571/=
	Cement bag	1350	bags	15,000/=	20,250,000/=
					45,447,570/=
	Materials				68,767,271/=
	Labour				20,630,271/=
	TOTAL				106,383,430/=



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SUMMARY

A.	Materials cost	68,767,271 /=-
B.	Labour charge	20,630,271/-
C.	Contigence	13,409,590.65
D.	VAT 18%	16,091,610/-
	Total	122,477,040.65



A handwritten signature in blue ink, appearing to be "S. Mchuma", written over the stamp.



TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

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

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

(Please fill the form in duplicate)

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT

(No. 26 of 1997)

APPLICATION FOR REGISTRATION

(Made under Regulation 42)

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

1. I/We BALBINDER S. BANSAL, TEJINDER S. BANSAL, AMARJIT K. BANSAL
& GURMIL S. PANHAR
(director/directors/agent of BANSAL STEEL ROLLING MILL LIMITED
(name of business enterprise) apply for registration of

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 KISONGO, NEXT TO
A 70 2 TEXTILE MILLS

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 KISONGO

4. The Principal Officers of the Company are BALBINDER SINGH BANSAL
& TEJINDER SINGH BANSAL

5. Auditors of the Company are TAN AUDITORS, P.O BOX 11581
ARUSHA

6. The authorized share capital of the Company is Tshs./US\$ FOUR BILLION ONLY
(TSH 4,000,000,000.00)

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ \$, 106, 730.00

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

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

I/We enclose a cheque/cash made payable to the **Tanzania Investment Centre** for Tshs./US\$ 118,000.00 Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, JESINDER SINGH BANJAL of Post Office Number 193 ARUSHA

do solemnly and sincerely declare that I am a director/~~duy~~
authorized agent of BANJAL STEEL ROLLING MILL LIMITED

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

Declared at Dar es Salaam }
The 28th day of FEB 2009 }


Applicant

Before me:


Commissioner for Oaths



APPLICATION SUMMARY

Company Name: BANSAL STEEL ROLLING MILL LIMITED

Certificate of Incorporation Number: 64941 Status:

Certificate of Incorporation Date: 3rd APRIL 2008

Post Box: 193

Town: ARUSHA

Sector: MANUFACTURING

Sub-Sector:

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
.....	<u>3,106,730</u>	<u>500,000</u>	<u>1,500,000</u>

Project Objectives: ESTABLISHMENT OF STEEL ROLLING FACTORY

Capacity: 15,000 TONNES PER ANNUM

Employment: Foreign: 20 Local: 59 Total: 79

Implementation Period: 3 YEARS

Project Location

Site/Plot/Block No.: NEXT TO A 20 2 TEXTILE MILL

Street: KISONGO District: ARUSHA Region: ARUSHA
(Attach sketch map showing project location)

Shareholders	Nationality	%
<u>BALBINDER SINGH BANJAL</u>	<u>TANZANIAN</u>	<u>30%</u>
<u>TEJINDER SINGH BANJAL</u>	<u>TANZANIAN</u>	<u>30%</u>
<u>AMARJI KALUR BANJAL</u>	<u>TANZANIAN</u>	<u>30%</u>
<u>GUREMAL SINGH BANJAL</u>	<u>KENYAN</u>	<u>10%</u>

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

Land/Building	889,320.00
Plant	2,566,570.00
Vehicles	410,000.00
Furniture & Fittings	190,000.00
Pre-expenses	162,000.00
Others	132,670.00
Working Capital	756,230.00
TOTAL	5,106,730.00

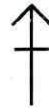
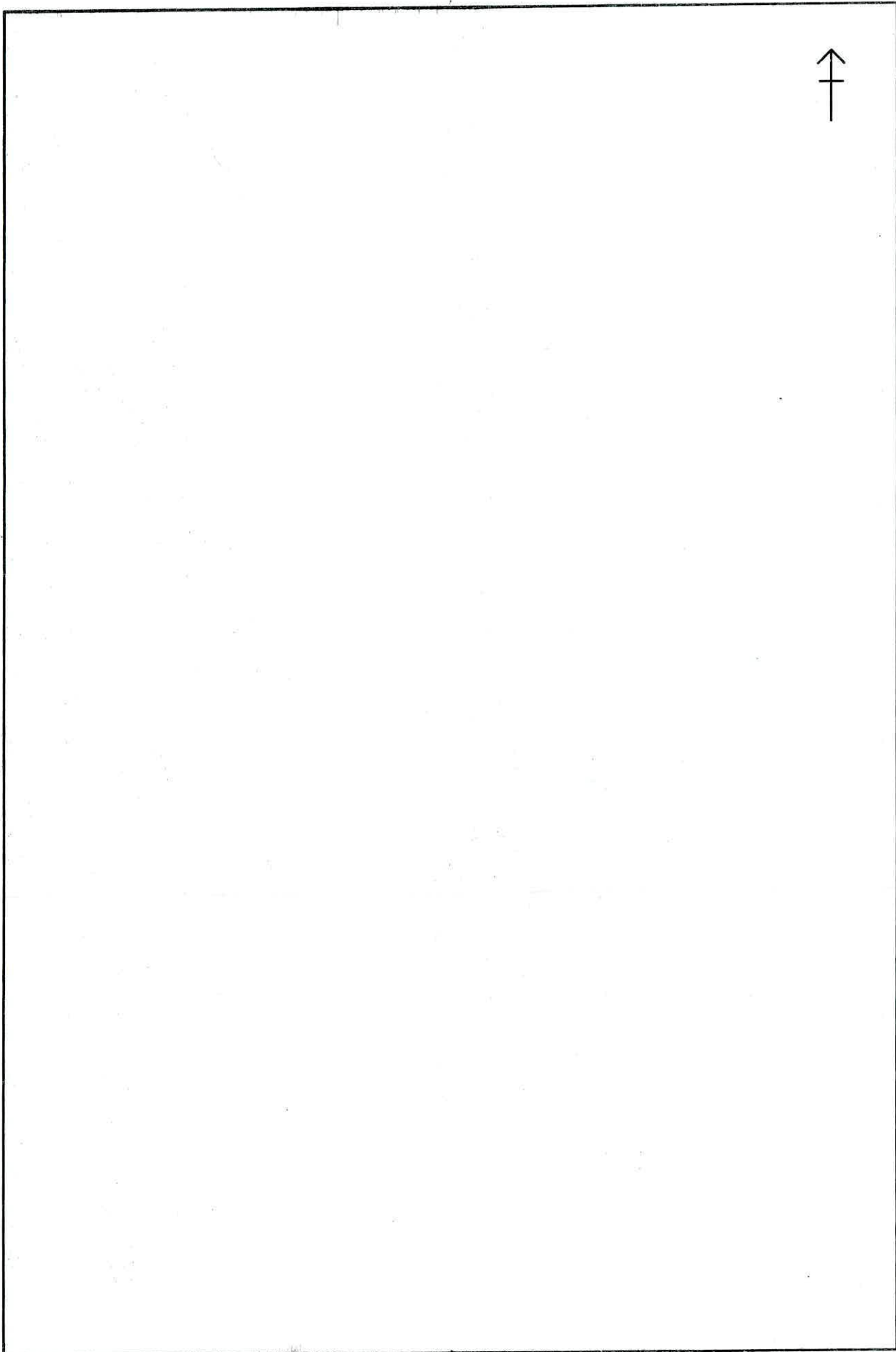
Contact Details:

Name: TEJINDER SINGH BANSAI Title: DIRECTOR
Telephone: 0754 318319 Fax: 027 2544608
Email: bansai@bol.co.tz

Payments to be made payable to:

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

SKETCH MAP SHOWING PROJECT LOCATION







April 14, 2011

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

Dear Sir,

RE: APPLICATION FOR CERTIFICATE OF INCENTIVES FOR INVESTMENT IN ESTABLISHMENT OF STEEL ROLLING FACTORY IN ARUSHA REGION

We write in response to your letter with reference number TICC/PP.10/041659/2 dated 11th March, 2009 granting registration to our proposed investment in the establishment of a steel rolling factory in Arusha Region.

Our project was delayed due to the global economic slowdown, however, we have now secured adequate financing for the project & are proceeding with its implementation.

We enclose herewith:

1. Company Board Resolution
2. Bankers reference letter
3. A certified copy of lease agreement
4. Bank pay slip for payment of US \$ 750.00 being payment for Certificate of Incentives

It is our hope that your Centre will issue us Certificate of Incentives to enable our Company implement our Project.

Thanking you in anticipation,

Yours faithfully,
BANSAL STEEL ROLLING MILL LIMITED

.....
DIRECTOR



BANSAL STEEL ROLLING MILLS LTD.



QUALITY THROUGH TECHNOLOGY
Manufactures of T.M.T. Bars, Quality Angles, Flats, Window Sections

EXTRACT OF THE MEMBERS MEETING HELD AT THE REGISTERED
OFFICE OF THE COMPANY ON 14th SEPTEMBER 2009

BE & IS HEREBY RESOLVED THAT THE COMPANY UNDERTAKE
INVESTMENT IN ESTABLISHMENT OF A STEEL ROLLING MILL IN ARUSHA
WITH APPROVAL FROM TANZANIA INVESTMENT CENTRE

CONFIRMED

MEMBER

BANSAL STEEL ROLLING MILLS LTD.
P.O. Box 193 ARUSHA (TANZANIA)



30th Mar 2011

EB/AR/187/2011

**EXIM
BANK**

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

Dear Sir,

RE: M/S. BANSAL STEEL ROLLING MILL LTD.

We wish to inform you that the above captioned Company is our valued customer holding business accounts with our bank.

The account operations are at our entire satisfaction.

From the background of the Directors of the Company we feel that they are capable enough of financing the project undertaken by them without any difficulty.

Any assistance provided to our customer will be highly appreciated.

This letter serves as reference letter to our customer without any risk or responsibility on the part of bank or its officers.

Yours Faithfully,

Senior Branch Manager

Exim Bank (Tanzania) Ltd.

P. O. Box 1906, Arusha
Subzali Building, Goliondoi Road
Tel: (+255) 27 250 4910, Fax: (+255) 27 250 4912
Website: www.eximbank-tz.com
E-mail: eximarusha@eximbank-tz.com



TENANCY LEASE AGREEMENT

LAND REGISTRATION ACT (CAP.344)

This Tenancy Lease Agreement (Lease) is made on this day of, 2011 between M/S TAJINDER SINGH BANSAL, a natural person, of P. O. Box 193, Arusha (hereinafter referred to as the Landlord) and M/S BANSAL STEEL ROLLING MILLS LIMITED, a duly incorporated limited liability Company under the Companies Act, of P. O. Box 193, Arusha (hereinafter referred to as the Tenant). The Landlord is the legal owner of commercial land & accompanying buildings suitable for operating a steel rolling mill (hereinafter referred to as the property) located on Farm No. 2353 Engorora Village, Arumeru District Municipality (hereinafter referred to as the Leased Premises) The Landlord desires to lease the Leased Premises to Tenant, and Tenant desires to lease the Property from Landlord for the term, at the rental and upon the provisions set forth herein. THEREFORE, in consideration of the mutual promises contained herein, and for other good and valuable consideration, it is agreed:

1. Term.

The Term of the Lease shall be for FIVE (5) years beginning on this the 1st day of February 2011 and end on this the 31st day of January 2016 .

The Tenant may renew the Lease for a further term of two (2) years by providing written notice to Landlord not less than sixty (60) days prior to the expiration of the Initial Term. The renewal term shall be at the rental amount to be mutually agreed by the Landlord and the Tenant while other terms, covenants, conditions and provisions as contained in this Lease shall remain the same.

The Tenant shall, on expiry of this lease give vacant possession in the same standard as it was at the commencement of this tenancy, fair wear & tear excepted. In case of damage to the property, the Landlord may rectify the situation at the expenses of the Tenant.

In the event that the Landlord intends to sell the Premises, the Tenant will be offered the first right of refusal to purchase the premises on such terms as mutually agreed by both the parties.

2. Rent.

The monthly rental amount is US\$ 800.00 (US Dollars Eight Hundred only per month plus taxes as applicable). The rent shall be payable in advance in quarterly installments. A late payment penalty of 10% of the current rent shall be charged for rent payments received after the 7th day.

3. Deposit

The Tenant shall, on signing this agreement pay a deposit of equivalent to three months' rent. The landlord shall be entitled, from this deposit to offset any late payment fees, charges for dishonored cheques, and any other unfulfilled obligation of the Tenant under this agreement. Any shortfall in deposit due to increase on rent shall be replenished by the Tenant before commencing of the new term of contract. On production of the electric and water bill duly settled till the date of handing over the possession and handing over vacant possession of the premises in the condition as that of entry, any balance of this deposit shall be refunded to the Tenant. The deposit shall not be used as the rent for last month's of the tenancy.

If rent shall at anytime be more than two quarters in arrears, the Landlord shall be entitled to lock up the rented premises until such time as all arrears are paid. Such right shall be exercised without the need for any order from a court or the rent tribunal and the Landlord shall not be liable for any loss/damage incurred by the Tenant as a result of such locking up. If the rent is not paid up in full even after locking up of the premises the Landlord may exercise his right to terminate the tenancy and assume possession of the premises and take whatever action they deem fit to recover arrears of rent.

4. Prohibited Uses.

Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous and illegal substances or devices.



5. Repairs.

During the Lease term, Tenant shall make, at Tenant's expense, upon obtaining Landlord's consent, all necessary repairs to the Leased Premises. Repairs shall include such items as routine repairs of floors, walls, ceilings, and other parts of the Leased Premises damaged or worn through normal occupancy, except for major mechanical systems or the roof, subject to the obligations of the parties otherwise set forth in this Agreement.

6. Alterations and Improvements.

No alterations, additions, improvements and replacements of and to all or any part of the Leased Premises shall be made by the Tenant without express prior written approval by the Landlord. Any alterations made or fixtures put shall become the property of the Landlord and the Tenant shall not claim for any installation charged or cost of fixtures or alterations

7. Property & Other Taxes.

Landlord shall pay all general real estate taxes coming due during the Lease term on the Leased Premises.

8. Insurance.

The Landlord shall maintain fire and extended coverage insurance on the Building and the Leased Premises in such amount as Landlord shall deem appropriate. The Tenant shall be responsible, at its expense, for fire and extended coverage insurance on all of its personal property, including removable fixtures located in the Leased Premises.

The Tenant shall indemnify the Landlord against all damage, loss or injuries occasioned to the said premises or any of the part of the building, or to any adjoining or neighboring premises or to any other person or persons caused by any act, default, negligence or omission of the Tenant, its servant, agents, licensees of invitees.

The Landlord shall not be liable for any loss or injury to the Tenant or the servants, Licensees or invitees of Tenant caused by:

- (i) Any effect of deficiencies in electrical fitting or plumbing,
- (ii) Any lack or shortage of electricity, water.
- (iii) The overflow of water to or into the premises from other parts of the building which are not in occupation or control of the Landlord.
- (iv) Any burglary or theft.

9. Utilities.

Tenant shall pay all charges for telephone and other services and utilities used by Tenant on the Leased Premises during the term of this Lease.

Tenant shall pay such all such utility charges prior to the due date. Tenant acknowledges that the Leased Premises are designed to provide standard residential use electrical facilities and standard residential lighting. Tenant shall not use any equipment or devices that utilizes excessive electrical energy or which may, in Landlord's reasonable opinion, over load the wiring or interfere with electrical services. The electricity charges will be informed to the tenant from time to time and the Tenant undertakes to pay the contribution to the Landlord immediately upon receipt of the bill from the Landlord.

9. Entry & Inspection

Landlord or his duly appointed representative, having given at least 24 hours notice, shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same. the Tenant will also during, the last two months of the tenancy permit any person or person accompanied by the Landlord, his employee or his agent to enter and inspect the premises at reasonable times by prior arrangement.

10. Quiet Possession.

Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

Certified True Copy
of the Original
ADVOCATE



The Tenant shall not do or permit or suffer to be done upon the premises anything which in the opinion of the Landlord may be or become a nuisance to or in any way interfere with the quiet use or comfort of occupants or neighbors in the surrounding area.
The Tenant shall use parking areas immediately around the demised premises, staircases and passages in such way as to avoid damage to the premises or nuisance or annoyance to other users.

11. Notice.

Any notice served under or in respect of this agreement may be served by posting by registered post in case of the Landlord to its last known post address in Tanzania or in the case of the Tenant by delivering, it to the Tenant at the said premises, or by registered post at its last known postal address Tanzania.

12. Consent.

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

13. Termination:

Either the Landlord or the Tenant shall be at liberty to terminate this Tenancy lease agreement before the expiration of the said lease term of by giving to the other party six (6) calendar month's notice in writing.

14. Compliance with Law.

Tenant and Landlord each shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

15. Final Agreement.

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

IN WITNESS WHEREOF The parties have executed this agreement this 9th day of APRIL, 2011

SIGNED and DELIVERED by the Landlord Mr, TAJINDER SINGH BANSAL in our presence this 9th day of APRIL..... 2011

WITNESS: Name: GURMAIL SINGH PANESAR
Address: P.O. BOX 2323 ARUSHA
Occupation: DIRECTOR

Signature: [Signature]

SEALED and DELIVERED by the Tenant M/S BANSAL STEEL ROLLING MILLS LIMITED in our presence this 9th day of APRIL..... 2011

WITNESS: Name: JASVINDER SINGH REHNU
Address: P.O. BOX 8840 DSM.
Occupation: DIRECTOR

Signature: [Signature]

7

04/659

22 May, 2009

EXECUTIVE DIRECTOR
TANZANIA INVESTMENT CENTRE
P.O BOX 938
DAR-ES-SALAAM



Dear Sir / Madam,

RE: BANSAL STEEL ROLLING MILLS LTD

At the express request from our esteemed customer, we confirm that the above named customer maintains accounts with us.

The accounts have been operated to our entire satisfaction.

We have had no reason to enquire into their private affairs but we are unaware of any adverse information on their activities.

We unreservedly recommend them and any assistance given to them will be highly appreciated.

Do not hesitate to contact the undersigned if you need more clarification.


The information is provided to you for your private use only with the express condition that neither this Bank nor any of its officials will be responsible for issuing it.


Joyce Kindulu
Corporate Manager's Assistant

BARCLAYS BANK TANZANIA LIMITED
P.O. BOX 14652
ARUSHA
TANZANIA



TITLE No. 23521
 REGISTERED ON 29-04-2009
 AT 11:30 A.M.
 Asst. Registrar of Titles



Stamp Duty Shs. 900/= Paid
 and Revenue Receipt No. 31275466
 of 28-2-2008
 Asst. Registrar of Titles
 Land Form No. 23

Stamp Duty Shs. 100/= Paid
 on Original Revenue Receipt No. 31275466
 of 28-2-2008
 Asst. Registrar of Titles



THE UNITED REPUBLIC OF TANZANIA
 THE LAND ACT, 1999
 NO. 4 OF 1999

CERTIFICATE OF ACCUPANCY
 (Under Section 29)

LAND REGISTRY - MOSHI
 TANZANIA
 Title No. 23521
 L.O. No. 307845
 L.D. No. ARS/LD/2353


The 11th day of April, 2008

THIS IS TO CERTIFY that RAJINDER SINGH BANSAL OF P.O. BOX 193 ARUSHA

(hereinafter called "the Occupier" / ~~the Occupiers~~) is ~~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") ~~as joint occupants/occupants in common or co-owners~~ ~~here~~ for a term of ninety nine years from the first day of October ~~Two thousands and seven~~ according to the true intent and meaning of the land Act and subject to the provisions thereof and to regulations made thereunder and to any enactment in substitution thereof or amendment thereof and to the following conditions:-

The Occupier(s) having paid rent up to the thirtieth day of June 2008, shall there after pay rent of shillings Twenty five thousand only (Shs. 25,000/-) 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 commissioner for Lands.

CERTIFIED TRUE COPY OF THE ORIGINAL



2. ~~The land shall be used for farming and/or livestock keeping.~~

3. The Occupier(s) shall:-

(a) Demarcate the boundaries of the land to the satisfaction of Arusha District Council.

(Hereinafter called "the Authority") and thereafter to maintain such demarcation that the boundaries are always easily identifiable.

(b) Do everything necessary to preserve the environment and protect the soil and preserve soil fertility and prevent soil erosion on the land and use the land so as not to cause soil erosion outside in boundaries and do all things which may be required by the authorities responsible for agriculture and environment to achieve such objective.

(c) Be responsible for the protection of all beacons on the throughout the term of the Right. Missing beacons will have to be re-established at any time at the Occupier(s) expenses as assessed by the authority responsible for surveys and Mapping.

4. The following are the rights of the occupier:-

(a) The permanent, exclusive rights to the land, the subject of the right of occupancy against all persons other than the commissioner.

(b) The right shall confer no water rights.

5. The Occupier(s) shall not assign the Right within three years of the date hereof without the prior approval of the Commissioner for Lands.

6. The Occupier(s) shall deliver to the Commissioner for Lands notification of disposition in prescribed form before or at the time the disposition is carried out together with the payment of all premia taxes and dues prescribed in connection with the disposition.

7. The President may revoke the Right of Occupancy for good cause and or in the public interest.

2. **USER:** The land shall be used for Service Trade Industry. Use Group 'M' use class (b) as defined in the Town and Country Planning (Use Classes) Regulations, 1960 and as amended in 1993.

CERTIFIED TRUE COPY OF THE ORIGINAL





DETAILED MAP SHEET NO. 38/2

REVENUE DEPARTMENT

INDORAYA VILLAGE

THIS MAP PREPARED BY REV. J. J. ...
 FILE NO. 58107 ...
 LAND REGISTRATION ...
 Director of ...
 Date 27.02.08

J. J. ...



CERTIFIED TRUE COPY FOR ...

of this map and has no guarantee

SCHEDULE

All that land known as **Para No. 2353 Engorera Village Arumeru District** containing **four decimal point five four (4.54) Hectares**

shown for identification only edged on the plan attached to this Certificate and defined on registered survey plan number **50107** deposited at the Office of the Director for Surveys and Mapping

GIVEN under my hand and official seal the day and year first above written



COMMISSIONER FOR LANDS.

I, **RAJINDER SINGH BANSAL** the within-named **HEREBY** accept the terms and conditions containing in the foregoing Certificate of Occupancy.

SIGNED and DELIVERED by the said
RAJINDER SINGH BANSAL who is ~~known to me~~
~~personally~~/identified to me by



ZILIJHA CHAREMA
the latter being known to me personally
in my presence this

day of **February** **28th** **2008**

Signature:.....

Postal Address:..... **P.O. Box 3013**.....

Qualification:..... **ARUSHA**.....
Land Officer
SENIOR LAND OFFICER

CERTIFIED TRUE COPY OF THE ORIGINAL



TICC/PP.10/041659/2

11 March 2009

Managing Director,
Bansal Steel Rolling Mill Ltd,
P.O. Box 193,
ARUSHA

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE
ESTABLISHMENT OF STEEL ROLLING FACTORY**

We wish to acknowledge receipt of your project proposal to establish steel rolling factory as presented in the TIC P.A. 1 Form No. 03662 and Feasibility Study with a projected investment of USD 5.106 m.

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

- Company Board Resolution accompanied by Bank Reference for equity funding or a letter from Bank/Financial Institution indicating that a loan is granted or is under consideration as required by Section 17 (3) (f) of Tanzania Investment Act, 1997.
- Certified document showing evidence of Land ownership for the location of the project.

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

.../2

TICC/PP.10/041659/2

11 March 2009

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

Yours sincerely,
Tanzania Investment Centre



B. D. Chonjo
Ag. 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



TIC Evaluation Report

Name of the Company
Bansal Steel Rolling Mill Limited

Post Box	Kisongo	COI Number	64941	Contact	Tetinder Signh Bansal
Post Office	193	COI Date	03/04/2008	Designation	Director
Region	Arusha	Application F. No	03662	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0754 318319
		Sub Sector	Steel Manufacturers	Fax	027 2544608
		File No	041659	E-Mail Address	Bansal@Bol.Co.Tz

Investment Finance Plan in Millions USD

Project Location		Foreign Equity	Local Equity	Foreign Loan	Local Loan
Plot/Block	Next to A & Z textile mill	0	3.1	0.5	1.5
Street	Kisongo				
District	Arusha				
Region	Arusha				

Shareholders Detail

Name	Nationality	(%)
Gurmail Signh Panasar	Kenya	10
Amarti Kaur Basnal	Tanzania	30
Tetinder Signh Bansal	Tanzania	30
Bacbinder Singh Bansal	Tanzania	30

Investment Breakdown (USD Million)

Land/Building	0.889
Plant	2.567
Vehicles	0.41
Furniture & Fittings	0.19
Pre-expenses	0.162
Others	0.132
Working Capital	0.756
Total	5.106

Employment	79	Evaluated By	Senzia Manager
Capacity	15,000	Drawn By	Shokko Registry
Project Turn Over			

Description
 To establish steel rolling factory

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

Decision

Approved
Renowned
By EAD
07-03-09

(1)

BANSAL STEEL ROLLING MILL LIMITED

P.O. Box 193,

Tel: +255 27 2506928

ARUSHA - TANZANIA

Our Ref: BSRML/TIC/O1/08

Date: 20th November, 2008

Your Ref:

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



Dear Sir,

RE: APPLICATION FOR A CERTIFICATE OF INCENTIVES

We are submitting this application requesting your office to grant us with a Certificate of Incentives to enable us enjoy the privileges as provided under TIA 1997.

Enclosed please find herewith the following documents in support of our application.

1. 3 Copies of the project feasibility study.
2. Duly filled TIC Application form.
3. A copy of the company memorandum and articles of Association.
4. A Certified copy of the Certificate of Incorporation.
5. Company Board Resolutions.
6. Introduction letter from Bank.
7. A Copy of Title Deed/Lease Agreement.
8. ~~Financial Statements for three years.~~

Yours sincerely,


.....
TEJINDER S. BANSAL
DIRECTOR

BANSAL STEEL ROLLING MILL LIMITED

P.O. Box 193,

Tel: +255 27 2506928

ARUSHA - TANZANIA

Our Ref: BSRML/BR/01/08

Date: 24th October, 2008

Your Ref:

BOARD RESOLUTIONS

RESOLUTIONS

Registering the Company with the Tanzania Investment Centre [TIC]

[Resolution # 2008-001]

WHEREAS, the Board of Directors of **BANSAL STEEL ROLLING MILL LIMITED** has adopted the Motion to register the company with the Tanzania Investment Centre and

WHEREAS, the company is committed to Establish its Steel Rolling Mill Industry and to hold a Certificate of Incentives;

NOW, THEREFORE, BE IT RESOLVED that the board hereby approves the motion to register the company with the Tanzania Investment Centre [TIC];

BE IT FURTHER RESOLVED that, consistent with the company vision for growth, the Board hereby authorizes them to seek and hold a Certificate of Incentives from the Tanzania Investment Centre

Adopted by the Board of Directors
On October 24th, 2008


.....
TEJINDER S. BANSAL, Chairman


.....
BALBINDER S. BANSAL, Company Secretary

TANZANIA



Certificate of Incorporation

Section 15

No **64941**

I HEREBY CERTIFY THAT

BANSAL STEEL ROLLING MILL LIMITED ===

is this day incorporated under the Companies Act, 2002 and that the Company is Limited.

Given under my hand at Dar es salaam

this **3RD** day of **APRIL****TWO THOUSAND AND EIGHT**A handwritten signature in black ink, appearing to be 'J. M. M.', written over a dotted line.
Asst. Registrar of Companies

CTIN.: 00105224



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

BANSAL STEEL ROLLING MILL LIMITED

.....

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

106-646-775

.....

with effect from 21-Apr-2008

JOANNES N. A. MALLY

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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

REQUIREMENTS OF THIS CERTIFICATE

1. The taxable person must show his TIN registration number in any return, statement, notice of appeal or other document used for the purpose of the Income Tax Act.
2. This Certificate should be displayed in a conspicuous position at the principal place of business.



TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

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

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

(Please fill the form in duplicate)

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT

(No. 26 of 1997)

APPLICATION FOR REGISTRATION

(Made under Regulation 42)

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

1. I/We BALBINDER S. BANSAI, TAJINDER S. BANSAI, AMARJI, K. BANSAI & GURMAIL S. BANSAI
(director/directors/agent of BANSAI STEEL ROLLING MILL LIMITED
(name of business enterprise) apply for registration of
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 KISONGO, NEAR A.Z.O.Z. TEXTILE MILL

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 KISONGO

4. The Principal Officers of the Company are BALBINDER SINGH BANSAI & TAJINDER SINGH BANSAI

5. Auditors of the Company are TAN AUDITORS, P.O. BOX 11581, ARUSHA

6. The authorized share capital of the Company is Tshs./~~US\$~~ FOUR BILLION ONLY (TSHS 4,000,000,000.00)

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ 5,106,730.00

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

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

I/We enclose a cheque/cash made payable to the **Tanzania Investment Centre** for Tshs./US\$ 118,000.00 Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, TEJINDER SINGH BANSAI of Post Office Number 193 ARUSHA

do solemnly and sincerely declare that I am a director/duty authorized agent of BANSAI STEEL ROLLING MILL LIMITED

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

Declared at Dar es Salaam)
The 28th day of FEB 2003 }


Applicant

Before me:



Commissioner for Oaths

APPLICATION SUMMARY

Company Name: BANSAL STEEL ROLLING MILL LIMITED

Certificate of Incorporation Number: 64941

Status:

Certificate of Incorporation Date: 3rd APRIL

2008

Post Box: 193

Town: ARUSHA

Sector: MANUFACTURING

Sub-Sector:

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
<u>—</u>	<u>3,106,730</u>	<u>500,000</u>	<u>1,500,000</u>

Project Objectives: ESTABLISHMENT OF STEEL ROLLING FACTORY

Capacity: 15,000 TONNE PER ANNUM

Employment: Foreign: 20 Local: 59 Total: 79

Implementation Period: 3 YEARS

Project Location

Site/Plot/Block No.: NEXT TO AFO 2, TEXTILE MILLS

Street: KISONGO District: ARUSHA Region: ARUSHA
(Attach sketch map showing project location)

Shareholders	Nationality	%
<u>BALBINDER SINGH BANSAI</u>	<u>TANZANIAN</u>	<u>30%</u>
<u>TEJINDER SINGH BANSAI</u>	<u>TANZANIAN</u>	<u>30%</u>
<u>AMARJIT KAUR BANSAI</u>	<u>TANZANIAN</u>	<u>30%</u>
<u>GURMAIL SINGH PANASAR</u>	<u>KENYAN</u>	<u>10%</u>
.....

Investment Breakdown US\$/Tshs.M

Land/Building	889,320.00
Plant	2,566,510.00
Vehicles	410,000.00
Furniture & Fittings	190,000.00
Pre-expenses	162,000.00
Others	132,670.00
Working Capital	756,230.00
TOTAL	5,106,730.00

Contact Details:

Name: J. RINDEE SINGH BANSAI Title: DIRECTOR
Telephone: 0754 318319 Fax: 027 2544608
Email: bansai@bol.co.tz

Payments to be made payable to:

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



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
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DAR ES SALAAM

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3. The Head Office of the Company will be situated at KISONGO

4. The Principal Officers of the Company are BALBINDER SINGH BANSAI & TEJINDER SINGH BANSAI

5. Auditors of the Company are TAN AUDITORS, P.O. BOX 11581, ARUSHA

6. The authorized share capital of the Company is Tshs. ~~US\$~~ FOUR BILLION ONLY
(TSHS 4,000,000,000.00)

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ S, 106, 730.00
8. The month and day of the financial year end is 31st DECEMBER

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


We enclose a cheque/cash made payable to the **Tanzania Investment Centre** for Tshs./US\$ 118,000.00 Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, TEJINDER SINGH BANSAI of Post Office Number 193 ARUSHA

do solemnly and sincerely declare that I am a director/~~director~~ authorized agent of BANSAI STEEL ROLLING MILL LIMITED

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

Declared at Dar es Salaam)
The 28th day of FEB 2003


Applicant

Before me:



Commissioner for Oaths

APPLICATION SUMMARY

Company Name: BANSAL STEEL ROLLING MILL LIMITED

Certificate of Incorporation Number: 64941

Status:

Certificate of Incorporation Date: 3rd APRIL

2008

Post Box: 193

Town: ARUSHA

Sector: MANUFACTURING

Sub-Sector:

Investment Financing Plan in Million US\$/Tsh.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
<u>—</u>	<u>3,106,730</u>	<u>500,000</u>	<u>1,500,000</u>

Project Objectives: ESTABLISHMENT OF STEEL ROLLING FACTORY

Capacity: 15,000 TONNE PER ANNUM

Employment: Foreign: 20 Local: 59 Total: 79

Implementation Period: 3 YEARS

Project Location

Site/Plot/Block No.: NEXT TO AFD 2, TEXTILE MILLS

Street: KISONGO District: ARUSHA Region: ARUSHA
(Attach sketch map showing project location)

Shareholders	Nationality	%
<u>BALBINDER SINGH BANSAL</u>	<u>TANZANIAN</u>	<u>30%</u>
<u>JESINDER SINGH BANSAL</u>	<u>TANZANIAN</u>	<u>30%</u>
<u>AMARJIT KAUR BANSAL</u>	<u>TANZANIAN</u>	<u>30%</u>
<u>GURMAIL SINGH PANASAR</u>	<u>KENYAN</u>	<u>10%</u>

Investment Breakdown US\$/Tshs.M

Land/Building	889,320.00
Plant	2,566,510.00
Vehicles	410,000.00
Furniture & Fittings	190,000.00
Pre-expenses	162,000.00
Others	132,670.00
Working Capital	756,230.00
TOTAL	5,106,730.00

Contact Details:

Name: JESINDER SINGH BANJAL Title: DIRECTOR
Telephone: 0754 318319 Fax: 027 2544608
Email: bansal@bol.co.tz

Payments to be made payable to:

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

BANSAL STEEL ROLLING

MILL LIMITED

FEASIBILITY STUDY

FOR

**ESTABLISHMENT OF
STEEL ROLLING
FACTORY**

NOVEMBER 2008

Prepared by:

Mareu Services,

P. O. Box 13729

Tel: 0732 972633

Fax: 027 2505780

Mob: 0787 331999

E-mail: mareuservices@yahoo.com

ARUSHA – TANZANIA

1.0 BACKGROUND INFORMATION

Company's Legal Status

Bansal Steel Rolling Mill Limited is a private incorporated limited liability company registered in Tanzania, under the Companies Act No 12, 2002 and issued with a certificate of registration No 64941 dated 3rd April 2008. Photocopies of the certificate of registration, TIN and the memorandum and articles of association are attached.

Ownership

The company is owned by:

Balbinder Singh Bansal, with 120,000 shares,
Tejinder Singh Bansal, with 120,000 shares,
Amarjit Kaur Bansal, with 120,000 shares,
Gurmail Singh Panasar, with 40,000 shares.

Management

The company will be managed by the board of directors that consists of the four directors, Mr Balbinder Singh Bansal, Mrs Tejinder Singh Bansal, Mr. Amarjit Kaur Bansal, Mr. Gurmail Singh Panasar and the Company Secretary, Mr. Edward John Mrosso, who is also the company Lawyer. A team of professionals who include mechanical engineers, processing technicians, fitter and tuner technicians, accountants and other relevant professionals will assist the owners in running the various businesses.

Business Activity

Bansal Steel Rolling Mill Limited was registered in 2008, on the 3rd of April. Bansal Steel Rolling Mill Limited was formed with the major aim of carrying out the business of steel rolling, steel bending, steel works, ironworks, metal works, ironmongers, engineers, foundry, machinists and manufacturing various spare parts made from steel. The company will also be engaged in the business of manufacturing steel furniture at its factory that will be located at Kisongo within Arusha Municipality.

Project Concept

Bansal Steel Rolling Mill Limited has embarked on a project envisaging investing in establishment of a steel rolling factory and related metal works business at Kisongo Industrial Area. The project will be based on an importation of modern machines for steel rolling and metal working, including a complete rolling mill plant with accessories, with rolling capacity ranging from 14" to 10". The plant will either be automatic, semi-automatic and manually operated mill.

The proposed project will be mainly for the production of structural steel, square bars, flat bars, wire rope products, angle iron, iron sections, corrugated iron sheets, and various spares parts for different machinery for the local and export market. The factory will also carry out specified steel and metal bending jobs according to customer requirement. The raw material to be used will be billet 100 x 100 that may be imported or sourced locally.

Bansal Steel Rolling Mill Limited will use mostly metal product machines manufactured by Kajal Steel Industries, an Indian machine manufacturing company, well renowned for the quality machines they produce.

The company will introduce a workshop with special service and maintenance to carry out proper service to the machines. Also most of the repairs will be done in this workshop that will employ trained personnel for proper service, maintenance and repairs.

Project Cost

TABLE 1.1 INVESTMENTS STRUCTURE

S.No.	ITEMS	COST (US \$)
1.	Building and Civil Works	874,320
2.	Machinery and Equipment	2,566,510
3.	Furniture and Fittings	190,000
4.	Motor Vehicles	410,000
5.	Land Rent	15,000
6.	Others	132,670
7.	Pre-operational Expenses	162,000
	Total Capital Investment	4,350,500
	Initial Working Capital	756,230
	GRAND TOTAL	5,106,730

Capacity of the Project Activity

Bansal Steel Rolling Mill Limited will begin its steel rolling and bending by installing machinery with a capacity to produce 50 to 60 tones per day in a ten hour shift.

Type and Source of Raw Materials

The project activity will use steel as the major raw material; this is billet steel 100 x 100. The company will source the raw materials locally. Only when the raw materials needed are not available locally, will the company

import them from other countries. Quality metallic raw materials may sometimes be unavailable locally.

2.0 TECHNICAL ASPECTS

Specifications of the Machines required

All machines to be bought will be quality machines from Kaja Steel Industries and other manufactures that are renowned for the quality machines they manufacture. All machines will have specifications meeting international standards for metal working.

Comparative Sources of Manufactures and Raw Material Suppliers.

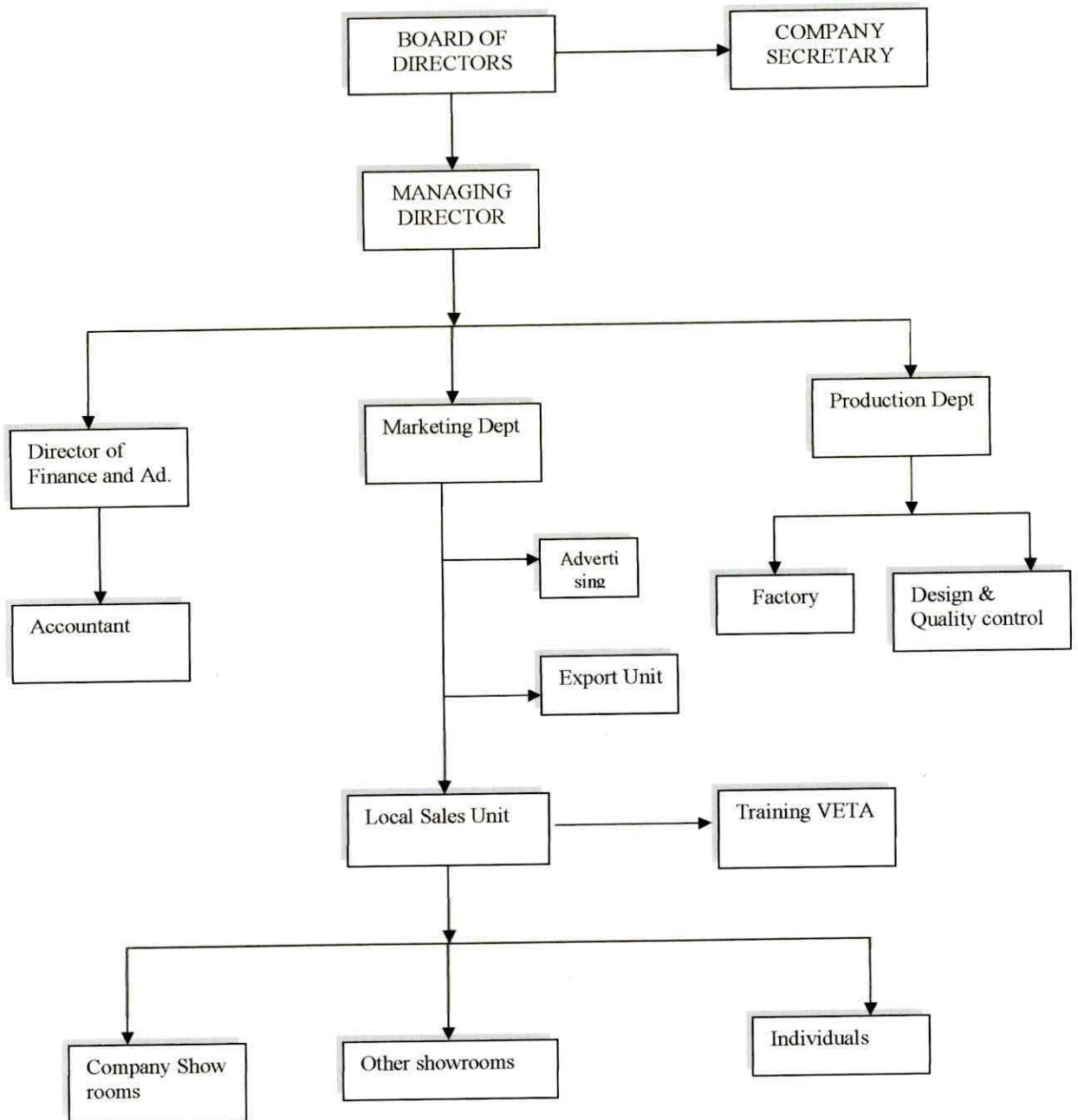
Kajal Steel Industries machines are known for their durability and the quality products they can produce. The company will float a tender to various companies and then choose a supplier of the machines that will win the tender according to the specifications the company requires.

As for the raw materials, the company will float tenders for various suppliers to see and bid. Bansal Steel Rolling Mill Limited will choose suppliers that will meet our specifications. The companies will always give priority to local suppliers as a way to support the local industry and building the economy of the country.

3.0 ORGANIZATION AND MANAGEMENT

Detailed Organizational Chart

The company management includes a board of directors to include shareholders and directors of the company, plus the company secretary. Under the board there will be the Managing Director supported by the Director of Finance and Administration, Director of Production and Marketing as well as the Factory Manager. The organization chart of the company is as shown below:



Proposed Employment Structure

S.NO.	ITEMS	NO.	SALARY PER MONTH US\$	MONTHLY WAGE US\$	ANNUAL WAGE BILL US\$
1.0	MANAGEMENT AND ADMINISTRATION				
	Managing Director	1	1,500	1,500	18,000
	Director of Finance and Administration	1	1,200	1,200	14,400
	Marketing Officers	3	400	1,200	14,400
	Accountant	1	1,000	1,000	12,000
	Secretary	1	300	300	3,600
	Security Guards	15	150	2,250	27,000
2.0	PRODUCTION				
	Factory manager	1	1,000	1,000	12,000
	Section Supervisor	4	700	2,800	33,600
	Training	3	400	1,200	14,400
	Design	2	400	800	9,600
	Technician	6	400	2,400	28,800
	Operator	25	250	6,250	75,000
3.0	SHOP & SHOW ROOM				
	Supervisor	2	600	1,200	14,400
	Shop Attendant	2	300	600	7,200
	Store-keeper	2	350	700	8,400
	Drivers	4	250	1,000	12,000
	Helpers	6	150	900	108,000
	SUB-TOTAL	79			314,400
	Add: Social Benefits 15%				47,160
	TOTAL SALARIES AND WAGES				361,560

Project Implementation Schedule

The project will take three years to reach full designed capacity of production.

Certification process – 2 months

Firming up finance – 4 months

Buildings and Civil Works – 12 months

Purchasing and installation of machines – 18 months

Implementation period is expected to take a maximum of three (3) years. However production will start within the first 18 months after the certification process. Purchasing and installation of machines will be done in stages.

4.0 MARKET ANALYSIS

Demand and Supply Trends

The main market for Bansal Steel Rolling Mill Limited will comprise of construction companies, government institutions, private institutions, the general public and export to the East African Community countries, PTA and other parts of the world.

Tanzania was once considered a poor industrial country especially for quality industrial goods. This trend is changing with new and modern industries using state of the art technologies that have been constructed through out the country. The new industries are producing goods that meet international quality standards and can compete internationally.

The improvement in the economy of the country during the past decade, has resulted in a boom in the building industry in the country, this in turn has resulted in an increase in the demand for building materials especially quality goods for the steel structures, rain forced concrete, roofing materials and spare parts. At the moment most of these goods are imported from abroad.

The improvement in the quality of goods produced in the country has resulted in the rise in the requirement of locally manufactured goods that are relatively cheap in comparison to imported goods with the same quality. Bansal Steel Rolling Mill Limited is geared to cover a portion of steel and metal requirement in the country and neighboring countries.

Future Outlook

Modernization and addition of buildings, civil works, and construction and support projects in general attract potential demand for steel products and metal products. In the past, the bulk of quality steel products were left in the hands of foreign companies that were exporting their products to Tanzania at high prices. However at the moment, the steps taken by the government and other stake holders have resulted in the increase of quality steel and metal products being produced in Tanzania. Tanzanian stakeholders in the building

industry and the government are determined to make sure the trend keeps on rising.

Arusha, the Geneva of Africa, continues to rise in its population of international personnel. The East African Headquarters are in Arusha, plans are under way for construction of permanent offices for the headquarters. Other international dignitaries continue to be part of the population of the city of Arusha, the requirement for steel and metal products of international standard will continue to rise in Arusha, Bansal Steel Rolling Mill Limited will use the vast experience we have in marketing of our transportation business to capture the rising market.

Market Size and Projected Portion

According to NDC, the steel and iron consumption in Tanzania is estimated to reach 1.22 million tones in the year 2010. However, production of steel and iron products in Tanzania currently stands at less than 300,000 tones per annum.

There is a number of factories that deal with steel rolling and bending as well as other iron and steel works in Tanzania that produce only about 25% of the requirements. Bansal Steel Rolling Mill Limited is projected to produce 15,000 tones per annum initially, which makes about 5% of the market in Tanzania. Bansal Steel Rolling Mill Limited plans to raise its market share of the steel, iron and metal products to 10% of the countries market in 10 years time.

Marketing Plan and Distribution Channels

Bansal Steel Rolling Mill Limited will introduce its website in which the true quality of the products to be produced will be displayed. Bansal Steel Rolling Mill Limited will also produce brochures that will be distributed to potential clients in strategic areas. The company will also advertise its products in the media.

Bansal Steel Rolling Mill Limited will establish four main distribution channels, one will be in Arusha, and two will be in Dar es Salaam and one will be in Mwanza.

Bansal Steel Rolling Mill Limited also plans to get distribution agents in Kenya, Uganda, Rwanda, DRC, Zambia, Burundi, Malawi and Mozambique.

Analysis of Competition

The steel rolling bending, iron works and metal works in general, has little competition within Tanzanian producers as the requirement is higher than the

production. However imported goods pose a stiff competition from manufacturers, who have build names in the industry, however our marketing strategy and quality goods we plan to offer will put us ahead of our competitors. Our products will also have a competitive price as compared with imported goods of the same quality. This will assure Bansal Steel Rolling Mill Limited to get its planned share of the market.

5.0 FINANCIAL ANALYSIS

Estimated Project Cost

The total initial project cost is estimated at US \$ 5,106,730.00.

The cost items include:

Acquisition of Machinery: The cost for purchasing the various machines for the project to completion is estimated at US \$ 2,566,510.00.

Acquisition of Vehicles: The cost for the purchase of vehicles is estimated at US \$ 410,000.00. The vehicles to be bought include one four wheel drive station wagon, two pickups, two delivery van, and three trucks.

Land, Buildings and Civil Works: The cost for buildings and civil works for the factory area where machines will be installed is estimated at US \$ 889,320.

Furniture and Fittings: The purchase of furniture and fittings for the factory and new shops is estimated to cost US \$ 190,000.00.

Other Costs: These include costs such as land acquisition, land and property taxes, power connection etc. These are estimated to cost US \$ 132,670.00. These will be taken into consideration at a later stage, and will include the training of staff.

Pre – Operational Expenses: These will amount to US \$ 162,000.00.

Initial Working Capital: Operating capital requirements are estimated at US \$ 756,230.00. The operating capital is required to cover the initial operating costs, such as business travel and marketing, purchase of initial raw materials, office and administrative expenses, hire of equipments and other costs.

Proposed Financing Plan

It is proposed that financing will be done both locally and internationally through bank loans.

Proposed Source of Funding

The company will fund US \$ 3,106,730 out of the total project cost of US \$ 5,106,730. The balance of US \$ 2,000,000 will be sourced from financial institutions in the form of a term loan and overdraft.

Projected Revenue Schedule

Total Income from the project during the first ten years is estimated at US \$ 171,440,000.00. See attached projected revenue schedule.

Projected Cash flow

It is projected that, the proposed project will have an overall positive cash flow for the first ten years. See attached projected cash flow for details.

6.0 RISK ASSESSMENT

Weakness of the Business

The Company is venturing into a business with stiff competition from imported goods from international companies that has made a name in the steel rolling and bending industry, Bansal Steel Rolling Mill Limited is determined to counter the weakness by manufacturing quality products that will compete internationally. The company will employ experienced expatriates initially to make sure that it starts by producing quality goods from the beginning. The expatriates will train local personnel that will take their positions at a later stage, so as to increase the number of local employees and also reduce operating costs that will also reduce the cost of production, hence the prices of our goods, thus making them more competitive.

Risk Associated with Business

- (i) Lack of market during the initial stages may result in higher overhead costs at the beginning.
- (ii) Lack of clients due to world wide events such as the September 11th and economic recession.
- (iii) Drastic rise in power and metal prices.

Contingency Plans

- (i) The company plans to market its services to non construction customers such as government institutions, mining companies and the public at large such that these will provide work for the company at all times.

(ii) The company will advertise its services using agents in various cities in East and Central Africa. This will enable the company to get customers all over East and Central Africa and counter events that may affect the number of clients in Tanzania.

(iii) The company plans to use bio-diesel to run the standby generators for environmental conservation, and to have a source of diesel that is within the country.

7.0 ENVIRONMENT AND GENDER ISSUES

Environment Impact Assessment

Most human activities are prone to causing negative environmental effect if carried out improperly and carelessly. Steel rolling and bending, potentially will cause environmental degradation if carried out according to the set laws and regulations. Metal wastes from the raw materials used for rolling and bending steel and other metal products, may be detrimental to the environment if disposed of improperly. Sources of raw materials from mines or metal smelting factories may also be detrimental to the environment.

Workshop activities may result into spillage of oils and greases into the surrounding environment including water bodies.

The project will also add more cars into the already congested roads in the city of Arusha. Car congestion is a time waster for people going to various business activities. Car congestion will also increase pollution of the air from exhaust fumes, which might adversely affect people leading to coughing and other respiratory disorders.

Mitigation

All company employees will be trained in environmental awareness. They will strictly be directed to adhere to the set standards and regulations in all areas of their work.

Our workshop will be constructed in an area planned for such activities. The workshop will be constructed according to engineering standards to minimize or prevent any spillage of oils, greases and gases to the surroundings.

Bansal Steel Rolling Mill Limited will demand assurance from suppliers of metal, that the miners or smelters use environmentally friendly methods when mining or smelting the metals concerned.

Most metal wastes will be recycled.

All our vehicles will be well maintained and serviced to reduce exhaust emissions and spillage of oils reaching the environment.

All wastes that can not be recycled will be disposed of using proper methods according to the law.

The Impact of The Project On Gender

The project is expected to employ 79 employees. About 40% of these employees will be women in the form of supervisors, technicians, operators, secretaries and other positions as may be appropriate. The company will encourage and train women operators.

8.0 PROJECT VALUE

Development Value:

The project when implemented will create 79 new jobs. These people are beneficiaries of health support over and above financial benefits allocated to them. In turn, the standard of living of the workers and their immediate families will rise.

The project will also train individuals and provide them with necessary tools so that they can become self employed and carry out small scale steel bending jobs. The individuals so trained will indirectly support the company in marketing to individual households and renovation projects.

Government Revenue:

The project is beneficial to the government, as it will collect revenue in the form of taxes to the maximum of US\$ 11,081,350.37 for the first ten years.

9.0 RISKS AND ISSUES ANALYSIS

Profitability:

Project Profitability is generally satisfactory. This is because revenue trends, such as profit and loss values, etc., are above average for manufacturing industries of this size. The assumptions on sales and prices are fairly realistic in the wake of stiff competition.

Sponsors creditworthiness:

The owners have been running the sister company, Bansal Transporters Limited, reasonably well since its inception. The owners also own other companies that are financially sound.

Conclusion.

The investment and development of the steel factory undertaking is in line with the Government objective of encouraging proper development of manufacturing in the country.

In addition, it will have a positive impact on the development of the region, as it would generate a number of benefits and more positive impact on the economy of the region.

This document has provided a full analysis on the financial, Techno-economic viability on the establishment of the Steel, Iron and Metal manufacturing along with the financing requirements and parameters have been considered and have established that the proposed project is technically sound, financially viable, economically and socially beneficial.

In the context of the immense useful potential of this project, the management of M/S Bansal Steel Rolling Mill Limited anticipates that all interested parties in the region and the Government of Tanzania will give their full support so as to ensure timely implementation of the project and apprehension of successful operation. The support includes certification by TIC under the investment Act.

APPENDIX: 1

**BANSAL STEEL ROLLING MILL LIMITED
INVESTMENT COST**

US \$

ITEM	FOREIGN	LOCAL	TOTAL
Buildings and Civil Works	73,200.00	801,120.00	874,320.00
Machinery and Equipments	2,512,000.00	54,510.00	2,566,510.00
Land	-	15,000.00	15,000.00
Motor Vehicles	350,000.00	60,000.00	410,000.00
Furniture and Fittings	70,000.00	120,000.00	190,000.00
Others	10,500.00	122,170.00	132,670.00
Pre-Operational Expenses	24,000.00	138,000.00	162,000.00
TOTAL FIXED INVESTMENT	3,039,700.00	1,310,800.00	4,350,500.00
Initial Working Capital	56,000.00	700,230.00	756,230.00
TOTAL INVESTMENT COST	3,095,700.00	2,011,030.00	5,106,730.00

APPENDIX: II

**BANSAL STEEL ROLLING MILL LIMITED
DEPRECIATION SCHEDULE**

US \$

ITEM	TOTAL	%	1	2	3	4	5	6	7	8	9	10
Buildings and Civil Works	874,320	4.0	34,973	34,973	34,973	34,973	34,973	34,973	34,973	34,973	34,973	34,973
Machinery and Equipments	2,566,510	12.5	320,814	320,814	320,814	320,814	320,814	320,814	320,814	320,814		
Motor Vehicles	410,000	25.0	102,500	102,500	102,500	102,500						
Land	15,000	2.0	300	300	300	300	300	300	300	300	300	300
Furniture and Fittings	190,000	12.5	23,750	23,750	23,750	23,750	23,750	23,750	23,750	23,750		
Pre-Operational Expenses	162,000	20.0	32,400	32,400	32,400	32,400	32,400					
TOTAL	4,217,830		514,737	514,737	514,737	514,737	412,237	379,837	379,837	379,837	35,273	35,273

APPENDIX: III

ADMINISTRATIVE COSTS

US \$

	0	1	2	3	4	5	6	7	8	9	10
Insuarance		51,067	51,067	51,067	51,067	51,067	51,067	51,067	51,067	51,067	51,067
Water and Electricity		120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Licenses, Legal Fees, Property Tax		12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600
Printing and Stationery		6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Promotion and Advertising		12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Telephone/Fax/Internet		7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200
Repair and Maintanance		169,869	186,856	205,541	226,095	248,705	248,705	248,705	248,705	248,705	248,705
TOTAL	-	378,736	395,723	414,408	434,963	457,572	457,572	457,572	457,572	457,572	457,572

BANSAL STEEL ROLLING MILL LIMITED**REVENUE SCHEDULE****APPENDIX: IV****US \$**

REVENUE/YEARS	1	2	3	4	5	6	7	8	9	10
Structural Steel		9,300,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000
Square Bars		3,500,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Flat Bars		2,500,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Wire Rope Products		750,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Angle Iron and Sections		400,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Corrugated Iron Sheets			30,000	50,000	80,000	100,000	100,000	100,000	100,000	100,000
Spares and Other Products				30,000	50,000	50,000	50,000	50,000	50,000	50,000
TOTAL REVENUE	-	16,450,000	19,280,000	19,330,000	19,380,000	19,400,000	19,400,000	19,400,000	19,400,000	19,400,000

APPENDIX: V**BANSAL STEEL ROLLING MILL LIMITED
OPERATING COSTS****US \$**

ITEM /YEARS	1	2	3	4	5	6	7	8	9	10
Production Cost - Structural Steel	-	6,975,000	7,875,000	7,875,000	7,875,000	7,875,000	7,875,000	7,875,000	7,875,000	7,875,000
Production Cost - Square Bars	-	2,450,000	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000
Production Cost - Flat Bars	-	1,750,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
Production Cost - Wire Rope Products	-	525,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000
Production Cost - Angle Iron and Sections	-	280,000	525,000	525,000	525,000	525,000	525,000	525,000	525,000	525,000
Production Cost - Corrugated Iron Sheets	-	-	21,000	35,000	56,000	70,000	70,000	70,000	70,000	70,000
Production Cost - Spares and Other Products	-	-	-	21,000	35,000	35,000	35,000	35,000	35,000	35,000
Salaries and Wages	144,624	361,560	361,560	361,560	361,560	361,560	361,560	361,560	361,560	361,560
Administration Overheads	378,736	378,736	378,736	378,736	378,736	378,736	378,736	378,736	378,736	378,736
TOTAL OPERATING COSTS	523,360	12,720,296	14,761,296	14,796,296	14,831,296	14,845,296	14,845,296	14,845,296	14,845,296	14,845,296

**BANSAL STEEL ROLLING MILL LIMITED
PROFIT AND LOSS A/C**

APPENDIX: VI

US \$

ITEM/YEARS	1	2	3	4	5	6	7	8	9	10
Revenue	-	16,450,000	19,280,000	19,330,000	19,380,000	19,400,000	19,400,000	19,400,000	19,400,000	19,400,000
Less Operating Cost	523,360	12,720,296	14,761,296	14,796,296	14,831,296	14,845,296	14,845,296	14,845,296	14,845,296	14,845,296
Gross Profit Before Tax	(523,360)	3,729,704	4,518,704	4,533,704	4,548,704	4,554,704	4,554,704	4,554,704	4,554,704	4,554,704
Less Depreciation	514,737	514,737	514,737	514,737	412,237	379,837	379,837	379,837	35,273	35,273
Profit Before Tax	(1,038,097)	3,214,967	4,003,967	4,018,967	4,136,467	4,174,867	4,174,867	4,174,867	4,519,431	4,519,431
Taxation 30%		964,490	1,201,190	1,205,690	1,240,940	1,252,460	1,252,460	1,252,460	1,355,829	1,355,829
Profit After Tax	(1,038,097)	2,250,477	2,802,777	2,813,277	2,895,527	2,922,407	2,922,407	2,922,407	3,163,602	3,163,602
Cummulative Profit	(1,038,097)	1,212,381	4,015,158	6,828,435	9,723,962	12,646,370	15,568,777	18,491,184	21,654,786	24,818,388

APPENDIX: VII

PROJECTED CASH FLOW

US \$ '000

ITEM / YEARS	0	1	2	3	4	5	6	7	8	9	10
Inflows											
Equity	4,350.5										
Depreciation		514.7	514.7	514.7	514.7	412.2	379.8	379.8	379.8	35.3	35.3
Net Profit		(1,038.1)	2,250.5	2,802.8	2,813.3	2,895.5	2,922.4	2,922.4	2,922.4	3,163.6	3,163.6
TOTAL INFLOWS	4,350.5	(523.4)	2,765.2	3,317.5	3,328.0	3,307.8	3,302.2	3,302.2	3,302.2	3,198.9	3,198.9
Outflows											
Investment	4,350.5										
Change in Working Capital		756.0	478.0	394.0	254.0	106.0	53.0	22.0			
Total Outflows	4,350.5	756.0	478.0	394.0	254.0	106.0	53.0	22.0	-	-	-
Net Cash Flows	-	(1,279.4)	2,287.2	2,923.5	3,074.0	3,201.8	3,249.2	3,280.2	3,302.2	3,198.9	3,198.9
Accumulative Cash Flow	-	(1,279.4)	1,007.9	3,931.4	7,005.4	10,207.1	13,456.4	16,736.6	20,038.9	23,237.8	26,436.6

**BANSAL STEEL ROLLING MILL LIMITED
MANPOWER SALARIES & WAGES**

APPENDIX: VIII

US \$

CATEGORY	NO.	PER PERSON	PER MONTH	PER ANNUM
Managing Director	1	1,500.00	1,500.00	18,000.00
Director of Finance and Administration	1	1,200.00	1,200.00	14,400.00
Marketing Officers	3	400.00	1,200.00	14,400.00
Accountant	1	1,000.00	1,000.00	12,000.00
Secretary	1	300.00	300.00	3,600.00
Security Guards	15	150.00	2,250.00	27,000.00
Factory Manager	1	1,000.00	1,000.00	12,000.00
Section Supervisors	4	700.00	2,800.00	33,600.00
Technicians	6	400.00	2,400.00	28,800.00
Operator	25	250.00	6,250.00	75,000.00
Shop supervisors	2	600.00	1,200.00	14,400.00
Shop Attendants	2	300.00	600.00	7,200.00
Store Keeper	2	350.00	700.00	8,400.00
Drivers	4	250.00	1,000.00	12,000.00
Training Personell	3	400.00	1,200.00	14,400.00
Designer and Quality Controller	2	350.00	700.00	8,400.00
Helpers	6	150.00	900.00	10,800.00
			-	-
TOTAL	79	9,300.00	26,200.00	314,400.00
ADD 15% Social Benefits		1,395.00	3,930.00	47,160.00
TOTAL	79	10,695.00	30,130.00	361,560.00

BANSAL STEEL ROLLING

MILL LIMITED

FEASIBILITY STUDY

FOR

**ESTABLISHMENT OF
STEEL ROLLING
FACTORY**

NOVEMBER 2008

Prepared by:

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ARUSHA – TANZANIA

1.0 BACKGROUND INFORMATION

Company's Legal Status

Bansal Steel Rolling Mill Limited is a private incorporated limited liability company registered in Tanzania, under the Companies Act No 12, 2002 and issued with a certificate of registration No 64941 dated 3rd April 2008. Photocopies of the certificate of registration, TIN and the memorandum and articles of association are attached.

Ownership

The company is owned by:

Balbinder Singh Bansal, with 120,000 shares,
Tejinder Singh Bansal, with 120,000 shares,
Amarjit Kaur Bansal, with 120,000 shares,
Gurmail Singh Panasar, with 40,000 shares.

Management

The company will be managed by the board of directors that consists of the four directors, Mr Balbinder Singh Bansal, Mrs Tejinder Singh Bansal, Mr. Amarjit Kaur Bansal, Mr. Gurmail Singh Panasar and the Company Secretary, Mr. Edward John Mrosso, who is also the company Lawyer. A team of professionals who include mechanical engineers, processing technicians, fitter and tuner technicians, accountants and other relevant professionals will assist the owners in running the various businesses.

Business Activity

Bansal Steel Rolling Mill Limited was registered in 2008, on the 3rd of April. Bansal Steel Rolling Mill Limited was formed with the major aim of carrying out the business of steel rolling, steel bending, steel works, ironworks, metal works, ironmongers, engineers, foundry, machinists and manufacturing various spare parts made from steel. The company will also be engaged in the business of manufacturing steel furniture at its factory that will be located at Kisongo within Arusha Municipality.

Project Concept

Bansal Steel Rolling Mill Limited has embarked on a project envisaging investing in establishment of a steel rolling factory and related metal works business at Kisongo Industrial Area. The project will be based on an importation of modern machines for steel rolling and metal working, including a complete rolling mill plant with accessories, with rolling capacity ranging from 14" to 10". The plant will either be automatic, semi-automatic and manually operated mill.

The proposed project will be mainly for the production of structural steel, square bars, flat bars, wire rope products, angle iron, iron sections, corrugated iron sheets, and various spares parts for different machinery for the local and export market. The factory will also carry out specified steel and metal bending jobs according to customer requirement. The raw material to be used will be billet 100 x 100 that may be imported or sourced locally.

Bansal Steel Rolling Mill Limited will use mostly metal product machines manufactured by Kajal Steel Industries, an Indian machine manufacturing company, well renowned for the quality machines they produce.

The company will introduce a workshop with special service and maintenance to carry out proper service to the machines. Also most of the repairs will be done in this workshop that will employ trained personnel for proper service, maintenance and repairs.

Project Cost

TABLE 1.1 INVESTMENTS STRUCTURE

S.No.	ITEMS	COST (US \$)
1.	Building and Civil Works	874,320
2.	Machinery and Equipment	2,566,510
3.	Furniture and Fittings	190,000
4.	Motor Vehicles	410,000
5.	Land Rent	15,000
6.	Others	132,670
7.	Pre-operational Expenses	162,000
	Total Capital Investment	4,350,500
	Initial Working Capital	756,230
	GRAND TOTAL	5,106,730

Capacity of the Project Activity

Bansal Steel Rolling Mill Limited will begin its steel rolling and bending by installing machinery with a capacity to produce 50 to 60 tones per day in a ten hour shift.

Type and Source of Raw Materials

The project activity will use steel as the major raw material; this is billet steel 100 x 100. The company will source the raw materials locally. Only when the raw materials needed are not available locally, will the company

import them from other countries. Quality metallic raw materials may sometimes be unavailable locally.

2.0 TECHNICAL ASPECTS

Specifications of the Machines required

All machines to be bought will be quality machines from Kaja Steel Industries and other manufactures that are renowned for the quality machines they manufacture. All machines will have specifications meeting international standards for metal working.

Comparative Sources of Manufactures and Raw Material Suppliers.

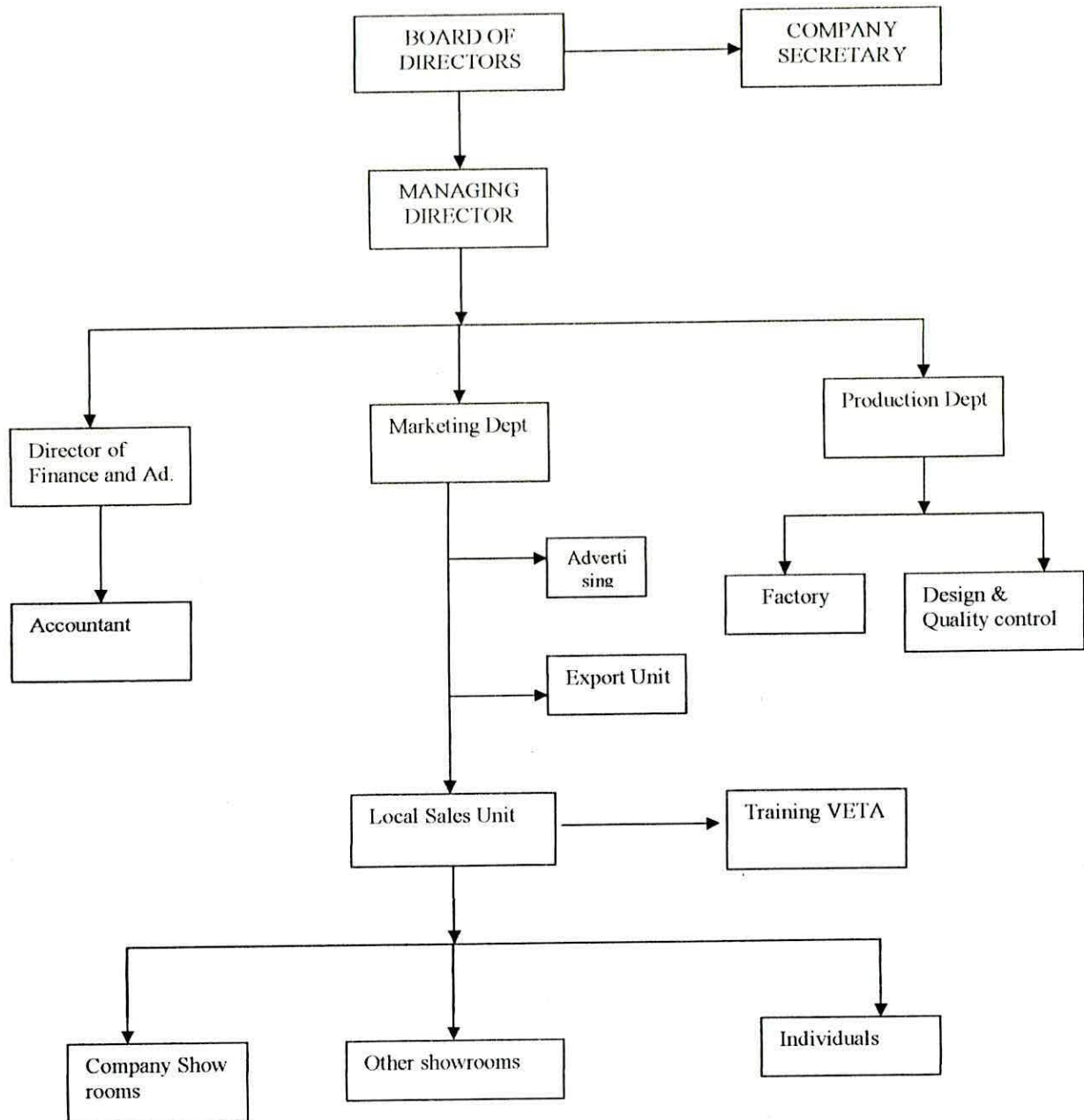
Kajal Steel Industries machines are known for their durability and the quality products they can produce. The company will float a tender to various companies and then choose a supplier of the machines that will win the tender according to the specifications the company requires.

As for the raw materials, the company will float tenders for various suppliers to see and bid. Bansal Steel Rolling Mill Limited will choose suppliers that will meet our specifications. The companies will always give priority to local suppliers as a way to support the local industry and building the economy of the country.

3.0 ORGANIZATION AND MANAGEMENT

Detailed Organizational Chart

The company management includes a board of directors to include shareholders and directors of the company, plus the company secretary. Under the board there will be the Managing Director supported by the Director of Finance and Administration, Director of Production and Marketing as well as the Factory Manager. The organization chart of the company is as shown below:



Proposed Employment Structure

S.NO.	ITEMS	NO.	SALARY PER MONTH US\$	MONTHLY WAGE US\$	ANNUAL WAGE BILL US\$
1.0	MANAGEMENT AND ADMINISTRATION				
	Managing Director	1	1,500	1,500	18,000
	Director of Finance and Administration	1	1,200	1,200	14,400
	Marketing Officers	3	400	1,200	14,400
	Accountant	1	1,000	1,000	12,000
	Secretary	1	300	300	3,600
	Security Guards	15	150	2,250	27,000
2.0	PRODUCTION				
	Factory manager	1	1,000	1,000	12,000
	Section Supervisor	4	700	2,800	33,600
	Training	3	400	1,200	14,400
	Design	2	400	800	9,600
	Technician	6	400	2,400	28,800
	Operator	25	250	6,250	75,000
3.0	SHOP & SHOW ROOM				
	Supervisor	2	600	1,200	14,400
	Shop Attendant	2	300	600	7,200
	Store-keeper	2	350	700	8,400
	Drivers	4	250	1,000	12,000
	Helpers	6	150	900	108,000
	SUB-TOTAL	79			314,400
	Add: Social Benefits 15%				47,160
	TOTAL SALARIES AND WAGES				361,560

Project Implementation Schedule

The project will take three years to reach full designed capacity of production.

Certification process – 2 months

Firming up finance – 4 months

Buildings and Civil Works – 12 months

Purchasing and installation of machines – 18 months

Implementation period is expected to take a maximum of three (3) years. However production will start within the first 18 months after the certification process. Purchasing and installation of machines will be done in stages.

4.0 MARKET ANALYSIS

Demand and Supply Trends

The main market for Bansal Steel Rolling Mill Limited will comprise of construction companies, government institutions, private institutions, the general public and export to the East African Community countries, PTA and other parts of the world.

Tanzania was once considered a poor industrial country especially for quality industrial goods. This trend is changing with new and modern industries using state of the art technologies that have been constructed through out the country. The new industries are producing goods that meet international quality standards and can compete internationally.

The improvement in the economy of the country during the past decade, has resulted in a boom in the building industry in the country, this in turn has resulted in an increase in the demand for building materials especially quality goods for the steel structures, rain forced concrete, roofing materials and spare parts. At the moment most of these goods are imported from abroad.

The improvement in the quality of goods produced in the country has resulted in the rise in the requirement of locally manufactured goods that are relatively cheap in comparison to imported goods with the same quality. Bansal Steel Rolling Mill Limited is geared to cover a portion of steel and metal requirement in the country and neighboring countries.

Future Outlook

Modernization and addition of buildings, civil works, and construction and support projects in general attract potential demand for steel products and metal products. In the past, the bulk of quality steel products were left in the hands of foreign companies that were exporting their products to Tanzania at high prices. However at the moment, the steps taken by the government and other stake holders have resulted in the increase of quality steel and metal products being produced in Tanzania. Tanzanian stakeholders in the building

industry and the government are determined to make sure the trend keeps on rising.

Arusha, the Geneva of Africa, continues to rise in its population of international personnel. The East African Headquarters are in Arusha, plans are under way for construction of permanent offices for the headquarters. Other international dignitaries continue to be part of the population of the city of Arusha, the requirement for steel and metal products of international standard will continue to rise in Arusha, Bansal Steel Rolling Mill Limited will use the vast experience we have in marketing of our transportation business to capture the rising market.

Market Size and Projected Portion

According to NDC, the steel and iron consumption in Tanzania is estimated to reach 1.22 million tones in the year 2010. However, production of steel and iron products in Tanzania currently stands at less than 300,000 tones per annum.

There is a number of factories that deal with steel rolling and bending as well as other iron and steel works in Tanzania that produce only about 25% of the requirements. Bansal Steel Rolling Mill Limited is projected to produce 15,000 tones per annum initially, which makes about 5% of the market in Tanzania. Bansal Steel Rolling Mill Limited plans to raise its market share of the steel, iron and metal products to 10% of the countries market in 10 years time.

Marketing Plan and Distribution Channels

Bansal Steel Rolling Mill Limited will introduce its website in which the true quality of the products to be produced will be displayed. Bansal Steel Rolling Mill Limited will also produce brochures that will be distributed to potential clients in strategic areas. The company will also advertise its products in the media.

Bansal Steel Rolling Mill Limited will establish four main distribution channels, one will be in Arusha, and two will be in Dar es Salaam and one will be in Mwanza.

Bansal Steel Rolling Mill Limited also plans to get distribution agents in Kenya, Uganda, Rwanda, DRC, Zambia, Burundi, Malawi and Mozambique.

Analysis of Competition

The steel rolling bending, iron works and metal works in general, has little competition within Tanzanian producers as the requirement is higher than the

production. However imported goods pose a stiff competition from manufacturers, who have build names in the industry, however our marketing strategy and quality goods we plan to offer will put us ahead of our competitors. Our products will also have a competitive price as compared with imported goods of the same quality. This will assure Bansal Steel Rolling Mill Limited to get its planned share of the market.

5.0 FINANCIAL ANALYSIS

Estimated Project Cost

The total initial project cost is estimated at US \$ 5,106,730.00.

The cost items include:

Acquisition of Machinery: The cost for purchasing the various machines for the project to completion is estimated at US \$ 2,566,510.00.

Acquisition of Vehicles: The cost for the purchase of vehicles is estimated at US \$ 410,000.00. The vehicles to be bought include one four wheel drive station wagon, two pickups, two delivery van, and three trucks.

Land, Buildings and Civil Works: The cost for buildings and civil works for the factory area where machines will be installed is estimated at US \$ 889,320.

Furniture and Fittings: The purchase of furniture and fittings for the factory and new shops is estimated to cost US \$ 190,000.00.

Other Costs: These include costs such as land acquisition, land and property taxes, power connection etc. These are estimated to cost US \$ 132,670.00. These will be taken into consideration at a later stage, and will include the training of staff.

Pre – Operational Expenses: These will amount to US \$ 162,000.00.

Initial Working Capital: Operating capital requirements are estimated at US \$ 756,230.00. The operating capital is required to cover the initial operating costs, such as business travel and marketing, purchase of initial raw materials, office and administrative expenses, hire of equipments and other costs.

Proposed Financing Plan

It is proposed that financing will be done both locally and internationally through bank loans.

Proposed Source of Funding

The company will fund US \$ 3,106,730 out of the total project cost of US \$ 5,106,730. The balance of US \$ 2,000,000 will be sourced from financial institutions in the form of a term loan and overdraft.

Projected Revenue Schedule

Total Income from the project during the first ten years is estimated at US \$ 171,440,000.00. See attached projected revenue schedule.

Projected Cash flow

It is projected that, the proposed project will have an overall positive cash flow for the first ten years. See attached projected cash flow for details.

6.0 RISK ASSESSMENT

Weakness of the Business

The Company is venturing into a business with stiff competition from imported goods from international companies that has made a name in the steel rolling and bending industry, Bansal Steel Rolling Mill Limited is determined to counter the weakness by manufacturing quality products that will compete internationally. The company will employ experienced expatriates initially to make sure that it starts by producing quality goods from the beginning. The expatriates will train local personnel that will take their positions at a later stage, so as to increase the number of local employees and also reduce operating costs that will also reduce the cost of production, hence the prices of our goods, thus making them more competitive.

Risk Associated with Business

- (i) Lack of market during the initial stages may result in higher overhead costs at the beginning.
- (ii) Lack of clients due to world wide events such as the September 11th and economic recession.
- (iii) Drastic rise in power and metal prices.

Contingency Plans

- (i) The company plans to market its services to non construction customers such as government institutions, mining companies and the public at large such that these will provide work for the company at all times.

(ii) The company will advertise its services using agents in various cities in East and Central Africa. This will enable the company to get customers all over East and Central Africa and counter events that may affect the number of clients in Tanzania.

(iii) The company plans to use bio-diesel to run the standby generators for environmental conservation, and to have a source of diesel that is within the country.

7.0 ENVIRONMENT AND GENDER ISSUES

Environment Impact Assessment

Most human activities are prone to causing negative environmental effect if carried out improperly and carelessly. Steel rolling and bending, potentially will cause environmental degradation if carried out according to the set laws and regulations. Metal wastes from the raw materials used for rolling and bending steel and other metal products, may be detrimental to the environment if disposed of improperly. Sources of raw materials from mines or metal smelting factories may also be detrimental to the environment.

Workshop activities may result into spillage of oils and greases into the surrounding environment including water bodies.

The project will also add more cars into the already congested roads in the city of Arusha. Car congestion is a time waster for people going to various business activities. Car congestion will also increase pollution of the air from exhaust fumes, which might adversely affect people leading to coughing and other respiratory disorders.

Mitigation

All company employees will be trained in environmental awareness. They will strictly be directed to adhere to the set standards and regulations in all areas of their work.

Our workshop will be constructed in an area planned for such activities. The workshop will be constructed according to engineering standards to minimize or prevent any spillage of oils, greases and gases to the surroundings.

Bansal Steel Rolling Mill Limited will demand assurance from suppliers of metal, that the miners or smelters use environmentally friendly methods when mining or smelting the metals concerned.

Most metal wastes will be recycled.

All our vehicles will be well maintained and serviced to reduce exhaust emissions and spillage of oils reaching the environment.

All wastes that can not be recycled will be disposed of using proper methods according to the law.

The Impact of The Project On Gender

The project is expected to employ 79 employees. About 40% of these employees will be women in the form of supervisors, technicians, operators, secretaries and other positions as may be appropriate. The company will encourage and train women operators.

8.0 PROJECT VALUE

Development Value:

The project when implemented will create 79 new jobs. These people are beneficiaries of health support over and above financial benefits allocated to them. In turn, the standard of living of the workers and their immediate families will rise.

The project will also train individuals and provide them with necessary tools so that they can become self employed and carry out small scale steel bending jobs. The individuals so trained will indirectly support the company in marketing to individual households and renovation projects.

Government Revenue:

The project is beneficial to the government, as it will collect revenue in the form of taxes to the maximum of US\$ 11,081,350.37 for the first ten years.

9.0 RISKS AND ISSUES ANALYSIS

Profitability:

Project Profitability is generally satisfactory. This is because revenue trends, such as profit and loss values, etc., are above average for manufacturing industries of this size. The assumptions on sales and prices are fairly realistic in the wake of stiff competition.

Sponsors creditworthiness:

The owners have been running the sister company, Bansal Transporters Limited, reasonably well since its inception. The owners also own other companies that are financially sound.

Conclusion.

The investment and development of the steel factory undertaking is in line with the Government objective of encouraging proper development of manufacturing in the country.

In addition, it will have a positive impact on the development of the region, as it would generate a number of benefits and more positive impact on the economy of the region.

This document has provided a full analysis on the financial, Techno-economic viability on the establishment of the Steel, Iron and Metal manufacturing along with the financing requirements and parameters have been considered and have established that the proposed project is technically sound, financially viable, economically and socially beneficial.

In the context of the immense useful potential of this project, the management of M/S Bansal Steel Rolling Mill Limited anticipates that all interested parties in the region and the Government of Tanzania will give their full support so as to ensure timely implementation of the project and apprehension of successful operation. The support includes certification by TIC under the investment Act.

APPENDIX: 1

BANSAL STEEL ROLLING MILL LIMITED
INVESTMENT COST

US \$

ITEM	FOREIGN	LOCAL	TOTAL
Buildings and Civil Works	73,200.00	801,120.00	874,320.00
Machinery and Equipments	2,512,000.00	54,510.00	2,566,510.00
Land	-	15,000.00	15,000.00
Motor Vehicles	350,000.00	60,000.00	410,000.00
Furniture and Fittings	70,000.00	120,000.00	190,000.00
Others	10,500.00	122,170.00	132,670.00
Pre-Operational Expenses	24,000.00	138,000.00	162,000.00
TOTAL FIXED INVESTMENT	3,039,700.00	1,310,800.00	4,350,500.00
Initial Working Capital	56,000.00	700,230.00	756,230.00
TOTAL INVESTMENT COST	3,095,700.00	2,011,030.00	5,106,730.00

APPENDIX: II

**BANSAL STEEL ROLLING MILL LIMITED
DEPRECIATION SCHEDULE**

US \$

ITEM	TOTAL	%	1	2	3	4	5	6	7	8	9	10
Buildings and Civil Works	874,320	4.0	34,973	34,973	34,973	34,973	34,973	34,973	34,973	34,973	34,973	34,973
Machinery and Equipments	2,566,510	12.5	320,814	320,814	320,814	320,814	320,814	320,814	320,814	320,814		
Motor Vehicles	410,000	25.0	102,500	102,500	102,500	102,500						
Land	15,000	2.0	300	300	300	300	300	300	300	300	300	300
Furniture and Fittings	190,000	12.5	23,750	23,750	23,750	23,750	23,750	23,750	23,750	23,750		
Pre-Operational Expenses	162,000	20.0	32,400	32,400	32,400	32,400	32,400					
TOTAL	4,217,830		514,737	514,737	514,737	514,737	412,237	379,837	379,837	379,837	35,273	35,273

APPENDIX: III

ADMINISTRATIVE COSTS

US \$

	0	1	2	3	4	5	6	7	8	9	10
Insurance		51,067	51,067	51,067	51,067	51,067	51,067	51,067	51,067	51,067	51,067
Water and Electricity		120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Licenses, Legal Fees, Property Tax		12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600
Printing and Stationery		6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Promotion and Advertising		12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Telephone/Fax/Internet		7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200
Repair and Maintenance		169,869	186,856	205,541	226,095	248,705	248,705	248,705	248,705	248,705	248,705
TOTAL	-	378,736	395,723	414,408	434,963	457,572	457,572	457,572	457,572	457,572	457,572

BANSAL STEEL ROLLING MILL LIMITED**REVENUE SCHEDULE****APPENDIX: IV****US \$**

REVENUE/YEARS	1	2	3	4	5	6	7	8	9	10
Structural Steel		9,300,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000
Square Bars		3,500,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Flat Bars		2,500,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Wire Rope Products		750,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Angle Iron and Sections		400,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Corrugated Iron Sheets			30,000	50,000	80,000	100,000	100,000	100,000	100,000	100,000
Spares and Other Products				30,000	50,000	50,000	50,000	50,000	50,000	50,000
TOTAL REVENUE	-	16,450,000	19,280,000	19,330,000	19,380,000	19,400,000	19,400,000	19,400,000	19,400,000	19,400,000

APPENDIX: V**BANSAL STEEL ROLLING MILL LIMITED
OPERATING COSTS****US \$**

ITEM/YEARS	1	2	3	4	5	6	7	8	9	10
Production Cost - Structural Steel	-	6,975,000	7,875,000	7,875,000	7,875,000	7,875,000	7,875,000	7,875,000	7,875,000	7,875,000
Production Cost - Square Bars	-	2,450,000	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000
Production Cost - Flat Bars	-	1,750,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
Production Cost - Wire Rope Products	-	525,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000
Production Cost - Angle Iron and Sections	-	280,000	525,000	525,000	525,000	525,000	525,000	525,000	525,000	525,000
Production Cost - Corrugated Iron Sheets	-	-	21,000	35,000	56,000	70,000	70,000	70,000	70,000	70,000
Production Cost - Spares and Other Products	-	-	-	21,000	35,000	35,000	35,000	35,000	35,000	35,000
Salaries and Wages	144,624	361,560	361,560	361,560	361,560	361,560	361,560	361,560	361,560	361,560
Administration Overheads	378,736	378,736	378,736	378,736	378,736	378,736	378,736	378,736	378,736	378,736
TOTAL OPERATING COSTS	523,360	12,720,296	14,761,296	14,796,296	14,831,296	14,845,296	14,845,296	14,845,296	14,845,296	14,845,296

**BANSAL STEEL ROLLING MILL LIMITED
PROFIT AND LOSS A/C**

APPENDIX: VI

US \$

ITEM/YEARS	1	2	3	4	5	6	7	8	9	10
Revenue	-	16,450,000	19,280,000	19,330,000	19,380,000	19,400,000	19,400,000	19,400,000	19,400,000	19,400,000
Less Operating Cost	523,360	12,720,296	14,761,296	14,796,296	14,831,296	14,845,296	14,845,296	14,845,296	14,845,296	14,845,296
Gross Profit Before Tax	(523,360)	3,729,704	4,518,704	4,533,704	4,548,704	4,554,704	4,554,704	4,554,704	4,554,704	4,554,704
Less Depreciation	514,737	514,737	514,737	514,737	412,237	379,837	379,837	379,837	35,273	35,273
Profit Before Tax	(1,038,097)	3,214,967	4,003,967	4,018,967	4,136,467	4,174,867	4,174,867	4,174,867	4,519,431	4,519,431
Taxation 30%		964,490	1,201,190	1,205,690	1,240,940	1,252,460	1,252,460	1,252,460	1,355,829	1,355,829
Profit After Tax	(1,038,097)	2,250,477	2,802,777	2,813,277	2,895,527	2,922,407	2,922,407	2,922,407	3,163,602	3,163,602
Cummulative Profit	(1,038,097)	1,212,381	4,015,158	6,828,435	9,723,962	12,646,370	15,568,777	18,491,184	21,654,786	24,818,388

APPENDIX: VII

PROJECTED CASH FLOW

US \$ '000

ITEM / YEARS	0	1	2	3	4	5	6	7	8	9	10
Inflows											
Equity	4,350.5										
Depreciation		514.7	514.7	514.7	514.7	412.2	379.8	379.8	379.8	35.3	35.3
Net Profit		(1,038.1)	2,250.5	2,802.8	2,813.3	2,895.5	2,922.4	2,922.4	2,922.4	3,163.6	3,163.6
TOTAL INFLOWS	4,350.5	(523.4)	2,765.2	3,317.5	3,328.0	3,307.8	3,302.2	3,302.2	3,302.2	3,198.9	3,198.9
Outflows											
Investment	4,350.5										
Change in Working Capital		756.0	478.0	394.0	254.0	106.0	53.0	22.0			
Total Outflows	4,350.5	756.0	478.0	394.0	254.0	106.0	53.0	22.0	-	-	-
Net Cash Flows	-	(1,279.4)	2,287.2	2,923.5	3,074.0	3,201.8	3,249.2	3,280.2	3,302.2	3,198.9	3,198.9
Accumulative Cash Flow	-	(1,279.4)	1,007.9	3,931.4	7,005.4	10,207.1	13,456.4	16,736.6	20,038.9	23,237.8	26,436.6

		500.00	700.00	8,400.00
Helpers	6	150.00	900.00	10,800.00
			-	-
TOTAL	79	9,300.00	26,200.00	314,400.00
ADD 15% Social Benefits		1,395.00	3,930.00	47,160.00
TOTAL	79	10,695.00	30,130.00	361,560.00

BANSAL STEEL ROLLING

MILL LIMITED

FEASIBILITY STUDY

FOR

**ESTABLISHMENT OF
STEEL ROLLING
FACTORY**

NOVEMBER 2008

Prepared by:

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ARUSHA – TANZANIA

1.0 BACKGROUND INFORMATION

Company's Legal Status

Bansal Steel Rolling Mill Limited is a private incorporated limited liability company registered in Tanzania, under the Companies Act No 12, 2002 and issued with a certificate of registration No 64941 dated 3rd April 2008. Photocopies of the certificate of registration, TIN and the memorandum and articles of association are attached.

Ownership

The company is owned by:

Balbinder Singh Bansal, with 120,000 shares,
Tejinder Singh Bansal, with 120,000 shares,
Amarjit Kaur Bansal, with 120,000 shares,
Gurmail Singh Panasar, with 40,000 shares.

Management

The company will be managed by the board of directors that consists of the four directors, Mr Balbinder Singh Bansal, Mrs Tejinder Singh Bansal, Mr. Amarjit Kaur Bansal, Mr. Gurmail Singh Panasar and the Company Secretary, Mr. Edward John Mrosso, who is also the company Lawyer. A team of professionals who include mechanical engineers, processing technicians, fitter and tuner technicians, accountants and other relevant professionals will assist the owners in running the various businesses.

Business Activity

Bansal Steel Rolling Mill Limited was registered in 2008, on the 3rd of April. Bansal Steel Rolling Mill Limited was formed with the major aim of carrying out the business of steel rolling, steel bending, steel works, ironworks, metal works, ironmongers, engineers, foundry, machinists and manufacturing various spare parts made from steel. The company will also be engaged in the business of manufacturing steel furniture at its factory that will be located at Kisongo within Arusha Municipality.

Project Concept

Bansal Steel Rolling Mill Limited has embarked on a project envisaging investing in establishment of a steel rolling factory and related metal works business at Kisongo Industrial Area. The project will be based on an importation of modern machines for steel rolling and metal working, including a complete rolling mill plant with accessories, with rolling capacity ranging from 14" to 10". The plant will either be automatic, semi-automatic and manually operated mill.

The proposed project will be mainly for the production of structural steel, square bars, flat bars, wire rope products, angle iron, iron sections, corrugated iron sheets, and various spares parts for different machinery for the local and export market. The factory will also carry out specified steel and metal bending jobs according to customer requirement. The raw material to be used will be billet 100 x 100 that may be imported or sourced locally.

Bansal Steel Rolling Mill Limited will use mostly metal product machines manufactured by Kajal Steel Industries, an Indian machine manufacturing company, well renowned for the quality machines they produce.

The company will introduce a workshop with special service and maintenance to carry out proper service to the machines. Also most of the repairs will be done in this workshop that will employ trained personnel for proper service, maintenance and repairs.

Project Cost

TABLE 1.1 INVESTMENTS STRUCTURE

S.No.	ITEMS	COST (US \$)
1.	Building and Civil Works	874,320
2.	Machinery and Equipment	2,566,510
3.	Furniture and Fittings	190,000
4.	Motor Vehicles	410,000
5.	Land Rent	15,000
6.	Others	132,670
7.	Pre-operational Expenses	162,000
	Total Capital Investment	4,350,500
	Initial Working Capital	756,230
	GRAND TOTAL	5,106,730

Capacity of the Project Activity

Bansal Steel Rolling Mill Limited will begin its steel rolling and bending by installing machinery with a capacity to produce 50 to 60 tones per day in a ten hour shift.

Type and Source of Raw Materials

The project activity will use steel as the major raw material; this is billet steel 100 x 100. The company will source the raw materials locally. Only when the raw materials needed are not available locally, will the company

import them from other countries. Quality metallic raw materials may sometimes be unavailable locally.

2.0 TECHNICAL ASPECTS

Specifications of the Machines required

All machines to be bought will be quality machines from Kaja Steel Industries and other manufactures that are renowned for the quality machines they manufacture. All machines will have specifications meeting international standards for metal working.

Comparative Sources of Manufactures and Raw Material Suppliers.

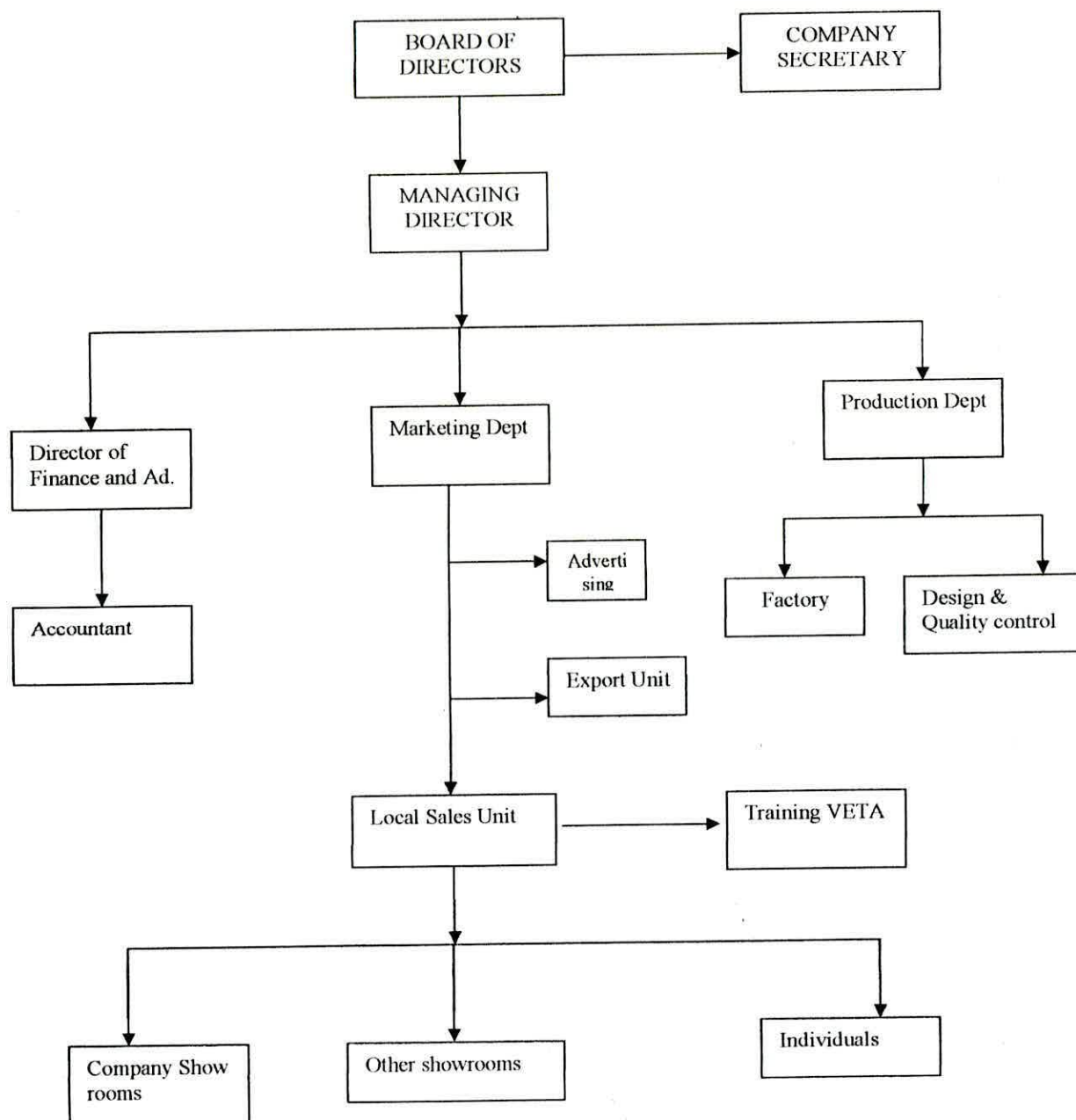
Kajal Steel Industries machines are known for their durability and the quality products they can produce. The company will float a tender to various companies and then choose a supplier of the machines that will win the tender according to the specifications the company requires.

As for the raw materials, the company will float tenders for various suppliers to see and bid. Bansal Steel Rolling Mill Limited will choose suppliers that will meet our specifications. The companies will always give priority to local suppliers as a way to support the local industry and building the economy of the country.

3.0 ORGANIZATION AND MANAGEMENT

Detailed Organizational Chart

The company management includes a board of directors to include shareholders and directors of the company, plus the company secretary. Under the board there will be the Managing Director supported by the Director of Finance and Administration, Director of Production and Marketing as well as the Factory Manager. The organization chart of the company is as shown below:



Proposed Employment Structure

S.NO.	ITEMS	NO.	SALARY PER MONTH US\$	MONTHLY WAGE US\$	ANNUAL WAGE BILL US\$
1.0	MANAGEMENT AND ADMINISTRATION				
	Managing Director	1	1,500	1,500	18,000
	Director of Finance and Administration	1	1,200	1,200	14,400
	Marketing Officers	3	400	1,200	14,400
	Accountant	1	1,000	1,000	12,000
	Secretary	1	300	300	3,600
	Security Guards	15	150	2,250	27,000
2.0	PRODUCTION				
	Factory manager	1	1,000	1,000	12,000
	Section Supervisor	4	700	2,800	33,600
	Training	3	400	1,200	14,400
	Design	2	400	800	9,600
	Technician	6	400	2,400	28,800
	Operator	25	250	6,250	75,000
3.0	SHOP & SHOW ROOM				
	Supervisor	2	600	1,200	14,400
	Shop Attendant	2	300	600	7,200
	Store-keeper	2	350	700	8,400
	Drivers	4	250	1,000	12,000
	Helpers	6	150	900	108,000
	SUB-TOTAL	79			314,400
	Add: Social Benefits 15%				47,160
	TOTAL SALARIES AND WAGES				361,560

Project Implementation Schedule

The project will take three years to reach full designed capacity of production.

Certification process – 2 months

Firming up finance – 4 months

Buildings and Civil Works – 12 months

Purchasing and installation of machines – 18 months

Implementation period is expected to take a maximum of three (3) years. However production will start within the first 18 months after the certification process. Purchasing and installation of machines will be done in stages.

4.0 MARKET ANALYSIS

Demand and Supply Trends

The main market for Bansal Steel Rolling Mill Limited will comprise of construction companies, government institutions, private institutions, the general public and export to the East African Community countries, PTA and other parts of the world.

Tanzania was once considered a poor industrial country especially for quality industrial goods. This trend is changing with new and modern industries using state of the art technologies that have been constructed through out the country. The new industries are producing goods that meet international quality standards and can compete internationally.

The improvement in the economy of the country during the past decade, has resulted in a boom in the building industry in the country, this in turn has resulted in an increase in the demand for building materials especially quality goods for the steel structures, rain forced concrete, roofing materials and spare parts. At the moment most of these goods are imported from abroad.

The improvement in the quality of goods produced in the country has resulted in the rise in the requirement of locally manufactured goods that are relatively cheap in comparison to imported goods with the same quality. Bansal Steel Rolling Mill Limited is geared to cover a portion of steel and metal requirement in the country and neighboring countries.

Future Outlook

Modernization and addition of buildings, civil works, and construction and support projects in general attract potential demand for steel products and metal products. In the past, the bulk of quality steel products were left in the hands of foreign companies that were exporting their products to Tanzania at high prices. However at the moment, the steps taken by the government and other stake holders have resulted in the increase of quality steel and metal products being produced in Tanzania. Tanzanian stakeholders in the building

industry and the government are determined to make sure the trend keeps on rising.

Arusha, the Geneva of Africa, continues to rise in its population of international personnel. The East African Headquarters are in Arusha, plans are under way for construction of permanent offices for the headquarters. Other international dignitaries continue to be part of the population of the city of Arusha, the requirement for steel and metal products of international standard will continue to rise in Arusha, Bansal Steel Rolling Mill Limited will use the vast experience we have in marketing of our transportation business to capture the rising market.

Market Size and Projected Portion

According to NDC, the steel and iron consumption in Tanzania is estimated to reach 1.22 million tones in the year 2010. However, production of steel and iron products in Tanzania currently stands at less than 300,000 tones per annum.

There is a number of factories that deal with steel rolling and bending as well as other iron and steel works in Tanzania that produce only about 25% of the requirements. Bansal Steel Rolling Mill Limited is projected to produce 15,000 tones per annum initially, which makes about 5% of the market in Tanzania. Bansal Steel Rolling Mill Limited plans to raise its market share of the steel, iron and metal products to 10% of the countries market in 10 years time.

Marketing Plan and Distribution Channels

Bansal Steel Rolling Mill Limited will introduce its website in which the true quality of the products to be produced will be displayed. Bansal Steel Rolling Mill Limited will also produce brochures that will be distributed to potential clients in strategic areas. The company will also advertise its products in the media.

Bansal Steel Rolling Mill Limited will establish four main distribution channels, one will be in Arusha, and two will be in Dar es Salaam and one will be in Mwanza.

Bansal Steel Rolling Mill Limited also plans to get distribution agents in Kenya, Uganda, Rwanda, DRC, Zambia, Burundi, Malawi and Mozambique.

Analysis of Competition

The steel rolling bending, iron works and metal works in general, has little competition within Tanzanian producers as the requirement is higher than the

production. However imported goods pose a stiff competition from manufacturers, who have build names in the industry, however our marketing strategy and quality goods we plan to offer will put us ahead of our competitors. Our products will also have a competitive price as compared with imported goods of the same quality. This will assure Bansal Steel Rolling Mill Limited to get its planned share of the market.

5.0 FINANCIAL ANALYSIS

Estimated Project Cost

The total initial project cost is estimated at US \$ 5,106,730.00.

The cost items include:

Acquisition of Machinery: The cost for purchasing the various machines for the project to completion is estimated at US \$ 2,566,510.00.

Acquisition of Vehicles: The cost for the purchase of vehicles is estimated at US \$ 410,000.00. The vehicles to be bought include one four wheel drive station wagon, two pickups, two delivery van, and three trucks.

Land, Buildings and Civil Works: The cost for buildings and civil works for the factory area where machines will be installed is estimated at US \$ 889,320.

Furniture and Fittings: The purchase of furniture and fittings for the factory and new shops is estimated to cost US \$ 190,000.00.

Other Costs: These include costs such as land acquisition, land and property taxes, power connection etc. These are estimated to cost US \$ 132,670.00. These will be taken into consideration at a later stage, and will include the training of staff.

Pre – Operational Expenses: These will amount to US \$ 162,000.00.

Initial Working Capital: Operating capital requirements are estimated at US \$ 756,230.00. The operating capital is required to cover the initial operating costs, such as business travel and marketing, purchase of initial raw materials, office and administrative expenses, hire of equipments and other costs.

Proposed Financing Plan

It is proposed that financing will be done both locally and internationally through bank loans.

Proposed Source of Funding

The company will fund US \$ 3,106,730 out of the total project cost of US \$ 5,106,730. The balance of US \$ 2,000,000 will be sourced from financial institutions in the form of a term loan and overdraft.

Projected Revenue Schedule

Total Income from the project during the first ten years is estimated at US \$ 171,440,000.00. See attached projected revenue schedule.

Projected Cash flow

It is projected that, the proposed project will have an overall positive cash flow for the first ten years. See attached projected cash flow for details.

6.0 RISK ASSESSMENT

Weakness of the Business

The Company is venturing into a business with stiff competition from imported goods from international companies that has made a name in the steel rolling and bending industry, Bansal Steel Rolling Mill Limited is determined to counter the weakness by manufacturing quality products that will compete internationally. The company will employ experienced expatriates initially to make sure that it starts by producing quality goods from the beginning. The expatriates will train local personnel that will take their positions at a later stage, so as to increase the number of local employees and also reduce operating costs that will also reduce the cost of production, hence the prices of our goods, thus making them more competitive.

Risk Associated with Business

- (i) Lack of market during the initial stages may result in higher overhead costs at the beginning.
- (ii) Lack of clients due to world wide events such as the September 11th and economic recession.
- (iii) Drastic rise in power and metal prices.

Contingency Plans

- (i) The company plans to market its services to non construction customers such as government institutions, mining companies and the public at large such that these will provide work for the company at all times.

(ii) The company will advertise its services using agents in various cities in East and Central Africa. This will enable the company to get customers all over East and Central Africa and counter events that may affect the number of clients in Tanzania.

(iii) The company plans to use bio-diesel to run the standby generators for environmental conservation, and to have a source of diesel that is within the country.

7.0 ENVIRONMENT AND GENDER ISSUES

Environment Impact Assessment

Most human activities are prone to causing negative environmental effect if carried out improperly and carelessly. Steel rolling and bending, potentially will cause environmental degradation if carried out according to the set laws and regulations. Metal wastes from the raw materials used for rolling and bending steel and other metal products, may be detrimental to the environment if disposed of improperly. Sources of raw materials from mines or metal smelting factories may also be detrimental to the environment.

Workshop activities may result into spillage of oils and greases into the surrounding environment including water bodies.

The project will also add more cars into the already congested roads in the city of Arusha. Car congestion is a time waster for people going to various business activities. Car congestion will also increase pollution of the air from exhaust fumes, which might adversely affect people leading to coughing and other respiratory disorders.

Mitigation

All company employees will be trained in environmental awareness. They will strictly be directed to adhere to the set standards and regulations in all areas of their work.

Our workshop will be constructed in an area planned for such activities. The workshop will be constructed according to engineering standards to minimize or prevent any spillage of oils, greases and gases to the surroundings.

Bansal Steel Rolling Mill Limited will demand assurance from suppliers of metal, that the miners or smelters use environmentally friendly methods when mining or smelting the metals concerned.

Most metal wastes will be recycled.

All our vehicles will be well maintained and serviced to reduce exhaust emissions and spillage of oils reaching the environment.

All wastes that can not be recycled will be disposed of using proper methods according to the law.

The Impact of The Project On Gender

The project is expected to employ 79 employees. About 40% of these employees will be women in the form of supervisors, technicians, operators, secretaries and other positions as may be appropriate. The company will encourage and train women operators.

8.0 PROJECT VALUE

Development Value:

The project when implemented will create 79 new jobs. These people are beneficiaries of health support over and above financial benefits allocated to them. In turn, the standard of living of the workers and their immediate families will rise.

The project will also train individuals and provide them with necessary tools so that they can become self employed and carry out small scale steel bending jobs. The individuals so trained will indirectly support the company in marketing to individual households and renovation projects.

Government Revenue:

The project is beneficial to the government, as it will collect revenue in the form of taxes to the maximum of US\$ 11,081,350.37 for the first ten years.

9.0 RISKS AND ISSUES ANALYSIS

Profitability:

Project Profitability is generally satisfactory. This is because revenue trends, such as profit and loss values, etc., are above average for manufacturing industries of this size. The assumptions on sales and prices are fairly realistic in the wake of stiff competition.

Sponsors creditworthiness:

The owners have been running the sister company, Bansal Transporters Limited, reasonably well since its inception. The owners also own other companies that are financially sound.

Conclusion.

The investment and development of the steel factory undertaking is in line with the Government objective of encouraging proper development of manufacturing in the country.

In addition, it will have a positive impact on the development of the region, as it would generate a number of benefits and more positive impact on the economy of the region.

This document has provided a full analysis on the financial, Techno-economic viability on the establishment of the Steel, Iron and Metal manufacturing along with the financing requirements and parameters have been considered and have established that the proposed project is technically sound, financially viable, economically and socially beneficial.

In the context of the immense useful potential of this project, the management of M/S Bansal Steel Rolling Mill Limited anticipates that all interested parties in the region and the Government of Tanzania will give their full support so as to ensure timely implementation of the project and apprehension of successful operation. The support includes certification by TIC under the investment Act.

APPENDIX: 1

**BANSAL STEEL ROLLING MILL LIMITED
INVESTMENT COST**

US \$

ITEM	FOREIGN	LOCAL	TOTAL
Buildings and Civil Works	73,200.00	801,120.00	874,320.00
Machinery and Equipments	2,512,000.00	54,510.00	2,566,510.00
Land	-	15,000.00	15,000.00
Motor Vehicles	350,000.00	60,000.00	410,000.00
Furniture and Fittings	70,000.00	120,000.00	190,000.00
Others	10,500.00	122,170.00	132,670.00
Pre-Operational Expenses	24,000.00	138,000.00	162,000.00
TOTAL FIXED INVESTMENT	3,039,700.00	1,310,800.00	4,350,500.00
Initial Working Capital	56,000.00	700,230.00	756,230.00
TOTAL INVESTMENT COST	3,095,700.00	2,011,030.00	5,106,730.00

APPENDIX: II

**BANSAL STEEL ROLLING MILL LIMITED
DEPRECIATION SCHEDULE**

US \$

ITEM	TOTAL	%	1	2	3	4	5	6	7	8	9	10
Buildings and Civil Works	874,320	4.0	34,973	34,973	34,973	34,973	34,973	34,973	34,973	34,973	34,973	34,973
Machinery and Equipments	2,566,510	12.5	320,814	320,814	320,814	320,814	320,814	320,814	320,814	320,814		
Motor Vehicles	410,000	25.0	102,500	102,500	102,500	102,500						
Land	15,000	2.0	300	300	300	300	300	300	300	300	300	300
Furniture and Fittings	190,000	12.5	23,750	23,750	23,750	23,750	23,750	23,750	23,750	23,750		
Pre-Operational Expenses	162,000	20.0	32,400	32,400	32,400	32,400	32,400					
TOTAL	4,217,830		514,737	514,737	514,737	514,737	412,237	379,837	379,837	379,837	35,273	35,273

APPENDIX: III

ADMINISTRATIVE COSTS

US \$

	0	1	2	3	4	5	6	7	8	9	10
Insurance		51,067	51,067	51,067	51,067	51,067	51,067	51,067	51,067	51,067	51,067
Water and Electricity		120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Licenses, Legal Fees, Property Tax		12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600
Printing and Stationery		6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Promotion and Advertising		12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Telephone/Fax/Internet		7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200
Repair and Maintenance		169,869	186,856	205,541	226,095	248,705	248,705	248,705	248,705	248,705	248,705
TOTAL	-	378,736	395,723	414,408	434,963	457,572	457,572	457,572	457,572	457,572	457,572

BANSAL STEEL ROLLING MILL LIMITED**REVENUE SCHEDULE****APPENDIX: IV****US \$**

REVENUE/YEARS	1	2	3	4	5	6	7	8	9	10
Structural Steel		9,300,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000
Square Bars		3,500,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Flat Bars		2,500,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Wire Rope Products		750,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Angle Iron and Sections		400,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Corrugated Iron Sheets			30,000	50,000	80,000	100,000	100,000	100,000	100,000	100,000
Spares and Other Products				30,000	50,000	50,000	50,000	50,000	50,000	50,000
TOTAL REVENUE	-	16,450,000	19,280,000	19,330,000	19,380,000	19,400,000	19,400,000	19,400,000	19,400,000	19,400,000

APPENDIX: V**BANSAL STEEL ROLLING MILL LIMITED
OPERATING COSTS****US \$**

ITEM /YEARS	1	2	3	4	5	6	7	8	9	10
Production Cost - Structural Steel	-	6,975,000	7,875,000	7,875,000	7,875,000	7,875,000	7,875,000	7,875,000	7,875,000	7,875,000
Production Cost - Square Bars	-	2,450,000	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000
Production Cost - Flat Bars	-	1,750,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
Production Cost - Wire Rope Products	-	525,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000
Production Cost - Angle Iron and Sections	-	280,000	525,000	525,000	525,000	525,000	525,000	525,000	525,000	525,000
Production Cost - Corrugated Iron Sheets	-	-	21,000	35,000	56,000	70,000	70,000	70,000	70,000	70,000
Production Cost - Spares and Other Products	-	-	-	21,000	35,000	35,000	35,000	35,000	35,000	35,000
Salaries and Wages	144,624	361,560	361,560	361,560	361,560	361,560	361,560	361,560	361,560	361,560
Administration Overheads	378,736	378,736	378,736	378,736	378,736	378,736	378,736	378,736	378,736	378,736
TOTAL OPERATING COSTS	523,360	12,720,296	14,761,296	14,796,296	14,831,296	14,845,296	14,845,296	14,845,296	14,845,296	14,845,296

**BANSAL STEEL ROLLING MILL LIMITED
PROFIT AND LOSS A/C**

APPENDIX: VI

US \$

ITEM/YEARS	1	2	3	4	5	6	7	8	9	10
Revenue	-	16,450,000	19,280,000	19,330,000	19,380,000	19,400,000	19,400,000	19,400,000	19,400,000	19,400,000
Less Operating Cost	523,360	12,720,296	14,761,296	14,796,296	14,831,296	14,845,296	14,845,296	14,845,296	14,845,296	14,845,296
Gross Profit Before Tax	(523,360)	3,729,704	4,518,704	4,533,704	4,548,704	4,554,704	4,554,704	4,554,704	4,554,704	4,554,704
Less Depreciation	514,737	514,737	514,737	514,737	412,237	379,837	379,837	379,837	35,273	35,273
Profit Before Tax	(1,038,097)	3,214,967	4,003,967	4,018,967	4,136,467	4,174,867	4,174,867	4,174,867	4,519,431	4,519,431
Taxation 30%		964,490	1,201,190	1,205,690	1,240,940	1,252,460	1,252,460	1,252,460	1,355,829	1,355,829
Profit After Tax	(1,038,097)	2,250,477	2,802,777	2,813,277	2,895,527	2,922,407	2,922,407	2,922,407	3,163,602	3,163,602
Cummulative Profit	(1,038,097)	1,212,381	4,015,158	6,828,435	9,723,962	12,646,370	15,568,777	18,491,184	21,654,786	24,818,388

APPENDIX: VII

PROJECTED CASH FLOW

US \$ '000

ITEM /YEARS	0	1	2	3	4	5	6	7	8	9	10
Inflows											
Equity	4,350.5										
Depreciation		514.7	514.7	514.7	514.7	412.2	379.8	379.8	379.8	35.3	35.3
Net Profit		(1,038.1)	2,250.5	2,802.8	2,813.3	2,895.5	2,922.4	2,922.4	2,922.4	3,163.6	3,163.6
TOTAL INFLOWS	4,350.5	(523.4)	2,765.2	3,317.5	3,328.0	3,307.8	3,302.2	3,302.2	3,302.2	3,198.9	3,198.9
Outflows											
Investment	4,350.5										
Change in Working Capital		756.0	478.0	394.0	254.0	106.0	53.0	22.0			
Total Outflows	4,350.5	756.0	478.0	394.0	254.0	106.0	53.0	22.0	-	-	-
Net Cash Flows	-	(1,279.4)	2,287.2	2,923.5	3,074.0	3,201.8	3,249.2	3,280.2	3,302.2	3,198.9	3,198.9
Accumulative Cash Flow	-	(1,279.4)	1,007.9	3,931.4	7,005.4	10,207.1	13,456.4	16,736.6	20,038.9	23,237.8	26,436.6

**BANSAL STEEL ROLLING MILL LIMITED
MANPOWER SALARIES & WAGES**

APPENDIX: VIII

US \$

CATEGORY	NO.	PER PERSON	PER MONTH	PER ANNUM
Managing Director	1	1,500.00	1,500.00	18,000.00
Director of Finance and Administration	1	1,200.00	1,200.00	14,400.00
Marketing Officers	3	400.00	1,200.00	14,400.00
Accountant	1	1,000.00	1,000.00	12,000.00
Secretary	1	300.00	300.00	3,600.00
Security Guards	15	150.00	2,250.00	27,000.00
Factory Manager	1	1,000.00	1,000.00	12,000.00
Section Supervisors	4	700.00	2,800.00	33,600.00
Technicians	6	400.00	2,400.00	28,800.00
Operator	25	250.00	6,250.00	75,000.00
Shop supervisors	2	600.00	1,200.00	14,400.00
Shop Attendants	2	300.00	600.00	7,200.00
Store Keeper	2	350.00	700.00	8,400.00
Drivers	4	250.00	1,000.00	12,000.00
Training Personell	3	400.00	1,200.00	14,400.00
Designer and Quality Controller	2	350.00	700.00	8,400.00
Helpers	6	150.00	900.00	10,800.00
			-	-
TOTAL	79	9,300.00	26,200.00	314,400.00
ADD 15% Social Benefits		1,395.00	3,930.00	47,160.00
TOTAL	79	10,695.00	30,130.00	361,560.00

THE COMPANIES ACT (No. 12, 2002)

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

BANSAL STEEL ROLLING MILL LIMITED

DRAWN BY:

MROSSO & ASSOCIATES - ADVOCATES,
1ST FLOOR, CENTRAL PLAZA,
UHURU ROAD,
P. O. BOX 1232,
ARUSHA - TANZANIA.

Cell: + 255 754 200 006/784 170 411

Tel: + 255 732 971 974

Email: edward@mrosso.com

THE UNITED REPUBLIC OF TANZANIA

CERTIFICATE OF INCORPORATION

NO.....

I HEREBY CERTIFY THAT

BANSAL STEEL ROLLING MILL LIMITED

Is this day incorporated under the

Companies Act, No.12 of 2002

And

That the Company is a

Private Company Limited by Shares.

GIVEN under my hand at Dar es Salaam this.....day
of.....Two Thousand and Eight.

.....
Asst. Registrar of Companies

- 5) To enter into any contracts in relation to, and to erect, construct, alter, repair, demolish and restore (either alone or jointly with, or as subcontractors for, any other companies or persons) works for all descriptions, including wharves, docks, piers, railways, waterways, drainage, roads, bridges, warehouses, factories, mills, engines, machinery, boilers, railway locomotives, carriages and wagons, ships and vessels of every description, gas works, power stations, water works, drainage and sewage works, and buildings and installations of every description.
- 6) To carry on the business of wholesale and retail metals and ironmongers, dealers in builders', materials, all kinds, mainly metals, timber, household utensils, hardware, china glass, household fittings, tools, electrical appliances, wiring and materials, polishes, ladders, gardening tools and equipment, fertilisers and insecticides and garden furniture, and such other goods as may conveniently be sold with the above goods or are capable of being used with them or in their maintenance, repair or manufacture.
- 7) To purchase or otherwise acquire houses, offices, workshops, buildings, and premises, and any fixed and movable machinery, tools, engines, boilers, plant, implements, patterns, stock- in- trade, patents and patents rights convenient for any of the above activities.
- 8) To construct, acquire or take on lease warehouses, showrooms, shops, retail centres and all other premises requisite for the above purposes and to purchase or rent any interest in land for such purposes.
- 9) To purchase or otherwise acquire the mine workings and mineral grounds, land, rights, concession, grant or otherwise any land mines, mineral rights, buildings, easements, rights and privileges, machinery and plant which the company may consider useful for any of its purposes.
- 10) To search for ores and minerals, mine and grant licenses for mining in or over any land in which the company may be interested, and to lease any such land for mining, building or any other purpose as the company may deem useful.
- 11) To carry on any trade or business within tourism industry including proprietors of restaurants, hotels, spa, motel, holiday camp, leisure center, caravan site, apartment house proprietors, refreshment and tea rooms, wine bars, eating houses, fast food outlets, cafés, snack bars and coffee shops and bars, and as inn and lodging-house.

- 12) To carry on any trade or business within property development management industry including developing real estate & properties for the purpose of selling and leasing any part of or the entire. Further, to equip and furnish any property for the purpose of letting it to visitors or guests, whether in single rooms, suites, caravans, movable structures, cottages or otherwise for any other business.
- 13) To construct erect and maintain buildings, houses, flats, mall, shops, waterworks, streets, roads, sewers and all other works and installations of any description, either on the property of the company or elsewhere and generally to alter and improve the property of the Company.
- 14) To let on lease any such premises or parts of them and to provide services and facilities for the occupiers or tenants of those premises.
- 15) To grant easements or other rights in, over or under the said lands and to acquire such rights in over or under any adjoining lands.
- 16) To provide public or private entertainments and facilities on any property of the company.
- 17) To acquire and hold controlling and other interests of the share or loan capital of any company or companies and in particular companies engaged in the tourism industry, property development, polo and golf clubs, land owners associations, all types of farming, manufacturing and other related business.
- 18) To purchase, take on lease or in exchange, hire and otherwise acquire any real and personal property, and any rights or privileges which the company may think appropriate for the purpose of its business, and in particular any land, building, easements, machinery, plant and stock in trade.
- 19) To acquire by purchase exchange or otherwise, either in deemed or registered Right of Occupancy or for any larger or lesser estate or interest, whether in possession or in reversion and whether vested or contingent, any estates, farms, lands, houses, buildings, tenements and premises of any tenure, whether subject or not to any charges or encumbrances, and to hold or sell, let, alienate, mortgage, charge or otherwise deal with all or any of such lands, tenements, buildings or premises and to grant easements, profits or any other rights in, over, or under the said lands and to acquire such rights in, over, or under any adjoining property.
- 20) To carry on business of investment company, and for the purpose to acquire and hold either in the name of the company or in that of any nominee shares, stock,

debentures, debenture stock, bonds, notes, obligations, warrants, options and securities issued or guaranteed by any company wherever incorporated, or issued or guaranteed by any government, public body or authority in any part of the world.

- 21) To apply for, purchase or otherwise acquire and patents, patent rights, copyrights, trade marks, formulas, licenses, concessions and the like, conferring any exclusive or limited right to us, or any secret or other information as to, any invention which may seem capable of being used for any purpose of the company, or the acquisition of which may seem calculated to benefit the company; and to use, exercise, develop, or grant licenses in respect of, or otherwise turn to account, the property, right or information so acquired.
- 22) To borrow or raise money in any manner, and to secure the same or the repayment or performance of any debt, liability, contract, guarantee or other engagement incurred or entered into by the company, and in particular by the issue of debentures secured on all or any of the company's property (both present and future), including its uncalled capital; and to purchase, redeem or pay of any such securities.
- 23) To manage, improve, farm, cultivate, maintain, lease, underlet, exchange, sell or otherwise deal with and dispose of all or any part of the property of the company.
- 24) To enter into working arrangements of all kinds with other corporations, firms or persons, and to make and carry into effect arrangements for amalgamation or corporations with other corporations, firms and persons.
- 25) To borrow or raise and secure the payment of money for the purposes of or in connection with the Company's business, and to mortgage and charge the undertaking and all or any of the real and person property and assets, present or future, and all or any of the uncalled capital for the time being of the Company and to issue at premium or discount, or for such consideration and with and subject to such rights, powers, privileges and conditions as may be thought fit, debentures, mortgage debentures and debenture stock, payable to bearer or otherwise, and either permanent, or redeemable or repayable and collaterally or further to secure any securities of the Company by a trust deed or other assurance, and to issue and deposit any securities of the Company by a trust deed or other assurance, and to issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities and also by way of security for the performance of any contracts or obligations of the Company.

- 26) To amalgamate or enter into partnership or any agreement whether perpetual or terminable, for sharing profits, union of interest joint adventure, reciprocal concessions or co-operation with any person, firm, society, association or group of persons, carrying on or engaged in or about to carry on or engage in or (in the case of a company) formed to carry on or engage in any business or transaction within the objects of this Company or any business transaction or course of action which may seem to the Company capable of being conducted so as directly or indirectly to benefit the Company or to prevent or minimise apprehended loss, damage or cost to the Company or to such person, firm, society, association or group of persons, purchase, subscribe for or otherwise acquire and hold shares (fully or partly paid up) or stock in or securities of, or to lend money, to guarantee the contracts of, subsidise or otherwise assist any such person, firm, society, association or group of persons, and to sell, hold, re-issue with or without guarantee or otherwise deal with such shares, stock or securities.
- 27) To raise or borrow money or to secure the payment or money and of any interest thereon in such manner and on such terms as may be deemed expedient, and in particular issue at par or at a premium or discount debentures or debentures stock either perpetual or terminable, or by bonds, mortgages or any other form of security over or upon all or any of the undertaking, property or rights of the company both present and future including its uncalled capital, or without any such security.
- 28) To join with any other company or companies in the issue of a joint debenture or joint debentures, to secure the performance of any of the joint or several obligations of this Company and all or any or such other companies.
- 29) To accept stock or shares in or the debentures, mortgage debentures or other securities of any other company in payment or part payment for any services rendered or for any sale made to or debt owing from any such company.
- 30) To establish agencies and local boards in Tanzania and elsewhere, and to regulate and discontinue the same.
- 31) To seek for and secure openings for the employment of capital in any part of the world, and with a view thereto to prospect, inquire, examine, explore and test and to employ and to dispatch expeditions, commissioners, experts and other agents.
- 32) To acquire from any sovereign state or authority supreme local or otherwise any concessions, grants, decrees, rights or privileges whatsoever which may seem to the company capable of being turned to account and to work, develop, carry out exercise and turn to account the same.

- 33) To capitalize if and when deemed advisable the whole or part of the undivided profits of the company and/or moneys standing to the credit of the company's reserve fund and to distribute such sum either as bonus or in any other manner and either by way of shares credited as dully paid up or in such other manner as may seem expedient and whether amongst holders of shares in the company or others.
- 34) To aid pecuniary or otherwise, any association, body or movement having for an object the solution, settlement or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.
- 35) To sell, dispose of, or transfer the business, property and undertaking of the Company, or any part thereof, for any consideration which the Company may see fit to accept, and to sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose of, turn to account, or otherwise deal with all or any part of the property and rights of the Company.
- 36) To accept stock or share in, or the debentures, mortgage debentures or other securities of any other company in payment or part payment for any services rendered or for sale made to or debt owing from any such company.
- 37) To distribute in specie or otherwise as may be resolved any assets of the Company among its members ,and particularly the shares, debentures or other securities of any other company formed to take over the whole or any part of the assets or liabilities of the company.
- 38) To do all or any of the things aforesaid, either alone or in conjunction with others, and either as principal or agent, and either by the Company itself or by sub-contractors or agents or otherwise and either in the United Republic of Tanzania or elsewhere.
- 39) Generally to do such things as may appear to be incidental or conducive to the attainment of any of the above objects of the company.

4) iv)

LIABILITY

The liability of the members is Limited.

5) v)

CAPITAL

The authorised share capital of the Company is Tanzania Shillings Four Billion Only (TZS 4,000,000,000/=), divided into Four Hundred Thousand Shares (400,000) shares of Tanzania Shillings Ten Thousand Only (TZS 10,000.00) each, with power for the Company to increase or reduce the said capital and to issue any part of its capital, original or increased, with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions, and so that unless the condition of issue shall otherwise expressly declared, every issue of shares, whether declared to be preference or otherwise, shall be subject to the powers herein before contained.

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

Name and Addresses of Shareholders	Number of shares taken by the Shareholders	Signatures of Shareholders
------------------------------------	--	----------------------------

Balvinder Singh Bansal,
P. O. Box 193,
Arusha - Tanzania.


120,000

Signature: 

Qualification: Director

Tajinder Singh Bansal,
P. O. Box 193,
Arusha - Tanzania.

120,000

Signature: 

Qualification: Director

Amarjit Kaur Bansal,
P. O. Box 193,
Arusha - Tanzania.


120,000

Signature: 

Qualification: Director

Gurmail Singh Panasar,
P. O. Box 193,
Arusha - Tanzania.

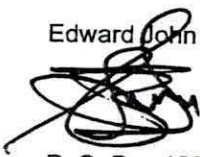
40,000

Signature: 

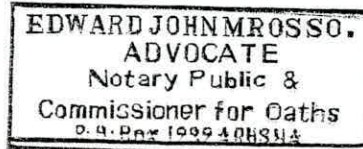
Qualification: Director

WITNESS to the above signature on this ^{31st} Day of March, 2008.

Full Name Edward John Mrosso,

Signature 

Postal Address P. O. Box 1232,
Arusha - Tanzania



Designation Advocate.

THE COMPANIES ACT (NO. 12 OF 2002)

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

BANSAL STEEL ROLLING MILL LIMITED

TANZANIA
Stamp Duty Sbs. 5000/-
PAID ON ORIGINAL
Stamp Duty Office
RECEIVED

Stamp Duty Office
RECEIVED
Stamp Duty Sbs. 5000/-

PRELIMINARY

1. In these Regulations:

"the Act" means the Companies Act (No. 12 of 2002);

"the articles" Means the articles of this company;

"clear days" in relation to the period of a notice means that period excluding the day when the notice is given or on which it is to take effect;

"the holder" in relation to shares means the member whose name is entered in the register of members as the holder of the shares;

"the seal" means the common seal of the company;

"secretary" means the secretary of the company or any person appointed to perform the duties of the secretary of the company.

Expressions referred to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.

Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these Regulations become binding on the company.

2. The regulations contained in Part 1 of Table A shall apply save for regulation 22.

3. The Company is 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 is limited to fifty as further provided for in the Act.
 - (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 bearers.
4. The authorised share capital of the Company is Tanzania Shillings Four Billion Only (TZS 4,000,000,000/=), divided into Four Hundred Thousand Shares (400,000) shares of Tanzania Shillings Ten Thousand Only (TZS 10,000.00) each.
5. The directors may, in their absolute discretion and without assigning any reason thereof, declines to register any transfer of shares whether or not it is a fully paid share.

SHARE CAPITAL AND VARIATION OF RIGHTS

6. Subject to the provisions of the Act, and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise as the company may by Ordinary Resolution determine.
7. Subject to the provisions of section 61 of the Act, any shares may, with the sanction of an Ordinary Resolution, be issued on the terms that they are, or at the option of the company are liable, to be redeemed on such terms and in such manner as the company before the issue of the shares may by Special Resolution determine.
8. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separated general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these Regulations relating to general meetings shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class present in person or by proxy may demand a poll.

9. The rights conferred upon the holders of the shares of any class shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
10. The company may exercise the powers of paying commissions conferred by section 56 of the Act. Subject to the provisions of the Act, such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.
11. A body corporate or person shall be recognized by the company as holding shares on trust.

SHARE CERTIFICATES

12. Every member, upon becoming the holder of any shares, shall be entitled without payment to receive within two (2) months after allotment or lodgement of transfer (or within shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first such reasonable sum as the directors may determine. Every Certificate shall be sealed with the seal and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid thereon. In respect of a share of shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one joint holder shall be sufficient delivery to all joint holders.
13. If a share certificate is defaced, worn out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of expenses reasonably incurred by the company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing out) on delivery up of the old certificate.

LIEN

14. The company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a

fixed time in respect of that share; but the directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The company's lien, if any, on a share shall extend to any amounts payable in respect of it.

15. The company may sell, in such manner as the directors determine, any shares on which the company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after a notice in writing has been given to the holder of the share, or the person entitled thereto by reason of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.
16. To give effect to any such sale the directors may authorize some person to transfer the shares sold to, or in accordance with the directions of, the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
17. The net proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (upon surrender to the company for cancellation of the certificate for the shares sold and subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares, at the date of the sale.

CALLS ON SHARES

18. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal values of premium) and not by the conditions of allotment thereof payable at fixed times, provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call, and each member shall (subject to receiving at least fourteen clear days notice specifying when and where payment is to be made) pay to the company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the company of any sum due there under, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon

whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

19. A call shall be deemed to have been made at the time when the resolution of the directors authorizing the call was passed.
20. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
21. If a call remains unpaid after it has become due and payable, the person from whom the sum is due shall pay interest on the amount unpaid from the day it become due and payable to the time of actual payment at the rate fixed by the term of allotment of the share or, if no rate is fixed, at a rate not exceeding five percent per annum as the directors may determine, but the directors may waive payment of such interest wholly or in part.
22. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call, and if it is not paid the provisions of the articles shall apply as if that amount has become due and payable by virtue of a call.
23. Subject to the terms of allotment, the directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.
24. The directors may if they think fit, receive from any member willing to advance the same, all or any part of the moneys un-called and unpaid upon any shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become [payable] pay interest at such rate not exceeding (unless the company in general meeting shall otherwise direct) six per cent per annum, as may be agreed upon between the directors and the members paying such sum in advance.

TRANSFER OF SHARES

25. The instrument of transfer of any share shall be in any usual form or any other form which the directors may approve and shall be executed by or on behalf of the transferor

and, unless the share is fully paid up, by or on behalf of the transferee, and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

26. If the directors refuse to register a transfer they shall within sixty days after the date on which the transfer was lodged with the company send to the transferee notice of the refusal.
27. The registration of transfers of shares or any transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine.
28. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting title to any share.

TRANSMISSION OF SHARES

29. In case of the death of a member, the survivor(s) where the deceased was a joint holder, and the personal representatives of the deceased where he was a sole holder or the only survivor of joint holders, shall be the only persons recognized by the company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.
30. A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as may properly be required by the directors and subject as hereinafter provided, either elect by notice to the company to be registered as holder of the share, or elect to have some person nominated by him registered as the transferee in which case he shall execute the appropriate instrument of transfer. All the articles relating to the right to transfer of shares shall apply to any such notice or transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.
31. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall have the rights to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as the holder of the

share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company.

FORFEITURE OF SHARES

32. If a call remains unpaid after it has become due and payable, the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid, together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with, the shares in respect of which the call was made will be liable to be forfeited.
33. If the notice is not complied with, any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors to that effect the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
34. Subject to the provisions of this Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person, and at any time before a sale, re-allotment or other disposition the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person, the directors may authorize some person to execute an instrument of transfer of the share in question.
35. A person any of whose shares have been forfeited shall cease to be a member in respect of the forfeited shares and shall surrender to the company for cancellation the certificate for the shares forfeited, were payable by him to the company in respect of the shares, but shall remain liable to the company for all moneys at the date of forfeiture were payable by him to the company in the respect of the shares, but his liability shall cease if and when the company shall have received payment in full of all such moneys in respect of the shares, but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture for any consideration received on their disposal.
36. A statutory declaration by a director or the secretary that a share has been forfeited on a date stated in the declaration shall be conclusive evidence of the facts stated therein as against all persons claiming to be entitled to the share, and the declaration shall

(subject to the execution of an instrument of transfer if necessary) constitute a good title to the share, and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

ALTERATION OF CAPITAL

37. The company may by ordinary resolution:-
- (a) increase its share capital by new shares of such amount, as the resolution prescribes;
 - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (c) subject to the provisions of section 65(1)(d) of the Act, sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the memorandum of association;
 - (d) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
38. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including subject to the provisions of this Act, the company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorize some person to execute an instrument of transfer of the shares to or in accordance with the directions of the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
39. Subject to the provisions of the Act, the company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any way.
40. The company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the company and that of the next.

41. All general meetings other than annual general meetings shall be called extraordinary general meetings.
42. The directors may, whenever they think fit, call an extraordinary general meeting and extraordinary general meetings shall also be convened on such requisitionists, or, in default, may be convened by such requisitionists, as provided by section 134 of the Act. If at any time there are not within the Territory sufficient directors to call the meeting, any director or any two members of the company may call the meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.

NOTICE OF GENERAL MEETINGS

43. Every general meeting shall be called by twenty-one clear days notice in writing. The notice shall specify the time and place of the meeting and the general nature of the business and, in the case of an annual general meeting, shall specify the meeting as such;
Provided that a meeting of the company may be called by shorter notice if it is so agreed.
 - (a) in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and
 - (b) in the case of any other meeting by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.
44. Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors. The accidental omissions to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at the meeting.

PROCEEDINGS AT GENERAL MEETINGS

45. All business shall be deemed special that is transacted at an extra ordinary general meeting, and also all that is transacted at an annual general meeting, with the exception

of declaring a dividend, the consideration of the accounts, and the reports of the directors and auditors, the election of directors in the place of those retiring and the appointment of and the fixing of the remuneration of, the auditors.

46. No Business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; two persons entitled to vote on the business to be transacted, each being a member or a proxy for a member or a duly authorized representative of a corporation shall be a quorum.
47. If within half an hour from the time appointed for the meeting a quorum is not present, or if during the course of a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such other day at such other time and place as the direction may determine.
48. The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the general meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for the holding of the meeting and willing to act, the directors present shall elect one of their member to be chairman of the meeting and, if there is only one director present and willing to act, he shall be chairman.
49. If at any meeting no director is willing to act as chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be chairman of the meeting.
50. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at a general meeting and at any separate meeting of the holders of any class of shares in the company.
51. The chairman may, with the consent of any meeting at which a quorum is present and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days and the general nature of the business to be transacted at an adjourned meeting.

52. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:
- (a) by the chairman or,
 - (b) by at least two (2) members having the right to vote at the meeting; or
 - (c) by a member or members representing not less than one-tenth of the total voting rights of all the members holding shares conferring a right to vote at the meeting or
 - (d) by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right and a demand by a person as proxy for a member shall be the same as a demand by the member.
53. Unless a poll be so demanded, a declaration by the chairman that a resolution has on show of hands been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be evidence of that fact.
54. The demand for a poll may, before the taken, be withdraw.
55. Except as provided in article 54, if a poll is dully demanded it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
56. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a casting vote in addition to any other note he may have.
57. A Poll demanded on the election of a chairman or on a question of adjournment shall be taken immediately or at such time not being more than thirty days after the poll is demanded as the chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be preceded with pending the taking of the poll.
58. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall have effect as if it had been passed at a general meeting dully convened and held, and may consist of several instruments in the like form each executed by or on behalf of one or more members.

VOTES OF MEMBERS

59. Subject to any rights or restrictions attached to any share or class or classes of shares, on a show of hands every member (being an individual) present in person or (being a corporation) present by a dully authorized representative, not being himself a member entitled to vote, and on a poll every member shall have one vote for each share of which he is the holder.
60. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other join holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of members.
61. A member in respect of whose estate a manager has been appointed under section 26 of the Mental Disease Ordinance, may vote, whether on a show of hands or on a poll, by his manager, and any such manager may, on a poll, vote by proxy.
62. No member shall be entitled to vote at a general meeting or at a separate meeting of the holders of any class of shares in the company unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
63. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to be tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.
64. On a poll votes may be given either personally or by proxy. A Member may appoint more than one proxy to attend on the same occasion.
65. The instrument appointing proxy shall be in writing executed by or on behalf of the appointor or his attorney dully authorized. A proxy need not be a member of the company.
66. The instrument appointing a proxy and any authority under which it is executed a copy of the authority certified notarially or in such other manner as approved by the directors shall be deposited at the registered office of the company or at such other place within the Tanzania as is specified for that purpose in the notice convening the meeting, not

less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and the default the instrument of proxy shall not be treated as valid.

67. An instrument appointing a proxy shall be in the following form or a form is near thereto as circumstances admit.

BANSAL STEEL ROLLING MILL LIMITED

I/weofbeing
a Member/members of the above named company hereby appoint
ofor failing himof as my/our proxy to vote for
me/us on my/your behalf at the (annual or extraordinary as the case may be) general meeting
of the company to be held on theday ofand at any
adjournment thereof.

Signed thisday of200...

68. Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or a form as thereto as circumstances admit.

BANSAL STEEL ROLLING MILL LIMITED

I/weofbeing
a Member/members of the above named company hereby appoint
ofor failing himof
as my/our proxy to vote for m/us on my/your behalf at the (annual or extraordinary as the
case may be) general meeting of the company to be held on theday of
.....and at any adjournment thereof.

Signed thisday of200...

This form is to be used * in favour of against resolution; 1/2/3 etc; unless otherwise instructed, the proxy will vote as he thinks fit or abstain from voting.

69. The Instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

70. A vote given in accordance with the terms of an instrument of proxy, or poll demanded by proxy, or by the duly authorized representative of a corporation shall be valid notwithstanding the previous determination was received by the company at its registered office (or at such other place at which the instrument or proxy was duly deposited) before the commencement of the meeting or adjourned meeting at which the proxy is used.

CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

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

DIRECTORS

72. The number of the directors and the names of the first director shall be determined in writing by the subscribers of the memorandum of association or a majority of them and until such determination the signatories to the Memorandum of Association shall be the first directors. Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum but shall be not less than two. The first Directors of the company shall be ;

- (1) Balvinder Singh Bansal (Chairman),
- (2) Tajinder Singh Bansal,
- (3) Gurmail Singh Panesar,
- (4) Amarjit Kaur Bansal.

73. The shareholding qualification for directors may be fixed by the company in general meeting and unless and until so fixed no qualification shall be required.

POWERS AND DUTIES OF DIRECTORS

74. Subject to the provisions of the Act, the memorandum and the articles and to any directions given by special resolution, the business of the company shall be managed by the directors, who may exercise all the powers of the company. No alteration of the memorandum or articles and no such directions shall invalidate any prior act of the directors which would otherwise have been valid. The powers given by this article shall not be limited by any special power given to the directors by the articles and a meeting

- of directors at which a quorum is present may exercise all powers exercisable by the directors.
75. The directors may by power of Attorney appoint any person to be the attorney or agent of the company for such purposes and on such conditions as they determine, including authority for the attorney or agent to delegate all or any of his power.
 76. The directors may exercise all the power of the company to borrow money, and to mortgage or charge its undertaking property and uncalled capital, or any part thereof, and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the company or of any third party.
 77. The company may exercise the powers conferred upon the company by sections 124 to 127 of the Act with regard to the keeping of a branch register, and the directors may (subject to the provisions of those sections) make and vary such regulations as they may think fit respecting the keeping of any such register

DIRECTORS APPOINTMENT AND INTERESTS

78. The directors may appoint one or more of their member to the office of managing director or to any other executive office under the company and may enter into an agreement or arrangement with any director for his employment by the company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement may be made on such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate if the ceases to be a director, but without prejudice to any claim to damage for breach of the contract of service between the director and the company. A managing director and a director holding any other executive office shall not be subject to retirement by rotation
79. A director who is in any way, whether directly or indirectly, interested in contract or proposed contract with the company shall declare the nature of his interest at a meeting of the directors in accordance with section 209 of the Act.
80. Subject to the provision for the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:-
 - (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise interested;

- (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with or in which the company may be interested
- (c) shall not, by reason of his office, be accountable to the company for any benefit which he derives from any such office or employment remuneration or other benefits received by him as a director or officer of, or from his interest in, such other company unless the company otherwise directs.

Provided that nothing herein contained shall authorize a director or his firm to act as auditor to the company

81. For the purpose of articles 76 and 77 –

- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent as specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in such transaction of the nature and extent specified and;
- (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated an interest of his.

82. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the company, shall be signed, drawn accepted, endorsed, or otherwise executed in such manner as the directors shall from time to time by resolution determine.

MINUTES

83. The directors shall cause minutes to be made in books for the purpose:-

- a) of all appointments of officer made by the directors;
- b) of the names of the directors present at each meeting of the directors and of any committee of the directors;
- c) of all resolutions and proceedings at all meetings of the company, of the holders of any class of shares in the company, and of the directors, and of committee of directors.

REMUNERATION AND EXPENSES: GRATUITIES AND PENSIONS

84. The remuneration of the directors shall be determined by Ordinary Resolution of the company and, unless the resolution otherwise provides, such remuneration shall be deemed to accrue from day to day. The directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the directors or any committee of the directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the company or otherwise in connection with the business of the company.
85. The directors on behalf of the company may pay a gratuity or pension or allowance on retirement to any director who had held any other salaries office or place of profit with the company or to his widow or dependants and may make contributions to any fund and pay premium for the purchase or provisions of any such gratuity, pension or allowance.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

86. The office of director shall be vacated if the director
- (a) ceases to be director by virtue of any provisions of the Act; or he becomes prohibited by law from being a director, or
 - (b) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (c) becomes of unsound mind ;or
 - (d) resigns his office by notice in writing to the company; or
 - (e) shall for more than six consecutive months have been absent without permission of the director from meetings of the directors held during that period and the directors resolve that his office be vacated.

APPOINTMENT AND RETIREMENT OF DIRECTORS

87. The company may be Ordinary Resolution appoint a person who is willing to act to be a director either to fill a vacancy or to be an additional director.
88. The directors may appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director, provided that the total number of directors does not exceed the number fixed by or in accordance with these articles. A director so

appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election.

89. The company may by ordinary resolution, or of which special notice has been given in accordance with section 144 of the Act, remove any director before the expiration of his period of office notwithstanding anything in these articles or in any agreement between the company and the director. Such removal shall be without prejudice to any claim the director may have for damage for breach of any service contract with the company
90. The company may by Ordinary Resolution appoint another person in place of a director removed from office under the immediately preceding regulation, and without prejudice to the power of the directors under article 85 the company may by Ordinary Resolution appoint any person to be director either to fill a vacancy or as an additional director.

PROCEEDINGS OF DIRECTORS

91. Subjects to the provisions of the articles, the directors may regulate their meetings as they think fit. Questions arising at a meeting shall be decided by a majority of votes. In case of an equality of votes, the chairman shall have a second or casting vote. A director may, and the secretary at the request of a director shall, call a meeting of the directors, if shall not be necessary to give notice of a meeting directors to any director who is absent from the Tanzania
92. The quorum necessary for the transaction of the business of the directors may be fixed by the directors, and unless so fixed shall be two.
93. The continuing directors may act notwithstanding any vacancy in their number but, if their number is reduced below the number fixed as the necessary quorum, the continuing directors or director may act only for the purpose of filling vacancy or of calling a general meeting.
94. The directors may appoint one of their members to be the chairman of the board of directors and determine the period of which he is to hold office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors as which he is present. But if no such chairman is appointed, or if he is unwilling to preside or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same; the directors present may choose one of their member r to be chairman of the meeting.

95. The directors may delegate any of their powers to any committee consisting of one or more directors; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the directors. Subjects to any such regulations, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.
96. All acts done by a meeting of the directors or of a committee of directors or by a person acting as a director shall, notwithstanding that it be afterwards discovered there was some defect in the appointment of any such director, or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as if every such person had been duly appointed and was qualified and had continued to be a director and was entitled to vote.
97. A resolution in writing, signed by all the directors entitled to receive notice of a meeting of the director or of committee of directors ;shall be as valid and effectual as if it had been passed at a meeting of the directors or (as the case may be) a committee of directors dully convened and held and may consist of several documents in the like form and signed by one or more directors
98. Save as otherwise provided in the articles, a director shall not vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflict or may conflict with the interest of the company. Subject to and in accordance with the provisions of the Act, an interest of a person who is connected with a director shall be treated as interest of the director.
99. A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is entitled to vote.
100. The company my by Ordinary Resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the articles prohibiting director from voting at a meeting of directors or of committee directors.
101. Where proposals are under consideration concerning the appointment of two or more directors to office or employment with the company or any body corporate in which the company is interested, the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except than concerning his own appointment.

102. If a question arises at a meeting of directors or of a committee of directors as to the right of directors to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.

SECRETARY

103. The secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them.
104. A provision of the Act or these Regulations requiring or authorizing a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of the secretary.

THE SEAL

105. The seal shall only be used by the authority of the directors or of a committee of the directors authorized by the director. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or by a second director.

DIVIDEND AND RESERVE

106. Subject to section 180 of the Act, the company may by Ordinary Resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.
107. Subject to the provisions of the Act, the directors may from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the company available for distribution.
108. The directors may before recommending any dividend, set aside out of the profits of the company such sums as they think proper as reserve or reserves which shall, at the discretion of directors, be applicable for any purpose of to which the profits of the company may be properly and depending such application may at the like discretion, either be employed in the business of the company or be invested in such investments, (other than shares of the company) as the directors may from time to time think fit. The directors may also without placing the same to reserve carry forward and any profits which they may think prudent not to divide.

109. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid on the shares in respect of which dividend is paid .All dividends shall be apportioned and paid proportionately to the amount paid on the shares during any portion or portions of the period in respect of which the dividend is paid is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date that shall rank for dividend accordingly.
110. Any general meeting declaring a dividend may, upon the recommendation of the directors, direct payment of such dividend wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same, and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash payment shall be made to any members upon the footing of the value so fixed in order to adjust the rights of members, and vest any assets in trustees.
111. Any dividend, interest or other money payable in cash in respect of shares may be paid by cheque sent through the post to the registered address of the holder or in the case of joint holders, to the registered address of that one of the joint holders who is the first named in the register of members or to such person and such address as the holder or joint holder may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, and payment of the cheque shall be a good discharge to the company. Any one of two or more holders may give effectual receipts for any dividends or other moneys payable in respect of the held by them as joint holders.
112. No dividend or other moneys payable in respect of a share bear interest against the company unless otherwise provided by the rights attached to the share.
113. Any dividend which has remained unclaimed for twelve years from the date when it become due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the company

ACCOUNTS

114. The directors shall cause proper books of account to be kept with respect to:-
- (a) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place;
 - (b) all sales and purchases of goods by the company; and
 - (c) the assets and liabilities of the company.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of company's affairs and explain its transactions.

115. The books of account shall be kept at the registered office of the company, or, subject to section 151 (4) of the Act, at such other place or places as the directors think fit, and shall always be open to the inspection of the directors.
116. No members shall (as such) have any right of inspecting any accounting records or other book or document of the company except as conferred by statute or authorized by the directors or by Ordinary Resolution of the company.
117. The directors shall, in accordance with sections 153, 155 and 159 of Act, cause to be prepared and to be laid before the company in general meeting such profit and loss accounts, balance sheets, cash flow statements, group accounts (if any) and reports as are referred to in those sections.
118. In accordance with section 163 of the Act, the company's annual accounts to be laid before the company in general meeting together with a copy of the director's report and the auditor's report shall not less than twenty – one days before the date of the meeting be sent to every member of, and every holder of debentures of the company. Provided that this regulation shall not require a copy of those documents to be sent to any person of whose address the company is not aware or to more than one of the joint holders of any shares or debenture.

CAPITALISATION OF PROFIT

119. The directors may, with the authority of an Ordinary Resolution of the company:
 - (a) Resolve to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and that such sum be capitalized to the members who would have been entitled to it were distributed by way of dividend and in the same proportions and apply such sum either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or in paying up in full in issued share or debentures of the company to be allotted and distributed;
 - (b) Make such provision the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming

distributable in fractions, and authorize any person to enter on behalf of all the members entitled thereto into an agreement with the company providing for the allotment to them respectively, credited as fully paid up, of any shares or debentures to which they are entitled upon such capitalization, and any agreement made under such authority shall be effective and binding on all such members.

AUDIT

117. Auditors shall be appointed and their duties regulated in accordance with sections 170 to 179 of the Act.

NOTICES

118. Any notice to be given to or by any person pursuant to the articles shall be in writing except that a notice calling a meeting of directors need not be in writing. The company may give any notice to a member wither personally or by sending it by post in a prepaid envelop addressed to the member at his registered address, or by leaving it at that address. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, preparing, and posting a letter containing the notice, and to have been effected at the expiration of (seventy-two) hours after the letter containing the same was posted. A member whose registered address is not within the Tanzania and who gives to the company and address within the Tanzania at which notices may be given him shall be entitled to receive any notice from the company.
119. A notice may be given by the company to the joint holders of a share by giving the notice to the joint holder first named in the register of members in respect of the share.
120. A notice may be given by the company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorized by the articles, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, within the Tanzania supplied for the purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.
120. A member present, either in person or by proxy, at any meeting of the company or of the holders of any class of shares in the company shall be deemed to have received purpose for which it was called.

WINDING UP

121. If the company is wound up the liquidator may, with sanction of a special resolution of the company and any other sanction required by the Act divide amongst the members in specie the whole or any part of the assets of the company and may, for that purpose, set such value as he deems fair upon any property to be divided and may determine how such division shall be carried out as between the members or any part of the of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as the liquidator, with the like sanction, shall determine, but no member shall be compelled to accept any shares or other securities upon which there is a liability.

INDEMNITY

123. Subject to the provisions of the Act, but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the company shall be indemnified out of the assets of the 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 under section 481 of the Act in which relief is granted to him by the court from liability for negligence default, breach of duty or breach of trust in relation to the affairs of the company.

Name and Addresses
of Shareholders

Number of shares
taken by the
Shareholders

Signatures of
Shareholders

Balvinder Singh Bansal,
P. O. Box 193,
Arusha - Tanzania.

120,000

Signature: 

Qualification: Director

Tajinder Singh Bansal,
P. O. Box 193,
Arusha - Tanzania.


120,000

Signature: 

Qualification: Director

Amarjit Kaur Bansal,
P. O. Box 193,
Arusha - Tanzania.

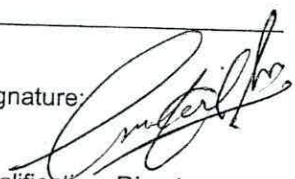
120,000

Signature: 

Qualification: Director

Gurmail Singh Panasar,
P. O. Box 193,
Arusha - Tanzania.

40,000

Signature: 

Qualification: Director

WITNESS to the above signature on this ^{31st} Day of March, 2008.

Full Name Edward John Mrosso,

Signature 

Postal Address P. O. Box 1232,
Arusha - Tanzania

Designation Advocate.

EDWARD JOHN MROSSO.
ADVOCATE
Notary Public &
Commissioner for Oaths
P.O. Box 1232 ARUSHA