

G HANSHAM WOOD WORKS

LID

GHANSHAM WOODWORKS LIMITED

P.O. Box 20264, Dar Es Salaam
Tel: +255 22 2860478; Mob: +255 713 294426

1

19th January 2009

To,
The Executive Director,
Tanzania Investment Center,
P.O. Box 938
Shaaban Robert Street,
Dar es Salaam



Dear Sir,

RE: APPLICATION FOR CERTIFICATE OF INCENTIVES

We enclose herewith our application for Certificate of Incentives together with a Business plan and other supporting documents for the company's intended investment in manufacturing of wooden furniture and joineries, which is a priority of the investment drive of the country.

We look forward to your kind approval.

Yours truly,

For Ghansham Woodworks Limited

A handwritten signature in blue ink that reads "Gopal Dhanji Mayani".

Gopal Dhanji Mayani
Director

Investment Breakdown US\$/Tshs.M

Land/Building	.....
Plant	..... 350,000/-
Vehicles	..... 50,000/-
Furniture & Fittings	.....
Pre-expenses	.....
Others	..... 10,000/-
Working Capital	..... 80,000/-
TOTAL	..... 490,000/-

Contact Details:

Name: JOSEPH MBOGO Title: CONSULTANT
Telephone: +255 22-2115251/2/3 Fax: +255 22 2130519
Email: joseph.mbugo@horwath-tz.com

Payments to be made payable to:

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

APPLICATION SUMMARY

Company Name: GTANSHAM WOODWORKS LIMITED

Certificate of Incorporation Number: 69302 Status: LIMITED

Certificate of Incorporation Date: 14/01/2009

Post Box: 20264

Town: DAR ES SALAAM

Sector: MANUFACTURING Sub-Sector: FURNITURE MANUFACTURING

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity Local Equity Foreign Loan Local Loan

..... 490,000

Project Objectives: MANUFACTURING OF WOODEN FURNITURE,
AND JOINERY PRODUCTS

Capacity:

Employment: Foreign: 2 Local: 9 Total: 11

Implementation Period: FEBRUARY 2009 - MARCH 2012

Project Location

Site/Plot/Block No.: 3

Street: VINGUNGUTI District: ILALA Region: DAR ES SALAAM
(Attach sketch map showing project location)

Shareholders	Nationality	%
<u>GOPAL DHANJI MAYAMI</u>	<u>TANZANIAN</u>	<u>51</u>
<u>RAMJI DHANJI MAYAM</u>	<u>INDIAN</u>	<u>45</u>
<u>SUMIL GOPAL MAYAMI</u>	<u>INDIAN</u>	<u>1.98</u>
<u>MATHEBH GOPAL MAYAMI</u>	<u>INDIAN</u>	<u>2.02</u>
.....

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is ~~Tshs./US\$~~ 490,000/-

8. The month and day of the financial year end is 30TH JUNE

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

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

I, GOPAL DHANJI MAYAMI of Post Office Number 20264

DARESALAAM do solemnly and sincerely declare that I am a director/~~duty~~ authorized agent of GTHANSHAM WOODWORKS LIMITED

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

Declared at Dar es Salaam }
The 28th day of January 2009 [Signature]

[Signature: Gopal D. Mayami]
Applicant

Before me:

[Signature]
Commissioner for Oaths



UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT
(No. 26 of 1997)

APPLICATION FOR REGISTRATION
(Made under Regulation 42)

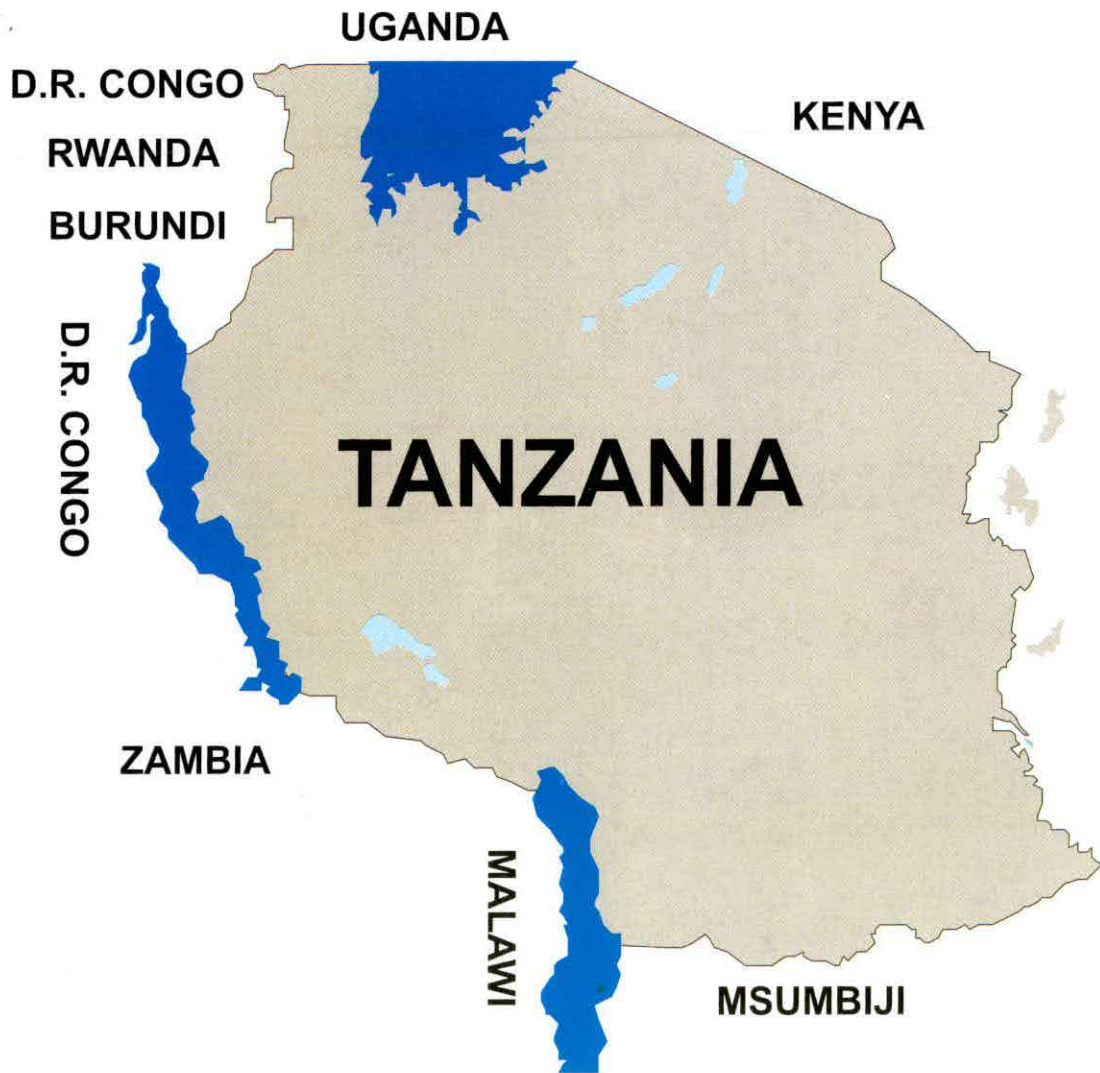
To: The Executive Director
Tanzania Investment Centre
P. O. Box 938
DAR ES SALAAM
Tanzania

1. I/We GOPAL DHANJI MAYANI
(director/directors/agent of GTHANSHAM WOODWORKS LIMITED
(name of business enterprise) apply for registration of GTHANSHAM WOODWORKS LTD
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.

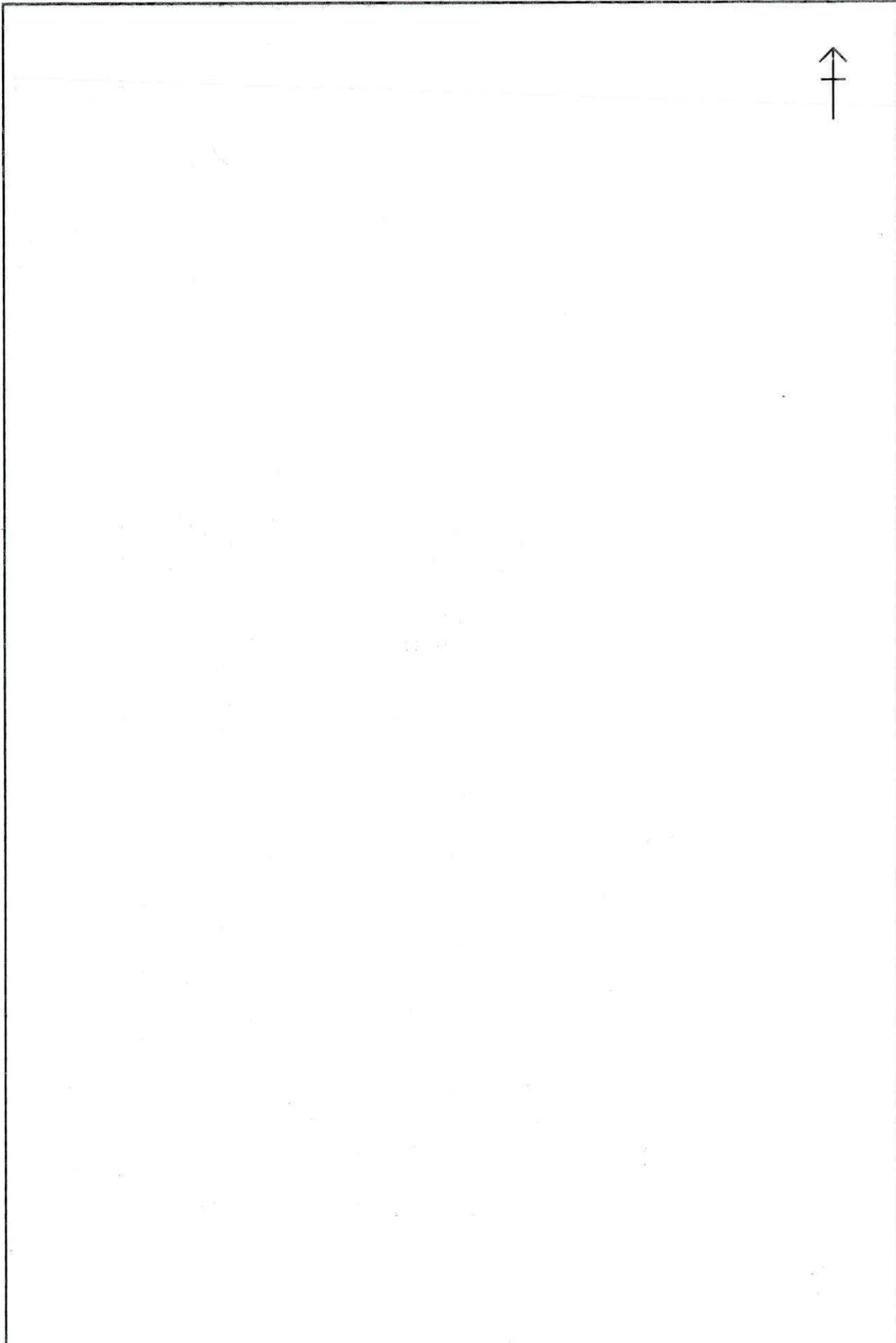
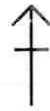
2. The registered office of the company will be situated at PLOT NO 3, VINGUNGUTI
INDUSTRIAL AREA, DAR ES SALAAM

Copies of the following documents are attached to this application:

- (i) The Memorandum and Articles of Association/or partnership agreement
 - (ii) Certificate of Incorporation/Registration
 - (iii) A copy of the Project Profile or Feasibility Study showing the implementation period, programme of implementation and operative date
 - (iv) Evidence of financing and evidence of land ownership for the project
3. The Head Office of the Company will be situated at PLOT NO 3, VINGUNGUTI INDUSTRIAL AREA
4. The Principal Officers of the Company are GOPAL DHANJI MAYANI, RAMJI
D. MAYANI, MAHEBH GOPAL AND SUMIL GOPAL
5. Auditors of the Company are HORWATH TANZANIA
6. The authorized share capital of the Company is Tshs./US\$ 10,000,000/-



SKETCH MAP SHOWING PROJECT LOCATION





TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

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

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

(Please fill the form in duplicate)

5529 07638

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

TFN. 614 (Rev. 8.94)

30324653 1

NIMEPOKEA KWA
Received from

GHANSHAM WOODWORKS LTD



KIASI
Amount

Shs.					Cts.	
USD	100					

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

USDOLLAR ONE HUNDRED ONLY

NA SENTI
And Cents

KWA MALIPO YA
In Respect of

REGISTRATION FEE

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

CASH

KITUO - Station

SAHIHI YA MPOKEAJI - Receiving Officer's
Signature.

[Signature]

CHEQ - Title

ACC

09 JAN. 2009

FAKHE - Date

BSM.

Govt. Press, Dsm.

GHANSHAM WOODWORKS LIMITED

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1.0 Business Plan

1. Executive summary
2. Company summary
3. Financial Analysis
4. Market analysis
5. Employment and management profiles
6. Financial plan

2.0 Other documents

1. Board Resolution
2. Certificate of Incorporation
3. Lease Agreement
4. Memorandum and Articles of Association
5. Other attachments

EXECUTIVE SUMMARY

The Company

Ghansham Woodworks Ltd is a lately established business venture. The company operates a business in manufacturing of kitchen cabinets, wall unit, panel door and all types of furniture and joinery works. Its founders have extensive experience in the carpentry and joinery products industry. The company seeks to expand its operations in manufacturing of furniture and joinery works to efficiently serve the existing market as well as to explore and develop new market segments for the products.

Over some years of being involved with the carpentry and joinery products, manufacture of household furniture, industrial fittings and furniture, ceiling boards, timber strips and parquets. The company owners have seen a need for the company to expand its business operations in the industry through investing in upscale

The company will offer customized, ready-to-finished wooden furniture, joinery products that are hand made and surprisingly affordable. We offer:

- ⇒ Truly custom furniture: An unfinished furniture piece that is crafted for the customer. We will customize any piece or create a whole new piece from a customer's rough sketch.
- ⇒ Heirloom quality furniture: The furniture is made to last for generations. It is hand crafted, so each piece is unique.

1.1 Mission

The Company's Mission is simple. The customer gets what he/she wants; furniture(one piece or a whole house full) that fits the customer space, taste, budget and style preference; from top to bottom.

1.2 Objectives

The main objective of the project is to develop a furniture manufacturing and carpentry services providing facility that will increase the contribution of the locally manufactured wooden furniture in the local market and thus raise the contribution of the sector to the national income and peoples' welfare. For this to achieve, local newly hired staff will be

trained such that they become artisans in furniture making and such that they will be able to independently produce high quality furniture.

It is expected that during the first two years of the implementation, the company will achieve an operating profit of 40% and sales turnover of about \$1,000,000.

1.2 Critical success factors

The keys to success for the Ghansham Woodworks Ltd are as follows:

- (i) Offer our customers affordable quality furniture that will last.
- (ii) Customize any piece as requested by a customer
- (iii) And if customizing a piece will not quite work, create a whole new piece from scratch, exactly to the customer's specifications.

Market Analysis

The company's focus is on both the affluent and modest income earners. It will also focus on the architects, owners, and contractors in the Dar es Salaam city who are involved in high-end and mid-range residential, resort, and commercial development segments. We understand that, Dar es salaam City has great market growth potential as the number of new residential homes and commercial developments keep on increasing by time.

Ghansham Woodworks Ltd will be focusing on contacting contractors and architects that deal with the new residential establishments and commercial developments market. Making ourselves known to these entities will generate some strong leads, along with getting personal recommendations to the home owners.

Financial performance snapshot

The company expects to start implementing this expansion plan from early 2009. The company also expects to recoup the initial outlay of investment in the third year of implementation. The financial estimates are prepared for a period of five years from 2009. The project's internal rate of return is 45%, which is significantly higher than the hurdle rate that is 20%. The IRR is estimated for a period of five years.

Conclusion

The results of the analysis conducted in this study indicate that the proposed investment is financially viable and economically justifiable. This conclusion is reached based on the following:

- (i) The cash flow of the sources and uses of funds generated are adequate enough to enable the project meet its maturing financial obligations and yet remains with substantial cash surplus, right from the beginning of operations.
- (ii) It is a potential source of employment opportunities and Government revenue
- (iii) Market growth potential
- (iv) Business earnings growth potential

1. Project Background

The proposed investment is tailored to increase the manufacturing capacity and then efficiently serve the existing market segment. The expansion of joinery services are aimed at extending the business tentacles to new market segments in the industry through provision of upscale and customized joinery services and wooden household furniture.

The project will involve acquisition of the upscale carpentry equipment and trucks, which will facilitate the increase of wooden furniture and joinery products manufacturing capacity as well as rendering the joinery services to the highly competitive market.

The promoters are massively endowed with the expertise in provision of carpentry and joinery services as well as manufacturing customized wooden household furniture and have the vision to exploit the manufacture of joinery products and furniture business opportunity while maintaining high level of quality.

The estimated total cost of implementing the drawn expansion plan is estimated at **\$490,000**. The cost of the project will be solely financed by equity contribution of **\$490,000**.

2. Purpose

The purpose of this study is to examine and exemplify the environmental, economic and financial viability of the proposed project. It is assumed for these purposes that the projected

viability of the project on average will span five years and therefore the financial models within this study are prepared for a period of five years.

3. Market Analysis

Manufacturing and selling wooden furniture and joineries is a large industry. However, the focus of industry is on the relatively affluent and modest income customers who can spend upwards to \$1000 on furniture purchases. However, there are many furniture stores, which sell ready made imported furniture that also, compete for these customers with deep pockets. Those customers who wish to have furniture of their own specifications and those who cannot afford high prices which are charged for these imported furniture pieces are in most cases left not catered for.

The market for joinery services and manufacturing of wooden household furniture in Tanzania is on a rise. In particular, laminated board furniture is being imported from Far East (mainly China, Malaysia and Indonesia). Lately, the preference of Tanzanians for imported laminated wooden furniture has increased as most of them are affordable to the modest income earners. However, these furniture items are not of *heirloom* quality furniture, the cheapness of the imported laminated furniture is at the expense of its quality. Having understood this situation, the company is focusing on serving the modest income earners and affluent households who require *heirloom* quality furniture.

In the light of the fact that the Tanzanian economy is picking up, modern buildings with offices being built and during the past three years, the sale of furniture has been increasing. Locally made furniture are durable but the market trend show that customers' preference still to imported laminated furniture, this is due to being cheap with appealing designs and artworks. The company is dedicated to provide large range of wooden furniture, ranging from that of heirloom quality to the customized furniture. We will adopt upscale designs and artworks, which will help us, change the customers' mind set regarding the locally made furniture and thus outperform the competitors who rely on imported furniture items.

In the Dar es Salaam city, there is apparently large number of residents with modest incomes that don't have a furniture store to cater for their needs of customized affordable quality furniture. This population has grown tremendously over the past years and it still explosively growing but has not been responded to by the players in the carpentry works and wooden furniture industry. Targeting customers with modest incomes and who wish to have

heirloom quality furniture, wooden cabinets, and wardrobes of their own specifications is a good business.

3.1 Competitive Edge

Our competitive edge is our ability to provide large range of carpentry services and wooden furniture products, which include customized carpentry services and wooden furniture products while maintaining high level of quality on the services and products.

3.2 Sales Strategy

Our sales strategy is to make ourselves known through mailings, print advertising, and personal contact to architects and contractors who are primarily involved with the design/construction of commercial developments and residential houses.

Having a showroom will be a sales tool in itself. A showroom will give us exposure to the general public, new arrivals to the city, and construction professionals.

3.3 Business Strategy

The company will initially focus its efforts on acquiring capital goods such as hardwood processing machines, carpentry equipments, trucks and other associated assets. Once the capital goods are in place, the company will recruit carpenters to run the factory and provide carpentry services to accommodate the expansion in carpentry operations and furniture manufacturing. This course of action will be initially pursued as a way to efficiently utilize capital and establish a reputation within the targeted market segments.

3.4 Factors affecting market viability

Change in macroeconomic variables, forest depletion, furniture manufacturing-technology, legal framework and the trends of the business operations will likely affect the future market viability of the carpentry operations and furniture manufacturing. The company has the skills and ability to operate the business and withstand any challenges that come across, it is determined to ensure that it continually strives to be the best in the industry.

4. Financial Analysis

The total cost of investment in the expansion of the carpentry services and furniture manufacturing is estimated at \$490,000 and split as follows:

4.1 Investment Model:

PARTICULARS	AMOUNT
Carpentry Equipments	\$200,000
Standby generator	\$10,000
Hardwood processing machines	\$150,000
Motor vehicles	\$50,000
Working capital	\$80,000
GRAND TOTAL	\$490,000

4.2 Revenue Model

The prices are established based on competitive pricing strategies, in which the current prices for the wooden office table, is \$60-\$150, bedroom furniture, is \$100-\$500, hardwood doors, is \$150-\$350. However, prices depend on a number of factors, including; type of material used, size, shape, etc. The company intends to target and serve the carpentry service and wooden furniture market efficiently. The project proposes to price its services and products in such a way as to ensure real value for money meanwhile ensuring high level of quality is maintained. Carpentry services revenue estimates are based on the current experience. The different sources of revenues are tabulated below:

Revenue Model

Particulars	Pieces p.a.	Price per piece	Total Amount
Bedroom furniture	4000	\$100	\$400,000
Kitchen furniture			\$20,000
Hardwood doors	2000	\$150	\$300,000
Office furniture (tables)	2000	\$100	\$200,000
Office furniture (seats)	4000	\$60	\$240,000
Carpentry and joinery services			\$60,000
Dining tables	500	\$150	\$60,000
Hardwood cabinets	1000	\$150	\$60,000
GRAND TOTAL			\$1,340,000

4.4 Cost-benefit analysis

The projected initial outlay of investment is \$490,000. The project is profitable with the internal rate of return (IRR) of 45%. The project will recoup the initial investment outlay in 3 years. Therefore it is worthwhile undertaking the project, since it will fully recover the capital in three years and increase the value of the shareholders' funds thereafter.

5. Ownership profile

The project will be 100% owned by Ghansham Woodworks Ltd. The share holders are as scheduled below:

FULL NAME	NATIONALITY	%HOLDINGS
Gopal Dhanji Mayani	Tanzanian	51
Ramji Dhanji Mayani	Indian	45
Sunil Gopal Mayani	Indian	1.98
Mahesh Gopal Mayani	Indian	2.02
Total		100

6. Employment and Management profiles

Gopal D. Mayani, Director, has massive working experience in carpentry and furniture manufacturing business; the experience range from provision of general carpentry service to the manufacture of household wooden furniture items. Ramji D. Mayani, Mahesh Gopal and Sunil Gopal are also directors of the Company and have many years of working experience in the carpentry and furniture manufacturing business. The management is dedicated to offering high quality services to the customers.

The project is expected to create more employment opportunities for the local community, in particular to the Dar es Salaam community. The expected level of manpower needed along with personnel budget for the established project is as scheduled below:

Personnel plan:

TITLE	NUMBER	SALARY PER MONTH	SALARY PER YEAR
Manager	1	\$1,000.00	\$12,000
Assistant Manager	1	\$800.00	\$9,600
Drivers	2	\$200.00	\$4,800
Carpenters	5	\$500.00	\$30,000
Security	2	\$150.00	\$3,600
TOTAL	11		\$60,000

7. Environmental impact assessment

We recognize our need and responsibility as a Tanzanian Corporation to actively address environmental concerns. The company will utilize sound environmental, pollution prevention and control, energy conservation and solid waste management practices internally, for example, the company is expecting to adopt biomass briquetting approach to environmental conservation.

In course of manufacturing furniture the company will continue examining products, process, operations, and evolving technologies for environmental improvement opportunities.

The company's ultimate environmental goal is to ensure that it is doing its part responsibly and playing a leadership role in helping preserve the environment.

Besides its environmental goal, the company will adhere to all applicable regulations governing environmental activities.

8. FINANCIAL PLAN

Below are the initial financial goals:

- ⇒ To operate on a 40% gross margin
- ⇒ Finance growth to be achieved through retained earnings
- ⇒ Expansion operations to be solely financed by equity contribution and internally generated funds

Important assumptions

The financial plan depends on important assumptions, most of which are shown in the following schedule:

	Yr1	Yr2	Yr3	Yr4	Yr5
Corporation tax rate	30%	30%	30%	30%	30%
Cost of capital	20%	20%	20%	20%	20%
Sales turnover (% of the furniture prod'n capacity p.a.)	50%	60%	80%	100%	100%
Cost of sales	60%	60%	60%	60%	60%

Note that, the study has ignored the effect of change in accounts receivable and accounts payable on the working capital performance for the reason of simplicity; however, from the owners' experience there has been very low chances of debtors to default.

8.1 PROJECTED INCOME STATEMENT

Particulars	<u>Yr0</u>	<u>Yr1</u>	<u>Yr2</u>	<u>Yr3</u>	<u>Yr4</u>	<u>Yr5</u>
	\$	\$	\$	\$	\$	\$
Annual Income						
Revenue	0	670,000	804,000	1,072,000	1,340,000	1,340,000
Total Income	0	670,000	804,000	1,072,000	1,340,000	1,340,000
Cost of Sales		(402,000)	(321,600)	(428,800)	(536,000)	(536,000)
Gross Profit		268,000	482,400	643,200	804,000	804,000
Operating Expenses						
Telephone charges		3,000	3,000	3,000	3,000	3,000
Salary & Wages		60,000	60,000	60,000	60,000	60,000
Stationary		13,400	16,080	21,440	26,800	26,800
Repair & Maintenance	-	16,750	16,750	16,750	16,750	16,750
Other costs		33,500	40,200	53,600	67,000	67,000
Total Operating Expenses	0	126,650	136,030	154,790	173,550	173,550
Operating Profit	0	141,350	346,370	488,410	630,450	630,450
Depreciation charge		43,500	43,500	43,500	43,500	43,500
Interest on Loan		0	0	0	0	0
Profit Before Tax		97,850	302,870	444,910	586,950	586,950
Corporate Tax (30%)	0	29,355	90,861	133,473	176,085	176,085
Profit for the year	0	68,495	212,009	311,437	410,865	410,865

8.2 PROJECTED CASHFLOW STATEMENT

Particulars	<u>Yr0</u>	<u>Yr1</u>	<u>Yr2</u>	<u>Yr3</u>	<u>Yr4</u>	<u>Yr5</u>
	\$	\$	\$	\$	\$	\$
RECEIPTS						
Equity	490,000	-	-	-	-	-
Total Revenue	-	670,000	804,000	1,072,000	1,340,000	1,340,000
Total Receipts	490,000	670,000	804,000	1,072,000	1,340,000	1,340,000
PAYMENTS						
Motor vehicles	50,000					
Plant & Machinery	360,000					
Direct Costs		402,000	321,600	428,800	536,000	536,000
Operating expenses	0	126,650	136,030	154,790	173,550	173,550
Loan repayment		0	0	0	0	0
Corporation Tax	-	29,355	90,861	133,473	176,085	176,085
Total Payments	410,000	558,005	548,491	717,063	885,635	885,635
Net Cash Inflow/(Outflow)						
Net Cash Inflow/(Outflow)	80,000	111,995	255,509	354,937	454,365	454,365
Opening cash and bank balance	0	80,000	191,995	447,504	802,441	1,256,806
Closing cash and bank balance	80,000	191,995	447,504	802,441	1,256,806	1,711,171

8.3 PROJECTED BALANCE SHEET

Particulars	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
	\$	\$	\$	\$	\$	\$
Fixed Assets						
Motor vehicles	50,000	50,000	50,000	50,000	50,000	50,000
Equipment	360,000	360,000	360,000	360,000	360,000	360,000
Total Fixed Assets	410,000	410,000	410,000	410,000	410,000	410,000
Less cumulated depreciation		(43,500)	(87,000)	(130,500)	(174,000)	(217,500)
Net Book Value	410,000	366,500	323,000	279,500	236,000	192,500

CURRENT ASSETS						
Cash and Bank	80,000	191,995	447,504	802,441	1,256,806	1,711,171
Total Current Assets	80,000	191,995	447,504	802,441	1,256,806	1,711,171

CURRENT LIABILITIES						
Creditors and Accruals						
Corporate Tax						
NET CURRENT ASSETS	80,000	191,995	447,504	802,441	1,256,806	1,711,171

TOTAL ADDITIONAL ASSETS	490,000	558,495	770,504	1,081,941	1,492,806	1,903,671
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CAPITAL AND RESERVES						
Equity	490,000	490,000	490,000	490,000	490,000	490,000
Loan	0	0	0	0	0	0
Retained Earnings	0	68,495	280,504	591,941	1,002,806	1,413,671
CAPITAL EMPLOYED	490,000	558,495	770,504	1,081,941	1,492,806	1,903,671

8.4 DEPRECIATION SCHEDULE (\$)

Particulars	0	1	2	3	4	5
Motor vehicles	50,000	50,000	50,000	50,000	50,000	50,000
Depreciation charge		7,500	7,500	7,500	7,500	7,500
cumulative depreciation		7,500	15,000	22,500	30,000	37,500
NBV	50,000	42,500	35,000	27,500	20,000	12,500
Plant & Machinery	360,000	360,000	360,000	360,000	360,000	360,000
Depreciation charge		36,000	36,000	36,000	36,000	36,000
cumulative depreciation		36,000	72,000	108,000	144,000	180,000
NBV	360,000	324,000	288,000	252,000	216,000	180,000
TOTAL NBV	410,000	366,500	323,000	279,500	236,000	192,500

8.5 INVESTMENT ANALYSIS (\$)

PARTICULARS	Yr0	Yr1	Yr2	Yr3	Yr4	Yr5
Investment Costs	(490,000.00)					
Free Cashflows	0	111,995.00	255,509.00	354,937.00	454,365.00	454,365.00
Net Cashflows	(490,000.00)	111,995.00	255,509.00	354,937.00	454,365.00	454,365.00
IRR	44.89%					
NPV at 20%	323,239.46					

GHANSHAM WOODWORKS LIMITED

COMPANY NO. 69302

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE COMPANY HELD ON THE 19TH DAY OF JANUARY 2009 AT THE COMPANY'S REGISTERED OFFICE

1. THE FOLLOWING DIRECTORS WERE PRESENT AND CONSTITUTED A QUORUM OF THE BOARD:

GOPAL DHANJI MAYANI	-CHAIRMAN
RAMJI DHANJI MAYANI	-MEMBER
MAHESH GOPAL MAYANI	-MEMBER
SUNIL GOPAL MAYANI	-MEMBER

2. OPENING OF MEETING, QUORUM AND AGENDA

A quorum being present, the meeting was declared duly convened.

3. APPROVAL FOR INVESTMENT IN MANUFACTURE OF WOODEN FURNITURE

The Board of Directors unanimously resolved to give approval to the company to invest in manufacture of wooden furniture and joineries

4. TIC APPROVAL

It was unanimously resolved that a request for an approval and grant of a certificate of incentives be made to the Tanzania Investment Centre for the above project and an appropriate follow-up be made on the matter of TIC approval.

5. OTHER MATTERS

There being no other matters to transact, the meeting ended at 10.30 a.m. with a vote of thanks to the chair.



GOPAL DHANJI MAYANI
CHAIRMAN

THIS LEASE AGREEMENT

Made this 15th day of January 2009

BETWEEN

GOPAL DHANJI MAYANI
Of P.O. Box 20468, Dar es salaam

(Hereinafter called the **Lessor**, which expression shall include his assigns and successors in title)

OF THE FIRST PART

AND

GHANSHAM WOODWORKS LIMITED
Of P.O. Box 20468, Dar es salaam
(Hereinafter referred to as **Lessee**)

OF THE OTHER PART

Sb: 120000/-
15/1/09

This LEASE AGREEMENT is made this 15th day of January between GOPAL DHANJI MAYANI of P.O. Box 20468, Dar Es Salaam (hereinafter called the "Lessor") of One Part and GHANSHAM WOODWORKS LTD of P.O. Box 20468, Dar Es Salaam (hereinafter called the "Lessee") of the other part.

WHEREAS IT IS AGREED AS FOLLOWS:

1. The Lessor offers their property, which is located at the Plot No.3, Vingunguti Industrial Area, Ilala, Dar es salaam (hereinafter referred to as the said "property") for a period of five years from 15th January 2009 to 16th January 2014 at a yearly rent of TSh.12,000,000 (Tanzanian Shillings Twelve Million)
2. The Property will be available for occupation as from the effective date.
3. Upon execution of this Agreement, the Lessee shall be entitled to enter into full possession of the property. The Lessor shall let the Lessee enjoy unencumbered and uninterrupted tenure of stay during the term of this Lease. Where the Lessor wishes to inspect the premises, this may be done by giving notice to the Lessee and at a time convenient to the Lessee.
4. The rent shall be paid annually in advance.
5. The Lease Agreement may be terminated by either party by giving a six months notice or rent in lieu of notice.
6. The Lessee shall pay all charges of electricity, water, telephone and other services used on the premises during the term of this lease period.
7. The Lessee shall not carry out any alterations or structural changes to the premises without the prior consent of the Lessor.
8. The Lessee shall not sub-let or part with the possession of the said premises without the prior consent of the Lessor.
9. The Lessee shall use the said property for residential purposes for its staff, or the staff of its associated company.
10. The Lessee may renew the lease by giving not less than three months notice in writing to the Lessor. The terms and conditions for the renewed lease may be negotiated and mutually agreed between the parties. Where the Lessor does not wish to renew the lease, then a notice of six months prior to expiration of the lease will be given to the Lessee.
11. The Lessee agrees to maintain the property in like condition at the time of possession.
12. The Lessor agrees to pay all taxes due to the Government or local authorities.
13. The Lessor agrees to abide by these terms and commits irrevocably to the Lessee that the latter's rights will remain unaltered even in the event the property is sold by the Lessor.
14. The Lessor will be responsible for all major repairs to the property and with respect to the air-conditioners, electricity and water supply to the property. The Lessor will be responsible for all structural repairs to the said property.

15. The Lessor will adequately cover the property by insurance to cover the risk of fire and damage by any natural or other causes. In this case the Lessor indemnifies the Lessee against all insurable risks to the said property.

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

SIGNED and DELIVERED by the said LESSOR, GOPAL DHANJI MAYANI and Delivered in the presence of us this 26 day of Oct. 2009

Name: GOPAL D. MAYANI

Signature: [Handwritten Signature]

Postal Address: 20264

Qualification:

Witness

Name:

Signature:

Postal Address:

Qualification:

SIGNED and DELIVERED by the said LESSEE, GHANSHAM WOODWORKS LTD who is known to me in my presence at DAR ES SALAAM on this 26 day of Oct. 2009.

Name: GHANSHAM WOODWORKS LTD

Signature: [Handwritten Signature]

Postal Address: 20264

Qualification:

Witness

Name:

Signature:

Postal Address:

Qualification:

Shs. 17000 STAMP-DUTY Collected
Receipt No. 678613 Date: 28.10.2009
Regional Manager - Tanga Tax Region

TANZANIA



Certificate of Incorporation

Section 15

No 69302

I HEREBY CERTIFY THAT

GHANSHAM WOODWORKS 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 14TH day of JANUARY

TWO THOUSAND AND NINE
.....
Asst. Registrar of Companies

FEE PAID 15000/-
RECEIPT NO. 24467013
DATE 27/01/09

15000/-

Form.55a

THE UNITED REPUBLIC OF TANZANIA
BUSINESS REGISTRATIONS AND LICENCING AGENCY

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

Company Number **69302**

Company Name in Full **GHANSHAM WOODWORKS LIMITED**

Shares Allotted (including bonus shares)

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

From: **16.01.2009**
To:

Class of Shares (ordinary or preference etc)	ORDINARY
Number allotted	9,900
Nominal value of Each share	TZS.1,000/-
Amount (if any) paid or due on each share	TZS.1,000/-

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

% that each share is to be treated as paid up **100%**

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

FOR OFFICIAL USE ONLY

Shareholder details	Share and share class allotted	
	Class of Shares	Number Allotted
Name: GOPAL DHANJI MAYANI		
Address: P.O.BOX 20264, DAR ES SALAAM, TANZANIA	ORDINARY	5,049

Shareholder details	Share and share class allotted	
	Class of Shares	Number Allotted
Name: RAMJI DHANJI MAYANI		
Address: P.O.BOX 20264, DAR ES SALAAM, TANZANIA	ORDINARY	4,455

Shareholder details	Share and share class allotted	
	Class of Shares	Number Allotted
Name: SUNIL GOPAL MAYANI		
Address: P.O.BOX 20264, DAR ES SALAAM, TANZANIA	ORDINARY	196

Shareholder details	Share and share class allotted	
	Class of Shares	Number Allotted
Name: MAHESH GOPAL MAYANI		
Address: P.O.BOX 20264, DAR ES SALAAM, TANZANIA	ORDINARY	200

Please enter the number of continuation sheets
(if any) attached to this form

NONE

Signed

Gopal D. Mayani

Director/Secretary/Administrator/Administrative Receiver/Receiver/Manager

Date

26/01/2009

FEE PAID RECEIPT NO. 34467815
27-1-09

1000
27/1/09

GHANSHAM WOODWORKS LIMITED
Company No. 69302

**EXTRACT OF MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
OF THE COMPANY HELD AT ITS REGISTERED OFFICE ON
16 JANUARY 2009 AT 1.00 P.M.**

RESOLVED:

ALLOTMENT OF SHARES

THAT the allotment of nine thousand nine hundred ordinary shares (9,900 shares) each with a nominal value of TZS.1,000/- to the following is hereby approved:

Gopal Dhanji Mayani	-	5,049	shares
Ramji Dhanji Mayani	-	4,455	shares
Sunil Gopal Mayani	-	196	shares
Mahesh Gopal Mayani	-	<u>200</u>	shares
		<u>9,900</u>	shares

REVISED POSITION OF SHAREHOLDING IN THE COMPANY


THAT after the above allotment of shares, the new position of shareholding in the company will be as follows:

Gopal Dhanji Mayani	-	5,100	shares
Ramji Dhanji Mayani	-	4,500	shares
Sunil Gopal Mayani	-	200	shares
Mahesh Gopal Mayani	-	<u>200</u>	shares
		<u>10,000</u>	shares

ISSUE OF SHARE CERTIFICATES

THAT share certificates be issued to reflect the above revised shareholding position and THAT the company seal be affixed thereon.

Signed as true record and in confirmation of the agreements reached by the Board of Directors.


GOPAL DHANJI MAYANI
CHAIRMAN


RAMJI DHANJI MAYANI
DIRECTOR


SUNIL GOPAL MAYANI
DIRECTOR

FEE PAID 2009
RECEIPT NO. 150001
34467813
27/1/09

250087

GHANSHAM WOODWORKS LIMITED
Company No. 69302

EXTRACT OF THE MINUTES OF THE EXTRA ORDINARY GENERAL
MEETING OF THE MEMBERS OF THE COMPANY HELD AT ITS
REGISTERED OFFICE ON 16 JANUARY 2009 AT 1.00 P.M.

RESOLVED:

ALLOTMENT OF SHARES

THAT nine thousand nine hundred ordinary shares (9,900 shares) each with a nominal value of TZS.1,000/- be and are hereby allotted to the following:

Gopal Dhanji Mayani	-	5,049	shares
Ramji Dhanji Mayani	-	4,455	shares
Sunil Gopal Mayani	-	196	shares
Mahesh Gopal Mayani	-	<u>200</u>	shares
		<u>9,900</u>	shares

REVISED POSITION OF SHAREHOLDING IN THE COMPANY

THAT after the above allotment of shares, the new position of shareholding in the company will be as follows:

Gopal Dhanji Mayani	-	5,100	shares
Ramji Dhanji Mayani	-	4,500	shares
Sunil Gopal Mayani	-	200	shares
Mahesh Gopal Mayani	-	<u>200</u>	shares
		<u>10,000</u>	shares

Signed as true record and in confirmation of the agreements reached by the Shareholders.

GOPAL DHANJI MAYANI
CHAIRMAN

RAMJI DHANJI MAYANI
MEMBER

SUNIL GOPAL MAYANI
MEMBER

THE COMPANIES ACT 2002

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

GHANSHAM WOODWORKS LIMITED

Incorporated this Day of2008

DRAWN BY:

GOPAL DHANJI MAYANI
P. O. BOX 20264
DAR ES SALAAM
TANZANIA

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incorporation

No.

I HEREBY CERTIFY that

GHANSHAM WOODWORKS 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 day of 2008



.....
Registrar of Companies

THE COMPANIES ACT 2002

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

GHANSHAM WOODWORKS LIMITED

TANZANIA
2500/-
9/11/09
PAID BY
RECEIPT NO. 1147/09
Stamp Duty
Stamp Duty

TANZANIA
2500/-
9/11/09
Stamp Duty
Stamp Duty

1. The name of the Company is **GHANSHAM WOODWORKS LIMITED**.
2. The registered office of the Company is situated in the United Republic of Tanzania.
3. The objects for which the Company is established are:-
 - a) To take over the business of GHANSHAM WOODWORKS as a going concern and to take over the assets and trade.
 - b) To manufacture, buy, import, sell, export and generally deal in carpentry and joinery products of all kinds including the manufacture of household furniture, industrial fittings and furniture. To manufacture all types of furniture, building materials, windows, doors, ceiling boards, timber strips, parquet tiles and all types of wooden furniture, implements, and products of every type, size, quantity, model, designs and description whatsoever. To import, buy, sell, export, distribute, warehouse and to generally deal in all the foregoing products whatsoever.
 - c) To engage in the business of cultivation of woodlands. To act as lumberers, buy, sell, export, import and distribute timber, sawdust, woodlands and all types of wood products whatsoever.
 - d) To carry out planning and preparation of designs, drawings, surveys, models, plans and implement such plans for all types of woodwork and joinery installations and projects and undertakings of every description.
 - e) To import, procure, supply and install woodworking and carpentry equipment of any description, size and magnitude.
 - f) To sell, export, act as agents, vendors, promoters, retailers and to generally deal in all types of woodworking and carpentry equipment,

installations, works, designs, implements and to generally deal in all equipment, devices of any description, size and magnitude and to generally deal in woodwork, furniture, doors, windows and all other products, services, and implements whatsoever.

- g) To manufacture, buy, import, sell, export and generally deal in electrical, electronic, security, computer and telecommunications equipment, accessories, machines, spare parts and devices of any description, size and magnitude.
- h) To carry on and engage in the business of dealing with all types of telecommunication and information systems, hardware and software systems, consultancy, general computer knowledge, computer training and programming.
- i) To provide full range of communication services, satellite, uplink services, wide area networks through satellite connectivity, local area networks, digital communication services, telecommunication services, radio links on a local as well as wide area networks, microwave links, international data and telecommunication services, television and radio broadcasting, managing and transmission services for all types of data, voice, graphic mail, and to deal in all matters pertaining to information technology and the information super highway. To engage in or otherwise carry on the business of providing all types of networking services, full internet services, provide value added services on the internet, data and all possible types of communication services for local and overseas subscribers. Services provided to include all currently available services and all future developments in technology as it becomes available in data communications globally. To set up and operate manufacturing facilities for electronic or electrical goods and to run and operate recording studios for sound and video.
- j) To act as agents for telecommunication companies and to generally carry out any services, trade, vocation, or business whatsoever pertaining to the telecommunication, data or voice transmission services whatsoever as independent service providers or as agents.
- k) To enter into contracts to subcontract any portion or the whole of the work in respect of the foregoing businesses to local or foreign subcontractors.
- l) To receive, collect, disburse, invest, hold and discount monies, payments, funds, or any form of consideration, either as principals or as agents, for any type of telecommunication, data, voice transmission, sale of implements or any related function, activity, business or trade of any description, size or magnitude.
- m) To lend and advance money or give credit to such persons, firm or

companies and on such terms as may seem expedient, and in particular to customers and others having dealings with the company, and to give guarantee to become surety for the due payment of money for the performance of any obligations or liabilities.

- n) To raise and borrow money by the issue of shares, stocks, debentures, debenture stocks, bonds, obligations, deposit notes and otherwise howsoever, and to invest the money so raised and borrowed or any other moneys of the company not immediately required upon each security and in such manner as may from time to time be determined, and to vary such investments of the company as may be deemed reasonable.
- o) To receive money or deposit or loan and borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debenture stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien and to secure and guarantee the performance by the company or any other person or company of any obligation undertaken by the company or any other person or company as the case may be.
- p) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- q) To sell or otherwise dispose of the whole or any part of the business or property of the company, either together or in portions, for such consideration as the company thinks fit, and in particular for shares, debentures, or securities of any company purchasing the same.
- r) To purchase or otherwise acquire letters, patent, brevets d'invention, trade and service marks, intellectual property rights, concessions, licenses, rights and privileges, subject to royalty or otherwise, and whether exclusive or non-exclusive or limited, or any part interest, in such letters, marks, patent, brevet d'invention, concessions, licenses, rights and privileges, whether in Tanzania or in any other part of the world.
- s) To take all necessary and proper steps with the authorities, national, local, international, foreign, municipal, or otherwise, of any place in which the company may have interests, and to carry on any negotiations or operations for the purpose off directly or indirectly carrying out the objects of the company or effecting any modification in the constitution of the company or furthering the interest of its members, and to oppose any steps taken by any other company or persons which

may be considered likely and directly, to prejudice the interest of the Company or its members.

- t) To establish divisions, workshops, distribution facilities, points of sales and agencies within the country or in any other country, which the company deems fit for the better operations and enhancement of the company aims and objects.
- u) To carry on any business which may seem to the company capable of being conveniently carried on in connection with any of the business of the company or calculated directly or indirectly to enhance the value of or render profitable any of the company's rights.
- v) To acquire and undertake the whole or any part of the business property and liabilities of any person, firm or company carrying on any business which the company is authorized to carry on, or possess property suitable for the purpose of this company.
- w) To purchase, lease or otherwise acquire, and to hold, sell, improve, develop, exchange, mortgage or otherwise dispose of any lands, buildings, machinery or plants, mills, factories, warehouses or any hereditament in connection with the business of the Company.
- x) To adopt such means of making known the products of the company as may seem expedient and in particular by marketing aids including but not limited to advertising in the press, by circulars, by purchase and exhibition of works, art or interest, by publication of books and periodicals, and by granting prizes, rewards and donations.
- y) To enter into any arrangements with any Government or authorities (supreme, municipal, local or otherwise) or any corporations, companies or persons having objects that may seem conducive to the company's objects or any of them, and to obtain from any such Government, Authority, Corporation, Company or person, any franchise, characters, contracts, decrees, rights, privileges and concessions which the company may think desirable, and to carry out, exercise and comply with any such characters, contracts, decrees, rights, privileges and concessions.
- z) To enter into partnership or any arrangements for sharing profits, union or interests, co-operation, joint venture, reciprocal, concession, or otherwise with any persons, firm or company carrying on or engaged in or about to carry on any business or transaction which this company is authorised to carry on, or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this company, And to lend

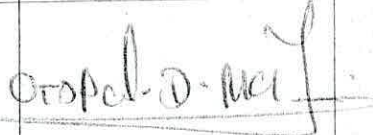

money to, guarantee the contracts of, or otherwise assist any such shares and securities of any such company, and to sell, hold, reissue with or without guarantee, or otherwise, deal with the same.

- aa) To promote any other company for the purpose of acquiring all or any of the property and undertaking, or any of the liabilities of this company of undertaking any business or operation which may appear likely to assist or benefit this company, or to enhance the value of the property or business of this company and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares or securities of each company as aforesaid.
- bb) To own and acquire aircrafts and operate the aircrafts for the facilitation of the foregoing businesses and to provide all and any facilities for such aircrafts including instruction, training pilots, navigators and all other relevant personnel.
- cc) To provide information, management, supervision or control of the business or operations of any company, and for that purpose to act as directors, engineers, consultants, administrators, Managers, secretaries or any other capacity and to appoint and remunerate any directors, administrators, managers, accountants or other experts or agents.
- dd) To procure the registration of the company in or under the laws of any place outside Tanzania.
- ee) To purchase, sell, subscribe for, underwrite, or otherwise acquire and hold shares, stocks or other interests in, or obligations of any other company or corporation.
- ff) To distribute among the members of the company in kind and property of the company, and in particular any shares or securities of other companies belonging to this company.
- gg) To act as agents or brokers and as trustees for any person or company and undertake and perform subcontracts and to do all or any other the above business in any part of the world, and either as principals, agents, trustees contractors or otherwise, and either alone or jointly with others and either by or through agents, sub-contractors, trustees or otherwise,
- hh) To do all such other things as the company believes to be incidental to or conducive to the attainment of all or any of the above objects.
- ii) To carry out any business, trade or activity permissible by law.

AND it is hereby declared that in the interpretation of this clause and powers conferred upon the Company by any paragraph shall not be restricted by the reference to any other paragraph or to the name of the Company or by the juxtaposition of two or more objects: nor shall any of the aforesaid objects or powers be deemed subsidiary or auxiliary merely to the objects mentioned in the first or any other paragraph, save as is expressly provided by so that the Company shall have full power to exercise all or any of the powers conferred by any part of this clause in any part of the world and in the event of any ambiguity this clause and every paragraph hereof shall be construed in such a way as to widen and not restrict the powers of the Company.

4. The liability of the members is limited.
5. The authorised share capital of the Company is Tanzania Shillings Ten Million (10,000,000/-) divided in Ten Thousand (10,000) shares of Shillings One Thousand (1,000/-) each with power for the Company to increase or reduce the said capital and to issue any part of its capital, original or increased, with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares, whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained.

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.

Name, Addresses and Description of subscribers	Number of Shares taken	Signature of Subscribers
GOPAL DHANJI MAYANI P.O. BOX 20264 DAR ES SALAAM TANZANIA	51	
RAMJI DHANJI MAYANI P.O. BOX 20264 DAR ES SALAAM TANZANIA	45	
SUNIL GOPAL MAYANI P.O. BOX 20264 DAR ES SALAAM TANZANIA	4	

DATED this 8th Day of January, 2008

WITNESS TO THE ABOVE SIGNATURES

FULL NAME

M. G. PARDHAN
 ADVOCATE

SIGNATURE



POSTAL ADDRESS

QUALIFICATION



TANZANIA
Stamp Duty Sub-Office
PAID
Stamp Duty Office
Receipt No. 3467H/11/09
Date 11/11/09
[Signature]

TANZANIA
Stamp Duty Sub-Office
PAID
Stamp Duty Office
Receipt No. 3467H/11/09
Date 11/11/09
[Signature]

THE COMPANIES ACT 2002
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
GHANSHAM WOODWORKS LIMITED

PRELIMINARY

1. **In these regulations: -**

"The Act" means the Companies Act 2002 of the Laws of Tanzania.

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

Unless the context otherwise requires, the expressions defined in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company, shall have the meaning so defined.

Any words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include females, and the words importing persons shall include bodies corporate, partnership, firms, cooperatives, societies, etc.

The regulations of Companies Act shall apply to the company, save in so far as they are varied or excluded hereby, but in case of any conflict between the provisions herein, and the provisions under this regulation the former shall prevail, and in addition to substitution shall be the regulations of the company.

SHARE CAPITAL AND RESERVES

2. The company shall be private and accordingly the following provisions shall have effect:

- a. The company shall not offer any of its shares, share warrants or debentures to the public for subscription.
- b. The number of the members of the company (not including persons who are in employment of the company and persons having been formerly in the employment of the company were in

such employment and have continued after the termination of the employment and have continued after the termination of the employment to be members of the company) shall not at any time exceed fifty.

3. Subject to the provisions of para 10, the company shall be entitled to treat the person whose name appears upon the register in respect of any shares as the absolute owner thereof and shall not be under any obligation to recognize any trust or equitable claim to or partial interest in such share, whether or not it shall give express or other notices thereof.
4. The initial authorized share capital of the company is Tanzania Shillings Ten Million (10,000,000/-) divided into Ten Thousand (10,000) shares of Shillings One Thousand (Shs. 1,000/-) each.
5. The shares shall be under control of the shareholders who shall allot or otherwise dispose of the same to persons on such terms and conditions and such time as the shareholders think fit.
6. The Certificate of Title to shares shall be issued under the seal of the company and shall be signed by two directors.
7. If any member of the company shall at any time desire to sell or transfer any shares registered in such member's name and/or in the event of the creation of any further shares by the company, such shares shall be first offered by the shareholders to the existing members of the company in the proportion of shares held by each member at the time of such desire, transfer or creation of new shares.
8. Save as hereby otherwise provided, no share shall be transferred to any person who is not a member of the company so long as any member is willing to purchase the same at a fair value to be determined by the company auditor, and thereafter to be approved by an ordinary resolution of the shareholders.
9. A call shall be deemed to have been made at the time when the resolution of the shareholders authorizing such call was passed.
10. The shareholders may at any time in their absolute and uncontrolled discretion, refuse to register any transfer of shares PROVIDED ALWAYS that any share may be transferred at any time by a shareholder to his appointed heir, trustee or agent who will have had prior approval by a special resolution of the shareholders.

BORROWING POWERS

11. The directors may from time to time on authority of a special resolution of the shareholders raise or borrow and secure for the purpose of the company's business such sums of money as they think fit.

12. The directors may secure the repayment of, or raise any such sum or sums as aforesaid by mortgage or charge upon the whole or any part of the property and assets of the company present or future including its uncalled capital, for the time being, or by the issue at such price as they may think fit, of bonds or debentures either charged upon the whole or any part of the property and assets of the company or not so charged in such other way as the directors may think expedient.

GENERAL MEETING

13. A general meeting of the company shall be held at least once in every calendar year at such a time (not being more than fifteen months after holding of the preceding general meeting) and at such place as may be determined by the directors. Such general meetings shall be called "Ordinary General Meeting" and all other meetings of the company shall be called "Extraordinary General Meeting".

VOTE OF MEMBERS

14. On a show of hands or poll, every member present shall have the number of votes equal to the number of shares held.
15. No member shall be entitled to vote at any general meeting unless all calls or other sums presently due by him in respect of shares in the company have been paid.

DIRECTORS

16. The number of the directors shall not be less than two and not more than ten unless the company otherwise decides at a general meeting.
17. The following persons shall be the first directors to the company:
 1. **GOPAL DHANJI MAYANI**
 2. **RAMJI DHANJI MAYANI**
 3. **MAHESH GOPAL MAYANI**
 4. **SUNIL GOPAL MAYANI**
18. The directors may appoint one or more of their number to be the Managing Director or Managing Directors of the company, either for a fixed or indefinite period and may from time to time remove any such managing director from such office and put another or others in his place and may at their discretion fill up any vacancy that may occur in such office.

28. The directors may before recommending any dividend set aside out of the profits of the company such sums as they think proper as reserve or reserves which shall at the discretion of the directors be applicable for meeting contingencies or for equaling dividends or for any other purpose to which the profits of the company may be properly applied and pending such applications may in the like discretion either be employed in the business of the company or be invested in such investments (other than shares of the company) as the directors from time to time think fit.

SEAL

29. The seal of the company shall not be affixed to any instrument except by the authority of the resolution of the board of directors and in the presence of two directors or such other person as the directors may appoint for the purpose and the directors as aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

INDEMNITY

30. Subject to the provisions of the Act and of other relevant legislation in force from time to time every Director, Manager, Secretary, Auditor and other Officers or Servant of the company shall be indemnified by the company against losses, costs, expenses and other liability of any nature which any such officer or Servant may incur or become liable to by reason of any contract entered into or act or deed done by him as such officer or servant of in any way in the discharge of his duties PROVIDED THAT such indemnity shall not apply to any loss, costs, expenses or other liability which by virtue of any law would otherwise attach to any officer or Servant in respect of any negligence, default, breach of duty or breach of trust of which he may qualify in relation to the company.

ALTERATION OF ARTICLES

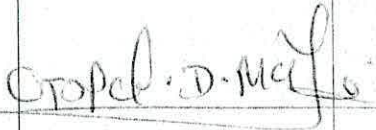


31. Subject to the provisions of the ordinance and those of the memorandum of association the company may by special resolution make alteration or addition to the articles of association and such alteration or addition so made shall be as valid and effectual as is originally contained in these articles and be subject in this manner to alteration by special resolution.

WINDING UP

32. If the company shall be wound up the assets remaining after payment of the debts and liabilities of the company and cost of the liquidation shall be applied; first in repaying to the members the amount paid up or credited as paid upon the shares held by them respectively and the balance, if any, shall be distributed among the members in proportion to the number of shares held by them respectively PROVIDED ALWAYS that the provisions

hereof shall be subject to the rights of all holders of shares, if any, issued upon special conditions.

33. With the sanction of the extraordinary resolution of the shareholders any part of the assets of the company may be divided between the members of the company in specie or may be vested in trustees for the benefit of such members and the liquidation of the company may be closed and the company dissolved but so that no member shall be compelled to accept any shares whereon there is any liability.
34. If the directors are unable to decide by majority any question relating to the winding up of the company or to any change in the policy of the company they shall appoint two arbitrators who are not members of the company to decide such question and shall accept their decision.

Name, Addresses and Description of subscribers	Number of Shares taken	Signature of Subscribers
GOPAL DHANJI MAYANI P.O. BOX 20264 DAR ES SALAAM TANZANIA	51	
RAMJI DHANJI MAYANI P.O. BOX 20264 DAR ES SALAAM TANZANIA	45	
SUNIL GOPAL MAYANI P.O. BOX 20264 DAR ES SALAAM TANZANIA	4	

DATED this 8th Day of January, 2008

WITNESS TO THE ABOVE SIGNATURES

FULL NAME

M. G. PARDHAN

ADVOCATE

SIGNATURE



POSTAL ADDRESS

QUALIFICATION



TICC/PP.10/041637/2

16 February 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
Ghansha Woodworks Ltd.

Post Box	Vingunguti Plot No. 3	COI Number	69302	Contact	Mr. Joseph Mbogo
Post Office	20264	COI Date	14/01/2009	Designation	Consultant
Region	Dar Es Salaam	Application F. No	07639	Phone	022 2115251
Country	Tanzania	Status	New	Direct Phone	022 2115252
		Sector	Manufacturing	Cell Phone	022 2115253
		Sub Sector	Furniture Manufacturing	Fax	022 2130519
		File No	041637	E-Mail Address	Joseph.Mbogo@Horwath-Tz.Com

Project Location		Investment Finance Plan in Millions USD											
Plot/Block	Plot No. 3	<table border="1"> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> <tr> <td>0</td> <td>0.49</td> <td>0</td> <td>0</td> </tr> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0	0.49	0	0			
Foreign Equity	Local Equity		Foreign Loan	Local Loan									
0	0.49		0	0									
Street	Vingunguti												
District	Ilala												
Region	Dar es Salaam												

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	
Mahesh Gopal Mayani	Indian	2.02	Plant	0.35
Sunil Gopal Mayani	Indian	1.98	Vehicles	0.05
Ramji Dhanji Mayani	Indian	45	Furniture & Fittings	0
Gopal Dhanji Mayani	Tanzanian	51	Pre-expenses	0
			Others	0.01
			Working Capital	0.08
			Total	0.49

Employment	11	Evaluated By	Senzia Manager
Capacity	xxxx	Drawn By	Shokko Registry
Project Turn Over			

Description

To establish manufacturing facilities of wooden Furniture and joinery products

Recommendations

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

Decision

Approved - Shokko Registry
ESD 12/2

3

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

TFN. 614

30325200

1

NIMPOKEA KWA
Received from

GHANSHAM WOODWORKS LTD



KIASI
Amount

Shs.		Ct.	
USD	750		

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

US DOLLAR SEVEN HUNDRED FIFTY ONLY

641637

KWA MALIPO YA
In Respect of

CERTIFICATE OF INCENTIVES

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

CHEQUE NO 345357 OF 09/03/09

SAHIHI YA MPOKEAJI- Receiving Officer's
Signature.

CHEO- Title

ACC

TAREHE Date

11 MAR. 2009

KITUO - Station

DEM.

Govt. Press, Dsm.

RECEIVED



FOR EXECUTIVE INVESTMENT CENTRE

Ghansham Woodworks Limited

P.O. Box 20264
Dar es Salaam

To,
The Executive Director
Tanzania Investment Center
Shaaban Robert Street
P.O. Box 938
Dar es Salaam

11th March 2009



Dear Sir,

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE ESTABLISHMENT OF
MANUFACTURING OF WOODEN FURNITURE AND JOINERY PRODUCTS**

Please refer to your letter Ref: TICC/PP.10/041637/2 of 16th February 2009 approving our project for granting of a TIC Certificate.

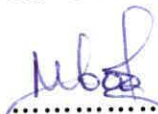
I am pleased to submit the following documents as it was requested in your above referenced letter:

1. Certified copy of Lease Agreement as evidence of Land ownership for the location of the project.
2. Bank reference for equity funding

I trust you will now be in a position to approve my above request and favor me with the issuance of the requisite Certificate of Incentives as already approved.

Yours truly,

For Ghansham Woodworks Ltd


.....
Joseph Mbogo

THIS LEASE AGREEMENT

Made this 15th day of January 2009

BETWEEN

GOPAL DHANJI MAYANI
Of P.O. Box 20468, Dar es salaam

(Hereinafter called the **Lessor**, which expression shall include his assigns and successors in title)

OF THE FIRST PART

AND

GHANSHAM WOODWORKS LIMITED

Of P.O. Box 20468, Dar es salaam

(Hereinafter referred to as Lessee)

OF THE OTHER PART



P.O. Box 100/0 DAR-ES-SALAAM.

This LEASE AGREEMENT is made this 15th day of January between **GOPAL DHANJI MAYANI of P.O. Box 20468, Dar Es Salaam** (hereinafter called the "Lessor") of One Part and **GHANSHAM WOODWORKS LTD of P.O. Box 20468, Dar Es Salaam** (hereinafter called the "Lessee") of the other part.

WHEREAS IT IS AGREED AS FOLLOWS:

1. The Lessor offers their property, which is located at the Plot No.3, Vingunguti Industrial Area, Ilala, Dar es salaam (hereinafter referred to as the said "property") for a period of **five years from 15th January 2009 to 16th January 2014** at a yearly rent of **TSh.12,000,000 (Tanzanian Shillings Twelve Million)**
2. The Property will be available for occupation as from the effective date.
3. Upon execution of this Agreement, the Lessee shall be entitled to enter into full possession of the property. The Lessor shall let the Lessee enjoy unencumbered and uninterrupted tenure of stay during the term of this Lease. Where the Lessor wishes to inspect the premises, this may be done by giving notice to the Lessee and at a time convenient to the Lessee.
4. The rent shall be paid annually in advance.
5. The Lease Agreement may be terminated by either party by giving a six months notice or rent in lieu of notice.
6. The Lessee shall pay all charges of electricity, water, telephone and other services used on the premises during the term of this lease period.
7. The Lessee shall not carry out any alterations or structural changes to the premises without the prior consent of the Lessor.
8. The Lessee shall not sub-let or part with the possession of the said premises without the prior consent of the Lessor.
9. The Lessee shall use the said property for residential purposes for its staff, or the staff of its associated company.
10. The Lessee may renew the lease by giving not less than three months notice in writing to the Lessor. The terms and conditions for the renewed lease may be negotiated and mutually agreed between the parties. Where the Lessor does not wish to renew the lease, then a notice of six months prior to expiration of the lease will be given to the Lessee.
11. The Lessee agrees to maintain the property in like condition at the time of possession.
12. The Lessor agrees to pay all taxes due to the Government or local authorities.
13. The Lessor agrees to abide by these terms and commits irrevocably to the Lessee that the latter's rights will remain unaltered even in the event the property is sold by the Lessor.
14. The Lessor will be responsible for all major repairs to the property and with respect to the air-conditioners, electricity and water supply to the property. The Lessor will be responsible for all structural repairs to the said property.

15. The Lessor will adequately cover the property by insurance to cover the risk of fire and damage by any natural or other causes. In this case the Lessor indemnifies the Lessee against all insurable risks to the said property.

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

SIGNED and DELIVERED by the said LESSOR, GOPAL DHANJI MAYANI and Delivered in the presence of us this 26 day of Oct. 2009

Name: GOPAL D. MAYANI
Signature: [Signature]
Postal Address: 20264
Qualification:

Shs. 17000
STAMP DUTY Collected
Receipt No. 678613 Date: 27.10.2009
Regional Manager - Hala Tax Region

Witness

Name: OMAR ALI MWICHANDE
Signature: [Signature]
Postal Address: P.O. Box 100/0 DARES SALAAM
Qualification: Advocate



Having Seen the Original document
I certify that this is a True and
Exact copy of the Original
[Signature]
O. A. Mwachande Advocate

P.O. Box 100/0 DARES SALAAM M.

SIGNED and DELIVERED by the said LESSEE, GHANSHAM WOODWORKS LTD who is known to me in my presence at DAR ES SALAAM on this 26 day of Oct. 2009.

Name: RAMJI DHANJI MAYANI
Signature: [Signature]
Postal Address: 20264
Qualification:

Witness

Name: OMAR ALI MWICHANDE
Signature: [Signature]
Postal Address: P.O. Box 100/0 DARES SALAAM
Qualification: Advocate



Having Seen the Original document
I certify that this is a True and
Exact copy of the Original
[Signature]
O. A. Mwachande Advocate

P.O. Box 100/0 DARES SALAAM



CF Union Bank Limited

^The bank that cares for you^

Our Ref: CFUB/ZS/2009-03-07
Date: Saturday, 07 March, 2009

The Executive Director,
Tanzania Investment Center,
Shaaban Robert Street,
P.O. Box 938,
Dar es Salaam.

RE: M/S GHANSHAM WOOD WORKS LTD

This is to certify that the aforementioned customer maintaining current accounts with us in Tanzania shillings and US Dollar currencies, the accounts are running satisfactorily.

Please note that the given information is strictly confidential and is for your private use only, without any guarantee or responsibility on the part of the Bank or its officials.

Thanking you,

Yours faithfully For
and on behalf of CF
Union Bank Ltd.


ZAHOOR ISMAIL
ASSISTANT MANAGER

CF Union Bank Limited

Jiwan Hirji Building, Indira Gandhi / Mosque Street, P. O. Box 1509, Dar es Salaam, Tanzania Tel:
255-22-2117880/2117700, 2110212, Fax: 255-22-2118750, Email: cfunionbank@raha.com

GHANSHAM WOOD WORK Ltd.

MANUFACTURES OF KITCHEN CABINETS, WALL UNIT, PANEL DOORS & ALL TYPE
OF FURNITURE & JOINERY WORKS

P.O.Box 20264, Dar Es Salaam, Tanzania.
Tel / Fax: 022 2860478, Mobile 0713 294426

4

Ref. No. GWWL/2009

8th June, 2009.

The Commissioner,
Customs & Excise Department,
P.O. Box 9053,
Dar es Salaam.

UFS: Executive Director,
Tanzania Investment Centre,
Dar es Salaam.



Dear Sir,

**RE: FURNITURE MANUFACTURING PROJECT.
APPLICATION FOR THE APPROVAL OF CAPITAL/ DEEMED
CAPITALGOODS LIST.**

Please refer to the above captioned subject.

We are a holder of certificate of incentives No. 041637 for the project mentioned above at plot No. 3 Vingunguti Industrial Area-IIlala District. We intend to buy goods locally and from overseas for the project as detailed in the attached list of Capital/Deemed Capital Goods.

In view of the aforesaid we request you to approve the list in which, our from time to time applications for relief from VAT will be based.

In view of the urgency of the matter, we request you to expedite the process.

We look forward to your early response and thank you for your cooperation.

Yours truly,

A handwritten signature in black ink, appearing to read 'R. D. Mueli'.

GHANSHAM WOOD WORKS LTD.
P. O. BOX 20264
DAR ES SALAAM

Gopal Dhanji Mayani
Director.

LIST OF CAPITAL/ DEEMED CAPITAL GOODS

M/S GHANSHAM WOODWORKS LTD. SECTOR: MANUFACTURING.

TIC CERTIFICATE NO. 041637

DESCRIPTION	UNIT	QUANTITY
1. MACHINES		
A. MACHINERY FOR TIMBER SEASONING.		
1. FURNACE	No.	2
2. JUNCTION	No.	2
3. CLEANING BOX	No.	4
4. HEAT EXCHANGER	No.	32
5. CHIMANI	No.	2
6. CHIMANI DISTANCE PEACE	No.	2
7. ROUND TO SQUARE	No.	2
8. STUDS	No.	48
9. MOTOR STAND	No.	4
10. MOTOR STAND FOUNDATION	No.	16
11. ELECTRIC MOTOR WITH PULLY	No.	4
12. FIRE BRICKS	No.	650
13. FIRE CLAY	BAG.	8
14. CASTABLE CEMENT	BAG.	4
15. GROG	BAG.	4
16. FIRE BAR CI	No.	30
17. FUN GUARD	No.	4
18. ALUMINIUM FAN	No.	4
19. FAN HOUSING	No.	4
20. HOUSING PULLEY	No.	4
21. BELT GUARD	No.	4
22. HUMIDITY WINDOW	No.	4
23. PIPE SANDAL-SMALL	No.	2
24. ASH REMOVER	No.	2
25. BELT GUARD SUPPORT	No.	4

26. CAP CHIMNEY	No.	2
27. DOOR WITH OUTER FRAME	No.	4
28. INSPECTION WINDOWS	No.	4
29. FAN GUARD COVER GRILL	No.	4
30. FURNACE DOORS	No.	8
31. SUPPORT	No.	2
32. ALL NUT, BOLTS, WASHER ETC. X BOX		1
33. MAIN DOOR WITH OUTER FRAME	No.	2

B. MACHINE TOOLS

(i) COMBI MAX	No.	2
(ii) SURFO MAX	No.	2
(iii) SPINDLE M	No.	2
(iv) THICKNESS PLANER	No.	2
(v) BASIC ROUTER	No.	1
(vi) CIRCULAR SAW	No.	2
(vii) VERTICAL SANDER	No.	2
(viii) HORIZONTAL SANDER	No.	2
(ix) TENO MAC	No.	2
(x) JIG SAW	No.	1
(xi) CROSS-CUT DESIGN ATTACHMENT	No.	1
(xii) CIRCULAR DESIGN ATTACHMENT	No.	1
(xiii) SPIRAL DESIGN ATTACHMENT	No.	1
(xiv) CHAIN MORTISER	No.	1
(xv) 18" BAND SAW MACHINE COMPLETE	No.	1
(xvi) PART FOR 18" BAND SAW MACHINE	No.	1
(xvii) 24" PLANNER BLADE GRINDER CUP WHEEL MODEL COMPLETE	No.	2
(xviii) MULTI GRINDER	No.	1
(xix) 1 1/4 X36" JIG-SAW MACHINE COMPLETE	No.	2

C HAND TOOLS.

(i) JIG SAW	No.	5
(ii) DRILL MACHINE	No.	10
(iii) ROUTER	No.	5
(iv) HAND SANDER	No.	5

2. MOTER VEHICLES.

(i) 4 TON CANTER	No.	1
(ii) SINGLE CABIN PICK UP	No.	1
(iii) DOUBLE CABIN PICK UP	No.	1
(iv) MOTOR BIKE	No.	4

CTIN.: 00332789



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

GHANSHAM WOODWORKS LIMITED

.....

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

107-727-507

.....

with effect from 23-Feb-2009

.....


JOANNES N. A. MALLY

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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



No 00215436

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 041637

This is to certify that

GHANSHAM WOODWORKS LTD

P.O. BOX 20264

of address

DAR ES SALAAM

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

GHANSHAM WOODWORKS LTD

Which is located at

PLOT NO. 3, VINGUNGUTI INDUSTRIAL AREA

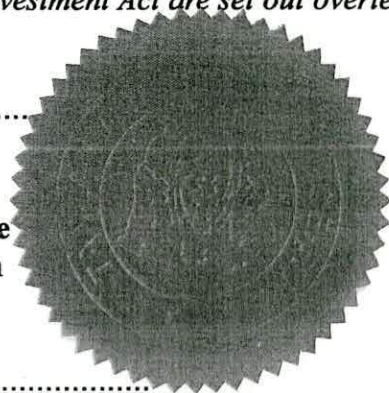
ILALA - DAR ES SALAAM

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 17TH 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 (%)
Gopal Dhanji Mayani	Tanzanian	51
Ramji Dhanji Mayani	Indian	45
Mahesh Gopal Mayani	Indian	2.02
Sunil Gopal Mayani	Indian	1.98
2. Proposed Activities: To establish manufacturing facilities for wooden furniture and joinery products
3. Sector: Manufacturing Subsector: Furniture
4. Investment cost: Foreign - Local USD 0.490m. Total USD 0.490m.
5. Project Financing: Equity USD 0.490m. Loans - Total USD 0.490m.
6. Source, terms and conditions of loan
7. Assets to be invested:

Capital items:	Foreign	Local	Total
	-	USD 0.490m.	USD 0.490m.
8. Technology Agreement: None
9. Date of TIC Registration: 16th February 2009
10. Implementation period: February 2009 - January 2012
11. Operative date: February 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

EXD

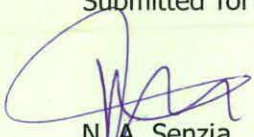
✓ L

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

- (a) Minimum finance investment threshold has been exceeded, the project expects to invest ... US\$ 0.49m
- (b) Legal entity has been incorporated under certificate No. 69302 of 14/01/2009

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
16th February 2009

EXD

In response to the TIC letter of registration dated 16th Feb 2009

the project has submitted the required documents namely: -

- (a) Company Board Resolution.
- (b) Reference letter/Financing from CF Union Bank of Tanzania
- (c) Lease agreement as evidence of land

With the above submission EXD is requested to sign Certificate of Incentives No. 04637 herein attached.

17/03/09


DIF

MINUTE

PAGE NO. _____

THE UNITED REPUBLIC OF TANZANIA
TANZANIA INVESTMENT CENTRE

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



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

TICC/PP.10/041657/6

25/01/2010

Ref. No:.....

The Managing Director,
M/S Mar - kim Uniplast Co. Limited,
P.O. Box 75498,
DAR ES SALAAM

Dear Sir,

**RE: DUTY/VAT EXEMPTION ON THE CAPITAL/DEEMED CAPITAL
GOODS OF CERTIFICATE OF INCENTIVES NO. 041657**

We are writing in response to your letter of 28th December, 2009 regarding above captioned subject.

Please be informed that raw materials, spare parts and other consumables are not allowed Duty and VAT exemption as they are not deemed capital Goods. However you can revise your list and leave machinery, equipment and tools.

In addition to that projects are allowed building materials for the construction of the factory, utility vehicles, generators, transformers and folklift.

Please be guided accordingly.

Yours sincerely

TANZANIA INVESTMENT CENTRE

N.A. Senzia

FOR: EXECUTIVE DIRECTOR

TICC/PP.10/041657/6

25/01/2010

The Managing Director,
M/S Mar - kim Uniplast Co. Limited,
P.O. Box 75498,
DAR ES SALAAM

Dear Sir,

**RE: DUTY/VAT EXEMPTION ON THE CAPITAL/DEEMED CAPITAL
GOODS OF CERTIFICATE OF INCENTIVES NO. 041657**

We are writing in response to your letter of 28th December, 2009 regarding above captioned subject.

Please be informed that raw materials, spare parts and other consumables are not allowed Duty and VAT exemption as they are not deemed capital Goods. However you can revise your list and leave machinery, equipment and tools.

In addition to that projects are allowed building materials for the construction of the factory, utility vehicles, generators, transformers and folklift.

Please be guided accordingly.

Yours sincerely
TANZANIA INVESTMENT CENTRE

N.A. Senzia
FOR: EXECUTIVE DIRECTOR

TICC/PP.10/041657/6

25/01/2010

The Managing Director,
M/S Mar - kim Uniplast Co. Limited,
P.O. Box 75498,
DAR ES SALAAM

Dear Sir,

**RE: DUTY/VAT EXEMPTION ON THE CAPITAL/DEEMED CAPITAL
GOODS OF CERTIFICATE OF INCENTIVES NO. 041657**

We are writing in response to your letter of 28th December, 2009 regarding above captioned subject.

Please be informed that raw materials, spare parts and other consumables are not allowed Duty and VAT exemption as they are not deemed capital Goods. However you can revise your list and leave machinery, equipment and tools.

In addition to that projects are allowed building materials for the construction of the factory, utility vehicles, generators, transformers and folklift.

Please be guided accordingly.

Yours sincerely

TANZANIA INVESTMENT CENTRE

N.A. Senzia

FOR: EXECUTIVE DIRECTOR

GHANSHAM WOODWORKS LIMITED

P.O. Box 20264, Dar Es Salaam
Tel: +255 22 2860478; Mob: +255 713 294426

19th January 2009

To,
The Executive Director,
Tanzania Investment Center,
P.O. Box 938
Shaaban Robert Street,
Dar es Salaam

Dear Sir,

RE: APPLICATION FOR CERTIFICATE OF INCENTIVES

We enclose herewith our application for Certificate of Incentives together with a Business plan and other supporting documents for the company's intended investment in manufacturing of wooden furniture and joineries, which is a priority of the investment drive of the country.

We look forward to your kind approval.

Yours truly,

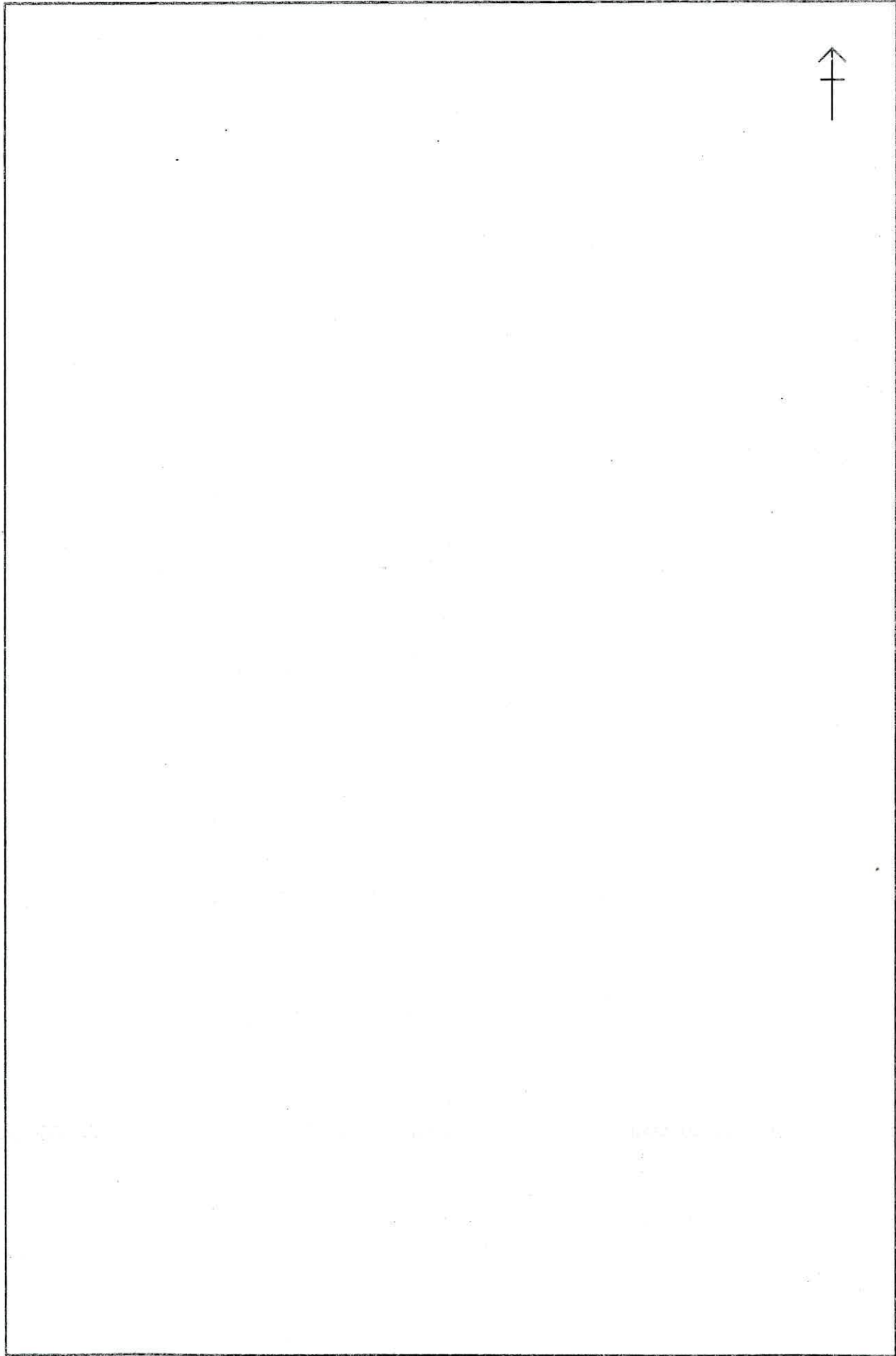
For Ghansham Woodworks Limited



Gopal Dhanji Mayani
Director



SKETCH MAP SHOWING PROJECT LOCATION



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

Land/Building	.....
Plant	..... 350,000/-
Vehicles	..... 50,000/-
Furniture & Fittings	.....
Pre-expenses	.....
Others	..... 10,000/-
Working Capital	..... 80,000/-
TOTAL	..... 490,000/-

Contact Details:

Name: JOSEPH MBOLGO Title: CONSULTANT
Telephone: +255 22-2115251/2/3 Fax: +255 22 2130519
Email: Joseph.mbogo@horwath-tz.com

Payments to be made payable to:

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

APPLICATION SUMMARY

Company Name: GTANSHAM WOODWORKS LIMITED

Certificate of Incorporation Number: 69302 Status: LIMITED

Certificate of Incorporation Date: 14/01/2009

Post Box: 20264

Town: DAR ES SALAAM

Sector: MANUFACTURING Sub-Sector: FURNITURE MANUFACTURING

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
.....	<u>490,000</u>	.....	.....

Project Objectives: MANUFACTURING OF WOODEN FURNITURE, AND JOINERY PRODUCTS

Capacity:

Employment: Foreign: 2 Local: 9 Total: 11

Implementation Period: FEBRUARY 2009 - MARCH 2012

Project Location

Site/Plot/Block No.: 3

Street: VINGUNGUTI District: ILALA Region: DAR ES SALAAM

(Attach sketch map showing project location)

Shareholders	Nationality	%
<u>GOPAL DHANJI MAYAM</u>	<u>TANZANIAN</u>	<u>51</u>
<u>RAMJI DHANJI MAYAM</u>	<u>INDIAN</u>	<u>45</u>
<u>SUNIL GOPAL MAYAM</u>	<u>INDIAN</u>	<u>1.98</u>
<u>MATHEBH GOPAL MAYAM</u>	<u>INDIAN</u>	<u>2.02</u>
.....

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ 490,000/-

8. The month and day of the financial year end is 30th JUNE

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

I/We enclose a cheque/cash made payable to the **Tanzania Investment Centre** for Tshs./US\$

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

I, GOPAL DHANJI MAYANI of Post Office Number 20264

DARESALAAM do solemnly and sincerely declare that I am a director/~~director~~ authorized agent of GTHANSHAM WOODWORKS LIMITED

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

Declared at Dar es Salaam

The 28th day of January 2009

Gopced D. mayani
Applicant

Before me:

[Signature]
Commissioner for Oaths



UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT

(No. 26 of 1997)

APPLICATION FOR REGISTRATION

(Made under Regulation 42)

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

1. I/we GOPAL DHANJI MAYANI
(director/directors/agent of CHANSHAM WOODWORKS LIMITED
(name of business enterprise) apply for registration of CHANSHAM WOODWORKS LTD
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.

2. The registered office of the company will be situated at PLOT NO 3, VINGUNGUJI
INDUSTRIAL AREA, DAR ES SALAAM

Copies of the following documents are attached to this application:

- (i) The Memorandum and Articles of Association/or partnership agreement
- (ii) Certificate of Incorporation/Registration
- (iii) A copy of the Project Profile or Feasibility Study showing the implementation period, programme of implementation and operative date
- (iv) Evidence of financing and evidence of land ownership for the project

3. The Head Office of the Company will be situated at PLOT NO 3, VINGUNGUJI INDUSTRIAL AREA

4. The Principal Officers of the Company are GOPAL DHANJI MAYANI, RAMJI
D. MAYANI, MAHESH GOPAL AND SUMIL GOPAL

5. Auditors of the Company are HORWATH TANZANIA

6. The authorized share capital of the Company is Tshs./~~US\$~~ 10,000,000/-



TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

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

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

(Please fill the form in duplicate)

5529 07639

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

TFN. 614 (Rev. 8/94)

30324653 1

EXCHEQUER RECEIPT

MIMEPOKEA KWA
Received from

GHANSHAM WOODWORKS LTD



KIASI
Amount

Shs.					Cts.
U	S	D	1	0	0

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

USDOLLAR ONE HUNDRED ONLY

NA SENTI
And Cents

KWA MALIPO YA
In Respect of

REGISTRATION FEE

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

CASH

KITUO - Station

SAHIMI YA MPOKEAJI- Receiving Officer's
Signature.

CHEQ- Title

ACC 09 JAN. 2009

DSM.

Govt. Press, Dsm.

GHANSHAM WOODWORKS LIMITED

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1.0 Business Plan

1. Executive summary
2. Company summary
3. Financial Analysis
4. Market analysis
5. Employment and management profiles
6. Financial plan

2.0 Other documents

1. Board Resolution
2. Certificate of Incorporation
3. Lease Agreement
4. Memorandum and Articles of Association
5. Other attachments

EXECUTIVE SUMMARY

The Company

Ghansham Woodworks Ltd is a lately established business venture. The company operates a business in manufacturing of kitchen cabinets, wall unit, panel door and all types of furniture and joinery works. Its founders have extensive experience in the carpentry and joinery products industry. The company seeks to expand its operations in manufacturing of furniture and joinery works to efficiently serve the existing market as well as to explore and develop new market segments for the products.

Over some years of being involved with the carpentry and joinery products, manufacture of household furniture, industrial fittings and furniture, ceiling boards, timber strips and parquets. The company owners have seen a need for the company to expand its business operations in the industry through investing in upscale

The company will offer customized, ready-to-finished wooden furniture, joinery products that are hand made and surprisingly affordable. We offer:

- ⇒ Truly custom furniture: An unfinished furniture piece that is crafted for the customer. We will customize any piece or create a whole new piece from a customer's rough sketch.
- ⇒ Heirloom quality furniture: The furniture is made to last for generations. It is hand crafted, so each piece is unique.

1.1 Mission

The Company's Mission is simple. The customer gets what he/she wants; furniture(one piece or a whole house full) that fits the customer space, taste, budget and style preference; from top to bottom.

1.2 Objectives

The main objective of the project is to develop a furniture manufacturing and carpentry services providing facility that will increase the contribution of the locally manufactured wooden furniture in the local market and thus raise the contribution of the sector to the national income and peoples' welfare. For this to achieve, local newly hired staff will be

trained such that they become artisans in furniture making and such that they will be able to independently produce high quality furniture.

It is expected that during the first two years of the implementation, the company will achieve an operating profit of 40% and sales turnover of about \$1,000,000.

1.2 Critical success factors

The keys to success for the Ghansham Woodworks Ltd are as follows:

- (i) Offer our customers affordable quality furniture that will last.
- (ii) Customize any piece as requested by a customer
- (iii) And if customizing a piece will not quite work, create a whole new piece from scratch, exactly to the customer's specifications.

Market Analysis

The company's focus is on both the affluent and modest income earners. It will also focus on the architects, owners, and contractors in the Dar es Salaam city who are involved in high-end and mid-range residential, resort, and commercial development segments. We understand that, Dar es salaam City has great market growth potential as the number of new residential homes and commercial developments keep on increasing by time.

Ghansham Woodworks Ltd will be focusing on contacting contractors and architects that deal with the new residential establishments and commercial developments market. Making ourselves known to these entities will generate some strong leads, along with getting personal recommendations to the home owners.

Financial performance snapshot

The company expects to start implementing this expansion plan from early 2009. The company also expects to recoup the initial outlay of investment in the third year of implementation. The financial estimates are prepared for a period of five years from 2009. The project's internal rate of return is 45%, which is significantly higher than the hurdle rate that is 20%. The IRR is estimated for a period of five years.

Conclusion

The results of the analysis conducted in this study indicate that the proposed investment is financially viable and economically justifiable. This conclusion is reached based on the following:

- (i) The cash flow of the sources and uses of funds generated are adequate enough to enable the project meet its maturing financial obligations and yet remains with substantial cash surplus, right from the beginning of operations.
- (ii) It is a potential source of employment opportunities and Government revenue
- (iii) Market growth potential
- (iv) Business earnings growth potential

1. Project Background

The proposed investment is tailored to increase the manufacturing capacity and then efficiently serve the existing market segment. The expansion of joinery services are aimed at extending the business tentacles to new market segments in the industry through provision of upscale and customized joinery services and wooden household furniture.

The project will involve acquisition of the upscale carpentry equipment and trucks, which will facilitate the increase of wooden furniture and joinery products manufacturing capacity as well as rendering the joinery services to the highly competitive market.

The promoters are massively endowed with the expertise in provision of carpentry and joinery services as well as manufacturing customized wooden household furniture and have the vision to exploit the manufacture of joinery products and furniture business opportunity while maintaining high level of quality.

The estimated total cost of implementing the drawn expansion plan is estimated at \$490,000. The cost of the project will be solely financed by equity contribution of \$490,000.

2. Purpose

The purpose of this study is to examine and exemplify the environmental, economic and financial viability of the proposed project. It is assumed for these purposes that the projected

viability of the project on average will span five years and therefore the financial models within this study are prepared for a period of five years.

3. Market Analysis

Manufacturing and selling wooden furniture and joineries is a large industry. However, the focus of industry is on the relatively affluent and modest income customers who can spend upwards to \$1000 on furniture purchases. However, there are many furniture stores, which sell ready made imported furniture that also, compete for these customers with deep pockets. Those customers who wish to have furniture of their own specifications and those who cannot afford high prices which are charged for these imported furniture pieces are in most cases left not catered for.

The market for joinery services and manufacturing of wooden household furniture in Tanzania is on a rise. In particular, laminated board furniture is being imported from Far East (mainly China, Malaysia and Indonesia). Lately, the preference of Tanzanians for imported laminated wooden furniture has increased as most of them are affordable to the modest income earners. However, these furniture items are not of *heirloom* quality furniture, the cheapness of the imported laminated furniture is at the expense of its quality. Having understood this situation, the company is focusing on serving the modest income earners and affluent households who require *heirloom* quality furniture.

In the light of the fact that the Tanzanian economy is picking up, modern buildings with offices being built and during the past three years, the sale of furniture has been increasing. Locally made furniture are durable but the market trend show that customers' preference still to imported laminated furniture, this is due to being cheap with appealing designs and artworks. The company is dedicated to provide large range of wooden furniture, ranging from that of heirloom quality to the customized furniture. We will adopt upscale designs and artworks, which will help us, change the customers' mind set regarding the locally made furniture and thus outperform the competitors who rely on imported furniture items.

In the Dar es Salaam city, there is apparently large number of residents with modest incomes that don't have a furniture store to cater for their needs of customized affordable quality furniture. This population has grown tremendously over the past years and it still explosively growing but has not been responded to by the players in the carpentry works and wooden furniture industry. Targeting customers with modest incomes and who wish to have

heirloom quality furniture, wooden cabinets, and wardrobes of their own specifications is a good business.

3.1 Competitive Edge

Our competitive edge is our ability to provide large range of carpentry services and wooden furniture products, which include customized carpentry services and wooden furniture products while maintaining high level of quality on the services and products.

3.2 Sales Strategy

Our sales strategy is to make ourselves known through mailings, print advertising, and personal contact to architects and contractors who are primarily involved with the design/construction of commercial developments and residential houses.

Having a showroom will be a sales tool in itself. A showroom will give us exposure to the general public, new arrivals to the city, and construction professionals.

3.3 Business Strategy

The company will initially focus its efforts on acquiring capital goods such as hardwood processing machines, carpentry equipments, trucks and other associated assets. Once the capital goods are in place, the company will recruit carpenters to run the factory and provide carpentry services to accommodate the expansion in carpentry operations and furniture manufacturing. This course of action will be initially pursued as a way to efficiently utilize capital and establish a reputation within the targeted market segments.

3.4 Factors affecting market viability

Change in macroeconomic variables, forest depletion, furniture manufacturing-technology, legal framework and the trends of the business operations will likely affect the future market viability of the carpentry operations and furniture manufacturing. The company has the skills and ability to operate the business and withstand any challenges that come across, it is determined to ensure that it continually strives to be the best in the industry.

4. Financial Analysis

The total cost of investment in the expansion of the carpentry services and furniture manufacturing is estimated at \$490,000 and split as follows:

4.1 Investment Model:

PARTICULARS	AMOUNT
Carpentry Equipments	\$200,000
Standby generator	\$10,000
Hardwood processing machines	\$150,000
Motor vehicles	\$50,000
Working capital	\$80,000
GRAND TOTAL	\$490,000

4.2 Revenue Model

The prices are established based on competitive pricing strategies, in which the current prices for the wooden office table, is \$60-\$150, bedroom furniture, is \$100-\$500, hardwood doors, is \$150-\$350. However, prices depend on a number of factors, including; type of material used, size, shape, etc. The company intends to target and serve the carpentry service and wooden furniture market efficiently. The project proposes to price its services and products in such a way as to ensure real value for money meanwhile ensuring high level of quality is maintained. Carpentry services revenue estimates are based on the current experience. The different sources of revenues are tabulated below:

Revenue Model

Particulars	Pieces p.a.	Price per piece	Total Amount
Bedroom furniture	4000	\$100	\$400,000
Kitchen furniture			\$20,000
Hardwood doors	2000	\$150	\$300,000
Office furniture (tables)	2000	\$100	\$200,000
Office furniture (seats)	4000	\$60	\$240,000
Carpentry and joinery services			\$60,000
Dining tables	500	\$150	\$60,000
Hardwood cabinets	1000	\$150	\$60,000
GRAND TOTAL			\$1,340,000

4.4 Cost-benefit analysis

The projected initial outlay of investment is \$490,000. The project is profitable with the internal rate of return (IRR) of 45%. The project will recoup the initial investment outlay in 3 years. Therefore it is worthwhile undertaking the project, since it will fully recover the capital in three years and increase the value of the shareholders' funds thereafter.

5. Ownership profile

The project will be 100% owned by Ghansham Woodworks Ltd. The share holders are as scheduled below:

FULL NAME	NATIONALITY	%HOLDINGS
Gopal Dhanji Mayani	Tanzanian	51
Ramji Dhanji Mayani	Indian	45
Sunil Gopal Mayani	Indian	1.98
Mahesh Gopal Mayani	Indian	2.02
Total		100

6. Employment and Management profiles

Gopal D. Mayani, Director, has massive working experience in carpentry and furniture manufacturing business; the experience range from provision of general carpentry service to the manufacture of household wooden furniture items. Ramji D. Mayani, Mahesh Gopal and Sunil Gopal are also directors of the Company and have many years of working experience in the carpentry and furniture manufacturing business. The management is dedicated to offering high quality services to the customers.

The project is expected to create more employment opportunities for the local community, in particular to the Dar es Salaam community. The expected level of manpower needed along with personnel budget for the established project is as scheduled below:

Personnel plan:

TITLE	NUMBER	SALARY PER MONTH	SALARY PER YEAR
Manager	1	\$1,000.00	\$12,000
Assistant Manager	1	\$800.00	\$9,600
Drivers	2	\$200.00	\$4,800
Carpenters	5	\$500.00	\$30,000
Security	2	\$150.00	\$3,600
TOTAL	11		\$60,000

7. Environmental impact assessment

We recognize our need and responsibility as a Tanzanian Corporation to actively address environmental concerns. The company will utilize sound environmental, pollution prevention and control, energy conservation and solid waste management practices internally, for example, the company is expecting to adopt biomass briquetting approach to environmental conservation.

In course of manufacturing furniture the company will continue examining products, process, operations, and evolving technologies for environmental improvement opportunities.

The company's ultimate environmental goal is to ensure that it is doing its part responsibly and playing a leadership role in helping preserve the environment.

Besides its environmental goal, the company will adhere to all applicable regulations governing environmental activities.

8. FINANCIAL PLAN

Below are the initial financial goals:

- ⇒ To operate on a 40% gross margin
- ⇒ Finance growth to be achieved through retained earnings
- ⇒ Expansion operations to be solely financed by equity contribution and internally generated funds

Important assumptions

The financial plan depends on important assumptions, most of which are shown in the following schedule:

	Yr1	Yr2	Yr3	Yr4	Yr5
Corporation tax rate	30%	30%	30%	30%	30%
Cost of capital	20%	20%	20%	20%	20%
Sales turnover (% of the furniture prod'n capacity p.a.)	50%	60%	80%	100%	100%
Cost of sales	60%	60%	60%	60%	60%

Note that, the study has ignored the effect of change in accounts receivable and accounts payable on the working capital performance for the reason of simplicity; however, from the owners' experience there has been very low chances of debtors to default.

8.1 PROJECTED INCOME STATEMENT

Particulars	<u>Yr0</u>	<u>Yr1</u>	<u>Yr2</u>	<u>Yr3</u>	<u>Yr4</u>	<u>Yr5</u>
	\$	\$	\$	\$	\$	\$
Annual Income						
Revenue	0	670,000	804,000	1,072,000	1,340,000	1,340,000
Total Income	0	670,000	804,000	1,072,000	1,340,000	1,340,000
Cost of Sales		(402,000)	(321,600)	(428,800)	(536,000)	(536,000)
Gross Profit		268,000	482,400	643,200	804,000	804,000
Operating Expenses						
Telephone charges		3,000	3,000	3,000	3,000	3,000
Salary & Wages		60,000	60,000	60,000	60,000	60,000
Stationary		13,400	16,080	21,440	26,800	26,800
Repair & Maintenance	-	16,750	16,750	16,750	16,750	16,750
Other costs		33,500	40,200	53,600	67,000	67,000
Total Operating Expenses	0	126,650	136,030	154,790	173,550	173,550
Operating Profit	0	141,350	346,370	488,410	630,450	630,450
Depreciation charge		43,500	43,500	43,500	43,500	43,500
Interest on Loan		0	0	0	0	0
Profit Before Tax		97,850	302,870	444,910	586,950	586,950
Corporate Tax (30%)	0	29,355	90,861	133,473	176,085	176,085
Profit for the year	0	68,495	212,009	311,437	410,865	410,865

8.2 PROJECTED CASHFLOW STATEMENT

Particulars	<u>Yr0</u> \$	<u>Yr1</u> \$	<u>Yr2</u> \$	<u>Yr3</u> \$	<u>Yr4</u> \$	<u>Yr5</u> \$
RECEIPTS						
Equity	490,000	-	-	-	-	-
Total Revenue	-	670,000	804,000	1,072,000	1,340,000	1,340,000
Total Receipts	490,000	670,000	804,000	1,072,000	1,340,000	1,340,000
PAYMENTS						
Motor vehicles	50,000					
Plant & Machinery	360,000					
Direct Costs		402,000	321,600	428,800	536,000	536,000
Operating expenses	0	126,650	136,030	154,790	173,550	173,550
Loan repayment		0	0	0	0	0
Corporation Tax	-	29,355	90,861	133,473	176,085	176,085
Total Payments	410,000	558,005	548,491	717,063	885,635	885,635
Net Cash Inflow/(Outflow)	80,000	111,995	255,509	354,937	454,365	454,365
Opening cash and bank balance	0	80,000	191,995	447,504	802,441	1,256,806
Closing cash and bank balance	80,000	191,995	447,504	802,441	1,256,806	1,711,171

8.3 PROJECTED BALANCE SHEET

Particulars	<u>0</u> \$	<u>1</u> \$	<u>2</u> \$	<u>3</u> \$	<u>4</u> \$	<u>5</u> \$
Fixed Assets						
Motor vehicles	50,000	50,000	50,000	50,000	50,000	50,000
Equipment	360,000	360,000	360,000	360,000	360,000	360,000
Total Fixed Assets	410,000	410,000	410,000	410,000	410,000	410,000
Less cumulated depreciation		(43,500)	(87,000)	(130,500)	(174,000)	(217,500)
Net Book Value	410,000	366,500	323,000	279,500	236,000	192,500

CURRENT ASSETS						
Cash and Bank	80,000	191,995	447,504	802,441	1,256,806	1,711,171
Total Current Assets	80,000	191,995	447,504	802,441	1,256,806	1,711,171

CURRENT LIABILITIES						
Creditors and Accruals						
Corporate Tax						
NET CURRENT ASSETS	80,000	191,995	447,504	802,441	1,256,806	1,711,171

TOTAL ADDITIONAL ASSETS	490,000	558,495	770,504	1,081,941	1,492,806	1,903,671
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CAPITAL AND RESERVES						
Equity	490,000	490,000	490,000	490,000	490,000	490,000
Loan	0	0	0	0	0	0
Retained Earnings	0	68,495	280,504	591,941	1,002,806	1,413,671
CAPITAL EMPLOYED	490,000	558,495	770,504	1,081,941	1,492,806	1,903,671

8.4 DEPRECIATION SCHEDULE (\$)

Particulars	0	1	2	3	4	5
Motor vehicles	50,000	50,000	50,000	50,000	50,000	50,000
Depreciation charge		7,500	7,500	7,500	7,500	7,500
cumulative depreciation		7,500	15,000	22,500	30,000	37,500
NBV	50,000	42,500	35,000	27,500	20,000	12,500
Plant & Machinery	360,000	360,000	360,000	360,000	360,000	360,000
Depreciation charge		36,000	36,000	36,000	36,000	36,000
cumulative depreciation		36,000	72,000	108,000	144,000	180,000
NBV	360,000	324,000	288,000	252,000	216,000	180,000
TOTAL NBV	410,000	366,500	323,000	279,500	236,000	192,500

8.5 INVESTMENT ANALYSIS (\$)

PARTICULARS	Yr0	Yr1	Yr2	Yr3	Yr4	Yr5
Investment Costs	(490,000.00)					
Free Cashflows	0	111,995.00	255,509.00	354,937.00	454,365.00	454,365.00
Net Cashflows	(490,000.00)	111,995.00	255,509.00	354,937.00	454,365.00	454,365.00
IRR	44.89%					
NPV at 20%	323,239.46					

GHANSHAM WOODWORKS LIMITED

COMPANY NO. 69302

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE COMPANY HELD ON THE 19TH DAY OF JANUARY 2009 AT THE COMPANY'S REGISTERED OFFICE

1. THE FOLLOWING DIRECTORS WERE PRESENT AND CONSTITUTED A QUORUM OF THE BOARD:

GOPAL DHANJI MAYANI	-CHAIRMAN
RAMJI DHANJI MAYANI	-MEMBER
MAHESH GOPAL MAYANI	-MEMBER
SUNIL GOPAL MAYANI	-MEMBER

2. OPENING OF MEETING, QUORUM AND AGENDA

A quorum being present, the meeting was declared duly convened.

3. APPROVAL FOR INVESTMENT IN MANUFACTURE OF WOODEN FURNITURE

The Board of Directors unanimously resolved to give approval to the company to invest in manufacture of wooden furniture and joineries

4. TIC APPROVAL

It was unanimously resolved that a request for an approval and grant of a certificate of incentives be made to the Tanzania Investment Centre for the above project and an appropriate follow-up be made on the matter of TIC approval.

5. OTHER MATTERS

There being no other matters to transact, the meeting ended at 10.30 a.m. with a vote of thanks to the chair.

Gopal D. Mayani

GOPAL DHANJI MAYANI
CHAIRMAN

THIS LEASE AGREEMENT

Made this 15th day of January 2009

BETWEEN

GOPAL DHANJI MAYANI
Of P.O. Box 20468, Dar es salaam

(Hereinafter called the Lessor, which expression shall include his assigns and successors in title)

OF THE FIRST PART

AND

GHANSHAM WOODWORKS LIMITED
Of P.O. Box 20468, Dar es salaam
(Hereinafter referred to as Lessee)

OF THE OTHER PART

56-10/2009

This LEASE AGREEMENT is made this 15th day of January between GOPAL DHANJI MAYANI of P.O. Box 20468, Dar Es Salaam (hereinafter called the "Lessor") of One Part and GHANSHAM WOODWORKS LTD of P.O. Box 20468, Dar Es Salaam (hereinafter called the "Lessee") of the other part.

WHEREAS IT IS AGREED AS FOLLOWS:

1. The Lessor offers their property, which is located at the Plot No.3, Vingunguti Industrial Area, Ilala, Dar es salaam (hereinafter referred to as the said "property") for a period of five years from 15th January 2009 to 16th January 2014 at a yearly rent of TSh.12,000,000 (Tanzanian Shillings Twelve Million)
2. The Property will be available for occupation as from the effective date.
3. Upon execution of this Agreement, the Lessee shall be entitled to enter into full possession of the property. The Lessor shall let the Lessee enjoy unencumbered and uninterrupted tenure of stay during the term of this Lease. Where the Lessor wishes to inspect the premises, this may be done by giving notice to the Lessee and at a time convenient to the Lessee.
4. The rent shall be paid annually in advance.
5. The Lease Agreement may be terminated by either party by giving a six months notice or rent in lieu of notice.
6. The Lessee shall pay all charges of electricity, water, telephone and other services used on the premises during the term of this lease period.
7. The Lessee shall not carry out any alterations or structural changes to the premises without the prior consent of the Lessor.
8. The Lessee shall not sub-let or part with the possession of the said premises without the prior consent of the Lessor.
9. The Lessee shall use the said property for residential purposes for its staff, or the staff of its associated company.
10. The Lessee may renew the lease by giving not less than three months notice in writing to the Lessor. The terms and conditions for the renewed lease may be negotiated and mutually agreed between the parties. Where the Lessor does not wish to renew the lease, then a notice of six months prior to expiration of the lease will be given to the Lessee.
11. The Lessee agrees to maintain the property in like condition at the time of possession.
12. The Lessor agrees to pay all taxes due to the Government or local authorities.
13. The Lessor agrees to abide by these terms and commits irrevocably to the Lessee that the latter's rights will remain unaltered even in the event the property is sold by the Lessor.
14. The Lessor will be responsible for all major repairs to the property and with respect to the air-conditioners, electricity and water supply to the property. The Lessor will be responsible for all structural repairs to the said property.

15. The Lessor will adequately cover the property by insurance to cover the risk of fire and damage by any natural or other causes. In this case the Lessor indemnifies the Lessee against all insurable risks to the said property.

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

SIGNED and DELIVERED by the said LESSOR, GOPAL DHANJI MAYANI and Delivered in the presence of us this 26 day of Oct. 2009

Name: GOPAL D. MAYANI

Signature: [Handwritten Signature]

Postal Address: 20264

Qualification:

Witness

Name:

Signature:

Postal Address:

Qualification:

STAMP DUTY
Shs. 17000 Collected
Receipt No. 618613 Date: 27.1.2009
Regional Manager - Nala Tax Region

SIGNED and DELIVERED by the said LESSEE, GHANSHAM WOODWORKS LTD who is known to me in my presence at DAR ES SALAAM on this 26 day of Oct. 2009.

Name: GHANSHAM WOODWORKS LTD

Signature: [Handwritten Signature]

Postal Address: 20264

Qualification:

Witness

Name:

Signature:

Postal Address:

Qualification:

TANZANIA



Certificate of Incorporation

Section 15

No **69302**

I HEREBY CERTIFY THAT

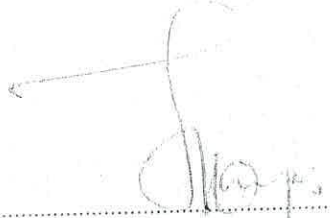
GHANSHAM WOODWORKS LIMITED ==

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

Given under my hand at Dar es salaam

this **14TH** day of **JANUARY**

TWO THOUSAND AND NINE


.....
Asst. Registrar of Companies

RECEIPT NO. 15000/1
 24467813
 27/1/09

Form.55a
 20
 23/01/09

THE UNITED REPUBLIC OF TANZANIA
 BUSINESS REGISTRATIONS AND LICENCING AGENCY

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

Company Number

Company Name in Full

Shares Allotted (including bonus shares)

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

From:
 To:

Class of Shares (ordinary or preference etc)	<input type="text" value="ORDINARY"/>
Number allotted	<input type="text" value="9,900"/>
Nominal value of Each share	<input type="text" value="TZS.1,000/-"/>
Amount (if any) paid or due on each share	<input type="text" value="TZS.1,000/-"/>

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

% that each share is to be treated as paid up

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

FOR OFFICIAL USE ONLY

Shareholder details	Share and share class allotted	
	Class of Shares	Number Allotted
Name: GOPAL DHANJI MAYANI		
Address: P.O.BOX 20264, DAR ES SALAAM, TANZANIA	ORDINARY	5,049

Shareholder details	Share and share class allotted	
	Class of Shares	Number Allotted
Name: RAMJI DHANJI MAYANI		
Address: P.O.BOX 20264, DAR ES SALAAM, TANZANIA	ORDINARY	4,455

Shareholder details	Share and share class allotted	
	Class of Shares	Number Allotted
Name: SUNIL GOPAL MAYANI		
Address: P.O.BOX 20264, DAR ES SALAAM, TANZANIA	ORDINARY	196

Shareholder details	Share and share class allotted	
	Class of Shares	Number Allotted
Name: MAHESH GOPAL MAYANI		
Address: P.O.BOX 20264, DAR ES SALAAM, TANZANIA	ORDINARY	200

Please enter the number of continuation sheets
(if any) attached to this form

NONE

Signed

Gopal D. Mayani

Director/Secretary/Administrator/Administrative Receiver/Receiver/Manager

Date

26/01/2009

EXTRACT OF MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
OF THE COMPANY HELD AT ITS REGISTERED OFFICE ON
16 JANUARY 2009 AT 1.00 P.M.

RESOLVED:

ALLOTMENT OF SHARES

THAT the allotment of nine thousand nine hundred ordinary shares (9,900 shares) each with a nominal value of TZS.1,000/- to the following is hereby approved:

Gopal Dhanji Mayani	-	5,049	shares
Ramji Dhanji Mayani	-	4,455	shares
Sunil Gopal Mayani	-	196	shares
Mahesh Gopal Mayani	-	<u>200</u>	shares
		<u>9,900</u>	shares

REVISED POSITION OF SHAREHOLDING IN THE COMPANY


THAT after the above allotment of shares, the new position of shareholding in the company will be as follows:

Gopal Dhanji Mayani	-	5,100	shares
Ramji Dhanji Mayani	-	4,500	shares
Sunil Gopal Mayani	-	200	shares
Mahesh Gopal Mayani	-	<u>200</u>	shares
		<u>10,000</u>	shares

ISSUE OF SHARE CERTIFICATES

THAT share certificates be issued to reflect the above revised shareholding position and THAT the company seal be affixed thereon.

Signed as true record and in confirmation of the agreements reached by the Board of Directors.


GOPAL DHANJI MAYANI
CHAIRMAN


RAMJI DHANJI MAYANI
DIRECTOR


SUNIL GOPAL MAYANI
DIRECTOR

RECEIPT NO. 150007
34467613
27/01/09

25008

GHANSHAM WOODWORKS LIMITED
Company No. 69302

EXTRACT OF THE MINUTES OF THE EXTRA ORDINARY GENERAL
MEETING OF THE MEMBERS OF THE COMPANY HELD AT ITS
REGISTERED OFFICE ON 16 JANUARY 2009 AT 1.00 P.M.

RESOLVED:

ALLOTMENT OF SHARES

THAT nine thousand nine hundred ordinary shares (9,900 shares) each with a nominal value of TZS.1,000/- be and are hereby allotted to the following:

Gopal Dhanji Mayani	-	5,049	shares
Ramji Dhanji Mayani	-	4,455	shares
Sunil Gopal Mayani	-	196	shares
Mahesh Gopal Mayani	-	<u>200</u>	shares
		<u>9,900</u>	shares

REVISED POSITION OF SHAREHOLDING IN THE COMPANY

THAT after the above allotment of shares, the new position of shareholding in the company will be as follows:

Gopal Dhanji Mayani	-	5,100	shares
Ramji Dhanji Mayani	-	4,500	shares
Sunil Gopal Mayani	-	200	shares
Mahesh Gopal Mayani	-	<u>200</u>	shares
		<u>10,000</u>	shares

Signed as true record and in confirmation of the agreements reached by the Shareholders.

GOPAL DHANJI MAYANI
CHAIRMAN

RAMJI DHANJI MAYANI
MEMBER

SUNIL GOPAL MAYANI
MEMBER

THE COMPANIES ACT 2002

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

GHANSHAM WOODWORKS LIMITED

Incorporated this Day of2008

DRAWN BY:

GOPAL DHANJI MAYANI
P. O. BOX 20264
DAR ES SALAAM
TANZANIA

THE COMPANIES ACT 2002

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

GHANSHAM WOODWORKS LIMITED

1. The name of the Company is **GHANSHAM WOODWORKS LIMITED**.
2. The registered office of the Company is situated in the United Republic of Tanzania.
3. The objects for which the Company is established are:-
 - a) To take over the business of GHANSHAM WOODWORKS as a going concern and to take over the assets and trade.
 - b) To manufacture, buy, import, sell, export and generally deal in carpentry and joinery products of all kinds including the manufacture of household furniture, industrial fittings and furniture. To manufacture all types of furniture, building materials, windows, doors, ceiling boards, timber strips, parquet tiles and all types of wooden furniture, implements, and products of every type, size, quantity, model, designs and description whatsoever. To import, buy, sell, export, distribute, warehouse and to generally deal in all the foregoing products whatsoever.
 - c) To engage in the business of cultivation of woodlands. To act as lumberers, buy, sell, export, import and distribute timber, sawdust, woodlands and all types of wood products whatsoever.
 - d) To carry out planning and preparation of designs, drawings, surveys, models, plans and implement such plans for all types of woodwork and joinery installations and projects and undertakings of every description.
 - e) To import, procure, supply and install woodworking and carpentry equipment of any description, size and magnitude.
 - f) To sell, export, act as agents, vendors, promoters, retailers and to generally deal in all types of woodworking and carpentry equipment,

installations, works, designs, implements and to generally deal in all equipment, devices of any description, size and magnitude and to generally deal in woodwork, furniture, doors, windows and all other products, services, and implements whatsoever.

- g) To manufacture, buy, import, sell, export and generally deal in electrical, electronic, security, computer and telecommunications equipment, accessories, machines, spare parts and devices of any description, size and magnitude.
- h) To carry on and engage in the business of dealing with all types of telecommunication and information systems, hardware and software systems, consultancy, general computer knowledge, computer training and programming.
- i) To provide full range of communication services, satellite, uplink services, wide area networks through satellite connectivity, local area networks, digital communication services, telecommunication services, radio links on a local as well as wide area networks, microwave links, international data and telecommunication services, television and radio broadcasting, managing and transmission services for all types of data, voice, graphic mail, and to deal in all matters pertaining to information technology and the information super highway. To engage in or otherwise carry on the business of providing all types of networking services, full internet services, provide value added services on the internet, data and all possible types of communication services for local and overseas subscribers. Services provided to include all currently available services and all future developments in technology as it becomes available in data communications globally. To set up and operate manufacturing facilities for electronic or electrical goods and to run and operate recording studios for sound and video.
- j) To act as agents for telecommunication companies and to generally carry out any services, trade, vocation, or business whatsoever pertaining to the telecommunication, data or voice transmission services whatsoever as independent service providers or as agents.
- k) To enter into contracts to subcontract any portion or the whole of the work in respect of the foregoing businesses to local or foreign subcontractors.
- l) To receive, collect, disburse, invest, hold and discount monies, payments, funds, or any form of consideration, either as principals or as agents, for any type of telecommunication, data, voice transmission, sale of implements or any related function, activity, business or trade of any description, size or magnitude.
- m) To lend and advance money or give credit to such persons, firm or

companies and on such terms as may seem expedient, and in particular to customers and others having dealings with the company, and to give guarantee to become surety for the due payment of money for the performance of any obligations or liabilities.

- n) To raise and borrow money by the issue of shares, stocks, debentures, debenture stocks, bonds, obligations, deposit notes and otherwise howsoever, and to invest the money so raised and borrowed or any other moneys of the company not immediately required upon each security and in such manner as may from time to time be determined, and to vary such investments of the company as may be deemed reasonable,
- o) To receive money or deposit or loan and borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debenture stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien and to secure and guarantee the performance by the company or any other person or company of any obligation undertaken by the company or any other person or company as the case may be.
- p) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- q) To sell or otherwise dispose of the whole or any part of the business or property of the company, either together or in portions, for such consideration as the company thinks fit, and in particular for shares, debentures, or securities of any company purchasing the same.
- r) To purchase or otherwise acquire letters, patent, brevets d'invention, trade and service marks, intellectual property rights, concessions, licenses, rights and privileges, subject to royalty or otherwise, and whether exclusive or non-exclusive or limited, or any part interest, in such letters, marks, patent, brevet d'invention, concessions, licenses, rights and privileges, whether in Tanzania or in any other part of the world.
- s) To take all necessary and proper steps with the authorities, national, local, international, foreign, municipal, or otherwise, of any place in which the company may have interests, and to carry on any negotiations or operations for the purpose of off directly or indirectly carrying out the objects of the company or effecting any modification in the constitution of the company or furthering the interest of its members, and to oppose any steps taken by any other company or persons which

may be considered likely and directly, to prejudice the interest of the Company or its members.

- t) To establish divisions, workshops, distribution facilities, points of sales and agencies within the country or in any other country, which the company deems fit for the better operations and enhancement of the company aims and objects.
- u) To carry on any business which may seem to the company capable of being conveniently carried on in connection with any of the business of the company or calculated directly or indirectly to enhance the value of or render profitable any of the company's rights.
- v) To acquire and undertake the whole or any part of the business property and liabilities of any person, firm or company carrying on any business which the company is authorized to carry on, or possess property suitable for the purpose of this company.
- w) To purchase, lease or otherwise acquire, and to hold, sell, improve, develop, exchange, mortgage or otherwise dispose of any lands, buildings, machinery or plants, mills, factories, warehouses or any hereditament in connection with the business of the Company.
- x) To adopt such means of making known the products of the company as may seem expedient and in particular by marketing aids including but not limited to advertising in the press, by circulars, by purchase and exhibition of works, art or interest, by publication of books and periodicals, and by granting prizes, rewards and donations.
- y) To enter into any arrangements with any Government or authorities (supreme, municipal, local or otherwise) or any corporations, companies or persons having objects that may seem conducive to the company's objects or any of them, and to obtain from any such Government, Authority, Corporation, Company or person, any franchise, characters, contracts, decrees, rights, privileges and concessions which the company may think desirable, and to carry out, exercise and comply with any such characters, contracts, decrees, rights, privileges and concessions.
- z) To enter into partnership or any arrangements for sharing profits, union or interests, co-operation, joint venture, reciprocal, concession, or otherwise with any persons, firm or company carrying on or engaged in or about to carry on any business or transaction which this company is authorised to carry on, or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this company, And to lend



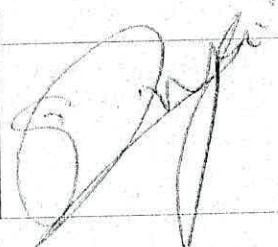
money to, guarantee the contracts of, or otherwise assist any such shares and securities of any such company, and to sell, hold, reissue with or without guarantee, or otherwise, deal with the same.

- aa) To promote any other company for the purpose of acquiring all or any of the property and undertaking, or any of the liabilities of this company of undertaking any business or operation which may appear likely to assist or benefit this company, or to enhance the value of the property or business of this company and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares or securities of each company as aforesaid.
- bb) To own and acquire aircrafts and operate the aircrafts for the facilitation of the foregoing businesses and to provide all and any facilities for such aircrafts including instruction, training pilots, navigators and all other relevant personnel.
- cc) To provide information, management, supervision or control of the business or operations of any company, and for that purpose to act as directors, engineers, consultants, administrators, Managers, secretaries or any other capacity and to appoint and remunerate any directors, administrators, managers, accountants or other experts or agents.
- dd) To procure the registration of the company in or under the laws of any place outside Tanzania.
- ee) To purchase, sell, subscribe for, underwrite, or otherwise acquire and hold shares, stocks or other interests in, or obligations of any other company or corporation.
- ff) To distribute among the members of the company in kind and property of the company, and in particular any shares or securities of other companies belonging to this company.
- gg) To act as agents or brokers and as trustees for any person or company and undertake and perform subcontracts and to do all or any other the above business in any part of the world, and either as principals, agents, trustees contractors or otherwise, and either alone or jointly with others and either by or through agents, sub-contractors, trustees or otherwise.
- hh) To do all such other things as the company believes to be incidental to or conducive to the attainment of all or any of the above objects.
- ii) To carry out any business, trade or activity permissible by law.

AND it is hereby declared that in the interpretation of this clause and powers conferred upon the Company by any paragraph shall not be restricted by the reference to any other paragraph or to the name of the Company or by the juxtaposition of two or more objects; nor shall any of the aforesaid objects or powers be deemed subsidiary or auxiliary merely to the objects mentioned in the first or any other paragraph, save as is expressly provided by so that the Company shall have full power to exercise all or any of the powers conferred by any part of this clause in any part of the world and in the event of any ambiguity this clause and every paragraph hereof shall be construed in such a way as to widen and not restrict the powers of the Company.

4. The liability of the members is limited.
5. The authorised share capital of the Company is Tanzania Shillings Ten Million (10,000,000/-) divided in Ten Thousand (10,000) shares of Shillings One Thousand (1,000/-) each with power for the Company to increase or reduce the said capital and to issue any part of its capital, original or increased, with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares, whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained.

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.

Name, Addresses and Description of subscribers	Number of Shares taken	Signature of Subscribers
GOPAL DHANJI MAYANI P.O. BOX 20264 DAR ES SALAAM TANZANIA	51	
RAMJI DHANJI MAYANI P.O. BOX 20264 DAR ES SALAAM TANZANIA	45	
SUNIL GOPAL MAYANI P.O. BOX 20264 DAR ES SALAAM TANZANIA	4	

DATED this 8th Day of January, 2009

WITNESS TO THE ABOVE SIGNATURES

FULL NAME

M. G. PARDHAN
ADVOCATE

SIGNATURE



POSTAL ADDRESS

QUALIFICATION



THE COMPANIES ACT 2002

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

GHANSHAM WOODWORKS LIMITED

PRELIMINARY

1. **In these regulations: -**

"The Act" means the Companies Act 2002 of the Laws of Tanzania.

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

Unless the context otherwise requires, the expressions defined in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company, shall have the meaning so defined.

Any words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include females, and the words importing persons shall include bodies corporate, partnership, firms, cooperatives, societies, etc.

The regulations of Companies Act shall apply to the company, save in so far as they are varied or excluded hereby, but in case of any conflict between the provisions herein, and the provisions under this regulation the former shall prevail, and in addition to substitution shall be the regulations of the company.

SHARE CAPITAL AND RESERVES

2. The company shall be private and accordingly the following provisions shall have effect:

- a. The company shall not offer any of its shares, share warrants or debentures to the public for subscription.
- b. The number of the members of the company (not including persons who are in employment of the company and persons having been formerly in the employment of the company were in

such employment and have continued after the termination of the employment and have continued after the termination of the employment to be members of the company) shall not at any time exceed fifty.

3. Subject to the provisions of para 10, the company shall be entitled to treat the person whose name appears upon the register in respect of any shares as the absolute owner thereof and shall not be under any obligation to recognize any trust or equitable claim to or partial interest in such share, whether or not it shall give express or other notices thereof.
4. The initial authorized share capital of the company is Tanzania Shillings Ten Million (10,000,000/-) divided into Ten Thousand (10,000) shares of Shillings One Thousand (Shs. 1,000/-) each.
5. The shares shall be under control of the shareholders who shall allot or otherwise dispose of the same to persons on such terms and conditions and such time as the shareholders think fit.
6. The Certificate of Title to shares shall be issued under the seal of the company and shall be signed by two directors.
7. If any member of the company shall at any time desire to sell or transfer any shares registered in such member's name and/or in the event of the creation of any further shares by the company, such shares shall be first offered by the shareholders to the existing members of the company in the proportion of shares held by each member at the time of such desire, transfer or creation of new shares.
8. Save as hereby otherwise provided, no share shall be transferred to any person who is not a member of the company so long as any member is willing to purchase the same at a fair value to be determined by the company auditor, and thereafter to be approved by an ordinary resolution of the shareholders.
9. A call shall be deemed to have been made at the time when the resolution of the shareholders authorizing such call was passed.
10. The shareholders may at any time in their absolute and uncontrolled discretion, refuse to register any transfer of shares PROVIDED ALWAYS that any share may be transferred at any time by a shareholder to his appointed heir, trustee or agent who will have had prior approval by a special resolution of the shareholders.

BORROWING POWERS

11. The directors may from time to time on authority of a special resolution of the shareholders raise or borrow and secure for the purpose of the company's business such sums of money as they think fit.

12. The directors may secure the repayment of, or raise any such sum or sums as aforesaid by mortgage or charge upon the whole or any part of the property and assets of the company present or future including its uncalled capital, for the time being, or by the issue at such price as they may think fit, of bonds or debentures either charged upon the whole or any part of the property and assets of the company or not so charged in such other way as the directors may think expedient.

GENERAL MEETING

13. A general meeting of the company shall be held at least once in every calendar year at such a time (not being more than fifteen months after holding of the preceding general meeting) and at such place as may be determined by the directors. Such general meetings shall be called "Ordinary General Meeting" and all other meetings of the company shall be called "Extraordinary General Meeting".

VOTE OF MEMBERS

14. On a show of hands or poll, every member present shall have the number of votes equal to the number of shares held.
15. No member shall be entitled to vote at any general meeting unless all calls or other sums presently due by him in respect of shares in the company have been paid.

DIRECTORS

16. The number of the directors shall not be less than two and not more than ten unless the company otherwise decides at a general meeting.
17. The following persons shall be the first directors to the company:
1. **GOPAL DHANJI MAYANI**
 2. **RAMJI DHANJI MAYANI**
 3. **MAHESH GOPAL MAYANI**
 4. **SUNIL GOPAL MAYANI**
18. The directors may appoint one or more of their number to be the Managing Director or Managing Directors of the company, either for a fixed or indefinite period and may from time to time remove any such managing director from such office and put another or others in his place and may at their discretion fill up any vacancy that may occur in such office.

19. The remuneration of any managing director shall be determined by the general meeting and may be by way of salary or commission or participating in the profits of the company or by all or any of these modes.
20. Each director shall be paid remuneration at such rate, as the company shall in a general meeting decide. Every director shall be entitled to be paid his traveling expenses to be approved by the board, incurred by him whilst employed in the business of the company or in attending board meetings.
21. A director shall not be required to receive shares as a qualification for being a director.

ALTERNATE DIRECTORS

22. Any director shall have power to nominate a person to act or attend as alternate director during his absence or during his inability to act. Such director shall be subject in all respects to the terms and conditions existing with reference to the other directors and such alternate director shall exercise and discharge all duties of directors whom he represents.
23. Unless otherwise decided by the directors the quorum necessary to transact business of the directors shall be two directors personally present

DISQUALIFICATION OF DIRECTORS

24. The office of a director shall be vacated if the director:
 - i. become bankrupt; or
 - ii. is found to be a lunatic or becomes of unsound mind; or
 - iii. resigns his office by notice in writing to the company; or
 - iv. absents himself from meetings of the directors for a period of six months without special leave of absence from the other directors.
 - v. Removed by ordinary resolution in General Board Meeting.

DIVIDENDS AND RESERVES

25. The company may in its general meeting declare dividends but no dividend shall exceed the amount recommended by the directors.
26. The directors may from time to time pay the members such interim dividends as appear to the directors to be justifiable by the profits of the company.
27. No dividend shall be paid otherwise than out of profits.

28. The directors may before recommending any dividend set aside out of the profits of the company such sums as they think proper as reserve or reserves which shall at the discretion of the directors be applicable for meeting contingencies or for equaling dividends or for any other purpose to which the profits of the company may be properly applied and pending such applications may in the like discretion either be employed in the business of the company or be invested in such investments (other than shares of the company) as the directors from time to time think fit.

SEAL

29. The seal of the company shall not be affixed to any instrument except by the authority of the resolution of the board of directors and in the presence of two directors or such other person as the directors may appoint for the purpose and the directors as aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

INDEMNITY

30. Subject to the provisions of the Act and of other relevant legislation in force from time to time every Director, Manager, Secretary, Auditor and other Officers or Servant of the company shall be indemnified by the company against losses, costs, expenses and other liability of any nature which any such officer or Servant may incur or become liable to by reason of any contract entered into or act or deed done by him as such officer or servant of in any way in the discharge of his duties PROVIDED THAT such indemnity shall not apply to any loss, costs, expenses or other liability which by virtue of any law would otherwise attach to any officer or Servant in respect of any negligence, default, breach of duty or breach of trust of which he may qualify in relation to the company

ALTERATION OF ARTICLES

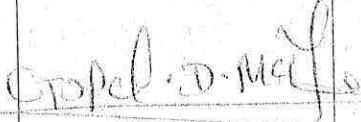


31. Subject to the provisions of the ordinance and those of the memorandum of association the company may by special resolution make alteration or addition to the articles of association and such alteration or addition so made shall be as valid and effectual as is originally contained in these articles and be subject in this manner to alteration by special resolution.

WINDING UP

32. If the company shall be wound up the assets remaining after payment of the debts and liabilities of the company and cost of the liquidation shall be applied; first in repaying to the members the amount paid up or credited as paid upon the shares held by them respectively and the balance, if any, shall be distributed among the members in proportion to the number of shares held by them respectively PROVIDED ALWAYS that the provisions

hereof shall be subject to the rights of all holders of shares, if any, issued upon special conditions.

33. With the sanction of the extraordinary resolution of the shareholders any part of the assets of the company may be divided between the members of the company in specie or may be vested in trustees for the benefit of such members and the liquidation of the company may be closed and the company dissolved but so that no member shall be compelled to accept any shares whereon there is any liability.
34. If the directors are unable to decide by majority any question relating to the winding up of the company or to any change in the policy of the company they shall appoint two arbitrators who are not members of the company to decide such question and shall accept their decision.

Name, Addresses and Description of subscribers	Number of Shares taken	Signature of Subscribers
GOPAL DHANJI MAYANI P.O. BOX 20264 DAR ES SALAAM TANZANIA	51	
RAMJI DHANJI MAYANI P.O. BOX 20264 DAR ES SALAAM TANZANIA	45	
SUNIL GOPAL MAYANI P.O. BOX 20264 DAR ES SALAAM TANZANIA	4	

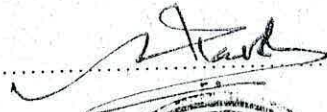
DATED this 8th Day of January, 2008

WITNESS TO THE ABOVE SIGNATURES

FULL NAME

M. G. PARDHAN
ADVOCATE

SIGNATURE



POSTAL ADDRESS

QUALIFICATION



TICC/PP.10/041637/5

28/07/2009

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. 041637**

M/S Ghansham Woodworks Limited is a TIC registered company with certificate of incentives **No. 041637** which is valid up to **January 2012**

The company has been registered with objectives of establishing and operating a project for manufacturing of wooden furniture and joinery products.

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