



LUNA CANDLES

AND PAPER PRODUCTS

(i) LID

1.0

**EXD**

✓ w

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

- (a) Minimum finance investment threshold has been exceeded, the project expects to invest USD 0.782m
- (b) Legal entity has been incorporated under certificate

No. 67282 of 13/01/2009

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

Submitted for signature.

N. A. Senzia  
**DIF**  
2<sup>nd</sup> March 2009

2.0

**EXD**

In response to the TIC letter of registration dated 2<sup>nd</sup> March 2009

the project has submitted the required documents namely: -

- (a) Company Board Resolution.
- (b) Reference letter/Financing from Exim Bank LTD
- (c) Lease Agreement as evidence of land

With the above submission EXD is requested to sign Certificate of Incentives No. 041636 herein attached.

20/3/09

  
**DIF**

3.0 George / BRELA (F 9)

Please advise on current shareholding for Mrs. Luna Candles and Paper Products (T) Ltd.

ZK

2/12/2010

4. Zacharia

The Shareholders of the Company are:

~~1. AHMED AHMED FK ROY~~

1. FAYSAH MOHAMAD AHI YAHFOUFI - 50% (500) Shares
2. GHAZI FAYSAH YAHFOUFI - 30% (300) Shares
3. GHADI FAYSAH YAHFOUFI - 20% (200) Shares

George  
2/12/2010

7.

EXD

Certificate of Incentives has been amended as per recommendation in folio 4 and their request in folio 9 and 15 hereby submitted for your approval & signature

7/12/2010



DIF

**TICC/PP.10/041636/13**

**17/12/2010**

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. 041636**

**M/S Luna Candle and Paper Products (T) Limited** is a TIC registered Company with certificate of incentives **No. 041636** which is valid up to **February 2012**

The company has been registered with objectives of establishing a project for manufacturing of candle, hand tissue papers and toilet rolls.

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**

TIC

12

M/S LUNA CANDLES AND PAPER PRODUCTS (T) LIMITED  
P. O. BOX 33059 DAR ES SALAAM/ TANZANIA  
TEL: +255 786 666 666/ FAX; +255 22 2773388

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

29/11/2010

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



Dear Sir,

RE: DUTY/ VAT EXEMPTION ON THE CAPITAL/ DEEMED CAPITAL GOODS -  
CERTIFICATE OF INCENTIVES NO: 041636

We are TIC approved project with Certificate of Incentives No;  
041636 which is valid up to February, 2012

We have been registered with objectives of establishing production  
facilities for candle, hand tissue paper and toilet rolls.

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

Yours sincerely

G. Yahfoufi  
Ghazi Yahfoufi  
Managing Director

TIN: 107 - 572 - 228



Nº 00216758

*Handwritten signature and date: 07/12/2010*

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

THIS CERTIFICATE REPLACE  
THE PREVIOUS ONE NO.  
041636 ISSUED ON  
19/03/2009

AMENDMENT ON COMPANY ADDRESS  
AND SECTION ONE HAVE BEEN  
EFFECTED

No: 041636

*Handwritten signature: -Felix Ndele-*

*Handwritten signature: -Felix Ndele-*

## This is to certify that

LUNA CANDLES AND PAPER PRODUCTS (T) LTD

of address P.O. BOX 33059

DAR ES SALAAM

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

LUNA CANDLES AND PAPER PRODUCTS (T) LTD

Which is located at PLOT NO. 124 MIKOCHENI SERVICE TRADE

KINONDONI DISTRICT - DAR ES SALAAM

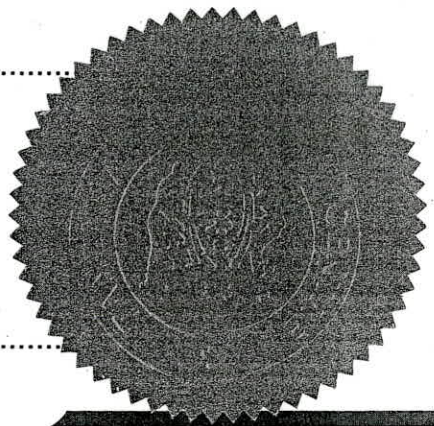
Further particulars required by Section 17 of the Tanzania Investment Act are set out overleaf.

*Handwritten signature: -Felix Ndele-*

Executive Director

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

Dated 6TH DECEMBER 2010



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 (%)
Faysal Mohamad Ali Yahfoufi	Lebanese	50
Ghazi Faysal Yahfoufi	Lebanese	30
Chadi Faysal Yahfoufi	Lebanese	20
2. Proposed Activities: To establish production facilities for candle, hand tissue papers and toilet rolls
3. Sector: Manufacturing Subsector Candles, tissue paper and toilet rolls manufacturing
4. Investment cost: Foreign USD 0.42m. Local USD 0.369m. Total USD 0.789m.
5. Project Financing: Equity USD 0.789m. Loans - Total USD 0.789m.
6. Source, terms and conditions of loan.
7. Assets to be invested:  

Capital items:	Foreign	Local	Total
	USD 0.42m.	USD 0.369m.	USD 0.789m.
8. Technology Agreement: None
9. Date of TIC Registration: 2nd March 2009
10. Implementation period: March 2009 - February 2012
11. Operative date: March 2012
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
  - (i) Applicable Import Duty **And VAT as per Customs Tariff, Act, 1976 & VAT Act, 1997**
  - (ii) Applicable with-holding Tax **As per Income Tax Act, 2004 (as amended)**
  - (iii) Eligibility of Capital Allowances **As per Income Tax Act, 2004 (as amended)**
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
  - (i) Date of Commencement of investment has to be notified to the Centre.
  - (ii) Certificate not to be transferred, assigned or amended
  - (iii) Failure to commence implementation within two years invalidates Certificate
  - (iv) Failure to operate investment must be notified to the Centre
  - (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre
15. Additional conditions attached to Certificate  
**Finished goods are not allowed under this Certificate**

Signed   
Executive Director

## M/S LUNA CANDLES & PAPER PRODUCTS (T) LIMITED

### LIST OF CAPITAL/ DEEMED CAPITAL GOODS

NO:	ITEMS	QUANTITY	UNIT
1.	Candle machinery Complete (one Set);	20	Sets
	- Hydraulic candle moulding machines fitted with mould for manufacture of fluted candles	10	Units
	- Standard wick racks modified for plastic tubing.	5	Units
	- Hydraulic tubing	10	Units
	- In line zista tube connectors	50	Units
	- Moulds	100	Units
	- Piston rods with heads	100	Units
	- Wick cutting spears (2 per machines)	5	Units
	- Heavy Duty Spears	50	Units
	- Cutting blades for wick spears	200	Units
	- Hydraulic 60 litres 3 drums	10	Units
2.	Melting Tank	4	Units
3.	Industrial Water Cooler	4	Units
4.	Revet Machines	25	Units
5.	Napkin Machines	15	Units
6.	Generators	5	Units
7.	Industrial Air Conditioners	20	Units
8.	Central Cooling System	10	sets
9.	Stabilizers	5	Units
10	Printing Machines	15	Units
11.	Exhaust Fans	30	Units
12.	Industrial Fans	40	Units
13.	Candle Wicks	10	Tons
14.	Light Trucks( 2-10 tons)	15	Units
15.	Pick ups (Single Cabins)	5	Units



No 00216758

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

THIS CERTIFICATE REPLACE  
THE PREVIOUS ONE NO.  
041636 ISSUED ON  
19/03/2009

AMENDMENT ON COMPANY ADDRESS  
AND SECTION ONE HAVE BEEN  
EFFECTED

No: 041636

*- Replaced -*

*- Replaced -*

## This is to certify that

LUNA CANDLES AND PAPER PRODUCTS (T) LTD

of address P.O. BOX 33059

DAR ES SALAAM

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

LUNA CANDLES AND PAPER PRODUCTS (T) LTD

Which is located at PLOT NO. 124 MIKOCHENI SERVICE TRADE

KINONDONI DISTRICT - DAR ES SALAAM

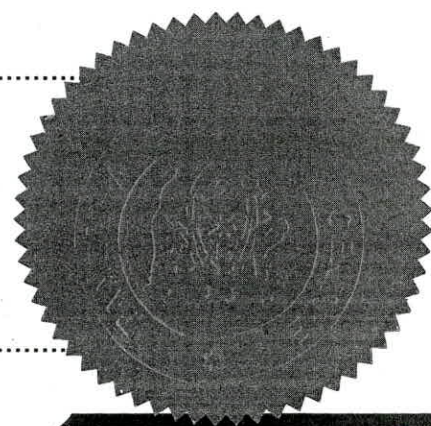
Further particulars required by Section 17 of the Tanzania Investment Act are set out overleaf.

*- Replaced -*

Executive Director

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

Dated 6TH DECEMBER 2010



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 (%)
Faysal Mohamad Ali Yahfoufi	Lebanese	50
Ghazi Faysal Yahfoufi	Lebanese	30
Chadi Faysal Yahfoufi	Lebanese	20
2. Proposed Activities: **To establish production facilities for candle, hand tissue papers and toilet rolls**
3. Sector: **Manufacturing** Subsector **Candles, tissue paper and toilet rolls manufacturing**
4. Investment cost: Foreign **USD 0.42m.** Local **USD 0.369m.** Total **USD 0.789m.**
5. Project Financing: Equity **USD 0.789m.** Loans **-** Total **USD 0.789m.**
6. Source, terms and conditions of loan
7. Assets to be invested:  

Capital items:	Foreign	Local	Total
	<b>USD 0.42m.</b>	<b>USD 0.369m.</b>	<b>USD 0.789m.</b>
8. Technology Agreement **None**
9. Date of TIC Registration: **2nd March 2009**
10. Implementation period **March 2009 - February 2012**
11. Operative date **March 2012**
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
  - (i) Applicable Import Duty **And VAT as per Customs Tariff, Act, 1976 & VAT Act, 1997**
  - (ii) Applicable with-holding Tax **As per Income Tax Act, 2004 (as amended)**
  - (iii) Eligibility of Capital Allowances **As per Income Tax Act, 2004 (as amended)**
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  - (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

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TFN. 614 (Rev. 8/94)

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

37891913

1

Shs				Cts
USD	7	50	=	=

KIASI  
Amount

NIMEPOKEA KWA  
Received from

LUNA CANDLES & PAPER PRODUCTS LTD

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

USDOLLAR SEVEN HUNDRED FIFTY ONLY

KWA MALIPO YA  
In respect of

CERTIFICATE OF INCENTIVE

KITOO - Station

FEDHA TASLIMU/HUNDI  
NAMBA By Cash/Cheque No.

CASH

CHEO - Title

TAREHE - Date

Acc 30 NOV. 2010

BSM

SAHIHI YA MPOKEAJI - Receiving Officer's  
Signature

MPC-KIUTA

Tanzania Investment Centre





الجمهورية العربية السورية  
DIPLOMATIE / CONSULAT

DECLARATION / DECLARATION

تصوير الشخصية  
VOS PHOTO

الجنسية  
Nationalité

الاسم  
Nom

اللقب  
Nom de famille

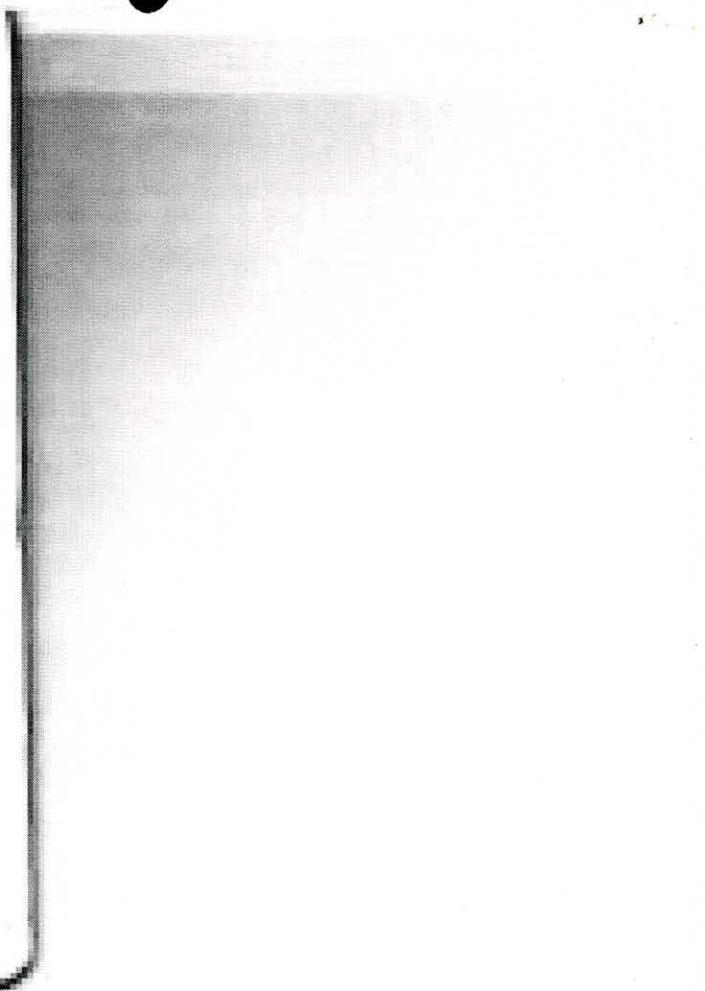
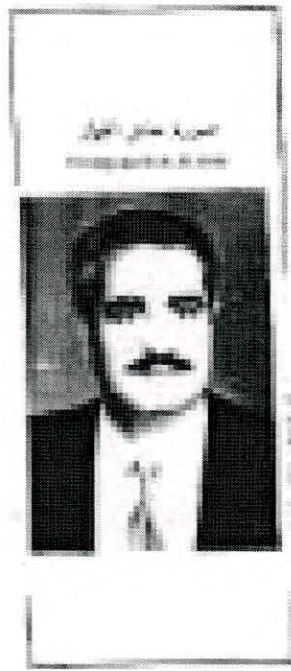
الجنسية  
Nationalité

الاسم  
Nom

اللقب  
Nom de famille

الاسم  
Nom

اللقب  
Nom de famille



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**LUNA CANDLES AND PAPER PRODUCTS (T) LIMITED**  
**P.O. BOX 33059**  
**DAR ES SALAAM**

29th November 2010

Executive Director  
Tanzania Investment Centre  
P.O. BOX 938  
Dar es salaam

**RE: AMMENDMENT OF TIC CERTIFICATE OF INCENTIVES**

Kindly refer to the captioned subject

We request your esteemed office to change **company shareholders** on TIC Certificate of Incentives No.041636 dated 19<sup>th</sup> March 2009 because the same have changed as per the attached share transfer forms and certificates.

We also request for amendment of our **postal address** which have change from 80400 Dar es Salaam to 33059 Dar es salaam. Our company is ready and prepared to pay for the Certificate of Incentives fee of \$ 750

We trust that the above will meet your due requirements and therefore grant us the amended certificate of Incentives.

Yours sincerely

**LUNA CANDLES AND PAPER PRODUCTS (T) LIMITED**

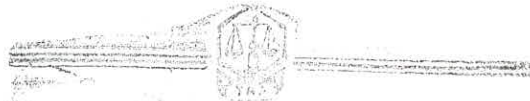
.....  
  
**Ghazi Yahfoufi**

Managing Director

**TRANSFER OF SHARE OR STOCK.**

Stock forwarded to the Company's Office by

KHALIL AHMED EL RIZ  
P.O. BOX 80400  
DAR ES SALAAM



STAMP DUTY  
Shs. 202,400/= collected  
Receipt No. 1439913 Dated 10/11/10  
Regional Revenue Office - Mala

in consideration of the sum of SHILLINGS NINETY MILLION ONLY (90,000,000/=)  
paid by  
GHAZI FAYSAL YAHCUEFI  
P.O. BOX 33059  
DAR ES SALAAM

Certified as a true Copy  
of the original.

*[Signature]*  
29/11/2010  
Buberwa E.D.  
Advocate, Notary Public  
& Commissioner for Oaths  
P.O. Box 75444  
Dar-es-Salaam

hereinafter called the said Transferee

Do hereby bargain sell, assign, and transfer to the said transferee  
300 ORDINARY SHARES OF 300,000/= EACH

of and in the undertaking called the  
LUNA CANDLES AND PAPER PRODUCTS (T) LTD

As Witness our hands and Sales this 25TH  
In the year Two Thousand and .....TEN..... day of .....OCTOBER.....

Signed, sealed and delivered, by the above-named  
in the Presence of .....  
Signature .....  
Address .....  
Occupation .....



*[Signature]*



Signed, sealed and delivered, by the above-named  
in the Presence of .....  
Signature .....  
Address .....  
Occupation .....



*[Signature]*



Witness 1

Witness 2

NOTE:-The Consideration money set forth in a Transfer may differ from that which the first Seller will receive, owing to sub-sales by the original Buyer; the Stamp Act requires that in such case the Consideration money paid by the Sub-purchaser shall be the one inserted in the Deed. As regulating the *ad valorem* Duty; the following in the *Clause* in question. Where a person having contracted for the purchase of any Property, but not having obtained a Conveyance thereof, contracts to sell the same to any other Person and the Property is, in consequence, conveyed immediately to the sub-purchaser, the conveyance is to be charged with *ad valorem* Duty in respect of the Consideration moving from the Sub-purchaser.

**TRANSFER OF SHARE OR STOCK.**

ALI AHMED EL ROZ  
P.O., BOX 80400  
DAR ES SALAAM

STAMP DUTY  
Slip 202,400/= collected  
Receipt No 1439913 Dated 10/11/10  
Regional Revenue Office, Atala\*

Stock forwarded to the Company's Office by

in consideration of the sum of SHILLINGS ONE HUNDRED FIFTY MILLION ONLY  
paid by (150,000,000/=)

FAYSAL MOHAMAD ALI YAHFOUFI  
P.O., BOX 33059  
DAR ES SALAAM

hereinafter called the said Transferee

Do hereby bargain sell, assign, and transfer to the said transferee

500 ORDINARY SHARES OF 300,000/= EACH

Certified as a true Copy  
of the original  
29/11/2010

Buberwa E.D.  
Advocate, Notary Public  
& Commissioner for Oaths  
P.O. Box 75444  
Dar-es-Salaam

of and in the undertaking called the

LUNA CANDLES AND PAPER PRODUCTS (T) LTD

As Witness our hands and Sales this 25TH  
In the year Two Thousand and TEN day of OCTOBER

Witness 1

Signed, sealed and delivered, by the above-named  
in the Presence of  
Signature  
Address  
Occupation



ALY SEAL

Witness 2

Signed, sealed and delivered, by the above-named  
in the Presence of  
Signature  
Address  
Occupation



Signature SEAL

NOTE:-The Consideration money set forth in a Transfer may differ from that which the first Seller will receive, owing to sub-sales by the original Buyer; the Stamp Act requires that in such case the Consideration money paid by the Sub-purchaser shall be the one inserted in the Deed. As regulating the *ad valorem* Duty; the following in the *Clause* in question. Where a person having contracted for the purchase of any Property, but not having obtained a Conveyance thereof, contracts to sell the same to any other Person and the Property is, in consequence, conveyed immediately to the sub-purchaser, the conveyance is to be charged with *ad valorem* Duty in respect of the Consideration moving from the Sub-purchaser.

**TRANSFER OF SHARE OR STOCK.**

Stock forwarded to the Company's Office by

I MOHMOUD YOSSEF EL ROZ  
P.O. BOX 80400  
DAR ES SALAAM

STAMP DUTY  
Shs 202,400/- collected  
Receipt No 1439913 Dated 10/11/10  
Regional Revenue Officer, Mlala

in consideration of the sum of SHILLINGS SIXTY MILLION ONLY (60,000,000/=)  
paid by CHADI FAYSAL YAHFOUFI  
P.O. BOX 33059  
DAR ES SALAAM

hereinafter called the said Transferee

Do hereby bargain sell, assign, and transfer to the said transferee  
200 ORDINARY SHARES OF 300,000/= EACH

Certified as a true Copy  
of the Original  
29/11/2010

Buberwa E.D.  
Advocate, Notary Public  
& Commissioner for Oaths  
P.O. Box 75444  
Dar-es-Salaam

of and in the undertaking called the

LUNA CANDLES AND PAPER PRODUCTS (T) LTD

As Witness our hands and Sales this 25TH  
In the year Two Thousand and TEN day of OCTOBER

Witness 1

Signed, sealed and delivered, by the above named  
in the Presence of  
Signature  
Address  
Occupation



notarized



Witness 2

Signed, sealed and delivered, by the above named  
in the Presence of  
Signature  
Address  
Occupation



NOTE:-The Consideration money set forth in a Transfer may differ from that which the first Seller will receive, owing to sub-sales by the original Buyer; the Stamp Act requires that in such case the Consideration money paid by the Sub-purchaser shall be the one inserted in the Deed. As regulating the *ad valorem* Duty; the following in the Clause in question. Where a person having contracted for the purchase of any Property, but not having obtained a Conveyance thereof, contracts to sell the same to any other Person and the Property is, in consequence, conveyed immediately to the sub-purchaser, the conveyance is to be changed with *ad valorem* Duty in respect of the Consideration moving from the Sub-purchaser.

# Share Certificate

Shares.....500.....

Share Certificate No.....3.....

LUNA CANDLES AND PAPER PRODUCTS (T) LIMITED

P.O. BOX 33059 DAR ES SALAAM, TANZANIA

Incorporated under The Companies Act of 2002

Authorised Share Capital Shs.....300,000,000/=.....

**This is to Certify** that..... FAYSAL MOHAMAD ALI YAHFOUFI

of..... P.O. BOX 33059, DAR ES SALAAM, TANZANIA

is the Registered Proprietor of..... 500 ..... Share of Shs..... 300,000/= ..... Each Numbered

..... 501 ..... to ..... 1000 ..... Inclusive, subject to the Memorandum and Article of Association

of the Company, and that upon each of such Shares the sum of Shs..... 150,000,000/=

**Given** under the Common Seal of the above Company, this..... 08TH ..... day of..... NOVEMBER ..... 2010.....

Director.....  
Director/Secretary.....



**NO TRANSFER OF THE WHOLE OR ANY PORTION OF THE ABOVE SHARES CAN BE REGISTERED WITHOUT THE PRODUCTION OF THIS CERTIFICATE**

Notarized as a true copy  
of the original  
29/11/2010  
Buberwa E.D.  
Advocate, Notary Public  
& Commissioner for Oaths  
P.O. Box 75444  
Dar-es-Salaam

# Share Certificate

Shares..... 300.....

Share Certificate No.....2.....

LUNA CANDLES AND PAPER PRODUCTS (T) LTD.  
P.O. BOX 33059 DAR ES SALAAM, TANZANIA.

Incorporated under The Companies Act of 2002

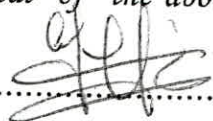
Authorised Share Capital Shs..... 300,000,000/=.....

**This is to Certify that**..... GHAZI FAYSAL YAHFOUFI.....

of..... P.O. BOX 33059 DAR ES SALAAM.....

is the Registered Proprietor of..... \* 300..... Share of Shs..... 300,000/=..... Each Numbered  
..... 201..... to..... 500..... Inclusive, subject to the Memorandum and Article of Association  
of the Company, and that upon each of such Shares the sum of Shs..... 90,000,000/=.....


**Given** under the Common Seal of the above Company, this..... 08TH..... day of..... NOVEMBER..... 2010.....

Director..... 

Director/Secretary..... 



**NO TRANSFER OF THE WHOLE OR ANY PORTION OF THE ABOVE SHARES CAN BE REGISTERED WITHOUT THE PRODUCTION OF THIS CERTIFICATE**

*Certified as a true Copy of the Original.*  
  
29/11/2010  
Buberwa E.D.  
Advocate, Notary Public  
& Commissioner for Oaths  
P.O. Box 754  
Dar-es-Salaam

# Share Certificate

Shares.....200.....

Share Certificate No.....1.....

LUNA CANDLES AND PAPER PRODUCTS (T) LTD.

P.O. BOX 33059 DAR ES SALAAM, TANZANIA

Incorporated under The Companies Act of 2002

Authorised Share Capital Shs.....300,000,000/=.....

**This is to Certify that**.....CHADI FAYSAL YAHFOUFI.....  
of.....P.O. BOX 33059, DAR ES SALAAM, TANZANIA.....

is the Registered Proprietor of.....200.....Share of Shs.....300,000/=.....Each Numbered  
.....1.....to.....200.....Inclusive, subject to the Memorandum and Article of Association  
of the Company, and that upon each of such Shares the sum of Shs.....60,000,000/=.....

**Given** under the Common Seal of the above Company, this.....08TH.....day of.....NOVEMBER.....2010.....

Director.....

Director/Secretary.....



NO TRANSFER OF THE WHOLE OR ANY PORTION OF THE ABOVE SHARES CAN BE REGISTERED WITHOUT THE PRODUCTION OF THIS CERTIFICATE

Notary Public  
Advocate, Notary Public  
& Commissioner for  
P.O. Box 7544  
Dar-es-Salaam

29/11/2010

of the Office of the  
Commissioner for  
the Capital Markets

## **PROGRESS REPORT**

### **1.0 Introduction**

M/s LUNA CANDLE AND PAPER PRODUCTS (T) LTD is limited liability Company incorporated in the United Republic of Tanzania with a Certificate of Incorporation No.69282 dated 13<sup>th</sup> January 2009. The company which is owned by Lebanese and a Tanzanian company is also registered with Tanzania Investment Centre (TIC) and granted with Certificate of Incentives No.041636 dated 19<sup>th</sup> March 2009 with the objective of establishing production facilities for candle, hand tissue paper and toilet rolls.

Although trial production started this year the project faced a number of problems the major ones being lack of finance and expertise in the line of business. It is for this reason that the company sold its shares to new investors/shareholders (please see attached share transfer forms and certificate). The new shareholders have the capital and the expertise to undertake the project activities.

It is in view of the above that; we have submitted our application for amendment of shareholding position in our certificate of Incentives to reflect new shareholding position. We have also requested for approval of our amended list of capital and deemed capital goods

### **2.0 Planned Activities during the period**

In order to achieve the objective of establishing production facilities for candle, hand tissue paper and toilet rolls, we planned to undertake a number of activities during the period under review as listed below;

- To construct/renovate factory building, godowns at Plot No. 124 Mikocheni service trade, Kinondoni, Dar es salaam

- We planned to acquired plant and machinery; Hydraulic candle moulding machines, Standard wick racks modified for plastic tubing, tube connectors, wick cutting spears, spare piston rods with EVE014 heads, tex candle wick, central cooling system etc
- To acquire two generators
- To purchase various office furniture
- To purchase various spare parts and accessories
- To employ 48 people

### **3.0 Achievements made during the period**

Our company wishes to report that we were able to achieve same of the planned activities during the period under review and listed below;

- We have construct godowns for storage of raw materials and finished products
- We acquired some plant and machinery; Candle manufacturing machines
- We purchased two generators (13KVA & 60KVA)
- We purchased various office furniture
- We purchased various spare parts and accessories
- We have so far employed 48 people on permanent bases

### **4.0 Project financial expenditure to date**

	Foreign (\$)	Total (\$)
Land and Building	200,000	200,000
Plant and Machinery	150,000	150,000
Furniture	15,000	15,000
Pre expenses	30,000	30,000
Working capital	100,000	100,000
<b>Total</b>	<b>495,000</b>	<b>495,000</b>

## 5.0 Project Financing

The project was financed as follows;	\$
Shareholders' Equity	495,000
Bank loan	0
<b>Total Financing</b>	<b>495,000</b>

## 6.0 Problems and Solution

The major problems to our project were lack of adequate finances to our project activities and that the company management did not have the business expertise. It is for this reason that the company decided to sell shares to new directors/shareholders who have the expertise and enough capital to undertake project activities

## 7.0 Future Plans

We are planning for the following in future;

- To Import machinery and equipments for the project. We have already lodged at TIC an application for approval of our exemption list by the commissioner for Customs. It is our hope that it will be approved.
- To expand candle factory
- To purchase 15 trucks and 2 Pickups
- To acquire enough raw materials for the project
- To employ 100-150 people

## **8.0 Recommendations**

We highly appreciate TIC facilitation in the project establishment. We request you to approve our request for amending shareholding position in our certificate of Incentives and facilitate approval of our capital/deemed capital goods list.

6

M/S LUNA CANDLES AND PAPER PRODUCTS (T) LIMITED  
P. O. BOX 33059 DAR ES SALAAM/ TANZANIA  
TEL: +255 786 666 666/ FAX; +255 22 2773388

.....

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

29/11/2010

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



Dear Sir,

**RE: DUTY/ VAT EXEMPTION ON THE CAPITAL/ DEEMED CAPITAL GOODS -  
CERTIFICATE OF INCENTIVES NO: 041636**

We are TIC approved project with Certificate of Incentives No;  
041636 which is valid up to February, 2012

We have been registered with objectives of establishing production  
facilities for candle, hand tissue paper and toilet rolls.

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

Yours sincerely

Ghazi Yahfoufi  
Managing Director

TIN: 107-572-228



No. 00215400

For: Executive Director  
Tanzania Investment Centre  
Certified True Copy  
of The Original  
Signature  
Date 29/11/2010

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 0416 36

**This is to certify that**

LUNA CANDLES AND PAPER PRODUCTS (T) LTD

of address P.O. BOX 80400

DAR ES SALAAM

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

LUNA CANDLES AND PAPER PRODUCTS (T) LTD

Which is located at PLOT NO. 124, MIKOCHENI SERVICE TRADE,

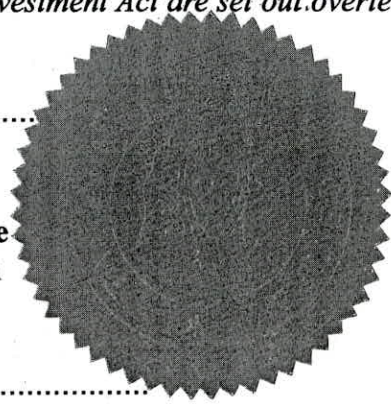
KINONDONI DISTRICT - DAR ES SALAAM

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 19TH MARCH 2009



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

1. Shareholders
 

Shareholders	Nationality	Shareholding (%)
Ali Ahmed El Roz	Lebanese	50
Khalil Ahmed El Riz	Lebanese	30
Mahmoud Yossef El Roz	Lebanese	20
2. Proposed Activities : To establish production facilities for candle, hand tissue papers and toilet rolls
3. Sector: Manufacturing Subsector Candles, tissue paper and toilet rolls manufacturer
4. Investment cost: Foreign USD 0.42m. Local USD 0.369m. Total USD 0.789m.
5. Project Financing: Equity USD 0.789m. Loans - Total USD 0.789m.
6. Source, terms and conditions of loan
7. Assets to be invested:
 

Capital items:	Foreign	Local	Total
	USD 0.42m.	USD 0.369m.	USD 0.789m.
8. Technology Agreement None
9. Date of TIC Registration: 2nd March 2009
10. Implementation period March 2009 - February 2012
11. Operative date March 2012
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
  - (i) Applicable Import Duty And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997
  - (ii) Applicable with-holding Tax As per Income Tax Act, 2004 (as amended)
  - (iii) Eligibility of Capital Allowances As per Income Tax Act, 2004 (as amended)
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
  - (i) Date of Commencement of investment has to be notified to the Centre.
  - (ii) Certificate not to be transferred, assigned or amended
  - (iii) Failure to commence implementation within two years invalidates Certificate
  - (iv) Failure to operate investment must be notified to the Centre
  - (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre
15. Additional conditions attached to Certificate  
Finished good is not allowed under this Certificate.

Signed   
Executive Director

## M/S LUNA CANDLES & PAPER PRODUCTS (T) LIMITED

### LIST OF CAPITAL/ DEEMED CAPITAL GOODS

NO:	ITEMS	QUANTITY	UNIT
1.	Candle machinery Complete (one Set);	20	Sets
	- Hydraulic candle moulding machines fitted with mould for manufacture of fluted candles	2	Units
	- Standard wick racks modified for plastic tubing.	2	Units
	- Hydraulic tubing	6	Units
	- In line zista tube connectors	10	Units
	- Moulds	10	Units
	- Piston rods with heads	10	Units
	- Wick cutting spears (2 per machines)	2	Units
	- Heavy Duty Spears	20	Units
	- Cutting brades for wick spears	40	Units
	- Kilograms 200x3 tex candle wick	500	Units
	- Hydralic 60 litres 3 drums	3	Units
2.	Melting Tank	4	Units
3.	Industrial Water Cooler	4	Units
4.	Revet Machines	25	Units
5.	Napkin Machines	15	Units
6.	Generators	5	Units
7.	Industrial Air Conditioners	20	Units
8.	Central Cooling System	10	sets
9.	Stabilizers	5	Units
10.	Light Trucks( 2-10 tons)	15	Units
11.	Pick ups (Single Cabins)	5	Units

**TICC/PP.10/041636/7**

**12/02/2010**

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. 041636**

**M/S Luna Candle and Paper Products (T) Limited** is a TIC registered company with certificate of incentives **No. 041636** which is valid up to **February 2012**

The company has been registered with objectives of establishing a project for manufacturing of candle, hand tissue papers and toilet rolls.

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**

# LUNA CANDEL & PAPER PRODUCT (T) LTD

P.O. Box 33059  
Dar es Salaam  
Tanzania

Tel: +255 22 2773388  
Mob: +255 756 803803  
Email: luna\_lcpp.ltd@hotmail.com

6

Ref. No.....

Date:....08/02/2010.....

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

**UFS:**

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



## **REF: DUTY / VAT EXEMPTION ON MACHINERY**

Kindly refer to the subject above.

We are manufacturer of candle, hand tissue papers and toilet rolls based at Mikocheni with certificate of Incentives no. 041636 dated 19<sup>th</sup> March, 2009 valid up to February, 2012.

We apply to your office for providing Duty free/ VAT Exemption for machinery that we require for our factory.

The copy of TIN, Certificate of Incentives and list of machineries are enclosed here with.

Kindly issue the necessary assistance at the earliest possible

**Luna Candles and Paper Production (T) Ltd**

K. A. El Riz  
**Managing Director**

A handwritten signature in blue ink, appearing to read 'K. A. El Riz', written over the printed name of the Managing Director.

**LIST OF MACHINERY FOR DUTY FREE / VAT EXEMPTION  
FOR LUNA CANDLE AND PAPER PRODUCTS (T) LTD**

<b>S/No</b>	<b>Item</b>	<b>Quantity</b>
1	Candle Machinery Complete (one set)	5 pieces
	* 456 Hydraulic Candle Moulding Machines fitted with mould for manufacture of 48 kg fluted candles (eve014mould size)	(2 pieces)
	* Standard wick racks modified for plastic tubing	(2 pieces)
	* Hydraulic 60 litres 3 drums	(3 pieces )
	* 6 Metres 10mm hydraulic tubing	(6)pieces
	* In line Zista tube connectors	(10 pieces)
	* Spare moulds (EVE014)	(10 pieces)
	* Spare piston rods with EVE014 heads	(10 pieces)
	* Wick cutting spears ( 2 per machines)	(2 pieces)
	* Heavy Duty Spears	(20 pieces)
	* Stanley 0-11-301 18x110 cutting brades for wick spears	(40 pieces)
	* Kilograms 200x3 tex candle wick	(500 pieces)

Verified True Copy  
of The Original  
Signature  
Date 20/03/2009  
For Executive Director  
Tanzania Investment Centre



No. 00215400

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 0416 36

## This is to certify that

LUNA CANDLES AND PAPER PRODUCTS (T) LTD

of address P.O. BOX 80400

DAR ES SALAAM

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

LUNA CANDLES AND PAPER PRODUCTS (T) LTD

Which is located at PLOT NO. 124, MIKOCHENI SERVICE TRADE,

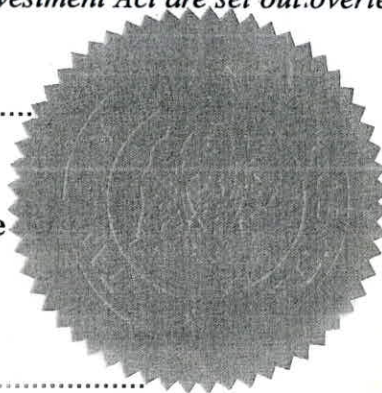
KINONDONI DISTRICT - DAR ES SALAAM

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 19TH MARCH 2009



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

1. Shareholders
- |                       | Nationality | Shareholding (%) |
|-----------------------|-------------|------------------|
| Ali Ahmed El Roz      | Lebanese    | 50               |
| Khalil Ahmed El Riz   | Lebanese    | 30               |
| Mahmoud Yossef El Roz | Lebanese    | 20               |
2. Proposed Activities: To establish production facilities for candle, hand tissue papers and toilet rolls
3. Sector: Manufacturing Subsector: Candles, tissue paper and toilet rolls manufacturer
4. Investment cost: Foreign USD 0.42m. Local USD 0.369m. Total USD 0.789m.
5. Project Financing: Equity USD 0.789m. Loans - Total USD 0.789m.
6. Source, terms and conditions of loan
7. Assets to be invested:
- | Capital items: | Foreign    | Local       | Total       |
|----------------|------------|-------------|-------------|
|                | USD 0.42m. | USD 0.369m. | USD 0.789m. |
8. Technology Agreement: None
9. Date of TIC Registration: 2nd March 2009
10. Implementation period: March 2009 - February 2012
11. Operative date: March 2012
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
- (i) Applicable Import Duty: And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997
  - (ii) Applicable with-holding Tax: As per Income Tax Act, 2004 (as amended)
  - (iii) Eligibility of Capital Allowances: As per Income Tax Act, 2004 (as amended)
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
- (i) Date of Commencement of investment has to be notified to the Centre.
  - (ii) Certificate not to be transferred, assigned or amended
  - (iii) Failure to commence implementation within two years invalidates Certificate
  - (iv) Failure to operate investment must be notified to the Centre
  - (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre
15. Additional conditions attached to Certificate
- Finished good is not allowed under this Certificate.

Signed

  
Executive Director

CTIN.: 0478547



# 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**

LUNA CANDLES AND PAPER PRODUCTION (T) LTD  
.....

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

107-572-228  
.....

with effect from

14/01/2009  
.....

  
JOANNES N. A. MALLY

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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

**TICC/PP.10/041636/5**

**01/04/2009**

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. 041636**

**M/S Luna Candles And Paper Products (T) Limited** is a TIC registered company with certificate of incentives **No. 041636** which is valid up to **February 2012**

The company has been registered with objectives of establishing production facilities for candle, hand tissue papers and toilet rolls.

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**

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**LUNA CANDIES AND PAPER PRODUCT (T) LTD**  
**P.O. BOX 80400 Tel: +255 763 444 888**  
**DAR ES SALAAM.**

---

Our Ref: LCPPL/TIC/03/09

27<sup>th</sup> March, 2009

Commissioner General,  
Tanzania Revenue Authority,  
P. O. Box 11491,  
Dar es salaam.

Uf. Tanzania Investment Centre,  
P. O. Box 938,  
Dar Es Salaam.



Dear Sir,

**RE: IMPORT OF COMPLETE MACHINE FOR PAPER  
PRODUCTS AND ACCESSORIES.**

Please refer to the above mentioned subject,

Find here enclosed with invoice copy of our Plant of our Project for manufactures of Paper Products complete machinery for paper products total value of USD 38,214.00.



Khalil EL- Roz.

## TANZANIA



## Certificate of Incorporation

Section 15

No 69282

I HEREBY CERTIFY THAT

**LUNA CANDLES AND PAPER PRODUCTS (T)  
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 **13TH** day of **JANUARY**

**TWO THOUSAND AND NINE**

  
.....  
Assist. Registrar of Companies

Signature  
20/03/2009



Nº 00215400

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 0416 36

## This is to certify that

LUNA CANDLES AND PAPER PRODUCTS (T) LTD

of address P.O. BOX 80400

DAR ES SALAAM

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

LUNA CANDLES AND PAPER PRODUCTS (T) LTD

Which is located at PLOT NO. 124, MIKOCHENI SERVICE TRADE,

KINONDONI DISTRICT - DAR ES SALAAM

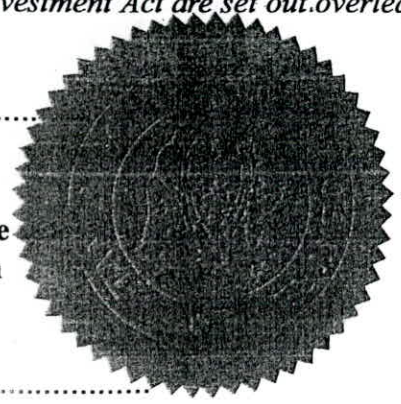
Further particulars required by Section 17 of the Tanzania Investment Act are set out overleaf.

Executive Director

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

19TH MARCH 2009

Dated



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 (%)
Ali Ahmed El Roz	Lebanese	50
Khalil Ahmed El Riz	Lebanese	30
Mahmoud Yossef El Roz	Lebanese	20
  
2. Proposed Activities: To establish production facilities for candle, hand tissue papers and toilet rolls
3. Sector: Manufacturing Subsector: Candles, tissue paper and toilet rolls manufacturer
4. Investment cost:
 

Foreign	USD 0.42m.	Local	USD 0.369m.	Total	USD 0.789m.
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5. Project Financing:
 

Equity	USD 0.789m.	Loans	-	Total	USD 0.789m.
--------	-------------	-------	---	-------	-------------
6. Source, terms and conditions of loan
  
7. Assets to be invested:
 

Capital items:	Foreign	Local	Total
	USD 0.42m.	USD 0.369m.	USD 0.789m.
8. Technology Agreement: None
9. Date of TIC Registration: 2nd March 2009
10. Implementation period: March 2009 - February 2012
11. Operative date: March 2012
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
  - (i) Applicable Import Duty: And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997
  - (ii) Applicable with-holding Tax: As per Income Tax Act, 2004 (as amended)
  - (iii) Eligibility of Capital Allowances: As per Income Tax Act, 2004 (as amended)
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
  - (i) Date of Commencement of investment has to be notified to the Centre.
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  - (iv) Failure to operate investment must be notified to the Centre
  - (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre
15. Additional conditions attached to Certificate  
Finished good is not allowed under this Certificate.

Signed   
Executive Director

# SAID HIJAZI COMPANY

## For Trading & Industry

Saida - Gazieh Blvd. - Said Hijazi Bldg.

Tel.: 03.215246 - Home: 07.722278

Maintenance Branch : 03.811278

Fax : 00961. 7. 221 784

P.O.Box 844 Saida Lebanon

E-mail: said\_hijazi\_company@hotmail.com

# شركة سعيد حجازي

## للصناعة والتجارة

صيدا - بوليفار الغازية - ملك سعيد حجازي

الشركة : ٠٣/٢١٥٢٤٦ - منزل : ٠٧/٧٢٢٢٧٨

فرع الصيانة : ٠٣/٨١٢٢٧٨

فاكس : ٠٠٩٦١/٧/٢٢١٧٨٤

ص.ب : ٨٤٤ - صيدا - لبنان

### INVOICE

Consignee LUNA CANDLES AND PAPER PRODUCTS P.O. BOX 80400 DAR ES SALAAM, TANZANIA		Invoice Number & Date 1411 28/01/2009	
Bill Drawn Through		Country of Origin of Goods LEBANON	Shipping Marks PONU792169-8 1 X 40FT DRY
Pre- Carried by:	Place of receipt by Precarrier	Country of Final Destination TANZANIA UNITED REPUB.	
Vessel/ Flight No. MANARIAS 0912	Port of Loading BEYRUT , LEBANON	Total Gross Weight 13449.000 Kgs	
Port of Discharge DAR ES SALAAM	Final Destination DAR ES SALAAM	Total Net Weight 13449.000 Kgs	

No. & KIND OF PKGS.	DESCRIPTION OF GOODS	QUANTITY	RATE USD	AMOUNT USD
---------------------	----------------------	----------	----------	------------

	COMPLETE MACHINE FOR PAPER PRODUCTS	1 SET	25,650.00	25,650.00
	WELDING MACHINE	1 PC	150.00	150.00
	DRILL MACHINE	2 PCS	38.00	76.00
	AIR COMPRESSOR	1 PC	250.00	250.00
	DIESEL GENERATOR 13KVA	1 PC	1000.00	1,000.00
	DIESEL GENERATOR 60KVA	1 PC	3200.00	3,200.00
	SMALL CONCRETE MIXER	1 PC	400.00	400.00
	ELECTRIC IRON	21 PCS	5.50	115.50
	NAPKIN PAPER	100 PCS	1.00	100.00
	PLASTIC SHEETS	6 PKGS	1.25	7.50
	TOILES PAPER	2 ROLLS	45.00	90.00
	CARTON PAPER	18 ROLLS	25.00	4,575.00
	SEA FREIGHT TO DAR ES SALAAM PORT			2,600.00

TOTAL CFR US DOLLAR THIRTY EIGHT THOUSAND TWO HUNDRED FOURTEEN ONLY	38,214.00
---	-----------

SAID HIJAZI COMPANY



Nº 00215400

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 0416 36

**This is to certify that**

LUNA CANDLES AND PAPER PRODUCTS (T) LTD

of address P.O. BOX 80400

DAR ES SALAAM

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

LUNA CANDLES AND PAPER PRODUCTS (T) LTD

Which is located at PLOT NO. 124, MIKOCHENI SERVICE TRADE,

KINONDONI DISTRICT - DAR ES SALAAM

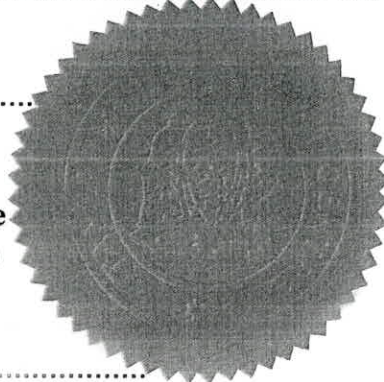
Further particulars required by Section 17 of the Tanzania Investment Act are set out overleaf.

Executive Director

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

19TH MARCH 2009

Dated




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 (%)
Ali Ahmed El Roz	Lebanese	50
Khalil Ahmed El Riz	Lebanese	30
Mahmoud Yossef El Roz	Lebanese	20
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5. Project Financing: Equity USD 0.789m. Loans - Total USD 0.789m.
6. Source, terms and conditions of loan:
7. Assets to be invested:  

Capital items:	Foreign	Local	Total
	USD 0.42m.	USD 0.369m.	USD 0.789m.
8. Technology Agreement: None
9. Date of TIC Registration: 2nd March 2009
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14. Conditions attached to this Certificate of Incentives  
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(iv) Failure to operate investment must be notified to the Centre  
(v) Changes in shareholding, project activities and level of invested capital must be notified to the centre
15. Additional conditions attached to Certificate  
Finished good is not allowed under this Certificate.

Signed

  
Executive Director

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**LUNA CANDIES AND PAPER PRODUCT (T) LTD**  
**P.O. BOX 80400 Tel: +255 763 444 888**  
**DAR ES SALAAM.**

---

Our Ref: LCPPL/TIC/02/09

13<sup>th</sup> March, 2009

TANZANIA INVESTMENT CENTRE,  
P. O. Box 938,  
DAR ES SALAAM.



Dear Sir,

**RE: APPLICATION FOR CERTIFICATE OF INCENTIVES.**

Please we refer to our letter with Ref. No. TICC/PP.10/04/1636/2, regarding to our Application for Certificate of Incentives for Investment in the establishment of Candles, Hand Tissue Papers and Toilet Rolls production facilities.

Please find here with all documents was required to be submitted to our office and copy of payments.

Therefore we shall be very grateful if you will issue to us the certificate as we started the implementation of the project.

Thanking your.

Yours,

  
**Khalil EL. Roz**  
**MANAGING DIRECTOR.**

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

30325119 1

T.N. 614 (Rev. 8.94)

MPOKEA KWA  
Received from

LUNA CANDLE & TISSUE PRODUCTION DSM

KIASI  
Amount

Shs.									
USD								750	

MIYA YA SHILINGI (Kwa maneno)  
in Shillings (Words)

USDOLLAR SEVEN HUNDRED FIFTY ONLY

NA SENTI  
And Cents

KWA MALIPO YA  
In Respect of

CERTIFICATE OF INCENTIVES

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

CASH

KITUO - Station

SAMITHI YA MPOKEAJI - ~~Receiving Officer's~~  
Signature.

*[Signature]*

CHEO - Title

Acc.

TAREHE - Date

03 MAR. 2009

DSM.

Govt. Press, Dsm.





7/09

Centre,

**P.O. Box 939,  
~~P.O. Box 9286,~~  
Dar es salaam.**

Dear Sir/Madam,

**RE: LUNA CANDALES AND PAPER PRODUCTS (T) LIMITED**

This is to certify that **LUNA CANDALES AND PAPER PRODUCTS (T) LTD** of P.O. Box 80400 Dar es salaam is one of our valued customer. The Company is maintaining one Tzs account with A/C No.0301853158, The account opened on 13<sup>th</sup> March 2009.

This certificate is being issued at the request of our customer without any guarantee or responsibility on the part of this bank or its officials.

Any assistance to them will be appreciated.

Thanking you.

Yours Sincerely,

**N.SESHAGIRI RAO  
BRANCH MANAGER**

---

**Exim Bank (Tanzania) Ltd.**

P. O. Box 1431, Dar es Salaam,  
Tel: (255) 22-2113091 Fax: (255) 22-2119737  
website: [www.eximbank-tz.com](http://www.eximbank-tz.com)  
E-mail: [enquiry@eximbank-tz.com](mailto:enquiry@eximbank-tz.com)

CONFIDENTIAL

THE UNITED REPUBLIC OF TANZANIA  
**TANZANIA INVESTMENT CENTRE**

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



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

Ref. No: ...TICC/PP:10/041636/2

2 Mar

BANK LETTER

Managing Director,  
Luna Candles and Paper Products (T) Ltd,  
P.O. Box 80400,  
**DAR ES SALAAM**

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE ESTABLISHMENT OF CANDLES, HAND TISSUE PAPERS AND TOILET ROLLS PRODUCTION FACILITY**

We wish to acknowledge receipt of your project proposal to establish candles, hand tissue papers and toilet rolls as presented in the TIC P.A. 1 Form No. 07648 and Feasibility Study with a projected investment of USD 0.79 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: -

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

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

.../2

CONFIDENTIAL

TICC/PP.10/041636/2

2 March 2009

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

Yours sincerely,  
**Tanzania Investment Centre**

  
**B. D. Chonjo**  
For: Executive Director

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

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

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

## MKATABA WA UPANGAJI

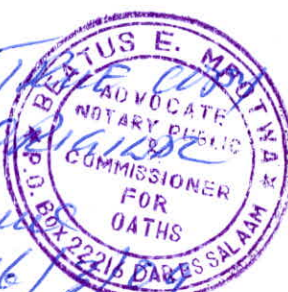
MKATABA HUU, unafanywa leo tarehe 26 mwezi Januari, 2009 KATI YA **HASSAN HAYDAR OMAR** wa Sanduku la Barua 95521, SIMU Na. **0754-000008**, Dar es Salaam (ambaye ataitwa MWENYE GODOWN) kwa upande mmoja wa mkataba huu. NA **KHALIL AHMED ELRIZ** kwa niaba ya **KAMPUNI YA LUNA CANDLES AND PAPER PRODUCTS LIMITED (Mkurugenzi)** wa Sanduku la Barua 80400, SIMU Nambari **0756- 803803**, Dar es Salaam (ambaye ataitwa MPANGAJI) kwa upande wa pili mkataba huu.

KWAMBA Mwenye Godown ni mmiliki halali wa godown hili ambalo lipo eneo la Mikocheni B, lenye ukubwa wa Sq,m 800, katika kiwanja nambari 124, Dar es Salaam, anania ya kumpangisha Mpangaji godown hili kwa muda wa miaka nane (8) kwa kodi ya shilingi Milioni Ishirini na Nane na Laki Nane (T.shs. 28,800,000/=).

MKATABA HUU WASHUHUDIA haya yafuatayo :-

1. Mpangaji anapanga katika godown hili kwa muda wa miaka nane (8) kwa kodi ya shilingi Laki tatu (T.shs. 300,000/=), kwa mwezi mmoja; na shilingi Milioni Tatu na Laki Sita (T.shs. 3,600,000/=) kwa muda wa mwaka mmoja.
2. Mpangaji anapanga katika godown hili kwa muda wa miaka nane (8) kwa kodi ya shilingi Milioni Ishirini na Nane na Laki Nane (T.shs. 28,800,000/=), pesa ambazo zote kwa ujumla, Mwenye godown anastakabadhi kupokea kwa kuweka sainsi yake katika mkataba huu.
3. Mkataba huu utaanza rasmi tarehe 1 mwezi Machi, 2009 na kumalizika tarehe tarehe 28 mwezi Februari, 2017.
4. Pango au mkataba huu utakuwa wa miaka nane (8) tu, endapo mpangaji atapenda kuongeza mkataba mwingine (mpya) atawasiliana na mwenye godown ili kuingia makubaliano ya mkataba mpya.
5. Mpangaji atalipa gharama za umeme na maji kadri ya matumizi yake kama vipoo.
6. Mpangaji haruhusiwi kumpangisha mtu mwingine katika godown hili bila ridhaa ya mwenye godown ya maandishi ya kumruhusu kufanya hivyo.
7. Mpangaji atawajibika kulipa gharama za ulinzi wa mali za godown lake yeye mwenyewe.
8. Wote kwa pamoja wanakubaliana kwamba ikiwa itatokea upande mmojawapo Ukakiuka au ukavunja mkataba huu, utalipa fidia na gharama zote za usumbufu.

CERTIFIED TRUE COPY  
OF THE ORIGINAL  
By *B...*  
16/1/09

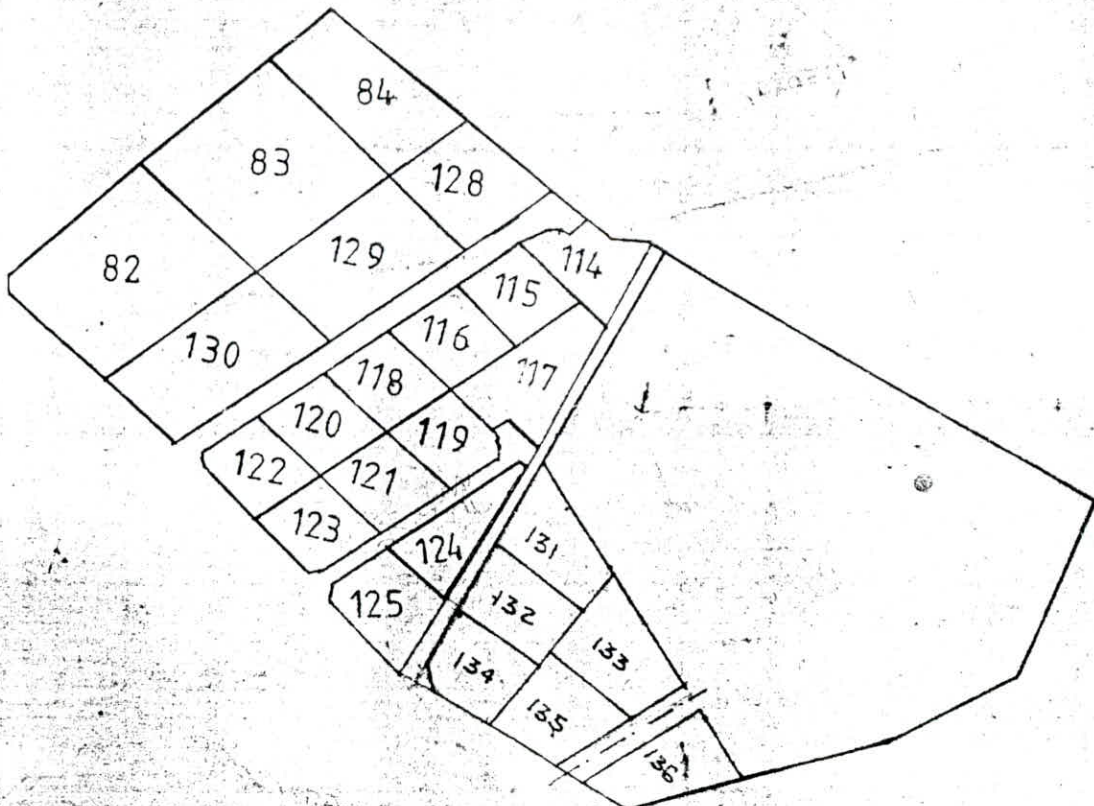
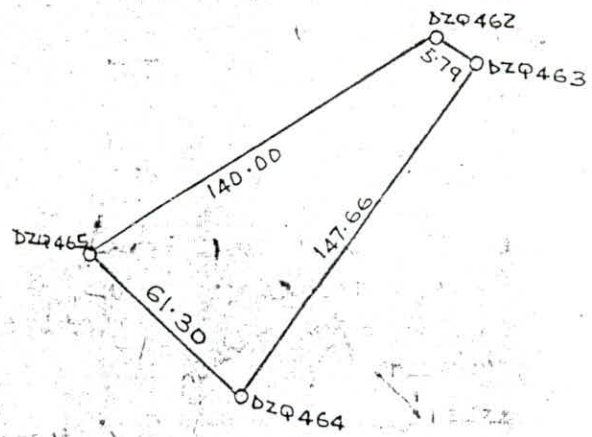




DAR ES SALAAM CITY



LOCATION SERVICE TRADE-MIKOCHENI  
BLOCK  
PLOT No. 124  
L.O. No. 161802  
AREA 4794



CERTIFIED TRUE COPY  
OF THE ORIGINAL

Buu  
10/12



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

30325119 1

TFN. 614 (Rev. 8.94)

NIMEPOKEA KWA  
Received from

LUNA CANDLE & TISSUE PRODUCTION LTD

KIASI  
Amount

Shs.					Cts.	
U	5	0	0	0	0	0
7	5	0	0	0	0	0

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

UEDOUAR SEVEN HUNDREN FIFTY ONLY

NA SENTI  
And Cents

KWA MALIPO YA  
In Respect of

CERTIFICATE OF INCENTIVES

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

CASH

KITUO - Station

SAHHI YA MPOKEAJI - Receiving Officer's  
Signature.

*[Signature]*

CHEO - Title

Acc

TAREHE - Date

03 MAR. 2007

DSM.

Govt. Press, Dsm.

TICC/PP.10/041636/2

2 March 2009

Managing Director,  
Luna Candles and Paper Products (T) Ltd,  
P.O. Box 80400,  
**DAR ES SALAAM**

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE  
ESTABLISHMENT OF CANDLES, HAND TISSUE PAPERS AND  
TOILET ROLLS PRODUCTION FACILITY**

We wish to acknowledge receipt of your project proposal to establish candles, hand tissue papers and toilet rolls as presented in the TIC P.A. 1 Form No. 07648 and Feasibility Study with a projected investment of USD 0.79 m.

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.../2

TICC/PP.10/041636/2

2 March 2009

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

Yours sincerely,  
**Tanzania Investment Centre**

  
**B. D. Chonjo**

For: Executive Director

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

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

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



# TIC Evaluation Report

**Name of the Company**  
**Luna Candles And Paper Products (T) Ltd.**

Post Box	Mikocheni Plot No. 124	COI Number	69282	Contact	Mr. Khalil Ahmed El-Riz
Post Office	80400	COI Date	13/01/2009	Designation	Director
Region	Dar Es Salaam	Application F. No	07648	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0756 803 803
		Sub Sector	Energy And Paper Mills	Fax	0
		File No	041636	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD											
Plot/Block	Plot No. 124	<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>0.42</td> <td>0.369</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0.42	0.369	0	0			
Foreign Equity	Local Equity		Foreign Loan	Local Loan									
0.42	0.369		0	0									
Street	Mikocheni												
District	Kinondoni												
Region	Dar es Salaam												

Shareholders Detail			Investment Breakdown (USD Million)	
<b>Name</b>	<b>Nationality</b>	<b>(%)</b>	<b>Land/Building</b>	0.16
Mahmoud Yossef El Roz	Lebanese	20	<b>Plant</b>	0.406
Khalil Ahmed El-Riz	Lebanese	30	<b>Vehicles</b>	0.052
Ali Ahmed Roz	Lebanese	50	<b>Furniture &amp; Fittings</b>	0.01
			<b>Pre-expenses</b>	0.02
			<b>Others</b>	0
			<b>Working Capital</b>	0.1415
			<b>Total</b>	0.7895

Employment	48	Evaluated By	Revocatus Arbogast
Capacity	500 tones per year	Drawn By	Dorah Registry
Project Turn Over			

### Description

To establish the production facility for candles, hand tissues papers and toilet rolls

### Recommendations

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

### Decision

*Approved*

*[Signature]*  
**Ag EXD**

*26/02/09*

# LUNA CANDLES AND PAPER PRODUCTS (T) LIMITED

P. O. Box 80400 - DAR ES SALAM, TANZAIA

E-mail karimroz1994@yahoo.com

Tel: +255 756 803 803, +255 777 938 -997

1

Ref. TIC/01/09

28th January, 2009

TANZANIA INVESTMENT CENTRE,  
9A & B SHABANI ROBERT STREET,  
P. O. Box 938,  
**DAR ES SALAM.**



Dear sir/ Madam,

**RE: APPLICATION FOR REGISTRATION FOR CERTIFICATE OF INCENTIVES.**

Please refer to the above mentioned subject.

We enclose here with registration form for Certificate of Incentives for our company **M/S LUNA CANDLES & PAPER PRODUCTS TANZANIA LTD.**

We would like to inform you that **M/S LUNA CANDLES & PAPER PRODUCTS TANZANIA LTD** is registrar soon here in Tanzania by registrar of Companies with certificate of incorporation No. 69282 on 13<sup>th</sup> January, 2009. Since we are in plan of Importing Machinery for candle and tissue product for our factory which will be situated on Plot No. 124 Mikocheni Light Industries Area.

Therefore, please we shall be very grate full if you will issue us certificate of Incentives.

Find here with all necessary documents for your perusal.

Yours sincerely

A handwritten signature in black ink, appearing to read "K.A. EL-RIZ".

**K.A. EL- RIZ.**  
**Director.**

# LUNA CANDLES AND PAPER PRODUCTS (T) LIMITED

P. O. Box 80400 - DAR ES SALAM, TANZANIA

E-mail karimroz1994@yahoo.com

Tel: +255 756 803 803, +255 777 938 -997

---

28<sup>th</sup> January, 2009

## BOARD RESOLUTION

### MINUTES OF THE BOARD OF DIRECTORS M/S. LUNA CANDLES & PAPER PRODUCTS TANZANIA LTD – DAR ES SALAAM.

The Board Meeting held in Board Meeting Room, on 28<sup>th</sup> January, 2009 at 9.00 Am.

<b>Present</b>	1.	ALI AHEMD EL-ROZ	-	Chairman.
	2.	KHALIL AHMED EL – RIZ	-	Director.
	3.	MAHMOUD YOSSEF EL – ROZ	-	Director.
	4.	INNOCENT KANYAMANZA	-	Invitee.

It was unanimously agreed that to apply for registration of Certificate of Incentives from Tanzania Investment Centre Dar es Salaam.

There being no further Business, the meeting ended at 9.35 am



ALI AHEMD EL-ROZ  
Chairman



KHALIL AHMED EL – RIZ  
Director.

# TANZANIA



## Certificate of Incorporation

Section 15

No **69282**

I HEREBY CERTIFY THAT

**LUNA CANDLES AND PAPER PRODUCTS (T)  
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 **13TH** day of **JANUARY**

**TWO THOUSAND AND NINE**

.....  
*Assist. Registrar of Companies*

CTIN.: 0478547



# 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

LUNA CANDLES AND PAPER PRODUCTION (T) LTD  
.....

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

107-572-228  
.....

with effect from 14/01/2009  
.....

  
JOANNES N. A. MALLY

OFFICIAL SEAL

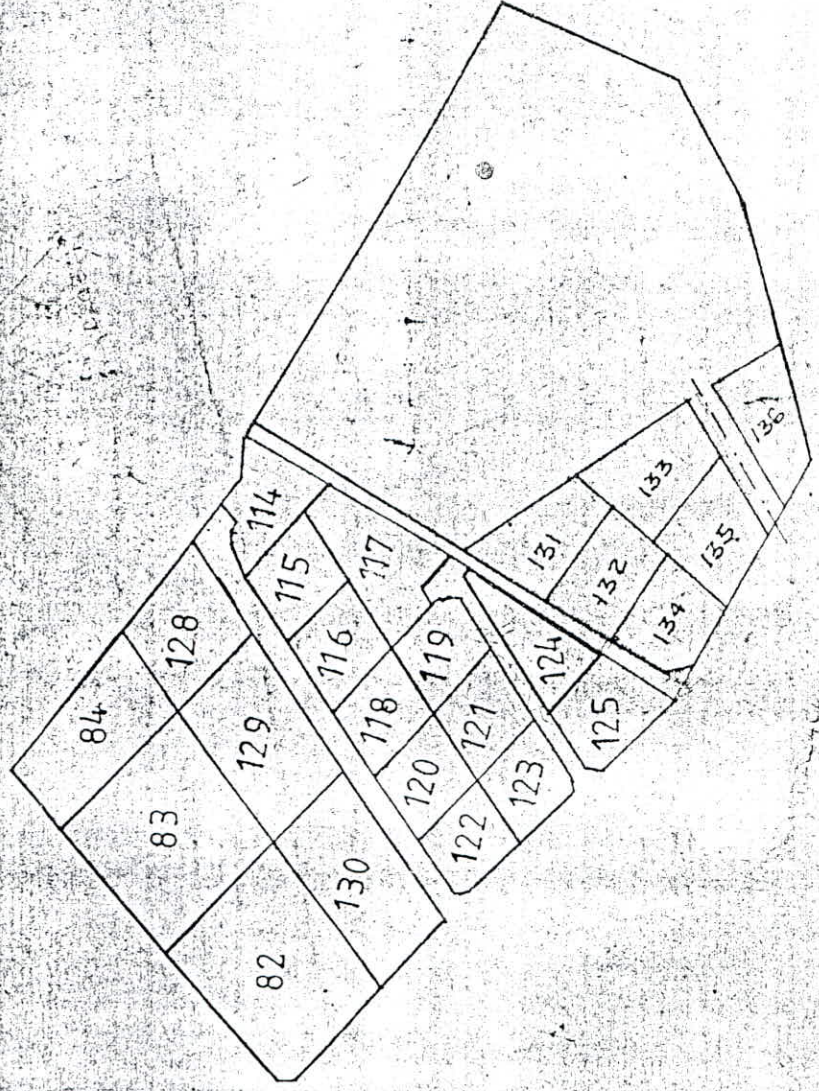
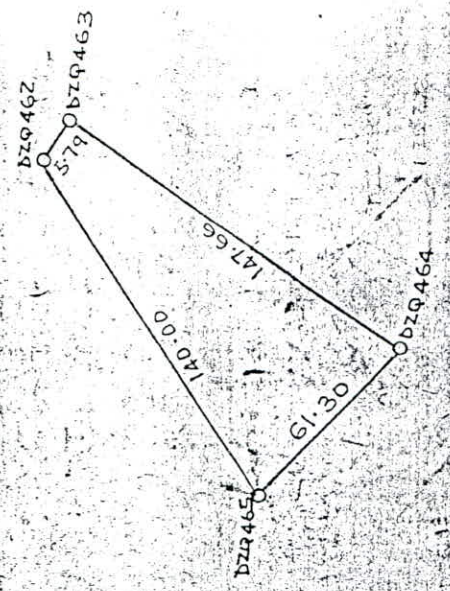
COMMISSIONER FOR DOMESTIC REVENUE

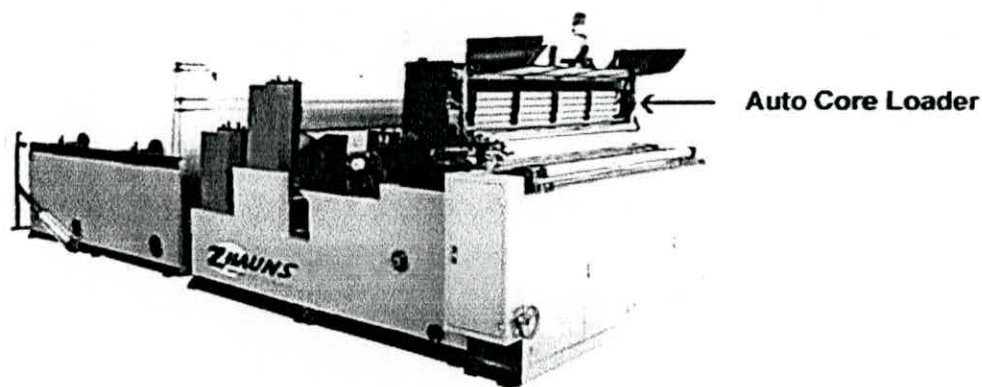
NOTE: THE REQUIREMENTS UNDER WHICH UNDER WHICH THIS CERTIFICATE IS ISSUED ARE STATED OVERLEAF

# DAR ES SALAAM CITY



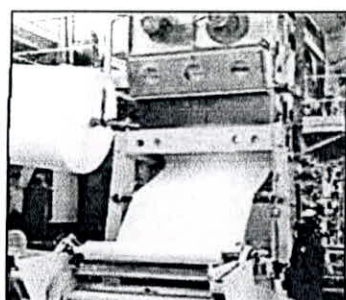
LOCATION SERVICE TRADE - MIKOCHEMI  
BLOCK  
PLOT No. 124  
L.O. No. 161B02  
AREA 4194





**High Speed Toilet Roll Making Machine with Auto core Loading & Self Gluing**  
Model 2.2

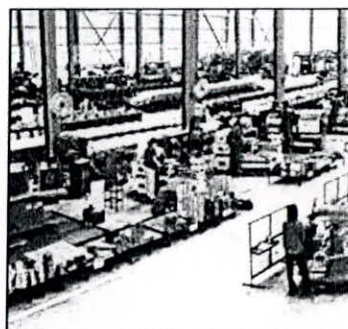
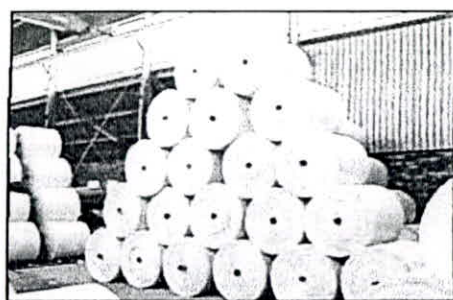
Make a toilet roll from as little as 43c (\$0.04c).



Jumbo Tissue Making Plants Available.



Jumbo tissue pulp plant



Machine Production Factory

Core Machine

## TOILET ROLLS MAKING MACHINES

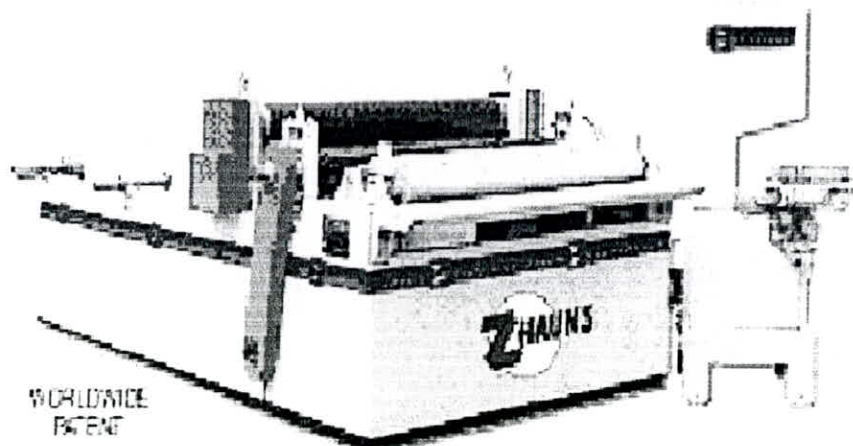
- Home Page
- Group Profile
- Products / Machines
- Property Good Yields
- Contact Us
- Toilet Roll
- Nappy
- Success Stories
- Exhibition pics

Doors of opportunity don't just open , they have to be unlocked & it's up to you to turn the knob.

Don't let the sun set on our unique opportunities

### Also make roller towels, garage & hospital wipes & disposable towels (enq)

- A No1 Business opportunity & one of the fastest growing industries.
- **Incredible profit potential**
- **Millions used daily and demand will never stop**
- Historically toilet roll manufacturing has always been secretly profitable & only enjoyed by big companies. We now reveal these secrets to you.
- Machines able to operate 24 hours
- Its easier than you can imagine
- Cheaper toilet rolls are needed.
- **Make up to \*40000 rolls per day (depending on model).**
- Within hours you should be able to operate the machine.
- **Free Training, Free Installation** (Enq Conditions)
- **The opportunity could not be better and demand has never been stronger. The timing has never been better. The time to start is now!!**
- Economies can go up or down & will never effect the sale of toilet paper. It's the one commodity that nobody can do without.
- Millions of toilet rolls & nappies sold daily, make from as little as 43c\* (\$0.06c). High consumer demand & growing & will never, never stop!!!
- **Compact floor space**
- **Easy to operate**
- **Low capital investments**
- **Not much research is needed**
- **Everyone must use toilet paper**
- **Sell to: Factories, Hospitals, Prisons, Chemists, Shops, Hawkers, Cleaning companies, general public, Schools, Big buildings, Big companies and the list goes on...**



**Auto Toilet Roll Making Machine**  
Various Models.



# **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)**

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 KHALIL AHMED EL-RIZ  
(director/directors/agent of LUNA CANDLES & PAPER PRODUCTS T 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 MIKOCHENI INDUSTRIES  
AREA PLOT NO. 124

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 MIKOCHENI IND. AREA PLOT NO. 124
4. The Principal Officers of the Company are I. ALI AHMED EL-ROZ,  
KHALIL AHMED EL-RIZ, MAHMOUD YOSSEF EL-ROZ
5. Auditors of the Company are S.A. JAFFER & CO.
6. The authorized share capital of the Company is Tshs./US\$ 300,000,000/=

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ 1.0. Billion

8. The month and day of the financial year end is 31-12-

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

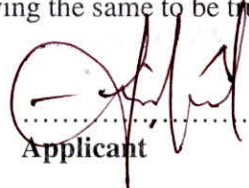
I/We enclose a cheque/cash made payable to the **Tanzania Investment Centre** for Tshs./US\$ 750 Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, KHALIL AHMED EL-RIZ of Post Office Number BOX 80400

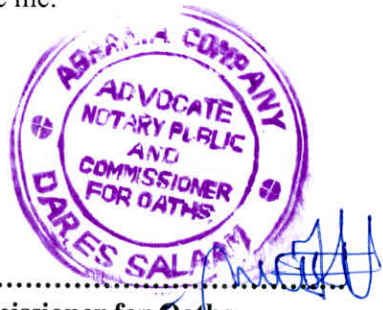
D' SALAAM do solemnly and sincerely declare that I am a director/duly authorized agent of LUNA CANDLES AND PAPER PRODUCTS (T) LTD

**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 28 day of JAN 2003

  
Applicant

Before me:



Commissioner for Oaths

APPLICATION SUMMARY

Company Name: LUNA CANDLES & PAPER PRODUCTS (T) LTD

Certificate of Incorporation Number: 69282 Status:

Certificate of Incorporation Date: 13-JANUARY, 2009

Post Box: 80400

Town: D' SALAAM

Sector: MANUFACTURING

Sub-Sector: ENERGY AND PAPER MILLS

Investment Financing Plan in Million US\$/Tshs.

Table with 4 columns: Foreign Equity, Local Equity, Foreign Loan, Local Loan. Values: 420,210.USD, 369,169, NIL, NIL.

Project Objectives: PRODUCTION AND MARKETING
CANDLES HAND TISSUES PAPERS SO TOILETS ROLLS.

Capacity: 500 TONES PER YEAR.

Employment: Foreign: 3 Local: 45 Total: 48

Implementation Period: 3 YEARS

Project Location

Site/Plot/Block No.: 124

Street: MIKOCHENI District: BINONDONI Region: D' SALAAM

(Attach sketch map showing project location)

Table with 3 columns: Shareholders, Nationality, %. Rows include ALI AHMED ROZ (500%), KHALIL AHMED EL-RIZ (300%), MAHMOUD YOSSEF EL roz (200%).

## Investment Breakdown US\$/Tshs.M

Land/Building	160 Mil. TSHS.	
Plant	405,878 Mil. TSHS.	
Vehicles	52 Mil.	"
Furniture & Fittings	10. Mil.	"
Pre-expenses	20. Mil.	"
Others	NIL	
Working Capital	141,5. Mil.	"
<b>TOTAL</b>	809.378. Mil.	" 789,378 Mil

### Contact Details:

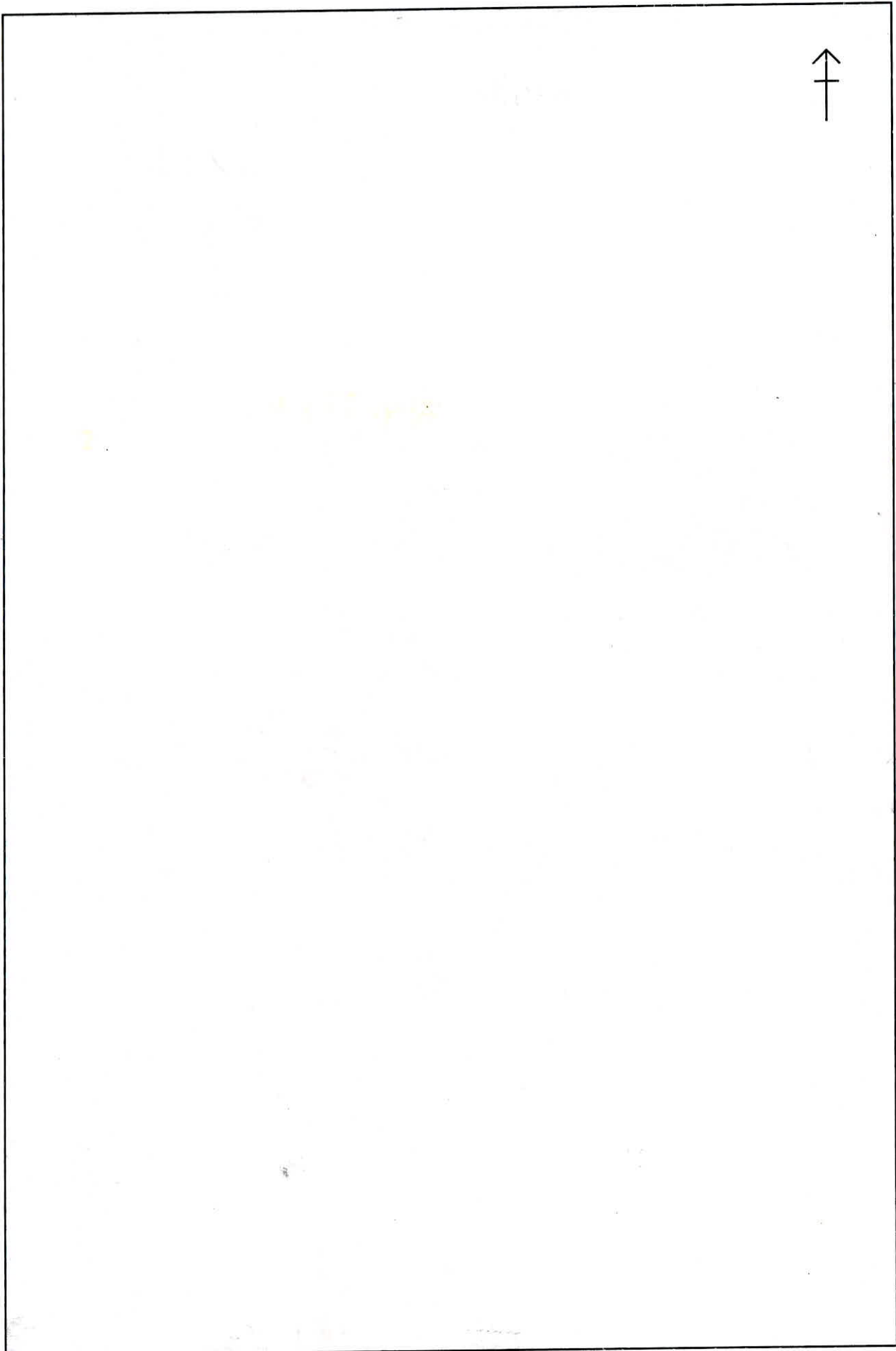
Name: KHALIL AHMED EL-RIZ Title: DIRECTOR  
Telephone: 0756803803 Fax: .....

Email: .....

### Payments to be made payable to:

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

SKETCH MAP SHOWING PROJECT LOCATION







# 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)**

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 KHALIL AHMED EL-RIZ  
(director/directors/agent of LUNA CANDLES & PAPER PRODUCTS T 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 MIKOCHENI INDUSTRIES  
AREA PLOT NO. 124

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 MIKOCHENI IND. AREA PLOT NO. 124

4. The Principal Officers of the Company are I. ALI AHMED EL-ROZ,  
KHALIL AHMED EL-RIZ, MAHMOUD YOSSEF EL-ROZ

5. Auditors of the Company are S.A. JAFFER & CO.

6. The authorized share capital of the Company is Tshs./~~US\$~~ 300,000,000/=

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ 1.0. Billion

8. The month and day of the financial year end is 31-12-

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\$ 750 Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, KHALIL AHMED EL-RIZ of Post Office Number BOX 30400

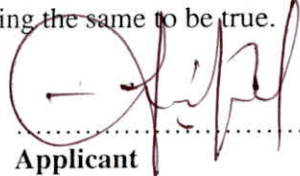
D' SALAAM do solemnly and sincerely declare that I am a director/duly

authorized agent of LUNA CANDLES AND PAPER PRODUCTS (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 28 day of JAN 2003

  
Applicant

Before me:

  
[Signature]  
Commissioner for Oaths

## APPLICATION SUMMARY

Company Name: LUNA CANDLES & PAPER PRODUCTS (T) LTD

Certificate of Incorporation Number: 69282 Status:

Certificate of Incorporation Date: 13-JANUARY, 2009

Post Box: 80400

Town: D' SALAAM

Sector: MANUFACTURING

Sub-Sector: ENERGY AND PAPER MILLS

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

Foreign Equity	Local Equity	Foreign Loan	Local Loan
440,210.USD	369,169	NIL	NIL

Project Objectives: PRODUCTION AND MARKETING

CANDLES HAND TISSUES PAPERS SO TOILETS ROLLS.

Capacity: 500 TONES PER YEAR.

Employment: Foreign: 3 Local: 45 Total: 48

Implementation Period: 3 YEARS

### Project Location

Site/Plot/Block No.: 124

Street: MIKOCHENI District: BINONDONI Region: D' SALAAM

(Attach sketch map showing project location)

Shareholders	Nationality	%
ALI AHMED ROZ	LEBANESE	500%
KHALIL AHMED EL-RIZ	LEBANESE	300%
MAHMOUD YOSSEF EL roz	LEBANESE	200%

## Investment Breakdown US\$/Tshs.M

Land/Building	160 Mil. TSHS.	
Plant	405,878 Mil. TSHS.	
Vehicles	52 Mil.	"
Furniture & Fittings	10. Mil.	"
Pre-expenses	20. Mil.	"
Others	NIL	
Working Capital	141,5. Mil.	"
<b>TOTAL</b>	<b>809.378. Mil.</b>	<b>"</b>

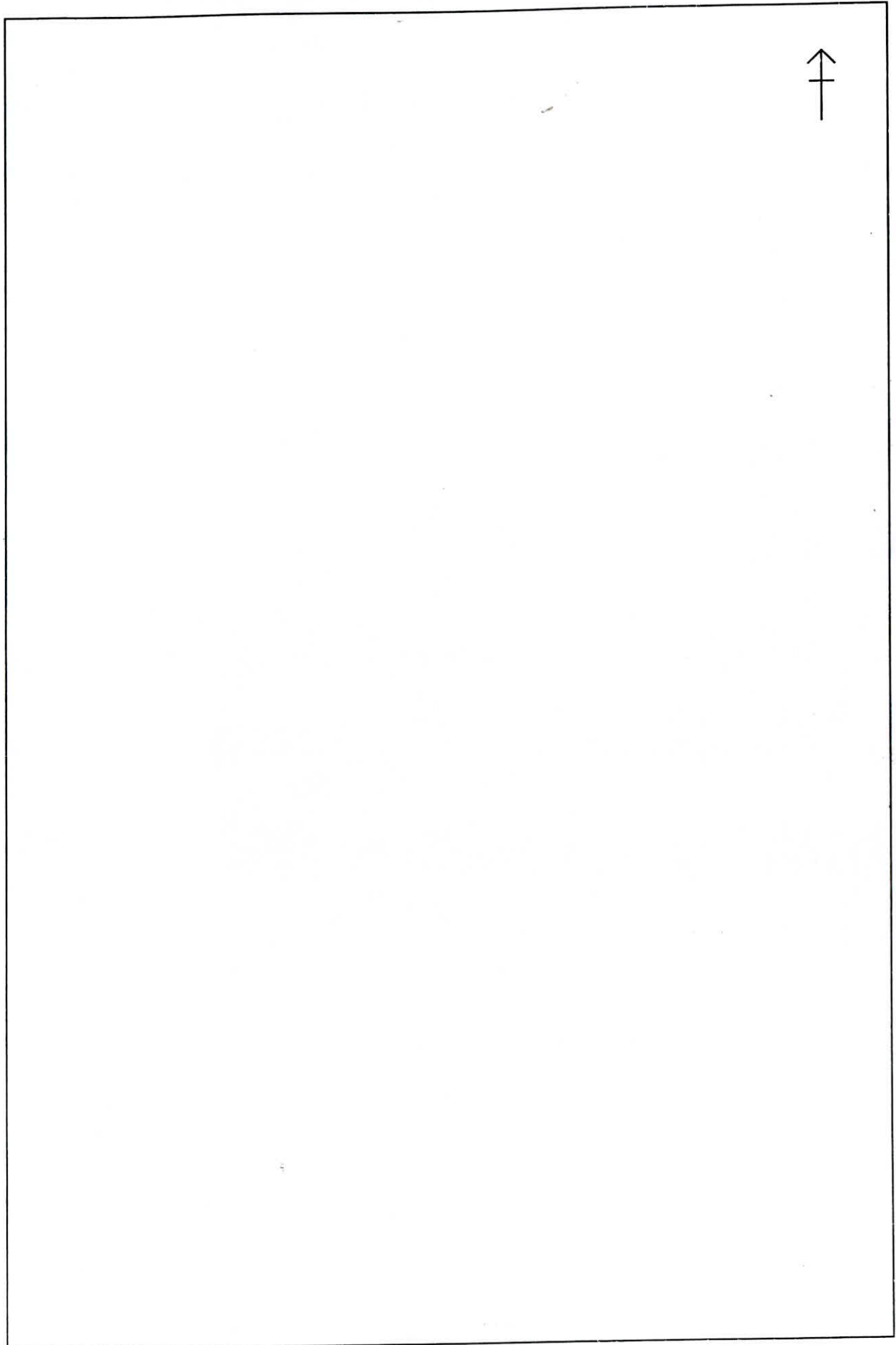
### Contact Details:

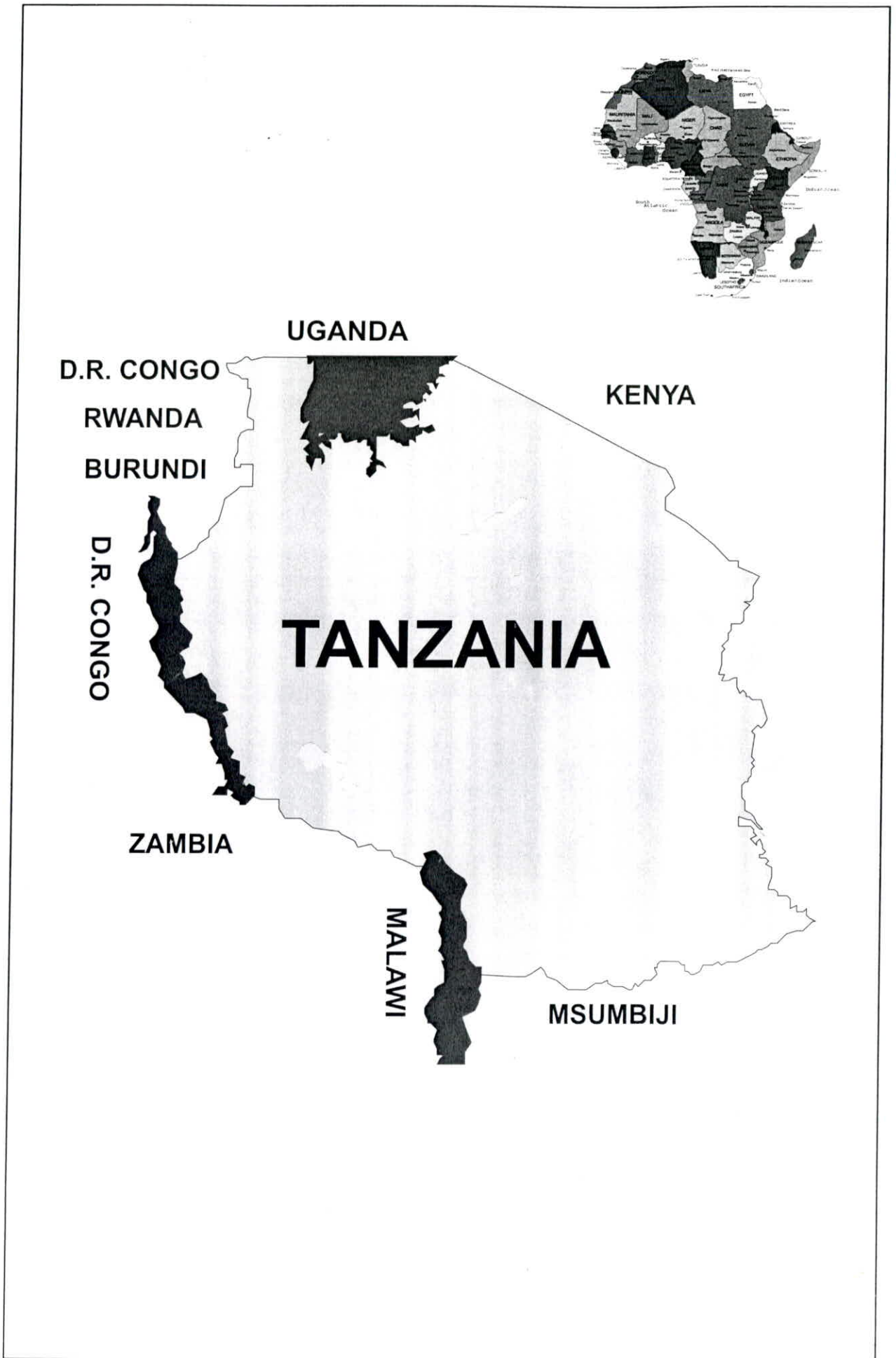
Name: KHALIL AHMED EL-RIZ Title: DIRECTOR  
Telephone: 0756803803 Fax: .....  
Email: .....

### Payments to be made payable to:

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

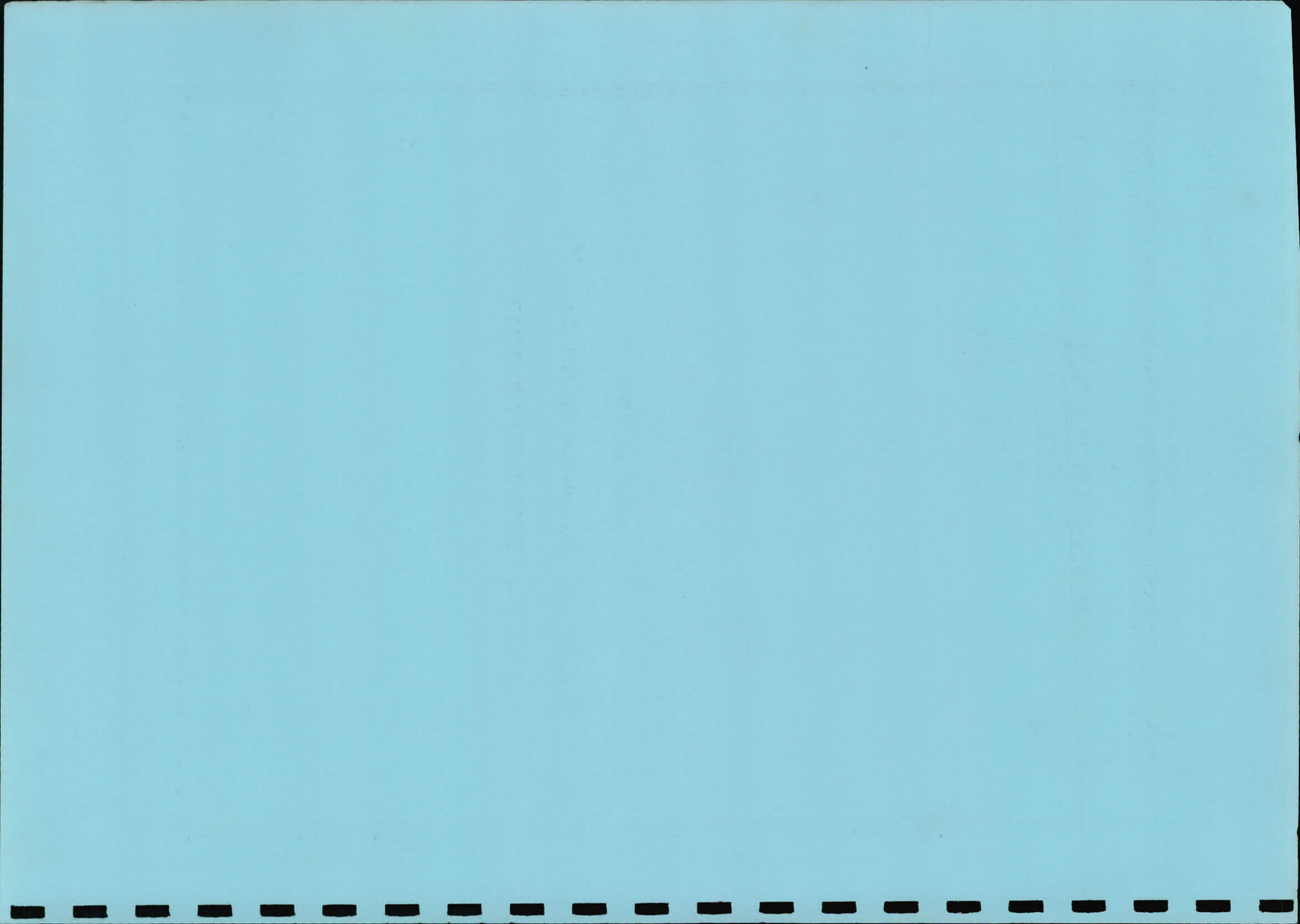
SKETCH MAP SHOWING PROJECT LOCATION





**LUNA CANDIES AND PAPER PRODUCT (T)  
LTD  
P.O. BOX 80400  
DAR ES SALAAM**

**Feasibility Study  
On  
CANDY & TISSUES PRODUCTION  
in  
DAR ES SALAAM TANZANIA**



**LUNA CANDIES AND PAPER PRODUCT (T)  
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0. **EXECUTIVE SUMMARY**

0.1 **BACKGROUND**

This feasibility study is on industrial production and marketing candles and tissues in Tanzania. Project is being promoted by a locally registered company namely LUNA CANDIES AND PAPER PRODUCT (T) LTD of P.O. Box 80400 Dar es Salaam.

0.2 **MARKETS**

Study finds out that there is a market for candles and tissues in Tanzania. Nationwide demand is about 15,000 tons/annum.

A big amount of candles and tissues is being imported (about 2,000 tons/year) while about 4,000 tons of candles are produced by few local industries.

Study concludes that project will not have any problem to market its envisaged volume of 5,000 tons of products/year as demand is in excess of 15,000 t/a.

0.3 **RAW MATERIALS AND MACHINERY**

Parafine wax & paper products are the main inputs, others are chemicals. Some of these inputs are locally available.

The process is basically that of melting ingredients heating and mixing. Modern production lines for mixing, cooling and packing are recommended to be imported.

0.4 **MANAGEMENT**

A total of 45 people will be employed permanently at the factory which is to be built at Mikocheni industrial area in Dar es Salaam. Management will comprise the General Manager, Production, and Finance Managers. All employees will be local

0.5 **INVESTMENT COST**

Total initial investment cost amounts to Tshs 1.0 Billion broken down as follows:

**TShs.'000**

Item	Foreign	Local	Total
<i>Land &amp; Builders</i> Civil works	-	160,000	160,000
Plant and machinery	368,387	37,491	405,878
Vehicles	-	52,000	52,000
Furniture and fittings	5,000	5,000	10,000
	373,387	254,491	627,878
Pre-operational costs	5,000	15,000	20,000
Total capital costs	378,387	269,491	747,878
Initial working capital	61,823	79,677	141,500
<b>Grand Total</b>	<b>440,210</b>	<b>369,168</b>	<b>809,378</b>

**0.6 FINANCING**

100% of the initial working capital amounting to Tshs 141 million will also be raised through equity.

Financing of total initial working capital will thus be as follows:-

Item	Tshs'000	% of Total
Equity	141,500	100%
<b>Total</b>	<b>141,500</b>	<b>100</b>

**0.7 OPERATING COSTS**

Production costs will increase from Tshs 968 million in year 1 to a maximum of Tshs 1,450 million in year 3. Major cost item is raw materials and packaging comprising 59% of total.

**0.8 SALES**

Project accrues revenue from sales of candles and tissues. Good quality product in well decorated packagings is expected to be sold at Tshs 3,200/kg, which is very much lower in order to capture substantial share of the market than those in the market today which sell at higher prices.

Revenue from year 3 onwards amounts to Tshs 1401 million operating at 85% capacity utilization.

**0.9 PROFITABILITY**

As previously explained, the pricing policy is to be kept at an initial low level of profitability in order to capture substantial market share. Once this has been achieved, then a more positive view of profitability due to pricing can be taken to the company's advantage. This gives an initial financial rate of return of about 26.39% maximum financial costs locally is around 20% p.a.

**0.10 IMPLEMENTATION PLAN**

Project implementation period is one year, and all finances are recouped in about 3 years.

**0.11 OTHER BENEFITS**

This is a financially viable project. It is also socially and economically desirable as wifl utilize locally available food products and create employment and revenue to Government.

**0.12 RECOMMENDATIONS**

It is recommended that all assistance be accorded to the promoters to enable timely realization of this nice project.  
If well managed as suggested in the study, the risk to promoter, financier and Government is very minimal.

# I INTRODUCTION

## 1.1 BACKGROUND

This feasibility study has been commissioned by LUNA CANDIES AND PAPER PRODUCT (T) LTD of P. O. Box 80400 Dar es Salaam, who are desirous to manufacture candles and tissues in Dar es Salaam.,Tanzania.

The promoters conceived the idea after finding out that to date there is few local producers of candles and tissues and that a substantial amount of candles and tissues are still being imported.

This study is intended to enable LUNA realize their project idea. It is intended to be submitted to among others, the Tanzania Investment Centre for approvals so that LUNA can benefit from incentives offered by the Centre to investors.

## 1.2 PROJECT PROPOSAL

This project proposal is on the manufacture of candles and tissues.. There is a wide variety of candles and tissues in the market today such as candles and tissues napkins & toilet paper. The project idea is to manufacture all these types.

## 1.3 THE PROMOTING COMPANY

LUNA CANDIES AND PAPER PRODUCT (T) LTD is a company registered under the Company Ordinance Cap 212.

The company's shareholders comprise of three members all of whom foreigners resident in Tanzania. They are all experienced business people whom one also own shares in a large trading company, based in Mbeya & Tunduma.

## 1.4 REPORT LAYOUT

This report is presented in seven chapters, as follows:

- Chapter 1 - Introduction
- Chapter 2 - Market
- Chapter 3 - Technical aspects
- Chapter 4 - Manpower and Organisation
- Chapter 5-6 - Financial analysis and investment cost
- Chapter 7 - Implementation schedule.

The above is preceded by an executive summary.

## 1.5 ACKNOWLEDGEMENT

We would like to express a word of gratitude to all who contributed to the successful completion of this assignment.

## 2. MARKET ANALYSIS

### 2.1 INTRODUCTION

This chapter on market analysis assesses the present and future market potential for candles and tissues in Tanzania Mainland. The contents of the chapter are mainly a result of desk research work using authentic published documents supplemented by information /data obtained through telephones, telexes, industry experts opinion /comments and the consultants knowledge and experience in executing similar previous studies.

Given the very limited time provided for the study, the consultants believe that the findings present a true picture of the present and future market potential of above products.

## 2.2 PRODUCT DESCRIPTION

candles and tissues fall within a group necessity items i.e. They are mainly made of parafine wax and paper products as well as other acceptable ingredients,. They are mainly consumed in major towns trading centers and other geographical areas where the infrastructure permits easy distribution of the product.

## 2.3 PRESENT DEMAND

### 2.3.1 Basis

Our estimated demand for candles and sanitary items in general and particular is based on the following factors.

Tanzania mainland has a current estimated population of 30 million growing at the rate of 2.8% which for the purposes of this analysis has been counted off to 3%.

A rise in per capita GDP at current prices by an average of 22% implying an increase in the individuals purchasing power on essential items: candles and tissues inclusive; The Planning Commission gives the underlined growing trend of per capita GDP.

							(Tshs)	
2003	2004	2005	2006	2007	2008	Growth Rate%	Current Estimate	
27792	33986	40819	49607	62138	62138	22	138000	

- The overall average growth in GDP by 4% implying a growing economy.
- Industry published data.

2.3.2 The last detailed study on candles and tissues was carried out by M/s Ind centre during 2001. The study showed that Tanzanians are not big consumers of candles and tissues as illustrated in Table2.1 below.

Table2.1: Per Capita Consumption of candles and tissues, (1972)

Country	Population (millions)	Per Capita consumption (grammes)
United Kingdom	57.0	2726-2840
Kenya	18.9	71
Nigeria	93.6	284
Philippines	52.0	710
Tanzania	20.0	85

Source: Indocentre Study and Consultants Review

Assuming a growth rate of 3% current per capital consumption of candles and tissues items has been calculated to be 180 grams. In this study this figure has been rounded off to 200 grammes.

➤ All candles and tissues Products

Using the above estimated per capita consumption of candles and tissues items and given a population figure of thirty (30) million, total estimated current consumption/demand figure for all candles and tissues products is calculated as follows:

candles and tissues

Our sampled survey carried out within Dar es Salaam has shown that candles and tissues. In view of this, it has been assumed that 70% of candles and tissues items comprises the above groups This gives total estimated demand for candles and tissues to be 4,200 tonnes (i.e. 6,000 x 70% = 4,200).

## 2.4 SUPPLY

### 2.4.1 Local Production

To date there is few local production of candles and tissues in Tanzania. Existing candles and tissues factories produce and distribute candles and tissues with a total estimated capacity of around 7000-8000 tonnes per annum; actual capacity utilization is estimated at between 30% and 40%. The main factories (making candles and tissues items) are located in the following tons.

Dar Es Salaam	- Tigers Candles
Dar Es Salaam	- Mora Ind.
Dar Es Salaam	- Twin Savers

Since this analysis is limited to candles and tissues as the planned products, we will provide details on the production of only these candles and tissues products.

### 2.4.2 Imports

Through our market survey carried out in Dar es Salaam region. we have established that imported items to be the dominant types candles and tissues

Table 2.2: List of Chewing Gums Available in the

## Market

S/N	Trade Name
1.	Hand Tissues
2.	Kitchen Tissues
3.	Toilet Paper
4.	Normal Candles
5.	Colored Candles

### ➤ Level of Imports

Due to trade liberalization and deconfinement policy a number of small and medium size importers/dealers have emerged making it difficult to obtain a realistic figure of imports. Major sources of imports include Continental Europe, South Africa, Kenya, Hong Kong and Taiwan.

Based on our analysis of available records and views obtained from experienced participants in the industry, the quantity imported is estimated to meet 40% of the demand. This gives the level of imports as well as total supply the region of 1700 tonnes.

Imports are estimate to rise by an average of 5%.

### Supply Demand Gap

Present estimated demand	4200 tonnes
Present estimated import	<u>1700 tonnes</u>
Supply deficit	<u>2500 tonnes</u>

## 2.5 **COMPETITION**

Despite the fact that there are several candy producers and few local producers of candles and tissues, main competition to the planned project is expected to come from candles and tissues supplied by the local producers and imported candles and tissues

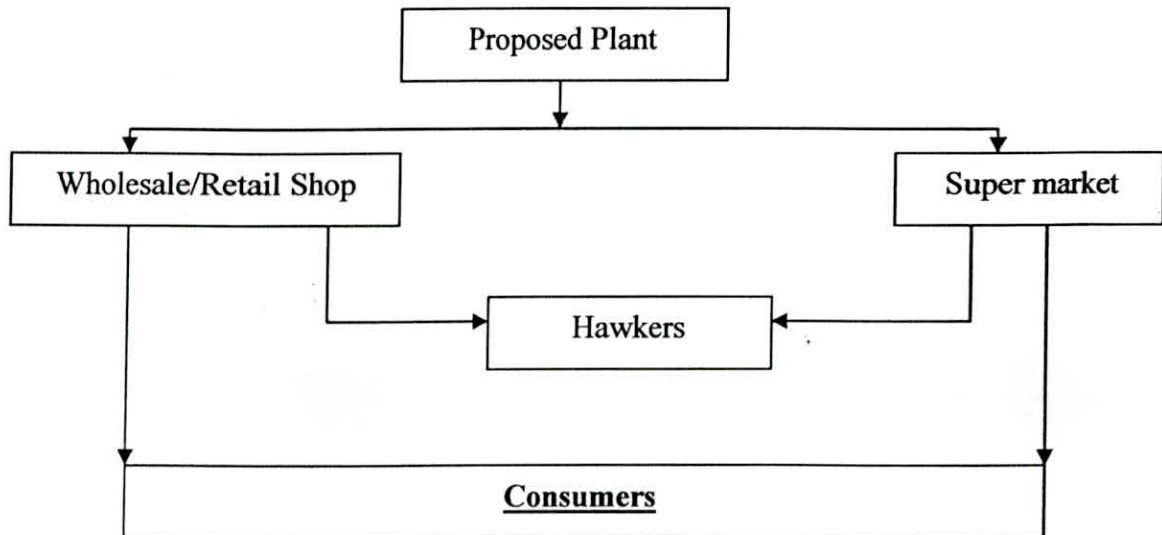
The planned project can sustain competition by producing good quality items and distribute the same to the target market segment with minimum delay.

## 2.6 **DISTRIBUTION CHANNELS**

candles and tissues are necessity consumer goods that consumes would wish to purchase frequently, conveniently and with a minimum of shopping effort; they require a wide distribution strategy through wholesalers, retailers and hawkers.

In view of the above observation, it is our view that the proposed plant should channel its products through super markets, private dealers and street hawkers as per diagram below; this will ensure a wide market coverage.

### Proposed Distribution Channels



#### 2.7 **PACKING**

The packaging component of a product refers to any container in which it is offered for sale and on which information is communicated to. Packaging should provide adequate protection to the product and consumers' convenience in handling consuming it (product).

To date packaging is becoming an increasingly important aspect of marketing strategy - since it is viewed as way of attracting customers to new and existing brands. Our review of the packing practices for a handful of candles and tissues products has established the following. candles and tissues are packed in boxes bearing vivid inscription of brand names, company name, address and ingredients used to manufacture the product.

Generally candles and tissues are packed in boxes containing varying quantities as shown below.

Pieces of candles and tissues per box

144  
40  
40

#### 2.8 **PRICES**

Table 2.3 shows the average price levels for candies, chewing gums and substitute confectionery products.

**Table 2.3      Average Price Levels**

<b>Product</b>	<b>Packing Quantity In a Box</b>	<b>Ex-Factory</b>	<b>Whole Sale Price Tshs</b>	<b>Retail Price Tshs/Ct.</b>
candles	144	21,500	22,500	1000
Hand tissues	40	25,000	26,000	1000
Toilet Rolls	40	6,500	7,500	1000

Source:            Consultants Price Survey

Note: In establishing the exfactory price for the proposed plant we have worked backward from the whole sale price levels assuming that

- whole salers would normally fix a gross profit margin of 05%-10%

On the basis of the above, the recommended exfactory price for the project is Tshs 3.5 million/ tonne.

## 2.9      **PROJECTED DEMAND AND SUPPLY**

### 2.9.1.    **Projected Demand**

- Basis
- In projecting the demand for candles and tissues we have considered the following factors.

#### (1)    **Population Growth**

Current population of 30 million is expected to rise to 31.7 million in the year 2000, 33.5 million in year 2003, and 34.44 million in year 2003. Increase in population raises the need necessity items.

#### (2)    **Household Final Consumption Expenditure**

Based on the information provided by the planning commission, the household final consumption expenditure recorded an impressive increase from Tshs 84 billion (1994) to Tshs 1632 billion (20074) with an average annual rise of 40%. The personal income thereby obtained from this expenditure in turn increases the financial ability of individuals to pay for candles and tissue.

(3) **General Rise in GDP and Per Capita GDP.**

A rise in per capita GDP and its positive impact on the demand for a given product has already been mentioned in Section 2.3.1 of the text.

The overall GDP is projected to rise from the current average of 4% to 6% by the year 2006; this is a sign of a growing economy as well as a market potential.

➤ **Projected Demand**

Based on the above factors the projected demand for candles and tissues is given in table 2.4 below.

Table 2.4: **Projected Demand for candles and tissues**

(Tonnes)

Item Description	Current Estimate	Growth Rate %	Projection		
			Year 1	Year 2	Year 3-5
Demand	4200	4	4370	4540	4720

2.9.2 **Projected Supply**

➤ **Imports**

It is assumed that due to trade liberalization and conducive business environment current level of imports (1700 tonnes) is expected to rise by a minimum of 5%. Below is the expected trend of imports of candles and tissues for the next five years.

(Tonnes)

Current Estimate	Year 1	Year 2	Year 3-5
1700	1790	1870	1970

➤ **Local Production (By the Project)**

The projected performance is detailed in section 2.10. Actual production is expected to be 300 tons in year 1, 375 tons in year 2 and 425 tons from year 2-5.

➤ **Total Projected Supply (tons)**

	Year 1	Year 2	Year 3-5
Imports	1790	1870	1970
Planned Project	300	375	425
<b>Total</b>	2090	2245	2399

2.10 **PLANT CAPACITY AND PROJECTED PERFORMANCE**

### 2.10.1 Basis

In suggesting the planned plant capacity we have considered the following factors:

- Estimated level of supply
- Recommendations by the suppliers of the required technology! production facilities and industry experts
- The need to have a medium size and manageable plant
  
- The assumption that the proposed plant will operate for 16 hours/day during the estimated 300 working days per annum.

### 2.10.2 Projected Performance

Assuming an actual performance of 60% to 85% and that management will strive to sell all the products produced during the year Table 2.5 depicts the projected performance.

**Table 2.4: Projected Performance**

Item Description	Projection		
	Year 1	Year 2	Year 3
Installed Capacity (tones)	500	500	500
%Capacity utilization	60	375	85
Actual Production and Sale (tones)	300	375	425
Ex- factory price Tshs'000 per tones	3.2	3.2	3.2
Sales Revenue (Tshs billion)	960	1200	1360

## 2.11 **MARKETING STRATEGIES**

In order for the proposed project to attain to the projected level of performance the consultants recommend implementation of the following marketing strategies.

### 2.11.1 Quality Products

Products should be of unique high quality in order to attract new and competitors customers.

### 2.11.2 Cost Control and Market Penetration Pricing Strategy

Management should exercise strict control on production and marketing! distribution costs so that the final products are sold at affordable competitive prices.

### 2.11.3 **Wide Distribution Strategy**

candles and tissues being necessity goods require distribution channels with a wide market coverage. In section 2.6 we have recommended to the management if the proposed plant to channel the products through super markets, private dealers and street hawkers.

To start with management should explore possibilities of establishing distribution outlets in each district of the Dar es Salaam & major urban cities.

### 3.11.4 **Promotion Strategy**

Advertising the products through radio, TV and newspapers turns out to be an efficient means of reaching large numbers of potential customers. Some expenditure will be spent on advertisement. Promotion of the products should be taken with much care. This exercise should only be carried out when the management has fully ascertained the availability of the products to avoid customers disappointment.

## 3. **TECHNICAL ASPECTS OF THE PROJECT**

### 3.1 **TECHNOLOGY**

#### 3.1.1 **Candels**

Manufacturing processes for candels are discussed below for information and comparison purposes. These include manufacturing processes:

#### **(a) CANDLES**

### 3.2 **RECOMMENDED PRODUCTION PROCESS**

The process to be adopted consists of the following operations.

- Melting Mixing & Weigting;
- Cooling
- Cutting, wrapping and packing.

Above processes are further discussed below.

- (a) **Weighing and Milling**  
In this operation the important active ingredients like parafine wax & other Chemicals etc, are weighed to the required composition ranges.
- (b) **Mixing and Molding**  
The basic raw materials after weighing to the required proportions are fed in a mixing and molding machine where the mass is heated and mixed for some time till it reaches the required consistence.  
After this the mass is cooled by water circulation process which improves the quality of the candles and prevent evaporation.
- (d) **Cooling**  
The product is arranged in raw on the cooling chambers about 144 candles on which it hardens by the process of controlled refrigeration in order to resert itself under the best condition to the cutting machine.
- (e) **Cutting, Wrapping and Packing**  
The ready product from above enters the cut and wrap machine where the size of candles is shaped and simultaneously cut and wrapped at high speeds. The feeding of the wrapping materials is in form of reels and the print on the material is registered by a photo electric cell.

The individual pieces are then manually packed in handly boxes and later stored in air conditioned rooms ready for distribution to the destined markets.

### 3.3 PLANT MACHINERY AND EQUIPMENT

List of machinery and equipment is given in **Appendix 3:A** which comprise machinery and equipment for the following operations.

- Weighing and milling
- Mixing and Heating
- Molding
- Cooling
- Cuting and wrapping.

- (a) **Weighing and Milling**  
This section will consist of a weighting scales with a platform and two (2) trolleys.
- (b) **Mixing and Heating**

This is the most important section of the operation and will include the following key machinery! equipment.

- One mixing machine,
- Two Molding machine,

(.

(c) **Cooling Tunnel**

Two cooling tunnel units have been provided for this purpose, complete with a cooling condensator and all the necessary fittings.

The main factory buildings will be composed of the following buildings! store.

<b>Building</b>	<b>Size (m)</b>	<b>Area (m<sup>2</sup>)</b>
Raw Materials Store	6x20	120
Packing Material Store	6x20	120
Finished Goods Store	12x20	240
Packing Department	6x10	60
Mixing/ Processing Building	12x15	180
Administrative Building	6x10	60
<b>Total</b>		<b>720</b>

The respective buildings and civil work costs based on rates prevailing in Dar es Salaam is given elsewhere in this report.

3.5 **RAW MATERIALS**

The essential raw materials needed for the manufacture of candles and tissues and are parafine wax and big rolls of paper product with thr necessary chemicals.

Combination of the above raw materials depends upon the quality and the desired shelf life of the product to be manufactured. The average composition of the product varies in Table 4.1 below

The general formulation for candles and tissues is given below. This is a guideline only as the actual composition is normally available under patent.

(b) **Parafine wax**

This is a type of chemical that can be mixed with other chemicals and coloring material for the manufacture of candles. Parafine is a by product of petrol.

(e) **Cutting, Wrapping and Packaging**

The section will include the following key machine equipment for the successful completion of the product namely:

- cutting machine,
- wrapping machine,
- photocell,
- automatic splicer,
- automatic counting and carton filling system with feeder conveyor system.

### 3.4 CIVIL ENGINEERING WORKS

#### (a) General

The proposed candles and tissues project will be located at Mikocheni Industrial area plot No.13 in Dar es Salaam, 10 km from the city centre along Bagamoyo Road.

Dar es Salaam is served with air, railway and port services, therefore it should be easy to handle and transport imported raw materials and distribution of products.

All modern communication systems like t E mail,telex, fax and telephone services are available in Dar es Salaam.

#### (b) Site area

An area of about 1 acre of land has been acquired for this project. Out of this an estimated 0. 5 acre, (50%) of land will cover the erection of the main factory and other buildings. The rest will be left for any another business related to the project.

Total plant area will be fenced with a brick wall of about 3m high, thus 140 running meters.

#### (c) Buildings (Plant )Layout

hydrolysis process or is directly manufactured by an enzymatic industrial process.

Parafine wax which is used is important for the desirable manufacturing. This has to be imported as there is no local production.

#### b) Soft and Hard Candy

There are a great variety of candles and tissues. Some are colored others are mosquito reppellant.

Brief on Process for candles and tissues

There are basically two processes for making candles and tissues namely the conventional method in which materials are heated and the other one in which the materials are boiled. through reduction of pressure (vacuum system).

Basically the materials are concentrated using automatic dissolving machines, vacuum concentrator, cooling table and moulds.

### 3.6 **UTILITIES AND SERVICES NEEDED**

The factory would require various services and utilities to operate. These include electricity, fuel and lubricants, water, compressed air, laboratory services and transport.

These are discussed as follows:

(a) **Electricity**

This is expected to be supplied from TANESCO grid.

A transformer of 150 kVA will be required.

Plant site is in an industrial area and power is available nearby.

(b) **Water**

Both cold and warm water would be required for proper operation of the plant, and will be available from City mains and a boiler will be provided.. Costs for above has been estimated under the operating costs

(c) **Compressed Air**

A compressor is recommended to be supplied which will produce compressed air for both instrumentation and process.

(d) **Laboratory**

A small laboratory for quality control of the products and ingredients will be required. This is an important facility for the plant for quality assurance of manufactured products.

### 3.7 **PACKING MATERIALS**

Packaging materials for the proposed plant comprise: multi-colour packaging papers, boxes and cartons. Cost for these materials has been estimated

under the operating costs For the purpose of this report a packaging of 6 x 48g (288g) per packet has been recommended. In this case, a total of 1000,000 boxes would be required at 100% production capacity utilization.  
at 480 tons of product

## 4. **PLANT ORGANIZATION AND MANPOWER REQUIREMENTS**

### 4.1 **PLANT ORGANIZATION**

It has been envisaged that the project will be under the direct control of Messrs LUNA CANDIES AND PAPER PRODUCT (T) LTD through a project manager up to the stage of erection and commissioning of the plant. Thereafter, a General Manager will be recruited for running the plant. He will report to Board of Directors. Considering these and other functional aspects of the working of a plant with the facilities, proposed in this report, a suitable organization structure has been developed. The plant will be headed by the General Manager who will be assisted by two departmental managers. The managers are the production (milling) manager and the finance and procurement manager. Under each of these departmental heads, would be positioned their respective functionaries. There will also be a unit for sales/marketing in the General Manager's Office.

#### 4.2 MANPOWER REQUIREMENTS

Tanzania has embarked on a planned programme of widening its industrial base and diversifying its capability for industrial production. It is also the Government's policy that such plants in time should be managed and manned by Tanzanians. Thus, the manpower requirements for this project will fully be by Tanzanians.

	<u>Nos</u>
• Managerial	3
• Various categories of Operators, Technicians	22 5
• Other officers, clerks and subordinate Staff	<u>15</u>
<b>Total</b>	<b><u>44</u></b>

The following are some of the important aspects considered whilst working out the above:

The above manpower requirements at various levels of organizational hierarchy have been estimated from the anticipated work intensity in each establishment and the positions to be manned. Whilst working out these manpower requirements, the practice in similar plants have been kept in view. In so far as the plant labour force is concerned, the productivity standards for various manual operations as presently prevailing in the country have been kept in view. Similarly, the requirements of managerial and administrative personnel have been computed on the basis of optimum requirements for each category! function so that overheads are kept to the minimum. The requirements of engineering and supervisory personnel have been worked out so as to ensure smooth operation of the plant. The marketing and sales supervision will be responsible for coordinating the distribution, R&D and design as well as the sales sections. He will ensure that the right designs and quality products are sold to the customers. He would also be

responsible for marketing of products and would be assisted by the General Manager being a unit in GM's office.

The production manager will head three sections, namely production planning and control section, the maintenance and production engineering section and the production section., He will thus be responsible for the normal functioning of the machines and production and the whole plant in general.

The Finance and Administration Manager will be responsible for accounts and purchase and also oversee administrative matters by supervising the administration and personnel office who will deal with personnel matters and report to head the finance and accounts sections.

The breakdown of the total manpower requirements for the various levels have been achieved by the

graded personnel system, the strength of each level having been worked out from anticipated workload.

All plant departments will work in three shift of 8 hours/day.

#### 4.3 **RECRUITMENT AND TRAINING**

The Tanzania staff should be recruited at least one month ahead of the setting up of the plant. Thereafter, there would be a requirement for the 'on the job training' so that they could improve their skills. It is further recommended that at least one operator for each process should undergo some implant training at other existing plants locally to form the nucleus for further industrial development of the industry in the country. Most of the staff are available in the local labour market.

#### 4.4 **ANNUAL WAGE BILL**

The annual wage bill of the staff works out to Tshs 60 million. The details are given at Appendix 6:B. The average monthly salaries for various categories of staff have been based on the present day wage structure prevailing in the country in the private sector. An allowance of 35% of the wage bill has been made to account for leave salary, retirement benefits, gratuity and any other allowance etc. Salaries from Tshs 60,000 to Tshs 400,000 per month.

### 5. **CAPITAL COSTS AND FUNDING**

#### 5.1 **SUMMARY OF CAPITAL COSTS**

The total initial investment required to establish the proposed candy and chewing gum producing plant is estimated at Tshs 1.070 million( LJS\$ 1,529,114) of which Tshs 641 million is in foreign exchange. These are summarized as follows:

Table 5.1: Summary of Capital Costs

## 5.2 BREAKDOWN OF CAPITAL COSTS

### 5.2.1 Civil Works

The civil works cost are estimated at Tshs 160 million all in local currency. Details are given as Appendix

#### 5:A.

### 5.2.2 Plant and Machinery

The total cost of plant and machinery inclusive of freight and installation is Tshs 657 million detailed thus:

Table 5.1: Estimated Cost of Machinery and Equipment (TShs'000)

	Foreign	Local	Total
Plant machinery DKr. 5,000,000	500,000		
Freight 10% FOB	50,000		
Cost C&F Dar es Salaam	550,000	-	550,00
Insurance 1% CIF	5,500	-	5,500
CIF Dar es Salaam	555,500	-	555,500
Import duties and excise duties 10%	-	55,500	55,500
Clearance, transport to site, installation & commissioning about 50% of local cost	-	27,775	27,775
Contingency 2.5% of foreign costs and about 10% of local costs	13,887	4,166	18,053
Total Machinery (Installed on site)	569,387	87,491	656,878

Exchange rate Dkr 1.00 = TShs 100.00  
US\$ 1.00 Tshs 700.00

Endeavours should be made to obtain quotations from alternative suppliers in other countries in order to secure the most efficient plant and competitive prices.

### 5.2.3 Vehicles

A mini truck of 3'h tonne carrying capacity will be required to ferry products from plant to distribution centres for the products. Its cost is estimated at Tshs 35.0 million. A saloon car (4WD) will be required for office use. It is expected to be purchased at a cost of Tshs 27.0 million. A pickup of 1 ton capacity also will be acquired for factory operations. It will be acquired at a cost of Tshs 20 million.

- Thus total vehicle cost is Tshs 82.0 million.

Vehicle are locally available from dealers who import them and will be procured using local currency.

#### 5.2.4 **Furniture and Fittings**

For office use, the project will require various items of furniture including tables, chairs, shelves, a sofa set, air conditioners, cabinets, all estimated to cost some Tshs 5.0 million. The project will also need a personal computers, telephones and other office machines, all of which are estimated to costing Tshs 5.0 million. All the furniture and fittings will be procured locally at a total cost of Tshs 10.0 million, inclusive of contingency allowances.

#### 5.2.5 **Pre-operational and Start-up Costs**

The pre operational and start-up costs are estimated at about Tshs 52.0 million and comprise of consultancy fees, recruitment and salaries, traveling costs, and trial production costs. It is also assumed that one man-trip will be made to an overseas destination for procurement of machinery.

**Table 5.3: Pre-operational Costs**

	Tshs'000
Consultancy fees	5,000
Recruitment cost and salaries	5,000
Traveling	5,000
Trial production	5,000
<b>Total</b>	<b>20,000</b>

#### 5.2.6 **Working Capital Requirements**

Detailed schedule of working capital requirements for the project are presented in **Appendix 5:C**. Initial working capital requirement is expected to be TShs141.500 million. From the third year the working capital is expected to increase to Tshs 175 million..

### 5.3 **FUNDING OF CAPITAL COSTS**

The source of financing the total capital cost of this project is equity contribution by the project promoters.

The project promoters have already raised the required amount of Tshs 928 million. Foreign currency will amount to Tshs 579 million and the local currency is Tshs 350 million.

	Tshs'000		
	Foreign	Local	Total
Equity (land vehicles, civil works, plan tetc)	579,387	349,491	928,878

<b>Total</b>	<b>579,387</b>	<b>349,491</b>	<b>928,878</b>
--------------	----------------	----------------	----------------

100% of the initial working capital amounting to Tshs 141 million will also be raised through equity.

Financing of total initial working capital will thus be as follows:

<b>Item</b>	<b>Tshs'000</b>	<b>% of Total</b>
Equity	141,500	100%
<b>Total</b>	<b>141,500</b>	<b>100</b>

## 6. OPERATING COST ESTIMATES

The proposed candy and chewing gum manufacturing plant in Dar es Salaam will use sugar and other food ingredients as raw materials. Other elements of operating expenses include packagings, water, fuel, energy (electricity) labor, and financial charges. These are detailed and costed below. The operating cost estimates are given as Appendix 5:A.

### 6.1 RAW MATERIALS

The type and quantities of the project's raw materials are as follows;As will be sen from the table below a total of TShs600 million out of which TShs288million is in local currency and balance in foreign currency.

### 6.2 UTILITIES

#### (a) Electricity

The plant will have an installed power of 150kVA and will consume 1.08 million kwh per annum working at 100% capacity At the unit cost of Tshs 60 per kwh., the annual cost will be around Tshs 65.0 million.

#### (b) Water

Water will be needed, basically for production and sanitation, at 20m3 per day. At Tshs 30.0 per m3. The annual cost is estimated at Tshs 13.0 million based on 300 working days and Tshs 250 per m3

#### (c) Lubricants

The cost of lubricants and industrial diesel oil is estimated at a lumpsum of Tshs 2.0 million.per annum.

#### (d) Total Utility Cost

The total bill for utilities therefore works at about Tshs 80 million per annum.

### 6.3 LABOUR COSTS

Appendix 6:B shows the detailed manpower requirements and the wage bill. The project will employ 29 persons and the annual wage bill, including 35% social costs will be Tshs 60.0 million. All will be local labour.

#### 6.4 OTHER COSTS

(a) **Vehicles Maintenance and Running**

purchase price of Tshs 82.0 million. This works out at Tshs 28.7 million per annum.

(b) **Administrative Overheads**

These include stationery, telecommunication, postage, advertisements, legal and audit fees, and general expenses. The annual cost is provided at Tshs 50.0 million.

(c) **Repairs and Maintenance**

Repairs and maintenance costs are estimated at 2% of buildings and civil works, 4% for the plant, machinery and equipment and 10% for furniture and fittings. The annual cost works out a Tshs 30.5 million. Of this amount some Tshs 20 million will be spent on imported spares.

#### 6.5 FINANCIAL CHARGES

Capital charges will be in the form depreciation, only .Depreciation cost is calculated at acceptable rates and will decrease from Tshs 54 million in t year one to Tshs 7.5 million in the 10th year. Rates adopted are 4%SL for civil works, 12.5%DV for machinery, 25%SL for vehicles, 20%DV for furniture/fittings and 20%SL for pre-operationalls

Since all project investment cost will come from equity project has no interest charges.

(d) **Marketing Costs**

The sales cost for the project is estimated at 10% of sales. This works out at about Tshs 100 million per annum.

#### 6.6 TAXATION AND INVESTMENT ALLOWANCE

In view of its assessed economic benefits and particularly its impact on import substitution it is recommended that the promoters of this project approach the Government of Tanzania through the Tanzania Investment Centre (TIC) so that the project is approved and qualified for investment incentives offered through the Centre. These include exemption from paying customs duties and sales tax until initial investment is recouped. This project qualifies for these incentives based on the criteria laid down in the TIC legislation.

Corporate tax will be changed at 30% of gross profits.

#### 7. PROTECT VIABILITY AND PROFITABILITY

## 7.1 PARAMETERS

The financial and economic viability of the project is assessed under the following key assumptions:

- (a) Project implementation will take a period of one year.
- (b) The plant will operate on double shifts per day each of 8 hours for 300 days a year.
- (c) Capacity utilization will increase from 60% in first year to 75% in second year and will stabilize at 85% from the third year onwards.
- (d) The life of the project will be 10 years.
- (e) All the financial calculations are based on April 1998, prices, and these are assumed to remain constant throughout the operating period. However, any changes in operating costs will necessitate comparable adjustments in the selling price as so to preserve the same profit margins.
- (f) United States Dollar 1 = Tanzania Shilling (Tshs) 1350.

## 7.2 PROJECTED REVENUE

The rated capacity is 500 tons per annum (500 kgs/hr for candles and 300kgs/hr for tissues) , 16 hours per day 300days a year and capacity build up is 60%, 75% and 85% for year one, two and three onwards.

Working on single shift/day and based on the capacity utilization we have assumed, production is expected to increase from 300 tons in year one, 375 tons in year two and 425 tons from year 3 onwards

These will be sold at Tshs 3.2 million per ton. Sales revenue will increase from Tshs 960 million in year one to Tshs 1212 million in the second year and Tshs 1401 million and above. from year three onwards.

## 7.3 PROJECTED PROFITABILITY

Appendix 7:A shows the projected profit and loss statement. The project will realise a net profit of Tshs 112 million in year one. The project will start registering profits in first year. The project is expected to accumulate profits amounting to Tshs 1674 million over the period under review (10 years).

## 7.4 PROJECTED CASH FLOW

The cash flow statement is shown in Appendix 7:B. Except for repaying the original investment which is fully repaid by year three the project will be able to generate enough cash internally to meet all its financial obligations. Total accumulated cash flow during the operating period will be TShs 909 million.

#### 7.5 PROJECTED BALANCE SHEET

The total assets which stand at Tshs 929 million in year zero increases to TShs 3.750 billion by the tenth year. The cash balance increases from TShs 228 million to TShs 1.98 billion by the tenth year.

The projected balance sheet is given as **Appendix 7:C**.

#### 7.6 FINANCIAL RATE OF RETURN

Appendix 7:D shows the financial rates of return after tax. The IRR after tax is 26.39%. This ratio indicates a viable proposition, as the maximum interest rate locally is not more than 20%.

#### 7.7 SENSITIVITY ANALYSIS

The project's sensitivity analysis is given as **Appendix 7:E**. The table shows that the project is very sensitive

to change of sales price and initial investment. Sales prices should not fall below 3% of proposed price and initial investment should not be increased by more than 17% for the project to remain financially viable (above 20%).

#### 7.8 OTHER BENEFITS

Government revenue in the form of corporation tax amounting to Tshs 600 million over the period under review. Additional revenue will be generated from the employees' PAYE income tax. The project will also create 29 employment opportunities. Furthermore the project will contribute to savings in foreign currency.

#### 7.9 CONCLUSION

The conclusion of this analysis is that the project for the production of chewing gums and candy in Dar es Salaam will be commercially viable and will generate enough cash enabling the promoters to meet all its financial commitments.

The project is economically and socially beneficial. and is recommended for implementation.

### 8. PLANT IMPLEMENTATION SCHEDULE

#### 8.1 MOBILIZATION

Once this project gets approval of the Tanzania Investment Centre (TIC) its implementation would start immediately as funds for investment have already been earmarked and project contractors identified.

#### 8.2 PROCUREMENT AND CONSTRUCTION STAGE

This stage of the project will include civil works and the procurement of machinery and equipment and their installations.

Site works including building construction, water and electricity supplies would be completed within 6 months. Concurrently equipment would be procured ready for installation starting June 1998 and completed by year end 1998.

### 8.3 INITIAL PRODUCTION Trial Runs and Commissioning

After machinery installations trial runs would be carried for a 2 week period and plant would be commissioned by end of January 1999. Prior to commissioning all key staff will have been employed.

#### Appendix 5.A

#### CIVIL WORKS COST ESTIMATES TShs'000

S/N	ITEM	UNITS	TOTAL UNITS	UNIT PRICE	TOTAL
1.	Land acquisition	m <sup>2</sup>	1,000	Lumpsum	25,000
2.	Land clearance and leveling	-	-	Lumpsum	5,000
3.	Administrative office cum office stores	m <sup>2</sup>	100	150,000	15,000
4.	Production building	m <sup>2</sup>	240	120,000	28,800
5.	Stores for materials and products	m <sup>2</sup>	480	100,000	48,000
6.	Other structures: Gate house 10m m <sup>2</sup> Toilets 10m m <sup>2</sup> Septic Tanks 30m m <sup>2</sup>	m <sup>2</sup>	50	80,000	4,000
7.	Brick wall fence	m	140	10,000	1,400
8.	Internal roads		70	20,000	1,400
9.	Electricity and water connection	m			12,860
10.	Design and supervision 10%	-10% of above			141,460
	Sub-total				155,606
11.	Contingency 2.5%				3,890
	<b>Grand Total</b>			<b>49,203,000</b>	<b>156,496</b>
				<b>Say 160 million</b>	

## LIST OF MACHINERY AND EQUIPMENT

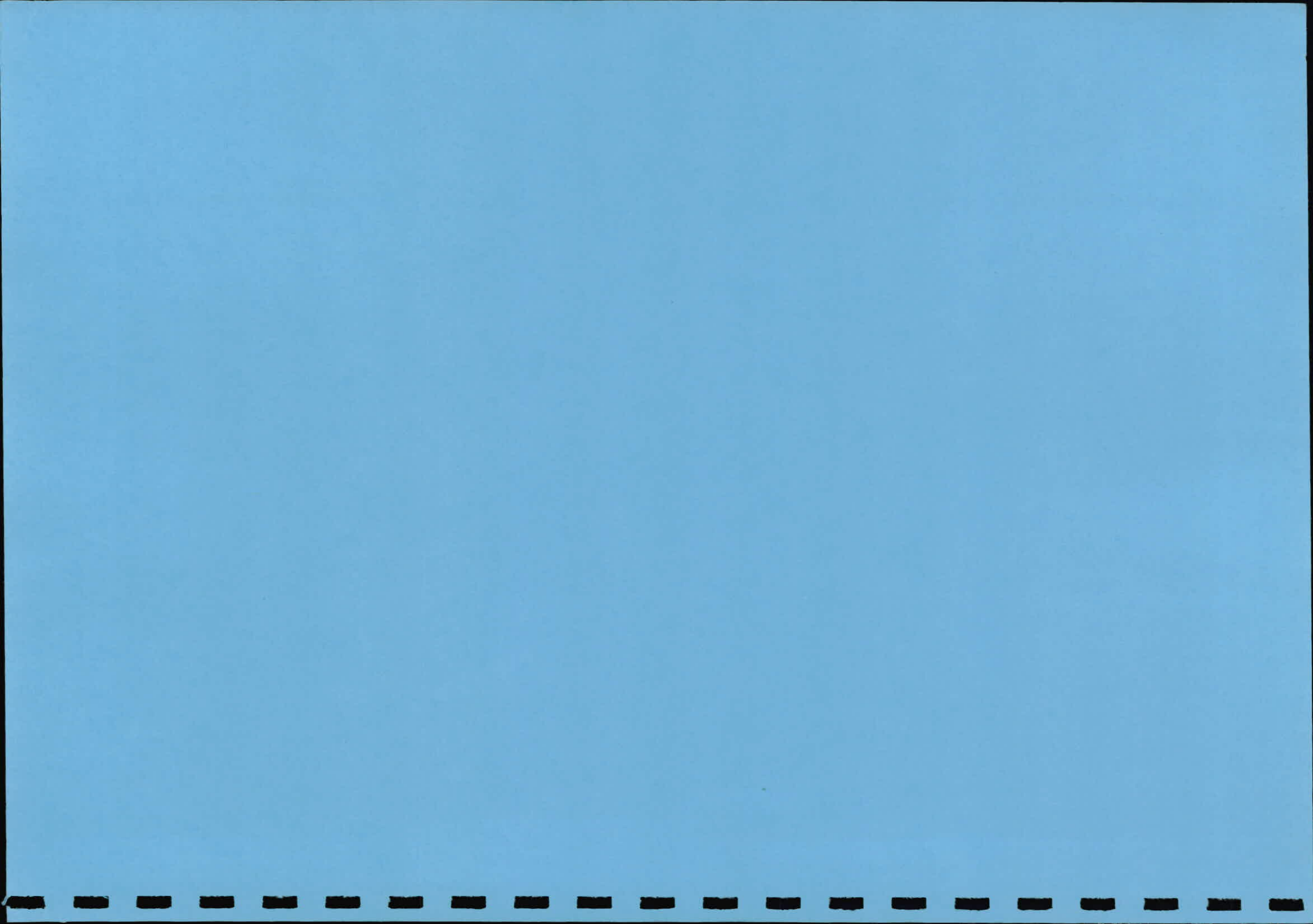
- A. **WEIGHING AND MOULDING**
- Moulder
  - Mixer for wax and chemicals
  - Scales for weighing parafine wax
- B. **COOLING**
- Cooling tunnel
  - Cooling condensator
  - Pre-feeder
- E. **CUTTING, WRAPPING AND FILLING**
- Thee garten K-i wrapping machine
  - Photo cell
  - Automafic splicer and carton filling system
  - Feed conveyor system
- F. **BOILERS**
- Boiler, 1.2 Tons/hour (Steam)
  - Boiler, 1.5 Tons/Hour.

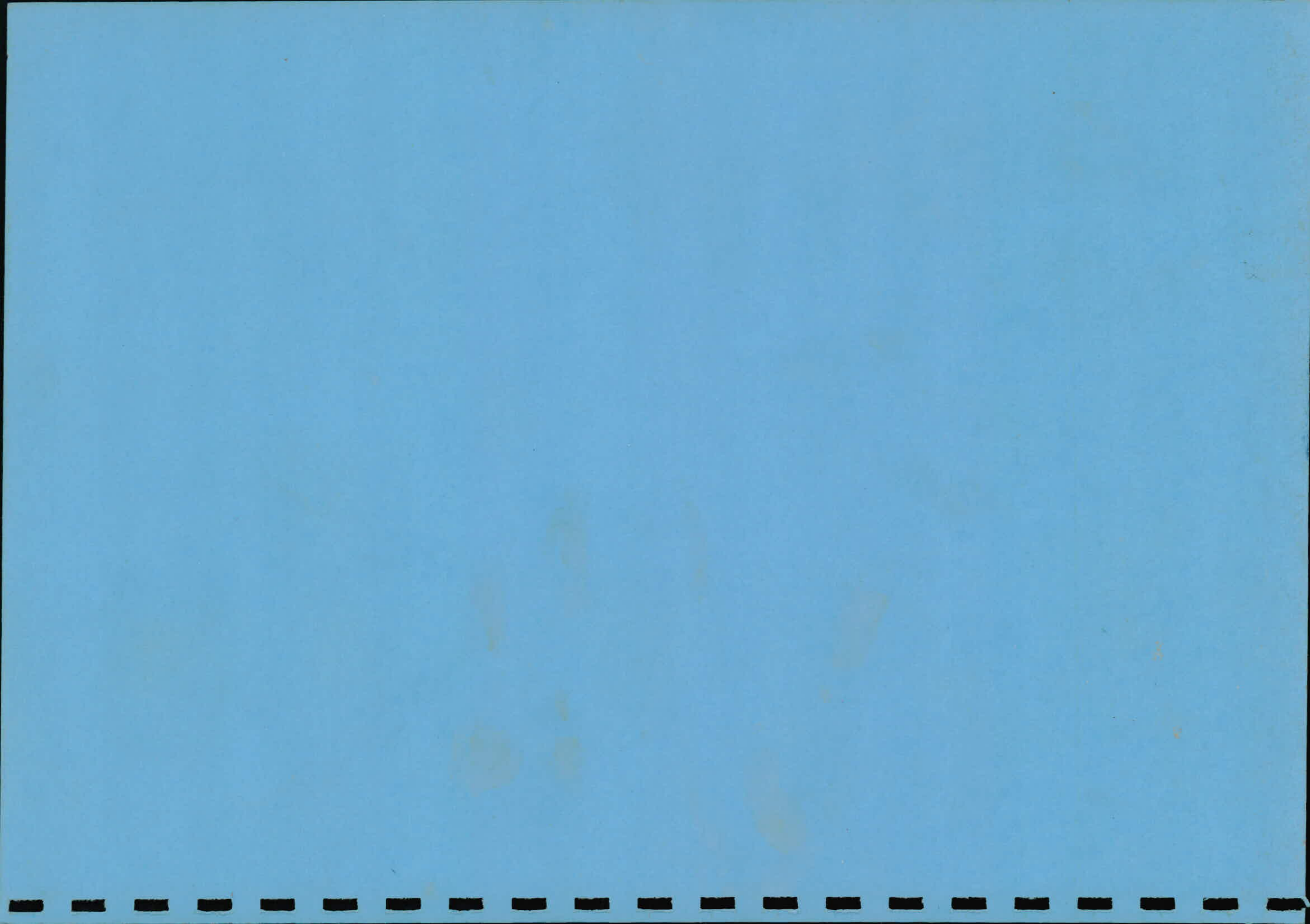
## MANPOWER AND ANNUAL WAGE BILL

### Appendix 5.B

SN	PERSONNEL	NO.	SALARY TSHS'000 P/MONTH	ANNUAL SALAR TSHS'000
1.	General Manager	1	700	8,400
2.	Chief Accountant	1	500	6,000
3.	Secretary	1	150	1,800
4.	Storekeeper	1	125	1,500
5.	Sales/Accounts Clerks	2	140	3,360
6.	MV Driver	1	100	1200
7.	Cleaner/Tea Girl	1	80	960
8.	Watchmen	2	90	2160

	Sub-total			
9.	Production	10		18,420
10.	Production Manager			
11.	Supervisors	1	200	2400
12.	Operators/Mechanics	2	100	2400
13.	General Workers (packers and helpers)	16	90	17280
		6	100	7,200
	<b>Sub-Total Salary</b>	<b>27</b>	<b>872</b>	<b>58680</b>
14	Add 35% for social benefits and services			15,687
				74367
			Say 75.0	million





THE COMPANIES ACT 2002

\*\*\*\*\*

COMPANY LIMITED BY SHARES

\*\*\*\*\*

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

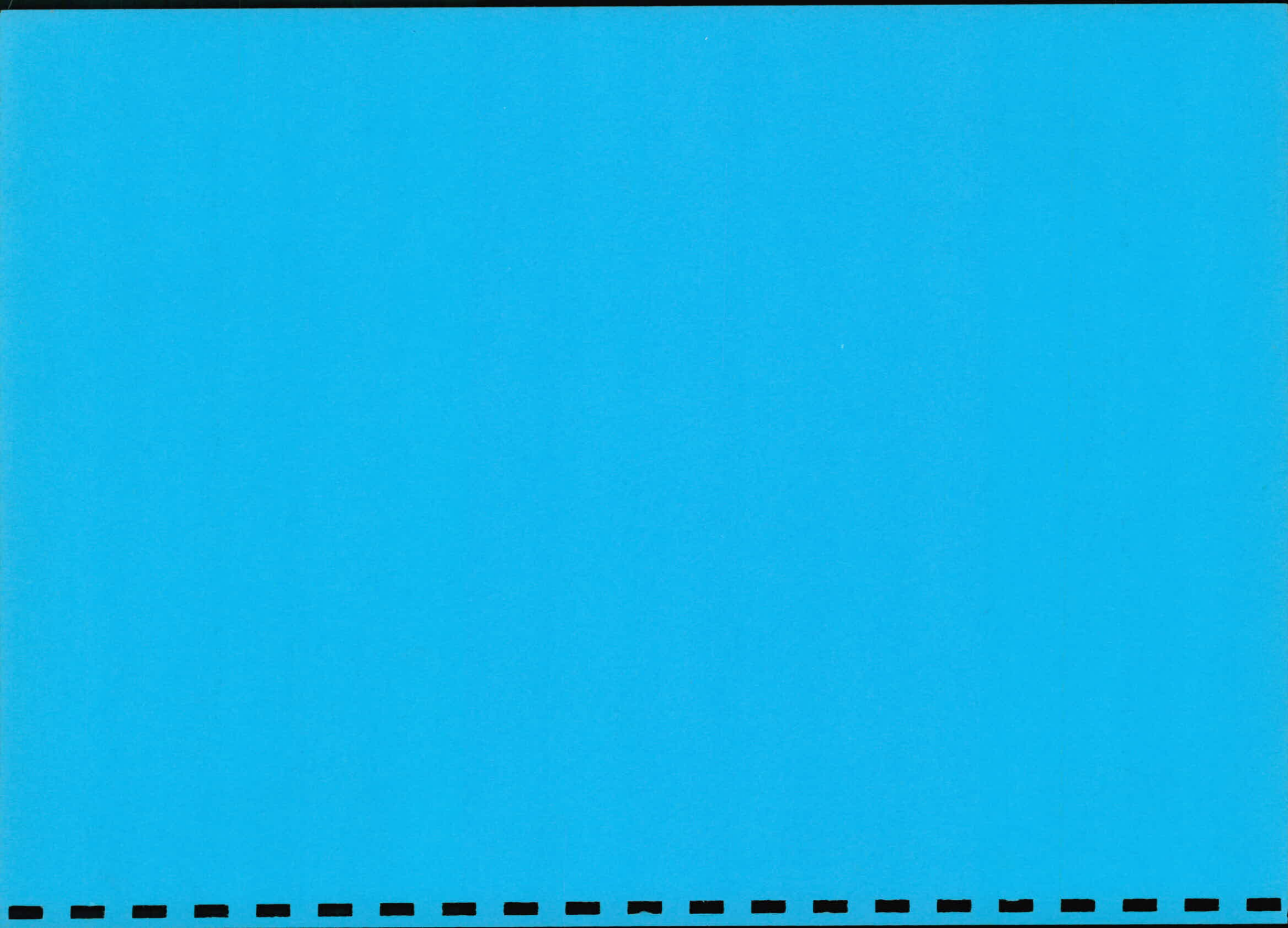
OF

LUNA CANDLES AND PAPER PRODUCTS  
(T) LTD

Incorporated this ..... Day of .....2009

Drawn by:

ALI AHMED EL ROZ  
(Subscriber)  
P.O. Box 80400  
DAR ES SALAAM.



**THE COMPANIES ACT 2002**

\*\*\*\*\*

**COMPANY LIMITED BY SHARES**

\*\*\*\*\*

**MEMORANDUM**

**AND**

**ARTICLES OF ASSOCIATION**

**OF**

**LUNA CANDLES AND PAPER PRODUCTS  
(T) LTD**

Incorporated this ..... Day of .....2009

Drawn by:

ALI AHMED EL ROZ  
(Subscriber)  
P.O. Box 80400  
DAR ES SALAAM.

TANZANIA  
Stamp Duty Shs. 5000/-  
37464729 13-1-2019  
Stamp Duty Shs. 2500/-  
37464729 13-1-2019

**THE COMPANIES ACT 2002**  
**COMPANY LIMITED BY SHARES**  
**MEMORANDUM OF ASSOCIATION**  
**OF**  
**LUNA CANDLES AND PAPER PRODUCTS (T) LTD**

TANZANIA  
Stamp Duty Shs. 5000/-  
37464729 13-1-2019  
Stamp Duty Shs. 2500/-  
37464729 13-1-2019

- 1 The name of the Company “ LUNA CANDLES AND PAPER PRODUCTS (T)LTD”
- 2 The registered office of the Company will be situated in The United Republic of Tanzania.
- 3 The objectives for which the Company is established are:-
  - a) To carry on the business of wax products such as candles of all types including Luna candles, domestic candles and for ceremonies of all religions.
  - b) To carry out the business of manufacturing of paper products of all types, standards, and sizes for use in homes such as tissue for toilets and tissue for other occasions and paper for offices, schools of all levels, universities, and for newspapers, books and periodicals.
  - c) To carry on the business of manufacturing of corrugated paper boards, carton boxes, printing of corrugated boards, sales, buying ,supplies and dealing in all articles made of or principally made of wood.
  - d) To carry on the business of clearing and forwarding agents, commission agents, insurance agents, road contractors, packers, civil transport contractors and transporters by any other means of conveyance of people and goods in Tanzania and the neighboring countries and in such other place or places as may from time to time be determined by the company.

- e) To manufacture, buy, sell, refine prepare, grow, import and export and deal in provisions of all kinds, both wholesale and retail whether solid or liquid, and to carry on all or any of the business of manufactures representatives, general merchants and commission agents, importers, exporters, merchants of and dealers in ironmongers and hardware of all kinds soft goods and materials, cotton, textiles, cloth, silk, wool, plastics, leather and articles of personal or household use and consumption, machinery, engines, vehicles, tools, time pieces, instruments, canned goods and manufactured goods generally, and to act as concessionaires, license, wholesalers and retailers of and in goods, produce and materials of every description.
- f) To carry on all or any of the business of traders manufactures and proprietors, promoters, financiers concessionaires, commercial agents and advisors of and for commercial, industrial, agricultural, forestry, fishery, mining, transport, housing, entertainment, hotel management, restaurants and financial undertakings enterprises and in particulars but without prejudice to the generally of the fore-going to act as the consultants, general agents managing, agents directors, secretaries, personal undertakings or enterprise as aforesaid.
- g) To carry on all or any of the business of transport, carriage and haulage contractors, owners and charter of road vehicles, aircraft and ship and boat of every description and carries of goods and passengers by road rail, water or air and to establish, acquire, maintain and operate transport service of every description both public and private and all service ancillary thereto and for such purpose of 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, aircrafts and vessels of every suppliers therefore and to conduct any such business within the country or any other state in Africa or Europe or Asia and or any other foreign country.
- h) To carry on the business of transport, cartage and haulage contractors and agents, clearing and forwarding agents, transport agents, commission agents, insurance agents, brokers, customs agents, stevedores, harbingers, cargo superintendents, packers, warehousemen, storekeepers, owners and charterers of road vehicles, aircrafts, ships, tags, barges and vessels of every description, lighter men and carriers of goods and passengers by road, rail, water or air.
- i) To carry on the business merchants, general store-keepers, universal providers, importers, exporters, wholesale and/or retail traders, dealers of

piece wood, paints, hardware, glassware, crockery, cutlery ironmongery, turners and other household fittings and requirements, other articles and commodities of personal, household use and consumption provisions, textiles, groceries, medicines, drugs, wines, spirits, liquors, chemicals, surgical, optical, photographic and other instruments, apparatus and materials, motor vehicles, automobiles and general in all manufactured goods of all types and merchandise of all kinds, bicycles, tractors, mining equipments, fishing gears, agricultural and industrial machinery and equipments, new and second hand spare parts and accessories and generally to deal in all types of motor spare parts and industrial and agricultural machinery and parts, electronic goods and accessories thereof.

- j) To engage and or carry on the business of road constructions, engineering, general civil works, buildings, renovations, office petitioners, decoratories, maintainers of dilapidated buildings, plumbing, furniture manufactures, suppliers and exporters, residential and office furnishers and general to be designers and fabricators of electrical equipment and suppliers of same.
- k) To carry on the business of wholesale and/or retail of gemstones merchants, jewelers and/or dealers in and/or buy, sell, market, import, export and/or general deal in all or any kinds of gemstones precious and semi-precious stones, gold, silver and precious metals of whatsoever kind or description.
- l) To carry on business of importers, exporters, sellers, buyers, warehousing and otherwise deal in any articles things capable of being used in connection with the said business or in the manufacture or maintenance of such vehicles, machinery, equipment and plant.
- m) To carry on business of importers, exporters sellers, buyers, warehousing and otherwise deal in any articles things, apparatus, spares, equipment and appliances whatsoever used in connection with or in furtherance of the objectives of the Company and to act as the suppliers of electrical goods and their spare parts for all kinds.
- n) To carry on the business of miners and mining in all their branches and for the said purpose, take or lease, our 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 explore mine, work, excise develop and turn to account mines and mining rights and any undertaking connected therewith.

- o) To engage in and carry out the business of proprietors and manages 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.
- p) To carry on the business of building contractors, masonry and general construction contractors and among other things to construct, execute, carry out, equip, improve, work and advertise railways, tramways, docks harbors, shaves, canals, water-courses, irrigations, reclamations sewage, drainage and other sanitary works, water, gas, electric and other supply works, houses, building and erections of every kind.
- q) To carry on the business of builders, contractors for construction works, renovation, decoration or demotion and to purchase otherwise acquire land for houses, offices, workshops and building premises.
- r) To carry on the business of canteen, motels and operate duty free shops, to be importers of spirits, beer, wine soft drinks, act as general traders, importers and exporters in the wholesale and retail business of goods and merchandise of any description, size and magnitude, general agents for local and overseas principals establish trading outlets for all types of local and imported goods, engage in the export of all types of merchandise and to generally carry out retail and wholesale business general traders and to be trading agents.
- s) To carry out the business of providing technical and allied service in the field of welding, metal fabrication, non destructive testing, quality assurance, and provide consultancy in technical services, oil storage tank erections and all other businesses which can be carried out in connection to the above.
- t) To carry on the business as exporters, traders, suppliers, general merchants, stockiest, wholesalers, retailers and dealers in business of scrapers, agricultural machinery, implements, equipment and all kinds of industrial projects machinery.
- u) To carry on the business of export and or import of bird , carvings, artworks, woodworks, guiding aids, artistic and or demonstration tools, business promotion apparatus and or tools, wood and timber products, forest produce, designers of arts and representations thereof, dealers in carvings of all kinds, types and description whatsoever.

- v) To purchase, take on lease and otherwise acquire for investment or resale any estate, land, buildings, easements and other rights and interests in immovable property or any tenure in Tanzania and elsewhere and to sale let or lease exchange or otherwise dispose of or grant rights over any immovable property belong to the company.
- w) To purchase, take or lease or in exchange, hire or otherwise acquire and hold any state or interest in any lands buildings casements, rights, licenses, secret processes, machinery, plants, stock, in trade and real or personal property of any kind.
- x) To accept payment for any property or rights to sold or otherwise disposed or dealt with by the company either in cash, by installment or otherwise or in full or partly paid up shares of the company or corporation, with or without deferred or preferred or guaranteed the rights.
- y) To carry any other trade or business, whatever which can in the opinion of the above business or the general business of the company.
- z) To act as agents for the sale and purchase of any stocks shares or securities or for any other monetary or mercantile transaction.
- aa)To act as executors and trustees of wills and settlements made by customers and others and undertake and execute trusts of all kinds.
- bb)To remunerate any of the above things in any part of the world and either as principles, agents, trustees, contractors or otherwise.
- cc)To remunerate any person, firm or company rendering services to this company, whether by cash payments and paid in full or in part, otherwise.
- dd)To accept for safe custody and keep for customers of the company all kinds of securities valuables and things.
- ee)To lend money on any terms that may thought fit, and particularly to customers or other person or corporations having dealing with societies any to give any guarantees that may be expedient.
- ff) To advance money to shareholders in the company, and other to the purpose of enabling the person borrowing the same erect or purchase, or enlarge or repair any house or building or to purchase the fee simple or any less estate or interest in, or to take a demise for any term or terms of years of any freehold or leasehold property upon such terms and conditions as the company may think fit.

- gg) To invest and deal with the moneys of the Company not immediately required, upon such securities and in such manner as may from time to time be determined.
- hh) To distribute among the members in pieces any property of the Company, or any proceeds of sale or disposal of any property of the company.
- ii) To draw, make, accept, indorse, discount execute and issue promissory notes, bills of lading, warrants, debentures and also negotiable or transferable instruments.
- jj) To act as agents or brokers, and as trustees for any person firm or company and to undertake and perform sub-contracts and also to act in any other business of the company through or by means of agents, brokers, sub-contractors or others.
- kk) To obtain any provisional order, ordinance or act Parliament for enabling the Company to carry any of it is objects into effect, or for affecting any modification of the Company's constitution, or any other purpose which may seem expedient, and to oppose any proceedings or applications which may seem expedient, and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the company's interest.
- ll) To take or otherwise and hold shares in any other company having objects altogether or in part similar to this company, or carrying on any business capable of being conducted so as directly to benefit the company.
- mm) To transact or carry on al kinds of Agency business and in particular in relation the investment of money, the sale of property, and the collection and receipt of money.
- nn) To do all other things as may be deemed incidental or conducive to the entertainment of the objects or any of them.

And it is hereby declared that:

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



The object specified in each of the paragraphs of the paragraphs of the paragraph of this clause shall be regarded as independent objects, and accordingly shall in no way be limited or restricted (except where otherwise expressed in such paragraph) by reference from the terms of any other paragraph of the name of the Company but may be carried out in as full and ample a manner and construed in as wide a sense as if each of the said paragraph define the objects of the separate and district compound.

4. The Liability of the Members is Limited.

5. The share capital of the company is T.Shillings Three hundred Million (300,000,000/=) divided into (1000) one Thousand ordinary shares of shillings (300,000)Three hundred thousand each

The Company shall have powers to increase its capital for the time being into several classes of stock or shares and to attach thereto respectively such preferential, deferred or special rights, privileges or conditions as may be determined by or in accordance with Articles of Association of the Company.

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

Names Addresses and Description of Subscribers.	Number of shares taken by each Subscriber.	Signature
1.ALI AHMED EL ROZ P.O.Box 80400 DAR ES SALAAM	500	
2.KHALIL AHMED EL RIZ P.O.Box 80400 DAR ES SALAAM	300	
3.MAHMOUD YOSSEF EL ROZ P.O.Box 80400 DAR ES SALAAM	200	Mahmod

Dated at Dar es Salaam.....this 13 day of JAN 2009

**Witness to the above signatures**

Name .....

Signature:  .....

Postal Address.....  
DESIDERI SEBASTIAN NGALO  
P.O. Box 72348  
DAR ES SALAAM  
TANZANIA

Qualification .....



TANZANIA

Stamp Duty Shs. 5000/-

PAID ON ORIGINAL

Stamp Duty Receipt

Stamp Duty Officer

Handwritten: 2464729 B-1-209, 2500/-, [Signature]

Handwritten: 2500/-, 2464729 B-1-209, [Signature]

THE COMPANIES ACT 2002  
COMPANY LIMITED BY SHARES  
ARTICLE OF ASSOCIATION  
OF  
LUNA CANDLES AND PAPER PRODUCTS ( T ) LTD

PRELIMINARY

- 1. The Regulations of Table A in the first Schedule to the Companies 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 the words standing in the first column of the table next thereafter contained shall bear the meaning set opposite them respectively in the second column thereof not inconsistent with subject or context.

The Act	The Company Act 2002 or statutory reenactment or Modification thereof for the time being in force and reference to any section or provision of the Act shall include a reference to any statutory reenactment or modification of such section or provision for the time being in force.
The Articles	These Articles of Association as originally framed or as altered from time to time by special resolution.
The Directors	The Directors for the time being of the company or if there be only one Directors or then such on directors.
Member	Members of the company
The Register	The register of the members of the company
The Office	The registered office for the time being of the company

The Seal	The common Seal of the company
The Month	Calendar Month
Year	A year from 1 <sup>st</sup> January to 31 <sup>st</sup> December inclusive
Pair Up	Paid up or credited as paid up
The Secretary	The Secretary for the time being of the company and any person appointed by the Directors to perform any of the duties of the Secretary of the company.
Dividend	The dividend declared by the company and include as bonus
Tanzania	United Republic of Tanzania

Writing shall include printing, lithography and any other mode or modes of representating or producing words in a visible form;

Words importing the singular number only shall include the plural number and vise versa.

Words importing the masculine gender only shall include the feminine gender; and

Subject as aforesaid any words or expressions defined in the Act shall Except where the subject or context forbids bear the same meaning in the Articles.

#### **PRIVATE COMPANY**

3. The Company is a Private Company and accordingly
  - (a) No invitation shall be made to the public to subscribe for any shares or debentures of the company.
  - (b) The number of members of the company not including persons who are in the employment of the company and have continued after the determination of that employment to be members of the company, is limited to fifty; provided that for the purposes of this provision where two or more persons hold one or more shares in the company jointly they shall be treated as single member.
  - (c) The right to transfer the shares of the company is restricted in the manner hereafter appearing terms and conditions and at such times as they think fit, but so that no share shall be issued at a discount, except in accordance with the provisions of the Act.

## CAPITAL

4. The share capital of the company is T.Shillings Three hundred Million (300,000,000/=) divided into ( `1000) one Thousand ordinary shares of shillings (300,000)Three hundred thousand each
5. Without prejudice to any special rights previously conferred on the holders of any share or class of shares already issued ( which special rights shall not be modified, effected varied, extended or surrendered except with the consent or sanction as provided for in the next following articles) any shares in the company's capital for the time being un-issued may be issued with such preferential deferred, qualified or special rights privileges, conditions or such restrictions whether.

## SHARES

6. All rights privileges, conditions or restrictions for the time being attached or belonging to any class of shares for the time being forming part of the capital of the company may from time to time be modified, effected varied extended, surrendered in any manner with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the section of any extraordinary resolution passed at a separate general meeting of the members of that class. To any such general Meeting, the provisions of these Articles as to general meetings of the company shall mutates mutandis apply but so that the necessary quorum shall be members of the class holding or representing by proxy one third of the capital paid or credited as paid on the issued shares of that class.
7. 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 issues of the shares of that class, be deemed not to be varied by the creation or issue of further shares ranking "pari passu" therewith.

## PREFERENCE SHARES

8. Subject to the provision of the Act, any preference shares may, with the sanction of any 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 issued of the shares may be Special Resolution determine.

## ALLOTMENT OF SHARES

9. (1) Subject to the provisions of these Articles relating to new shares the shares shall be at the disposal of the Directors and they may (Subject to the provisions of the Act) allot, grant options over or otherwise dispose of them to such persons, on such terms and conditions and at such times as they think fit, but so that no share shall be issued at a discount, except in accordance with the provisions of the Act.

## CERTIFICATES

- (2) Every person, whose name is entered as a member in the register, shall be entitled, without any payment, to receive within two months after allotment or lodgment of transfer or within such other period as the condition of issue shall provide, a certificate under the seal specifying the shares allotted or transferred to him and the amount paid thereon, provided that in the case of joint holders, the company shall not be bound to issue more than one certificate to each of the joint holders and delivery of such certificate of any one of them shall be sufficient delivery to all.
10. If any such certificate shall be worn out, defaced, destroyed or lost, it may be renewed on such evidence being produced as the Directors shall require and it may be renewed on such in case of wearing out or defacement on delivery of the old certificate and in case of destruction or loss on execution delivery of the old certificate and in case of destruction or loss on execution of such indemnity. In case of destruction or loss, the member to whom such renewed certificate is given, shall also bear and pay to the company all expenses incidental to the investigation by the company of the evidence of such destruction or loss and to such indemnity.

## PROHIBITION OF DEALING IN COMPANY'S SHARES

11. The company shall not give, whether directly or indirectly or whether by means of a loan guarantee, the provision of security or otherwise financial assistance for the purpose of or in connection with the purchase or subscription made or to be made by any person or for any shares in the company or in its holding company (if any) nor shall the company make a loan for any purpose whatsoever on the security of its shares or those of its holding company (if any), but nothing in these Articles shall prohibit transaction mentioned in the Act.

## LIEN

12. The company shall have a first and paramount lien on every share for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share and the company's lien, if any, on a share, shall extend to all dividends payable thereon.

## TRANSFER OF SHARES

13. All transfer of shares may be effected by transfer in writing in the usual common form, under hand only.
14. The instrument of transfer of a share shall be signed by or on behalf of 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 in respect thereof.

15. The directors may, in their absolute discretion and without specifying any ground, refuse to register a transfer of any share to any person who, in their opinion, is undesirable in the interests of the company to admit to membership. No transfer shall be registered if by any reason thereof the number of members would exceed the limit herein before prescribed.
16. Directors may refuse to register any transfer of a share of a share where the company has a lien on the share.
17. If the directors refuse to register a transfer, 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.
18. The Directors may decline to recognize any instrument of transfer unless the instrument of the transfer is deposited at the office or such other place as the Directors may appoint, 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.

#### TRANSMISSION OF SHARES

19. In case of the death of a shareholder, the survivors or survivor (where the deceased was a joint holder) and the executors or administrators of the deceased (where he was a sole or any surviving holder), shall be the only persons recognized by the company as having any title to his shares, but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held be him.
20. Subject to any other provision of these Articles, if the person so becoming entitled shall in consequence of the death or bankruptcy of a member may, upon such evidence as to his title being produced as may from time to time be required by the Directors and subject as hereinafter provided, be registered himself as a holder of the share or elect to have some person nominated by him as the transferee thereof.
21. Subject to any other provision of these Articles, if the person so becoming entitled shall elect to be registered himself, he, shall deliver or send to the Secretary, at the registered office of the company, a notice in writing, signed by him, stating that he so elects. If he shall elect to have his nominee registered, he shall testify his election by executing to his nominee a transfer of such share. All the limitations, restrictions and provisions of these Articles, relating to the right to transfer and the registration of transfer of shares, shall be applicable to any such notice or transfer as aforesaid, as if the death or bankruptcy of the member had not occurred and the notice or transfer executed by such member.

22. A person becoming entitled to a share, in consequence of the death or bankruptcy of a member, shall be entitled to receive and may give a good discharge for all dividends and other moneys payable in respect thereof, but shall not be entitled to receive notice to attend or vote at meetings of the company or, save as aforesaid, to any of the rights or privileges of a member until he shall become a member in respect of the share.

#### FORFEITURE OF SHARES

23. If any member fails to pay the whole or any part of any call on or before the day appointed for the payment thereof, the Directors may at any time thereafter during such time as the call remains unpaid or any part thereof, serve a notice on him requiring him to pay such call or such part thereof as remains unpaid together with any accrued interest and any expenses incurred by the company by reason of such non-payment.
24. The notice shall name a further day (not being less than fourteen days from the date of the notice) on or before which such call or any part thereof as aforesaid any all such interest and expenses as aforesaid, are to be paid. It shall also name the place where payment is to be made and shall state that in the event of non-payment, on or before the time and at the place appointed, the shares in respect of which such call was made will be liable to be forfeited.
25. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may, at any time thereafter, before payment of all calls, interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect.
26. A forfeiture of shares under the preceding Article shall include all dividends declared in respect of the forfeited shares not actually paid before the forfeiture.
27. Where any share has been forfeited in accordance with these Articles, notice of the forfeiture, by transmission as the case may be, shall forthwith be given to the holder of the shares and an entry of such notice having been given and of the forfeiture with the date thereof shall forthwith be made in the register opposite to entry of the share; but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
28. Notwithstanding any such forfeiture as aforesaid, the Directors may, at any time before the forfeited share has been otherwise disposed of, permit the share so forfeited to be redeemed upon the terms of payment of all calls, interest due upon and expenses incurred in respect of the share and upon and further or other terms they may think fit.

29. Every share which shall be forfeited shall thereupon become the property of the company and may be either cancelled or sold or re-allocated or otherwise disposed of, either to the person who was before forfeiture the holder thereof or entitled thereto or any other person, upon such terms and in such manner as the Board shall think fit and whether with or without all or any part of the amount previously paid on the shares being credited as paid. The Directors may, if necessary and subject to the provisions of the Act, authorize the transfer of a forfeited share to any other person as aforesaid.
30. A person whose share 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 money which, at the date of forfeiture, were presently payable by him to the company in respect of the shares, with interest thereon at such rate equally to the prevailing prime lending rate of the bank, but his liability shall cease if and when the company receives payment in full of the nominal amount of the shares plus accrued interest thereon.
31. A statutory declaration in writing that the declarant is a director of the company and that a share in the company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts herein stated as against all persons claiming to be entitled to the share. The company, through its secretary, may receive the consideration, if any, given for the above 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 as to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity of invalidity in the proceedings in reference to the forfeiture, sales or disposal of the share.
32. The provision of these regulations, as to the forfeiture, shall apply in the case of non-payment for any such share, by the terms of issue of which it becomes payable at a fixed time, whether on account of the amount of the shares or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### INCREASE OF CAPITAL

33. The company may from time to time, by ordinary resolution, increase the share capital by such sums, to be divided into shares of such amount, as the resolution shall prescribe.
34. The company, by the resolution increasing the capital, may direct that the new shares or any of them be offered in the instance either at par or at a premium or subject to the provisions of the Act at a discount to all the holders for the time being of shares, of any class or classes, in proportion to the number of such shares held by them respectively or may make any other provisions as to the issue of the new shares. In the absence shall

be at the disposal of not provide, the new shares shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such person and on such terms as it shall think fit.

35. Unless otherwise state din the terms of the issue, the new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise, as the original share capital.

#### ALTERATION OF CAPITAL

36. The company may be ordinary resolution:-
- (a) Consolidated and divide all or any of its share capital into shares of large amount than its existing shares.
  - (b) Sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association, subject, nevertheless, to the provisions of the 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 diminish the amount of its capital by the amount of shares so cancelled.
37. The company may, subject to the act, by special resolution, reduce its share capital and any capital redemption fund in any manner as deemed necessary.

#### BORROWING POWERS

38. (1) The Directors may exercise all powers of the company to borrow money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the company or of any third part.
- (2) Any right so granted shall lapse and any special director appointed pursuant hereto shall automatically vacate his office upon the debentures, debenture stock or other obligations in respect which the right was granted, being redeemed, paid or satisfied or otherwise.

#### GENERAL MEETINGS

39. Subject to the provisions of the Act, general Meetings shall be held at least once in every calendar year at such time not being more than fifteen months after the holding of the last preceding General Meeting and at such place as may be determined by the Board. Such General Meetings

shall be called Ordinary General Meetings and all other meetings of the company shall be Extraordinary General Meetings.

40. The Directors may, whenever they think fit, convene an Extraordinary General Meeting and they shall, on the request in writing of the holders of not less than one-tenth of the issued capital of the company, upon which all calls or other sums then due have been paid, forthwith proceed to convene and Extraordinary General Meeting and the provisions of the Act.

#### **NOTICE OF GENERAL MEETINGS**

41. Subject to the provisions of the Act, twenty one day' notice at the least, inclusive of the day for which the notice is given, specifying the nature of the business, shall be given to such persons, as are entitled, under the regulations of the company, to receive notice from the company, PROVIDED that with consent of all the members entitled to receive notice of some particular meeting obtained in writing, such meeting may be convened by such shorter and in such manner as those members may think fit.
42. The non- receipt of a notice of a meeting by any member shall not invalidate the proceedings at any meeting.

#### **PROCEEDINGS AT GENERAL MEETINGS**

43. All business shall be deemed special that is transacted at an Extraordinary General Meeting and also all business that it transacted at an ordinary General Meeting, with exception of the declaration and sanctioning of a dividend, the consideration of the accounts, balance sheet and the ordinary report of the Directors and Auditors, the election of Directors and other officers in the place of those retiring by rotating and the appointment and fixing of the remuneration of the Auditors.
44. 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, save as herein otherwise provided two members shall be deemed to be personally present or represented by proxy.
45. 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, otherwise than pursuant to Article 40, shall be dissolved; in any other case, it shall stand adjournment meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum. It shall not be necessary to give notice of any such adjourned meetings.
46. The chairman, if any, of the Board of Directors, shall preside as chairman at every General Meeting of the company, if there is no such Chairman or if at any meeting he is not present of the company. If there is no such Chairman or if at any meeting he is not present with fifteen minutes after

the time appointed for the meeting or is unwilling to act as chairman, the Directors present shall choose one of their number to act or if one Director only be present he shall preside as Chairman. If no Director be present or if all Directors present decline to take the Chair, the members present shall choose one of their numbers to be Chairman.

47. The Chairman may, with the consent for 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 not business shall be transacted at any adjournment took place. When a meeting is adjourned for ten 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 as an adjourned meeting.
48. 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 demanded, before or on a declaration of result of the show of hands, by a member present in person or by proxy entitled to vote and unless a poll is so demanded, a declaration by the chairman that a resolution has, on a show of hands been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost and an entry to that effect in the proceedings of the company shall be conclusive evidence of the fact without proof of the number, of proportion of the votes recorded in favour of or against such resolution.
49. 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 the resolution of the meeting at which the poll is demanded. A demand for a may be withdraw at any time before the next business is proceeded with.
50. In case demanded on the election of votes, whether of 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.
51. A poll demanded to the election of a chairman or on 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 meetings directs, not being more than fourteen days form date of the meeting.
52. A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

#### VOTES OF MEMBERS

53. On a show of hands, every member present in person shall have one vote and for this purpose a person who is present as the representative of a corporation shall be treated as if he was a member present in person and

on a poll every member present in person or by proxy shall have one vote for each share of which he is the holder.

54. No member shall be entitled to be present or vote at any General Meeting, their personally or by proxy or as a proxy for another member or to exercise any privilege as a member, unless all calls or other sums presently payable whether such shares are held by him alone or jointly with any other person or persons.
55. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which not disallowed at such meeting shall be valid for all purpose. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.
56. On a poll, votes may be given either personally or by proxy.
57. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorized in writing or if the appointer is a corporation either under seal or under the hand of an officer or attorney duly authorized. A proxy need not be a member of the company. The instrument should thereafter be annexed to the minutes of the meeting as evidence of the proxy.
58. Any corporation which is a member of the company may, by resolution of its directors or other governing body, authorize such person or persons as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class or members of the company and the persons so authorized shall be entitled to exercise the same powers on behalf of the corporation which they represent as the corporation could exercise as if it were an individual member of the company.
59.
  - (1) The instrument appointing a proxy and the power of attorney other authority, if any, under which it is signed or a notarially certified copy of that power of authority, shall be deposited with the Secretary, at the registered office of the company, not less than forty eight hours before the time for holding the meeting or adjourned meeting at which the person name in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.
  - (2) Proxies may sent to the Secretary by way of telecopier or telex or other means of telecommunications, provided that the originals thereof are delivered to the Secretary before the meeting. In default of the deposit with the Secretary of the original of the proxy thereof, the instrument of the proxy shall not be treated as valid.
60. The instrument appointing a proxy shall be deemed to confer authority to the demand or join in demanding a poll and generally to act at the meeting

for the person giving the power. proxies may be permanent or for specific meeting

61. A vote given in accordance with the terms of any instrument of proxy, shall be valid notwithstanding the previous death or insanity of the principal or revocation on the proxy or of the authority under which the proxy was Executed or the transfer of the share in respect of which the proxy was given, provided that no intimation if writing of such death, insanity revocation office of the company before the commencement of the meeting or adjourned meeting at which the proxy is intended to be used.

#### **DIRECTORS**

62. The first Director of the company shall be: -
- 1. ALI AHMED EL ROZ**
  - 2. KHALIL AHMED EL RIZ**
  - 3. MAHMOUD YOSSEF EL ROZ**
63. There shall be no share qualification for Director.
64. The remuneration of the Director shall from time to time determined by the company in General Meetings
65. The Director shall be entitled to be repaid all traveling hotel and other expenses incurred by them in and about the business of the company including their expenses of traveling to an from board and committee meeting or general meetings.
66. If any directors, being willing shall be called upon to person extra services for the purposes of the company, the company shall remunerate such directors by a fixed sum or percentage of profits or otherwise as may be det4ermined by the Board and such remuneration may be either in addition to or in substitution for his reimbursement above provided.
67. Unless otherwise determined by the company in General Meetings, the Board shall appoint the chairman of the Board of Directors and his remuneration shall be fixed by the board and the chairman to the board shall also be the chairman of the General meeting of the Company.

#### **POWER OF DIRECTORS**

68. The business of the company shall be managed by the Director, who pay all expenses incurred in setting up and registering the company and may exercise all such powers of the company as are not by the Act or by these Article required to be exercised by the company in general Meetings subject nevertheless to any regulations of these articles, to the provisions

of the Act and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Extraordinary Resolutions of the Company in General Meetings, but no prior act of the Directors which would have been valid if such relation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.

69. The Directors may from time to time and at any time, under the seal, appoint any company, firm or person or any fluctuating body of persons, whether nominated directly by the Board, to be attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such periods and subject to such provisions for the protection and convenience of the persons dealing with any such attorney as the Board may think fit.
70. The Directors shall cause minutes to be made in books provided for the purpose of:-
- (a) All the names of the Directors present at each meeting of the Directors and of any committee of Directors.
  - (b) All appointments of officers made by the Directors
  - (c) All resolutions and proceedings of Board of Directors meetings and of meetings of the Directors and committees.

#### DISQUALIFICATION OF DIRECTORS

71. The office of Director shall so fact be vacated.
- (a) If he be found lunatic or becomes of unsound mind;
  - (b) If he becomes bankrupt or compounds with his creditors;
  - (c) If he absents himself from the meetings of the Directors sent to him, without special leave of absence by the Directors resolve that his office be vacated;
  - (d) If, by Extraordinary Resolution, he be removed from office;
  - (e) If, by notice in writing to the Secretary, at the registered office of the company, he resign his office.
  - (f) If he shall, pursuant to the Act, be prohibited from acting as Director.

#### PROCEEDINGS OF DIRECTORS

72. Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings, as they thin fit. Question arising at any meeting shall be decided by a majority or votes. The chairman shall have a deciding vote on all decisions made on a show of hands. Two Directors may and the Secretary on the requisition of two Directors shall, at any time, summon a meeting of the Board. The Chairman shall not so long as he holds such a position be eligible for appointment as proxy for any of the shareholders and shall therefore have no voting right or decision made on a poll.

73. The quorum necessary for the transaction of the business of the Board may be fixed by the Board, and unless so fixed be two, each representing a shareholder.
74. The continuing directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the number fixed by or pursuant to the regulations of the company as the necessary quorum of Directors, the continuing Directors, 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.
75. The Board may delegate any of its powers, other than its power to make calls, to any Director or committee consisting of such members as it thinks fit and the Directors so delegated or committees so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on the directors or on the committees so delegated by the directors.
76. The meeting and proceedings of any such committee consisting of two or more members, shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.
77. All acts done by any meeting of the Board or a committee or by any Director acting under delegated powers, as provided in the preceding Articles, shall as regards all persons dealing in good faith with the Company, notwithstanding at that it be afterwards discovered that there was some defect in the appointment of any such committee or director acting as aforesaid, in that they or any of them were disqualified, be as valid as if every such person had been qualified so to act.
78. A resolution in writing, signed by all the Directors for the time being shall be as effective as a resolution passed at a meeting of the Directors duly convened and held and may consist of several documents in the like form each signed by one or more of the Directors.
79. A meeting of the Directors at which a quorum is present, shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

#### **DIVIDENDS**

80. The profit of the Company available for dividends and resolve to be distributed shall be applied in the payment of dividends to the members in accordance with their respective rights. The company in General Meetings may declare dividends accordingly.
81. No dividend shall be payable except out of the profit of the Company or in excess of the amount recommended by the Board.

82. Where any asset, business or property is bought by the company as from the past date whether such date be before or after the incorporation of the company) the company, shall as from that date, take the profits and bear the losses thereof, such profits or losses, as the case may be, shall, at the discretion of the Board, be credited or debited wholly or in part to revenue account and in that case the amount so credited or debited shall, for purpose of ascertaining the funds available for dividend, be treated as a profit or loss arising from the business of the company and available for dividend accordingly. If any share or security are purchased cu-dividend or interest, when paid, may at the discretion of the Directors be treated as revenue and it shall not be obligatory to capitalize the same or any part.
83. All dividends shall be declared and paid accordingly to the amounts paid on the shares and (for the purpose of this Article only) no amount paid on a share in advance of calls shall be treated for purposes of payment of dividend. All dividends shall be apportioned and paid pro- rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.
84. The Directors may deduct from any dividend or bonus payable to any member, all sums of money, if any, presently payable by him to the company on account of calls or otherwise.
85. The Directors ay retain any dividends and bonuses payable on shares on which the Company has a lien and may apply the same in or towards satisfaction of the ability in respect of which the lien exists.
86. No unpaid dividend, bonus or interest shall bear interest as against the Company.

#### RESERVES

87. The directors may, before recommending any dividends whether preferential or otherwise, carry to reserve out of the profits of the company such sums as hey think proper and may also carry to reserve any premiums received upon the issue of shares, securities or obligations of the company. All sums standing to reserve may be applied from time to time at the discretion of the Directors for meeting depreciation or contingencies or for special dividends or bonuses or for equalizing dividends or for repairing, improving or maintaining any of the property of the company or for such other purposes as the Directors may think conducive to the objects of the company or any of them and pending such application may at the like discretion either be employed in the business of the company or be invested in such investments as the Directors think fit. The directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as they think

fit. The Directors may also, without placing any profit to reserve, carry over the same, which they may think it not prudent to divide.

### CAPITALIZATION OF PROFITS AND RESERVES

88. The Company in General Meeting may, upon the recommendation of the Directors, resolve that it is desirable to capitalize any undivided profits of the company not required for paying the fixed dividends on any preference shares (including profits carried and standing to the credit of any reserve or reserves or other special account) and accordingly the Directors may be authorized and directed to appropriate the profits resolved to be capitalized from the members who would have been entitled to receive the same had such sum been distributed in cash in accordance with their rights and to apply such profit on their behalf, either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by such members respectively or in paying up in full un issued shares, debentures or securities of the company of a nominal amount equal to such profits, such shares debentures or securities to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportion aforesaid or partly in one way and partly I the other, PROVIDED that, a share premium account and capital redemption reserve fund may, for the purpose of this Article, only be applied in the paying up of un issued shares to be issue to members of the company as fully paid bonus shares.
89. Whenever such resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, debentures or securities, if any, and generally shall do all acts and things required 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 think fit for the case shares, debentures or securities becoming distributable in fractions and also where necessary to deliver a proper contract for registration as required by the Act to authorize any person to enter on behalf of all members interested into an agreement with the company providing for the allotment to them respectively, they may be entitled upon such capitalization and any agreement made under such authority shall be effective and binding on all such members.
90. A general Meeting may resolve that any surplus moneys arising from the accretion of any capital assets of the company or any investments representing the same or any other undistributed profits of the company not subject to charge for income tax, but not the mandatory reserve as specified in Article 89 above, be distributed among the members on the footing that they receive the same as capital.

## ACCOUNTS

91. The Directors shall cause proper books of accounts to be kept with respect to:
- (a) All sum of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place.
  - (b) All sales and purchases of goods by the company
  - (c) The assets and liabilities of the company
92. The books of account shall be kept at the registered office of the company or Subject to the provisions of the Act at such other place or places as the Directors think fit and shall always be open to the inspection of the Directors.
93. The Directors shall from time to time and in accordance with the provisions of the Act, cause to be prepared and to be laid before the company in General Meeting the profit and loss account, balance sheet and reports as are referred to in that section.
94. A copy of every balance sheet including every document required by law to be annexed thereto which is to be laid before the company in General Meetings together a copy of the Auditor's report, shall, not less than fourteen days before the date of the meeting, be sent to all persons entitled to receive notices of General Meeting of the company.

## THE SEAL

95. The seal shall not be affixed to any instrument except by the authority of a resolution of the Directors and shall be so affixed in the presence of at least one Director and the Secretary or some other person approved by the Directors, both of whom shall sign every instrument to which the seal is so affixed in their presence.

## AUDIT

96. The Company in General Meeting shall appoint Auditors of the Company and their tenure and duties shall be regulated in accordance with the Act.

## NOTICES

97. Any notice or document may be reserved by the Company upon by member, either personally, or by telecopier or telex, or by sending it through the post in a prepaid registered letter, envelope or wrapper, addressed to such member at his registered place or address notified to the Company.
98. Any notice or document sent by telex or telecopier or prepaid post shall be deemed to have been served.

## SECRETARY

99. The Secretary shall be appointed by the Board for such terms at such remuneration and upon such condition as it may think fit, and any Secretary so appointed may be removed by the Board

## INDEMNITY

100. The Directors, Auditors and Secretary and other officers for the time being of the Company and the trustee, if any, for the time being acting in relation to any of the officers of the Company, shall be indemnified out of its assets against all costs, charges, expenses, losses and liabilities sustained or incurred by the conduct of the Company's business or in the discharge of his duties.

## WINDING UP

101. With the sanction of a special resolution of the share holders any part of the assets of the company including any shares in other companies may be divided between the members of the company in specie or may be noted in Trustee for the benefit of such members and the liquidation of the company may be closed and the company dissolved, but so that no member shall be compelled to accept any shares where upon there is any liability.

## ARBITRATION

102. If and whenever any differences shall between the company and any of the members of their respective representatives touching the construction or the meaning of any of the Article herein contained or any Act, matter or thing made or done or omitted or with regard to the rights liabilities arising here- under or arising out of the relations existing between the parties by reason of these Articles or the Art, such differences shall (unless a sole arbitrator be agreed upon) forthwith be referred to the decision of two arbitrators one to be appointed by each party in difference or to an umpire to be appointed by the arbitrators before entering into consideration of the matters referred to them and every such reference shall be conducted in accordance with the provisions of the Arbitration Ordinance or any then existing statutory modifications or reenactment thereof

Names Addresses and Description of Subscribers.	Number of shares taken by each Subscriber.	Signature
1.ALI AHMED EL ROZ P.O.Box 80400 DAR ES SALAAM	500	<i>Ali</i>
2.KHALIL AHMED EL RIZ P.O.Box 80400 DAR ES SALAAM	300	<i>Khalil</i>
3.MAHMOUD YOSSEF EL ROZ P.O.Box 80400 DAR ES SALAAM	200	<i>Mahmud</i>

Dated at Dar es Salaam.....this 13 day of.....JAN 2009

**Witness to the above signatures**

Name .....

Signature: ..... *[Handwritten Signature]* .....

Postal Address: .....  
 DESIDERI SEBASTIAN NGALO  
 P.O. Box 72349  
 DAR ES SALAAM  
 TANZANIA

Qualification .....



