



SPACE CREATIONS (I)  
LID

**Copy of Latest Annual  
Return and  
Certificate from BRELA  
confirming the Directors  
and Shareholders**

Quantity		Factory in the box equipment ( 10,000 sqm capacity per day )	costs	Total
1-20	4	Production Table 12,0 x 2,5 m	375,000.00 €	1,500,000.00 €
1-50	4	Board lifter	23,250.00 €	93,000.00 €
1-40	4	Vacuum frame with board fixation aid ( incl. central vacuum station )	83,500.00 €	334,000.00 €
1-70	1	2 component resin storage system with manual regulation for mixing and pumping	67,386.00 €	67,386.00 €
1-31	4	Jute / Glass Cutter	16,475.00 €	65,900.00 €
1-32	4	Jute / Glass Preparation unit	21,350.00 €	85,400.00 €
1-30	4	Laminating cart for InnoVida resin	236,000.00 €	944,000.00 €
1-71	1	Mobile InnoVida bonding system with mixer und pump / 25 guns	26,000.00 €	26,000.00 €
1-72	4	Cleaning station for resin	9,125.00 €	36,500.00 €
1-80	1	Fork lift	44,200.00 €	44,200.00 €
1-81	4	Manual cutting station ( on each production table )	8,550.00 €	34,200.00 €
1-82	1	Table cutter	14,200.00 €	14,200.00 €
1-10	1	High volume milling machine	354,000.00 €	354,000.00 €
1-83	4	Manual lifter	- €	- €
1-84	1	Resin layer control unit	- €	- €
1-85	2	Absorber	- €	- €
1-86	1	Storage unit	22,300.00 €	22,300.00 €
1-95		Office equipment, Control and Computer equipment	- €	- €
1-90		Small tools, wiping sheets	186,000.00 €	186,000.00 €
1-60	1	Foam production	402,914.00 €	402,914.00 €
		Shipping and assembly	290,000.00 €	290,000.00 €
<b>Total ex. factory ( one complete factory in the box )</b>				<b>4,500,000.00 €</b>
				5,600,000.00 US\$

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InnoVida Holdings – 560 Lincoln Rd. Suite # 303 – Miami Beach – FI 33139 USA

Space Creation Tanzania Ltd  
Dar es Salaam  
Tanzania

Sanjai Suchak

**InnoVida Holdings**  
560 Lincoln rd.  
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Miami Beach, FI 33139  
USA  
Phone: +1-786-837-7200  
Fax: +1-305-847-0769  
Craig.toll@innovida.com

CFO: Craig Toll

DATE: March 26<sup>th</sup> 2.008

Pro-Forma invoice No. 13725-08

Quantity	Product	Price per unit	Total price
1	Factory in a Box 10.000 Sq.meters X Day (Decription Attached)	\$ 5.300.000	\$ 5.600.000
3	Raw Materials (4 Months)	\$ 750.000	<u>\$ 3.000.000</u> \$ 8.600.000
	Less Payment from InnoVida Holdings Inc.,		(\$ 4.300.000)
	Balance Due By Space Creation Ltd		<u>\$ 4.300.000</u>

**Terms and Conditions:**

TURN-KEY, C.I.F DAR ES SALAAM, DELIVERY DATE 90 DAYS AFTER L/C HAS BEEN ACCEPTED AND INSTALLED AND RUNNING 180 DAYS AFTER L/C HAS BEEN ACCEPTED

Best regards,

Claudio Osorio  
CEO INNOVIDA GROUP

Partner of

**AUTOVISION**

 wolfsburg AG





**SPACE CREATIONS TANZANIA LIMITED****Cost of the Expansion of Operations**

Annexure 5

Amount in '000 T Shs

Sl.No	Particulars	Nos.	Rate / Unit		T.Shs.
1	Production Table	4	375,000	1,500,000	2,240,000
2	Board Lifter	4	23,250	93,000	138,880
3	Vacuum Frame with board Fixation aid (Incl central vacuum station)	4	83,500	334,000	498,773
4	2 Component resin storage sytems with manual regulation for mixing & pumping	1	67,386	67,386	100,630
5	Jute / Glass cutter	4	16,475	65,900	98,411
6	Jute / Glass prepration Unit	4	21,350	85,400	127,531
7	Laminating cart for Innovida Resin	4	236,000	944,000	1,409,707
8	Mobile Innovida bonding sydem with mixer & pump / 25 uns	1	26,000	26,000	38,827
9	Cleaning station for resin	4	9,125	36,500	54,507
10	Fork Lift	1	44,200	44,200	66,005
11	Manual cuttig station (On each production table)	4	8,550	34,200	51,072
12	Table cutter	1	14,200	14,200	21,205
13	High volume miling machine	1	354,000	354,000	528,640
14	Building Structure Steel	Misc	506,250	506,250	506,250
15	Building Structure Chequered Plates	Misc	410,297	410,297	410,297
16	Reinforcement Steel, Tiles & Fittings, Cements & Paints	Misc	750,000	750,000	750,000
17	Electrical Fittings	Misc	80,000		80,000
18	Storage Unit	1	22,300	22,300	33,301
19	Office equipment,	1	60,000	60,000	89,600
20	Small tools ,wiping sheets	1	186,000	186,000	277,760
21	Foam production	1	402,914	402,914	601,685
22	Shipping & Assembly	1	290,000	290,000	433,067
23	Control & Computer Equipment		200,000		200,000
24	Generators	2	400,000		800,000
25	Furniture		50,000		50,000
26	Vehicle Commercial trucks	8	100,000		800,000
27	Vehicle Pick ups	16	30,000		480,000
28	Cars	10	18,000		180,000
<b>Total Fixed Assets</b>					<b>11,066,147</b>
<b>Total capital outlay for expansion</b>					<b>11,066,147</b>
<b>Means of Finance</b>					
Payment from Share Holders (Loan & Share Capital)					11,066,147
<b>Total Investments</b>					<b>11,066,147</b>



**Details of Capital  
Assets addition during  
expansion**

## SPACE CREATIONS TANZANIA LIMITED

Schedule O

## PROVISION FOR TAXATION

Amount in '000 T Shs

Particulars	Projections				
	Year 1	Year 2	Year 3	Year 4	Year 5
Opening Balance	-	820,153	44,792	313,853	348,478
Add : Tax Payable	820,153	1,271,945	3,134,853	3,489,478	3,638,083
Less : Payments		(407,000)	(2,865,792)	(3,454,853)	(3,622,478)
<b>CLOSING BALANCE</b>	<b>(820,153)</b>	<b>44,792</b>	<b>313,853</b>	<b>348,478</b>	<b>364,083</b>

## SPACE CREATIONS TANZANIA LIMITED

Schedule N

## OTHER PAYABLES (VAT PAYMENTS)

Amount in '000 T Shs

Particulars	Notes	Projections				
		Year 1	Year 2	Year 3	Year 4	Year 5
Opening Balance of VAT Payable		-	141,750	137,205	252,041	292,341
VAT Output on Sales		4,657,500	9,229,500	12,907,125	14,204,250	15,468,750
Less : VAT Input on						
Cost of Sales		(3,948,750)	(7,656,188)	(9,893,813)	(10,802,025)	#####
Payment During the year		(567,000)	(1,577,858)	(2,898,476)	(3,361,925)	(3,351,391)
<b>CLOSING BALANCE</b>		<b>141,750</b>	<b>137,205</b>	<b>252,041</b>	<b>292,341</b>	<b>291,425</b>

## SPACE CREATIONS TANZANIA LIMITED

Schedule M

## TRADE &amp; OTHER CREDITORS

Amount in '000 T Shs

Particulars	Notes	PROJECTIONS				
		Year 1	Year 2	Year 3	Year 4	Year 5
Opening Balance			1,184,625	1,643,996	4,612,140	6,556,505
Add : Purchases/Direct Cost		23,692,501	45,937,125	59,362,875	64,812,150	72,709,650
Less : Payments		(22,507,876)	(45,477,754)	(56,394,731)	(62,867,786)	(72,346,102)
<b>CLOSING BALANCE</b>		<b>1,184,625</b>	<b>1,643,996</b>	<b>4,612,140</b>	<b>6,556,505</b>	<b>6,920,053</b>

## SPACE CREATIONS TANZANIA LIMITED

Schedule L

## UNSECURED LOAN

Amount in '000 T Shs

Particulars	PROJECTIONS				
	Year 1	Year 2	Year 3	Year 4	Year 5
Opening Balance		19,079,233	19,079,233	11,447,540	3,815,847
Add : Receipts	19,079,233				
Less : Payments			(7,631,693)	(7,631,693)	(3,815,847)
<b>CLOSING BALANCE</b>	<b>19,079,233</b>	<b>19,079,233</b>	<b>11,447,540</b>	<b>3,815,847</b>	<b>-</b>

SPACE CREATIONS TANZANIA LIMITED

Schedule K

ACCUMULATED PROFITS

Amount in '000 T Shs

Particulars	Notes	Audited	PROJECTIONS				
			Year 1	Year 2	Year 3	Year 4	Year 5
Balance brought forward Accumulated Profit/(Loss) Capital Revaluation Reserves		-		(167,338)	3,078,727	10,487,530	18,505,367
Add : Balance from Profit & Loss Account		-	(167,338)	3,246,065	7,408,803	8,017,837	8,282,117
CLOSING BALANCE OF ACCUMULATED PROFITS / (LOSSES)		-	(167,338)	3,078,727	10,487,530	18,505,367	26,787,484

SPACE CREATIONS TANZANIA LIMITED

Schedule J

SHARE CAPITAL

Amount in '000 T Shs

Particulars	Notes	PROJECTIONS				
		Year 1	Year 2	Year 3	Year 4	Year 5
Opening Balance			1,000,000	1,000,000	1,000,000	1,000,000
Add : Fresh issue of shares		1,000,000	-	-	-	-
<b>CLOSING BALANCE</b>		<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>

## SPACE CREATIONS TANZANIA LIMITED

Schedule I

## CASH AND BANK BALANCES

Amount in '000 T Shs

Particulars	Notes	PROJECTIONS				
		Year 1	Year 2	Year 3	Year 4	Year 5
<b>Opening Balance</b>			<b>2,109,542</b>	<b>1,686,651</b>	<b>1,388,236</b>	<b>1,988,443</b>
<b>Inflows</b>			-	-	-	-
From Debtors		22,356,000	54,269,460	76,668,323	84,373,245	90,028,125
From Other Income sources		7,000	7,350	7,718	8,103	8,509
From issue of Shares		1,000,000				
From Unsecured Loan		19,079,233				
From Loans		-				
<b>Total Inflows</b>		<b>42,442,233</b>	<b>56,386,352</b>	<b>78,362,691</b>	<b>85,769,584</b>	<b>92,025,076</b>
<b>Outflows</b>						
Other Operating Expenses		(3,393,380)	(4,184,413)	(4,741,620)	(5,243,813)	(5,756,053)
Addition to Property, Plant & Equipment		(11,066,147)	-	-	-	-
Advance for Structures and Building Material						
Interest servicing of secured loans		(2,798,287)	(3,052,677)	(2,442,142)	(1,221,071)	(305,268)
Short Term Loan		-	-	-	-	-
Unsecured Loan				(7,631,693)	(7,631,693)	(3,815,847)
Trade & Other Creditors		(22,507,876)	(45,477,754)	(56,394,731)	(62,867,786)	(72,346,102)
VAT Payments		(567,000)	(1,577,858)	(2,898,476)	(3,361,925)	(3,351,391)
Income Tax Payments		-	(407,000)	(2,865,792)	(3,454,853)	(3,622,478)
Shareholder's Loan						
<b>Total Outflows</b>		<b>(40,332,691)</b>	<b>(54,699,702)</b>	<b>(76,974,455)</b>	<b>(83,781,142)</b>	<b>(89,197,137)</b>
<b>CLOSING BALANCE</b>		<b>2,109,542</b>	<b>1,686,651</b>	<b>1,388,236</b>	<b>1,988,443</b>	<b>2,827,939</b>

## SPACE CREATIONS TANZANIA LIMITED

Schedule H

## DEBTORS &amp; PREPAYMENTS

Amount in '000 T Shs

Particulars	PROJECTIONS				
	Year 1	Year 2	Year 3	Year 4	Year 5
Opening Balance		5,589,000	6,696,540	7,470,968	8,323,223
Add : Sales	27,945,000	55,377,000	77,442,750	85,225,500	92,812,500
Less : Collections	22,356,000	54,269,460	76,668,323	84,373,245	90,028,125
<b>CLOSING BALANCE</b>	<b>5,589,000</b>	<b>6,696,540</b>	<b>7,470,968</b>	<b>8,323,223</b>	<b>11,107,598</b>

## SPACE CREATIONS TANZANIA LIMITED

## Schedule G

## PURCHASES AND STOCKS

Amount in '000 T Shs

Particulars	PROJECTIONS				
	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Opening Stocks</b>	-	<b>3,948,750</b>	<b>8,445,938</b>	<b>11,583,000</b>	<b>13,118,625</b>
Resins		2,369,250	5,067,563	6,949,800	7,871,175
EPS		789,750	1,689,188	2,316,600	2,623,725
Fabrics		394,875	844,594	1,158,300	1,311,863
Other material		394,875	844,594	1,158,300	1,311,863
<b>Add : Purchases/Direct Expenses</b>	<b>19,743,750</b>	<b>38,280,938</b>	<b>49,469,063</b>	<b>54,010,125</b>	<b>60,591,375</b>
Resins	11,846,250	22,968,563	29,681,438	32,406,075	36,354,825
EPS	3,948,750	7,656,188	9,893,813	10,802,025	12,118,275
Fabrics	1,974,375	3,828,094	4,946,906	5,401,013	6,059,138
Other material	1,974,375	3,828,094	4,946,906	5,401,013	6,059,138
<b>Less : Consumption</b>	<b>15,795,000</b>	<b>33,783,750</b>	<b>46,332,000</b>	<b>52,474,500</b>	<b>58,968,000</b>
Resins	9,477,000	20,270,250	27,799,200	31,484,700	35,380,800
EPS	3,159,000	6,756,750	9,266,400	10,494,900	11,793,600
Fabrics	1,579,500	3,378,375	4,633,200	5,247,450	5,896,800
Other material	1,579,500	3,378,375	4,633,200	5,247,450	5,896,800
<b>CLOSING INVENTORY (Raw Mat)</b>	<b>3,948,750</b>	<b>8,445,938</b>	<b>11,583,000</b>	<b>13,118,625</b>	<b>14,742,000</b>
Resins	2,369,250	5,067,563	6,949,800	7,871,175	8,845,200
EPS	789,750	1,689,188	2,316,600	2,623,725	2,948,400
Fabrics	394,875	844,594	1,158,300	1,311,863	1,474,200
Other material	394,875	844,594	1,158,300	1,311,863	1,474,200

**SPACE CREATIONS TANZANIA LIMITED**

**Schedule F**

**Property, Plant and Equipment - Year 5**

	<b>Leasehold Land &amp; Building</b>	<b>Plant &amp; Machinery</b>	<b>Light Motor Vehicle</b>	<b>Heavy Motor Vehicle</b>	<b>Computers</b>	<b>Furniture &amp; Office Equipments</b>	<b>Total</b>
<b><u>Cost</u></b>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>
As at 1 January 2012	1,357,413	4,408,086	461,953	-	30,518	128,725	6,386,695
Additions	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
As at 31 December 2012	<u>1,357,413</u>	<u>4,408,086</u>	<u>461,953</u>	<u>-</u>	<u>30,518</u>	<u>128,725</u>	<u>6,386,695</u>
<b><u>Depreciation</u></b>							
As at 1 January 2012							-
Charge for the year	67,871	551,011	115,488	-	11,444	16,091	761,904
Disposal	-	-	-	-	-	-	-
As at 31 December 2012	<u>67,871</u>	<u>551,011</u>	<u>115,488</u>	<u>-</u>	<u>11,444</u>	<u>16,091</u>	<u>761,904</u>
<b><u>Net book amount</u></b>							
As at 31 December 2012	<u><b>1,289,542</b></u>	<u><b>3,857,075</b></u>	<u><b>346,465</b></u>	<u><b>-</b></u>	<u><b>19,073</b></u>	<u><b>112,635</b></u>	<u><b>5,624,791</b></u>
As at 31 December 2011	<u>1,357,413</u>	<u>4,408,086</u>	<u>461,953</u>	<u>-</u>	<u>30,518</u>	<u>128,725</u>	<u>6,386,695</u>

SPACE CREATIONS TANZANIA LIMITED

Schedule F

Property, Plant and Equipment - Year 4

	Leasehold Land & Building	Plant & Machinery	Light Motor Vehicle	Heavy Motor Vehicle	Computers	Furniture & Office Equipments	Total
<u>Cost</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>
As at 1 January 2011	1,428,856	5,037,813	615,938	-	48,828	147,115	7,278,549
Additions	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
As at 31 December 2011	<u>1,428,856</u>	<u>5,037,813</u>	<u>615,938</u>	<u>-</u>	<u>48,828</u>	<u>147,115</u>	<u>7,278,549</u>
<b><u>Depreciation</u></b>							
As at 1 January 2011							
Charge for the year	71,443	629,727	153,984	-	18,311	18,389	891,854
Disposal	-	-	-	-	-	-	-
As at 31 December 2011	<u>71,443</u>	<u>629,727</u>	<u>153,984</u>	<u>-</u>	<u>18,311</u>	<u>18,389</u>	<u>891,854</u>
<b><u>Net book amount</u></b>							
As at 31 December 2011	<u><b>1,357,413</b></u>	<u><b>4,408,086</b></u>	<u><b>461,953</b></u>	<u><b>-</b></u>	<u><b>30,518</b></u>	<u><b>128,725</b></u>	<u><b>6,386,695</b></u>
As at 31 December 2010	<u>1,428,856</u>	<u>5,037,813</u>	<u>615,938</u>	<u>-</u>	<u>48,828</u>	<u>147,115</u>	<u>7,278,549</u>

**SPACE CREATIONS TANZANIA LIMITED**

**Schedule F**

**Property, Plant and Equipment - Year 3**

	<b>Leasehold Land &amp; Building</b>	<b>Plant &amp; Machinery</b>	<b>Light Motor Vehicle</b>	<b>Heavy Motor Vehicle</b>	<b>Computers</b>	<b>Furniture &amp; Office Equipments</b>	<b>Total</b>
<b><u>Cost</u></b>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>
As at 1 January 2010	1,504,059	5,757,500	821,250	-	78,125	168,131	8,329,065
Additions	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
As at 31 December 2010	<u>1,504,059</u>	<u>5,757,500</u>	<u>821,250</u>	<u>-</u>	<u>78,125</u>	<u>168,131</u>	<u>8,329,065</u>
<b><u>Depreciation</u></b>							
As at 1 January 2010							
Charge for the year	75,203	719,688	205,313	-	29,297	21,016	1,050,516
Disposal	-	-	-	-	-	-	-
As at 31 December 2010	<u>75,203</u>	<u>719,688</u>	<u>205,313</u>	<u>-</u>	<u>29,297</u>	<u>21,016</u>	<u>1,050,516</u>
<b><u>Net book amount</u></b>							
As at 31 December 2010	<u><b>1,428,856</b></u>	<u><b>5,037,813</b></u>	<u><b>615,938</b></u>	<u><b>-</b></u>	<u><b>48,828</b></u>	<u><b>147,115</b></u>	<u><b>7,278,549</b></u>
As at 31 December 2009	<u>1,504,059</u>	<u>5,757,500</u>	<u>821,250</u>	<u>-</u>	<u>78,125</u>	<u>168,131</u>	<u>8,329,065</u>

**SPACE CREATIONS TANZANIA LIMITED**

**Schedule F**

**Property, Plant and Equipment - Year 2**

	<b>Leasehold Land &amp; Building</b>	<b>Plant &amp; Machinery</b>	<b>Light Motor Vehicle</b>	<b>Heavy Motor Vehicle</b>	<b>Computers</b>	<b>Furniture &amp; Office Equipments</b>	<b>Total</b>
<b><u>Cost</u></b>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>
As at 1 January 2009	1,583,220	6,580,000	1,095,000	-	125,000	192,150	9,575,370
Additions							-
Disposal	-	-	-	-	-	-	-
As at 31 December 2009	<u>1,583,220</u>	<u>6,580,000</u>	<u>1,095,000</u>	<u>-</u>	<u>125,000</u>	<u>192,150</u>	<u>9,575,370</u>
<b><u>Depreciation</u></b>							
As at 1 January 2009							
Charge for the year	79,161	822,500	273,750	-	46,875	24,019	1,246,305
Disposal	-	-	-	-	-	-	-
As at 31 December 2009	<u>79,161</u>	<u>822,500</u>	<u>273,750</u>	<u>-</u>	<u>46,875</u>	<u>24,019</u>	<u>1,246,305</u>
<b><u>Net book amount</u></b>							
As at 31 December 2009	<u><b>1,504,059</b></u>	<u><b>5,757,500</b></u>	<u><b>821,250</b></u>	<u><b>-</b></u>	<u><b>78,125</b></u>	<u><b>168,131</b></u>	<u><b>8,329,065</b></u>
As at 31 December 2008	<u>1,583,220</u>	<u>6,580,000</u>	<u>1,095,000</u>	<u>-</u>	<u>125,000</u>	<u>192,150</u>	<u>9,575,370</u>

**SPACE CREATIONS TANZANIA LIMITED**

**Schedule F**

**Property, Plant and Equipment - Year 1**

	5%	13%	25%	38%	38%	13%	
	<b>Leasehold Land &amp; Building</b>	<b>Plant &amp; Machinery</b>	<b>Light Motor Vehicle</b>	<b>Heavy Motor Vehicle</b>	<b>Computers</b>	<b>Furniture &amp; Office Equipments</b>	<b>Total</b>
<b>Cost</b>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>
As at 1 January 2008							-
Additions	1,666,547	7,520,000	1,460,000	-	200,000	219,600	11,066,147
Disposal	-	-	-	-	-	-	-
As at 31 December 2008	<u>1,666,547</u>	<u>7,520,000</u>	<u>1,460,000</u>	<u>-</u>	<u>200,000</u>	<u>219,600</u>	<u>11,066,147</u>
<b>Depreciation</b>							
As at 1 January 2008							
Charge for the year	83,327	940,000	365,000	-	75,000	27,450	1,490,777
Disposal	-	-	-	-	-	-	-
As at 31 December 2008	<u>83,327</u>	<u>940,000</u>	<u>365,000</u>	<u>-</u>	<u>75,000</u>	<u>27,450</u>	<u>1,490,777</u>
<b>Net book amount</b>							
As at 31 December 2008	<u><b>1,583,220</b></u>	<u><b>6,580,000</b></u>	<u><b>1,095,000</b></u>	<u><b>-</b></u>	<u><b>125,000</b></u>	<u><b>192,150</b></u>	<u><b>9,575,370</b></u>
As at 31 December 2007	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

## SPACE CREATIONS TANZANIA LIMITED

## Schedule E

## INTEREST PAYABLE

Amount in '000 T Shs

Particulars	Notes	PROJECTIONS				
		Year 1	Year 2	Year 3	Year 4	Year 5
Interest on Loan from Group Companies		2,798,287	3,052,677	2,442,142	1,221,071	305,268
<b>TOTAL INTEREST COST</b>		<b>2,798,287</b>	<b>3,052,677</b>	<b>2,442,142</b>	<b>1,221,071</b>	<b>305,268</b>

## SPACE CREATIONS TANZANIA LIMITED

## Schedule D

## OPERATING COSTS

Amount in '000 T Shs

Particulars	Notes	PROJECTIONS				
		Year 1	Year 2	Year 3	Year 4	Year 5
Accounting Fees		8,000	11,200	11,760	11,760	12,348
Advertisement		180,000	162,000	145,800	131,220	118,098
City Service Levy		69,863	138,443	193,607	213,064	232,031
Electricity ,Water & Gass Charges		120,000	132,000	145,200	159,720	175,692
Generator Running Expenses		72,000	79,200	87,120	95,832	105,415
Insurance Expenses		241,507	246,338	251,264	256,290	261,415
License Fees		-	-	-	-	-
Motor Vehicle Running Expenses		36,000	45,000	54,000	59,400	62,370
Newspapers and Periodicals		2,000	2,500	3,000	3,300	3,465
NSSF Contribution		38,304	47,880	57,456	63,202	66,362
Office Expenses		10,640	42,560	51,072	56,179	58,988
Printing & Stationery		17,845	22,306	26,767	29,444	30,916
Rent Building		600,000	630,000	661,500	694,575	729,304
Repairs and Renewals		23,311	29,139	34,967	38,464	40,387
Salaries and Wages & Other expenses (180 workers 4 managers & 6 admin)		1,590,000	1,828,500	2,102,775	2,418,191	2,780,920
Security services		37,315	46,643	55,972	61,569	64,648
Skills & Development Levy		95,400	109,710	126,167	145,091	166,855
Maintenance Training & R&D Expenses		108,000	432,000	518,400	570,240	598,752
Telephone & Postage		33,410	41,762	50,115	55,126	57,882
Travelling & Accomodation		66,450	83,062	99,675	109,642	115,124
Consultancy Fees		22,627	28,284	33,940	37,334	39,201
Service Charges		20,709	25,886	31,064	34,170	35,878
<b>TOTAL OPERATING EXPENSES</b>		<b>3,393,380</b>	<b>4,184,413</b>	<b>4,741,620</b>	<b>5,243,813</b>	<b>5,756,053</b>

## SPACE CREATIONS TANZANIA LIMITED

## Schedule C

## OTHER INCOME

Amount in '000 T Shs

Particulars	PROJECTIONS				
	Year 1	Year 2	Year 3	Year 4	Year 5
Exchange gain / (loss)	5,000	5,250	5,513	5,788	6,078
Miscellaneous	2,000	2,100	2,205	2,315	2,431
<b>TOTAL OTHER INCOME</b>	<b>7,000</b>	<b>7,350</b>	<b>7,718</b>	<b>8,103</b>	<b>8,509</b>

## SPACE CREATIONS TANZANIA LIMITED

## Schedule B

## COST OF GOODS SOLD

Amount in '000 T Shs

Particulars	PROJECTIONS				
	Year 1	Year 2	Year 3	Year 4	Year 5
Opeing Stock (Finished Goods)		658,125	1,407,656	1,930,500	2,186,438
Resins	9,477,000	20,270,250	27,799,200	31,484,700	35,380,800
EPS	3,159,000	6,756,750	9,266,400	10,494,900	11,793,600
Fabrics	1,579,500	3,378,375	4,633,200	5,247,450	5,896,800
Other material	1,579,500	3,378,375	4,633,200	5,247,450	5,896,800
Closing Stock (Finished Goods)	- 658,125	- 1,407,656	- 1,930,500	- 2,186,438	- 2,457,000
<b>COST OF SALES</b>	<b>15,136,875</b>	<b>33,034,219</b>	<b>45,809,156</b>	<b>52,218,563</b>	<b>58,697,438</b>

SPACE CREATIONS TANZANIA LIMITED

Schedule A

TURNOVER DETAILS

Amount in '000 T Shs

Particulars	Notes					PROJECTIONS				
						Year 1	Year 2	Year 3	Year 4	Year 5
Turbo Panel						23,287,500	46,147,500	64,535,625	71,021,250	77,343,750
<b>TOTAL TURNOVER</b>		-				<b>23,287,500</b>	<b>46,147,500</b>	<b>64,535,625</b>	<b>71,021,250</b>	<b>77,343,750</b>

**SPACE CREATIONS TANZANIA LIMITED****Cost of the Expansion of Operations**

Annexure 5

Amount in '000 T Shs

Sl.No	Particulars	Nos.	Rate / Unit		T.Shs.
1	Production Table	4	375,000	1,500,000	2,240,000
2	Board Lifter	4	23,250	93,000	138,880
3	Vacuum Frame with board Fixation aid (Incl central vacuum station)	4	83,500	334,000	498,773
4	2 Component resin storage sytems with manual regulation for mixing & pumping	1	67,386	67,386	100,630
5	Jute / Glass cutter	4	16,475	65,900	98,411
6	Jute / Glass prepration Unit	4	21,350	85,400	127,531
7	Laminating cart for Innovida Resin	4	236,000	944,000	1,409,707
8	Mobile Innovida bonding sydem with mixer & pump / 25 uns	1	26,000	26,000	38,827
9	Cleaning station for resin	4	9,125	36,500	54,507
10	Fork Lift	1	44,200	44,200	66,005
11	Manual cuttig station (On each production table)	4	8,550	34,200	51,072
12	Table cutter	1	14,200	14,200	21,205
13	High volume miling machine	1	354,000	354,000	528,640
14	Building Structure Steel	Misc	506,250	506,250	506,250
15	Building Structure Chequered Plates	Misc	410,297	410,297	410,297
16	Reinforcement Steel, Tiles & Fittings, Cements & Paints	Misc	750,000	750,000	750,000
17	Electrical Fittings	Misc	80,000		80,000
18	Storage Unit	1	22,300	22,300	33,301
19	Office equipment,	1	60,000	60,000	89,600
20	Small tools ,wiping sheets	1	186,000	186,000	277,760
21	Foam production	1	402,914	402,914	601,685
22	Shipping & Assembly	1	290,000	290,000	433,067
23	Control & Computer Equipment		200,000		200,000
24	Generators	2	400,000		800,000
25	Furniture		50,000		50,000
26	Vehicle Commercial trucks	8	100,000		800,000
27	Vehicle Pick ups	16	30,000		480,000
28	Cars	10	18,000		180,000
	<b>Total Fixed Assets</b>				<b>11,066,147</b>
	<b>Total capital outlay for expansion</b>				<b>11,066,147</b>
	<b>Means of Finance</b>				
	Payement from Share Holders (Loan & Share Capital)				11,066,147
	<b>Total Investments</b>				<b>11,066,147</b>

SPACE CREATIONS TANZANIA LIMITED

Annexure 4

Ratio Analysis

No.	Description	Formula	Year 1	Year 2	Year 3	Year 4	Year 5
1	Return on Capital Employed	PAT/FA + Working Capital	11.48%	36.22%	65.69%	65.16%	54.05%
2	Return on Sales	PAT/Income	-0.72%	7.03%	11.48%	11.29%	10.71%
3	Gross Profit	Gross Profit/Sales	35.00%	28.42%	29.02%	26.47%	24.11%
4	Asset Turnover	Income/Fixed Assets + Working capital	1.09	1.87	2.64	2.86	2.65
5	Return on Fixed Assets	PAT/Fixed Assets	-1.75%	38.97%	101.79%	125.54%	147.24%
6	Debt Equity Ratio	Debt/Equity	22.91	4.68	1.00	0.20	-
7	Interest Coverage Ration	Profit before Interest Depreciation & Tax/Interest	2	3	-	-	-
9	Current Ratio	Current Assets/Current Liabilities	9.90	9.99	4.32	3.56	4.11
10	Quick Ratio	Quick Assets/Current Liabilities	6.42	4.59	1.71	1.43	1.84

SPACE CREATIONS TANZANIA LIMITED

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER

Annexure 3

Amount in '000 T Shs

	Year 1	Year 2	Year 3	Year 4	Year 5
	Shs' 000	Shs' 000	Shs' 000	Shs' 000	Shs' 000
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Profit/(Loss) before tax for the year	475,180	4,637,236	10,499,908	11,454,053	11,831,596
Adjustment for items not involving the movement of funds:					
Gain on Sale of Fixed Assets					
Other non cash items					
Prior Year's Adjustments					
Revenue Reserves Adjustments					
Capital Reserves Adjustments					
Depreciation	1,490,777	1,246,305	1,050,516	891,854	761,904
	-				
<b>Operating profit before working capital changes</b>	<b>1,965,957</b>	<b>5,883,541</b>	<b>11,550,424</b>	<b>12,345,906</b>	<b>12,593,501</b>
<b>WORKING CAPITAL CHANGES IN:</b>					
Stocks	(4,606,875)	(5,246,719)	(3,659,906)	(1,791,563)	(1,893,938)
Trade debtors	(5,589,000)	(1,107,540)	(774,428)	(852,255)	(2,784,375)
Other receivables	-	-	-	-	-
Trade creditors	1,184,625	459,371	2,968,144	1,944,365	363,548
VAT Payable	141,750	4,545	114,836	40,300	916
Deferred Taxation	1,462,671	119,226	43,749	53,262	88,604
	-				
<b>Tax paid</b>	<b>5,440,872</b>	<b>103,334</b>	<b>10,155,322</b>	<b>11,633,492</b>	<b>8,189,216</b>
<b>Tax paid last year</b>	<b>(1,462,671)</b>	<b>(526,226)</b>	<b>(2,822,043)</b>	<b>(3,401,592)</b>	<b>(3,533,874)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Investment (Cumberland Loan)					
Purchase of fixed assets	(11,066,147)	-	-	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Loan	-	-	-	-	-
Issue of fresh shares	1,000,000				
Unsecured Loan	19,079,233	-	(7,631,693)	(7,631,693)	(3,815,847)
<b>NET CASH FLOW FOR THE YEAR</b>	<b>2,109,542</b>	<b>(422,892)</b>	<b>(298,415)</b>	<b>600,207</b>	<b>839,496</b>
<b>OPENING BANK AND CASH EQUIVALENT</b>		2,109,542	1,686,651	1,388,236	1,988,443
<b>CLOSING BANK AND CASH EQUIVALENT</b>	2,109,542	1,686,651	1,388,236	1,988,443	2,827,939
<b>THIS IS MADE UP AS FOLLOWS:</b>					
Bank and cash balances	2,109,542	1,686,651	1,388,236	1,988,443	2,827,939
Bank overdraft	-	-	-	-	-

## SPACE CREATIONS TANZANIA LIMITED

## BALANCE SHEET

Annexure 2

Amount in '000 T Shs

Particulars	Schedule Nos	PROJECTIONS				
		Year 1	Year 2	Year 3	Year 4	Year 5
<b>NON CURRENT ASSETS</b>						
Property, Plant & Equipment	F	9,575,370	8,329,065	7,278,549	6,386,695	5,624,791
Capital Work in Progress						
<b>CURRENT ASSETS</b>						
Stocks	G	4,606,875	9,853,594	13,513,500	15,305,063	17,199,000
Debtors & Prepayments	H	5,589,000	6,696,540	7,470,968	8,323,223	11,107,598
Tax Recoverable		820,153	-	-	-	-
Cash and bank balances	I	2,109,542	1,686,651	1,388,236	1,988,443	2,827,939
		13,125,570	18,236,784	22,372,704	25,616,728	31,134,536
<b>TOTAL ASSETS</b>		<b>22,700,940</b>	<b>26,565,849</b>	<b>29,651,252</b>	<b>32,003,423</b>	<b>36,759,327</b>
<b>EQUITY AND LIABILITIES</b>						
<i>CAPITAL AND RESERVES</i>						
Share Capital	J	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Retained Profit	K	167,338	3,078,727	10,487,530	18,505,367	26,787,484
Shareholders Interest		832,662	4,078,727	11,487,530	19,505,367	27,787,484
<b>NON CURRENT LIABILITIES</b>						
Unsecured Loan	L	19,079,233	19,079,233	11,447,540	3,815,847	-
Deferred Taxation		1,462,671	1,581,897	1,538,148	1,484,886	1,396,283
		20,541,904	20,661,130	12,985,688	5,300,733	1,396,283
<b>CURRENT LIABILITIES</b>						
Trade Creditors	M	1,184,625	1,643,996	4,612,140	6,556,505	6,920,053
Other Payables	N	141,750	137,205	252,041	292,341	291,425
Provision for Taxation	O		44,792	313,853	348,478	364,083
		1,326,375	1,825,993	5,178,035	7,197,324	7,575,561
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>22,700,940</b>	<b>26,565,850</b>	<b>29,651,253</b>	<b>32,003,424</b>	<b>36,759,328</b>

## SPACE CREATIONS TANZANIA LIMITED

## PROFIT AND LOSS ACCOUNT

Annexure 1

Amount in '000 T Shs

PARTICULARS	Schedule Nos	PROJECTIONS				
		Year 1	Year 2	Year 3	Year 4	Year 5
TURNOVER	A	23,287,500	46,147,500	64,535,625	71,021,250	77,343,750
COST OF SALES	B	(15,136,875)	(33,034,219)	(45,809,156)	(52,218,563)	(58,697,438)
<b>GROSS PROFIT</b>		<b>8,150,625</b>	<b>13,113,281</b>	<b>18,726,469</b>	<b>18,802,688</b>	<b>18,646,313</b>
OTHER INCOME	C	7,000	7,350	7,718	8,103	8,509
		<b>8,157,625</b>	<b>13,120,631</b>	<b>18,734,186</b>	<b>18,810,791</b>	<b>18,654,821</b>
OPERATING EXPENSES	D	(3,393,380)	(4,184,413)	(4,741,620)	(5,243,813)	(5,756,053)
FINANCIAL CHARGES	E	(2,798,287)	(3,052,677)	(2,442,142)	(1,221,071)	(305,268)
<b>TOTAL</b>		<b>(6,191,668)</b>	<b>(7,237,090)</b>	<b>(7,183,762)</b>	<b>(6,464,884)</b>	<b>(6,061,320)</b>
OPERATING PROFIT		1,965,957	5,883,541	11,550,424	12,345,906	12,593,501
DEPRECIATION		(1,490,777)	(1,246,305)	(1,050,516)	(891,854)	(761,904)
PROFIT BEFORE TAX		475,180	4,637,236	10,499,908	11,454,053	11,831,596
LESS: PROVISION FOR CURRENT YEARS TAX		820,153	(1,271,945)	(3,134,853)	(3,489,478)	(3,638,083)
LESS: PROVISION FOR DEFERRED TAX		(1,462,671)	(119,226)	43,749	53,262	88,604
<b>RETAINED PROFIT</b>		<b>(167,338)</b>	<b>3,246,065</b>	<b>7,408,803</b>	<b>8,017,837</b>	<b>8,282,117</b>

## SPACE CREATIONS TANZANIA LIMITED

### Assumptions

#### 6 Turnover

	Sq Mtrs					
Turbo Panel						
Daily Production capacity	10,000					
Days of Production in a Year	250					
Sale price (\$)	30					
Total Revenue per year	75,000,000	90,000,000				
		<b>1st Year</b>	<b>2nd Year</b>	<b>3rd Year</b>	<b>4th Year</b>	<b>5th Year</b>
Sale in Year 1	27%	23,287,500				
Sale in Year 2	50%		46,147,500			
Sale in Year 3	60%			64,535,625		
Sale in Year 4	60%				71,021,250	
Sale in Year 5	60%					77,343,750
Increase in the Sale price	5%	1	1.05	1.10	1.15	1.20

#### 7 Cost of Sales

% of the Turnover	65%	15,795,000	33,783,750	46,332,000	52,474,500	58,968,000
Increase in the cost	10%	1	1.10	1.20	1.30	1.40
Cost Component	%					
Resins	60%	9,477,000	20,270,250	27,799,200	31,484,700	35,380,800
EPS	20%	3,159,000	6,756,750	9,266,400	10,494,900	11,793,600
Fabrics	10%	1,579,500	3,378,375	4,633,200	5,247,450	5,896,800
Other material	10%	1,579,500	3,378,375	4,633,200	5,247,450	5,896,800

#### 8 Stock

Finshed Goods (15 days stock at 65% sale price)	658,125	1,407,656	1,930,500	2,186,438	2,457,000
Raw Material (3 months stock)	3,948,750	8,445,938	11,583,000	13,118,625	14,742,000
Total	4,606,875	9,853,594	13,513,500	15,305,063	17,199,000

## SPACE CREATIONS TANZANIA LIMITED

### Assumptions

T Shs in '000

#### 1 Exchange Rates

Year	
Year 1	1,200
Year 2	1,260
Year 3	1,320
Year 4	1,380
Year 5	1,440
Euro to \$	1.2444444

#### 2 Project Cost

Building	1,666,547	
Machine	7,520,000	
Others	1,879,600	
Working Capital	9,013,086	
<b>Total</b>	<b>20,079,233</b>	<b>20,079,233</b>

#### 3 Finance by Loan

Innovida International Loan	9,539,616	9,540	
Shivacom Group	4,769,808		
Sanjay Suchak	3,815,847		
Manoj Shinde	953,962		
	<b>19,079,233</b>		<b>19,079</b>
			<b>9,540</b>

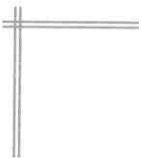
#### 4 Interest on

Loan from Group Companies	16%
---------------------------	-----

#### 5 Share Capital

Shivacom Group	500,000
Sanjay Suchak	450,000
Manoj Shinde	50,000
	<b>1,000,000</b>

# Business Plan



## 9.0 CONCLUSION

The further expansion of the operations will contribute constructively to the economy of the country in terms of additional employment and contribution to the exchequer in the form of direct and indirect taxes generating foreign exchange by way of export of generators. Further, it provides back up service to the core sectors resulting in contributing for their growth and strengthening the economy of the nation as a whole.

Expansion of operations is economically viable and financially feasible and hence recommended for a TIC certificate.

### **7.9 Cash Flow Statement**

The cash flow position of the company is going to be healthy company will also not face any problem of loan repayment to sister companies.

### **8.0 ECONOMIC ANALYSIS**

The activity being a back up service for manufacturing, mining and other sectors of the economy, it promotes the growth of core sectors in addition to contributing to the exchequer and providing additional employment and generating Foreign Exchange by export of Generators to the neighbouring countries.

It is estimated to provide employment to additional 80 persons upon expansion and may go up to an overall addition of 100 persons by year 4. It shall also contribute to the exchequer in the form of direct taxes and levies on profits and turnover. Further, it shall also contribute to the exchequer in the form of indirect taxes such as VAT, PAYE, Skills and Development Levy etc.

## SPACE CREATIONS TANZANIA LIMITED

Annexure  
4

## Ratio Analysis

No.	Description	Formula	Year 1	Year 2	Year 3	Year 4	Year 5
1	Return on Capital Employed	PAT/FA + Working Capital	11.48%	36.22%	65.69%	65.16%	54.05%
2	Return on Sales	PAT/Income	-0.72%	7.03%	11.48%	11.29%	10.71%
3	Gross Profit	Gross Profit/Sales	35.00%	28.42%	29.02%	26.47%	24.11%
4	Asset Turnover	Income/Fixed Assets + Working capital	1.09	1.87	2.64	2.86	2.65
5	Return on Fixed Assets	PAT/Fixed Assets	-1.75%	38.97%	101.79%	125.54%	147.24%
6	Debt Equity Ratio	Debt/Equity	22.91	4.68	1.00	0.20	-
7	Interest Coverage Ration	Profit before Interest Depreciation & Tax/Interest	2	3	-	-	-
9	Current Ratio	Current Assets/Current Liabilities	9.90	9.99	4.32	3.56	4.11
10	Quick Ratio	Quick Assets/Current Liabilities	6.42	4.59	1.71	1.43	1.84

.....  
Space Creation Tanzania Limited

### 3. Operating Expenses

It is estimated that the operating expenses will be increasing year by year due to inflation and to cater the increased level of activity. It is estimated that Operating expenses will be of T Shs 4,184 Million in the 2<sup>nd</sup> year as against T Shs 3,393 Million during the previous 1<sup>st</sup> year. After completion of capital expansion, the operating expenses are expected to be T Shs 4,742 Million in the 3<sup>rd</sup> year, T Shs 5,243 Million in the 4<sup>th</sup> year.

### 4. Financial Charges

It is estimated that Interest cost will be T Shs 3053 Million in the 2<sup>nd</sup> year as against T Shs 2798 Million during the previous 1<sup>st</sup> year i.e. due to loan taken for expansion. This is expected to reduce to T Shs 2442 Million in the 3<sup>rd</sup> year as the loan repayment has already been started which will be T Shs 7632 Million in the 3<sup>rd</sup> year.

### 7.8 Financial Ratio Analysis

Financial Ratios are explained below in tabular form:

The loan from the Sister Companies will be for the period of 4 years at an interest rate of 16% per annum, compounded monthly. Disbursement of loan will be in one instalment in the year 2008. The principal shall be paid quarterly, commencing from completion of one year being moratorium period from the month in which funds have been received.

## **7.7 Profit & Loss Account**

### **1. Sales**

Turnover in the first year while expanding current business is estimated to reach a level of T Shs 23,288 Million in the first Year T Shs 46,148 Million in the 2<sup>nd</sup> year & T Shs 64,536 Million in the 3<sup>rd</sup> year.

The point to be noted here is that these turnovers are based on very conservative approach and based on the current growth rate of the company.

### **2. GP & Cost of Sales**

Costs of Sales are not increasing proportionately of increase of turnover hence it results in the improved GP. This is explained below:

(Amount in Million Shillings)

Particulars	Year 1	Year 2	Year 3	Year 4
Turnover	23,288	46,147	64,535	71,021
Cost of Sales	15,137	33,034	45,809	52,218
GP	8,151	13,113	18,726	18,803

### **7.2 Plant and Machinery & Electrical Fittings**

The company plans to invest about T. Shs.6720 Million in Plant & Machineries, Air conditioner and Electrical Fittings. This will result in a fully functional plant for manufacturing of panels.

### **7.3 Motor Vehicles**

It is proposed to acquire Pick-up, Vans, Trucks, Station Wagon, and Passenger Vehicles which will be amounted to T Shs 1460 Million shillings.

### **7.4 Generators**

It is proposed to acquire two generator sets for power backup and for uninterrupted smooth flow of production. It is estimated that it will cost around T Shs 800 Million.

### **7.5 Office Equipments & Furniture**

It is estimated that Office Furniture and computer will cost around T Shs 420 Million.

### **7.6 Means of Financing**

The total capital expenditure for expansion of operations is estimated at T.Shs 11066 Million, which is proposed to be financed as under:

	(Amount in T.Shs. Millions)
Equity	1,000.00
Loan from Promoters	19,079.23
	-----
<b>TOTAL</b>	<b>20,079.23</b>
	=====

DEPARTMENT	NUMBER
Managing Director	1
Chief Executive Officer	1
Financial Controller	1
Operations Managers	2
Production Supervisors	4
Accountants	4
Cashiers	2
Drivers	4
Helpers	62
Technicians	10
Other Assistants Staff	9
Askaris etc.	20
<b>TOTAL</b>	<b>120</b>

## 7.0 FINANCIAL ANALYSIS

### 7.1 *Land and Buildings*

The Company intends to have its facility located on Plots 104 – 100 at Nyerere Road in Dar-es-Salaam which is owned by Incar Tanzania Limited. Company has already entered into rent agreement with Incar for 5 years. The entire project will be housed in the same premises where the building structure will be taken on rent and further improvement and required changes on existing building structure will done by the company based on its requirement. We expect T Shs 1667 Million will be spend on that improvement and required changes.

## **5.0 MARKET STUDY**

- 5.1 The Country being vast in size, there is a good market (demand) for housing projects, such as for Defence, Education, Police and public at large. All growing Economies like Tanzania it feel there is always need of housing projects there will always exist the demand for additional hosing projects. Further, as a result of the Government's reform programme and investment incentives, more companies are entering the mining and manufacturing operations in up-country regions for which additions in the housing projects will be required.

## **6.0 EMPLOYMENT GENERATION**

- 6.1 The company's operations will result in providing additional employment opportunities in country. The operation of factory will generate 120 persons direct employment, with indirect employment around 500 persons through the construction contractors; subcontractors and dealers of the product.
- 6.2 The Company is managed under the overall supervision and control of the Managing Director (from Innovida International (USA) who reports to the Board of Director is assisted by the Technical, Sales and Administrative staff for daily operations of the company. The total strength of administrative and operations staff has been estimated at 120. The requirement is summarised as under:

1982-1983 Worked as a sales person in the textile market which gave an opportunity to work at the grass roots level and acquired vital experience in hard core retail selling and working of the textile industry.

Languages Known :

English : Speaking, Reading, Writing – all excellent

Hindi : Speaking, Reading, Writing – all excellent

Gujarati : Speaking, Reading, Writing – all fair

- Basic market research & project appraisal;
- Interacting with various financial institutions and syndicate loan components;
- Structuring of financial packages; and
- Interact with respective intermediaries in case of a public issue.

#### 1990-1992 CROMPTON GREAVES LIMITED, MUMBAI

Worked as an Executive in the Corporate Finance Department. This is a large, well diversified multi-divisional company having a presence all over India. The function entailed assisting and independent handling of:

- Drafting project reports and obtaining term loans and other facilities from financial institutions;
- Involved in the issue management of a convertible debenture issue;
- Organising to get the issue listed at stock exchanges; and
- Interacting with various regulatory and statutory authorities.

#### 1988-1990 STATE INDUSTRIAL INVESTMENT CORPN. OF MAHARASHTRA (SICOM), MUMBAI

SICOM is a leading developmental finance institution run on commercial terms. It offers industrial loans and advances to up-coming and established companies. Here, I got an opportunity to do an important project assignment titled " NRI Investments in Maharashtra ." It was a part-time assignment and involved doing an analysis of the number of investments made by non-resident investors in the state. It included extensive field work, detailed analysis of the amounts invested, amounts borrowed, productivity, contribution to the economy at large, success or failure and also suggestions for future strategy.

#### 1983-1986 SIEMENS INDIA LIMITED, MUMBAI

My stint at Siemens was a technical apprenticeship where I got an opportunity to work at shop-floor level, interacting with workers and also to understand basic engineering concepts. The knowledge and experience acquired here assisted later in project appraisal and also to develop and maintain good worker-relationship.

- To streamline the systems in the group's foreign exchange bureau, supervise its working and reporting to the management about its operations.
- To conduct operational site audits for various Group companies

1996 – 1999 EXIM SECURITIES & INVESTMENTS LTD., DAR-ES-SALAAM

Worked as an Investments Manager in this group having interests in a commercial bank, insurance company, stock brokerage and investment advisory services.

Exim Securities was one of the founding members of the DSE. I was the licensed dealer's representative at the DSE. Exim Securities played a major role in the capital markets as underwriter, sponsoring broker and to an extent also as lead adviser. The job involved :

- Maintaining Financial Accounts
- Conducting research and analysis
- Trading of shares on the DSE & Merchant banking activities.
- Debtors management & control
- Front and back office work relating to the stock exchange including general accounting ;
- General administration and staff management; &

During this period I was also extensively involved with the Group's widely circulated weekly newspaper in the country. This included conceiving, coordinating, undertaking and actually ensuring completion of industry, country or event-specific supplements in the newspaper. During this period, I researched and published special supplements on banking, power, tourism, mining, telecommunication, soft drinks, property development, Kenya, Norway, etc.

1992-1996 INTEGRA FUNDS MANAGEMENT LIMITED, MUMBAI

My responsibilities at Integra were as a Portfolio & Projects Advisor and included:

- Doing fundamental and technical analysis of stocks;
- Assisting in publishing newsletter;
- Analysis & Preparation of project report;

Director

**Manoj Shinde**

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**A Profile**

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Mr. Manoj V. Shinde is 42 years of age and is an Indian, since 1996 he is rendering his esteemed services in Dar-Es-Salaam. He has completed his education from India. His qualifications, work experiences, leadership positions, visions and excellence are described as under:

**QUALIFICATIONS:****ACADEMIC**

Masters in Management Studies - Finance Part University of Bombay

B.COM - University of Bombay

**TECHNICAL**

1996 - Completed Course by Capital Markets & Securities Authority (CMSA), Tanzania and licensed to be a stock broker at the Dar-Es-Salaam Stock Exchange (DSE).

2002 - Licentiate from the Insurance Institute of India

**WORK EXPERIENCE:****Since 2001 ALEXANDER FORBES TANZANIA, DAR ES SALAAM**

- Handling all financial, administrative and investment matters
- Officiating as the Company Secretary on the Board of the company.

**1999 - 2000 MOHAMMED ENTERPRISES, DAR-ES-SALAAM**

Working as Manager – Financial Services in this group which is one of the largest private enterprises in Tanzania. METL is one of the leading importers and exporters with interests in agro-processing, manufacturing and marketing of FMCG. Main responsibilities included :

- To set up a stock brokerage and assist the group to diversify into the financial services sector.

moved on to be an insurance broker when the company was re-christened to Halifax Insurance Brokers.

Halifax slowly but steadily started making its presence felt in the market which was controlled by a handful of firms established in the industry for decades. The industry in the beginning was plagued with lack of confidence due to myriad problems and a general lack of innovative risk solutions by the fledgling industry. Consequently, most of the major insurances were being placed abroad by clients limiting the growth of the market.

Halifax realized this limitation and started scouting for a partner who could provide an international resource base but would have an appetite and a long term view of Africa, especially Tanzania. The search finally zeroed on the Alexander Forbes Group (AFG) based in Johannesburg, South Africa. AFG had an international presence in 35 countries but considered Africa its home and remains the largest in Africa. Finally in 2002, AFG acquired 55% of Halifax and the name was changed to Alexander Forbes Tanzania.

Sanjay, with the new found expertise and support available from the AFG pool and with the help of a committed team of experts from Tanzania, Kenya and India, lead the company to become the market leader in a very short time. Alexander Forbes Tanzania currently controls a market share of more than 30%.

In a similar vein, Alexander Forbes Tanzania also outshone other companies within the Group to be awarded, the 'Trophy of Excellence' for three years in a row, a record or sorts. It remains a jewel in the Group giving one of the highest returns on investment with the fastest pay back.

Sanjay insists that the phenomenal growth has been possible by "just keeping the customer at the forefront and moving out of the groove to provide solutions to satisfy the customer".

President – Tanzania Insurance Brokers Association (TIBA) 2002-2006

TIBA is a professional body of the insurance and reinsurance broking companies in Tanzania. He has been one of the founder members of the Association and has been actively involved with it ever since. Earlier he officiated as the Deputy President in 2001.

Chairman – Insurance Day Organising Committee

Sanjay has been pro active in his participation with various organs in the insurance sector. Before he rose to become the President, he was twice appointed to chair the Organising Committee for the Insurance Day celebrations, an annual event for the insurance industry. In both the cases, the celebrations were a grand success and furthermore, the Committee was left with a surplus unlike in previous such events.

Founder- Innovida Tanzania

Sanjay has recently pioneered a new housing technology which provides affordable houses of the best quality within an amazingly short time. This he has done by getting into a joint venture with a leading US based company – Innovida Holdings. The preparations are in full swing and commercial production is expected to start before the end of the year. Initial feedback has been fabulous and the company expects to constructs around 20,000 houses in its first year of operation.

Annexure I - Alexander Forbes Tanzania Ltd

Alexander Forbes Tanzania is the personification of the dream and toil of Sanjay Suchak.

Coming from a very modest background and a third generation offspring of Indian migrant, Sanjay was barely able to complete his O levels. He immediately thereafter jumped into business trying his hand in transport; logistics; clearing & forwarding; and wholesaling & trading in various commodities from cement to alcohol which honed his business acumen and gave him an insight into almost every business and industry in the country. During that period he crisscrossed the length and breadth of the country giving him huge wide exposure to the whole populace and the living conditions etc.

In 1996, when the insurance sector was liberalized in the country, Sanjay decided to enter this green field industry. He incorporated the Halifax Insurance Agency which was one of the first intermediaries to be licensed in 1998. Not satisfied, with being just an agent, Sanjay almost immediately

**Director*****Sanjay Suchak***

---

**A Profile**

---

Mr. Sanjay R Suchak is 41 years of age and is a citizen of Tanzania. He is a businessman with rich experience of 23 years in various trades and industries. He immediately went into business after completing his 'O' levels with flying colours.

Since the liberalization of the insurance sector, in 1997 he has been active in the sector. Along with leading Alexander Forbes as a Managing Director he has been playing a key role in related institutions and organs to empower the industry to grow and contribute to the national economy. His qualifications, experiences, leadership positions, visions and excellence are described as under:

**Managing Director - Alexander Forbes Tanzania Ltd. (AFTL)**

AFTL is the subsidiary of the Alexander Forbes Group based in South Africa. The Group is the largest provider of Risk and Financial Services in Africa and is a leading insurance broker in the country. Sanjay is the founder of the company.

The company has achieved great heights under his leadership. AFTL won the 'Excellence Trophy' within the AF Group for three consecutive years for overall performance which is an honour and a matter of pride for the country. AFTL is the biggest player in the insurance industry in Tanzania with the largest market share. (Refer Annexure I below)

**President – Insurance Institute of Tanzania (IIT)**

IIT is the apex body representing all the constituents of the insurance industry in Tanzania. Sanjay was elected as the President of the Institute with a substantial majority.

**Chairman – Insurance Technical Committee – Financial Sector Assessment Programme (FSAP)**

Sanjay was appointed by the Governor of Bank of Tanzania to Chair the above committee which is responsible to offer suggestions in the review of the insurance sector. The Committee was to closely work with the IMF and World Bank in presenting new ideas to ensure growth of the insurance sector

**Shivacom Foundation**

A non-governmental organization lending support to the struggle of poverty alleviation in the country

Tanil Somaiya is a patriot and committed to economic well-being and social welfare and has an insatiable thirst for growth.

## CV of the key management and employees are given below:

### Director

#### *Tanil Somaiya*

---

#### A Profile

---

Tanil Somaiya was born in Mwanza on 7<sup>th</sup> July 1965. After finishing his schooling in 1982, he ventured into importation and general trading until 1990. From 1990 to 1994 he was the Managing Director of Sonia Industries Ltd, the sole distributor of Colgate Palmolive (U.S.A.). From 1994 to 1997 Sonia Industries was sole distributor for Shivji & Sons (producer of laundry soap) and Unilever East Africa, a subsidiary of Procter and Gamble. From 1997 to 2000 Tanil Somaiya ventured into textile milling as Managing Director of Afritex Limited and then incorporated Shivacom Tanzania in the year 2000, Super Dealer for Vodacom Tanzania (a subsidiary of Vodacom S.A.). In the year 2006 the Shivacom Group was formed to acquire other businesses in Tanzania.

Tanil Somaiya, under the holding company Shivacom Group of Companies, is the Managing Director for:

- |  |  |
|--|--|
| <b>Shivacom Tanzania:</b>                            | The leading service provider for Vodacom Tanzania, in operation since the year 2000.   |
| <b>Incar Tanzania Limited:</b>                       | Exclusive distributor in Tanzania of Iveco trucks, Tempo pickups, New Holland tractors, Iveco generators, Kirloskar generators, Dynapac construction equipment and J K tyres. Incorporated in the year 1966 first as Fiat Tanzania and then as Space Creation Limited in 1972. |
| <b>Ultimate Security Tanzania:</b>                   | Tanzania's leading security service provider, in operation over 22 years, established in 1986.   |
| <b>Visual Magic Tanzania:</b>                        | Tanzania's largest advertising and promotion company having exclusive contract with Vodacom Tanzania and in operation since the year 2001.   |
| <b>Stefnat Engineering &amp; Technical Services:</b> | Class I Building Contractors specializing in high grade finishing work since the year 1995.  |
| <b>Pam Golding Properties East Africa</b>            | Franchisee of The Pam Golding International Property Group which was founded in 1976 and is South Africa's largest independent residential and commercial property company.  |
| <b>Shivacare Tanzania:</b>                           | Hiring of vehicles, mainly to the Group sister companies, established in the year 2003.  |
| <b>Estia Real Estate:</b>                            | Dealing in real estate, mainly for corporates, operating since 1997.   |
| <b>Alexander Forbes Tanzania</b>                     | Shareholding in Alexander Forbes, a leading insurance company in Tanzania.   |

.....  
Space Creation Tanzania Limited

### **3.0 THE SHAREHOLDERS**

3.1 The company is owned by following Shivacom Group of Companies Ltd, Mr. Sanjay Suchak and Manoj Shinde. Shareholding pattern is given below: -

Shivacom Group of Companies Limited	–	500 shares
Mr. Sanjay Suchak	–	400 shares
Mr. Manoj Shinde	–	50 shares
<b>Total –</b>		<b>1000 shares</b>

3.2 The company management has got tremendous experience in different type of business which includes, telephone, real-estate, insurance, security services, automobile, promotional printing and advertising etc. Further, there is solid support from the collaborator Innovida International of USA. They are also ready to provide Financial Assistance and Technical Consultancy, wherever necessary. They are ready to be partner of 50:50 in loan funding.

### **4.0 MANAGEMENT**

4.1 The Company has got experienced Managing Director who has got diversified experience in various field of business. Tanil Somaiya, Managing Director of the company has got over 25 years of experience in various industries such as production industry, in mobile communication, security, real estate, printing and advertising, construction, and normal trading business. The company expects that it can take advantage of his vast and diversified experience of business.

4.2 Further, the company has got experienced staff at operational level, which can benefit the company in terms of achieving optimum efficiency in operations.

Tanzania. The technology is from Innovida Holdings, a multinational company operating out of the United States.

- 2.3 The product will be path-breaking and an important mile stone in the construction industry since it will reduce the construction cost by more than half making it affordable to the ever expanding urban population in the country. The initial response from prospective buyers has been phenomenal.
- 2.4 In order to achieve the objective mentioned in point no. 2.1 to 2.3 above, the company plans to have the building structure for installing the required plant and machineries for the Assembly line and other associated equipments which will enable to make the complete project run efficiently and viable. Details of the additions proposed to be made to the assets are given in Annexure - 6 of this proposal.

## **1.0 INTRODUCTION**

- 1.1 This study has been carried out by Space Creation Tanzania Limited., a company incorporated in Tanzania under the Companies Act 2002, vide certificate of incorporation number 64554 for the purpose of determining the economic viability for its new upcoming project of Panel production for construction of building. This proposed expansion will help the country to meet the increasing demand for houses in Tanzania.
- 1.2 The infrastructural development which include accommodation (Housing development projects), Road, Railway, Air transport and power sector combined we can say infrastructure and development has been a thrust area of the Government over the years. The efforts undertaken by the Government resulted in increased housing, transportation, power generation facilities in the country and with the economic liberalisation, it has given the desired boost and incentives for investors to plough back their profits into productive channels.
- 1.3 The company was promoted with the prime objective of Manufacturing Panel for constructing easy and fast housing development project, providing support to the Educational facility, Defence, other manufacturing, mining and other sectors of the economy and thereby contribute to the socio-economic development of the nation.

## **2.0 THE PROJECT**

- 2.1 The company has been promoted to own a factory, whereby factor produces the composite Panels for constructing easy, fast and affordable houses around the country.
- 2.2 The Company has obtained an exclusive licence to manufacture Composite Panels, a high tech product to be used as construction material in the very booming housing market in United Republic of

**FEASIBILITY STUDY FOR SPACE CREATION TANZANIA LIMITED**

TABLE OF CONTENTS

1.0 INTRODUCTION ..... 2

2.0 THE PROJECT ..... 2

3.0 THE SHAREHOLDERS ..... 4

4.0 MANAGEMENT ..... 4

5.0 MARKET STUDY ..... 14

6.0 EMPLOYMENT GENERATION ..... 14

7.0 FINANCIAL ANALYSIS ..... 15

    7.1 Land and Buildings ..... 15

    7.2 Plant and Machinery & Electrical Fittings ..... 16

    7.3 Motor Vehicles ..... 16

    7.4 Generators ..... 16

    7.5 Office Equipments & Furniture ..... 16

    7.6 Means of Financing ..... 16

    7.7 Profit & Loss Account ..... 17

    7.8 Financial Ratio Analysis ..... 18

    7.9 Cash Flow Statement ..... 20

8.0 ECONOMIC ANALYSIS ..... 20

9.0 CONCLUSION ..... 21

.....  
Space Creation Tanzania Limited

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

Land/Building	.....1,666.....
Plant	.....7,520.....
Vehicles	.....1,460.....
Furniture & Fittings	.....420.....
Pre-expenses	.....
Others (Equipments)	.....
Working Capital	.....9,014.....
<b>TOTAL</b>	.....20,080.....

**Contact Details:**Name: ... **Tanil Somaiya**.....Title: ... **Director**.....Telephone: ... **+255 22 266 7250**.....Fax: ... **+255 22 266 7293**.....Email: ... **tanil@shivacomgroup.co.tz**

## APPLICATION SUMMARY

Company Name: .....Space Creation Tanzania Ltd.....

Certificate of Incorporation Number: ...64554..... Status: Limited Company  
Certificate of Incorporation Date: ...6<sup>th</sup> March 2008.....

Post Box: .....72106.....

Town: .....Dar es Salaam.....

Sector: ... Manufacturing ..... Sub-Sector: .....Fibre Panels .....

### Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
...NIL.....	...1,000.....	.....9,540.....	.....9,540....

Project Objectives:...The company was promoted with the prime objective of Manufacturing and Panel for constructing easy and fast housing development project providing support to the Educational facility, Defence and other manufacturing, mining and other sectors of the economy and thereby contribute to the socio-economic development of the

Capacity: ... We will have a production capacity of 10,000 sq meters of panels per day.

Employment: Foreign: ...12.... Local: .....108 Total: .....120..

Implementation Period: ... 3 Years ...

### Project Location

Site/Plot/Block No.: Plot No. 104-110.....

Street: Nyerere Road, Dar es Salaam.. District: ...ILALA... Region:... Dar es Salaam....  
(Attach sketch map showing project location)

### Shareholders

	Nationality	%
...M/s Shivacom Group of Companies Ltd.	...Tanzanian.....	...50...
...Mr. Sanjay Suchak	...Tanzanian ...	...45...
...Mr. Manoj Shinde	...Indian.....	... 5....

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ .....11,066,147,000.....
8. The month and day of the financial year end is ...March 31<sup>st</sup>.....


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\$ ..... Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, ... **Tanil Somaiya**.....of Post Office Number.....**72106**... **Dar es Salaam** ..... do solemnly and sincerely declare that I am a Director / duly authorized agent of ...**Space Creation (T) Ltd**.....

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

Declared at Dar es Salaam }  
 }  
 The...1st ...day of ...November ....2008}

  
 .....  
**Applicant**

Before me:



.....  
**Commissioner for Oaths**

---

Attach only where applicable, otherwise indicate "N/A"

THE 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.....**Tanil Somaiya** .....  
(~~Managing Director~~/Directors/~~Agent~~ of...**SPACE CREATION TANZANIA LTD**.....  
(name of business enterprise) apply for registration of...**Certificate of Incentives**.....  
Under Section 17 of the Act and Part IV of the Investment Regulations, 2002.
2. The registered office of the company will be situated at.....**Plot No. 40, Ali Hassan Mwinyi  
Oysterbay, Dar es Salaam, P O. Box - 72106**.....  
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... **Plot No. 40, Ali Hassan Mwinyi  
Oysterbay, Dar es Salaam, P O. Box - 72106**
4. The Principal Officers of the Company are.....  
.....**Mr. Tanil Somaiya** .....
5. Auditors of the Company are.....**Not Appointed yet**.....
6. The authorized share capital of the Company is shs./US\$.....**10,000,000,000**.....





# **TANZANIA INVESTMENT CENTRE**

## **REGISTRATION FORM**

**FOR**

## **CERTIFICATE OF INCENTIVES**

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

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

**(Please fill the form in duplicate)**

# Application





# Covering Letter

**CERTIFICATE OF INCENTIVE**

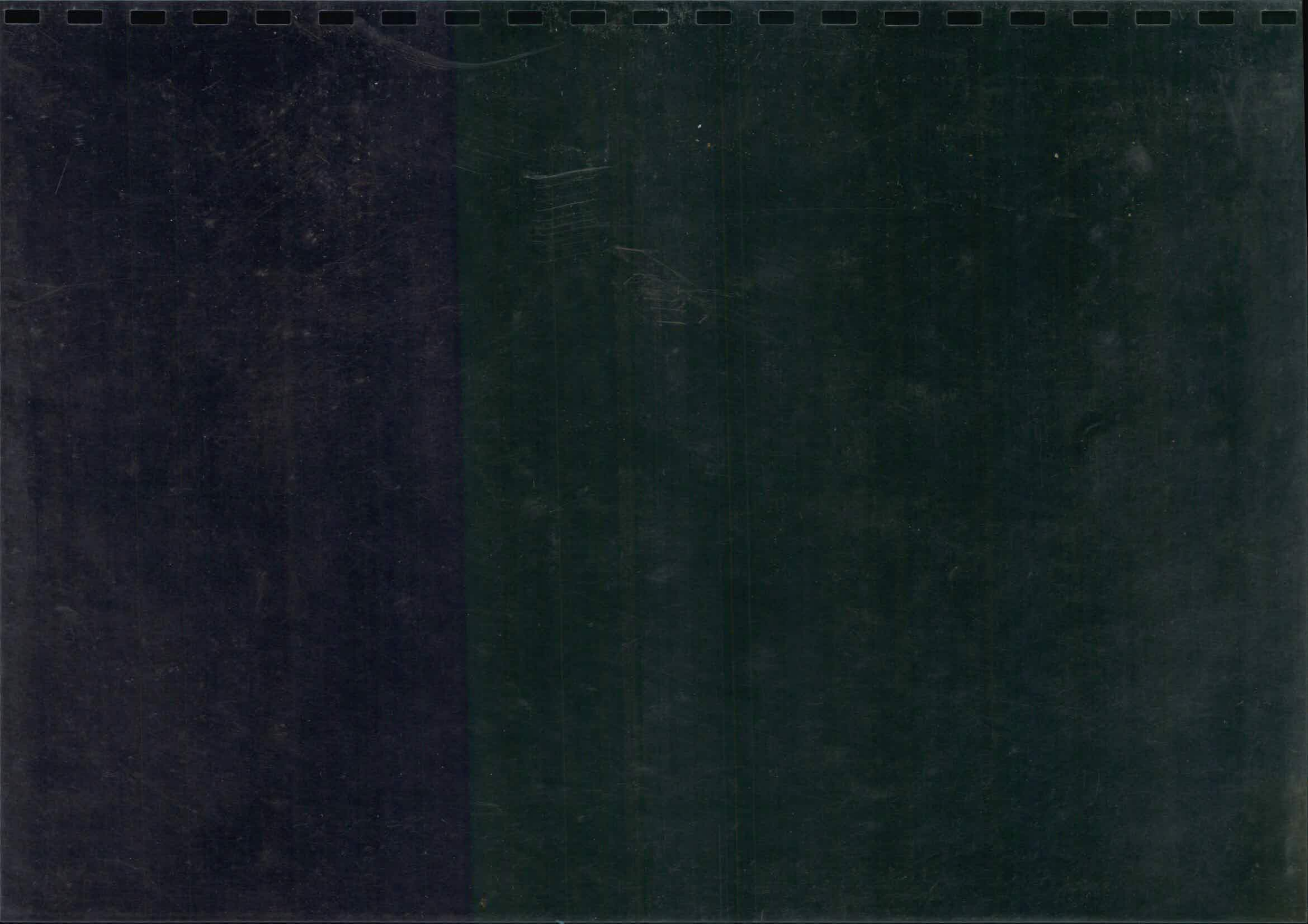
**UNDER TANZANIA INVESTMENT ACT  
1997, SECTION 17 & 18 AND INVESTMENT  
REGULATIONS: REGULATION 42, GOV-  
ERNMENT NOTICE NO. - 318A OF 2002**

**TO**

**DIRECTOR GENERAL  
TANZANIA INVESTMENT CENTRE  
9A & B SHABAN ROBERT STREET,  
P.O. BOX - 938  
DAR ES SALAAM, TANZANIA**

*November 2008*

SPACE CREATION TANZANIA LIMITED  
Plot No – 40, Ali Hassan Mwinyi Road  
P O Box 72106, Dar es Salaam  
Tel. : 022-2667250  
Fax : 022-2667293  
E-mail : tanil@shivacomgroup.co.tz





: Page 2:

We kindly request your good office to approve our additional investment under the Investment (Promotion and Protection) Act No. 10 of 1990 and issue a Certificate of Approval to that effect. Should you have any queries in relation to the above, please do not hesitate to contact us.

Thanking you in advance.

For, **SPACE CREATION TANZANIA LIMITED,**



(Tanil Somaiya)  
Director

Encl.:

- a) Form No. PA 1 duly filled, signed and sealed.
- b) Feasibility Study.
- c) Business Plan.
- d) Copies of Registration Documents namely, Copy of Memorandum and Articles of Association, Certificate of Incorporation, Business License, TIN Registration.
- e) Copy of Latest Annual Return and Certificate from BRELA and copy of letter from BRELA confirming the current shareholders and directors.
- f) Copy of contracts from Innovida International & Shivacom group of companies confirming to fund the project.

# SPACE CREATIONS TANZANIA LTD

1

Ref: SPACE /TIC/14022008/1  
1<sup>st</sup> November 2008

**THE EXECUTIVE DIRECTOR,  
TANZANIA INVESTMENT CENTRE  
P O Box 938  
DAR ES SALAAM**



Dear Sir,

**REF: APPLICATION FOR OBTAINING CERTIFICATE OF APPROVAL  
FOR EXPANSION**

We wish to introduce ourselves as M/s Space Creation (T) Limited to be engaged in the business of production of fiber composite Panel of different size for constructing houses in Tanzania using new technology imported from Innovida International.

Our promoters developed a reputation and track record in Tanzania in different business segments such as Telecommunication, Insurance, Security Services, Promotional Printing & Advertising, Real estate to name a few. The produced fiber panels will be used for construction the houses trough out Tanzania. The total project cost for addition of capital assets amounts to T Shs 11,066 Million.

We attach herewith Form No. PA 1 duly filled, signed and sealed together with the feasibility study, business plan and required documents supporting the application form.

// continued on page 2//



# TIC Evaluation Report

Name of the Company  
**Space Creations Tanzania Ltd.**

Post Box	Nyerere Road Plot No. 104-110	COI Number	64554	Contact	Mr. Tanil Somaiya
Post Office	72106	COI Date	06/03/2008	Designation	Director
Region	Dar Es Salaam	Application F. No	07495	Phone	022 266 72 50
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0
		Sub Sector	Fibre Panels	Fax	022 266 72 93
		File No	041607	E-Mail Address	Tanil@Shivacomgroup.Co.Tz

Project Location		Investment Finance Plan in Millions USD											
Plot/Block	Plot No. 104-110	<table border="1"> <thead> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>0.769</td> <td>7.339</td> <td>7.339</td> </tr> </tbody> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0	0.769	7.339	7.339			
Foreign Equity	Local Equity		Foreign Loan	Local Loan									
0	0.769		7.339	7.339									
Street	Nyerere												
District	Ilala												
Region	Dar es Salaam												

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	1.282
Manoj Shinde	Indian	5	Plant	5.785
Sanjay Suchak	Tanzanian	45	Vehicles	1.123
Shivacom Group of Co. Ltd.	Tanzanian	50	Furniture & Fittings	0.323
			Pre-expenses	0
			Others	0
			Working Capital	6.934
			Total	15.447

Employment	120	Evaluated By	Zakaria kingu
Capacity	10,000 sq of panels per day	Drawn By	Shokko Registry
Project Turn Over			

### Description

To establish a project for manufacturing of fibre panels for construction of low cost houses

### Recommendations

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

### Decision

*Approved - Shivacom*  
*21/11/08*

TICC/PP.10/041607/2

25 November 2008

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

Yours sincerely,  
**Tanzania Investment Centre**



**B. D. Chonjo**

For: Executive Director

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

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

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

3

TICC/PP.10/041607/2

25 November 2008

Managing Director,  
Space Creations Tanzania Ltd,  
P.O. Box 72106,  
**DAR ES SALAAM**

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE ESTABLISHMENT OF A PROJECT FOR MANUFACTURING OF FIBRE PANELS FOR CONSTRUCTION OF LOW COST HOUSES**

We wish to acknowledge receipt of your project proposal to establish manufacturing facilities for fibre panels as presented in the TIC P.A. 1 Form No. 07495 and Feasibility Study with a projected investment of USD 15.447 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. (Submitted Board resolution has not been signed).

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.

walls of innovation

innoVida

1<sup>st</sup> November, 2008

The General Manager  
Space Creations Tanzania Limited  
P O Box 72106  
DAR ES SALAAM

Dear Sir

**RE: FUNDING OF PROJECT**

We at Innovida Group congratulate you for selecting the Innovida technology for construction of affordable houses around the country and wish you success.

As per your request, the Board of Directors of Innovida International has approved an unsecured loan of T.Shs. 9,539,616,000 payable in 12 quarterly installments with a moratorium period of one year. The loan will carry an interest @ 16% per annum.

Yours sincerely,



Uli Schwartau  
Director



1<sup>st</sup> November, 2008

Ref: ShivacomGroup/Space/188/08

The General Manager  
Space Creations Tanzania Limited  
P O Box 72106  
DAR ES SALAAM

Dear Sir

**RE: FUNDING OF PROJECT**

We at Shivacom Group congratulate you and wish you the very best in your up-coming project of manufacturing composite panels for construction of affordable houses around the country.

As per your request, the Board of Directors of Shivacom Group has approved an unsecured loan of T.Shs. 4,769,808,000 payable in 12 quarterly installments with a moratorium period of one year. The loan will carry an interest @ 16% per annum.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Tanil Somaiya", with a stylized flourish at the end.

Tanil Somaiya  
Managing Director

**Shivacom Group of Companies**

P O Box 72106, Dar es Salaam Tel: +255 22 2667250, Fax: +255 22 2667293  
Email: admin@shivacomgroup.com

**18. Customer Consent Clause:**

In terms of the provisions of the Banking and Financial Institutions Act, 2006 as amended, the customer agrees and authorizes the Bank:

- i. Make inquiries from any bank, financial institution or approved credit reference bureau in Tanzania to confirm any information provided by the customer.
- ii. Seek information from any bank, financial institution or approved credit reference bureau when assessing the customer at any time during the existence of the customer's account.
- iii. Disclose to the approved credit reference bureau information relating to the account maintained at the bank or financial institution.

**19. Acceptance of the Facility:**

The Borrowers should signify acceptance to the terms and conditions of the facility by counter-signing the copy of the letter of offer and returning this to the Bank. It is important to note that the counter-signed letter constitutes an agreement between the Borrower and the Bank.


If such acceptance is not done within fourteen (14) days after receipt of the Offer, the Bank shall be entitled to cancel the Offer.

Yours faithfully,  
NBC LIMITED

  
**Cassim Zacharia**  
Manager - Corporate Business Centre

  
02/05/2008.

SPACE CREATIONS  
TANZANIA LTD.  
P. O. Box 72106  
DAR ES SALAAM

  
02/05/2008

**Note:**

- Fixed deposit held and taken as security to be in USD and to mature on the same date as the Letter of Credit expiry date.
- UBS guarantee to be irrevocable, in USD and to be valid for a term exceeding the Letter of Credit expiry date.
- The UBS guarantee to be signed off as acceptable security and in accordance with the covenant required by the bank.

**4. Conduct of the Account:**

The facility shall be granted subject to the Borrower conducting the account in a satisfactory manner. In which case, it is expected that the business turnover of the business will be reflected in the conduct of the account.

**5. NBC to be Sole Banker:**

It is a condition to this offer that all the Borrower's banking facilities must be conducted through NBC Limited and all business proceeds to be routed through NBC Limited.

**6. Commission and terms of the Letters of Credit:**

- a. Commission at 0.6% per quarter or part thereof will be charged on establishment of a L/C under the L/C facility.
- b. The L/C's will be established free of cash cover.
- c. Adequate funds must be made available to ensure payment of L/C drawings as and when they fall due

**7. Events of Default:**

The Bank may cancel the facilities if any of the following events occur:

- a. There is breach of any of the terms and conditions contained herein or if the same has not been fulfilled to the satisfaction of the Bank.
- b. The financial position of the Borrower has worsened for whatever reason thereby jeopardizing the position of the Bank with regards to the outstanding balance on the loan.
- c. Any of the security offered as collateral has deteriorated in value by reason of depreciation in the market value.
- d. Breach of condition or covenant contained in any agreement or deed connected with this facility.

**8. Filing of Annual Returns:**

It is a condition precedent for any request for renewal that the Borrower, in case of a registered company, must produce and furnish to the Bank a duly filed and up to date Annual Return with the Registrar of Companies as provided for under Section 128 of the Companies Act. 2002 of the laws

Two handwritten signatures in black ink, one on the left and one on the right, appearing to be initials or names.

**9. Dispute Clause:**

In case of any dispute arising out of the interpretation, performance or non-performance of the terms and conditions contained herein, depending on the amount claimed by any of the two parties, the parties hereto irrevocably submit themselves to the Commercial Division of the High Court of Tanzania for adjudication of the dispute unless the applicable law provides otherwise.

**10. Purpose of the facilities:**

The L/C facility will be utilised for importation of plant and machinery. As such, it will be contrary to the terms of this offer if the facility is utilized for other purposes.

**11. Submission of Financial and Other Statements:**

It is mandatory that the Borrower must submit financial statements not later than six months after close of the financial year. In the like manner the Bank may demand additional information from the Borrower and the Borrower shall be obliged to comply with the Bank's demand.

**12. Right of Set-off:**

In the event of default, the Bank will have unfettered right of set-off against any credit balances maintained in other NBC Ltd accounts of the Borrower and to realize the collateral without reference to him or her.

**13. Appointment of Collateral Manager:**

The bank reserves the right of appointing collateral manager at any time should, in the opinion of the bank, circumstances so demand. Should a Collateral Manager be appointed, the costs associated with his engagement will be borne by the Borrower.

**14. Acceptance of the Offer:**

The Borrower should signify acceptance to the terms and conditions of the facility by counter-signing on the copy of the Letter of Offer. It is important to note that the counter signed letter constitutes an agreement between the Borrower and the Bank.

**15. Facility Conditional on Perfection of Collaterals:**

Under no circumstances should Branch management allow disbursement of funds before it has been confirmed by the Company Secretary that all collaterals have been properly executed, all supporting documentation submitted and the original Letter of Offer duly counter signed by the Borrower has been forwarded to Head Office for safe custody.

**16. Board Resolution:**

If the Borrower is a limited liability company, an original and properly executed extract Board Resolution authorizing the borrowing must be submitted to the Bank.

**17. Recalling of Letters of Credit Facility:**

a) The Bank may cancel the facility any time before it is made available to the Borrower and the Bank is not obliged to disclose its reasons for the cancellation.

b) It is understood that the Bank is not obliged to renew the facility once it has expired. The Bank may consider renewal after taking into account among other things, the conduct of the account and whether renewal of the account will be beneficial to the Bank.

Two handwritten signatures are present at the bottom right of the page. The first signature is a stylized, somewhat illegible scribble. The second signature is a more fluid, cursive signature.



# National Bank of Commerce Limited

**Head of Corporate Banking**

P. O. Box 1863, Dar es Salaam, Tanzania

Tel: +255 (0) 22 211 1970

Fax: +255 (0) 22 213 0596

Swift address: NLCBTZTX

e-mail: corpbanking@nbctz.com

www.nbctz.com

May 2, 2008

The Managing Director,  
Space Creations Tanzania Ltd,  
P.O. Box 72106,  
Dar es Salaam.

Dear Sir:

## RE: CREDIT FACILITY

Following your application for bank facilities we have pleasure in advising that the Bank has approved the following facilities to your company: -

TYPE OF FACILITY	AMOUNT (in USD)	EXPIRY DATE/TERM
Letter of Credit	4,300,000	30.04.2009
<b>TOTAL</b>	<b>4,300,000</b>	

Utilization of the facilities is subject to the following terms and conditions: -

### 1. Conditions Precedent to the Offer

The offer is made subject to the Borrower complying with all of the terms and conditions contained in the letter of offer.

### 2. Letter of Credit Agreement:

Once the offer is accepted it shall constitute the terms and conditions of the Letters of Credit Agreement.

### 3. Security for the Letters of Credit Facility:

These facilities will be secured as follows:

- i. Guarantee by Shivacom (Tanzania) Ltd to be supported by Fixed Deposit of USD 2,150,000 to be held under lien.
- ii. Guarantee by UBS AG Bank for USD 2, 150,000.

### National Bank of Commerce Limited Reg. No. 32700

**DIRECTORS:** F J DU TOIT\*\* (Non-Executive), B S NYONI\* (Non-Executive), Dr M J ASSAD\* (Non-Executive), A R MPUNGWE\* (Non Executive), HON. A K A MALIMA\* (Non-Executive), D. BOTHA\*\* (Non-Executive), E B J LAURENTINO\*\*\* (Non-Executive), C P DE VRIES\*\* (Managing/Executive), J P VERMAAS\*\* (Executive). **SECRETARY:** A R WOISO\*

(\* TANZANIAN, \*\* SOUTH AFRICAN,\*\*\*BRAZILIAN).

# SPACE CREATIONS TANZANIA LTD

## BOARD MEETING OF MEMBERS OF SPACE CREATIONS TANZANIA LIMITED HELD IN DAR ES SALAAM ON 1<sup>ST</sup> NOVEMBER, 2008

### Present:

Mr. Tanil Somaiya (Chairman)  
Mr. Sanjay Suchak (Director)  
Mr. Manoj Shinde (Director)

### SPECIAL RESOLUTION

Resolved unanimously that the Company should proceed with project with investment of T.Shs. 20.080 million for installation of factory for producing fiber composite panels for construction of houses as per the project report submitted to TIC. As indicated in the TIC Application, part of the project will be funded by the Group Companies and balance by internal accruals.

Further resolved that a copy of this resolution be made available to Tanzania Investment Centre for the purpose of issuance of Certificate of Approval.

There being no other business, the meeting was concluded with the consent of the Chair.



CHAIRMAN

# SPACE CREATIONS TANZANIA LTD

November 27, 2008

Ref: Space/TIC/202/08

The Executive Director  
TANZANIA INVESTMENT CENTRE  
P O Box 938  
DAR ES SALAAM

Dear Sir,

**REF: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE  
ESTABLISHMENT OF A PROJECT FOR MANUFACTURING  
OF FIBRE PANELS FOR CONSTRUCTION OF LOW COST HOUSES**

We are in receipt of your letter Ref. TICC/PP.10/041607/2 dated 25<sup>th</sup> November, 2008 and thank you for approving our project for manufacture of fibre panels for construction of houses.

As per your requirement, we submit the following.

1. Duly signed Company Board Resolution.
2. Letter from NBC Bank approving our initial credit facility.
3. Letter of commitment from Shivacom Group of Companies Ltd and Innovida International for financing the project.

We also make a payment of USD 750 for issuance of the Certificate.

We thank you for your continued support.

Yours faithfully,



Tanil Somaiya  
Director

Encl: as above

14



TFN. 614 (Rev. 8.94)

JAMHURI YA MUUNGANO WA TANZANIA  
THE UNITED REPUBLIC OF TANZANIA  
STAKABADHI YA SERIKALI  
EXCHEQUER RECEIPT

30324293 1

Shs.		Cts.
298	750	

HIIMEPOKEA KWA  
Received from

SPACE CREATIONS (T) LTD

KIASI  
Amount

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

298 SEVEN HUNDRED 75 ONLY

NA SENTI  
And Cents

KWA MALIPO YA  
In Respect of

CERTIFICATE

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

CASH

SAHIHI YA MPOKEAJI-  
Signature.

*[Signature]*

Age Title

27/11/07

KITUO - Station

*[Signature]*

Levt. Press, Dsm.

Tanzania Investment Centre

21	Storage Unit	Machine	1	set
22	Small tools ,wiping sheets	Machine	1	set
23	Foam production	Machine	1	set
24	Building Structure Steel	Building materials	Misc	
25	Reinforcement Steel, Tiles & Fittings, Cements & Paints	Building materials	Misc	
26	Electrical Fittings	Building materials	Misc	
<del>27</del>	<del>Office equipment,</del>	<del>Communication Equipemts</del>	<del>Misc</del>	
28	Control & Computer Equipment	Communication Equipemts	Misc	
<del>29</del>	<del>Furniture</del>	<del>Furniture</del>	<del>Misc</del>	
30	Truck-mounted Crane	Machine	2	
31	Overhang Crane	Machine	1	
<b>TOTAL CARRIED TO SUMMARY</b>				

#### Remarks

##### Item Group:

These are Building materials, vehicles, aircrafts, ships, communication equipments, machines, hotel equipment, furniture, linen, metal, structures, and other articles of metals.

**The schedule of materials has been prepared basing on the Bills of Quantities**

#### CERTIFICATION:

This schedule of materials has been prepared by

**O. O. SERVICES,  
P. O. BOX 2037,  
DAR ES SALAAM.**

SPACE CREATIONS TANZANIA LTD



No.	DESCRIPTION	ITEM GROUP	QTY	UNIT
<b>BILL NO. 11: - DEEMED CAPITAL GOODS REQUIREMENTS</b>				
1	Paint shop (booth) complete		1	set
2	Assembly line	Machine	1	set
3	Spot welding machine	Machine	1	set
4	Forklift 5Tonnes	Machine	2	Nr
5	Diagnostic and assembly tools	Machine	1	set
6	Generator	Machine		
6.1	450KVA Generator	Machine	1	Nr
6.2	100KVA Generator	Machine	1	Nr
6.3	Generators	Machine	2	set
7	Gantry Crane 5Tonnes	Machine	1	Nr
8	Vehicle and Maintenance Support Services			
8.1	Commercial trucks	Vehicle	9	Nr
8.2	<i>staff</i> Passengers (Buses)	Vehicle	1	Nr
8.3	Vehicle Pick ups	Vehicle	16	
8.4	Cars	Vehicle	10	
9	Production Table	Machine	4	set
10	Board Lifter	Machine	4	set
11	Vacuum Frame with board Fixation aid (Incl central vacuum station)	Machine	4	set
12	2 Component resin storage systems with manual regulation for mixing & pumping	Machine	1	set
13.1	Jute / Glass cutter	Machine	4	set
13.2	Jute / Glass preparation Unit	Machine	4	set
14	Laminating cart for Innovida Resin	Machine	4	set
15	Mobile Innovida bonding system with mixer & pump / 25 uns	Machine	1	set
16	Cleaning station for resin	Machine	4	set
17	Fork Lifts	Machine	2	set
18	Manual cutting station (On each production table)	Machine	4	set
19	Table cutter	Machine	1	set
20	High volume milling machine	Machine	1	set

SPACE CREATIONS TANZANIA LTD



No.	DESCRIPTION	ITEM GROUP	QTY	UNIT
<b>BILL NO. 09: - FIRE ALARM AND DETECTION SYSTEMS</b>		Fire Fighting Systems		
1	Conventional fire control panel 12 zone		1	pcs
2	Heat detector		6	pcs
3	Smoke detector		12	pcs
4	Fire alarm sounder		4	pcs
5	Break glass/manual call points		8	pcs
6	Fire proof cable 3 x 1.5mm2 twin with earth wire		4	Roll
<b>TOTAL CARRIED TO SUMMARY</b>				



No.	DESCRIPTION	ITEM GROUP	QTY	UNIT
	BILL NO. 8: - ELECTRICAL INSTALLATIONS	Building materials		
1	Electrical main switch 3PHS		5	pcs
2	Electrical main switch single phase		3	pcs
3	35x70mm <sup>2</sup> PVC/SWA/PVC Copper cable		2	Roll
4	3.5 x 35mm <sup>2</sup> PVC/SWA/PVC/Copper cable		4	Roll
5	3.5 x 16mm <sup>2</sup> PVC/SWA/PVC/Copper cable		6	Roll
6	3.5 x 4mm <sup>2</sup> PVC/SWA/PVC/Copper cable		9	Roll
7	3.5 x 2.5mm <sup>2</sup> PVC/SWA/PVC/Copper cable		14	Roll
8	3.5 x 1.5mm <sup>2</sup> PVC/SWA/PVC/Copper cable		18	Roll
9	Solid copper earth rod w/clamps		5	pcs
10	Flood Light grey Lumax		8	pcs
11	16" Heavy duty Vent Fan with shutter		12	pcs
12	6125x612.5mm Modular ultra slim luminaire with aluminium frame		40	pcs
13	Tube Light & fittings size 4 feet		28	pcs
14	Tube Light & fittings size 2 feet		20	pcs
15	Wall mounted exit sign self contained maintained emergency battery		4	pcs
16	1 x 56" Swing/sweep		20	pcs
17	20 Watts Energy Saving Lamp		20	pcs
18	35 Watts Energy Saving Lamp			
19	Single switch socket		60	pcs
20	Dual switched socket		46	pcs
21	DP Switch with neon indicator		30	pcs
22.1	750KVA Voltage stabilizer		5	pcs
22.2	250KV voltage stabilizer		1	Nr
22.3	Automatic Voltager Regulator / Stabilizer		2	
22.4	150X75mm PVC trunking three compartment complete with accessories		200	pcs
24	24000BTU split Air conditioners X		20	pcs
<b>TOTAL CARRIED TO SUMMARY</b>				

SPACE CREATIONS TANZANIA LTD



No.	DESCRIPTION	ITEM GROUP	QTY	UNIT
1.7	Fire fighting installation system	Building materials		
1.7.1	Automatic fire hose reel 50mm diameter with hose complying to BS. 3169,25mm diameter discharge port		2	Nr
1.8	Portable fire extinguishers			
1.8.1	Portable Fire extinguisher (Co2 type)		8	Nr
1.8.2	9kg Dry powder fire extinguisher		8	Nr
1.9	Ground Fire hydrant			
1.9.1	100mm Diameter Angus pillar type ground fire hydrant		2	Nr
<b>TOTAL CARRIED TO SUMMARY</b>				

No.	DESCRIPTION	ITEM GROUP	QTY	UNIT
1.4	Cold water installations Galvanized mild steel pipe "medium grade"			
1.4.1	19mm pipe		121	m
1.4.2	Elbow		30	Nr
1.4.3	Nipple		28	Nr
1.4.4	Union		14	Nr
1.4.5	25mm pipe		136	m
1.4.6	Elbow		24	Nr
1.4.7	Equal tee		20	Nr
1.4.8	25 x 19mm Reducer		32	Nr
1.4.9	Nipple		52	Nr
1.4.10	Union		26	Nr
1.4.11	50mm pipe		198	m
1.4.12	Elbow		18	Nr
1.4.13	Nipple		8	Nr
1.4.14	Union		4	Nr
1.4.15	Equal tee		6	Nr
1.4.16	50 x 25mm Reducer		8	Nr
1.4.17	Flexible conversion pipe Draw-off taps stop valve to BS 1010		12	Nr
1.4.18	19mm Brass bid tap		12	Nr
1.4.19	19mm Brass gate valve		6	Nr
1.4.20	25mm Brass gate valve		4	Nr
1.4.21	50mm Brass gate valve		4	Nr
1.5	<b>Hot water Installations</b> <b>Copper pipe "heavy duty tubing"</b>			
1.5.1	13mm pipe		86	m
1.5.2	Elbow		8	Nr
1.5.3	Nipple		18	Nr
1.5.4	Union		9	Nr
	Galvanized mild steel pipe medium grade wrapped with polystyrene pipe insulating materials			
1.5.5	15mm expansion pipe		37	m
1.5.6	Elbow		14	Nr
1.5.7	Nipple		12	Nr
1.5.8	Union		6	Nr
1.5.9	15mm Straight connector		4	Nr
1.5.10	Copper pipe tail to B.S. 659.300mm long		4	Nr
	<b>Draw-off taps stop valve to B.S. 1010</b>			
1.5.11	15mm Brass stop valve		8	Nr
1.6	<b>Equipment</b>			
1.6.1	80Ltrs hot water cylinder "Ariston" heater		4	Nr
<b>TOTAL CARRIED TO SUMMARY</b>				

No.	DESCRIPTION	ITEM GROUP	QTY	UNIT
<b>BILL NO. 7: - PLUMBING AND ENGINEERING INSTALLATIONS</b>				
		Building materials		S
1.1	Sanitary appliances			
1.1.1	Portuman 6:1:25 Washbasin size 500x420mm with tapholes and chainstay		12	Nr
1.1.2	Low level WC (Sandrigham 6cc 5:1:24)		12	Nr
1.1.3	Bathtub Sandrigham complete with twin grips with G1202 shower fitting		4	Nr
1.1.4	Mini washbrook single urinals with douche complete		4	Nr
1.1.5	Single bowl single drainer stainless steel sink		4	Nr
1.1.6	Large bowl sink unit		2	Nr
1.1.7	Tower rail stainless steel 600mm		12	Nr
1.1.8	Ablution tap complete with trigger & flexible hose		12	Nr
1.1.9	150 x 150mm semi recessed toilet roll holder		12	Nr
1.1.10	Surface mounted stainless steel soap tray and shower basket		12	Nr
1.1.11	Automatic handdrier		4	Nr
1.1.12	600x600mm Polished plate glass, bevelled edges		12	Nr
1.2	Waste and overflow pipes Unplasticised PVC pressure pipe class "6"			
1.2.1	32mm pipe		28	m
1.2.2	Elbow		24	Nr
1.2.3	40mm pipe		23	m
1.2.4	Equal tee		18	Nr
1.2.5	40 x 32mm Reducer		56	Nr
1.2.6	Union		28	Nr
1.2.7	50mm pipe		56	Nr
1.2.8	Elbow		18	Nr
1.2.9	50 x 32mm Reducer		14	Nr
1.2.10	Union		10	Nr
1.2.11	Equal tee with plug		28	Nr
1.2.12	75mm pipe		126	m
1.2.13	Bend		18	Nr
1.2.14	Equal branch		9	Nr
1.2.15	75 x 100mm Enlarger		4	Nr
1.2.16	Union		12	Nr
1.2.17	Fresh air inlets with mosquito gauze		12	Nr
1.2.18	75mm diameter Nahan trap		8	Nr
1.3	Soil and vent pipes Unplasticised PVC pressure pipe class "6"			
1.3.1	100mm pipe		99	m
1.3.2	Bend short radius		18	Nr
1.3.3	Bend large radius		18	Nr
1.3.4	Equal branch with cleaning eye		18	Nr
1.3.5	Y-junction		4	Nr
1.3.6	Cross		2	Nr
1.3.7	Vent cowl with mosquito gauze		4	Nr
<b>TOTAL CARRIED TO SUMMARY</b>				

No.	DESCRIPTION	ITEM GROUP	QTY	UNIT
<b>BILL NO. 6: - FITTINGS AND FIXTURES</b>		Fittings and Fixtures		
1	Universal rack with shelves overall size 2000 x 600 x 2000mm		20	pcs
2	Cabinet for documents overall size 1000 x 400 x 2000mm		4	pcs
3	Metal cabinet overall size 600 x 400 x 2000mm		8	pcs
4	Technological trolley		2	pcs
5	Tool stand		4	pcs
6	Working table		12	pcs
7	Desk		12	pcs
8	Table saw		2	pcs
<b>TOTAL CARRIED TO SUMMARY</b>				

No.	DESCRIPTION	ITEM GROUP	QTY	UNIT
	BILL NO. 5: - PAINTING			
1	Paints	Building materials		
1.1	Silk vinly washable paint Galaxy (UK) (@20Ltrs capacity)		40	bkt
1.2.	Epoxy resin based floor lining matt finish			
1.2.1	Epoxy coat-part A		490	bkt
1.2.2	Epoxy coat - part B		245	bkt
1.2.3	Epoxy coat accessories		245	kit
1.3.2	Pack Zinc rich Epoxy primer system on surface of structural steel		245	ltrs
1.4	Epoxy based enamel gloss paint on surfaces of structural steel		140	ltrs
2	Varnish			
2.1	Polyurethane clear Lacquer satin varnish (@ 4Ltrs capacity)		12	tin
	<b>TOTAL CARRIED TO SUMMARY</b>			

SPACE CREATIONS TANZANIA LTD



No.	DESCRIPTION	ITEM GROUP	QTY	UNIT
	<b>BILL NO. 4: - FINISHINGS</b>			
1	Floor tiles	Building materials		
1.1	Porcelain semi-polished tiles		3400	m <sup>2</sup>
1.2	Porcelain polished tiles		3409	m <sup>2</sup>
1.3	Skirting tile (porcelain tiles)		896	m
2	Wall Tiles			
2.1	Ceramic tiles		324	m2
3	Grout			
3.1	Premium colours (20kg)		78	bgs
4	Bed screed for wall and floor tiles (1:3)			
4.1	Tile glue (20kg)		1360	bgs
5	Ceiling Finishes			
5.1	Gypsum board			
5.1.1	Gypsum board size 4ft x 8ft x 12mm		1185	pcs
	<b>TOTAL CARRIED TO SUMMARY</b>			

No.	DESCRIPTION	ITEM GROUP	QTY	UNIT
1	BILL NO. 3: - VENTILATORS Roof Ventilators 1.1 Cyclone 600 Super Eco roof ventilator on aluminium finish consisting top plate, bottom plate standard support including all accessories as specified by (Manufacturer Steel Structure Ltd. - Nairobi)	Building materials	96	Nr
TOTAL CARRIED TO SUMMARY				

SPACE CREATIONS TANZANIA LTD



No.	DESCRIPTION	ITEM GROUP	QTY	UNIT
<b>SUPERSTRUCTURE</b>				
<b>BILL NO. 2: PREFABRICATED STEEL STRUCTURE</b>				
1	Building Steel Structure	Building materials		
1.1	Building steel structure complete with columns, rafters, struts, purlins, joist, channels, bracing, angles, cladding, roofing sheets including all accessories as specified by (Manufacturer / Specialist M/s KIRBY BUILDING SYSTEMS - Kuwait		214.34	ton
2	Building Structure Chequered Plates			
2.2	Chequered plate thickness 6mm, mill finish size 4ft x 8ft		720	Nr
<b>TOTAL CARRIED TO SUMMARY</b>				

SPACE CREATIONS TANZANIA LTD



# LIST OF CAPITAL/DEEMED CAPITAL GOODS FOR

M/S ..... SPACE CREATIONS TANZANIA LIMITED .....SECTOR .....  
TIC CERTIFICATE No. ..041607

No.	DESCRIPTION	ITEM GROUP	QTY	UNIT
<b>BILL NO. 1:</b>				
1	Concrete works			
1.1	Plain in-situ concrete (1:3:6)			
		Building materials		
1.1.1	Cement (50kg)		317	bgs
1.1.2	Aggregate (granite)		65	m3
1.2	Vibrated reinforced concrete (1:2:4)	Building materials		
1.2.1	Cement (50kg)		3068	bgs
1.2.2	Aggregate (granite)		435	m3
1.3	Vibrated reinforced concrete (1:1:5:3)	Building materials		
1.3.1	Cement (50kg)		2560	bgs
1.3.2	Aggregate (granite)		263	m3
2	<b>Reinforcement</b>	Building materials		
2.1	High yield hot rolled steel bars reinforcement			
1.1.1	25mm Bars		56.519	ton
1.1.2	20mm Bars		17.448	ton
1.2.3	10mm Bars		2.136	ton
2.1.4	8mm Bars		1.07	ton
2.2	Fabrics Square Mesh size 200mm (BS 4483) ref. No. A252			
2.2.1	24mm wide x 4.8mm long sheets		304	pcs
3	<b>Formworks</b>	Building materials		
3.1.1	Marine Plywood size 4ftx8ftx12mm		160	pcs
3.1.2	Marine Plywood size 4ftx8ftx18mm		213	pcs
4	<b>Blockwork</b>	Building materials		
4.1	Solid concrete blocks to B. S.6073		7500	Nr
4.1.1	Block size 450 x 230 x 150mm			
5	cement and sand screed/rendering (1:3)			
5.1	Mortar			
5.1.1	Cement (50kg)		120	bgs
6	Bitumen Paint			
6.1.1	Black bituminous paint		6	tin
<b>TOTAL CARRIED TO SUMMARY</b>				

SPACE CREATIONS TANZANIA LTD



Page 1

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 (%)
Shivacom Group of Co. Ltd	Tanzanian	50
Sanjay Suchak	Tanzanian	45
Manoj Shinde	Indian	5
  
2. Proposed Activities : To establish a project for manufacturing fibre panels for construction of low cost houses
3. Sector: Manufacturing Subsector Fibre panels
4. Investment cost:
 

Foreign	USD 7.339m.	Local	USD 8.108m.	Total	USD 15.447m.
---------	-------------	-------	-------------	-------	--------------
5. Project Financing
 

Equity	USD 0.769m.	Loans	USD 14.678m.	Total	USD 15.447m.
--------	-------------	-------	--------------	-------	--------------
6. Source, terms and conditions of loan
  
7. Assets to be invested:
 

Capital items:	Foreign	Local	Total
	USD 7.339m.	USD 8.108m.	USD 15.447m.
8. Technology Agreement : None
9. Date of TIC Registration: 25th November 2008
10. Implementation period : November 2008 - October 2011
11. Operative date: 1st November 2011
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



No 00215181

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

041607

No: .....

## This is to certify that

SPACE CREATIONS TANZANIA LTD

of address ..... P.O. BOX 72106

DAR ES SALAAM

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

SPACE CREATIONS TANZANIA LTD

Which is located at ..... NYERERE ROAD, PLOT NO. 104-110

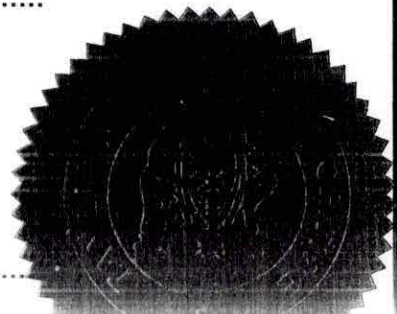
DAR ES SALAAM

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

Executive Director

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

Dated ..... 2ND DECEMBER 2000



CTIN.: 00307600



# 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**

SPACE CREATIONS TANZANIA LIMITED.

.....

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

106-690-774

.....

with effect from 06-May-2008

.....

JOANNES N. A. MALLY

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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

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 (%) |
|---------------------------|-------------|------------------|
| Shivacom Group of Co. Ltd | Tanzanian   | 50               |
| Sanjay Suchak             | Tanzanian   | 45               |
| Manoj Shinde              | Indian      | 5                |
2. Proposed Activities : To establish a project for manufacturing fibre panels for construction of low cost houses
3. Sector: Manufacturing Subsector Fibre panels
4. Investment cost: Foreign USD 7.339m. Local USD 8.108m. Total USD 15.447m.
5. Project Financing: Equity USD 0.769m. Loans USD 14.678m. Total USD 15.447m.
6. Source, terms and conditions of loan
7. Assets to be invested:
- | Capital items: | Foreign     | Local       | Total        |
|----------------|-------------|-------------|--------------|
|                | USD 7.339m. | USD 8.108m. | USD 15.447m. |
8. Technology Agreement None
9. Date of TIC Registration: 25th November 2008
10. Implementation period: November 2008 - October 2011
11. Operative date: 1st November 2011
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



No 00215181

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

041607

No: .....

## This is to certify that

SPACE CREATIONS TANZANIA LTD

of address ..... P.O. BOX 72106

DAR ES SALAAM

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

SPACE CREATIONS TANZANIA LTD

Which is located at ..... NYERERE ROAD, PLOT NO. 104-110

DAR ES SALAAM

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

Executive Director

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

Dated ..... 2ND DECEMBER 2000



CTIN.: 00307600



# 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**  
SPACE CREATIONS TANZANIA LIMITED.

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

106-690-774  
.....

with effect from 06-May-2008  
.....

JOANNES N. A. MALLY

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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

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  
Shivacom Group of Co. Ltd      Nationality      Tanzanian      Shareholding (%)      50  
.....  
Sanjay Suchak      Tanzanian      45  
.....  
Manoj Shinde      Indian      5  
.....
2. Proposed Activities : To establish a project for manufacturing fibre panels for  
.....  
construction of low cost houses  
.....
3. Sector: Manufacturing      Subsector      Fibre panels  
.....
4. Investment cost:      Foreign      USD 7.339m.      Local      USD 8.108m.      Total      USD 15.447m.  
.....
5. Project Financing      USD 0.769m.      USD 14.678m.      USD 15.447m.  
Equity.....      Loans.....      Total.....
6. Source, terms and conditions of loan.....  
.....
7. Assets to be invested:  
  
Capital items:      Foreign      Local      Total  
   USD 7.339m.      USD 8.108m.      USD 15.447m.  
.....
8. Technology Agreement ..... None
9. Date of TIC Registration: ..... 25th November 2008
10. Implementation period ..... November 2008 - October 2011
11. Operative date..... 1st November 2011
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 .....  
(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



No 00215181

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

041607

No: .....

## This is to certify that

SPACE CREATIONS TANZANIA LTD

of address ..... P.O. BOX 72106

DAR ES SALAAM

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

SPACE CREATIONS TANZANIA LTD

Which is located at ..... NYERERE ROAD, PLOT NO. 104-110

DAR ES SALAAM

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

Executive Director

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

Dated ..... 2ND DECEMBER 2000



# **DONMAK**

QUANTITY SURVEYORS AND PROJECT MANAGERS

**P.O. Box 216 DAR ES SALAAM TANZANIA Office Tel: +255-0732991440:+255- 0754080372  
Lumumba Road, Ushirika Building 7th Floor: E-mail donmak-tanzania@hotmail.com**

---

REF: DMK/SCTL/2009/001

DATE: February 02, 2009

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

Dear Sir,

**RE: - PROPOSED WAREHOUSE ON PLOT NO. 104-110; DAR ES SALAAM**

**SUB: DUTY/VAT EXEPTION ON DEEMED CAPITAL FOR PROJECT VIDE CERTICATE OF INCENTIVES.**

Please refer as above captioned, we have been engaged by our Space Creation (T) Limited for preparation of the schedule of materials.

Space Creation Tanzania Limited has been granted a Certificate of Incentive No.00215181 of 02/12/2008, TIN No. 100-690-774 and VAT No. ....

As required by the contents of the Bill of Quantities in our opinion we consider that schedule of construction materials and finishing to be locally procured and imported have been prepared in accordance with the proposed drawings for intended construction works / investment project. However, the scope of our services does not cover the assessment and selection of vehicles in this project development but it has been included in the document as capital goods requirements.

In the respect, we therefore recommend that you approve exemption of the materials as requested.

Thanking you in anticipation

Yours faithfully,

  
**G.O.Kondobole**  
**For. Managing Director**  
**DONMAK**

CC: Client, Dar es Salaam

---

MANAGING DIRECTOR – MR.D.W.KALENYULA

Ref: SPACE /TIC/09012009/01  
February 3, 2009

COMMISSIONER FOR CUSTOM & 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



Dear Sir,

**REF: SUBMISSION OF LIST OF CAPITAL GOODS TO BE  
IMPORTED UNDER TIC CERTIFICATE FOR DUTY AND VAT  
EXEMPTION.**

At the outset we wish to take this opportunity to thank TIC for approval of our low cost housing project. We hereby submit 11 copies of the list of Capital items duly certified by quantity surveyor intended to be imported/locally procured for the projects along with TIC Certificate copy, Quantity Surveyors Certificate and Certificate of TIN number all in duplicate copies.

We request you to kindly grant in principle approval for our TIC approved project for Duty & VAT exemption for the capital goods to be imported as indicated in the above list of Capital Items.

We appreciate your continued support for the project.

Sincerely Yours

  
Tanil Somaiya  
Director.

Encl: as above

**TICC/PP.10/041607/6**

**12/02/2009**

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

Dear Sir,

**RE: DUTY/VAT EXEMPTION ON THE CAPITAL/DEEMED CAPITAL  
GOODS OF CERTIFICATE OF INCENTIVES NO. 041607**

**M/S Space Creations Tanzania Limited** is a TIC registered company with certificate of incentives **No. 041607** which is valid up to **October 2011**

The company has been registered with objectives of establishing and operating a project for manufacturing fibre panels for construction of low cost houses.

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

Yours sincerely

**TANZANIA INVESTMENT CENTRE**



N.A. Senzia

**FOR: EXECUTIVE DIRECTOR**

## SPACE CREATIONS TANZANIA LIMITED

Schedule I

## CASH AND BANK BALANCES

Amount in '000 T Shs

Particulars	Notes	PROJECTIONS				
		Year 1	Year 2	Year 3	Year 4	Year 5
<b>Opening Balance</b>			2,109,542	1,686,651	1,388,236	1,988,443
<b>Inflows</b>			-	-	-	-
From Debtors		22,356,000	54,269,460	76,668,323	84,373,245	90,028,125
From Other Income sources		7,000	7,350	7,718	8,103	8,509
From issue of Shares		1,000,000				
From Unsecured Loan		19,079,233				
From Loans		-				
<b>Total Inflows</b>		42,442,233	56,386,352	78,362,691	85,769,584	92,025,076
<b>Outflows</b>						
Other Operating Expenses		(3,393,380)	(4,184,413)	(4,741,620)	(5,243,813)	(5,756,053)
Addition to Property, Plant & Equipment		(11,066,147)	-	-	-	-
Advance for Structures and Building Material						
Interest servicing of secured loans		(2,798,287)	(3,052,677)	(2,442,142)	(1,221,071)	(305,268)
Short Term Loan		-	-	-	-	-
Unsecured Loan				(7,631,693)	(7,631,693)	(3,815,847)
Trade & Other Creditors		(22,507,876)	(45,477,754)	(56,394,731)	(62,867,786)	(72,346,102)
VAT Payments		(567,000)	(1,577,858)	(2,898,476)	(3,361,925)	(3,351,391)
Income Tax Payments		-	(407,000)	(2,865,792)	(3,454,853)	(3,622,478)
Shareholder's Loan						
<b>Total Outflows</b>		(40,332,691)	(54,699,702)	(76,974,455)	(83,781,142)	(89,197,137)
<b>CLOSING BALANCE</b>		2,109,542	1,686,651	1,388,236	1,988,443	2,827,939

## SPACE CREATIONS TANZANIA LIMITED

## Schedule H

## DEBTORS &amp; PREPAYMENTS

Amount in '000 T Shs

Particulars	PROJECTIONS				
	Year 1	Year 2	Year 3	Year 4	Year 5
Opening Balance		5,589,000	6,696,540	7,470,968	8,323,223
Add : Sales	27,945,000	55,377,000	77,442,750	85,225,500	92,812,500
Less : Collections	22,356,000	54,269,460	76,668,323	84,373,245	90,028,125
<b>CLOSING BALANCE</b>	<b>5,589,000</b>	<b>6,696,540</b>	<b>7,470,968</b>	<b>8,323,223</b>	<b>11,107,598</b>

## SPACE CREATIONS TANZANIA LIMITED

## Schedule G

## PURCHASES AND STOCKS

Amount in '000 T Shs

Particulars	PROJECTIONS				
	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Opening Stocks</b>	-	<b>3,948,750</b>	<b>8,445,938</b>	<b>11,583,000</b>	<b>13,118,625</b>
Resins		2,369,250	5,067,563	6,949,800	7,871,175
EPS		789,750	1,689,188	2,316,600	2,623,725
Fabrics		394,875	844,594	1,158,300	1,311,863
Other material		394,875	844,594	1,158,300	1,311,863
<b>Add : Purchases/Direct Expenses</b>	<b>19,743,750</b>	<b>38,280,938</b>	<b>49,469,063</b>	<b>54,010,125</b>	<b>60,591,375</b>
Resins	11,846,250	22,968,563	29,681,438	32,406,075	36,354,825
EPS	3,948,750	7,656,188	9,893,813	10,802,025	12,118,275
Fabrics	1,974,375	3,828,094	4,946,906	5,401,013	6,059,138
Other material	1,974,375	3,828,094	4,946,906	5,401,013	6,059,138
<b>Less : Consumption</b>	<b>15,795,000</b>	<b>33,783,750</b>	<b>46,332,000</b>	<b>52,474,500</b>	<b>58,968,000</b>
Resins	9,477,000	20,270,250	27,799,200	31,484,700	35,380,800
EPS	3,159,000	6,756,750	9,266,400	10,494,900	11,793,600
Fabrics	1,579,500	3,378,375	4,633,200	5,247,450	5,896,800
Other material	1,579,500	3,378,375	4,633,200	5,247,450	5,896,800
<b>CLOSING INVENTORY (Raw Mat)</b>	<b>3,948,750</b>	<b>8,445,938</b>	<b>11,583,000</b>	<b>13,118,625</b>	<b>14,742,000</b>
Resins	2,369,250	5,067,563	6,949,800	7,871,175	8,845,200
EPS	789,750	1,689,188	2,316,600	2,623,725	2,948,400
Fabrics	394,875	844,594	1,158,300	1,311,863	1,474,200
Other material	394,875	844,594	1,158,300	1,311,863	1,474,200

SPACE CREATIONS TANZANIA LIMITED

Schedule F

Property, Plant and Equipment - Year 5

	Leasehold Land & Building	Plant & Machinery	Light Motor Vehicle	Heavy Motor Vehicle	Computers	Furniture & Office Equipments	Total
<u>Cost</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>
As at 1 January 2012	1,357,413	4,408,086	461,953	-	30,518	128,725	6,386,695
Additions	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
As at 31 December 2012	<u>1,357,413</u>	<u>4,408,086</u>	<u>461,953</u>	<u>-</u>	<u>30,518</u>	<u>128,725</u>	<u>6,386,695</u>
<b><u>Depreciation</u></b>							
As at 1 January 2012							-
Charge for the year	67,871	551,011	115,488	-	11,444	16,091	761,904
Disposal	-	-	-	-	-	-	-
As at 31 December 2012	<u>67,871</u>	<u>551,011</u>	<u>115,488</u>	<u>-</u>	<u>11,444</u>	<u>16,091</u>	<u>761,904</u>
<b><u>Net book amount</u></b>							
As at 31 December 2012	<u><b>1,289,542</b></u>	<u><b>3,857,075</b></u>	<u><b>346,465</b></u>	<u><b>-</b></u>	<u><b>19,073</b></u>	<u><b>112,635</b></u>	<u><b>5,624,791</b></u>
As at 31 December 2011	<u>1,357,413</u>	<u>4,408,086</u>	<u>461,953</u>	<u>-</u>	<u>30,518</u>	<u>128,725</u>	<u>6,386,695</u>

SPACE CREATIONS TANZANIA LIMITED

Schedule F

Property, Plant and Equipment - Year 4

	Leasehold Land & Building	Plant & Machinery	Light Motor Vehicle	Heavy Motor Vehicle	Computers	Furniture & Office Equipments	Total
<u>Cost</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>
As at 1 January 2011	1,428,856	5,037,813	615,938	-	48,828	147,115	7,278,549
Additions	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
As at 31 December 2011	<u>1,428,856</u>	<u>5,037,813</u>	<u>615,938</u>	<u>-</u>	<u>48,828</u>	<u>147,115</u>	<u>7,278,549</u>
<b><u>Depreciation</u></b>							
As at 1 January 2011							
Charge for the year	71,443	629,727	153,984	-	18,311	18,389	891,854
Disposal	-	-	-	-	-	-	-
As at 31 December 2011	<u>71,443</u>	<u>629,727</u>	<u>153,984</u>	<u>-</u>	<u>18,311</u>	<u>18,389</u>	<u>891,854</u>
<b><u>Net book amount</u></b>							
As at 31 December 2011	<u><b>1,357,413</b></u>	<u><b>4,408,086</b></u>	<u><b>461,953</b></u>	<u><b>-</b></u>	<u><b>30,518</b></u>	<u><b>128,725</b></u>	<u><b>6,386,695</b></u>
As at 31 December 2010	<u>1,428,856</u>	<u>5,037,813</u>	<u>615,938</u>	<u>-</u>	<u>48,828</u>	<u>147,115</u>	<u>7,278,549</u>

SPACE CREATIONS TANZANIA LIMITED

Schedule F

Property, Plant and Equipment - Year 3

	Leasehold Land & Building	Plant & Machinery	Light Motor Vehicle	Heavy Motor Vehicle	Computers	Furniture & Office Equipments	Total
<u>Cost</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>
As at 1 January 2010	1,504,059	5,757,500	821,250	-	78,125	168,131	8,329,065
Additions	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
As at 31 December 2010	<u>1,504,059</u>	<u>5,757,500</u>	<u>821,250</u>	<u>-</u>	<u>78,125</u>	<u>168,131</u>	<u>8,329,065</u>
<b><u>Depreciation</u></b>							
As at 1 January 2010							
Charge for the year	75,203	719,688	205,313	-	29,297	21,016	1,050,516
Disposal	-	-	-	-	-	-	-
As at 31 December 2010	<u>75,203</u>	<u>719,688</u>	<u>205,313</u>	<u>-</u>	<u>29,297</u>	<u>21,016</u>	<u>1,050,516</u>
<b><u>Net book amount</u></b>							
As at 31 December 2010	<u><u>1,428,856</u></u>	<u><u>5,037,813</u></u>	<u><u>615,938</u></u>	<u><u>-</u></u>	<u><u>48,828</u></u>	<u><u>147,115</u></u>	<u><u>7,278,549</u></u>
As at 31 December 2009	<u><u>1,504,059</u></u>	<u><u>5,757,500</u></u>	<u><u>821,250</u></u>	<u><u>-</u></u>	<u><u>78,125</u></u>	<u><u>168,131</u></u>	<u><u>8,329,065</u></u>

SPACE CREATIONS TANZANIA LIMITED

Schedule F

Property, Plant and Equipment - Year 2

	Leasehold Land & Building	Plant & Machinery	Light Motor Vehicle	Heavy Motor Vehicle	Computers	Furniture & Office Equipments	Total
<u>Cost</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>
As at 1 January 2009	1,583,220	6,580,000	1,095,000	-	125,000	192,150	9,575,370
Additions							-
Disposal	-	-	-	-	-	-	-
As at 31 December 2009	<u>1,583,220</u>	<u>6,580,000</u>	<u>1,095,000</u>	<u>-</u>	<u>125,000</u>	<u>192,150</u>	<u>9,575,370</u>
<b><u>Depreciation</u></b>							
As at 1 January 2009							
Charge for the year	79,161	822,500	273,750	-	46,875	24,019	1,246,305
Disposal	-	-	-	-	-	-	-
As at 31 December 2009	<u>79,161</u>	<u>822,500</u>	<u>273,750</u>	<u>-</u>	<u>46,875</u>	<u>24,019</u>	<u>1,246,305</u>
<b><u>Net book amount</u></b>							
As at 31 December 2009	<u><b>1,504,059</b></u>	<u><b>5,757,500</b></u>	<u><b>821,250</b></u>	<u><b>-</b></u>	<u><b>78,125</b></u>	<u><b>168,131</b></u>	<u><b>8,329,065</b></u>
As at 31 December 2008	<u>1,583,220</u>	<u>6,580,000</u>	<u>1,095,000</u>	<u>-</u>	<u>125,000</u>	<u>192,150</u>	<u>9,575,370</u>

SPACE CREATIONS TANZANIA LIMITED

Schedule F

Property, Plant and Equipment - Year 1

	5%	13%	25%	38%	38%	13%	
	<b>Leasehold Land &amp; Building</b>	<b>Plant &amp; Machinery</b>	<b>Light Motor Vehicle</b>	<b>Heavy Motor Vehicle</b>	<b>Computers</b>	<b>Furniture &amp; Office Equipments</b>	<b>Total</b>
<b>Cost</b>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>	<u>T.Shs. '000</u>
As at 1 January 2008							-
Additions	1,666,547	7,520,000	1,460,000	-	200,000	219,600	11,066,147
Disposal	-	-	-	-	-	-	-
As at 31 December 2008	<u>1,666,547</u>	<u>7,520,000</u>	<u>1,460,000</u>	<u>-</u>	<u>200,000</u>	<u>219,600</u>	<u>11,066,147</u>
<b>Depreciation</b>							
As at 1 January 2008							
Charge for the year	83,327	940,000	365,000	-	75,000	27,450	1,490,777
Disposal	-	-	-	-	-	-	-
As at 31 December 2008	<u>83,327</u>	<u>940,000</u>	<u>365,000</u>	<u>-</u>	<u>75,000</u>	<u>27,450</u>	<u>1,490,777</u>
<b>Net book amount</b>							
As at 31 December 2008	<u><b>1,583,220</b></u>	<u><b>6,580,000</b></u>	<u><b>1,095,000</b></u>	<u><b>-</b></u>	<u><b>125,000</b></u>	<u><b>192,150</b></u>	<u><b>9,575,370</b></u>
As at 31 December 2007	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

SPACE CREATIONS TANZANIA LIMITED

Schedule E

INTEREST PAYABLE

Amount in '000 T Shs

Particulars	Notes	PROJECTIONS				
		Year 1	Year 2	Year 3	Year 4	Year 5
Interest on Loan from Group Companies		2,798,287	3,052,677	2,442,142	1,221,071	305,268
<b>TOTAL INTEREST COST</b>		<b>2,798,287</b>	<b>3,052,677</b>	<b>2,442,142</b>	<b>1,221,071</b>	<b>305,268</b>

## SPACE CREATIONS TANZANIA LIMITED

Schedule D

## OPERATING COSTS

Amount in '000 T Shs

Particulars	Notes	PROJECTIONS				
		Year 1	Year 2	Year 3	Year 4	Year 5
Accounting Fees		8,000	11,200	11,760	11,760	12,348
Advertisement		180,000	162,000	145,800	131,220	118,098
City Service Levy		69,863	138,443	193,607	213,064	232,031
Electricity ,Water & Gass Charges		120,000	132,000	145,200	159,720	175,692
Generator Running Expenses		72,000	79,200	87,120	95,832	105,415
Insurance Expenses		241,507	246,338	251,264	256,290	261,415
License Fees		-	-	-	-	-
Motor Vehicle Running Expenses		36,000	45,000	54,000	59,400	62,370
Newspapers and Periodicals		2,000	2,500	3,000	3,300	3,465
NSSF Contribution		38,304	47,880	57,456	63,202	66,362
Office Expenses		10,640	42,560	51,072	56,179	58,988
Printing & Stationery		17,845	22,306	26,767	29,444	30,916
Rent Building		600,000	630,000	661,500	694,575	729,304
Repairs and Renewals		23,311	29,139	34,967	38,464	40,387
Salaries and Wages & Other expenses (180 workers 4 managers & 6 admin)		1,590,000	1,828,500	2,102,775	2,418,191	2,780,920
Security services		37,315	46,643	55,972	61,569	64,648
Skills & Development Levy		95,400	109,710	126,167	145,091	166,855
Maintenance Training & R&D Expenses		108,000	432,000	518,400	570,240	598,752
Telephone & Postage		33,410	41,762	50,115	55,126	57,882
Travelling & Accomodation		66,450	83,062	99,675	109,642	115,124
Consultancy Fees		22,627	28,284	33,940	37,334	39,201
Service Charges		20,709	25,886	31,064	34,170	35,878
<b>TOTAL OPERATING EXPENSES</b>		<b>3,393,380</b>	<b>4,184,413</b>	<b>4,741,620</b>	<b>5,243,813</b>	<b>5,756,053</b>

## SPACE CREATIONS TANZANIA LIMITED

## Schedule C

## OTHER INCOME

Amount in '000 T Shs

Particulars	PROJECTIONS				
	Year 1	Year 2	Year 3	Year 4	Year 5
Exchange gain / (loss)	5,000	5,250	5,513	5,788	6,078
Miscellaneous	2,000	2,100	2,205	2,315	2,431
<b>TOTAL OTHER INCOME</b>	<b>7,000</b>	<b>7,350</b>	<b>7,718</b>	<b>8,103</b>	<b>8,509</b>

## SPACE CREATIONS TANZANIA LIMITED

## Schedule B

## COST OF GOODS SOLD

Amount in '000 T Shs

Particulars	PROJECTIONS				
	Year 1	Year 2	Year 3	Year 4	Year 5
Opeing Stock (Finished Goods)		658,125	1,407,656	1,930,500	2,186,438
Resins	9,477,000	20,270,250	27,799,200	31,484,700	35,380,800
EPS	3,159,000	6,756,750	9,266,400	10,494,900	11,793,600
Fabrics	1,579,500	3,378,375	4,633,200	5,247,450	5,896,800
Other material	1,579,500	3,378,375	4,633,200	5,247,450	5,896,800
Closing Stock (Finished Goods)	- 658,125	- 1,407,656	- 1,930,500	- 2,186,438	- 2,457,000
<b>COST OF SALES</b>	<b>15,136,875</b>	<b>33,034,219</b>	<b>45,809,156</b>	<b>52,218,563</b>	<b>58,697,438</b>

SPACE CREATIONS TANZANIA LIMITED

TURNOVER DETAILS

Schedule A

Amount in '000 T Shs

Particulars	Notes					PROJECTIONS				
						Year 1	Year 2	Year 3	Year 4	Year 5
Turbo Panel						23,287,500	46,147,500	64,535,625	71,021,250	77,343,750
<b>TOTAL TURNOVER</b>		-				<b>23,287,500</b>	<b>46,147,500</b>	<b>64,535,625</b>	<b>71,021,250</b>	<b>77,343,750</b>

**SPACE CREATIONS TANZANIA LIMITED**

**Cost of the Expansion of Operations**

Annexure 5

Amount in '000 T Shs

Sl.No	Particulars	Nos.	Rate / Unit		T.Shs.
1	Production Table	4	375,000	1,500,000	2,240,000
2	Board Lifter	4	23,250	93,000	138,880
3	Vacuum Frame with board Fixation aid (Incl central vacuum station)	4	83,500	334,000	498,773
4	2 Component resin storage sytems with manual regulation for mixing & pumping	1	67,386	67,386	100,630
5	Jute / Glass cutter	4	16,475	65,900	98,411
6	Jute / Glass prepration Unit	4	21,350	85,400	127,531
7	Laminating cart for Innovida Resin	4	236,000	944,000	1,409,707
8	Mobile Innovida bonding sydtem with mixer & pump / 25 uns	1	26,000	26,000	38,827
9	Cleaning station for resin	4	9,125	36,500	54,507
10	Fork Lift	1	44,200	44,200	66,005
11	Manual cuttig station (On each production table)	4	8,550	34,200	51,072
12	Table cutter	1	14,200	14,200	21,205
13	High volume miling machine	1	354,000	354,000	528,640
14	Building Structure Steel	Misc	506,250	506,250	506,250
15	Building Structure Chequered Plates	Misc	410,297	410,297	410,297
16	Reinforcement Steel, Tiles & Fittings, Cements & Paints	Misc	750,000	750,000	750,000
17	Electrical Fittings	Misc	80,000		80,000
18	Storage Unit	1	22,300	22,300	33,301
19	Office equipment,	1	60,000	60,000	89,600
20	Small tools ,wiping sheets	1	186,000	186,000	277,760
21	Foam production	1	402,914	402,914	601,685
22	Shipping & Assembly	1	290,000	290,000	433,067
23	Control & Computer Equipment		200,000		200,000
24	Generators	2	400,000		800,000
25	Furniture		50,000		50,000
26	Vehicle Commercial trucks	8	100,000		800,000
27	Vehicle Pick ups	16	30,000		480,000
28	Cars	10	18,000		180,000
<b>Total Fixed Assets</b>					<b>11,066,147</b>
<b>Total capital outlay for expansion</b>					<b>11,066,147</b>
<b>Means of Finance</b>					
Payment from Share Holders (Loan & Share Capital)					11,066,147
<b>Total Investments</b>					<b>11,066,147</b>

SPACE CREATIONS TANZANIA LIMITED

Annexure 4

Ratio Analysis

No.	Description	Formula	Year 1	Year 2	Year 3	Year 4	Year 5
1	Return on Capital Employed	PAT/FA + Working Capital	11.48%	36.22%	65.69%	65.16%	54.05%
2	Return on Sales	PAT/Income	-0.72%	7.03%	11.48%	11.29%	10.71%
3	Gross Profit	Gross Profit/Sales	35.00%	28.42%	29.02%	26.47%	24.11%
4	Asset Turnover	Income/Fixed Assets + Working capital	1.09	1.87	2.64	2.86	2.65
5	Return on Fixed Assets	PAT/Fixed Assets	-1.75%	38.97%	101.79%	125.54%	147.24%
6	Debt Equity Ratio	Debt/Equity	22.91	4.68	1.00	0.20	-
7	Interest Coverage Ration	Profit before Interest Depreciation & Tax/Interest	2	3	-	-	-
9	Current Ratio	Current Assets/Current Liabilities	9.90	9.99	4.32	3.56	4.11
10	Quick Ratio	Quick Assets/Current Liabilities	6.42	4.59	1.71	1.43	1.84

SPACE CREATIONS TANZANIA LIMITED

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER

Annexure 3

Amount in '000 T Shs

	Year 1	Year 2	Year 3	Year 4	Year 5
	Shs' 000	Shs' 000	Shs' 000	Shs' 000	Shs' 000
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Profit/(Loss) before tax for the year	475,180	4,637,236	10,499,908	11,454,053	11,831,596
Adjustment for items not involving the movement of funds:					
Gain on Sale of Fixed Assets					
Other non cash items					
Prior Year's Adjustments					
Revenue Reserves Adjustments					
Capital Reserves Adjustments					
Depreciation	1,490,777	1,246,305	1,050,516	891,854	761,904
<b>Operating profit before working capital changes</b>	<b>1,965,957</b>	<b>5,883,541</b>	<b>11,550,424</b>	<b>12,345,906</b>	<b>12,593,501</b>
<b>WORKING CAPITAL CHANGES IN:</b>					
Stocks	(4,606,875)	(5,246,719)	(3,659,906)	(1,791,563)	(1,893,938)
Trade debtors	(5,589,000)	(1,107,540)	(774,428)	(852,255)	(2,784,375)
Other receivables	-	-	-	-	-
Trade creditors	1,184,625	459,371	2,968,144	1,944,365	363,548
AT Payable	141,750	4,545	114,836	40,300	916
Deferred Taxation	1,462,671	119,226	43,749	53,262	88,604
<b>Tax paid</b>	<b>5,440,872</b>	<b>103,334</b>	<b>10,155,322</b>	<b>11,633,492</b>	<b>8,189,216</b>
<b>Tax paid last year</b>	<b>(1,462,671)</b>	<b>(526,226)</b>	<b>(2,822,043)</b>	<b>(3,401,592)</b>	<b>(3,533,874)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Investment (Cumberland Loan)					
Purchase of fixed assets	(11,066,147)	-	-	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Loan					
Issue of fresh shares	1,000,000	-	-	-	-
Unsecured Loan	19,079,233	-	(7,631,693)	(7,631,693)	(3,815,847)
<b>NET CASH FLOW FOR THE YEAR</b>	<b>2,109,542</b>	<b>(422,892)</b>	<b>(298,415)</b>	<b>600,207</b>	<b>839,496</b>
<b>OPENING BANK AND CASH EQUIVALENT</b>		2,109,542	1,686,651	1,388,236	1,988,443
<b>CLOSING BANK AND CASH EQUIVALENT</b>	2,109,542	1,686,651	1,388,236	1,988,443	2,827,939
<b>THIS IS MADE UP AS FOLLOWS:</b>					
Bank and cash balances	2,109,542	1,686,651	1,388,236	1,988,443	2,827,939
Bank overdraft	-	-	-	-	-

## SPACE CREATIONS TANZANIA LIMITED

## BALANCE SHEET

Annexure 2

Amount in '000 T Shs

Particulars	Schedule Nos	PROJECTIONS				
		Year 1	Year 2	Year 3	Year 4	Year 5
<b>NON CURRENT ASSETS</b>						
Property, Plant & Equipment	F	9,575,370	8,329,065	7,278,549	6,386,695	5,624,791
Capital Work in Progress						
<b>CURRENT ASSETS</b>						
Stocks	G	4,606,875	9,853,594	13,513,500	15,305,063	17,199,000
Debtors & Prepayments	H	5,589,000	6,696,540	7,470,968	8,323,223	11,107,598
Tax Recoverable		820,153	-	-	-	-
Cash and bank balances	I	2,109,542	1,686,651	1,388,236	1,988,443	2,827,939
		13,125,570	18,236,784	22,372,704	25,616,728	31,134,536
<b>TOTAL ASSETS</b>		<b>22,700,940</b>	<b>26,565,849</b>	<b>29,651,252</b>	<b>32,003,423</b>	<b>36,759,327</b>
<b>EQUITY AND LIABILITIES</b>						
<u>CAPITAL AND RESERVES</u>						
Share Capital	J	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Retained Profit	K	167,338	3,078,727	10,487,530	18,505,367	26,787,484
Shareholders Interest		832,662	4,078,727	11,487,530	19,505,367	27,787,484
<b>NON CURRENT LIABILITIES</b>						
Unsecured Loan	L	19,079,233	19,079,233	11,447,540	3,815,847	-
Deferred Taxation		1,462,671	1,581,897	1,538,148	1,484,886	1,396,283
		20,541,904	20,661,130	12,985,688	5,300,733	1,396,283
<b>CURRENT LIABILITIES</b>						
Trade Creditors	M	1,184,625	1,643,996	4,612,140	6,556,505	6,920,053
Other Payables	N	141,750	137,205	252,041	292,341	291,425
Provision for Taxation	O		44,792	313,853	348,478	364,083
		1,326,375	1,825,993	5,178,035	7,197,324	7,575,561
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>22,700,940</b>	<b>26,565,850</b>	<b>29,651,253</b>	<b>32,003,424</b>	<b>36,759,328</b>

## SPACE CREATIONS TANZANIA LIMITED

## PROFIT AND LOSS ACCOUNT

Annexure 1

PARTICULARS	Schedule Nos	PROJECTIONS					Amount in '000 T Shs
		Year 1	Year 2	Year 3	Year 4	Year 5	
TURNOVER	A	23,287,500	46,147,500	64,535,625	71,021,250	77,343,750	
COST OF SALES	B	(15,136,875)	(33,034,219)	(45,809,156)	(52,218,563)	(58,697,438)	
<b>GROSS PROFIT</b>		<b>8,150,625</b>	<b>13,113,281</b>	<b>18,726,469</b>	<b>18,802,688</b>	<b>18,646,313</b>	
OTHER INCOME	C	7,000	7,350	7,718	8,103	8,509	
		<b>8,157,625</b>	<b>13,120,631</b>	<b>18,734,186</b>	<b>18,810,791</b>	<b>18,654,821</b>	
OPERATING EXPENSES	D	(3,393,380)	(4,184,413)	(4,741,620)	(5,243,813)	(5,756,053)	
FINANCIAL CHARGES	E	(2,798,287)	(3,052,677)	(2,442,142)	(1,221,071)	(305,268)	
<b>TOTAL</b>		<b>(6,191,668)</b>	<b>(7,237,090)</b>	<b>(7,183,762)</b>	<b>(6,464,884)</b>	<b>(6,061,320)</b>	
OPERATING PROFIT		1,965,957	5,883,541	11,550,424	12,345,906	12,593,501	
DEPRECIATION		(1,490,777)	(1,246,305)	(1,050,516)	(891,854)	(761,904)	
PROFIT BEFORE TAX		475,180	4,637,236	10,499,908	11,454,053	11,831,596	
LESS: PROVISION FOR CURRENT YEARS TAX		820,153	(1,271,945)	(3,134,853)	(3,489,478)	(3,638,083)	
LESS: PROVISION FOR DEFERRED TAX		(1,462,671)	(119,226)	43,749	53,262	88,604	
<b>RETAINED PROFIT</b>		<b>(167,338)</b>	<b>3,246,065</b>	<b>7,408,803</b>	<b>8,017,837</b>	<b>8,282,117</b>	

## SPACE CREATIONS TANZANIA LIMITED

### Assumptions

#### 6 Turnover

Turbo Panel	<b>Sq Mtrs</b>					
Daily Production capacity	10,000					
Days of Production in a Year	250					
Sale price (\$)	30					
Total Revenue per year	75,000,000	90,000,000				
		<b>1st Year</b>	<b>2nd Year</b>	<b>3rd Year</b>	<b>4th Year</b>	<b>5th Year</b>
Sale in Year 1	27%	23,287,500				
Sale in Year 2	50%		46,147,500			
Sale in Year 3	60%			64,535,625		
Sale in Year 4	60%				71,021,250	
Sale in Year 5	60%					77,343,750
Increase in the Sale price	5%	1	1.05	1.10	1.15	1.20

#### 7 Cost of Sales

% of the Turnover	65%	15,795,000	33,783,750	46,332,000	52,474,500	58,968,000
Increase in the cost	10%	1	1.10	1.20	1.30	1.40
Cost Component	%					
Resins	60%	9,477,000	20,270,250	27,799,200	31,484,700	35,380,800
EPS	20%	3,159,000	6,756,750	9,266,400	10,494,900	11,793,600
Fabrics	10%	1,579,500	3,378,375	4,633,200	5,247,450	5,896,800
Other material	10%	1,579,500	3,378,375	4,633,200	5,247,450	5,896,800

#### 8 Stock

Finished Goods (15 days stock at 65% sale price)	658,125	1,407,656	1,930,500	2,186,438	2,457,000
Raw Material (3 months stock)	3,948,750	8,445,938	11,583,000	13,118,625	14,742,000
Total	4,606,875	9,853,594	13,513,500	15,305,063	17,199,000

## SPACE CREATIONS TANZANIA LIMITED

### Assumptions

T Shs in '000

#### 1 Exchange Rates

Year	
Year 1	1,200
Year 2	1,260
Year 3	1,320
Year 4	1,380
Year 5	1,440
Euro to \$	1.2444444

#### 2 Project Cost

Building	1,666,547	
Machine	7,520,000	
Others	1,879,600	
Working Capital	9,013,086	
<b>Total</b>	<b>20,079,233</b>	<b>20,079,233</b>

#### 3 Finance by Loan

Innovida International Loan	9,539,616	9,540	
Shivacom Group	4,769,808		
Sanjay Suchak	3,815,847		
Manoj Shinde	953,962		
	<b>19,079,233</b>		<b>19,079</b>
			<b>9,540</b>

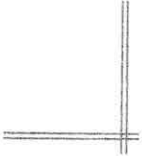
#### 4 Interest on

Loan from Group Companies	16%
---------------------------	-----

#### 5 Share Capital

Shivacom Group	500,000
Sanjay Suchak	450,000
Manoj Shinde	50,000
	<b>1,000,000</b>

# Business Plan



### **7.9 Cash Flow Statement**

The cash flow position of the company is going to be healthy company will also not face any problem of loan repayment to sister companies.

### **8.0 ECONOMIC ANALYSIS**

The activity being a back up service for manufacturing, mining and other sectors of the economy, it promotes the growth of core sectors in addition to contributing to the exchequer and providing additional employment and generating Foreign Exchange by export of Generators to the neighbouring countries.

It is estimated to provide employment to additional 80 persons upon expansion and may go up to an overall addition of 100 persons by year 4. It shall also contribute to the exchequer in the form of direct taxes and levies on profits and turnover. Further, it shall also contribute to the exchequer in the form of indirect taxes such as VAT, PAYE, Skills and Development Levy etc.

## SPACE CREATIONS TANZANIA LIMITED

Annexure  
4

## Ratio Analysis

No.	Description	Formula	Year 1	Year 2	Year 3	Year 4	Year 5
1	Return on Capital Employed	PAT/FA + Working Capital	11.48%	36.22%	65.69%	65.16%	54.05%
2	Return on Sales	PAT/Income	-0.72%	7.03%	11.48%	11.29%	10.71%
3	Gross Profit	Gross Profit/Sales	35.00%	28.42%	29.02%	26.47%	24.11%
4	Asset Turnover	Income/Fixed Assets + Working capital	1.09	1.87	2.64	2.86	2.65
5	Return on Fixed Assets	PAT/Fixed Assets	-1.75%	38.97%	101.79%	125.54%	147.24%
6	Debt Equity Ratio	Debt/Equity	22.91	4.68	1.00	0.20	-
7	Interest Coverage Ration	Profit before Interest Depreciation & Tax/Interest	2	3	-	-	-
9	Current Ratio	Current Assets/Current Liabilities	9.90	9.99	4.32	3.56	4.11
10	Quick Ratio	Quick Assets/Current Liabilities	6.42	4.59	1.71	1.43	1.84

.....  
Space Creation Tanzania Limited

### 3. Operating Expenses

It is estimated that the operating expenses will be increasing year by year due to inflation and to cater the increased level of activity. It is estimated that Operating expenses will be of T Shs 4,184 Million in the 2<sup>nd</sup> year as against T Shs 3,393 Million during the previous 1<sup>st</sup> year. After completion of capital expansion, the operating expenses are expected to be T Shs 4,742 Million in the 3<sup>rd</sup> year, T Shs 5,243 Million in the 4<sup>th</sup> year.

### 4. Financial Charges

It is estimated that Interest cost will be T Shs 3053 Million in the 2<sup>nd</sup> year as against T Shs 2798 Million during the previous 1<sup>st</sup> year i.e. due to loan taken for expansion. This is expected to reduce to T Shs 2442 Million in the 3<sup>rd</sup> year as the loan repayment has already been started which will be T Shs 7632 Million in the 3<sup>rd</sup> year.

### 7.8 Financial Ratio Analysis

Financial Ratios are explained below in tabular form:

The loan from the Sister Companies will be for the period of 4 years at an interest rate of 16% per annum, compounded monthly. Disbursement of loan will be in one instalment in the year 2008. The principal shall be paid quarterly, commencing from completion of one year being moratorium period from the month in which funds have been received.

## **7.7 Profit & Loss Account**

### **1. Sales**

Turnover in the first year while expanding current business is estimated to reach a level of T Shs 23,288 Million in the first Year T Shs 46,148 Million in the 2<sup>nd</sup> year & T Shs 64,536 Million in the 3<sup>rd</sup> year.

The point to be noted here is that these turnovers are based on very conservative approach and based on the current growth rate of the company.

### **2. GP & Cost of Sales**

Costs of Sales are not increasing proportionately of increase of turnover hence it results in the improved GP. This is explained below:

(Amount in Million Shillings)

Particulars	Year 1	Year 2	Year 3	Year 4
Turnover	23,288	46,147	64,535	71,021
Cost of Sales	15,137	33,034	45,809	52,218
GP	8,151	13,113	18,726	18,803

### **7.2 Plant and Machinery & Electrical Fittings**

The company plans to invest about T. Shs.6720 Million in Plant & Machineries, Air conditioner and Electrical Fittings. This will result in a fully functional plant for manufacturing of panels.

### **7.3 Motor Vehicles**

It is proposed to acquire Pick-up, Vans, Trucks, Station Wagon, and Passenger Vehicles which will be amounted to T Shs 1460 Million shillings.

### **7.4 Generators**

It is proposed to acquire two generator sets for power backup and for uninterrupted smooth flow of production. It is estimated that it will cost around T Shs 800 Million.

### **7.5 Office Equipments & Furniture**

It is estimated that Office Furniture and computer will cost around T Shs 420 Million.

### **7.6 Means of Financing**

The total capital expenditure for expansion of operations is estimated at T.Shs 11066 Million, which is proposed to be financed as under:

	(Amount in T.Shs. Millions)
Equity	1,000.00
Loan from Promoters	19,079.23
	-----
<b>TOTAL</b>	<b>20,079.23</b>
	=====

DEPARTMENT	NUMBER
Managing Director	1
Chief Executive Officer	1
Financial Controller	1
Operations Managers	2
Production Supervisors	4
Accountants	4
Cashiers	2
Drivers	4
Helpers	62
Technicians	10
Other Assistants Staff	9
Askaris etc.	20
<b>TOTAL</b>	<b>120</b>

## 7.0 FINANCIAL ANALYSIS

### 7.1 *Land and Buildings*

The Company intends to have its facility located on Plots 104 – 100 at Nyerere Road in Dar-es-Salaam which is owned by Incar Tanzania Limited. Company has already entered into rent agreement with Incar for 5 years. The entire project will be housed in the same premises where the building structure will be taken on rent and further improvement and required changes on existing building structure will done by the company based on its requirement. We expect T Shs 1667 Million will be spend on that improvement and required changes.

## **5.0 MARKET STUDY**

- 5.1 The Country being vast in size, there is a good market (demand) for housing projects, such as for Defence, Education, Police and public at large. All growing Economies like Tanzania it feel there is always need of housing projects there will always exist the demand for additional hosing projects. Further, as a result of the Government's reform programme and investment incentives, more companies are entering the mining and manufacturing operations in up-country regions for which additions in the housing projects will be required.

## **6.0 EMPLOYMENT GENERATION**

- 6.1 The company's operations will result in providing additional employment opportunities in country. The operation of factory will generate 120 persons direct employment, with indirect employment around 500 persons through the construction contractors; subcontractors and dealers of the product.
- 6.2 The Company is managed under the overall supervision and control of the Managing Director (from Innovida International (USA) who reports to the Board of Director is assisted by the Technical, Sales and Administrative staff for daily operations of the company. The total strength of administrative and operations staff has been estimated at 120. The requirement is summarised as under:

1982-1983 Worked as a sales person in the textile market which gave an opportunity to work at the grass roots level and acquired vital experience in hard core retail selling and working of the textile industry.

Languages Known :

English : Speaking, Reading, Writing – all excellent

Hindi : Speaking, Reading, Writing – all excellent

Gujarati : Speaking, Reading, Writing – all fair

- Basic market research & project appraisal;
- Interacting with various financial institutions and syndicate loan components;
- Structuring of financial packages; and
- Interact with respective intermediaries in case of a public issue.

1990-1992 CROMPTON GREAVES LIMITED, MUMBAI

Worked as an Executive in the Corporate Finance Department. This is a large, well diversified multi-divisional company having a presence all over India. The function entailed assisting and independent handling of:

- Drafting project reports and obtaining term loans and other facilities from financial institutions;
- Involved in the issue management of a convertible debenture issue;
- Organising to get the issue listed at stock exchanges; and
- Interacting with various regulatory and statutory authorities.

1988-1990 STATE INDUSTRIAL INVESTMENT CORPN. OF MAHARASHTRA (SICOM), MUMBAI

SICOM is a leading developmental finance institution run on commercial terms. It offers industrial loans and advances to up-coming and established companies. Here, I got an opportunity to do an important project assignment titled " NRI Investments in Maharashtra ." It was a part-time assignment and involved doing an analysis of the number of investments made by non-resident investors in the state. It included extensive field work, detailed analysis of the amounts invested, amounts borrowed, productivity, contribution to the economy at large, success or failure and also suggestions for future strategy.

1983-1986 SIEMENS INDIA LIMITED, MUMBAI

My stint at Siemens was a technical apprenticeship where I got an opportunity to work at shop-floor level, interacting with workers and also to understand basic engineering concepts. The knowledge and experience acquired here assisted later in project appraisal and also to develop and maintain good worker-relationship.

To streamline the systems in the group's foreign exchange bureau, supervise its working and reporting to the management about its operations.

To conduct operational site audits for various Group companies

#### 1996 – 1999 EXIM SECURITIES & INVESTMENTS LTD., DAR-ES-SALAAM

Worked as an Investments Manager in this group having interests in a commercial bank, insurance company, stock brokerage and investment advisory services.

Exim Securities was one of the founding members of the DSE. I was the licensed dealer's representative at the DSE. Exim Securities played a major role in the capital markets as underwriter, sponsoring broker and to an extent also as lead adviser. The job involved :

Maintaining Financial Accounts

Conducting research and analysis

Trading of shares on the DSE & Merchant banking activities.

Debtors management & control

Front and back office work relating to the stock exchange including general accounting ;

General administration and staff management; &

During this period I was also extensively involved with the Group's widely circulated weekly newspaper in the country. This included conceiving, coordinating, undertaking and actually ensuring completion of industry, country or event-specific supplements in the newspaper. During this period, I researched and published special supplements on banking, power, tourism, mining, telecommunication, soft drinks, property development, Kenya, Norway, etc.

#### 1992-1996 INTEGRA FUNDS MANAGEMENT LIMITED, MUMBAI

My responsibilities at Integra were as a Portfolio & Projects Advisor and included:

Doing fundamental and technical analysis of stocks;

Assisting in publishing newsletter;

Analysis & Preparation of project report;

Director

**Manoj Shinde**

A Profile

Mr. Manoj V. Shinde is 42 years of age and is an Indian, since 1996 he is rendering his esteemed services in Dar-Es-Salaam. He has completed his education from India. His qualifications, work experiences, leadership positions, visions and excellence are described as under:

QUALIFICATIONS:ACADEMIC

Masters in Management Studies - Finance Part University of Bombay

B.COM - University of Bombay

TECHNICAL

1996 - Completed Course by Capital Markets & Securities Authority (CMSA), Tanzania and licensed to be a stock broker at the Dar-Es-Salaam Stock Exchange (DSE).

2002 - Licentiate from the Insurance Institute of India

WORK EXPERIENCE:

Since 2001 ALEXANDER FORBES TANZANIA, DAR ES SALAAM

- Handling all financial, administrative and investment matters
- Officiating as the Company Secretary on the Board of the company.

1999 - 2000 MOHAMMED ENTERPRISES, DAR-ES-SALAAM

Working as Manager – Financial Services in this group which is one of the largest private enterprises in Tanzania. METL is one of the leading importers and exporters with interests in agro-processing, manufacturing and marketing of FMCG. Main responsibilities included :

- To set up a stock brokerage and assist the group to diversify into the financial services sector.

moved on to be an insurance broker when the company was re-christened to Halifax Insurance Brokers.

Halifax slowly but steadily started making its presence felt in the market which was controlled by a handful of firms established in the industry for decades. The industry in the beginning was plagued with lack of confidence due to myriad problems and a general lack of innovative risk solutions by the fledgling industry. Consequently, most of the major insurances were being placed abroad by clients limiting the growth of the market.

Halifax realized this limitation and started scouting for a partner who could provide an international resource base but would have an appetite and a long term view of Africa, especially Tanzania. The search finally zeroed on the Alexander Forbes Group (AFG) based in Johannesburg, South Africa. AFG had an international presence in 35 countries but considered Africa its home and remains the largest in Africa. Finally in 2002, AFG acquired 55% of Halifax and the name was changed to Alexander Forbes Tanzania.

Sanjay, with the new found expertise and support available from the AFG pool and with the help of a committed team of experts from Tanzania, Kenya and India, lead the company to become the market leader in a very short time. Alexander Forbes Tanzania currently controls a market share of more than 30%.

In a similar vein, Alexander Forbes Tanzania also outshone other companies within the Group to be awarded, the 'Trophy of Excellence' for three years in a row, a record or sorts. It remains a jewel in the Group giving one of the highest returns on investment with the fastest pay back.

Sanjay insists that the phenomenal growth has been possible by "just keeping the customer at the forefront and moving out of the groove to provide solutions to satisfy the customer".

President – Tanzania Insurance Brokers Association (TIBA) 2002-2006

TIBA is a professional body of the insurance and reinsurance broking companies in Tanzania. He has been one of the founder members of the Association and has been actively involved with it ever since. Earlier he officiated as the Deputy President in 2001.

Chairman – Insurance Day Organising Committee

Sanjay has been pro active in his participation with various organs in the insurance sector. Before he rose to become the President, he was twice appointed to chair the Organising Committee for the Insurance Day celebrations, an annual event for the insurance industry. In both the cases, the celebrations were a grand success and furthermore, the Committee was left with a surplus unlike in previous such events.

Founder- Innovida Tanzania

Sanjay has recently pioneered a new housing technology which provides affordable houses of the best quality within an amazingly short time. This he has done by getting into a joint venture with a leading US based company – Innovida Holdings. The preparations are in full swing and commercial production is expected to start before the end of the year. Initial feedback has been fabulous and the company expects to constructs around 20,000 houses in its first year of operation.

Annexure I - Alexander Forbes Tanzania Ltd

Alexander Forbes Tanzania is the personification of the dream and toil of Sanjay Suchak.

Coming from a very modest background and a third generation offspring of Indian migrant, Sanjay was barely able to complete his O levels. He immediately thereafter jumped into business trying his hand in transport; logistics; clearing & forwarding; and wholesaling & trading in various commodities from cement to alcohol which honed his business acumen and gave him an insight into almost every business and industry in the country. During that period he crisscrossed the length and breadth of the country giving him huge wide exposure to the whole populace and the living conditions etc.

In 1996, when the insurance sector was liberalized in the country, Sanjay decided to enter this green field industry. He incorporated the Halifax Insurance Agency which was one of the first intermediaries to be licensed in 1998. Not satisfied, with being just an agent, Sanjay almost immediately

**Director****Sanjay Suchak**

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**A Profile**

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Mr. Sanjay R Suchak is 41 years of age and is a citizen of Tanzania. He is a businessman with rich experience of 23 years in various trades and industries. He immediately went into business after completing his 'O' levels with flying colours.

Since the liberalization of the insurance sector, in 1997 he has been active in the sector. Along with leading Alexander Forbes as a Managing Director he has been playing a key role in related institutions and organs to empower the industry to grow and contribute to the national economy. His qualifications, experiences, leadership positions, visions and excellence are described as under:

Managing Director - Alexander Forbes Tanzania Ltd. (AFTL)

AFTL is the subsidiary of the Alexander Forbes Group based in South Africa. The Group is the largest provider of Risk and Financial Services in Africa and is a leading insurance broker in the country. Sanjay is the founder of the company.

The company has achieved great heights under his leadership. AFTL won the 'Excellence Trophy' within the AF Group for three consecutive years for overall performance which is an honour and a matter of pride for the country. AFTL is the biggest player in the insurance industry in Tanzania with the largest market share. (Refer Annexure I below)

President – Insurance Institute of Tanzania (IIT)

IIT is the apex body representing all the constituents of the insurance industry in Tanzania. Sanjay was elected as the President of the Institute with a substantial majority.

Chairman – Insurance Technical Committee – Financial Sector Assessment Programme (FSAP)

Sanjay was appointed by the Governor of Bank of Tanzania to Chair the above committee which is responsible to offer suggestions in the review of the insurance sector. The Committee was to closely work with the IMF and World Bank in presenting new ideas to ensure growth of the insurance sector

**Shivacom Foundation**

A non-governmental organization lending support to the struggle of poverty alleviation in the country

Tanil Somaiya is a patriot and committed to economic well-being and social welfare and has an insatiable thirst for growth.

## CV of the key management and employees are given below:

### Director

#### *Tanil Somaiya*

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#### A Profile

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Tanil Somaiya was born in Mwanza on 7<sup>th</sup> July 1965. After finishing his schooling in 1982, he ventured into importation and general trading until 1990. From 1990 to 1994 he was the Managing Director of Sonia Industries Ltd, the sole distributor of Colgate Palmolive (U.S.A.). From 1994 to 1997 Sonia Industries was sole distributor for Shivji & Sons (producer of laundry soap) and Unilever East Africa, a subsidiary of Proctor and Gamble. From 1997 to 2000 Tanil Somaiya ventured into textile milling as Managing Director of Afritex Limited and then incorporated Shivacom Tanzania in the year 2000, Super Dealer for Vodacom Tanzania (a subsidiary of Vodacom S.A.). In the year 2006 the Shivacom Group was formed to acquire other businesses in Tanzania.

Tanil Somaiya, under the holding company Shivacom Group of Companies, is the Managing Director for:

- |  |  |
|--|--|
| <b>Shivacom Tanzania:</b>                            | The leading service provider for Vodacom Tanzania, in operation since the year 2000.   |
| <b>Incar Tanzania Limited:</b>                       | Exclusive distributor in Tanzania of Iveco trucks, Tempo pickups, New Holland tractors, Iveco generators, Kirloskar generators, Dynapac construction equipment and J K tyres. Incorporated in the year 1966 first as Fiat Tanzania and then as Space Creation Limited in 1972. |
| <b>Ultimate Security Tanzania:</b>                   | Tanzania's leading security service provider, in operation over 22 years, established in 1986.   |
| <b>Visual Magic Tanzania:</b>                        | Tanzania's largest advertising and promotion company having exclusive contract with Vodacom Tanzania and in operation since the year 2001.   |
| <b>Stefnat Engineering &amp; Technical Services:</b> | Class 1 Building Contractors specializing in high grade finishing work since the year 1995.  |
| <b>Pam Golding Properties East Africa</b>            | Franchisee of The Pam Golding International Property Group which was founded in 1976 and is South Africa's largest independent residential and commercial property company.  |
| <b>Shivacare Tanzania:</b>                           | Hiring of vehicles, mainly to the Group sister companies, established in the year 2003.  |
| <b>Estia Real Estate:</b>                            | Dealing in real estate, mainly for corporates, operating since 1997.   |
| <b>Alexander Forbes Tanzania</b>                     | Shareholding in Alexander Forbes, a leading insurance company in Tanzania.   |

.....  
Space Creation Tanzania Limited

### **3.0 THE SHAREHOLDERS**

3.1 The company is owned by following Shivacom Group of Companies Ltd, Mr. Sanjay Suchak and Manoj Shinde. Shareholding pattern is given below: -

Shivacom Group of Companies Limited	-	500 shares
Mr. Sanjay Suchak	-	400 shares
Mr. Manoj Shinde	-	50 shares
<b>Total</b>	<b>-</b>	<b>1000 shares</b>

3.2 The company management has got tremendous experience in different type of business which includes, telephone, real-estate, insurance, security services, automobile, promotional printing and advertising etc. Further, there is solid support from the collaborator Innovida International of USA. They are also ready to provide Financial Assistance and Technical Consultancy, wherever necessary. They are ready to be partner of 50:50 in loan funding.

### **4.0 MANAGEMENT**

4.1 The Company has got experienced Managing Director who has got diversified experience in various field of business. Tanil Somaiya, Managing Director of the company has got over 25 years of experience in various industries such as production industry, in mobile communication, security, real estate, printing and advertising, construction, and normal trading business. The company expects that it can take advantage of his vast and diversified experience of business.

4.2 Further, the company has got experienced staff at operational level, which can benefit the company in terms of achieving optimum efficiency in operations.

Tanzania. The technology is from Innovida Holdings, a multinational company operating out of the United States.

- 2.3 The product will be path-breaking and an important mile stone in the construction industry since it will reduce the construction cost by more than half making it affordable to the ever expanding urban population in the country. The initial response from prospective buyers has been phenomenal.
- 2.4 In order to achieve the objective mentioned in point no. 2.1 to 2.3 above, the company plans to have the building structure for installing the required plant and machineries for the Assembly line and other associated equipments which will enable to make the complete project run efficiently and viable. Details of the additions proposed to be made to the assets are given in Annexure - 6 of this proposal.

## **1.0 INTRODUCTION**

- 1.1 This study has been carried out by Space Creation Tanzania Limited., a company incorporated in Tanzania under the Companies Act 2002, vide certificate of incorporation number 64554 for the purpose of determining the economic viability for its new upcoming project of Panel production for construction of building. This proposed expansion will help the country to meet the increasing demand for houses in Tanzania.
- 1.2 The infrastructural development which include accommodation (Housing development projects), Road, Railway, Air transport and power sector combined we can say infrastructure and development has been a thrust area of the Government over the years. The efforts undertaken by the Government resulted in increased housing, transportation, power generation facilities in the country and with the economic liberalisation, it has given the desired boost and incentives for investors to plough back their profits into productive channels.
- 1.3 The company was promoted with the prime objective of Manufacturing Panel for constructing easy and fast housing development project, providing support to the Educational facility, Defence, other manufacturing, mining and other sectors of the economy and thereby contribute to the socio-economic development of the nation.

## **2.0 THE PROJECT**

- 2.1 The company has been promoted to own a factory, whereby factor produces the composite Panels for constructing easy, fast and affordable houses around the country.
- 2.2 The Company has obtained an exclusive licence to manufacture Composite Panels, a high tech product to be used as construction material in the very booming housing market in United Republic of

**FEASIBILITY STUDY FOR SPACE CREATION TANZANIA LIMITED**

TABLE OF CONTENTS

1.0 INTRODUCTION ..... 2

2.0 THE PROJECT ..... 2

3.0 THE SHAREHOLDERS ..... 4

4.0 MANAGEMENT ..... 4

5.0 MARKET STUDY ..... 14

6.0 EMPLOYMENT GENERATION ..... 14

7.0 FINANCIAL ANALYSIS ..... 15

    7.1 Land and Buildings ..... 15

    7.2 Plant and Machinery & Electrical Fittings ..... 16

    7.3 Motor Vehicles ..... 16

    7.4 Generators ..... 16

    7.5 Office Equipments & Furniture ..... 16

    7.6 Means of Financing ..... 16

    7.7 Profit & Loss Account ..... 17

    7.8 Financial Ratio Analysis ..... 18

    7.9 Cash Flow Statement ..... 20

8.0 ECONOMIC ANALYSIS ..... 20

9.0 CONCLUSION ..... 21

<b>Investment Breakdown</b>	<b>US\$/Tshs. Million</b>
Land/Building	.....1,666.....
Plant	.....7,520.....
Vehicles	.....1,460.....
Furniture & Fittings	.....420.....
Pre-expenses	.....
Others (Equipments)	.....
Working Capital	.....
<b>TOTAL</b>	<b>.....11,066.....</b>

**Contact Details:**

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Telephone: ... **+255 22 266 7250** .....

Fax: ... **+255 22 266 7293** .....

Email: ... **tanil@shivacomgroup.co.tz**

## APPLICATION SUMMARY

Company Name: .....Space Creation Tanzania Ltd.....

Certificate of Incorporation Number: ...64554..... Status: Limited Company  
Certificate of Incorporation Date: ...6<sup>th</sup> March 2008.....

Post Box: .....72106.....

Town: .....Dar es Salaam.....

Sector: ... Manufacturing ..... Sub-Sector: .....Fibre Panels .....

### Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
...NIL.....	...1,000.....	.....9,540.....	.....9,540.....

**Project Objectives:**...The company was promoted with the prime objective of Manufacturing and Panel for constructing easy and fast housing development project providing support to the Educational facility, Defence and other manufacturing, mining and other sectors of the economy and thereby contribute to the socio-economic development of the

**Capacity:** ... We will have a production capacity of 10,000 sq meters of panels per day.

**Employment:** Foreign: ...12.... Local: .....108 Total: .....120..

**Implementation Period:** ... 3 Years ...

### Project Location

Site/Plot/Block No.: Plot No. 104-110.....

Street: Nyerere Road, Dar es Salaam.. District: ...ILALA... Region:... Dar es Salaam....  
(Attach sketch map showing project location)

### Shareholders

	Nationality	%
...M/s Shivacom Group of Companies Ltd.	...Tanzanian.....	...50...
...Mr. Sanjay Suchak	...Tanzanian ...	...45...
...Mr. Manoj Shinde	...Indian.....	... 5...

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ .....11,066,147,000.....

8. The month and day of the financial year end is ...March 31<sup>st</sup>.....

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\$ ..... Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

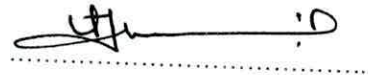
I, ... **Tanil Somaiya**.....of Post Office Number.....**72106**... **Dar es**

**Salaam** ..... do solemnly and sincerely declare that I am a Director / duly authorized agent of ...**Space Creation (T) Ltd**.....

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

Declared at Dar es Salaam

The...1st ...day of ...November ....2008}



Applicant

Before me:



Commissioner for Oaths

Attach only where applicable, otherwise indicate "N/A"

THE 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.....**Tanil Somaiya** .....
- (~~Managing Director~~/Directors/~~Agent~~ of...**SPACE CREATION TANZANIA LTD**.....  
(name of business enterprise) apply for registration of...**Certificate of Incentives**.....  
Under Section 17 of the Act and Part IV of the Investment Regulations, 2002.
2. The registered office of the company will be situated at.....**Plot No. 40, Ali Hassan Mwinyi  
Oysterbay, Dar es Salaam, P O. Box - 72106**.....

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... **Plot No. 40, Ali Hassan Mwinyi  
Oysterbay, Dar es Salaam, P O. Box - 72106**
4. The Principal Officers of the Company are.....  
.....**Mr. Tanil Somaiya** .....
5. Auditors of the Company are.....**Not Appointed yet**.....
6. The authorized share capital of the Company is shs./US\$.....**10,000,000,000**.....

# Application

: Page 2:

We kindly request your good office to approve our additional investment under the Investment (Promotion and Protection) Act No. 10 of 1990 and issue a Certificate of Approval to that effect. Should you have any queries in relation to the above, please do not hesitate to contact us.

Thanking you in advance.

For, **SPACE CREATION TANZANIA LIMITED,**



(Tanil Somaiya)  
Director

Encl.:

- a) Form No. PA 1 duly filled, signed and sealed.
- b) Feasibility Study.
- c) Business Plan.
- d) Copies of Registration Documents namely, Copy of Memorandum and Articles of Association, Certificate of Incorporation, Business License, TIN Registration.
- e) Copy of Latest Annual Return and Certificate from BRELA and copy of letter from BRELA confirming the current shareholders and directors.
- f) Copy of contracts from Innovida International & Shivacom group of companies confirming to fund the project.

# SPACE CREATIONS TANZANIA LTD

Ref: SPACE /TIC/14022008/1  
1<sup>st</sup> November 2008

**THE EXECUTIVE DIRECTOR,  
TANZANIA INVESTMENT CENTRE  
P O Box 938  
DAR ES SALAAM**

Dear Sir,

**REF: APPLICATION FOR OBTAINING CERTIFICATE OF APPROVAL  
FOR EXPANSION**

We wish to introduce ourselves as M/s Space Creation (T) Limited to be engaged in the business of production of fiber composite Panel of different size for constructing houses in Tanzania using new technology imported from Innovida International.

Our promoters developed a reputation and track record in Tanzania in different business segments such as Telecommunication, Insurance, Security Services, Promotional Printing & Advertising, Real estate to name a few. The produced fiber panels will be used for construction the houses trough out Tanzania. The total project cost for addition of capital assets amounts to T Shs 11,066 Million.

We attach herewith Form No. PA 1 duly filled, signed and sealed together with the feasibility study, business plan and required documents supporting the application form.

// continued on page 2//



# Covering Letter

## SPACE CREATIONS TANZANIA LIMITED

### TABLE OF CONTENTS

Section No.	Details of Contents
I	Covering Letter
II	Form No. PA 1
III	Feasibility Study
IV	Business Plan
V	Details of Fixed Assets Addition
VI	Copy of Latest Annual Return and Certificate from BRELA confirming the current Shareholders and Directors
VII	Copy of Letter from Shivaicom Group of Companies & Inovida International confirming to finance the investment in Capital Assets
VIII	Board Resolution confirming the investment after receipt of approval for investment from TIC
IX	Copies of Registration documents namely, Memorandum and Articles of Association Certificate of Incorporation Business License TIN Registration
X	Copies of Lease Rent Agreement With Incar

APPLICATION SUBMITTED FOR OBTAINING

**CERTIFICATE OF INCENTIVE**

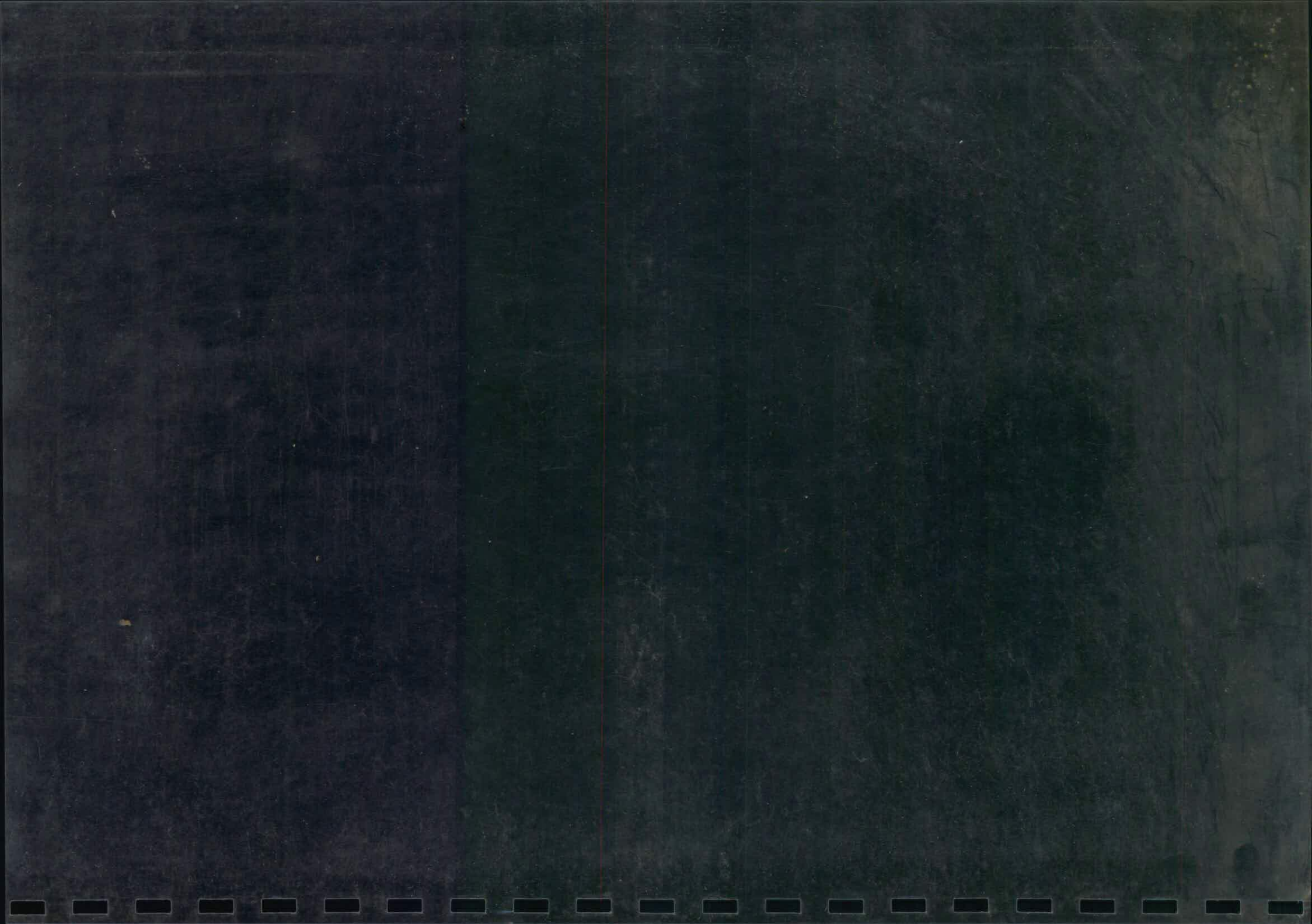
**UNDER TANZANIA INVESTMENT ACT  
1997, SECTION 17 & 18 AND INVESTMENT  
REGULATIONS: REGULATION 42, GOV-  
ERNMENT NOTICE NO. - 318A OF 2002**

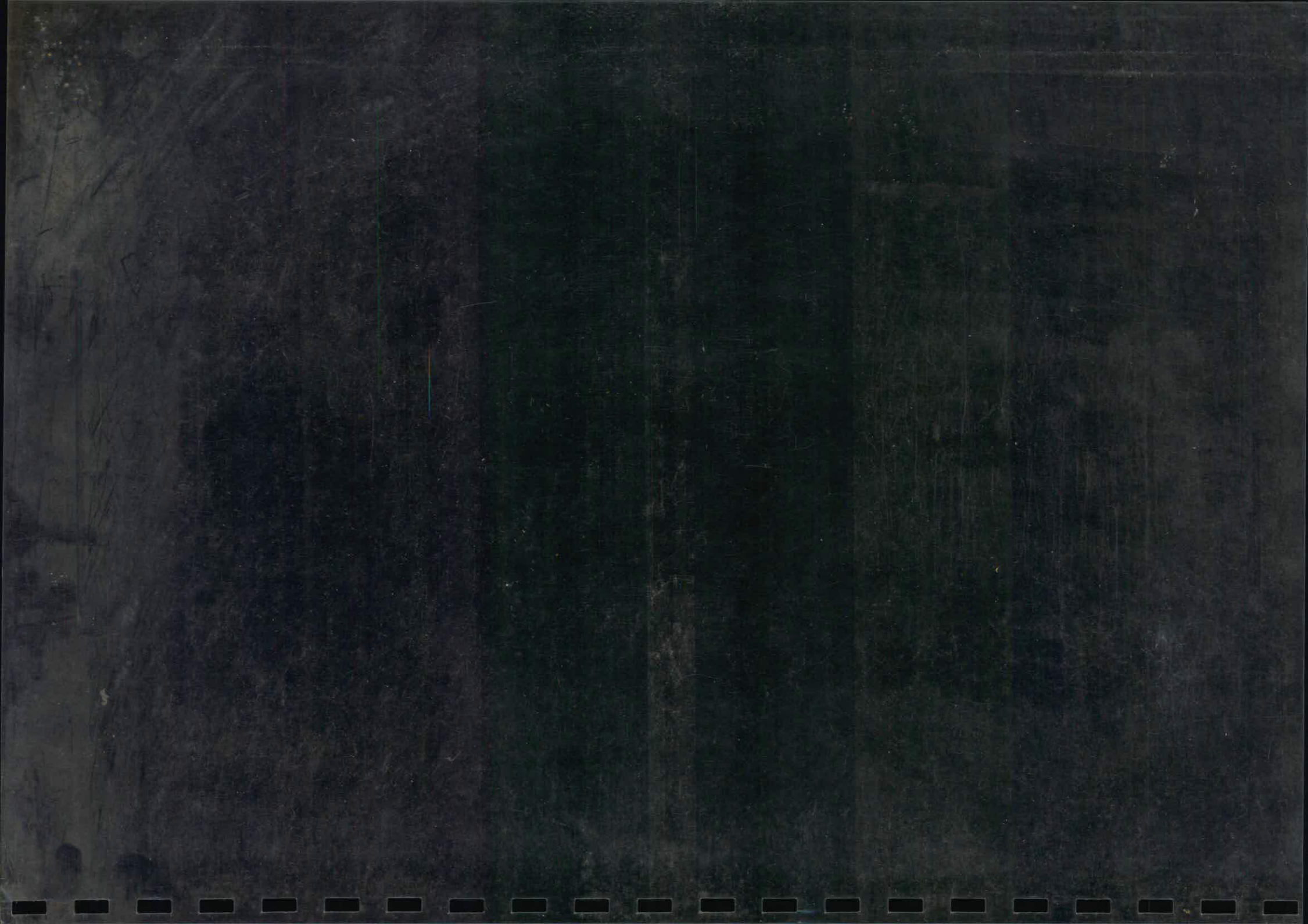
**TO**

**DIRECTOR GENERAL  
TANZANIA INVESTMENT CENTRE  
9A & B SHABAN ROBERT STREET,  
P.O. BOX - 938  
DAR ES SALAAM, TANZANIA**

*November 2008*

SPACE CREATION TANZANIA LIMITED  
Plot No – 40, Ali Hassan Mwinyi Road  
P O Box 72106, Dar es Salaam  
Tel. : 022-2667250  
Fax : 022-2667293  
E-mail : tanil@shivacomgroup.co.tz





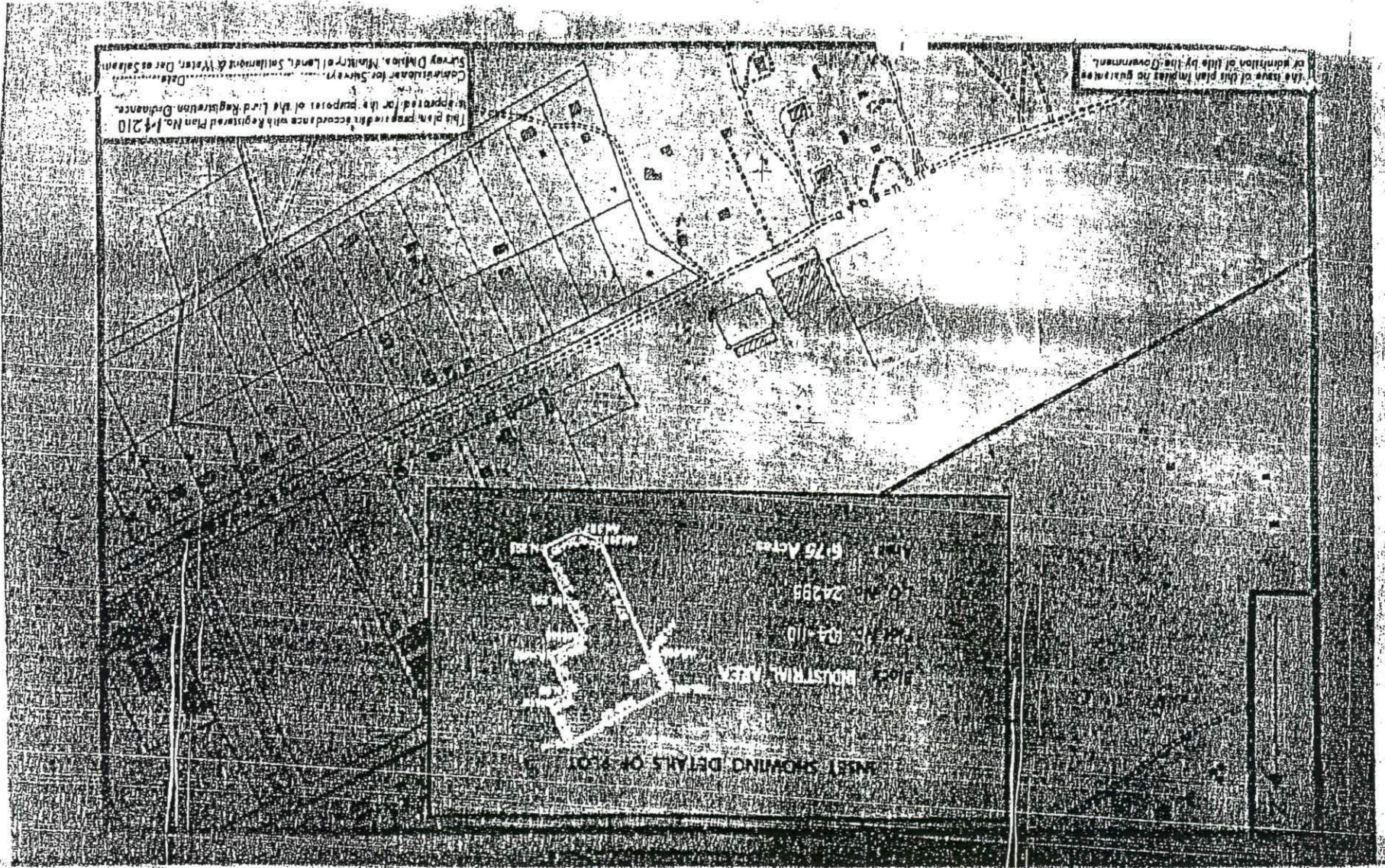
SUBDIVISION OF PLOTS No. 104-110 INTO PLOTS No. 107, 109 & 110 POGU ROAD TIRUPATI  
TEMEKE DISTRICT BAR PETSALAM CITY

see plan no D/545/D

TOP Drawing 150/369

SCALE 1:1000  
Amended/modified by  
Project copies 5/11/16

Standard sheet  
No. Taken by  
No.

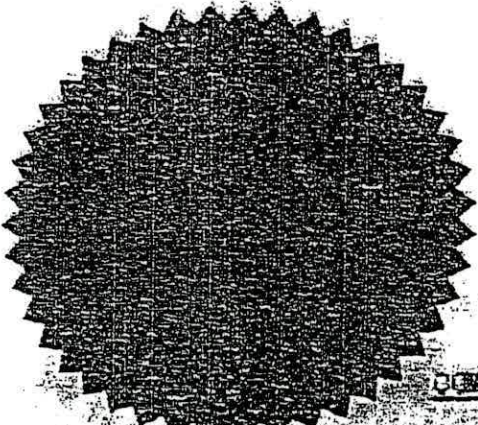




SCHEDULE

ALL that land known as Plots Nos. 104-110 Industrial Area Pugu Road in the City of Dar es Salaam containing in the aggregate Six decimal point seven five (6.75) acres shown for identification only edged on the plan attached to this Certificate and defined on registered survey plan numbered 14210 deposited at the Office of the Commissioner for Surveys at Dar es Salaam.

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



COMMISSIONER FOR LANDS.

The within-named FIAT TANZANIA LIMITED hereby accepts the terms and conditions contained in the foregoing Certificate of Occupancy.

SEALED with the COMMON SEALS  
of the said FIAT TANZANIA  
LIMITED, and delivered in the  
presence of us this 20th  
day of January 1969.

(Signature) *Sally Spain*  
A. G. H. WAPPIN

(Postal Address) 30348  
Nairobi, Kenya

(Qualification) Director

(Signature) QUEENSW. TRUSTEES LIMITED.  
Secretary

(Postal Address) ...  
Secretary

(Qualification) ...

6. The Occupier shall further :-

- (i) make and maintain on the land throughout the term adequate arrangements for water supply, drainage and disposal of trade refuse and effluent to the satisfaction of the Authority;
- (ii) make and keep all the buildings on the land rat-proof and carry out such measures as the Medical Officer of Health for the Authority may require for this purpose;
- (iii) provide and maintain on the land such ablution facilities and take and maintain such hygienic measures as may be required by the said Medical Officer of Health;
- (iv) provide for the loading and unloading of goods within the boundaries of the land to the requirements of the Authority.

7. The Occupier shall pay to the Minister or demand made by the Commissioner on his behalf :-

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

8. The land and buildings to be erected thereon shall be used solely for General Industrial purposes as defined in Use Group 'O' in Town and Country Planning (Use Classes) Regulations, 1960.

9. The President may revoke the Right for good cause.

- (iii) Within three months from the date of notification by the Authority of approval of the plans and specifications referred to in sub-paragraph (ii) above begin building on the land in accordance with such plans and specifications;
- (iv) Complete the buildings according to the plans and specifications so that they are ready for use and occupation by the thirty-first day of March 1970;
- (v) At all times after the thirty-first day of March 1970, have on the land approved buildings to the value of not less than Shs.1,240,000/- and maintain them in good order and repair to the satisfaction of the Commissioner for Lands (hereinafter called "the Commissioner");
- (vi) Not erect or commence to erect on the land any building except in accordance with building plans and specifications which shall first have been approved by the Authority as hereinbefore provided;
- (vii) Be responsible for the protection of all beacons on the land throughout the term of his Right. Missing beacons will have to be re-established at any time at the Occupier's expenses as assessed by the Commissioner for Surveys and Mapping.

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

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

(ii) Occupation or use of the whole or any part of the land or buildings on it by any person other than the Occupier or his employees or agent or contractor shall be deemed a dealing with the land or buildings.

5. The Commissioner shall have an absolute discretion to give or withhold consent under condition 4. Any dealing or agreement (other than a mortgage or charge) entered into before compliance with condition 5(iv) will not receive consent except in special circumstances of which the Commissioner shall be the sole judge.

REGISTERED  
18 February 69  
11.00 a.m.  
Stamp  
Registrar of Lands

L.O. No. 24007  
L.O. No. 24012

Stamp Duty Paid 2/-  
Revenue No. 068729  
G-9-68

Stamp Duty 444/-  
068729  
CERTIFICATE OF OCCUPANCY G-9-68

The Sombaya 8<sup>th</sup> day of February 1969  
One thousand nine hundred and sixty-

Title No. 186078/2

THIS IS TO CERTIFY that PLAT TANZANIA LIMITED (hereinafter called "the Occupier") is entitled to a Right of Occupancy (hereinafter called "the Right") in and over the land described in the Schedule hereto (hereinafter called "the Land") for a term of Ninety-nine years from the First day of April One thousand nine hundred and sixty-eight according to the true intent and meaning of the Land Ordinance and subject to the provisions thereof and to any regulations made thereunder and to any enactment in substitution therefor or amendment thereof and to the following special conditions :-

1. The Occupier having paid rent up to the thirtieth day of June 1969, shall thereafter pay rent of Three thousand six hundred Shillings (Shs.3,600/-) a year in advance on the first day of July in every year of the term without any objection PROVIDED that the rent may be revised by the Minister for the time being responsible for Lands (hereinafter called "the Minister") on the first day of July in each of the years 1988, 2008, 2028 and 2048 or within five years thereafter in each case.
2. In this Certificate the City Council of Dar es Salaam is called "the Authority".
3. The Occupier shall :-
  - (i) Erect on the land buildings (hereinafter called "the buildings") to the value of not less than Shs.1,240,000/- designed for use in accordance with the conditions of the Right and which conform to the building line (if any) decided by the Authority;
  - (ii) By the thirtieth day of September 1968, submit to the Authority such plans for the buildings (including block plans showing the position of the buildings) and such drawings, elevations and specifications of them as will satisfy the Authority and as are in accordance with the building condition in sub-paragraph (i) above which said plans and specifications shall be submitted in triplicate;

TANZANIA

# CERTIFICATE OF OCCUPANCY

(Issued under Section 9 of the Land Ordinance)

Date of Issue:

Date Number: 126078/2

Land Office Number: 24395.

Land: Plots Nos. 104-110, Pugu Road, Dar es Salaam.

Term: Ninety-nine years.



# Certificate of Title

Number **136078/2**

106

*This Certificate of Title is a valuable document and should be kept in a safe place. It must not be mutilated or written upon. It must be produced with any application for the registration of any disposition or transmission of the land.*

*Any person intending to acquire any estate or interest in the land should search the land register for any official entries to satisfy himself that no caveat, injunction, or other order affecting the land has been entered in the land register since this Certificate of Title was issued.*

*The description of the land hereon and this Certificate of Title is not, nor is the plan hereon, a guarantee of the title or the land registered, conclusive as to the boundaries or extent of the land, but indicates the general boundaries only.*

M.D. CONSULTANCY  
RECEIVED  
29 NOV 2006  
M.D. ....  
L.K. ....

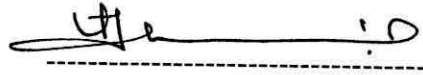
**I certify that this is  
the True Copy of the  
Original**

**H. A. MNGOYA (ADVOCATE)**

- e) That any Notice under this Lease shall be in writing. Notice to either party shall be deemed to be sufficiently served if sent by registered mail at the respective postal address shown above.

IN WITNESS WHEREOF the parties hereto have executed these presents on the day ..... and in the manner hereinafter appearing.

SIGNED for and on behalf of the said  
SPACE CREATIONS TANZANIA LTD  
of P.O. Box. 72106, Dar es Salaam.  
This .....



-----

SIGNED by the said  
INCAR TANZANIA LIMITED  
of P.O. Box. 20479, Dar es Salaam.  
This.....



-----

**THE LESSOR HEREBY CONVENANTS WITH LESSEE as follows:**

- a) To pay all existing and future taxes, assessments, impositions and out-goings which are payable by the Lessor or which may hereafter be imposed or charges on the Lessor in respect of the demised premises.
- b) To maintain the exterior of the demised premises together with the main structure walls. Electrical wiring and drainage in the demised premises in good tenantable repair and condition.

**THE LESSOR AND THE LESSEE HEREBY MUTUALLY AGREE AND DECLARE as follows:**

- a) That the Lessee paying the rent herein before and performing and observing the several covenants and stipulations on its part contained herein shall be entitled peacefully to hold and enjoy the demised premises during the terms hereby created without any interruption by the Lessor or any person rightfully claiming or in trust for the Lessor.
- b) That if the rent hereby reserved or any part thereof shall be unpaid for 14 days after becoming payable (whether legally demanding or not) or if any covenant on the Lessee's part herein contained shall not be performed, observed, then in any of the said cases, it shall be lawful for the Lessor at any time thereafter to consider the lease upon the demised premises or any part thereof in the name of the whole to be terminated but without prejudice to any right or action of the Lessor in respect of any breach of Lessee's covenant herein contained.
- c) That if the Lessee shall be desirous of terminating this lease before the expiration of the term hereby created, then the Lessee shall give to the Lessor a prior notice of two (2) calendar months or forfeit 2 months' rent in lieu of such notice and in the event of such termination the Lessor shall refund to the Lessee the rent for the balance period of lease, if any.
- d) That the Lessee shall confirm in writing to the Lessor their intention to renew the Lease at least 2 months before the expiration of the Lease and that should this notice not be given, the Lessor shall assume that the Lessee has no intention of renewing the Lease and that this Lease shall fall into disrepair on its expiry.

  
\_\_\_\_\_

## RENTAL LEASE AGREEMENT


INCAR TANZANIA LIMITED of Post Box 20479 Dar es Salaam (hereinafter called "the Lessor" which expression shall where the context so admits include his successors and assigns) hereby LEASES to SPACE CREATIONS TANZANIA LIMITED (hereinafter called "The LEASEE") which expression shall where the context so admits include its successors and assign) all those premises located on Plot No. 109-110, Nyerere Road, Dar es Salaam (hereinafter called "The Demised Premises") for the term of five (5) years from 31<sup>st</sup> day of January, 2009 to the 30<sup>th</sup> day of January, 2015 at the monthly rent of United States Dollars 40,000.00 (US\$ forty thousand only) payable in advance. There will be an increase in monthly rental amount by 5% every year for the tenure of the agreement, post completion of the first year. The agreement will be renewable by either party by agreement on conclusion of the five year period subject to the provisions noted below.

### **THE LESSEE HEREBY COVENANTS WITH THE LESSOR as follows:**

- a) To pay the rent in the manner aforesaid
- b) To pay to the Lessor and when due or demand the monthly bills for the supplies of electricity; security, water and sewerage charges to the demised premises during and attributable to the period of occupation by the Lessee and which amounts shall be paid six months in advance to the Lessor.
- c) To keep the interior of the demised premises in good tenantable repair and condition except for fair wear and tear damage.
- d) To permit the Lessor to visit the premises leased, whenever the latter shall consider fit.
- e) Not to make any alternations or additions to the demised premises without the prior written consent of the Lessor.
- f) Not to assign, sub-lease or part with the possession of the demised premises or any part thereof without the written consent of the Lessor.
- g) To use the demised premises for the purpose of commercial use.
- h) Not to use or permit to be used the demised premises in a way, which would create nuisance or annoyance.
- i) To maintain and keep in proper working order all water and related services such as pumps and water tanks, drainage and electric services. Repairs, if any, will be done at by the Lessee at his own cost.
- j) To yield up the demised premises at the expiration or termination of the term

I Certify that this is  
the True Copy of the  
Original

  
H. A. MNGOYA (ADVOCATE)



**Copies of Lease Rent  
Agreement with Incar**

CTIN.: 00307600



# 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**

SPACE CREATIONS TANZANIA LIMITED.

.....

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

106-690-774

.....

with effect from 06-May-2008

.....

JOANNES N. A. MALLY

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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



TFN. 226  
(Rev. 2/96)

M 5522  
B1

JAMHURI YA MUUNGANO WA TANZANIA

# LESENI YA BIASHARA

## B N° 01126831

(Imetolewa chini ya Sheria ya Leseni za Biashara Na. 25 ya Mwaka 1972, marekebisho ya mwaka 1980 na masharti yaliyo nyuma)

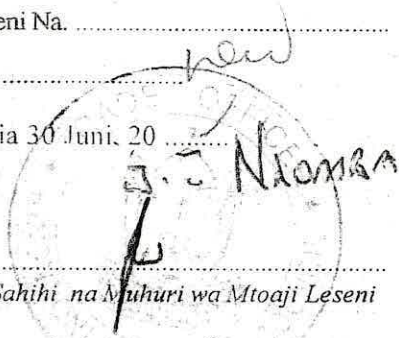
\*Futa isiyotakiwa.

1. Ofisi iliyotolewa Kinondoni Municipal Council
2. Nambari ya Ushuru wa mapato 106 690 774
3. Leseni imetolewa kwa Space Creations T2 LTD  
kuendesha biashara ya Investment Management Consulting  
katika Wilaya/Kanda\* ya Kinondoni Mtaa Aly Hassan
4. Ni ya Shina/Tawi\*  
Ada Sh. nil Nambari ya Stakabadhi.....  
ya tarehe.....
5. Mpya inaendeleza\* muda wa leseni Na. ....  
ya tarehe.....  
(ii) Muda wa leseni hii utaishia 30 Juni, 20.....

Tarehe.....

7/8/08

Sahihi na Muhuri wa Mtoaji Leseni



GP. DSM

Boa 72106 ASH

# TANZANIA



## Certificate of Incorporation

Section 15

No 64554

I HEREBY CERTIFY THAT

**SPACE CREATIONS TANZANIA 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 6TH day of MARCH


**TWO THOUSAND AND EIGHT**

Assist. Registrar of Companies

Names, Addresses, and Description of Subscribers.	Number of shares taken by each Subscriber	Signature
SANJAY SUCHAK P. O. BOX 76939 DAR ES SALAAM	950	
MANOJ SHINDE P. O. BOX 76939 DAR ES SALAAM	50	

Dated at Dsm this 6<sup>th</sup> day of MARCH 2008

Witness to the above signatures

Name : REUOCATUS M.  
 Signature :   
 Postal Address : P.O. BOX 2226  
 Qualification : ADVOCATE



## NOTICES

- 114 A notice may be given by the Company to any member either personally or by sending it by post to him or to his registered address, or (if has registered address in Tanzania, to the address, if any, within Tanzania supplied by him to the Company for the giving of notices to him. Where a notice is sent by post, service of the notice shall be deemed affected by properly addressing, prepaying and posting a letter containing the notice and, unless the contrary is proved, to have been effected at the time at which the latter would be delivered in the ordinary course of post.
- 115 If a member has no registered address in Tanzania and has not supplied to the Company an address within The Republic of Tanzania for the giving of notices to him, a notice addressed to him, and displaced in the registered office of the company, shall be deemed to do dully given on the day on which it is so displayed.
- 116 A notice may be given by the Company to the join holders of a share by giving the notice to the join holder named first in the register in respect of the share.
- 117 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 it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or trustees of the bankrupt, or by any like description, at the address, if any, in the United Republic of Tanzania supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice an any manner in which the same might have been given if the death or bankruptcy had not occurred.
- 118 Notice of any general meeting shall be given in the same manner hereinbefore authorised to (a) every member of the Company except those members who (having no registered address within the United Republic of Tanzania) have not supplied to the Company an address within The United Republic of Tanzania for the giving of notices to them, (b) every person entitled to share inconsequency of death or bankruptcy of a member, who, but for his death or bankruptcy, would be entitled to receive notice of the meeting and (c) the auditors for the time being of the company. No other person shall be entitled to receives notices of general meetings.

## WINDING UP

- 119 If the Company shall be wound up the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Companies Act 2002 divide amongst the members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such decision shall be carried out as between the members or different classes of members. The Liquidator may, with sanction, vest the whole or any part of the assets in trustees up on such trusts for the benefit of the contributors as the liquidator, with the like sanction shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

## INDEMNITY

120. Subject to the provisions of the Companies Act 2002 every director, managing director, agent, auditor, secretary and other officer for the time being of the Company shall be indemnified any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted.

108. A copy of every balance sheet (including every document required by the law to be annexed thereto) which is to be laid before the Company in General meeting before the date of the meeting together either a copy of the auditors report, shall not less than twenty one days be sent to every member of, and every holder of debentures of, the Company and to every person registered under regulation 19. Provided that the regulation shall not require a copy of those documents to be sent to any member of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

#### CAPITALISATION OF PROFITS

109. The Company in general meeting may upon the recommendation of the directors resolve that the desirable to capitalise 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 accordingly that such sum be set free for distribution amongst the members who would have been entitled there to distributed by law of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unused shares or debentures of the Company to be allotted and distributed, credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other, and the directors shall give effect to such resolution.

Provided that a share premium account and capital redemption reserve fund my, for the purpose of this regulation, only be applied in the paying up of unused shares to be issued to members of the Company as fully paid bonus shares.

110. Whenever such resolution as aforesaid shall have been passed the directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issue of fully paid up shares or debentures, if any, and generally shall do all acts and things to give effect thereto, with full power to the directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they as they think fit for the case of share of debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any other shares or debentures to which they may be entitled up on such capitalisation, or (as the case may require) for the payment up by the Company or their behalf, by the application thereto of their respective proportions of the profits of the resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares, and may agreement made under such authority shall be effectively and binding on all such members.

#### AUDIT

111. Auditors shall be appointed and their duties regulated in accordance with the law for the time being governing the business of auditors, specifically of a company like this;
112. If a member has no registered address in Tanzania and has not supplied to the Company an address within The Republic of Tanzania for the giving of notices to him, a notice addressed to him, and displayed in the registered office of the company, shall be deemed to do dully given on the day on which it is so displayed.
113. The company shall have powers to make rules, circulars, and regulations etc. pecifically for purposes of governing any matter or activity of the company.

been approved for sealing by the Auditors, Transfer Auditors, Transfer Agents or Bankers of the Company in writing.

#### DIVIDENDS AND RESERVE

97. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the directors.
98. The directors may from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the Company.
99. No dividends shall be paid otherwise than out of profits.
100. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid on the shares, but if and so long as nothing is paid up on any of shares in the Company dividends may be declared and paid according to the amount of the shares. No amount paid on a share in advance of call shall, while carrying interest, be treated for purpose of this article as paid on the share.
101. The directors may, before recommending and dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the descretion of the directors, be applicable for meeting contingencies, or for equalising dividends, or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like descretion, 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.
102. If several persons are registered as joint holders of any share any one of them may give effectual receipts for any dividends payable on the share.
103. No dividend shall bear interest against the Company.

#### ACCOUNTS

104. The directors shall cause proper books of accounts to be kept with respect to:-  

All sums of money received and expended by the Company, and the matters in respect of which the receipt and expenditure takes place.

All sales and purchases of goods by the Company; and The Assets and liabilities of the Company. Proper books of account means such books as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.
105. The books of accounts shall be kept at the registered office of the Company, or at such other place or places as the directors think fit, and shall always be open to the inspection of the directors.
106. The directors shall from time to time determine whether and to what extend and at what time and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being directors, and no member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by statue or authorised by the directors or by the Company in general meeting.
107. The directors shall from time to time in accordance with section 123 of the Companies Act 2002 or any statutory modification thereof for the time being in force, cause to be prepared and to be laid before the Company in general meeting such profit an loss accounts, balance sheet, group accounts (if any) and reports as are referred to in those sections.

86. The continuing directors may act notwithstanding any vacancy in the body, but, if and so long as their number is reduced below the number fixed by or pursuant to these articles as the quorum of directors, the continuing director may act for the purpose of increasing the number of directors to that number, or summoning a general meeting of the Company, but for no other purpose.
87. The Directors may elect a chairman of their general meeting and determine the period for which he is to hold office; but if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be chairman of their meeting.
88. The directors may delegate any of their powers to committees consisting of such members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegate conform to any regulation that may be imposed on them by the directors.
89. A committee may elect a chairman of their meeting; if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose any of their number to be chairman of the meeting.
90. A committee may meet and adjourn as they think proper. Questions arising at any meeting shall determined by a majority of votes of the members present, and in the case if an equality of votes the chairman shall have a second or casting vote.
91. All acts done by any meeting of the directors or of a committee of directors, or any person acting as a director, shall, notwithstanding that it afterwards discovered that there was some effect in the appointment of any such directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed to be a director.
92. A resolution determined on without any meeting of directors and evidenced by writing under the hands of all directors, or sole director, or of all members of a committee, or of sole member of a committee, shall be as valid and effectual as a resolution duly passed at meeting of the directors or of such committee.

#### SECRETARY

93. The secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may removed by them.
94. No person shall be appointed or hold office as a Secretary who is:-
- (a) the sole director of the Company; or
  - (b) a corporation the sole director of which is the sole director of the Company; or
  - (c) the sole director of a corporation which is the sole director of the Company
95. A provision of the Companies Act 2002 or these regulations requiring or authorising a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of the secretary.

#### THE SEAL

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

79. The directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property, uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt liability or obligation of the Company or of any third party.
80. The directors shall duly comply with the provisions of the Companies Act 2000 or any statutory modification thereof for the time being in force, and particular with the provisions in regard to registration of the particulars of mortgages and charges affecting the property of the Company, or created by it, and to keeping a register of the directors and secretaries, and to sending to the Registrar of Companies an annual list of members, and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital, or conversion of shares into stock, and copies of special and extraordinary resolutions, and a copy of the register of directors and notification of any changes therein.
- 8.1 The directors shall cause minutes to be made in the books provided for the purpose:-
- (a) Of all appointments of officers made by the directors;
  - (b) Of the names of the directors present at each meeting of the directors and of any committee of the directors;
  - (c) Of all resolutions and proceedings at all meetings of the Company, and of the directors, and of committees of directors and every director present at any meeting of directors or committee of directors shall sign his name in a book to be kept for that purpose.

#### DISQUALIFICATION OF DIRECTORS

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

#### PROCEEDINGS OF DIRECTORS

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

## DIRECTORS

71. The first directors shall be not less than two in number and shall be appointed by the subscribers to the Memorandum of Association. Unless and until otherwise determined by the Company by ordinary resolution the number of directors shall not be less than two.
72. The names of the first directors of the Company are as follows:
1. SANJAY SUCHAK
  2. MANOJ SHINDE
73. (1) The remuneration of the directors shall from time to time be determined by the Company in general meeting.
- (2) In addition to their usual remuneration the directors shall also be paid such traveling, hotel and other expenses as may reasonably be incurred by them in the exercise of their duties, including any such expenses incurred in connection with their attendance at meetings of director.
74. Any director any in writing appoint any person, who is approved by the majority of the directors, to be his alternate to act in his place at any meeting of the directors to which he is unable to be present. Every such alternate shall be entitled to notice of meetings of the directors and to attend and vote there at as a director when the person appointing him is not personally present, and where he is a director, to have a separate vote on behalf of the director he is representing in addition to his own vote. A director may at any time in writing revoke the appointment of an alternate appointed by him. Every such alternate shall be an officer of the Company and shall not be deemed to be the agent of the director appointing him. The remuneration of such alternate shall be payable out of the remuneration payable to the director appointing him, and the proportion thereof shall be agreed between them. An alternate director need not hold nay share qualification.
75. A director and alternate director shall not require a share qualification by nevertheless shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company.
76. The Company may by extraordinary resolution remove any director before the expiration of his period of office, and may by an ordinary resolution appoint another person in his stead. An vacancy occurring in the board of directors may be filled up by the Company by an ordinary resolution.

## POWERS AND DUTIES OF DIRECTORS

77. The business of the Company shall be managed by the directors, who may pay all expenses incurred in forming and registering the Company, and may exercise all such powers of the Company as are not, by the Companies Act 2002 or any statutory modification thereof, for the time being in force, or by these articles, required to be exercised by the Company in general meeting, subject nevertheless to the provisions of these articles and of the said Ordinance, and the exercise of such powers shall be subject to control of any general meeting of the Company specially convened for the purpose, but no resolution of the Company in general meeting shall invalidate any prior act of the directors which would have been valid if that resolution had not been passed.
78. The directors may from time to time appoint one or more of their body to the office of managing director or manager for such term and at such remuneration (whether by way of salary, or commission, or participation in profits, or partly in one way and partially in another) as they may think fit. The office of managing director shall be subject to determination ipso facto if he ceases from any cause to be a director, or if the Company in general meeting resolves that his tenure of the office of managing director or manager be determined.

- 62. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of member.
- 63. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, a curator bonus, or other person in the nature of a committee or curator boons appointed by that court, and any such committee, curator boons, or other person may, on a poll, vote by proxy.
- 64. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
- 65. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.
- 66. On a poll votes may be given either personally or by proxy.
- 67. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, either under the common seal, or under the hand of an officer or attorney so authorised. A member shall not be entitled to appoint more than one proxy to attend on the same occasion nor may a proxy vote except on a poll.
- 68. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a naturally certified copy of that power or authority shall be deposited at the registered office of the Company not less than forty-eight hours before the time for holding the meeting, or adjourned meeting, or taking of the poll at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
- 69. An instrument appointing a proxy may be in the following form, or in any other form which the directors shall approve:-

.....Limited

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

Signed this.....day of.....200.....

Signature of Member

- 70. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company and the person so authorised 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.

51. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; same as herein otherwise provided two members personally present shall be a quorum.
52. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, and, if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the meeting shall be dissolved.
53. The chairman, if any, of the board of directors shall preside as chairman at every general meeting of the Company.
54. If there is no such chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the members present shall choose some one of their number to be chairman.
55. The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
56. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least one member entitled to vote present in person or by proxy; and unless a poll is so demanded, a declaration by the chairman that the resolution has, on a show of hands, been carried, or carried unanimously, or by particular majority, or lost, and an entry to that effect in the minute book shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against the resolution.
57. If a poll is duly demanded it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be a resolution of the meeting at which the poll was demanded.
58. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or casting vote.
59. A poll demanded on the election of a chairman, or in a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs.
60. Any ordinary resolution of the Company determined on without any general meeting and evidenced by writing under the hands of all the directors or a sole director and of members of the Company holding three-fourths of the issued shares of the Company shall be as valid and effectual as an ordinary resolution duly passed at a general meeting of the Company duly convened and held.

#### VOTES OF MEMBERS

61. On a show of hands every member present in person shall have one vote. On a poll every member shall have one vote for each share of which he is the holder.

44. The Company may by ordinary resolution:-
- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (b) Sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the memorandum of association, subject, nevertheless, to the Companies Act.
  - (c) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person;  
and may by special resolution:-
  - (d) Reduce its share capital and any capital redemption reserve fund in any manner and with, and subject to, any incident authorised, and consent, required, by law.

#### GENERAL MEETINGS

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

#### PROCEEDINGS AT GENERAL MEETINGS

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

37. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall notwithstanding, remain liable to pay to the Company all moneys which, at the date of the forfeiture, were presently payable by him to the Company in respect of the shares, but his liability shall cease if and when the Company receive payment in the full of the nominal amount of the shares.
38. The holders for the time being of four-fifths of the issued shares in the Company shall be entitled at any time to purchase ex dividend all or any of the shares held by any member of the Company at a price equal to the sum paid up thereon and upon the tender of that price by the holders of four-fifths of the issued shares to any other member for the shares held by him that member shall execute transfer of the shares to the members by whom the tender is made or their nominees in such shares and proportions as they shall direct. If the member to whom the tender is made neglects or refuses to accept the sum tendered or to execute transfers of the shares the Company may on proof of his neglect or refusal accept and give a good discharge for the moneys tendered on behalf of the member to whom the same shall have been tendered, and the provisions of article 23 shall apply to the execution of transfer of the shares and the registration of the members by whom the tender was made or their nominees as owners of the said shares.
39. A statutory declaration in writing that declarant is a director of the Company, and that a share in the Company has been duly forfeited or expropriated on a date sated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase-money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture or expropriation, sale or disposal of the share.
40. The provisions of these articles as to forfeiture shall apply in the case of non-payment of any sum which, by terms of issue of share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### ALTERATION OF CAPITAL

41. The Company may, from time to time by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.
42. Subject to any direction to the contrary that may be given by the resolution sanctioning the increase of share capital, all new shares shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration to that time, or on receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the directors may dispose of the same in such manner as they think most beneficial to the Company. The directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares cannot, in the opinion of the director, be conveniently offered under this article.
43. The new shares shall be subject to the same provisions with reference to payment of calls, lien, transfer, transmission, forfeiture, expropriation, and otherwise as the shares in the original share capital.

being shall certify, by writing under his hand, to be in his opinion, the fair selling value thereof as between a willing vendor and a willing purchaser.

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

#### FORFEITURE OF SHARES AND EXPROPRIATION OF SMALL HOLDINGS

33. If a member fails to pay any call or installment of a call, on the day appointed for payment thereof, the directors may at any time thereafter during such time as any part of such call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
34. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited.
35. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the directors to that effect and such forfeiture shall extend to any dividends in respect of any share so forfeited not actually paid at the date of the said notice.
36. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the directors think fit.

21. The directors may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.
22. The directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him; and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding, without the sanction of any Company in general meeting, the bank rate existing from time to time as may be agreed upon between the member paying the sum in advance and the directors).

#### TRANSFER AND TRANSMISSION

23. Subject to the provisions hereinafter contained shares in the Company shall be transferable by written instrument in the common form signed by both the transferor and transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof.
24. The directors may in their absolute discretion and without assigning any reason therefore decline to register any transfer of shares to any person whom they do not approve not being already a member of the Company and may also decline to register any transfer of shares on which the Company has a lien. The directors may also suspend the registration of transfers during the fourteen days immediately preceding the ordinary general meeting in each year. The directors may decline to recognise any instrument of transfer unless:-
  - (a) A fee not exceeding shillings two hundred and fifty is paid to the Company in respect thereof; and
  - (b) The instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer.

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

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

shares held jointly by several persons the Company shall be bound to issue more than one certificate, and delivery of certificate of a share to one of several jointly holders shall be sufficient delivery to all.

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

#### LIEN

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

#### CALLS ON SHARES

17. The directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares, and each member shall (subject to receiving at least fourteen days notice specifying the time or times of payment) pay to the Company at the time or times of specified the amount called in his shares. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect hereof.
19. If sum called in respect of a share is not paid before or on the date appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at bank rate prevailing from time to time from the day appointed for payment thereof to the time of actual payment, but the directors shall be at liberty waive payment of the interest wholly or in part.
20. The provisions of these articles as to the liability of joint holders and as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the same has become payable by virtue of a call duly made and notified.

- b. The general authority conferred by paragraph (a) of this article shall be conditional upon due compliance with Article 48 hereof and shall extend to the amount of the authorized share capital of the Company upon its incorporation.
  - c. The Directors shall be entitled under the general authority conferred by paragraph (a) of this Article to make at any time before the expiry of such authority any offer or agreement which will or might require relevant securities of the Company to be allotted after the expiry of such authority.
4. If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends or other moneys payable in respect of such share.
5. No person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by or required to recognize and equitable, contingent, future or partial interest in any share or any right whatsoever in respect of any share other than an absolute right to the entirety thereof in the registered holder, except as by these Articles otherwise expressly provide or as required by law.

#### CAPITAL

6. The capital of the Company is 100,000,000,000/= divided into 1,000 shares of Shillings 100,000,000/= each.

#### SHARES

7. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the capital of the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine.
8. Subject to the provisions of Companies Act 2002, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable to be redeemed on such terms and in such manner as the Company before the issue of the shares may by Special Resolution determine.
9. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed not to be varied by the creation or issued of further shares ranking pari-passu therewith.
10. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied with the consent in writing of the holders of the three fourths of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate meeting the provisions of this articles relating to general meetings shall mutants apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy on-third of the issue shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll.
11. Every person whose name is entered as member in the register of members shall, without payment, be entitled to one certificate under the common seal of the Company specifying the share or shares held by him and the amount paid up thereon, provided that in respect of a share or

THE COMPANIES ACT 2002  
COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION  
OF

SPACE CREATIONS TANZANIA LIMITED

TABLE A EXCLUDE

1. The regulations in Table A in the First Schedule to the Company Act 2002 shall not apply to the Company, except so far as the same are repeated or contained in these Articles.

INTERPRETATION

In these Articles, unless the subject or context otherwise requires, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof:

WORDS AND MEANINGS

"Articles": these Articles of Association as originally framed or as altered from time to time by Special Resolution;

"A Shareholder": any holder from time to time of the Shares;

"The Directors": the directors for the time being of the Company present at a duly convened meeting of the directors at which a quorum is present;


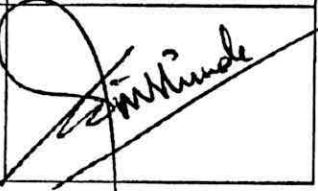
"The Office": the registered office for the time being of the Company;

"The Act": the Companies Act 2002 and every statutory modification and re-enactment thereof for the time being in force;

2. The Company is a Private Company and accordingly; no invitation or offer shall be made to the public (whether for cash or otherwise) to subscribe for any shares in or debentures of the Company, nor shall the Company allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public.

The Company may pay to any person a commission in consideration of his subscribing or agreeing to subscribe, whether absolute or conditional, for any shares in the Company : provided that such commission shall not exceed 10 per cent of the price at which such shares are issued, or an amount equivalent to such percentage; and the requirements of Section 56 of the Act shall be observed.


3. a. The Directors may subject to Article 48 hereof allot, grant options over, or otherwise deal with or dispose of any relevant securities of the Company in accordance with the provisions of these Articles and the Act to such persons and generally on such terms and conditions as the Directors think proper.

Names, Addresses, and Description of Subscribers.	Number of shares taken by each Subscriber	Signature
SANJAY SUCHAK P. O. BOX 76939 DAR ES SALAAM	950	
MANOJ SHINDE P. O. BOX 76939 DAR ES SALAAM	50	

Dated at Dsm this 6<sup>th</sup> day of MARCH 2008

Witness to the above signatures

Name : RELOCATUS M.

Signature : 

Postal Address : P.O. BOX 22016

Qualification : ADVOCATE



And is hereby declared:-

The word "company" in this clause, except where used in reference to this Company, shall be deemed to include any partnership or body of persons, whether corporate or incorporate, and whether domiciled in the United Republic of Tanzania or elsewhere, and.

The object specific in each of the paragraphs of this clause shall be regarded as independent object, and accordingly shall in no wise be limited or restricted (except where otherwise expressed in such paragraphs) by reference to or inference from the terms of any other paragraphs defined the objects of a separate and district company, and.

That the meaning of any general word or words in any paragraph of this clause shall not be restricted by being construed ejusdem heneris with any particular word or word in the same paragraph.

4. The Liability of the Members in Limited.
5. The capital of the Company is 10,000,000,000/= divided into 1,000 shares of Shilling 10,000,000/=.

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

Company may think fit and, in particular, for shares, stock, debentures or other securities of any other company, whether or not having objects altogether or in part similar to those of the company.

- rr) To distribute among the Members, in specie or in kind, any property of the Company or any proceeds of sale or disposal of any property of the Company but so that no distribution amounting to a reduction of capital shall be made except with any sanction for the time being required by law.
- ss) To undertake and execute any trust which may, in the opinion of the Directors of the Company, be conducive to any of the objects of the Company.
- tt) To act as agent, broker or trustee for any person or company and to act as secretary, manager, consultant, adviser book-keeper or registrar of or transfer agent for any other company.
- uu) To do all or any of the above things in any part of the world and either as principal, agent, trustee, contractor or otherwise and either alone or jointly with others and either by or through agents, trustees, sub-contractors or otherwise.
- vv) To procure the Company to be registered or recognised in any place outside the United Republic of Tanzania.
- ww) To do all such other things as are or may be deemed incidental or conducive to the attainment of any of the objects and the exercise of any of the powers of the Company.

Company, seem likely to benefit the Company, directly or indirectly, and to oppose any bills, proceedings or applications which may, in the opinion of the Directors of the Company, be likely, directly or indirectly to prejudice the interests of the Company.

- jj) To apply for, secure, acquire by grant, legislative enactment, assignment, transfer, purchase or otherwise and to exercise, carry out and enjoy any charter, licence, power, authority, franchise, concession, right or privilege which any government or authority, supreme, municipal, local or otherwise, or any corporation or any public body may be empowered to issue, confer or make and to pay for, aid in and contribute towards carrying the same into effect and to appropriate any of the Company's assets, shares, stock, debentures or other securities to defray the necessary costs and expenses thereof.
- kk) To pay out of the funds of the Company all expenses which the Company may lawfully pay for in or connection with the formation and registration of the Company or the issue of its capital.
- ll) To pay for any rights or property acquired by the company and to remunerate any person or company, by a cash payment or by the allotment of shares in the capital of the Company, credited as paid up in full or in part, by company or in any other lawful manner.
- mm) To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension, provident or superannuation funds for the benefit of and to give or procure the giving of donations, gratuities, pensions, allowances, benefits and emoluments to any persons who are, or were at any time, in the employment or service of the Company or of any company which is its holding company or subsidiary or which is allied to or associated with the Company or with any such holding company or subsidiary or who are, or were at any time, Directors or Officers of the Company or of any such other company as aforesaid or any persons in whose welfare the Company or any such other company as aforesaid is or has been at any time interested and to the wives, widows, families and dependents of any such persons; to establish and subsidise or subscribe to any institutions, association, clubs or funds considered by the Directors of the Company to be for the benefit of or to advance the interest the well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid; to make payments for or towards the insurance of any such persons as aforesaid; to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful purpose and to do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.
- nn) To adopt such means of making known the businesses, activities, products, goods and services of and articles dealt in and sold by the Company as may, in the opinion of the Directors of the Company, seem expedient.
- oo) To amalgamate, enter into partnership or into any arrangement for sharing profits, union of interest, co-operation, joint venture, reciprocal concession, limiting competition or otherwise, with any persons or company carrying on or engaged in or about to carry on or engage in any business or transaction which the Company is authorised to carry on or engage in or which can be carried on in conjunction with any business of the Company or which is capable of being conducted so as to benefit the Company, directly or indirectly.
- pp) To establish or promote or concur in establishing or promoting any company, association syndicate or partnership any kind to acquire and take over all or any part of the undertaking, property, assets and liabilities of the Company or for any other purpose which may, in the opinion of the Directors of the Company, be likely directly or indirectly, to benefit the Company and to place or guarantee the placing of, underwrite, subscribe for, conditionally or unconditionally, or otherwise acquire all or any of the shares, stock, debentures or other securities of any such other company.
- qq) To sell, exchange, lease, mortgage, charge or otherwise dispose of the property, assets or undertaking of the Company or any part thereof for such consideration as the Directors of the

- z) To carry on any other trade, business or activity whatsoever and to do anything of any nature which can, in the opinion of the Directors of the Company, be advantageously or conveniently carried on by the Company in connection with, as ancillary to or independently of any of its businesses.
- aa) To improve, manage, develop, turn to account, grant rights or privileges in respect of or otherwise deal with any of the property, rights and privileges of the Company.
- bb) To subscribe for, purchase or otherwise acquire and hold shares, stocks, debentures and other securities of any other company and to invest and deal with the monies of the Company in any manner.
- cc) To vest any moveable or immovable property, right, privilege or interest acquired by or belonging to the Company in any person or company on behalf of or for the benefit of the Company and with or without any declared trust in favour of the Company.
- dd) To apply for, purchase or otherwise acquire and protect and renew, in any part of the world, any patents, patent rights, brevets d'invention, copyrights, trademarks, designs, formulae, licences, concessions and the like, conferring any exclusive or non-exclusive or limited right to their use or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem likely, directly or indirectly, to benefit the Company and to use, exercise, develop or grant licences in respect of or otherwise turn to account the property rights or information so acquire and to expend money in experimenting upon, testing or improving any such inventions or property.
- ee) To acquire and undertake the whole or any part of the business, assets and liabilities of any person or Company carrying on or proposing to carry on any business which the Company is authorised to carry on or which can be carried on in conjunction with any business of the Company or which is capable of being conducted so as, directly or indirectly, to benefit the company or which is possessed of property suitable for the purposes of the Company.
- ff) To enter, with any government or authority, supreme, municipal, local or otherwise, or any person or company, into any arrangement that may seem to the Directors of the Company to be conducive to the attainment of the objects of the Company or any of them and to obtain from any such government, authority, person or company any rights, privileges, charters, contracts, licences or concessions which the Directors of the Company may think it desirable to obtain and to carry out, exercise and comply therewith.
- gg) To lend money or give credit to any person or company with or without security; to give guarantees or indemnities for the payment of money or the performance of contracts or obligations by any person or company; to secure or undertake in any way the repayment of money lent or advanced to or liabilities incurred by any person or company and otherwise to assist any person or company.
- hh) To receive money on deposit or loan and to borrow or raise money in such manner as the Directors of the Company may think fit and to secure repayment of the same or the payment or performance of any debt, liability, contract, guarantee or other engagement incurred or entered into or to be incurred or entered into by the Company, by the issue of debentures or debenture stock or legal or equitable mortgages or charges over all or any of the Company's property (both present and future) including its uncalled capital or in any other way and to purchase, redeem or pay off any such securities.
- ii) To open and operate banking accounts and to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, drafts, cheques, bonds and other negotiable or transferable instruments, to apply for, promote and obtain any statute, decree, order of court, regulation or other enactment or authorisation which may, to the Directors of the

formica, chipboard, plywood, limber and every other content used in the manufacturing of furniture and furnishing wood, requisites of all kinds and goods of every description.

- o) To carry on the business of garage proprietors and service station for motor vehicles of all kinds, to carry on the safe keeping, cleaning, repairing, refueling, panel beating, spraying and the general care of motor vehicles, aircraft, machinery, equipment and plant whether moved by mechanical power or not, implements, utensils, appliances, apparatus, fuel for internal combustion engines, lubricants, cements, solutions, batteries and accessories and all things capable of being used in connection with the said businesses or in the manufacture or maintenance of such vehicles, machinery, equipment and plant.
- p) To manufacture all kinds and varieties of mechanical appliances, instruments and machines and any and all processes and products essential thereto.
- q) To carry on the business of importers, exporters, buying selling, dealers in hardware, building materials, sanitary-ware, wall papers, roofing tiles, flooring tiles, supplying industrial equipment's agricultural implements and equipment's spares of every description, plumbers, decorators, steel fabrication, machine shop, nickel plating, electric plating, making steel windows, doors, frames and roof tresses.
- r) To carry on the business of mining of all types of minerals and gemstones including diamonds in all parts of the United Republic of Tanzania.
- s) To engage in and carry out the business of proprietors and managers of hotels, restaurants, cafes, road houses, motels, safari and holiday camps, caravan sites, guest houses, apartment housekeepers, refreshment and tea rooms, milk and snacks bars, tavern, beer house and lodging housekeepers and to provide food and catering services to individuals, private and public institutions and to industrial and business concerns.
- t) To promote tourism in Tanzania and elsewhere in Africa, to carry on business of travel and tourist agents and tour operators, to promote facilitate travelling to organise hunting, tented-camps, fishing and diving expeditions, safari promoters and undertakers generally and in particular to arrange and manager hunting safaris, photo safaris adventure tours, fishing trips, handling of game trophies and animal skins, catching, harbouring, transporting, wildlife and marine products of all kind.
- u) To carry on business of land acquisition and development, estate agency, management and maintenance of organizations buildings, compounds gardening, land scalping, soil erosion control and related land conservation and environmental protection.
- v) To carry on the business of marine salvage and construction, fishing and marketing of fish, including export of all kind of fish and fish products including prawns and all kind of marine products and to build cold storage system for fish and fish products, cold storage keepers and dealers in ice, ice block, general merchants, importers and exporters and dealer in goods and or articles of every description whatsoever.
- w) To engage in and or otherwise carry on the business of body fitness training club and healthcare, health clinics and day care centres.
- x) To appropriate any part or parts of the property of the company for the purpose of and to build or let shops, offices and other places of business and to use or lease any part of the property of the company not required for the purposes aforesaid for any purpose for which it maybe conveniently used or let.
- y) To provide or procure the provision by others of every and any service need want or requirement of any business nature required by any persons, firm or company in connection with any business carried on by them.

- g) To carry on the business of miners and mining in all their branches and for the said purpose to peg, purchase, take on lease, or exchange or otherwise acquire concessions, grants, easements, options, claims, properties, cassettes- and effects supposed to contain minerals, diamonds, or other precious stones, and any interest therein, and to explore, mine, work, excise develop and turn to account mines and mining rights and any undertaking connected therewith.
- h) To carry on the business as general traders, importers, exporters, suppliers, merchants, stockists, wholesalers, retailers and dealers in all types of electrical goods, hardware, building materials, spare parts and maintenance, tyres, tubes, tools and accessories for all types of automotive, motor vehicles, agricultural machinery, implements, equipment, all kinds of industrial projects machinery and equipment, timber, fishing gears, groceries, computers, office equipments, cooking oils, foodstuffs, oils, paints, spirits sheets, hinges, screws, iron mongery, textiles piece goods, all types of leather goods, shoes, bags and other similar goods.
- i) To carry on all or any of the business of transport, carriage and haulage contractors, owners and charter of road vehicles, aircraft, ships and boats of every description and carriers of goods and passenger by road, rail, water or air and to establish, acquire, maintain and operate transport service of every description both public and private and all services ancillary thereto and for such purposes or as independent undertakings to purchase, take in exchange, charter, hire, build, contract or otherwise acquire and to own, operate, work, manage, maintain, repair, service and deal with and in road vehicles, aircraft and vessels of every supplies therefore and to conduct any such business within the country or any other state in any other foreign country.
- j) To carry on the business of general merchants, general store-keepers, universal providers, importers, exporters, and wholesale and/or retail traders of or otherwise dealers of and in piecewood, paints, hardware, glassware, crockery, cutlery, ironmongery, turners and other household fittings and requirements and other articles and commodities of personal and household use and consumption provisions, textiles, groceries, medicines, drugs, wines, spirits, liquors, chemical, surgical, optical, photographic and other instruments, apparatus and materials, and motor vehicles, automobiles and generally in all manufactured goods of all types, and merchandise of all kinds.
- k) To carry on the business as general suppliers of all sorts and types of goods and services to individuals, offices, industries, shops, schools, factories, hospitals, army, military, ministries and all other government offices, universities and all other places where the services of a supplier are needed.
- l) To carry on the business as consultants, commission agents, court brokers, debt collectors, revenue collector, public auctioneers, insurance agents, general brokers, importers, exporters, manufacturers representatives, land and estate agents, technical advisors, clearing and forwarding agents, and all businesses and trades incidental or similar thereto or required to be or capable of being carried on in conjunction therewith.
- m) To carry on the business of clearing and forwarding agents, commission agents, transporters, freighters, hauliers, customs bonded warehouse and godown keepers, cargo and travel agents, insurance agents, tourist agents, manufacturers' representatives, road contractors, cargo superintendents, packers, machinery haulage specialists, warehousemen, engineers, electricians, motor cars, cabs, omnibus, lorries, oil tank and coach proprietors and transporters, civil transport contractors and transporters by any other means of conveyance of people and goods in Tanzania and the neighbouring countries and in such other place or places as may from time to time be determined by the company, engage in and or otherwise carry on the business as transporters and transport agents, freight forwarders.
- n) To promote, establish and carry on the business of manufactures, distributors, representatives and agents for all kinds and types of furniture of every description, including processing or wood,

THE COMPANIES ACT 2002

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

SPACE CREATIONS TANZANIA LIMITED

1. The name of the company is "SPACE CREATIONS TANZANIA LIMITED"
2. The Registered Office of the Company will be situated in Tanzania.
3. The objects for which the Company is established are:-
  - a) To carry on the business and act as managers of investments and investment company, real estate agents, property managers, developers, valuers, decorators, engineers and to generally be able to carry out activities of any description with regards to land, property and real estate, investment in any type of property, buildings, lands, securities, bonds, shares and any property act as a holding company with subsidiaries and invest in any projects as the company may think fit.
  - b) To carry on the business of real estate affairs; apartment house management; apartments renting of real estate leasing of; real estate agencies; real estate appraisal; real estate brokers; real estate management; rent collection; rental of offices real estate renting of apartments; renting of flats and realty administrators of buildings, services of letting or valuation, builders, contractors for construction works, renovation, decoration and demolition and to purchase otherwise acquire land for houses, offices, workshops and building premises.
  - c) To enter into contracts, agreements and arrangements with other companies nationally and internationally, for the carrying out of the business of property development, real estate agents and property managers and undertake direct investment in property and provide venture capital to prospective real estate developers, housing finance facilities to buyers and purchasers, lease, exchange or otherwise acquire land and properties of any tenure whatsoever in Tanzania and globally.
  - d) To carry on business as property developers, acquire, build, construct maintain alter, pull-down, remove and replace any building, factories, mills, offices and clear sites for the same, in doing any the things aforesaid work, manage, control and rent out the estates developed and to lease, manage, improve, develop, mortgage or otherwise deal with all or any part of the assets, movable or immovable property in the opinion of the company being advantageously or inconveniently carried on by the way of extension or in connection with business extension.
  - e) To engage and or carry on the business of engineering, general civil works, constructions, buildings, renovations, office partitioners, decoratories, maintainers of dilapidated buildings, plumbing, furniture manufactures, suppliers and exporters, residential and office furnishers and general to be designers and fabricators of all kinds of gadgets whatsoever, to be timber processors, plumbers, sawmillers and suppliers of all kinds of timber, to be hardware and building materials suppliers, manufactures of electrical equipments and suppliers of same.
  - f) To carry on all their respective branches all or any of the business of builders masonry and general construction contractors and haulers and among other things to construct, execute, carry out, equip, improve, work and advertise railways, roadways, tramways, docks, harbours, wharves, canals, water-courses, reservoirs, embankments, irrigations, reclamations, sewage, drainage and other sanitary works, water, gas, mechanic, electric and other supply works, houses buildings and erections of every kind and to carry on any other business in connection with the above mentioned business.

**Copies of  
Certificate of Incorporation,  
Memorandum & Articles of  
Association, Business License,  
TIN Registration**

# SPACE CREATIONS TANZANIA LTD

BOARD MEETING OF THE MEMBERS  
OF  
SPACE CREATION (T) LIMITED  
Held in Dar es Salaam on 1<sup>st</sup> November, 2008

Directors : Mr. Tanil Somaiya (Chairman)  
Mr. Sanjay Suchak (Director)  
Mr. Manoj Shinde (Director)

## SPECIAL RESOLUTION

Resolved unanimously that the company should proceed with project of investment of T Shs 11066 Million for installation of factory for producing fiber composite panels for construction of housea as per the project report submitted to TIC. As indicated in the TIC Application, the part of the project will be funded by the group companies and balance by internal accruals.

Further resolved that a copy of this resolution is made available to Tanzania Investment Centre for the purposes of issuance of Certificate of Approval.

There being no other business, the meeting was concluded with the consent of the chair.

For, SPACE CREATION (T) LIMITED

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**Board Resolution  
confirming investment in  
Capital Assets**



1<sup>st</sup> November, 2008

Ref: ShivacomGroup/Space/188/08

The General Manager  
Space Creations Tanzania Limited  
P O Box 72106  
DAR ES SALAAM

Dear Sir

**RE: FUNDING OF PROJECT**

We at Shivacom Group congratulate you and wish you the very best in your up-coming project of manufacturing composite panels for construction of affordable houses around the country.

As per your request, the Board of Directors of Shivacom Group has approved an unsecured loan of T.Shs. 4,769,808,000 payable in 12 quarterly installments with a moratorium period of one year. The loan will carry an interest @ 16% per annum.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Tanil Somaiya", with a small circle at the end of the stroke.

Tanil Somaiya  
Managing Director

**Shivacom Group of Companies**

P O Box 72106, Dar es Salaam Tel: +255 22 2667250, Fax: +255 22 2667293  
Email: admin@shivacomgroup.com

walls of innovation

innovida

1<sup>st</sup> November, 2008

The General Manager  
Space Creations Tanzania Limited  
P O Box 72106  
DAR ES SALAAM

Dear Sir

**RE: FUNDING OF PROJECT**

We at Innovida Group congratulate you for selecting the Innovida technology for construction of affordable houses around the country and wish you success.

As per your request, the Board of Directors of Innovida International has approved an unsecured loan of T.Shs. 9,539,616,000 payable in 12 quarterly installments with a moratorium period of one year. The loan will carry an interest @ 16% per annum.

Yours sincerely,



Uli Schwartau  
Director

**Copy of Letter from  
Group Companies  
confirming to finance  
the investment in  
Capital Assets**

No: 64554

~~FEE PAID SHS. 15,000/=~~  
RECEIPT NO. 31618497  
DATE 09/04/08

THE COMPANIES ACT, 2002  
SPACE CREATIONS TANZANIA LIMITED

CERTIFIED MEMBERS RESOLUTION




Special Resolution of the Board of Members of Space Creations Tanzania Limited duly convened and held on 4<sup>th</sup> April 2008 at its Registered Office

RESOLVED:

1. That a total of 500 shares held by Sanjay Suchak of P O Box 76939 Dar es Salaam be and are hereby surrendered to the company.
2. That total of 500 shares be and are hereby allotted to Shivacom Group of Companies Ltd. of P O Box 72106, Dar es Salaam.
3. That Tanil Somaiya of P O Box 72106, Dar es Salaam be and is hereby appointed to be the Director of the company.

We, the undersigned hereby certify the foregoing to be true and bonafide extract of the deliberation and Resolution passed by the company.

  
DIRECTOR

  
DIRECTOR

FEE PAID 892. 15,000/=  
 RECEIPT NO. 3162297  
 DATE 09/04/08

17/150007

Form 55a  
 9/4/08

THE UNITED REPUBLIC OF TANZANIA  
 BUSINESS REGISTRATIONS AND LICENSING AGENCY



Return of Allotment of Shares  
 Pursuant to Section 55(1) of the Companies Act 2002

Company Number

Company Name in full

Shares allotted (including bonus shares)

Date or period during which shares were allotted:  
 (If shares were allotted on one date, enter that date in the "from" box)

From:   
 To:

Class of Shares (ordinary or preference etc)	ORDINARY		
Number allotted	500		
Nominal value of each share	10,000,000/=		
Amount (if any) paid or due on each share			

List the names and addresses of the allottees and the number of shares allotted overleaf  
 If the allotted shares are fully or partly paid up otherwise than in cash please state:

% that each share is to be treated as paid up

Consideration for which the shares were allotted (this information must be supported by the duly stamped contract or by the duly stamped particulars on form 55b if the contract is not in writing).

FOR OFFICIAL USE ONLY

UNITED REPUBLIC OF TANZANIA EXCHEQUER RECEIPT

Station	Warrant Holder	Originator's Reference

Receipt No. 31618497

3

Vote	Sub-Vote	Item	Sub-Item

RECEIVED FROM SPACE CREATIONS

56	60	64

SUM OF SHILLINGS (WORDS) Fourty five Thousand only

AND CENTS

RESPECT OF Filing fee from SSA 8109 & Resolution

CASH/CHEQUE No. Cash

STATION DSM

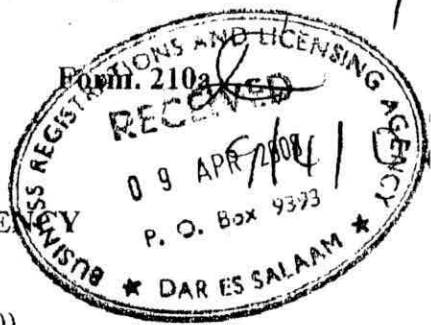
RECEIVING OFFICER'S SIGNATURE [Signature]

Print Name

HK 150007

FEE PAID SHS. 15,000/-  
RECEIPT NO. 31618497  
DATE 09/02/08

THE UNITED REPUBLIC OF TANZANIA  
BUSINESS REGISTRATIONS AND LICENSING AGENCY



Appointment of a Director or Secretary  
(Not for resignation (Use Form 210b) or change of particulars (Use Form 210c))  
Pursuant to Section 210 of the Companies Act, 2002

Company Number: 64554

Company Name (in full): SPACE CREATIONS TANZANIA LIMITED

Date of appointment: 4<sup>th</sup> APRIL 2008

Appointment as director:

Appointment as secretary:

Name: (First Name(s)) TANIL

(Surname) SOMAIYA

Previous name(s):

Address: (usual residential)  
P O BOX 72106 DAR-ES-SALAAM  
10 KENYATTA DRIVE, OYSTEBAY  
KINONDUNI - DAR-ES-SALAAM

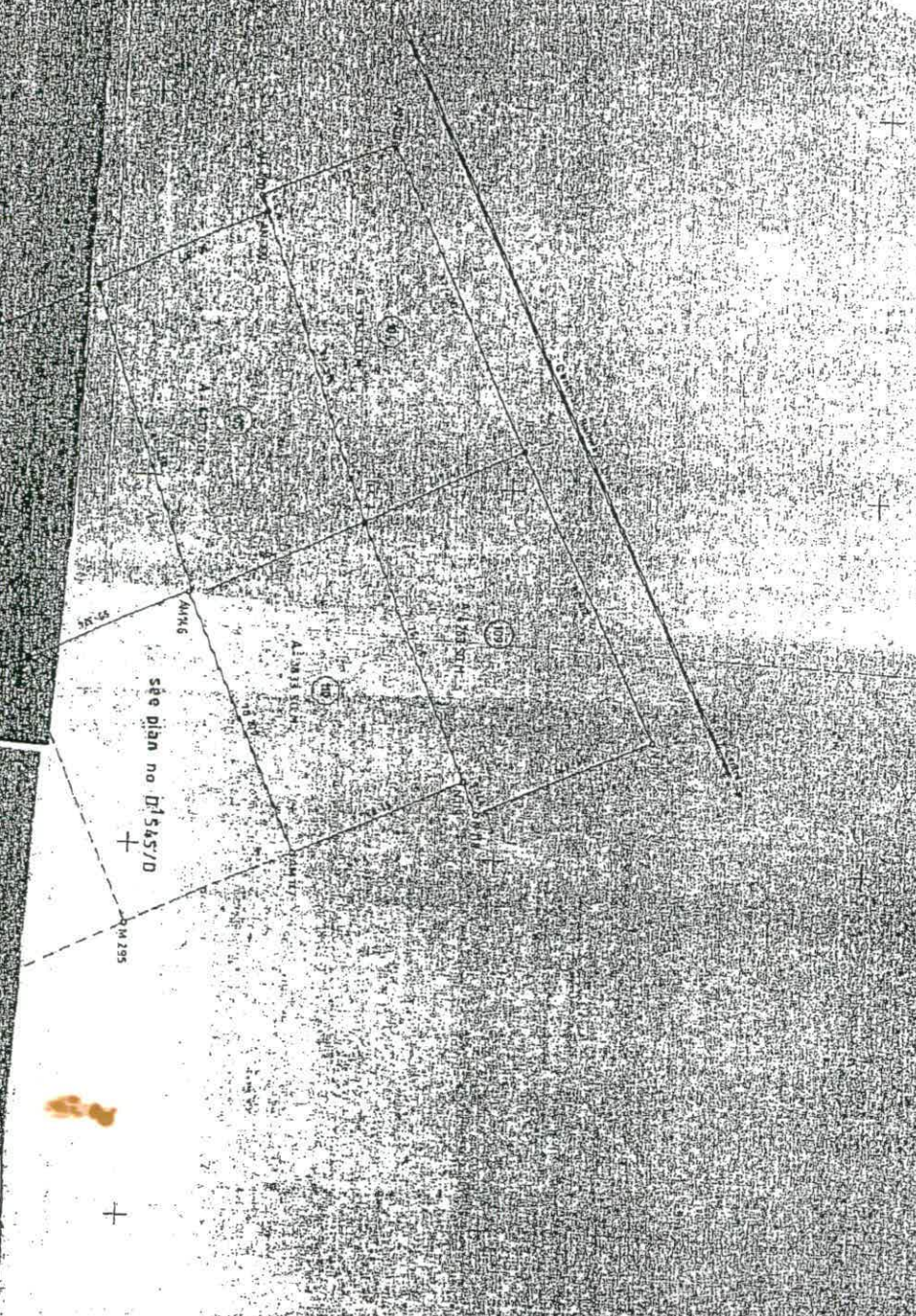
Nationality: TANZANIAN

Date of Birth:

(continued on next page)

FOR OFFICIAL USE ONLY.

SUBDIVISION OF PLOTS No 107-110 IN 0 PLOTS No 107, 108 & 110 POSU-HOAJDIAM  
TEMEKE DISTRICT BARLES SALAMAT FENDI



F.T.P.D.D.No. 150/366

3 00 25 E

SCALE 1:1000

Amended & signed by

11/11/77

Photostat copy sent to

Standard sheet

Drawn by

No.



PLAN SHOWING DETAILS OF FOOT

INDUSTRIAL AREA

104-110

24288

6.75 Acres



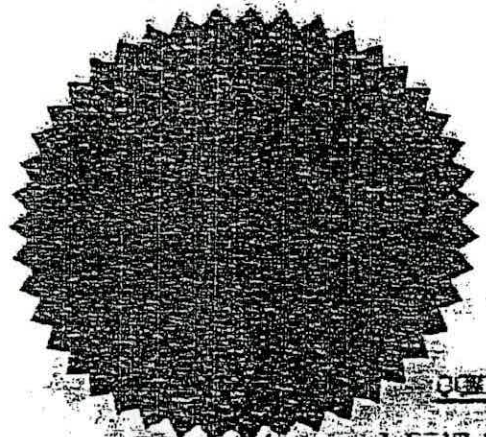
The issue of this plan implies no guarantee of admission of title by the Government.

This plan, prepared in accordance with Registered Plan No. 14210 is approved for the purposes of the Land Registration Ordinance.  
Commissioner for Surveys, Date.....  
Survey Division, Ministry of Lands, Settlement & Water, Dar es Salaam.

SCHEDULE

ALL that land known as Plots Nos. 104-110 Industrial Area Pugu Road in the City of Dar es Salaam containing in the aggregate Six decimal point seven five (6.75) acres shown for identification only edged on the plan attached to this Certificate and defined on registered survey plan numbered 14210 deposited at the Office of the Commissioner for Surveys at Dar es Salaam.

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



COMMISSIONER FOR LANDS.

The within-named FIAT TANZANIA LIMITED hereby accepts the terms and conditions contained in the foregoing Certificate of Occupancy.

SEALED with the COMMON SEALS of the said FIAT TANZANIA LIMITED and delivered in the presence of us this 20th day of January 1969.

(Signature) *Sally P. ...*  
A. G. H. ...

(Postal Address) ...  
Nairobi, Kenya

(Qualification) ...

(Signature) QUEENSW. TRUSTEES LIMITED.  
Secretary.

(Postal Address) ...  
Secretary

(Qualification) ...

6. The Occupier shall further :-

- (i) make and maintain on the land throughout the term adequate arrangements for water supply, drainage and disposal of trade refuse and effluent to the satisfaction of the Authority;
- (ii) make and keep all the buildings on the land rat-proof and carry out such measures as the Medical Officer of Health for the Authority may require for this purpose;
- (iii) provide and maintain on the land such ablution facilities and take and maintain such hygienic measures as may be required by the said Medical Officer of Health;
- (iv) provide for the loading and unloading of goods within the boundaries of the land to the requirements of the Authority.

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

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

8. The land and buildings to be erected thereon shall be used solely for General Industrial purposes as defined in Use Group 'O' in Town and Country Planning (Use Classes) Regulations, 1960.

9. The President may revoke the Right for good cause.

- (iii) Within three months from the date of notification by the Authority of approval of the plans and specifications referred to in sub-paragraph (ii) above begin building on the land in accordance with such plans and specifications;
- (iv) Complete the buildings according to the plans and specifications so that they are ready for use and occupation by the thirty-first day of March 1970;
- (v) At all times after the thirty-first day of March 1970, have on the land approved buildings to the value of not less than Shs.1,240,000/- and maintain them in good order and repair to the satisfaction of the Commissioner for Lands (hereinafter called "the Commissioner");
- (vi) Not erect or commence to erect on the land any building except in accordance with building plans and specifications which shall first have been approved by the Authority as hereinbefore provided;
- (vii) Be responsible for the protection of all beacons on the land throughout the term of his Right. Missing beacons will have to be re-established at any time at the Occupier's expenses as assessed by the Commissioner for Surveys and Mapping.

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

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

(ii) Occupation or use of the whole or any part of the land or buildings on it by any person other than the Occupier or his employees or agent or contractor shall be deemed a dealing with the land or buildings.

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

DOCUMENT 186078/2  
REGISTERED  
18 February 69  
11.00 AM  
Stamp  
Registrar of Lands

T.O. No. 10007.  
L.T. No. 10008.

Stamp Duty Paid 2/3  
Receipt No. 068729  
G-9-68  
The Zomba

Stamp Duty 440/-  
068729  
CERTIFICATE OF OCCUPANCY G-9-68  
18th day of February Zomba

One thousand nine hundred and sixty-

Title No. 186078/2

THIS IS TO CERTIFY that FIAT TANZANIA LIMITED (hereinafter called "the Occupier") is entitled to a Right of Occupancy (hereinafter called "the Right") in and over the land described in the Schedules hereto (hereinafter called "the Land") for a term of Ninety-nine years from the First day of April One thousand nine hundred and sixty-eight according to the true intent and meaning of the Land Ordinance and subject to the provisions thereof and to any regulations made thereunder and to any enactment in substitution therefor or amendment thereof and to the following special conditions :-

1. The Occupier having paid rent up to the thirtieth day of June 1969, shall thereafter pay rent of Three thousand six hundred Shillings (Shs.3,600/-) a year in advance on the first day of July in every year of the term without any deduction PROVIDED that the rent may be revised by the Minister for the time being responsible for Lands (hereinafter called "the Minister") on the first day of July in each of the years 1988, 2008, 2028 and 2048 or within five years thereafter in each case.
2. In this Certificate the City Council of Dar es Salaam is called "the Authority".
3. The Occupier shall :-
  - (i) Erect on the land buildings (hereinafter called "the buildings") to the value of not less than Shs.1,240,000/- designed for use in accordance with the conditions of the Right and which conform to the building line (if any) decided by the Authority;
  - (ii) By the thirtieth day of September 1968, submit to the Authority such plans for the buildings (including block plans showing the position of the buildings) and such drawings, elevations and specifications of them as will satisfy the Authority and as are in accordance with the building condition in sub-paragraph (i) above which said plans and specifications shall be submitted in triplicate;

TANZANIA

**CERTIFICATE OF OCCUPANCY**

(Issued under Section 9 of the Land Ordinance)

Date of Issue:

Title Number: 126078/2

Land Office Number: 24995.

Land: Plots Nos. 104-110, Pugu Road, Dar es Salaam.


Term: Sixty-Nine years.



- e) That any Notice under this Lease shall be in writing. Notice to either party shall be deemed to be sufficiently served if sent by registered mail at the respective postal address shown above.

IN WITNESS WHEREOF the parties hereto have executed these presents on the day ..... and in the manner hereinafter appearing.

SIGNED for and on behalf of the said  
SPACE CREATIONS TANZANIA LTD  
of P.O. Box. 72106, Dar es Salaam.  
This .....



A handwritten signature in black ink, appearing to be 'Ute', written over a horizontal dashed line.

SIGNED by the said  
INCAR TANZANIA LIMITED  
of P.O. Box. 20479, Dar es Salaam.  
This.....



A handwritten signature in black ink, appearing to be 'Rayen', written over a horizontal dashed line.

**THE LESSOR HEREBY CONVENANTS WITH LESSEE as follows:**

- a) To pay all existing and future taxes, assessments, impositions and out-goings which are payable by the Lessor or which may hereafter be imposed or charges on the Lessor in respect of the demised premises.
- b) To maintain the exterior of the demised premises together with the main structure walls. Electrical wiring and drainage in the demised premises in good tenatable repair and condition.

**THE LESSOR AND THE LESSEE HEREBY MUTUALLY AGREE AND DECLARE as follows:**

- a) That the Lessee paying the rent herein before and performing and observing the several covenants and stipulations on its part contained herein shall be entitled peacefully to hold and enjoy the demised premises during the terms hereby created without any interruption by the Lessor or any person rightfully claiming or in trust for the Lessor.
- b) That if the rent hereby reserved or any part thereof shall be unpaid for 14 days after becoming payable (whether legally demanding or not) or if any covenant on the Lessee's part herein contained shall not be performed, observed, then in any of the said cases, it shall be lawful for the Lessor at any time thereafter to consider the lease upon the demised premises or any part thereof in the name of the whole to be terminated but without prejudice to any right or action of the Lessor in respect of any breach of Lessee's covenant herein contained.
- c) That if the Lessee shall be desirous of terminating this lease before the expiration of the term hereby created, then the Lessee shall give to the Lessor a prior notice of two (2) calendar months or forfeit 2 months' rent in lieu of such notice and in the event of such termination the Lessor shall refund to the Lessee the rent for the balance period of lease, if any.
- d) That the Lessee shall confirm in writing to the Lessor their intention to renew the Lease at least 2 months before the expiration of the Lease and that should this notice not be given, the Lessor shall assume that the Lessee has no intention of renewing the Lease and that this Lease shall fall into disrepair on its expiry.

  
A handwritten signature in black ink, appearing to read 'Rajeev R.', is written over a horizontal line.

## RENTAL LEASE AGREEMENT

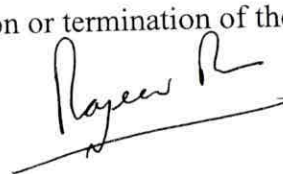
INCAR TANZANIA LIMITED of Post Box 20479 Dar es Salaam (hereinafter called "the Lessor" which expression shall where the context so admits include his successors and assigns) hereby LEASES to SPACE CREATIONS TANZANIA LIMITED (hereinafter called "The LEASEE") which expression shall where the context so admits include its successors and assign) all those premises located on Plot No. 109-110, Nyerere Road, Dar es Salaam (hereinafter called "The Demised Premises") for the term of five (5) years from 31<sup>st</sup> day of January, 2009 to the 30<sup>th</sup> day of January, 2015 at the monthly rent of United States Dollars 40,000.00 (US\$ forty thousand only) payable in advance. There will be an increase in monthly rental amount by 5% every year for the tenure of the agreement, post completion of the first year. The agreement will be renewable by either party by agreement on conclusion of the five year period subject to the provisions noted below.

### **THE LESSEE HEREBY COVENANTS WITH THE LESSOR as follows:**

- a) To pay the rent in the manner aforesaid
- b) To pay to the Lessor and when due or demand the monthly bills for the supplies of electricity; security, water and sewerage charges to the demised premises during and attributable to the period of occupation by the Lessee and which amounts shall be paid six months in advance to the Lessor.
- c) To keep the interior of the demised premises in good tenantable repair and condition except for fair wear and tear damage.
- d) To permit the Lessor to visit the premises leased, whenever the latter shall consider fit.
- e) Not to make any alternations or additions to the demised premises without the prior written consent of the Lessor.
- f) Not to assign, sub-lease or part with the possession of the demised premises or any part thereof without the written consent of the Lessor.
- g) To use the demised premises for the purpose of commercial use.
- h) Not to use or permit to be used the demised premises in a way, which would create nuisance or annoyance.
- i) To maintain and keep in proper working order all water and related services such as pumps and water tanks, drainage and electric services. Repairs, if any, will be done at by the Lessee at his own cost.
- j) To yield up the demised premises at the expiration or termination of the term

I Certify that this is  
the True Copy of the  
Original

  
H. A. MNGOYA (ADVOCATE)



**Copies of Lease Rent  
Agreement with Incar**

CTIN.: 00307600



# 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**

SPACE CREATIONS TANZANIA LIMITED.

.....

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

106-690-774

with effect from 06-May-2008

  
JOANNES N. A. MALLY

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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



TFN. 226  
(Rev. 2/96)

M 522  
B1

JAMHURI YA MUUNGANO WA TANZANIA

# LESENI YA BIASHARA

## B N° 01126831

(Imetolewa chini ya Sheria ya Leseni za Biashara Na. 25 ya Mwaka 1972, marekebisho ya mwaka 1980 na masharti yaliyo nyuma)

\*Futa isiyotakiwa.

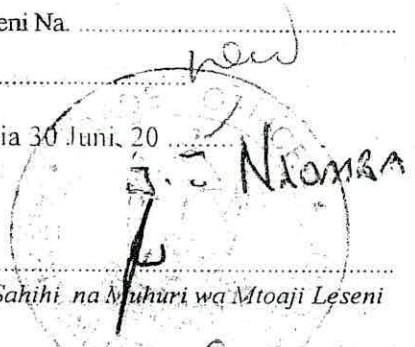
1. Ofisi iliyotolewa Kinondoni Regional Council
2. Nambari ya Ushuru wa mapato 106 690 774
3. Leseni imetolewa kwa Space Creations T2 LTD  
kuendesha biashara ya Investment Management Consultant  
katika Wilaya/Kanda\* ya Kinondoni Mtaa Aly Hassan  
Abdullahi Road
4. Ni ya Shina/Tawi\*  
Ada Sh. nil Nambari ya Stakabadhi .....  
ya tarehe .....
5. Mpya inaendeleza\* muda wa leseni Na .....  
ya tarehe .....

(ii) Muda wa leseni hii utaishia 30 Juni, 20 .....

Tarehe

7/8/08

Sahihi na Muhuri wa Mtoaji Leseni



Box 72106 ASH

GP. DSM

# TANZANIA



## Certificate of Incorporation

Section 15

No 64554

I HEREBY CERTIFY THAT

**SPACE CREATIONS TANZANIA LIMITED =====**

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

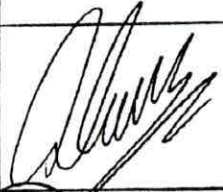

Given under my hand at Dar es salaam

this 6TH day of MARCH

**TWO THOUSAND AND EIGHT**


*[Signature]*

Assist. Registrar of Companies

Names, Addresses, and Description of Subscribers.	Number of shares taken by each Subscriber	Signature
SANJAY SUCHAK P. O. BOX 76939 DAR ES SALAAM	950	
MANOJ SHINDE P. O. BOX 76939 DAR ES SALAAM	50	

Dated at Dsm this 6<sup>th</sup> day of MARCH 2008

Witness to the above signatures

Name : RELOCATUS M.  
 Signature :   
 Postal Address : P.O. BOX 2226  
 Qualification : ADVOCATE



## NOTICES

- 114 A notice may be given by the Company to any member either personally or by sending it by post to him or to his registered address, or (if has registered address in Tanzania, to the address, if any, within Tanzania supplied by him to the Company for the giving of notices to him. Where a notice is sent by post, service of the notice shall be deemed affected by properly addressing, prepaying and posting a letter containing the notice and, unless the contrary is proved, to have been effected at the time at which the latter would be delivered in the ordinary course of post.
- 115 If a member has no registered address in Tanzania and has not supplied to the Company an address within The Republic of Tanzania for the giving of notices to him, a notice addressed to him, and displaced in the registered office of the company, shall be deemed to do dully given on the day on which it is so displayed.
- 116 A notice may be given by the Company to the join holders of a share by giving the notice to the join holder named first in the register in respect of the share.
- 117 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 it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or trustees of the bankrupt, or by any like description, at the address, if any, in the United Republic of Tanzania supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice an any manner in which the same might have been given if the death or bankruptcy had not occurred.
- 118 Notice of any general meeting shall be given in the same manner hereinbefore authorised to (a) every member of the Company except those members who (having no registered address within the United Republic of Tanzania) have not supplied to the Company an address within The United Republic of Tanzania for the giving of notices to them, (b) every person entitled to share inconsequency of death or bankruptcy of a member, who, but for his death or bankruptcy, would be entitled to receive notice of the meeting and (c) the auditors for the time being of the company. No other person shall be entitled to receives notices of general meetings.

## WINDING UP

- 119 If the Company shall be wound up the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Companies Act 2002 divide amongst the members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such decision shall be carried out as between the members or different classes of members. The Liquidator may, with sanction, vest the whole or any part of the assets in trustees up on such trusts for the benefit of the contributors as the liquidator, with the like sanction shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

## INDEMNITY

120. Subject to the provisions of the Companies Act 2002 every director, managing director, agent, auditor, secretary and other officer for the time being of the Company shall be indemnified any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted.

108. A copy of every balance sheet (including every document required by the law to be annexed thereto) which is to be laid before the Company in General meeting before the date of the meeting together either a copy of the auditors report, shall not less than twenty one days be sent to every member of, and every holder of debentures of, the Company and to every person registered under regulation 19. Provided that the regulation shall not require a copy of those documents to be sent to any member of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

#### CAPITALISATION OF PROFITS

109. The Company in general meeting may upon the recommendation of the directors resolve that the desirable to capitalise 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 accordingly that such sum be set free for distribution amongst the members who would have been entitled there to distributed by law of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unused shares or debentures of the Company to be allotted and distributed, credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other, and the directors shall give effect to such resolution.

Provided that a share premium account and capital redemption reserve fund my, for the purpose of this regulation, only be applied in the paying up of unused shares to be issued to members of the Company as fully paid bonus shares.

110. Whenever such resolution as aforesaid shall have been passed the directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issue of fully paid up shares or debentures, if any, and generally shall do all acts and things to give effect thereto, with full power to the directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they as they think fit for the case of share of debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any other shares or debentures to which they may be entitled up on such capitalisation, or (as the case may require) for the payment up by the Company or their behalf, by the application thereto of their respective proportions of the profits of the resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares, and may agreement made under such authority shall be effectively and binding on all such members.

#### AUDIT

111. Auditors shall be appointed and their duties regulated in accordance with the law for the time being governing the business of auditors, specifically of a company like this;
112. If a member has no registered address in Tanzania and has not supplied to the Company an address within The Republic of Tanzania for the giving of notices to him, a notice addressed to him, and displaced in the registered office of the company, shall be deemed to do dully given on the day on which it is so displayed.
113. The company shall have powers to make rules, circulars, and regulations etc. pecifically for purposes of governing any matter or activity of the company.

been approved for sealing by the Auditors, Transfer Auditors, Transfer Agents or Bankers of the Company in writing.

#### DIVIDENDS AND RESERVE

97. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the directors.
98. The directors may from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the Company.
99. No dividends shall be paid otherwise than out of profits.
100. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid on the shares, but if and so long as nothing is paid up on any of shares in the Company dividends may be declared and paid according to the amount of the shares. No amount paid on a share in advance of call shall, while carrying interest, be treated for purpose of this article as paid on the share.
101. The directors may, before recommending a dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the directors, be applicable for meeting contingencies, or for equalising dividends, or for any other purpose to which the profits of the Company may be properly applied, and pending 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.
102. If several persons are registered as joint holders of any share any one of them may give effectual receipts for any dividends payable on the share.
103. No dividend shall bear interest against the Company.

#### ACCOUNTS

104. The directors shall cause proper books of accounts to be kept with respect to:-  

All sums of money received and expended by the Company, and the matters in respect of which the receipt and expenditure takes place.

All sales and purchases of goods by the Company; and The Assets and liabilities of the Company. Proper books of account means such books as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.
105. The books of accounts shall be kept at the registered office of the Company, or at such other place or places as the directors think fit, and shall always be open to the inspection of the directors.
106. The directors shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being directors, and no member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the directors or by the Company in general meeting.
107. The directors shall from time to time in accordance with section 123 of the Companies Act 2002 or any statutory modification thereof for the time being in force, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheet, group accounts (if any) and reports as are referred to in those sections.

86. The continuing directors may act notwithstanding any vacancy in the body, but, if and so long as their number is reduced below the number fixed by or pursuant to these articles as the quorum of directors, the continuing director may act for the purpose of increasing the number of directors to that number, or summoning a general meeting of the Company, but for no other purpose.
87. The Directors may elect a chairman of their general meeting and determine the period for which he is to hold office; but if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be chairman of their meeting.
88. The directors may delegate any of their powers to committees consisting of such members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegate conform to any regulation that may be imposed on them by the directors.
89. A committee may elect a chairman of their meeting; if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose any of their number to be chairman of the meeting.
90. A committee may meet and adjourn as they think proper. Questions arising at any meeting shall determined by a majority of votes of the members present, and in the case if an equality of votes the chairman shall have a second or casting vote.
91. All acts done by any meeting of the directors or of a committee of directors, or any person acting as a director, shall, notwithstanding that it afterwards discovered that there was some defect in the appointment of any such directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed to be a director.
92. A resolution determined on without any meeting of directors and evidenced by writing under the hands of all directors, or sole director, or of all members of a committee, or of sole member of a committee, shall be as valid and effectual as a resolution duly passed at meeting of the directors or of such committee.

#### SECRETARY

93. The secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may removed by them.
94. No person shall be appointed or hold office as a Secretary who is:-
- (a) the sole director of the Company; or
  - (b) a corporation the sole director of which is the sole director of the Company; or
  - (c) the sole director of a corporation which is the sole director of the Company
95. A provision of the Companies Act 2002 or these regulations requiring or authorising a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of the secretary.

#### THE SEAL

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

79. The directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property, uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt liability or obligation of the Company or of any third party.
80. The directors shall duly comply with the provisions of the Companies Act 2000 or any statutory modification thereof for the time being in force, and particular with the provisions in regard to registration of the particulars of mortgages and charges affecting the property of the Company, or created by it, and to keeping a register of the directors and secretaries, and to sending to the Registrar of Companies an annual list of members, and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital, or conversion of shares into stock, and copies of special and extraordinary resolutions, and a copy of the register of directors and notification of any changes therein.
- 8.1 The directors shall cause minutes to be made in the books provided for the purpose:-
- (a) Of all appointments of officers made by the directors;
  - (b) Of the names of the directors present at each meeting of the directors and of any committee of the directors;
  - (c) Of all resolutions and proceedings at all meetings of the Company, and of the directors, and of committees of directors and every director present at any meeting of directors or committee of directors shall sign his name in a book to be kept for that purpose.

#### DISQUALIFICATION OF DIRECTORS

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

#### PROCEEDINGS OF DIRECTORS

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

## DIRECTORS

71. The first directors shall be not less than two in number and shall be appointed by the subscribers to the Memorandum of Association. Unless and until otherwise determined by the Company by ordinary resolution the number of directors shall not be less than two.
72. The names of the first directors of the Company are as follows:
1. SANJAY SUCHAK
  2. MANOJ SHINDE
73. (1) The remuneration of the directors shall from time to time be determined by the Company in general meeting.
- (2) In addition to their usual remuneration the directors shall also be paid such traveling, hotel and other expenses as may reasonably be incurred by them in the exercise of their duties, including any such expenses incurred in connection with their attendance at meetings of director.
74. Any director any in writing appoint any person, who is approved by the majority of the directors, to be his alternate to act in his place at any meeting of the directors to which he is unable to be present. Every such alternate shall be entitled to notice of meetings of the directors and to attend and vote there at as a director when the person appointing him is not personally present, and where he is a director, to have a separate vote on behalf of the director he is representing in addition to his own vote. A director may at any time in writing revoke the appointment of an alternate appointed by him. Every such alternate shall be an officer of the Company and shall not be deemed to be the agent of the director appointing him. The remuneration of such alternate shall be payable out of the remuneration payable to the director appointing him, and the proportion thereof shall be agreed between them. An alternate director need not hold nay share qualification.
75. A director and alternate director shall not require a share qualification by nevertheless shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company.
76. The Company may by extraordinary resolution remove any director before the expiration of his period of office, and may by an ordinary resolution appoint another person in his stead. An vacancy occurring in the board of directors may be filled up by the Company by an ordinary resolution.

## POWERS AND DUTIES OF DIRECTORS

77. The business of the Company shall be managed by the directors, who may pay all expenses incurred in forming and registering the Company, and may exercise all such powers of the Company as are not, by the Companies Act 2002 or any statutory modification thereof, for the time being in force, or by these articles, required to be exercised by the Company in general meeting, subject nevertheless to the provisions of these articles and of the said Ordinance, and the exercise of such powers shall be subject to control of any general meeting of the Company specially convened for the purpose, but no resolution of the Company in general meeting shall invalidate any prior act of the directors which would have been valid if that resolution had not been passed.
78. The directors may from time to time appoint one or more of their body to the office of managing director or manager for such term and at such remuneration (whether by way of salary, or commission, or participation in profits, or partly in one way and partially in another) as they may think fit. The office of managing director shall be subject to determination ipso facto if he ceases from any cause to be a director, or if the Company in general meeting resolves that his tenure of the office of managing director or manager be determined.

- 62. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of member.
- 63. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, a curator bonus, or other person in the nature of a committee or curator bonus appointed by that court, and any such committee, curator bonus, or other person may, on a poll, vote by proxy.
- 64. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
- 65. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.
- 66. On a poll votes may be given either personally or by proxy.
- 67. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, either under the common seal, or under the hand of an officer or attorney so authorised. A member shall not be entitled to appoint more than one proxy to attend on the same occasion nor may a proxy vote except on a poll.
- 68. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a naturally certified copy of that power or authority shall be deposited at the registered office of the Company not less than forty-eight hours before the time for holding the meeting, or adjourned meeting, or taking of the poll at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
- 69. An instrument appointing a proxy may be in the following form, or in any other form which the directors shall approve:-

.....Limited

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

Signed this.....day of.....200.....

Signature of Member

- 70. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company and the person so authorised 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.

51. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; same as herein otherwise provided two members personally present shall be a quorum.
52. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, and, if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the meeting shall be dissolved.
53. The chairman, if any, of the board of directors shall preside as chairman at every general meeting of the Company.
54. If there is no such chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the members present shall choose some one of their number to be chairman.
55. The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
56. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least one member entitled to vote present in person or by proxy; and unless a poll is so demanded, a declaration by the chairman that the resolution has, on a show of hands, been carried, or carried unanimously, or by particular majority, or lost, and an entry to that effect in the minute book shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against the resolution.
57. If a poll is duly demanded it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be a resolution of the meeting at which the poll was demanded.
58. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or casting vote.
59. A poll demanded on the election of a chairman, or in a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs.
60. Any ordinary resolution of the Company determined on without any general meeting and evidenced by writing under the hands of all the directors or a sole director and of members of the Company holding three-fourths of the issued shares of the Company shall be as valid and effectual as an ordinary resolution duly passed at a general meeting of the Company duly convened and held.

#### VOTES OF MEMBERS

61. On a show of hands every member present in person shall have one vote. On a poll every member shall have one vote for each share of which he is the holder.

44. The Company may by ordinary resolution:-
- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (b) Sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the memorandum of association, subject, nevertheless, to the Companies Act.
  - (c) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person; and may by special resolution:-
  - (d) Reduce its share capital and any capital redemption reserve fund in any manner and with, and subject to, any incident authorised, and consent, required, by law.

#### GENERAL MEETINGS

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

#### PROCEEDINGS AT GENERAL MEETINGS

48. An annual general meeting and a meeting called for the passing of special resolution shall be called by twenty-one days' notice in writing at the least, and all other meetings by fourteen days' notice in writing at least. Such notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and shall specify the place, the day, and the hour of meeting and, in case of special business, the general nature of the business shall be given in the manner hereinafter mentioned, or in such other manner, if any, as may be prescribed by Company in general meeting to such persons as are, under these articles, entitled to receive such notices from the Company; but with the consent of all the members entitled to receive notice of some particular meeting, that meeting may be convened by such shorter notice and in such manner as those members may think fit.
49. The accidental omission to give notice to, or the non-receipt of notice of a meeting by, any member shall not invalidate the proceedings at any meetings.
50. All business shall be deemed special that is transacted at an extraordinary general meeting, and all that is transacted at an annual general meeting, with the exception of sanctioning a dividend, the consideration of the accounts and balance sheet and the ordinary report of the directors and auditors, the election of directors in the place of those retiring by rotation, and the appointment and fixing of the remuneration of the directors.

37. A person whose shares have been forfeited shall ceased to be a member in respect of the forfeited shares, but shall notwithstanding, remain liable to pay to the Company all moneys which, at the date of the forfeiture, were presently payable by him to the Company in respect of the shares, but his liability shall cease if and when the Company receive payment in the full of the nominal amount of the shares.
38. The holders for the time being of four-fifths of the issued shares in the Company shall be entitled at any time to purchase ex dividend all or any of the shares held by any member of the Company at a price equal to the sum paid up thereon and upon the tender of that price by the holders of four-fifths of the issued shares to any other member for the shares held by him that member shall execute transfer of the shares to the members by whom the tender is made or their nominees in such shares and proportions as they shall direct. If the member to whom the tender is made neglects or refuses to accept the sum tendered or to execute transfers of the shares the Company may on proof of his neglect or refusal accept and give a good discharge for the moneys tendered on behalf of the member to whom the same shall have been tendered, and the provisions of article 23 shall apply to the execution of transfer of the shares and the registration of the members by whom the tender was made or their nominees as owners of the said shares.
39. A statutory declaration in writing that declarant is a director of the Company, and that a share in the Company has been duly forfeited or expropriated on a date sated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase-money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture or expropriation, sale or disposal of the share.
40. The provisions of these articles as to forfeiture shall apply in the case of non-payment of any sum which, by terms of issue of share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### ALTERATION OF CAPITAL

41. The Company may, from time to time by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.
42. Subject to any direction to the contrary that may be given by the resolution sanctioning the increase of share capital, all new shares shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration to that time, or on receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the directors may dispose of the same in such manner as they think most beneficial to the Company. The directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares cannot, in the opinion of the director, be conveniently offered under this article.
43. The new shares shall be subject to the same provisions with reference to payment of calls, lien, transfer, transmission, forfeiture, expropriation, and otherwise as the shares in the original share capital.

being shall certify, by writing under his hand, to be in his opinion, the fair selling value thereof as between a willing vendor and a willing purchaser.

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

#### FORFEITURE OF SHARES AND EXPROPRIATION OF SMALL HOLDINGS

33. If a member fails to pay any call or installment of a call, on the day appointed for payment thereof, the directors may at any time thereafter during such time as any part of such call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
34. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited.
35. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the directors to that effect and such forfeiture shall extend to any dividends in respect of any share so forfeited not actually paid at the date of the said notice.
36. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the directors think fit.

21. The directors may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.
22. The directors may, if they think fit, receive from any member willing to advance the same all or nay part of the moneys uncalled and unpaid upon any shares held by him; and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rated (not exceeding, without the sanction of any Company in general meeting, the bank rate existing from time as may be agreed upon between the member paying the sum in advance and the directors.

#### TRANSFER AND TRANSMISSION

23. Subject to the provisions hereinafter continued shares in the Company shall be transferable by written instrument in the common form signed by both the transfer and transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof.
24. The directors may in their absolute discretion and without assigning any reason therefore decline to register nay transfer of shares to any person whom they do not approve not being already a member of the Company and may also decline to register any transfer of shares on which the Company has alien. The directors may also suspend the registration of transfers during the fourteen days immediately proceeding the ordinary general meeting in each year. The directors may decline to recognise nay instrument of transfer unless:-
  - (a) A fee not exceeding shillings two hundred and fifty is paid to the Company in respect thereof; and
  - (b) The instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the directors may reasonably require to show the right of the transfer to make the transfer.

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

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

shares held jointly by several persons the Company shall be bound to issue more than one certificate, and delivery of certificate of a share to one of several jointly holders shall be sufficient delivery to all.

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

#### LIEN

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

#### CALLS ON SHARES

17. The directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares, and each member shall (subject to receiving at least fourteen days notice specifying the time or times of payment) pay to the Company at the time or times of specified the amount called in his shares. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect hereof.
19. If sum called in respect of a share is not paid before or on the date appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at bank rate prevailing from time to time from the day appointed for payment thereof to the time of actual payment, but the directors shall be at liberty waive payment of the interest wholly or in part.
20. The provisions of these articles as to the liability of joint holders and as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the same has become payable by virtue of a call duly made and notified.

- b. The general authority conferred by paragraph (a) of this article shall be conditional upon due compliance with Article 48 hereof and shall extend to the amount of the authorized share capital of the Company upon its incorporation.
  - c. The Directors shall be entitled under the general authority conferred by paragraph (a) of this Article to make at any time before the expiry of such authority any offer or agreement which will or might require relevant securities of the Company to be allotted after the expiry of such authority.
4. If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends or other moneys payable in respect of such share.
5. No person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by or required to recognize and equitable, contingent, future or partial interest in any share or any right whatsoever in respect of any share other than an absolute right to the entirety thereof in the registered holder, except as by these Articles otherwise expressly provide or as required by law.

#### CAPITAL

6. The capital of the Company is 100,000,000,000/= divided into 1,000 shares of Shillings 100,000,000/= each.

#### SHARES

7. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the capital of the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine.
8. Subject to the provisions of Companies Act 2002, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable to be redeemed on such terms and in such manner as the Company before the issue of the shares may by Special Resolution determine.
9. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed not to be varied by the creation or issued of further shares ranking pari-passu therewith.
10. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied with the consent in writing of the holders of the three fourths of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate meeting the provisions of this articles relating to general meetings shall mutatis mutandis 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 and that any holder of shares of the class present in person or by proxy may demand a poll.
11. Every person whose name is entered as member in the register of members shall, without payment, be entitled to one certificate under the common seal of the Company specifying the share or shares held by him and the amount paid up thereon, provided that in respect of a share or

THE COMPANIES ACT 2002  
COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION  
OF

SPACE CREATIONS TANZANIA LIMITED

TABLE A EXCLUDE

1. The regulations in Table A in the First Schedule to the Company Act 2002 shall not apply to the Company, except so far as the same are repeated or contained in these Articles.

INTERPRETATION

In these Articles, unless the subject or context otherwise requires, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof:

WORDS AND MEANINGS

"Articles": these Articles of Association as originally framed or as altered from time to time by Special Resolution;

"A Shareholder": any holder from time to time of the Shares;

"The Directors": the directors for the time being of the Company present at a duly convened meeting of the directors at which a quorum is present;


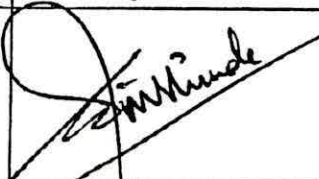
"The Office": the registered office for the time being of the Company;

"The Act": the Companies Act 2002 and every statutory modification and re-enactment thereof for the time being in force;

2. The Company is a Private Company and accordingly; no invitation or offer shall be made to the public (whether for cash or otherwise) to subscribe for any shares in or debentures of the Company, nor shall the Company allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public.

The Company may pay to any person a commission in consideration of his subscribing or agreeing to subscribe, whether absolute or conditional, for any shares in the Company : provided that such commission shall not exceed 10 per cent of the price at which such shares are issued, or an amount equivalent to such percentage; and the requirements of Section 56 of the Act shall be observed.


3. a. The Directors may subject to Article 48 hereof allot, grant options over, or otherwise deal with or dispose of any relevant securities of the Company in accordance with the provisions of these Articles and the Act to such persons and generally on such terms and conditions as the Directors think proper.

Names, Addresses, and Description of Subscribers.	Number of shares taken by each Subscriber	Signature
SANJAY SUCHAK P. O. BOX 76939 DAR ES SALAAM	950	
MANOJ SHINDE P. O. BOX 76939 DAR ES SALAAM	50	

Dated at Dsm this 6<sup>th</sup> day of MARCH 2008.

Witness to the above signatures

Name : RELOCATUS M.

Signature : 

Postal Address : P.O BOX 2207

Qualification : ADVOCATE



And is hereby declared:-

The word "company" in this clause, except where used in reference to this Company, shall be deemed to include any partnership or body of persons, whether corporate or incorporate, and whether domiciled in the United Republic of Tanzania or elsewhere, and.

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

That the meaning of any general word or words in any paragraph of this clause shall not be restricted by being construed ejusdem generis with any particular word or word in the same paragraph.

4. The Liability of the Members in Limited.
5. The capital of the Company is 10,000,000,000/= divided into 1,000 shares of Shilling 10,000,000/=.

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

Company may think fit and, in particular, for shares, stock, debentures or other securities of any other company, whether or not having objects altogether or in part similar to those of the company.

- rr) To distribute among the Members, in specie or in kind, any property of the Company or any proceeds of sale or disposal of any property of the Company but so that no distribution amounting to a reduction of capital shall be made except with any sanction for the time being required by law.
- ss) To undertake and execute any trust which may, in the opinion of the Directors of the Company, be conducive to any of the objects of the Company.
- tt) To act as agent, broker or trustee for any person or company and to act as secretary, manager, consultant, adviser book-keeper or registrar of or transfer agent for any other company.
- uu) To do all or any of the above things in any part of the world and either as principal, agent, trustee, contractor or otherwise and either alone or jointly with others and either by or through agents, trustees, sub-contractors or otherwise.
- vv) To procure the Company to be registered or recognised in any place outside the United Republic of Tanzania.
- ww) To do all such other things as are or may be deemed incidental or conducive to the attainment of any of the objects and the exercise of any of the powers of the Company.

Company, seem likely to benefit the Company, directly or indirectly, and to oppose any bills, proceedings or applications which may, in the opinion of the Directors of the Company, be likely, directly or indirectly to prejudice the interests of the Company.

- jj) To apply for, secure, acquire by grant, legislative enactment, assignment, transfer, purchase or otherwise and to exercise, carry out and enjoy any charter, licence, power, authority, franchise, concession, right or privilege which any government or authority, supreme, municipal, local or otherwise, or any corporation or any public body may be empowered to issue, confer or make and to pay for, aid in and contribute towards carrying the same into effect and to appropriate any of the Company's assets, shares, stock, debentures or other securities to defray the necessary costs and expenses thereof.
- kk) To pay out of the funds of the Company all expenses which the Company may lawfully pay for in or connection with the formation and registration of the Company or the issue of its capital.
- ll) To pay for any rights or property acquired by the company and to remunerate any person or company, by a cash payment or by the allotment of shares in the capital of the Company, credited as paid up in full or in part, by company or in any other lawful manner.
- mm) To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension, provident or superannuation funds for the benefit of and to give or procure the giving of donations, gratuities, pensions, allowances, benefits and emoluments to any persons who are, or were at any time, in the employment or service of the Company or of any company which is its holding company or subsidiary or which is allied to or associated with the Company or with any such holding company or subsidiary or who are, or were at any time, Directors or Officers of the Company or of any such other company as aforesaid or any persons in whose welfare the Company or any such other company as aforesaid is or has been at any time interested and to the wives, widows, families and dependents of any such persons; to establish and subsidise or subscribe to any Institutions, association, clubs or funds considered by the Directors of the Company to be for the benefit of or to advance the interest the well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid; to make payments for or towards the insurance of any such persons as aforesaid; to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful purpose and to do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.
- nn) To adopt such means of making known the businesses, activities, products, goods and services of and articles dealt in and sold by the Company as may, in the opinion of the Directors of the Company, seem expedient.
- oo) To amalgamate, enter into partnership or into any arrangement for sharing profits, union of interest, co-operation, joint venture, reciprocal concession, limiting competition or otherwise, with any persons or company carrying on or engaged in or about to carry on or engage in any business or transaction which the Company is authorised to carry on or engage in or which can be carried on in conjunction with any business of the Company or which is capable of being conducted so as to benefit the Company, directly or indirectly.
- pp) To establish or promote or concur in establishing or promoting any company, association syndicate or partnership any kind to acquire and take over all or any part of the undertaking, property, assets and liabilities of the Company or for any other purpose which may, in the opinion of the Directors of the Company, be likely directly or indirectly, to benefit the Company and to place or guarantee the placing of, underwrite, subscribe for, conditionally or unconditionally, or otherwise acquire all or any of the shares, stock, debentures or other securities of any such other company.
- qq) To sell, exchange, lease, mortgage, charge or otherwise dispose of the property, assets or undertaking of the Company or any part thereof for such consideration as the Directors of the

- z) To carry on any other trade, business or activity whatsoever and to do anything of any nature which can, in the opinion of the Directors of the Company, be advantageously or conveniently carried on by the Company in connection with, as ancillary to or independently of any of its businesses.
- aa) To improve, manage, develop, turn to account, grant rights or privileges in respect of or otherwise deal with any of the property, rights and privileges of the Company.
- bb) To subscribe for, purchase or otherwise acquire and hold shares, stocks, debentures and other securities of any other company and to invest and deal with the monies of the Company in any manner.
- cc) To vest any moveable or immovable property, right, privilege or interest acquired by or belonging to the Company in any person or company on behalf of or for the benefit of the Company and with or without any declared trust in favour of the Company.
- dd) To apply for, purchase or otherwise acquire and protect and renew, in any part of the world, any patents, patent rights, brevets d'invention, copyrights, trademarks, designs, formulae, licences, concessions and the like, conferring any exclusive or non-exclusive or limited right to their use or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem likely, directly or indirectly, to benefit the Company and to use, exercise, develop or grant licences in respect of or otherwise turn to account the property rights or information so acquire and to expend money in experimenting upon, testing or improving any such inventions or property.
- ee) To acquire and undertake the whole or any part of the business, assets and liabilities of any person or Company carrying on or proposing to carry on any business which the Company is authorised to carry on or which can be carried on in conjunction with any business of the Company or which is capable of being conducted so as, directly or indirectly, to benefit the company or which is possessed of property suitable for the purposes of the Company.
- ff) To enter, with any government or authority, supreme, municipal, local or otherwise, or any person or company, into any arrangement that may seem to the Directors of the Company to be conducive to the attainment of the objects of the Company or any of them and to obtain from any such government, authority, person or company any rights, privileges, charters, contracts, licences or concessions which the Directors of the Company may think it desirable to obtain and to carry out, exercise and comply therewith.
- gg) To lend money or give credit to any person or company with or without security; to give guarantees or indemnities for the payment of money or the performance of contracts or obligations by any person or company; to secure or undertake in any way the repayment of money lent or advanced to or liabilities incurred by any person or company and otherwise to assist any person or company.
- hh) To receive money on deposit or loan and to borrow or raise money in such manner as the Directors of the Company may think fit and to secure repayment of the same or the payment or performance of any debt, liability, contract, guarantee or other engagement incurred or entered into or to be incurred or entered into by the Company, by the issue of debentures or debenture stock or legal or equitable mortgages or charges over all or any of the Company's property (both present and future) including its uncalled capital or in any other way and to purchase, redeem or pay off any such securities.
- ii) To open and operate banking accounts and to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, drafts, cheques, bonds and other negotiable or transferable instruments, to apply for, promote and obtain any statute, decree, order of court, regulation or other enactment or authorisation which may, to the Directors of the

formica, chipboard, plywood, limber and every other content used in the manufacturing of furniture and furnishing wood, requisites of all kinds and goods of every description.

- o) To carry on the business of garage proprietors and service station for motor vehicles of all kinds, to carry on the safe keeping, cleaning, repairing, refueling, panel beating, spraying and the general care of motor vehicles, aircraft, machinery, equipment and plant whether moved by mechanical power or not, implements, utensils, appliances, apparatus, fuel for internal combustion engines, lubricants, cements, solutions, batteries and accessories and all things capable of being used in connection with the said businesses or in the manufacture or maintenance of such vehicles, machinery, equipment and plant.
- p) To manufacture all kinds and varieties of mechanical appliances, instruments and machines and any and all processes and products essential thereto.
- q) To carry on the business of importers, exporters, buying selling, dealers in hardware, building materials, sanitary-ware, wall papers, roofing tiles, flooring tiles, supplying industrial equipment's agricultural implements and equipment's spares of every description, plumbers, decorators, steel fabrication, machine shop, nickel plating, electric plating, making steel windows, doors, frames and roof tresses.
- r) To carry on the business of mining of all types of minerals and gemstones including diamonds in all parts of the United Republic of Tanzania.
- s) To engage in and carry out the business of proprietors and managers of hotels, restaurants, cafes, road houses, motels, safari and holiday camps, caravan sites, guest houses, apartment housekeepers, refreshment and tea rooms, milk and snacks bars, tavern, beer house and lodging housekeepers and to provide food and catering services to individuals, private and public institutions and to industrial and business concerns.
- t) To promote tourism in Tanzania and elsewhere in Africa, to carry on business of travel and tourist agents and tour operators, to promote facilitate travelling to organise hunting, tented-camps, fishing and diving expeditions, safari promoters and undertakers generally and in particular to arrange and manager hunting safaris, photo safaris adventure tours, fishing trips, handling of game trophies and animal skins, catching, harbouring, transporting, wildlife and marine products of all kind.
- u) To carry on business of land acquisition and development, estate agency, management and maintenance of organizations buildings, compounds gardening, land scalping, soil erosion control and related land conservation and environmental protection.
- v) To carry on the business of marine salvage and construction, fishing and marketing of fish, including export of all kind of fish and fish products including prawns and all kind of marine products and to build cold storage system for fish and fish products, cold storage keepers and dealers in ice, ice block, general merchants, importers and exporters and dealer in goods and or articles of every description whatsoever.
- w) To engage in and or otherwise carry on the business of body fitness training club and healthcare, health clinics and day care centres.
- x) To appropriate any part or parts of the property of the company for the purpose of and to build or let shops, offices and other places of business and to use or lease any part of the property of the company not required for the purposes aforesaid for any purpose for which it maybe conveniently used or let.
- y) To provide or procure the provision by others of every and any service need want or requirement of any business nature required by any persons, firm or company in connection with any business carried on by them.

- g) To carry on the business of miners and mining in all their branches and for the said purpose to peg, purchase, take on lease, or exchange or otherwise acquire concessions, grants, easements, options, claims, properties, cassettes- and effects supposed to contain minerals, diamonds, or other precious stones, and any interest therein, and to explore, mine, work, excise develop and turn to account mines and mining rights and any undertaking connected therewith.
- h) To carry on the business as general traders, importers, exporters, suppliers, merchants, stockists, wholesalers, retailers and dealers in all types of electrical goods, hardware, building materials, spare parts and maintenance, tyres, tubes, tools and accessories for all types of automotive, motor vehicles, agricultural machinery, implements, equipment, all kinds of industrial projects machinery and equipment, timber, fishing gears, groceries, computers, office equipments, cooking oils, foodstuffs, oils, paints, spirits sheets, hinges, screws, iron mongery, textiles piece goods, all types of leather goods, shoes, bags and other similar goods.
- i) To carry on all or any of the business of transport, carriage and haulage contractors, owners and charter of road vehicles, aircraft, ships and boats of every description and carriers of goods and passenger by road, rail, water or air and to establish, acquire, maintain and operate transport service of every description both public and private and all services ancillary thereto and for such purposes or as independent undertakings to purchase, take in exchange, charter, hire, build, contract or otherwise acquire and to own, operate, work, manage, maintain, repair, service and deal with and in road vehicles, aircraft and vessels of every supplies therefore and to conduct any such business within the country or any other state in any other foreign country.
- j) To carry on the business of general merchants, general store-keepers, universal providers, importers, exporters, and wholesale and/or retail traders of or otherwise dealers of and in piecewood, paints, hardware, glassware, crockery, cutlery, ironmongery, turners and other household fittings and requirements and other articles and commodities of personal and household use and consumption provisions, textiles, groceries, medicines, drugs, wines, spirits, liquors, chemical, surgical, option, photographic and other instruments, apparatus and materials, and motor vehicles, automobiles and generally in all manufactured goods of all types, and merchandise of all kinds.
- k) To carry on the business as general suppliers of all sorts and types of goods and services to individuals, offices, industries, shops, schools, factories, hospitals, army, military, ministries and all other government offices, universities and all other places where the services of a supplier are needed.
- l) To carry on the business as consultants, commission agents, court brokers, debt collectors, revenue collector, public auctioneers, insurance agents, general brokers, importers, exporters, manufacturers representatives, land and estate agents, technical advisors, clearing and forwarding agents, and all businesses and trades incidental or similar thereto or required to be or capable of being carried on in conjunction therewith.
- m) To carry on the business of clearing and forwarding agents, commission agents, transporters, freighters, hauliers, customs bonded warehouse and godown keepers, cargo and travel agents, insurance agents, tourist agents, manufacturers' representatives, road contractors, cargo superintendents, packers, machinery haulage specialists, warehousemen, engineers, electricians, motor cars, cabs, omnibus, lorries, oil tank and coach proprietors and transporters, civil transport contractors and transporters by any other means of conveyance of people and goods in Tanzania and the neighbouring countries and in such other place or places as may from time to time be determined by the company, engage in and or otherwise carry on the business as transporters and transport agents, freight forwarders.
- n) To promote, establish and carry on the business of manufactures, distributors, representatives and agents for all kinds and types of furniture of every description, including processing or wood,

THE COMPANIES ACT 2002

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

SPACE CREATIONS TANZANIA LIMITED

1. The name of the company is "SPACE CREATIONS TANZANIA LIMITED"
2. The Registered office of the Company will be situated in Tanzania.
3. The objects for which the Company is established are:-
  - a) To carry on the business and act as managers of investments and investment company, real estate agents, property managers, developers, valuers, decorators, engineers and to generally be able to carry out activities of any description with regards to land, property and real estate, investment in any type of property, buildings, lands, securities, bonds, shares and any property act as a holding company with subsidiaries and invest in any projects as the company may think fit.
  - b) To carry on the business of real estate affairs; apartment house management; apartments renting of real estate leasing of; real estate agencies; real estate appraisal; real estate brokers; real estate management; rent collection; rental of offices real estate renting of apartments; renting of flats and realty administrators of buildings, services of letting or valuation, builders, contractors for construction works, renovation, decoration and demolition and to purchase otherwise acquire land for houses, offices, workshops and building premises.
  - c) To enter into contracts, agreements and arrangements with other companies nationally and internationally, for the carrying out of the business of property development, real estate agents and property managers and undertake direct investment in property and provide venture capital to prospective real estate developers, housing finance facilities to buyers and purchasers, lease, exchange or otherwise acquire land and properties of any tenure whatsoever in Tanzania and globally.
  - d) To carry on business as property developers, acquire, build, construct maintain alter, pull-down, remove and replace any building, factories, mills, offices and clear sites for the same, in doing any the things aforesaid work, manage, control and rent out the estates developed and to lease, manage, improve, develop, mortgage or otherwise deal with all or any part of the assets, movable or immovable property in the opinion of the company being advantageously or inconveniently carried on by the way of extension or in connection with business extension.
  - e) To engage and or carry on the business of engineering, general civil works, constructions, buildings, renovations, office partitioners, decoratories, maintainers of dilapidated buildings, plumbing, furniture manufactures, suppliers and exporters, residential and office furnishers and general to be designers and fabricators of all kinds of gadgets whatsoever, to be timber processors, plumbers, sawmillers and suppliers of all kinds of timber, to be hardware and building materials suppliers, manufactures of electrical equipments and suppliers of same.
  - f) To carry on all their respective branches all or any of the business of builders mansory and general construction contractors and haulers and among other things to construct, execute, carry out, equip, improve, work and advertise railways, roadways, tramways, docks, harbours, wharves, canals, water-courses, reservoirs, embankments, irrigations, reclamations, sewage, drainage and other sanitary works, water, gas, mechanic, electric and other supply works, houses buildings and erections of every kind and to carry on any other business in connection with the above mentioned business.

**Copies of  
Certificate of Incorporation,  
Memorandum & Articles of  
Association, Business License,  
TIN Registration**

# SPACE CREATIONS TANZANIA LTD

BOARD MEETING OF THE MEMBERS  
OF  
SPACE CREATION (T) LIMITED  
Held in Dar es Salaam on 1<sup>st</sup> November, 2008

Directors : Mr. Tanil Somaiya (Chairman)  
Mr. Sanjay Suchak (Director)  
Mr. Manoj Shinde (Director)

## SPECIAL RESOLUTION

Resolved unanimously that the company should proceed with project of investment of T Shs 11066 Million for installation of factory for producing fiber composite panels for construction of house as per the project report submitted to TIC. As indicated in the TIC Application, the part of the project will be funded by the group companies and balance by internal accruals.

Further resolved that a copy of this resolution is made available to Tanzania Investment Centre for the purposes of issuance of Certificate of Approval.

There being no other business, the meeting was concluded with the consent of the chair.

For, SPACE CREATION (T) LIMITED

---

**Board Resolution  
confirming investment in  
Capital Assets**



1<sup>st</sup> November, 2008

Ref: ShivacomGroup/Space/188/08

The General Manager  
Space Creations Tanzania Limited  
P O Box 72106  
DAR ES SALAAM

Dear Sir

**RE: FUNDING OF PROJECT**

We at Shivacom Group congratulate you and wish you the very best in your up-coming project of manufacturing composite panels for construction of affordable houses around the country.

As per your request, the Board of Directors of Shivacom Group has approved an unsecured loan of T.Shs. 4,769,808,000 payable in 12 quarterly installments with a moratorium period of one year. The loan will carry an interest @ 16% per annum.

Yours sincerely,

A handwritten signature in black ink, appearing to read "T. Somaiya", with a flourish at the end.

Tanil Somaiya  
Managing Director

**Shivacom Group of Companies**

P O Box 72106, Dar es Salaam Tel: +255 22 2667250, Fax: +255 22 2667293  
Email: admin@shivacomgroup.com

w a l l s o f i n n o v a t i o n

innovida

1<sup>st</sup> November, 2008

The General Manager  
Space Creations Tanzania Limited  
P O Box 72106  
DAR ES SALAAM

Dear Sir

**RE: FUNDING OF PROJECT**

We at Innovida Group congratulate you for selecting the Innovida technology for construction of affordable houses around the country and wish you success.

As per your request, the Board of Directors of Innovida International has approved an unsecured loan of T.Shs. 9,539,616,000 payable in 12 quarterly installments with a moratorium period of one year. The loan will carry an interest @ 16% per annum.

Yours sincerely,



Uli Schwartz  
Director

**Copy of Letter from  
Group Companies  
confirming to finance  
the investment in  
Capital Assets**

No: 64554

~~FEE PAID~~ SER. 1510001=  
RECEIPT NO. 31618297  
DATE 09/04/08

THE COMPANIES ACT, 2002  
SPACE CREATIONS TANZANIA LIMITED

CERTIFIED MEMBERS RESOLUTION


F/P 150001  
9/4/08  
BUSINESS REGISTRATION  
P. O. BOX 1573  
DAR ES SALAAM

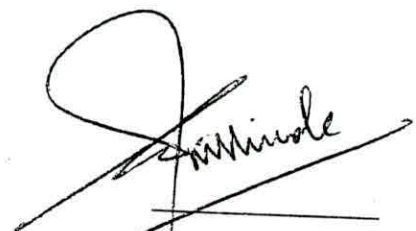
Special Resolution of the Board of Members of Space Creations Tanzania Limited duly convened and held on 4<sup>th</sup> April 2008 at its Registered Office

RESOLVED:

1. That a total of 500 shares held by Sanjay Suchak of P O Box 76939 Dar es Salaam be and are hereby surrendered to the company.
2. That total of 500 shares be and are hereby allotted to Shivacom Group of Companies Ltd. of P O Box 72106, Dar es Salaam.
3. That Tanil Somaiya of P O Box 72106, Dar es Salaam be and is hereby appointed to be the Director of the company.

We, the undersigned hereby certify the foregoing to be true and bonafide extract of the deliberation and Resolution passed by the company.

  
DIRECTOR

  
DIRECTOR

FEE PAID SHS. 15,000/=  
 RECEIPT NO. 3168297  
 DATE 09/04/08

17/1/2008

Form 55a  
 9/4/08

THE UNITED REPUBLIC OF TANZANIA  
 BUSINESS REGISTRATIONS AND LICENSING AGENCY



Return of Allotment of Shares  
 Pursuant to Section 55(1) of the Companies Act 2002

Company Number

Company Name in full

Shares allotted (including bonus shares)

Date or period during which shares were allotted:  
 (If shares were allotted on one date, enter that date in the "from" box)

From:   
 To:

Class of Shares (ordinary or preference etc)	ORDINARY		
Number allotted	500		
Nominal value of each share	10,000,000/=		
Amount (if any) paid or due on each share			

List the names and addresses of the allottees and the number of shares allotted overleaf  
 If the allotted shares are fully or partly paid up otherwise than in cash please state:

% that each share is to be treated as paid up

Consideration for which the shares were allotted (this information must be supported by the duly stamped contract or by the duly stamped particulars on form 55b if the contract is not in writing).

FOR OFFICIAL USE ONLY

UNITED REPUBLIC OF TANZANIA EXCHEQUER RECEIPT

TFN. 614 (Rev. 8.94)

Station	Warrant Holder	Originator's Reference
5	8	11
		25

Receipt No. 31618497 3

Vote	Sub-Vote	Item	Sub-Item
45	47	50	54

RECEIVED FROM SPACE CREATIONS (PVT) LIMITED

56	60	64
----	----	----

SUM OF SHILLINGS (WORDS) Fourty five thousand only

AND CENTS

RESPECT OF Filing fee form SSA, 2109 & Resolution

CASH/CHEQUE No.

Cash

STATION

DSM

ISSUING OFFICER'S SIGNATURE

[Signature]

[Signature]

Print Name

FEE PAID ~~SHS~~ 15,000/-  
RECEIPT NO. 31618497  
DATE 09/02/08

HK 1500



THE UNITED REPUBLIC OF TANZANIA  
BUSINESS REGISTRATIONS AND LICENSING AGENCY

Appointment of a Director or Secretary  
(Not for resignation (Use Form 210b) or change of particulars (Use Form 210c))  
Pursuant to Section 210 of the Companies Act, 2002

Company Number: 64554

Company Name (in full): SPACE CREATIONS TANZANIA LIMITED

Date of appointment: 4<sup>th</sup> April 2008

Appointment as director

Appointment as secretary

Name: (First Name(s)) TANIL

(Surname) SOMAIYA

Previous name(s):

Address: (usual residential)  
P O BOX 72106 DAR-ES-SALAAM  
10 KENYATTA DRIVE, OYSTEBAY  
KINONDUNI - DAR-ES-SALAAM

Nationality: TANZANIAN

Date of Birth:

(continued on next page)

FOR OFFICIAL USE ONLY.

**Copy of Latest Annual  
Return and  
Certificate from BRELA  
confirming the Directors  
and Shareholders**

Quantity	Factory in the box equipment (10,000 sqm capacity per day)	costs	Total	
1-20	4	Production Table 12,0 x 2,5 m	375,000.00 €	1,500,000.00 €
1-50	4	Board lifter	23,250.00 €	93,000.00 €
1-40	4	Vacuum frame with board fixation aid ( incl. central vacuum station )	83,500.00 €	334,000.00 €
1-70	1	2 component resin storage system with manual regulation for mixing and pumping	67,386.00 €	67,386.00 €
1-31	4	Jute / Glass Cutter	16,475.00 €	65,900.00 €
1-32	4	Jute / Glass Preparation unit	21,350.00 €	85,400.00 €
1-30	4	Laminating cart for InnoVida resin	236,000.00 €	944,000.00 €
1-71	1	Mobile InnoVida bonding system with mixer und pump / 25 guns	26,000.00 €	26,000.00 €
1-72	4	Cleaning station for resin	9,125.00 €	36,500.00 €
1-80	1	Fork lift	44,200.00 €	44,200.00 €
1-81	4	Manual cutting station ( on each production table )	8,550.00 €	34,200.00 €
1-82	1	Table cutter	14,200.00 €	14,200.00 €
1-10	1	High volume milling machine	354,000.00 €	354,000.00 €
1-83	4	Manual lifter	- €	- €
1-84	1	Resin layer control unit	- €	- €
1-85	2	Absorber	- €	- €
1-86	1	Storage unit	22,300.00 €	22,300.00 €
1-95		Office equipment, Control and Computer equipment	- €	- €
1-90		Small tools, wiping sheets	186,000.00 €	186,000.00 €
1-60	1	Foam production	402,914.00 €	402,914.00 €
		Shipping and assembly	290,000.00 €	290,000.00 €
		<b>Total ex. factory (one complete factory in the box)</b>	<b>4,500,000.00 €</b>	<b>5,600,000.00 US\$</b>

InnoVida Holdings - 560 Lincoln Rd. Suite # 303 - Miami Beach - FL 33139 USA

Space Creation Tanzania Ltd  
Dar es Salaam  
Tanzania

Sanjai Suchak

InnoVida Holdings  
560 Lincoln rd.  
Suite # 303  
Miami Beach, FL 33139  
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Craig.toll@innovida.com

CFO: Craig Toll

DATE: March 26<sup>th</sup> 2.008

Pro-Forma invoice No. 13725-08

Quantity	Product	Price per unit	Total price
1	Factory in a Box 10.000 Sq.meters X Day (Decription Attached)	\$ 5.300.000	\$ 5.600.000
3	Raw Materials (4 Months)	\$ 750.000	<u>\$ 3.000.000</u> \$ 8.600.000
	Less Payment from InnoVida Holdings Inc.,		(\$ 4.300.000)
	Balance Due By Space Creation Ltd		<u>\$ 4.300.000</u>

**Terms and Conditions:**

TURN-KEY, C.I.F DAR ES SALAAM, DELIVERY DATE 90 DAYS AFTER L/C HAS BEEN ACCEPTED AND INSTALLED AND RUNNING 180 DAYS AFTER L/C HAS BEEN ACCEPTED

Best regards,

Claudio Osorio  
CEO INNOVIDA GROUP

Partner of

**AUTOVISION**

 wolfsburg AG



**SPACE CREATIONS TANZANIA LIMITED**

**Cost of the Expansion of Operations**

Annexure 5

Amount in '000 T Shs

SI.No	Particulars	Nos.	Rate / Unit		T.Shs.
1	Production Table	4	375,000	1,500,000	2,240,000
2	Board Lifter	4	23,250	93,000	138,880
3	Vacuum Frame with baord Fixation aid (Incl central vacuum station)	4	83,500	334,000	498,773
4	2 Componenet resin storage sytems with manual regulation for mixing & pumping	1	67,386	67,386	100,630
5	Jute / Glass cutter	4	16,475	65,900	98,411
6	Jute / Glass prepration Unit	4	21,350	85,400	127,531
7	Laminating cart for Innovida Resin	4	236,000	944,000	1,409,707
8	Mobile Innovida bonding sydtem with mixer & pump / 25 uns	1	26,000	26,000	38,827
9	Cleaning station for resin	4	9,125	36,500	54,507
10	Fork Lift	1	44,200	44,200	66,005
11	Manual cuttig station (On each production table)	4	8,550	34,200	51,072
12	Table cutter	1	14,200	14,200	21,205
13	High volume miling machine	1	354,000	354,000	528,640
14	Building Structure Steel	Misc	506,250	506,250	506,250
15	Building Structure Chequered Plates	Misc	410,297	410,297	410,297
16	Reinforcement Steel, Tiles & Fittings, Cements & Paints	Misc	750,000	750,000	750,000
17	Electrical Fittings	Misc	80,000		80,000
18	Storage Unit	1	22,300	22,300	33,301
19	Office equipment,	1	60,000	60,000	89,600
20	Small tools ,wiping sheets	1	186,000	186,000	277,760
21	Foam production	1	402,914	402,914	601,685
22	Shipping & Assembly	1	290,000	290,000	433,067
23	Control & Computer Equipment		200,000		200,000
24	Generators	2	400,000		800,000
25	Furniture		50,000		50,000
26	Vehicle Commercial trucks	8	100,000		800,000
27	Vehicle Pick ups	16	30,000		480,000
28	Cars	10	18,000		180,000
<b>Total Fixed Assets</b>					<b>11,066,147</b>
<b>Total capital outlay for expansion</b>					<b>11,066,147</b>
<b>Means of Finance</b>					
Payment from Share Holders (Loan & Share Capital)					11,066,147
<b>Total Investments</b>					<b>11,066,147</b>

**Details of Capital  
Assets addition during  
expansion**

## SPACE CREATIONS TANZANIA LIMITED

Schedule O

## PROVISION FOR TAXATION

Amount in '000 T Shs

Particulars	Projections				
	Year 1	Year 2	Year 3	Year 4	Year 5
Opening Balance	-	820,153	44,792	313,853	348,478
Add : Tax Payable	820,153	1,271,945	3,134,853	3,489,478	3,638,083
Less : Payments		(407,000)	(2,865,792)	(3,454,853)	(3,622,478)
<b>CLOSING BALANCE</b>	<b>(820,153)</b>	<b>44,792</b>	<b>313,853</b>	<b>348,478</b>	<b>364,083</b>

## SPACE CREATIONS TANZANIA LIMITED

Schedule N

## OTHER PAYABLES (VAT PAYMENTS)

Amount in '000 T Shs

Particulars	Notes	Projections				
		Year 1	Year 2	Year 3	Year 4	Year 5
Opening Balance of VAT Payable		-	141,750	137,205	252,041	292,341
VAT Output on Sales		4,657,500	9,229,500	12,907,125	14,204,250	15,468,750
Less : VAT Input on						
Cost of Sales		(3,948,750)	(7,656,188)	(9,893,813)	(10,802,025)	#####
Payment During the year		(567,000)	(1,577,858)	(2,898,476)	(3,361,925)	(3,351,391)
<b>CLOSING BALANCE</b>		<b>141,750</b>	<b>137,205</b>	<b>252,041</b>	<b>292,341</b>	<b>291,425</b>

## SPACE CREATIONS TANZANIA LIMITED

Schedule M

## TRADE &amp; OTHER CREDITORS

Amount in '000 T Shs

Particulars	Notes	PROJECTIONS				
		Year 1	Year 2	Year 3	Year 4	Year 5
Opening Balance			1,184,625	1,643,996	4,612,140	6,556,505
Add : Purchases/Direct Cost		23,692,501	45,937,125	59,362,875	64,812,150	72,709,650
Less : Payments		(22,507,876)	(45,477,754)	(56,394,731)	(62,867,786)	(72,346,102)
<b>CLOSING BALANCE</b>		<b>1,184,625</b>	<b>1,643,996</b>	<b>4,612,140</b>	<b>6,556,505</b>	<b>6,920,053</b>

## SPACE CREATIONS TANZANIA LIMITED

Schedule L

## UNSECURED LOAN

Amount in '000 T Shs

Particulars	PROJECTIONS				
	Year 1	Year 2	Year 3	Year 4	Year 5
Opening Balance		19,079,233	19,079,233	11,447,540	3,815,847
Add : Receipts	19,079,233				
Less : Payments			(7,631,693)	(7,631,693)	(3,815,847)
<b>CLOSING BALANCE</b>	<b>19,079,233</b>	<b>19,079,233</b>	<b>11,447,540</b>	<b>3,815,847</b>	<b>-</b>

## SPACE CREATIONS TANZANIA LIMITED

## ACCUMULATED PROFITS

Schedule K

Amount in '000 T Shs

Particulars	Notes	Audited	PROJECTIONS				
			Year 1	Year 2	Year 3	Year 4	Year 5
Balance brought forward		-		(167,338)	3,078,727	10,487,530	18,505,367
Accumulated Profit/(Loss)							
Capital Revaluation Reserves							
Add : Balance from Profit & Loss Account		-	(167,338)	3,246,065	7,408,803	8,017,837	8,282,117
CLOSING BALANCE OF ACCUMULATED PROFITS / (LOSSES)		-	(167,338)	3,078,727	10,487,530	18,505,367	26,787,484

SPACE CREATIONS TANZANIA LIMITED

Schedule J

SHARE CAPITAL

Amount in '000 T Shs

Particulars	Notes	PROJECTIONS				
		Year 1	Year 2	Year 3	Year 4	Year 5
Opening Balance			1,000,000	1,000,000	1,000,000	1,000,000
Add : Fresh issue of shares		1,000,000	-	-	-	-
<b>CLOSING BALANCE</b>		<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>