



FOOD CHAIN (1) LID

# MINUTE SHEET

Dokezo  
No.

1.0

## Ag. EXD

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


(a) Minimum finance investment threshold has been exceeded, the project expects to invest ..... us\$ 5.85 m .....

(b) Legal entity has been incorporated under certificate

No. .... 75229 ..... of 03/03 | 2010 .....

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**

16<sup>th</sup> January, 2012

2.0

## EXD

In response to the TIC letter of registration dated 16<sup>th</sup> March 2012 .....

the project has submitted the required documents namely: -

(a) Company Board Resolution.

(b) Reference letter/Financing from Diamond Trust Ltd .....

(c) Lease Agreement .....

With the above submission EXD is requested to sign Certificate of Incentives No. .... 042156 ..... herein attached.

12/03/2012



DIF

# MINUTE SHEET

Dokezo  
No.

# FOOD CHAIN (T) LIMITED

Plot no-444/129, Nukruma Street  
P.O.Box 14301,  
Dar Es Salaam, Tanzania

Cellular: + 255773037004

Ref.No. FCTL/TIC/2010

20<sup>th</sup> Dec 2011

The Executive Director  
Tanzania Investment Centre  
P.O.Box 938  
DAR-ES-SALAM



Dear Sir,

**RE: APPLICATION FOR TIC CERTIFICATE OF INCENTIVES FOR  
OUR PROCESSING & EXPORTING FRUITS, VEGETABLES & OTHER  
AGRO COMMODITIES PROJECT**

Our project is processing and exporting fruits, vegetables & other agro commodities to be implemented in Dar Es Salaam Region.

It is due this reasons that we herby submit our application for TIC Certificate of incentives to Facilitate implementation of our **Project**.

Attached herewith please find the follwing basic document for your kind approval:

1. Three (3) sets of duly completed and signed Application Form.
2. A certificate copy of our Certificate of Incorporation.
3. A copy of the company's Memorandum and Article of Association.
4. A copy of lease agreement for our offices and of the proposed project.
5. A letter of reference from our Bankers.
6. Company Board Resolution to Register with TIC.
7. Copy of our Business Plan showing the implementation period, program of Implementation and Operative Date.

Thank you for your kind consideration.

Yours faithfully,  
For and on behalf of:  
**FOOD CHAIN (T) LTD**

Mr. Mohammed A. Muses.  
**DIRECTOR**



TICC/PP.10/042156/3

16<sup>th</sup> January 2012

Managing Director,  
Food Chain (T) Ltd.,  
P.O. Box 14301,  
**Dar es Salaam.**

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE  
ESTABLISHMENT OF A PROJECT FOR PROCESSING FRUITS,  
VEGETABLES & AGROPRODUCTS FOR EXPORT**

We wish to acknowledge receipt of your project proposal to establish a project for processing fruits, Vegetables & Agro products for export as presented in the TIC P.A. 1 Form No. 09586 and Feasibility Study with a projected investment of USD 0.85m.

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

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

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

.../2

TICC/PP.10/042156/3

16<sup>th</sup> January 2012

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,  
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  
Food Chain (T) Ltd.

Post Box	Pugu Road, 105 Chang'ombe	COI Number	75229	Contact	Mr. Mohammed A. Muses
Post Office	14301	COI Date	03/03/2010	Designation	Director
Region	Dar Es Salaam	Application F. No	09586	Phone	0
Country	Tanzania	Status	New	Direct Phone	0773 037 004
		Sector	Manufacturing	Cell Phone	0786 30 87 61
		Sub Sector	Agro Products Processing For Export	Fax	022 2128572
		File No	042156	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD			
Block	Plot No. 105 Chang'ombe Area	Foreign Equity	Local Equity	Foreign Loan	Local Loan
Street	Pugu	0.55	0	0	0.3
District	Ilala				
Region	Dar es Salaam				

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.313
Ceri S. Chamberlain	British	50	Plant	0.227
Mohammed A. Muses	Kenyan	50	Vehicles	0.085
			Furniture & Fittings	0.025
			Pre-expenses	0
			Others	0
			Working Capital	0.2
			Total	0.85

Employment	100	Evaluated By	wf officer1
Capacity	xxxxx	Drawn By	wf registry2
Project Turn Over		Project Type	Mixed(Local & Foreign)


### Description

To establish a project for processing fruits, vegetables & Agroproducts for export

### Recommendations

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

### Decision

Approved  
  
 Ag Ex D  
 11/01/12



## TANZANIA INVESTMENT CENTRE

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

RECEIPT REC006353

No. 001098

4

Received from : FOOD CHAIN TANZANIA LTD

Address P. O. Box Dar Es Salaam

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



Being payment in respect of : CERTIFICATE OF INCENTIVES

Amount : USD 750.00

Cash / Cheque No: Bank 7/Jan/2012

Date : 02-Mar-2012



BUiso

Receiving Officer





# TANZANIA INVESTMENT CENTRE

## REGISTRATION FORM

FOR

## CERTIFICATE OF INCENTIVES

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

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

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

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT  
(No. 26 of 1997)

APPLICATION FOR REGISTRATION  
(Made under Regulation 42)

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

1. I/We Food Chain (T) Limited  
(director/directors/agent of .....  
(name of business enterprise) apply for registration of TIC  
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: 105, Chang'ombe  
Pugu Road, Dar Es Salaam

Copies of the following documents are attached to this application:

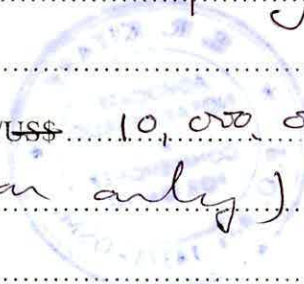
- (i) The Memorandum and Articles of Association/or partnership agreement
- (ii) Certificate of Incorporation/Registration
- (iii) A copy of the Project Profile or Feasibility Study showing the implementation period, programme of implementation and operative date
- (iv) Evidence of financing and evidence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

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

4. The Principal Officers of the Company are .....  
1. Mr. Mohammed A. Muses  
2. Ms. Ceri E. Chamberlain

5. Auditors of the Company are Need Company

6. The authorized share capital of the Company is Tshs./US\$ 10,000,000 -  
(Ten Million only)



7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ 850,000 =
8. The month and day of the financial year end is 31<sup>st</sup> December

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

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


I, Mohammed A. Muses of Post Office Number 14301  
Dar es Salaam do solemnly and sincerely declare that I am a director/duly authorized agent of Food Chain (T) 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 5<sup>th</sup> day of Nov 2011 }

  
**Applicant**

Before me:

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



APPLICATION SUMMARY

Company Name: Food Chain (T) Limited

Certificate of Incorporation Number: 75229 Status: Private

Certificate of Incorporation Date: 3-3-2010

Post Box: 14301

Town: Dar Es Salaam

Sector: Processing for Export Sub-Sector: Agro Products Processing for Export

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity \$ 550,000 = Local Equity Foreign Loan Local Loan \$ 300,000

Project Objectives: To establish a project for processing fruits, vegetables & Agro products for export

Capacity:

Employment: Foreign: 5 Local: 95 Total: 100

Implementation Period: 3 years.

Project Location

Site/Plot/Block No.: 105, Chang'ombe,

Street: Pugu Road District: Dar Es Salaam Region: Dar Es Salaam

Table with 3 columns: Shareholders, Nationality, %

Empty table structure with 3 columns: Shareholders, Nationality, %

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

Land/Building	..... 312,500 .....
Plant & Equipmt	..... 227,500 .....
Vehicles	..... 85,000 .....
Furniture & Fittings	..... 25,000 .....
Pre-expenses	..... - .....
Others	..... - .....
Working Capital	..... 200,000 .....
<b>TOTAL</b>	..... 850,000 .....

**Contact Details:**

Name: Mohammed A. Muses.      Title: Director  
Telephone: 0773037004,      Fax: +255 2128572  
0786308761,  
Email: .....

**Payments to be made payable to:**

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



# TANZANIA INVESTMENT CENTRE

## REGISTRATION FORM

FOR

## CERTIFICATE OF INCENTIVES

(Tanzania Investment Act 1997, Section 17 and 18,  
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Website: [www.tic.co.tz](http://www.tic.co.tz)

(Please fill the form in duplicate)

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Table with 3 columns: Shareholders, Nationality, %

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Land/Building	..... 312,500 .....
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Vehicles	..... 85,000 .....
Furniture & Fittings	..... 25,000 .....
Pre-expenses	..... — .....
Others	..... — .....
Working Capital	..... 200,000 .....
<b>TOTAL</b>	..... 850,000 .....

**Contact Details:**

Name:	..... Mohammed A. Muses. ....	Title:	..... Director .....
Telephone:	..... 0773037004, 0786308261, .....	Fax:	..... +255 2128572 .....
Email:	.....		

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Declared at Dar es Salaam }

The 5<sup>th</sup> day of Nov 2011 }

  
Applicant

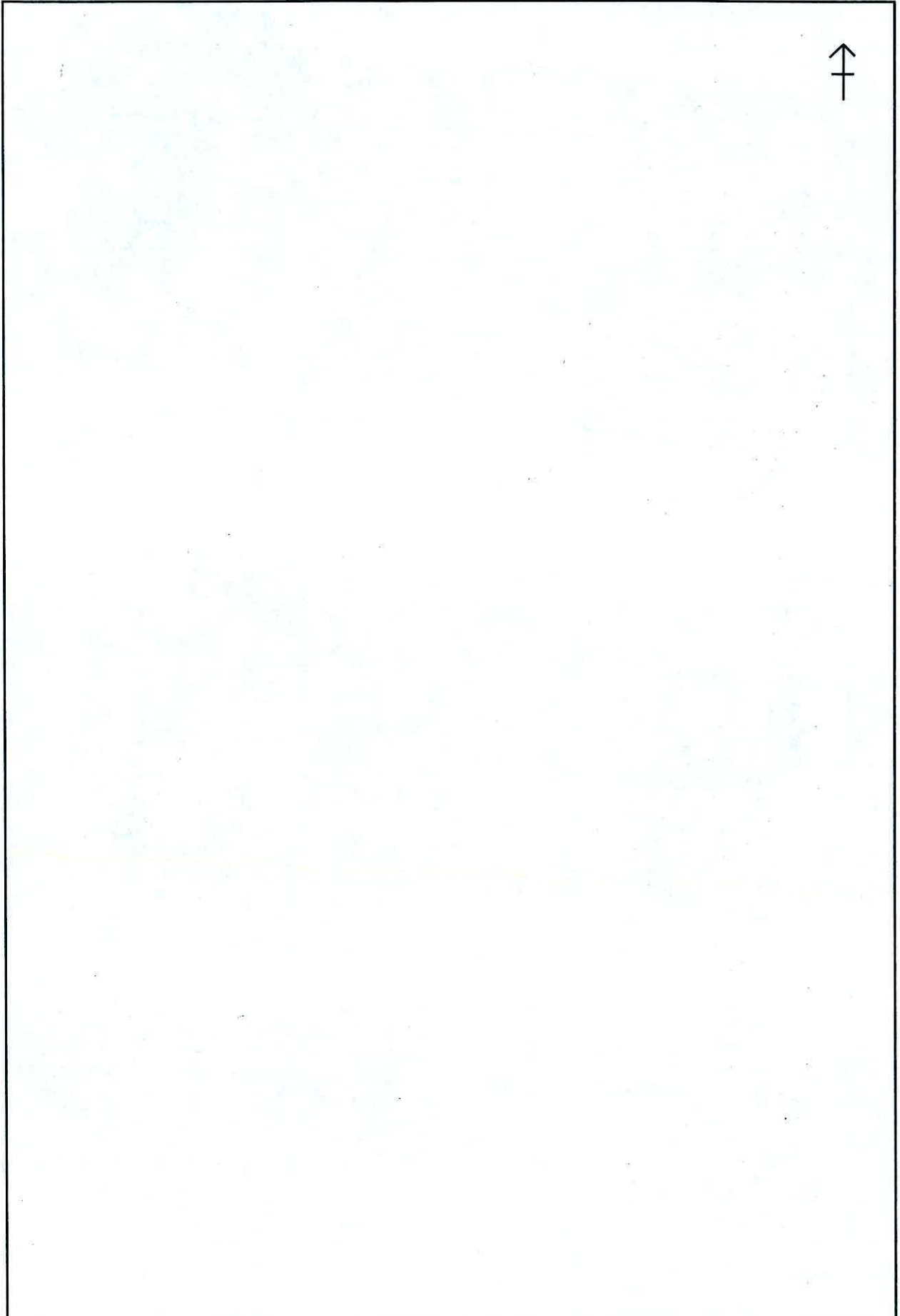
Before me:

  
Commissioner for Oaths



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

**SKETCH MAP SHOWING PROJECT LOCATION**







# **TANZANIA INVESTMENT CENTRE**

## **REGISTRATION FORM**

**FOR**

## **CERTIFICATE OF INCENTIVES**

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7. The intended capital investment of the Company in terms of Section 2(2) of the Act

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Applicant

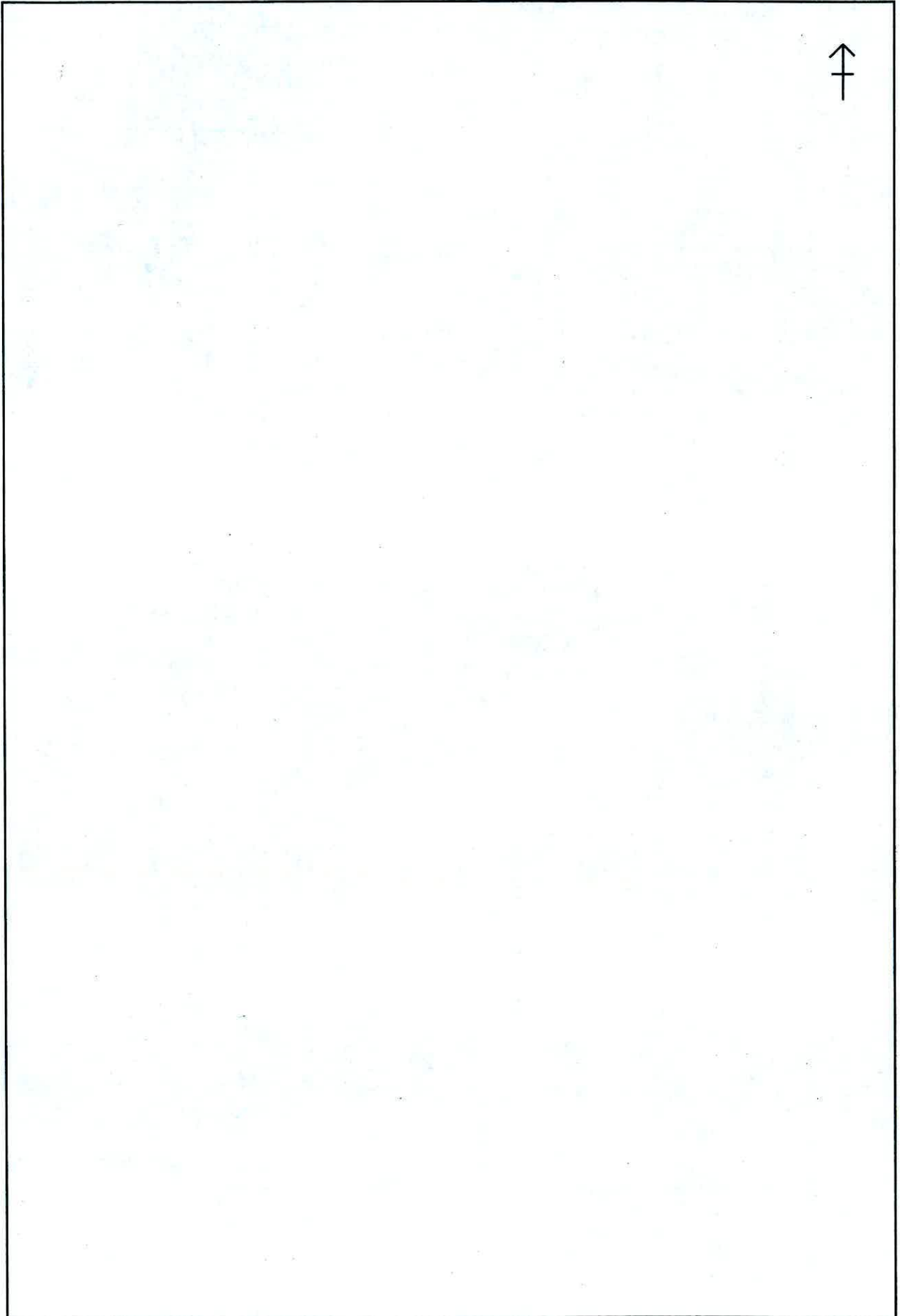
Before me:

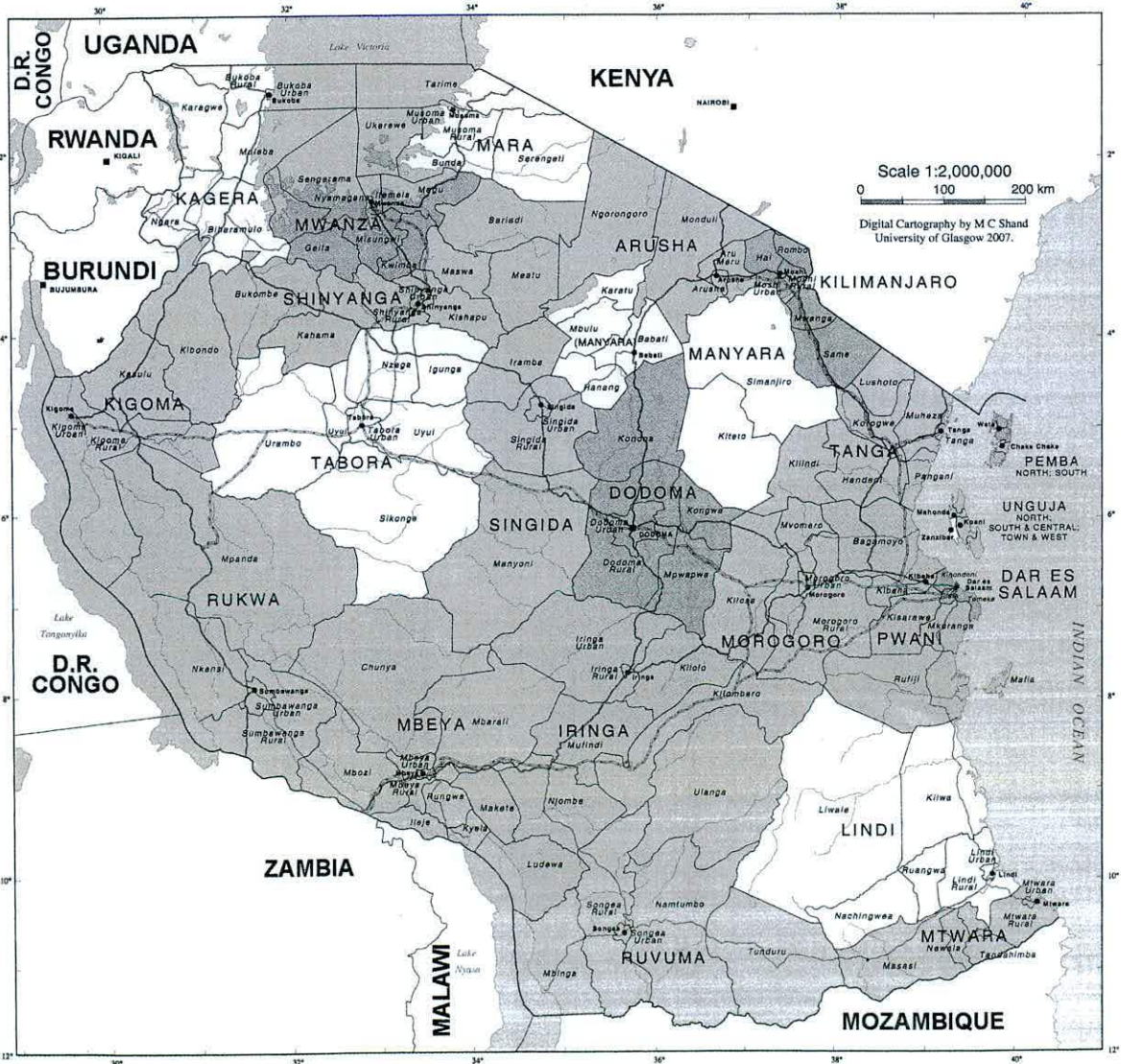
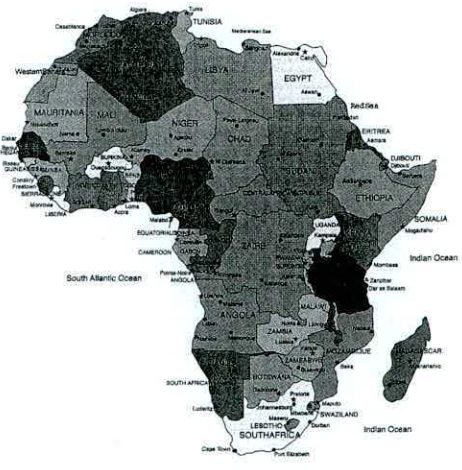
  
.....  
Commissioner for Oaths



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

**SKETCH MAP SHOWING PROJECT LOCATION**





TANZANIA



## Certificate of Incorporation

Section 15

No **75229**

I HEREBY CERTIFY THAT

**FOOD CHAIN (T) LIMITED =====**

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

Given under my hand at Dar es salaam

this **3RD** day of **MARCH**

**TWO THOUSAND AND TEN**A handwritten signature in black ink, appearing to be 'A. M. M.', written over a dotted line.

*Asst. Registrar of Companies*

## LEASE AGREEMENT

**THIS LEASE AGREEMENT** is made this **01<sup>st</sup>** day of **November, 2011** between **SALEHTAJ MOHAMMED** of **P.O. Box 77132 DAR ES SALAAM** (hereinafter referred to as the **LANDLORD**) on one part and **FOOD CHAIN (T) LTD.** of **P.O. Box 70846 DAR ES SALAAM** (hereinafter referred to as the **TENANT**) on the other part.

**WHEREAS THE LANDLORD** is the legal occupier of the residential premises known as on the – **Ground Floor Godown No. 3A** situated on **Plot No. 105 Chang'ombe, Pugu Road Dar es Salaam** (hereinafter referred to as the premises).

**AND WHEREAS THE TENANT** wishes to rent the Premises and the Landlord is ready to lease the same to the Tenant upon the terms and conditions hereinafter appearing.

**NOW THIS AGREEMENT WITNESSETH as follows:-**

1. The Landlord hereby demises unto the lessee the premises for residential purposes for a period of **Five years** from **01<sup>st</sup> November, 2011** to **31<sup>st</sup> October, 2016** paying during the said term the monthly rate of **TShs. 1,240,000.00 (TShs. One Million Two Hundred Forty Thousand)** only.
2. The payment shall be paid as follows:-
  - (a). **TShs. 14,880,000.00 (TShs. One Million Two Hundred Forty Thousand)** only. must be paid upon handing over of the godown on the **1<sup>st</sup> November 2011** for the first Twelve months rent.
  - (b). There will be a payment of **14,880,000.00 (TShs. One Million Two Hundred Forty Thousand)** only on **31<sup>st</sup> October** of each year for the rest of the lease period.
3. **THE TENANT HEREBY COVENANTS with the Landlord as follows:-**
  - (a). The Tenant shall not assign, change, sublet or part with the possession of the demised premises or any part thereof without the consent in writing of the Landlord.
  - (b). The Tenant shall during the subsistence of this Agreement permit the Landlord, his agent or workmen to enter the demised premises at reasonable and convenient hours of daytime by giving three days notice.
  - (c). The Tenant shall at all times during the term of this agreement keep the demised premises in good and substantial repairable condition (reasonable wear and tear excepted).
  - (d). The Tenant shall not permit upon the premises anything that may be considered illegal such as gambling and lottery etc and any which may act to tarnish the good relations in the neighbourhood.

- (e). To pay and discharge all assessments and charges whatsoever payable in respect of consumed water, gas, electricity, security and sewerage which during the said term shall be imposed or charged on the premises.
- (f). Not to make any alterations to the leased premises without obtaining prior written consent of the Landlord.
- (g). The Tenant shall repair all fixtures which may be damaged by the Tenant and / or its agents, visitors or licensees.

3. **THE LANDLORD COVENANTS with the tenant as follows:-**

- (a). Shall keep in good repair the structure and exterior of the premises.
- (b). For as long as the Tenant meets the conditions herein contained, the Tenant shall quietly hold and enjoy the demised premises without any interference or interruption from the Landlord or any one claiming title under him.
- (c). At the expiration of the term herein created, the tenant shall peacefully yield to the Landlord vacant possession of the demised premises handing over the keys of the demised premises personally to the landlord.
- (d). Three months before the expiration of the term herein created, the tenant shall notify the Landlord of his intention of either renewing the contract or not. The lease is renewable after expiry of **Five years (5)** on terms to be agreed between the parties. And the Landlord has the first priority to renew

SIGNED and DELIVERED by the said ]  
 Mr. SALEHTAJ MOHAMMED who is known ]  
 to me Personally/identified to me by ..... ]  
 the letter being known to me personally this ]  
 .....



.....  
**LANDLORD**

Signature: Chabruma.....

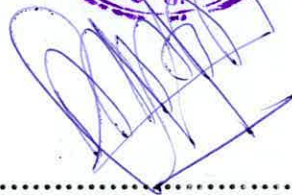
Full Name: Pius L. Chabruma

Address: P.O. Box 32263 Dsm.

Qualification: ADVOCATE.....



SIGNED and DELIVERED by the said ]  
 MOHAMED A. MUSES who is known to me ]  
 personally/identified to me by ..... ]  
 the letter being known to me personally this ]  
 .....



.....  
**TENANT**

Signature: Chabruma.....

Full name: Pius L. Chabruma

Address: P.O. Box 32263 Dsm.

Qualification: ADVOCATE.....



## LEASE AGREEMENT

THIS LEASE AGREEMENT is made this 31<sup>st</sup> day of November, 2011 between SALEHTAJ MOHAMMED of P.O. Box 77132 DAR ES SALAAM (hereinafter referred to as the LANDLORD) on one part and FOOD CHAIN (T) LTD. of P.O. Box 70846 DAR ES SALAAM (hereinafter referred to as the TENANT) on the other part.

WHEREAS THE LANDLORD is the legal occupier of the residential premises known as on the – **Ground Floor Godown No. 3A** situated on **Plot No. 105 Chang'ombe, Pugu Road Dar es Salaam** (hereinafter referred to as the premises).

AND WHEREAS THE TENANT wishes to rent the Premises and the Landlord is ready to lease the same to the Tenant upon the terms and conditions hereinafter appearing.

**NOW THIS AGREEMENT WITNESSETH as follows:-**

1. The Landlord hereby demises unto the lessee the premises for residential purposes for a period of **Five years** from **01<sup>st</sup> November, 2011** to **31<sup>st</sup> October, 2016** paying during the said term the monthly rate of **TShs. 1,240,000.00 (TShs. One Million Two Hundred Forty Thousand)** only.
2. The payment shall be paid as follows:-
  - (a). **TShs. 14,880,000.00 (TShs. One Million Two Hundred Forty Thousand)** only. must be paid upon handing over of the godown on the 1<sup>st</sup> November 2011 for the first Twelve months rent.
  - (b). There will be a payment of **14,880,000.00 (TShs. One Million Two Hundred Forty Thousand)** only on 31<sup>st</sup> October of each year for the rest of the lease period.
3. **THE TENANT HEREBY COVENANTS with the Landlord as follows:-**
  - (a). The Tenant shall not assign, change, sublet or part with the possession of the demised premises or any part thereof without the consent in writing of the Landlord.
  - (b). The Tenant shall during the subsistence of this Agreement permit the Landlord, his agent or workmen to enter the demised premises at reasonable and convenient hours of daytime by giving three days notice.
  - (c). The Tenant shall at all times during the term of this agreement keep the demised premises in good and substantial repairable condition (reasonable wear and tear excepted).
  - (d). The Tenant shall not permit upon the premises anything that may be considered illegal such as gambling and lottery etc and any which may act to tarnish the good relations in the neighbourhood.

*Handwritten notes:*  
10/11/2011  
10/11/2011

- (e). To pay and discharge all assessments and charges whatsoever payable in respect of consumed water, gas, electricity, security and sewerage which during the said term shall be imposed or charged on the premises.
- (f). Not to make any alterations to the leased premises without obtaining prior written consent of the Landlord.
- (g). The Tenant shall repair all fixtures which may be damaged by the Tenant and / or its agents, visitors or licensees.

3. **THE LANDLORD COVENANTS with the tenant as follows:-**

- (a). Shall keep in good repair the structure and exterior of the premises.
- (b). For as long as the Tenant meets the conditions herein contained, the Tenant shall quietly hold and enjoy the demised premises without any interference or interruption from the Landlord or any one claiming title under him.
- (c). At the expiration of the term herein created, the tenant shall peacefully yield to the Landlord vacant possession of the demised premises handing over the keys of the demised premises personally to the landlord.
- (d). Three months before the expiration of the term herein created, the tenant shall notify the Landlord of his intention of either renewing the contract or not. The lease is renewable after expiry of **Five years (5)** on terms to be agreed between the parties. And the Landlord has the first priority to renew

SIGNED and DELIVERED by the said ]  
 Mr. SALEHTAJ MOHAMMED who is known ]  
 to me personally/identified to me by ..... ]  
 the letter being known to me personally this ]  
 .....



.....  
**LANDLORD**

Signature: Chabruma  
 Full Name: Pius L. Chabruma  
 Address: P.O. Box 32263 DSM  
 Qualification: ADVOCATE



SIGNED and DELIVERED by the said ]  
 MOHAMED A. MUSES who is known to me ]  
 personally/identified to me by ..... ]  
 the letter being known to me personally this ]  
 .....



.....  
**TENANT**

Signature: Chabruma  
 Full name: Pius L. Chabruma  
 Address: P.O. Box 32263 DSM  
 Qualification: ADVOCATE





# TANZANIA INVESTMENT CENTRE

## REGISTRATION FORM

FOR

## CERTIFICATE OF INCENTIVES

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

**Tanzania Investment Centre**  
9A & B Shaaban Robert Street

P. O. Box 938

**DAR ES SALAAM**

Tel. 022 2116328

Fax. 022 2118253

e-mail: [information@tic.co.tz](mailto:information@tic.co.tz)

Website: [www.tic.co.tz](http://www.tic.co.tz)

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

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT  
(No. 26 of 1997)

APPLICATION FOR REGISTRATION  
(Made under Regulation 42)

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

1. I/We Food Chain (T) Ltd  
(director/directors/agent of .....  
(name of business enterprise) apply for registration of TIC  
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: 105, Chang'ombe  
Pugu Road, 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 programme of implementation and operative date
  - (iv) Evidence of financing and evidence of land ownership for the project
3. The Head Office of the Company will be situated at As above.
4. The Principal Officers of the Company are .....
  1. Mr. Mohammed A. Muses
  2. Ms. Ceri E. Chamberlain.
5. Auditors of the Company are Need Company
6. The authorized share capital of the Company is Tshs./US\$ 10,000,000 =  
(TZS Ten Million only.)

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ ..... 850,000 = .....
8. The month and day of the financial year end is ..... 31<sup>st</sup> December .....

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

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

I, Mohammed A. Mwa of Post Office Number ..... 14301 .....

Dar es Salaam do solemnly and sincerely declare that I am a director/duly authorized agent of ..... Food Chain (T) 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 <sup>5<sup>th</sup></sup> day of ..... Nov ..... 2011 }

  
**Applicant**

Before me:

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

APPLICATION SUMMARY

Company Name: Food Chain (T) Limited

Certificate of Incorporation Number: 75229 Status: Private

Certificate of Incorporation Date: 3-3-2010

Post Box: 14301

Town: Dar Es Salaam

Sector: Processing for Export Sub-Sector: Agro Products Processing for Export

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity Local Equity Foreign Loan Local Loan
\$ 550,000 = \$ 300,000

Project Objectives: To establish a project for processing fruits, vegetables & Agro products for export

Capacity:

Employment: Foreign: 5 Local: 95 Total: 100

Implementation Period: 3 years

Project Location

Site/Plot/Block No.: 105, Chang'ombe,
Street: Pugu Road District: Dar Es Salaam Region: Dar Es Salaam
(Attach sketch map showing project location)

Table with 3 columns: Shareholders, Nationality, %
Mohammed A. Mases - Kenyan - 50%
Ceri S. Chamberlain - British - 50%

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

Land/Building	3,12,500
Plant & Equipment	2,27,500
Vehicles	85,000
Furniture & Fittings	25,000
Pre-expenses	-
Others	-
Working Capital	200,000
<b>TOTAL</b>	<b>850,000</b>

**Contact Details:**

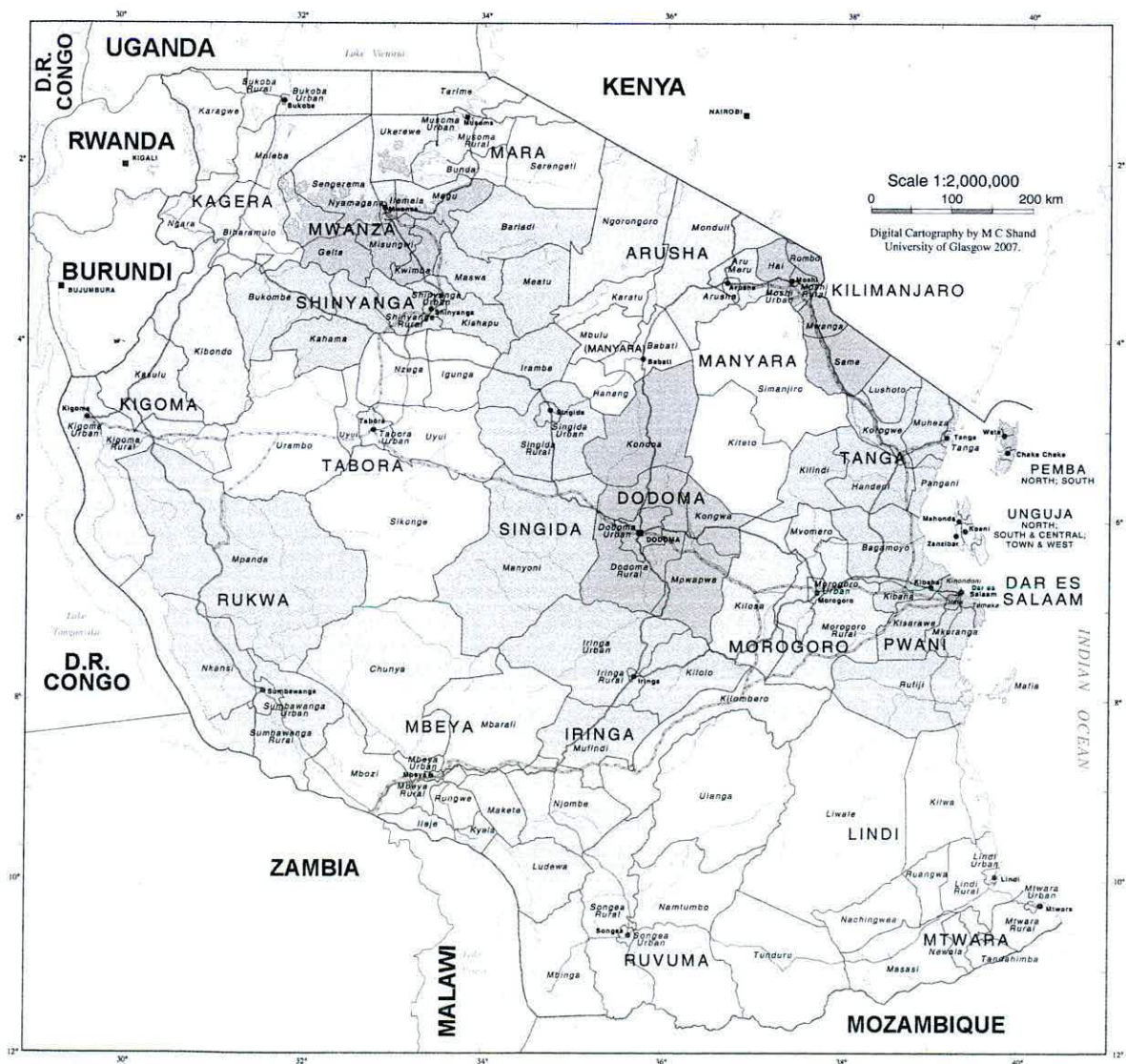
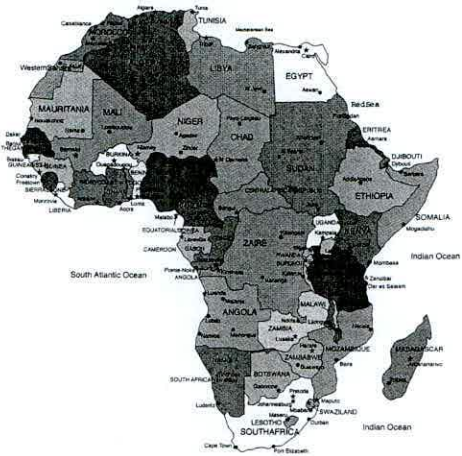
Name: Mohammed A. Muses. Title: Director  
Telephone: 0773037004, Fax: +255 2128572  
0786308261,  
Email: .....

**Payments to be made payable to:**

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

**SKETCH MAP SHOWING PROJECT LOCATION**







# TANZANIA INVESTMENT CENTRE

## REGISTRATION FORM

FOR

# CERTIFICATE OF INCENTIVES

(Tanzania Investment Act 1997, Section 17 and 18,  
and the Investment Regulations:  
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1. I/We Food Chain (T) Ltd  
(director/directors/agent of .....  
(name of business enterprise) apply for registration of TIC

under Section 17 of the Act and Part IV of the Investment Regulations, 2002.

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- (iv) Evidence of financing and evidence of land ownership for the project

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4. The Principal Officers of the Company are .....  
1. Mr. Mohammed A. Muses  
2. Ms. Ceri E. Chamberlain

5. Auditors of the Company are Need Company

6. The authorized share capital of the Company is Tshs./~~US\$~~ 10,000,000 =  
(Tshs Ten Million only)

7. The intended capital investment of the Company in terms of Section 2(2) of the Act

is Tshs./US\$ 850,000 =

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

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

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

I, Mohammed A. Muses of Post Office Number 14301

Dar es Salaam do solemnly and sincerely declare that I am a director/duly

authorized agent of Food Chain (T) 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 5<sup>th</sup> day of Nov. 2011 }

  
**Applicant**

Before me:

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

APPLICATION SUMMARY

Company Name: Food Chain (T) Limited

Certificate of Incorporation Number: 75229 Status: Private

Certificate of Incorporation Date: 3-3-2010

Post Box: 14301

Town: Dar Es Salaam

Sector: Processing for Export Sub-Sector: Agro Products Processing for Export

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity \$ 550,000 = Local Equity Foreign Loan Local Loan \$ 300,000

Project Objectives: To establish a project for processing fruits, vegetables & Agro products for export

Capacity:

Employment: Foreign: 5 Local: 95 Total: 100

Implementation Period: 3 years.

Project Location

Site/Plot/Block No.: 105, Chang'ombe,

Street: Pugu Road District: Dar Es Salaam Region: Dar Es Salaam

(Attach sketch map showing project location)

Table with 3 columns: Shareholders, Nationality, %

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

Land/Building	..... 312,500 .....
Plant & Equipment	..... 227,500 .....
Vehicles	..... 85,000 .....
Furniture & Fittings	..... 25,000 .....
Pre-expenses	..... — .....
Others	..... — .....
Working Capital	..... 200,000 .....
<b>TOTAL</b>	..... 850,000 .....

**Contact Details:**

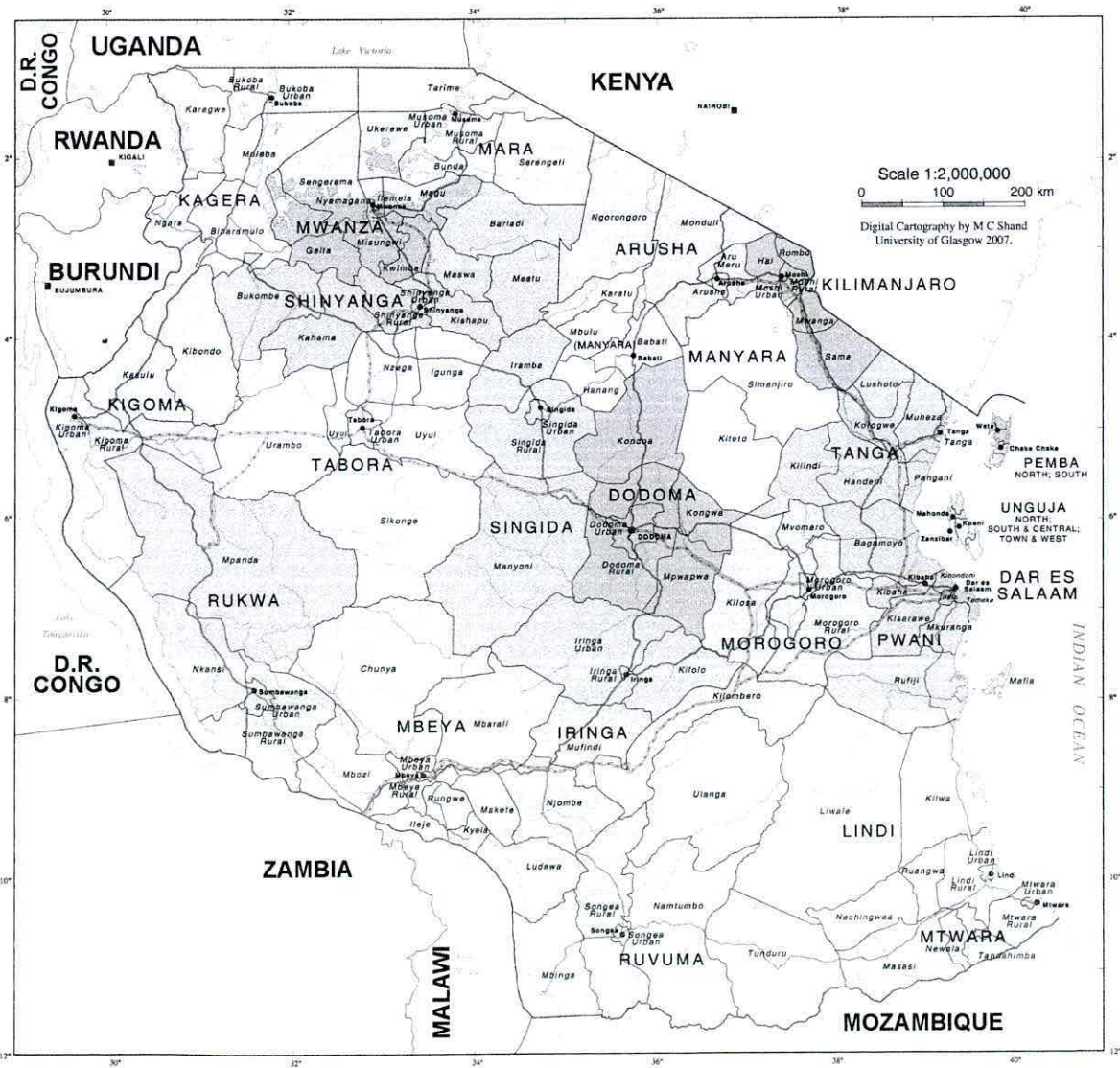
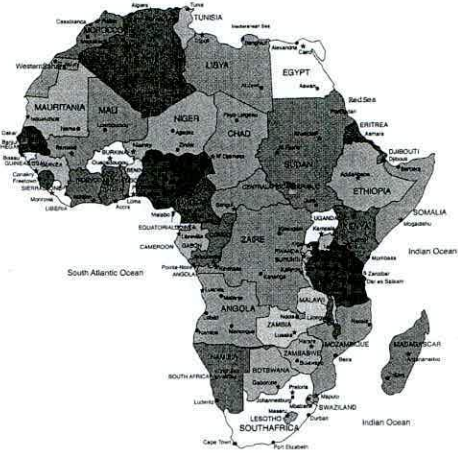
Name:	..... Mohammed A. Muses. ....	Title:	..... Director .....
Telephone:	..... 077303 7004, .....	Fax:	..... +255 2128 572 .....
	..... 078630 8261, .....		
Email:	..... .....		

**Payments to be made payable to:**

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

**SKETCH MAP SHOWING PROJECT LOCATION**





TANZANIA



## Certificate of Incorporation

Section 15

No **75229**

I HEREBY CERTIFY THAT

**FOOD CHAIN (T) LIMITED =====**

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

Given under my hand at Dar es salaam

this **3RD** day of **MARCH****TWO THOUSAND AND TEN**A handwritten signature in black ink, appearing to be 'A. M. M.', written over a dotted line.

*Asst. Registrar of Companies*

# DTB

DIAMOND  
TRUST  
BANK

Ref No: DTBT/MBR/1797/11

September 2, 2011

Tanzania Investment Authority,  
Dar es Salaam

This is to confirm that **Food Chain (T) Ltd** is maintaining TZS current account with us since May, 2011 and the dealings with us have been satisfactory till to date.

This certificate has been issued at the specific request of Food Chain (T) Ltd without any risk and responsibility on the bank or any of its officials.

Board of Directors:

Mahmood Manji

(Chairman)(Kenyan)

(Mrs) Nasim Devji (British)

Hassan Dhalla (Tanzanian)

Amin Kurji (Tanzanian)

Kabir Hyderally (Pakistani)

Mehboob Champsi (Tanzanian)

Fayaz Bhojani (Tanzanian)

Yours truly,

For and on behalf of

**DIAMOND TRUST BANK TANZANIA LIMITED**



Noormilla Lakhani

**Authorized Signatory**



Imran Walli

**Authorized Signatory**

Diamond Trust Bank

Tanzania Limited

Main Branch

Jamat / Mosque Street

P.O. Box 115

Dar es Salaam, Tanzania

Tel: (255-22) 2114888-90

Fax: (255-22) 2114210

Swift Code: DTKETZTZ

www.dtbafrica.com

  
**EXTRACT FROM A MEETING OF THE BOARD OF DIRECTORS  
AND SHAREHOLDERS OF FOOD CHAIN (T) LTD**

At a Duly convened and Constituted Meeting of the Board of Directors of **Food Chain (T) Limited** held at the Registered Offices of the Company on the 1<sup>st</sup> day of September 2011, at 4 pm the following resolutions inter-alia were passed.

**EXTRACT OF MINUTES NO: FCTL:1 – 2011**

**APPLICATION FOR TIC CERTIFICATE OF INCENTIVES.**

**Resolved:**

Pursuant to the “Powers” given to the Board of Directors in Clause of the Company’s Articles of Association, we Directors of **Food Chain (T) Limited**

**Hereby Resolve:**

- 1.0 That the Management of the Company is authorized to:
  - Apply for Tanzania Investment Centre (TIC) Certificate of Incentives for the Tourist Hotel Project so as to enjoy fully the Investment Incentives, Benefits and Protection as statutorily provided for under Tanzania Investment Act, 1997.
  - Pay for the Application Fees, Certificate Fees and all the applicable consultancy and documentation costs.
  
- 2.0 That Mr. Mohammed A Muses be the principal Officer to execute registration of the Company with TIC.

**CERTIFIED TRUE EXTRACT  
(By Order of the Board)**

  
\_\_\_\_\_  
CHAIRMAN

  
\_\_\_\_\_  
SECRETARY

**THE COMPANIES ACT, 2002**  
**COMPANY LIMITED BY SHARES**

**MEMORANDUM**

**AND**

**ARTICLES OF ASSOCIATION**

**OF**

**FOOD CHAIN (T) LIMITED**

**Incorporated at this .....day of.....2010**

**DRAWN BY:**  
**MOHAMMED A. MUSES**  
**(SUBSCRIBER)**  
**P.O. BOX 70846**  
**DAR ES SALAAM.**

THE COMPANIES ACT 2002  
COMPANY LIMITED BY SHARES  
MEMORANDUM OF ASSOCIATION  
OF  
FOOD CHAIN (T) LIMITED

1. The name of the company "FOOD CHAIN (T) LIMITED"
2. The Registered office of the Company will be situated in Tanzania.
3. The objects for which the Company is established are:-
  - (a) To carry on business in Tanzania or elsewhere, business as dealers in import and export, buy, sell of rice, wheat, maize, barley and other grain, flax, sisal, cotton, coffee, tobacco, tea, sugar, citrus, fruits, wattle and other plants, trees, fruits, crops and natural produce of any kind or otherwise cultivators, cattle, horse, sheep or dairy, ostrich, or poultry farmers, millers, graziers, market gardeners, seed growers, meat and fruit preservers, brewers, carriers, storekeepers, builders, contractors, merchants, importers and exporters, sawmill proprietors, builders, contractors, merchants, importers and develop any sawmill proprietors, timber merchants and dealers and to cultivate and develop any land of the company, and to treat, cure, submit to any process or manufacture and prepare for market. (whether on account of the company or others) and produce or products, articles or things whatsoever, to manufacture, manipulate, buy, sell, import or export, warehouse, transport by land, water or air and deal in corn, flour, maize and any such produce or products as aforesaid and any other goods, produce, wares, merchandise, articles and things of any kind whatsoever.
  - (b) To carry on the business of a supermarket store, grocery store and any type of Food Mart.
  - (c) To buy, sell, import, produce, manufacture or otherwise deal in food and food products, meat, groceries, fruits, confectionery, wine, spirits, beer and alcoholic beverages, tobacco, druggist supplies, beverages, linen, furniture and furnishings and other articles required in the said business.
  - (d) To carry on the business as general food processors packers and suppliers, to be general suppliers of hard foods stuffs and agricultural crops, to be grain millers and food mixers to be general exporters of fresh fruits vegetables and flowers, to act as agents of buying and selling all kinds of motor vehicles, General supplies, buying and selling building hardware of every description, electrical appliances, lease.
  - (e) To establish, manage develop and hire premises for catering services, restaurant services, bar services, embarkment of passengers and provide services, including warehousing for passengers, telecommunications, transit motels foods and refreshment facilities and all other ancillary services connected with the business of passenger transport and related food industry.

TANZANIA  
5000/= 10225  
Stamp Duty Sh. 5454 17-2-2010  
PAID ORIGINAL  
Receipt No. of

TANZANIA  
2500/= 10225  
Stamp Duty Sh. 5454 17-2-2010  
Receipt No. of

- (f) To carry on all or any of the business of transport, carriage and haulage contractors, owners and charter of road vehicles, aircraft and ships and boats of every description and carriers of goods and passenger by road, rail, water or air and to establish, acquire, maintain and operate transport service of every description both public and private and all services ancillary thereto and for such purposes or as independent undertakings to purchase, take in exchange, charter, hire, build, contract or otherwise acquire and to own, operate, work, manage, maintain, repair, service and deal with and in road vehicles, aircraft and vessels of every supplies therefore and to conduct any such business within the country or any other state in Africa or Europe or Asia and or any other foreign country.
- (g) To carry on the business of clearing and forwarding agents, commission agents, transporters, freighters, haulers, customs bonded warehouse and godown keepers, cargo and travel agents, insurance agents, tourist agents, manufacturers' representatives, road contractors, cargo superintendents, packers, machinery haulage specialists, warehousemen, engineers, electricians, motor cars, cabs, omnibus, lorries, oil tank and coach proprietors and transporters, civil transport contractor and transporters by any means of conveyance of people and goods in Tanzania and the neighboring countries and in such other place or places as may from time to time determined by the company, engage in and or otherwise carry on the business as transporters and transport agents, freight forwarders.
- (h) To carry on the business of Safari Contractors, organizers and operators, and to equip, organize and manage hunting, photographic, cinematic, game fishing, ornithological and other Safaris and expeditions of all kinds.
- (i) To establish, sustain and manage the following business: Air Travel Booking, Domestic and International, Hotel Booking, Tour Safaris, Holiday Planners, Hunting Safari's, Mountain climbing, sight seeing, charter planes and any other activities connected thereto.
- (j) To acquire by purchase, lease, exchange, hire or otherwise, either for a Right of Occupancy or for any other estate, interest or tenure in land, whether in possession or in reversion, and whether vested or contingent, any lands, tenements and premises of any tenure, whether subject or not to any charges or encumbrances, and to hold or to sell, let., alienate, mortgage, charge or otherwise deal with all or any such lands, tenements or premises in the general business of Real Estate.
- (k) To erect and construct houses, buildings or works of every description on any land of the Company, or upon any other lands or property, and to pull down, rebuild, enlarge, alter and improve existing house, buildings or works thereon, to convert and appropriate any such land into and for roads, streets, square, gardens and pleasure grounds and other conveniences, and generally to deal with and improve the property of the Company..
- (l) To advance money to any person or persons or corporation, either at interest or without, upon the security of any movable or immovable property by way of mortgage, or upon marketable security and in particular to advance money.
- (m) To carry business of Fire fighting equipments and General Technical Services, Fumigation and General Supplies, and carry business of importers, exporters, general merchants, general store-keepers, universal, wholesale and/or retail traders, dealers of weighing

scales, inkjet technology, moisture analysis, lab equipment, solar technology, piece wood, glassware, crockery, cutlery, tuners and other household fittings and requirements, other articles and commodities of personal, household use and consumption provisions, textiles, medicines, drugs, wines spirits, liquors, chemical surgical, optical, photographic and other instruments, apparatus.

- (n) To build, construct, alter, improve, enlarge, repair, maintain, develop, demolish, remove or replace and to work, manage, carry out or control works of all descriptions, including but not limited to offices, factories, mills, warehouses, shops, stores, garages and other buildings, roads, machinery and plants, which may, in the opinion of the Directors of the Company, be likely to advance directly or indirectly the Company's interests; to clear sites for the same; to contribute to, subsidies or otherwise assist in the building, construction, alteration, repair, improvement, enlargement, maintenance, development, demolition, removal, replacement, working, management, carrying out or control, to carry business of buying and selling building materials, Hardware's, electrical goods and household items.
- (o) To carry on all or any of the business of stationers, printers, lithographers, stereotypes, electrotypes, engravers, photographic, printer, photo lithographers, typesetting machines operators, die sinker, envelope makers, book binders, account book manufacturers, machine, rulers numerical printers, paper makers, paper baffles and account book makers, box makers, flax and box file makers, cardboard manufactures, type foundry, of dealers in playing, visiting, railways, festival invitation, dealers in or manufacturers or any other articles or things or character similar or analogous to the foregoing or any of them or connected therewith and to deal in the manufacture of and sell by wholesale or retail of school chalks, and secretarial services.
- (p) To carry on the business of services, consultancy, types of information technologies, computer systems, conference systems, telecommunication systems, security systems, public address systems, data communication and to train, research, install and after sale services of electronic systems, voice and data networks and any other systems or components which the company may think fit, necessary or incidental to this business.
- (q) To carry on the business of miners and mining in all their branches and for the said purpose to peg, purchase, take on lease, or exchange or otherwise acquire concessions, grants, easements, options, claims, properties, cassettes- and effects supposed to contain minerals, diamonds, or other precious stones, and any interest therein, and to explore, mine, work, excise develop and turn to account mines and mining rights and any undertaking connected therewith.
- (r) To carry on the business of export and or import of bird, carvings, artworks, woodworks, guiding aids, artistic and or demonstration tools, business promotion apparatus and or tools, wood and or timber products, forest produce, designers of arts and representations thereof, dealers in carvings of all kinds, types and description whatsoever.
- (s) To promote tourism in Tanzania and elsewhere in Africa, to carry on business of travel and tourist agents and tour operators, to promote facilitate traveling to organize hunting, tented-camps, fishing and diving expeditions, safari promoters and undertakers generally and in particular to arrange and manager hunting safaris, photo safaris adventure tours, fishing trips, handling of game trophies and animal skins, catching, harbouring, transporting, wildlife and marine products of all kind.

- (t) To carry on the business of big game hunter, trapping and collection of wild, live birds for sale and export within outside Tanzania, to sell, improved export, and imports, prepare, deal and trade in carvings, painting, curios, export, and provide game sanctuary facilities and to organize of safaris and expeditions. Discover, hunt, shoot, photograph, capture animals, birds, game and fish of all kinds including reptiles, marine products, pottery crafts, crustacean, salt, mangrove sea shells, groceries, vegetables, cereals goods, fruits and all allied products of every description.
- (u) To carry out the business of providing technical and allied services in the field of welding, metal fabrication, non destructive testing, quality assurances, and to provide consultancy in technical services, oil storage tank erections and all other businesses which can be carried out in connection to the above.
- (v) To purchase, take on lease and otherwise acquire for investment or resale any estate, land, buildings, easements and other rights and interests in immovable property or any tenure in Tanzania and elsewhere and to sell let or lease exchange or otherwise dispose of or grant rights over any immovable property, belong to the company.
- (w) To purchase, take or lease or in exchange, hire or otherwise acquire and hold any state or interest in any lands buildings, casements, rights, licenses secret processes, machinery, plants, stock, in trade and real or personal property of any kind.
- (x) To accept payment for any property or rights sold or otherwise disposed or dealt with by the company either in cash, by installment or otherwise or in fully or partly paid up shares of the company or corporation, with or without deferred or preferred or guaranteed rights.
- (y) To carry any other trade or business whatever which can in the opinion of the Board of Directors be advantageously carried on by the Company in connection with the above business or the general business of the company.
- (z) To act as agents for the sale and purchase of any stocks shares or securities or for any other monetary or mercantile transactions.
- (aa) To act as executors and trustees of wills and settlements made by customers and others and undertake and execute trusts of all kinds.
- (bb) To do all or any of the above things in any part of the world and either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others and either or though agents, sub-contractors, trustees and otherwise.
- (cc) To remunerate any person, firm or company rendering services to this company, whether by cash payments or by allotment to him or them of shares or securities of the Company credited and paid in full or in part, otherwise.
- (dd) To accept for safe custody and keep for customers of the company all kinds of securities valuables and things.

- (ee) To lend money on any terms that may thought fit, and particularly to customers or other person or corporations having dealing with societies and to give any guarantees that may be expedient.
- (ff) To advance money to shareholders in the company, and other to the purpose of enabling the person borrowing the same erect or purchase, or enlarge or repair any house or building or to purchase the fee simple or any less estate or interest in, or to take a demise for any term or terms of years of any freehold or leasehold property upon such terms and conditions as the company may think fit.
- (gg) To invest and deal with the moneys of the Company not immediately required, upon such securities and in such manner as may from time to time be determined.
- (hh) To distribute among the members in pieces any property of the company, or any proceeds of sale or disposal of any property of the company.
- (ii) To draw, make, accept, endorse, discount execute and issue promissory notes, bills of lading, warrants, debentures and negotiable or transferable instruments.
- (jj) To act as agents or brokers, and as trustees for any person firm or company, and to undertake and perform sub-contracts and also to act in any other business of the company through or by means of agents, brokers, sub-contractors or others.
- (kk) To obtain any provisional order, ordinance or act of Parliament for enabling the Company to carry any of it is objects into effect, or for affecting any modification of the Company's constitution, or any other purpose which may seem expedient, and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the company's interest.
- (ll) To take or otherwise and hold shares in any other company having objects altogether or in part similar to this company, or carrying on any business capable of being conducted so as directly or indirectly to benefit the company.
- (mm) To transact or carry on all kinds of Agency business and in particular in relation to the investment of money, the sale of property, and the collection and receipt of money.
- (nn) To do all other things as may be deemed incidental or conducive to the entertainment of the objects or any of them.

And it is hereby declared that:-

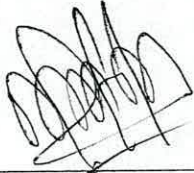

The word "company" in this clause, except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether corporate or incorporate, and whether domiciled in the United Republic of Tanzania or elsewhere.

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

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

4. The Liability of the Members is Limited.
5. The capital of the Company is Shillings 10,000,000/= divided into 100 shares of Shillings 100,000/= each. The Company shall have powers to increase its capital and to divide the shares in its capital for the time being into several classes of stock or shares and to attach thereto respectively such preferential, deferred or special rights, privileges, or conditions as may be determined by or in accordance with the Articles of Association of the Company.

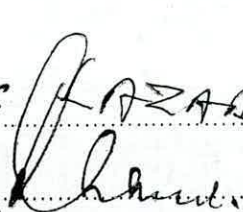
We, the several persons whose names and addresses are subscribed, are desirous of being formed into a company, in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

NAMES, ADDRESSES, AND DESCRIPTION OF SUBSCRIBERS	NUMBER OF SHARES TAKEN	SIGNATURE
MOHAMMED A. MUSES P.O. BOX 70846 DAR ES SALAAM	50	
CERI E. CHAMBERLAIN P.O. BOX 70846 DAR ES SALAAM	50	

Dated at D'Salaam this 8<sup>th</sup> day of December 2009


Witness to the above signatures:-

Name : Mus F. AZARUS CHAMBERLAIN

Signature : 

Postal Address : Box 32263 D'Salaam

Qualification : ADVOCATE



THE COMPANIES ACT, 2002  
COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION

OF  
FOOD CHAIN (T) LIMITED

INTERPRETATION

TANZANIA

Stamp Duty Sis. 5000/=

PAID ON ORIGINAL

Receipt No. 9154/17-2-2010

Stamp Duty Sis.

TANZANIA

Stamp Duty Sis. 2500/=

Receipt No. 9154/17-2-2010

Asst. Registrar of Companies

1. In these articles:-

"the Act" means the Companies Act;

"the articles" means the articles of the company;

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

"the seal" means the Common Seal of the Company;

"Secretary" shall mean any person appointed to perform the duties of Secretary of the Company;

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

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

PRIVATE COMPANY

2. The company is a Private Company and accordingly:-

- (a) The right to transfer shares is restricted in manner hereinafter prescribed.
- (b) The number of members of the company (exclusive of persons who are in the employment of the company and persons who have been formerly in the employment of the company and persons who were while in such employment to be the member of the company) is limited to fifty, provided that where two or more persons hold one or more shares in the company jointly they shall for the purpose of this regulation be treated as a single member.
- (c) Any invitation to the public to subscribe for any shares or debentures of the Company is prohibited.
- (d) The company shall not have power to issue share warrants to bearer.

## MEMBERS

3. The number of members with which the company proposes to be registered is two but the directors may from time to time register an increase of members.
4. The subscribers to the memorandum of association and such other persons as the directors shall admit to membership shall be members of the company.

## GENERAL MEETINGS

5. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notice calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the company and that of the next.

Provided that so long as the company holds its first annual general meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The annual general meeting shall be held at such time and place, as the directors shall appoint.

6. All general meetings other than annual general meetings shall be called extraordinary general meetings.
7. The directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or in default, may be convened by such requisitionists, as provided by section 133 of the Act. If at any time there are not within the Tanzania sufficient directors capable of acting to form a quorum, any director or any two members of the company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meeting may be convened by the directors.

## NOTICE OF GENERAL MEETINGS

8. Every general meeting shall be called by twenty-one clear days' notice in writing at the least. The notice shall specify the place, the day and hour of meeting and, in case of special business, the general nature of that business:

Provided that a meeting of the company shall, notwithstanding that it is called by shorter notice than that specified in this article be deemed to have been duly called if it so agreed:-

- (a) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and
  - (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together representation not less than ninety – five percent of the total voting rights at that meeting of all the members.
9. Subject to the provisions of the articles, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors. The accidental omission to give notice of a meeting to, or the non receipt to notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

## PROCEEDINGS AT GENERAL MEETINGS

10. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the directors and auditors, the election in the place of those retiring and the appointment of, and the fixing of the remuneration of the auditors.
11. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; two persons, entitled to vote on the business to be transacted, each being a member or a proxy for a member or a duly authorized representative of a corporation, shall be a quorum.
12. If within half an hour from the time appointed for the meeting quorum is not present, or if during the course of a meeting a quorum is not present, the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the directors may determine.
13. The Chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the general meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for the holding of the meeting and willing to act, the directors present shall elect one of their members to be chairman of the meeting and, if there is only one director and willing to act, he shall be chairman.
14. If at any meeting no director is willing to act as chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their numbers to be a chairman of the meeting.
15. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days notice of the adjourned meeting shall be given specifying the time and place of the meeting and the general nature of the business to be transacted. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
16. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands demand:-
  - (a) by the chairman; or
  - (b) by at least (three) members present in person or by proxy; or
  - (c) by any member or members present in person or by proxy and representing not less than one – tenth of the total voting rights of all the members having the right to vote at the meeting.

Unless a poll be so demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to the effect in the book containing the minutes of proceedings of the company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

The demand for a poll may, before the poll is taken, be withdrawn

17. Except as provided in article 18, if a poll is duly demand it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demand.
18. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting vote.
19. A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such time as the chairman of the meeting directs, and any business other than upon which a poll has been demanded may be proceeded with pending the taking of the poll.
20. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall have effect as if it had been passed at a general meeting duly convened and held, and consist of several instruments in the like form each executed by or on behalf of one or more member.

#### VOTE OF MEMBERS

21. Every member shall have one vote.
22. A member in respect of whose estate a manager has been appointed under section 26 of the Mental Diseases Ordinance, may vote, whether on a show of hands or on a poll, by his said manager, and any such manager may, on a poll, vote by proxy.
23. No member shall be entitled to vote at any general meeting unless all moneys presently payable by him to the company have been paid.
24. On a poll votes may be given either personally or by proxy.
25. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorized in writing, or, if the appointer is a corporation, either under sea) or under the hand of an officer or attorney duly authorized. A proxy need not be a member of the company.
26. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notially certified copy of that power or authority shall be deposited at the registered office of the company or at such other place within the Territory as is specified for that purpose in the notice convening the meeting, not less than 48 hours

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

27. An instrument appointing a proxy shall be in the following form or a form as near hereto as circumstances admit:-

"..... Limited  
I/We ..... of ....., being a member/ members of the above- named company, hereby appoint ....., of or failing him ..... of ....., as my/our proxy to vote for me/us on my/or behalf at the {annual or extraordinary, as the case maybe} general meeting of the company to be held on the ..... day of .....200....., and at any adjournment thereof.

Signed ..... day of, .....200 ....."

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

"..... Limited  
I/We ..... of ..... Being a member/members of the above named company, hereby appoint of ..... of ..... or failing him ..... of ....., as my/our proxy to vote for me/us on my/our behalf at the {annual or extraordinary, as the case may be} general meeting of the company to be held on the .....day of.....200....., and at any adjournment thereof.

Signed ..... day of, .....200 ....."

This form is to be used\* in favour of/against the resolution. Unless otherwise instructed, the proxy will vote as he thinks fit.

\*Strike out which ever is not desire"

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

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

## CORPORATIONS ACTING BY REPRESENTATION AT MEETINGS

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

### DIRECTORS

32. The Number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum of association or a majority of them and until such determination the signatories to the Memorandum of Association shall be the first directors. Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum but shall be not less than two.
33. The remuneration of the directors shall from time to time be determined by the Company in general meeting. Such remuneration shall be deemed to accrue from day to day. The directors shall also be paid all traveling, hotel and other expenses properly incurred by them in attending and returning from meetings of the directors or any committee of the directors or general meetings of the company or in connection with the business of the company.
34. The following persons shall be first Directors to the Company:-
1. **MOHAMMED A. MUSES**
  2. **CERI E. CHAMBERLAIN**

### BORROWING POWERS

35. The director may exercise all the powers of the company to borrow money, and to mortgage or charge its undertaking and property, or any part thereof, and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the company or any third party.

### POWERS AND DUTIES OF DIRECTORS

36. Subject to the provisions of the Act, the memorandum and the articles and to any directors given by special resolution, the directors, who may exercise all the powers of the company, shall manage the business of the company. No alteration of the memorandum or articles and no such directions shall invalidate any prior act of the directors, which would otherwise have been valid. The powers given by this article shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
37. The directors may by power of attorney appoint any person to be the attorney or agent of the company for such purposes and on such conditions as they determine, including authority for the attorney or agent to delegate all or any of his powers.

38. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as they case may be, in such manner as the directors shall from time to time by resolution determine,
39. The directors shall cause minutes to be made in books provided for the purpose:-
- (a) of all appointments of officers made by the directors;
  - (b) of the names of the directors present at each meeting of the directors and of any committees of the directors;
  - (c) of all resolutions and proceedings at all meetings of the company, and of the directors, and of committees of directors.

#### DISQUALIFICATION OF DIRECTORS

40. The office of director shall be vacated if the directors:-
- (a) Without the consent of the company in general meeting holds any other office of profit under the company; or
  - (b) Becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - (c) Ceases to be a director by virtue of any provision of the Act or becomes prohibited by law from being a director; or
  - (d) Becomes of unsound mind; or
  - (e) Resigns his office by notice in writing to the company; or
  - (f) Is directly or indirectly interested in any contract with the company and fails to declare the nature of his interest in manner required by the Act.

A director shall not vote in respect of any contract in which he is interested or any matter arising thereat, and if he does so vote shall not be counted.

41. The company may by ordinary resolution appoint a person who is willing to act as director to fill a vacancy or be an additional director.
42. The directors may appoint a person who is to act to be a director, either to fill a vacancy or as an additional director, but so that the total number of directors shall not at anytime exceed the number fixed by or in accordance with these articles. Any director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re – election.
43. The company may by ordinary resolution, of which special notice had been given in accordance with section 144 of the Act, remove any director before the expiration of his period of office notwithstanding anything in the article or any agreement between the company and such director. Such removal shall be without prejudice to any claim such director may have for damages for breach of any contract of service between him and the company.
44. The company may by ordinary resolution appoint another person in place of a director removed from office under the immediately preceding article. Without prejudice to the powers of the directors under article 40 the company in general meeting may appoint any person to be a director either to fill a vacancy or as an additional director.

45. Subject to the provisions of the articles, the directors may regulate their meetings as they think fit. Questions arising at a meeting shall be decided by a majority of votes. In case of an equality of votes, the chairman shall have a second or casting vote. A director may, and the secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting of directors to any directors who are absent from Tanzania.
46. The quorum necessary for the transaction of the business of the directions may be fixed by the directors, and unless so fixed shall be two.
47. The continuing directors may act notwithstanding any vacancy but, if and so long as their number is reduced below the number fixed by or pursuant to the articles of the act for the purpose of increasing the number of directors to that number, or summoning a general meeting of the company, but for no other purpose.
48. The directors may appoint one of their members to be the chairman of the board of directors and determine the period of which he is to hold office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. But if no such chairman is appointed, or if he is unwilling to preside, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the directors present may choose one of their members to be chairman of the meeting.
49. The directors may delegate any of their powers to any committee consisting of one or more directors; any committees so formed shall in the exercise of the powers so to any such regulations, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.
50. All act done by a meeting of the directors or of a committee of directors or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such director, or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and was entitled to vote.
51. A resolution in writing signed by all the directors entitled to receive notice of a meeting of the directors, or of a committee of directors, shall be as valid and effectual as if it had been passed at a meeting of the directors or {as the case may be} a committee of directors duly convened and held, and may consist of several documents in the like form each signed by one or more directors.

#### SECRETARY

52. The Secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

53. A provisions of the Act or these articles requiring or authorizing a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, the secretary.

#### THE SEAL

54. The seal shall only be used by the authority of the directors or of a committee of the directors authorized by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or by a second director.
55. The directors shall cause proper books of account to be kept with respect to:-
- (a) all sums of money received and expended by the company and the matters in respect to which the receipt and expenditure takes place;
  - (b) all sales and purchase of goods by the company; and
  - (c) the assets and liabilities of the company.

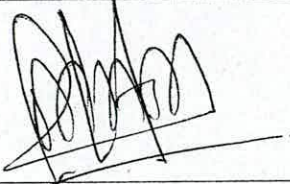

Property books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and air view of the state of the company's affairs and to explain its transactions.

56. The books of account shall be kept at the registered officer of the company, or subject to section 151 (4) of the Act, at such other place or places as the directors think fit, and shall always be open to the inspection of the directors.
57. No member shall (as such) have right of inspecting any accounting records or other book or document of the company except as conferred by statue or authorized by the directories or by ordinary resolution of the company.
58. The directors shall from time to time in accordance with sections 153,155 and 150 of the Act, cause to be prepared and to be laid before the company in general meeting, such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.
59. In accordance with section 164 of the Act, the copy of the company's annual accounts to be laid before the company in general meeting together with a copy of the directors' report and the auditors shall not less than twenty – one days before the date of the meeting be sent to every member of, and every holder of debentures of, the company. Provided that this regulation shall not require a copy of those documents to be sent to any person of whose address the company is not aware or to more than one of the joint holders of any debentures.

#### AUDIT

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

61. Any notice to be given to or by any person pursuant to the articles shall be in writing except that a notice calling a meeting of directors need not be in writing. The company may give any notice to a member either personally or by sending it by post in a prepared envelope addressed to the member at his registered address, or by leaving it at that address. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying, and posting a letter containing the notice, and to have been effected at the expiration of seventy – two hours after the letter containing the same was posted. A member whose registered address is not within the Tanzania and who gives to the company an address within the Tanzania at which notices may be given him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the company.

NAMES, ADDRESSES, AND DESCRIPTION OF SUBSCRIBERS	NUMBER OF SHARES TAKEN	SIGNATURE
MOHAMMED A. MUSES P.O. BOX 70846 DAR ES SALAAM	50	
CERI E. CHAMBERLAIN P.O. BOX 70846 DAR ES SALAAM	50	

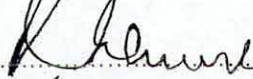
Dated at D'Salaam this 8<sup>th</sup> day of December 2009

Witness to the above signatures:-

Name :

Pius Lazarus Chabremin

Signature :



Postal Address :

Box 37263 D'Salaam

Qualification :

ADVOCATE



**FOOD CHAIN (T) LIMITED**

**BUSINESS PLAN  
FOR PROCESSING & EXPORTING AGRO PRODUCTS**

**Prepared by:**  
Food Chain ( T) Ltd  
POBox 14301, Dar Es Salaam

October, 2011

**FOOD CHAIN (T) LIMITED**

**BUSINESS PLAN  
FOR PROCESSING & EXPORTING AGRO PRODUCTS**

**Prepared by:**  
Food Chain ( T) Ltd  
POBox 14301, Dar Es Salaam

October, 2011

# **FOOD CHAIN TANZANIA LIMITED.**

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- 8.0 Financial and economic analysis
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# **FOOD CHAIN (T) LIMITED**

## **1.0 EXECUTIVE SUMMARY**

### **INTRODUCTION**

This business plan sets out proposal by M/S Food Chains (T) Limited of P. O. Box 14301, Dar Es Salaam, for processing and exporting fruits, vegetables & other agro commodities to be implemented in Dar Es Salaam region..

M/S Food Chains (T) Limited is incorporated in mainland Tanzania under the Companies Act and was issued with Certificate Of Incorporation no 75229 issued by the Registrar of Companies on 3<sup>rd</sup> March, 2010.

### **LOCATION**

The registered office of the company is on plot no 444/129, Nkruma street, Dar Es Salaam. The project will be located on plot no: 105, Chang'ombe, Pugu Road, Dar Es Salaam.

### **BACKGROUND**

Agricultural exports are very important for many developing countries as the main source of foreign exchange earnings and economic growth. Expansion of agricultural exports is considered one of the most promising means of increasing incomes and augmenting foreign exchange earnings, particularly in countries stepping up their development efforts. Even for countries that have shifted the weight of the economy from agriculture to manufacturing or other sectors, agricultural exports continue to play an important role in creating incomes in rural areas and providing raw materials to related sectors.

In Tanzania, over 50% of the exports is agro-based constituting exports of primary products such as coffee, cotton, sisal, tea, tobacco and cashew nuts. The processed agro exports account for below 30% of total exports. Non-traditional exports such as horticulture and fish are also becoming important. In 2000, non-traditional exports accounted for up to 44 percent of the total exports. During the era of socialism based on public sector led development, the state took the lead in agribusiness investment including plantations, processing and marketing of inputs and outputs. Since the mid 1980s, policy reforms have been implemented involving liberalisation of agribusiness and enhancing incentives for the private sector to engage in agricultural business. This has however not been accompanied by efficient and broad based supply response by private investors in various agricultural businesses

## **FRUIT AND VEGETABLE EXPORT TRADE COMMODITY CHAIN**

A commodity chain describes the connections between different enterprises involved in the design, production, and marketing of a finished product. The commodity chain for international fresh fruit and vegetable trade is made of retailers, importers, exporters, and growers. Exporters are not just shippers of produce, but also the primary party responsible for meeting the supply chain requirements set by retailers. These firms need the capability to work closely with overseas importers, organization to deal with growers to meet volume and quality requirements, capital to invest in transportation and post harvest facilities, ability to benefit from governmental incentives, and connections to bypass bureaucratic hurdles. As a result, only a few large firms within each country succeed in this venture.

## **THE FRUIT AND VEGETABLE INDUSTRY IN EAST AFRICA**

### **Tanzania**

Tanzania has good climatic growing conditions for growing fruits. The most important fruits include pineapples, passion fruits, citrus fruits, mangoes, peaches, pears and bananas. The fruits growing areas are shown in the table below. The next table shows the production estimates. Small-scale farmers practising traditional methods of growing fruits account for a large share of the produce. Most of these farmers are however not commercial oriented and cannot meet the quality required for exports.

### **MARKET**

Processed fruits, vegetables and other Agro Products will be exported to EU market, Japan, Middle East and USA. With increased globalisation, e-marketing will be the norm. Establishing websites to market their products and using the internet to look for markets will be inevitable.

### **PRODUCTS**

The project will process fruits, vegetables and other agro products and pack into different grades for export.

### **USES OF THE PRODUCTS**

Fruits, vegetables and Other Agro Products are used as ingredients in various types of food, snack preparations by Householders, Restaurants, Eating Joints, Canteens, Hostels.

## **INVESTMENT COST**

The total Investment cost of the project is estimated to US \$ 850,000/-, which will be used to built up warehouse, and import Processing & Packing Machines, Equipments and related spare parts.

## **SOURCES OF FINANCING**

Part of financing will come from the shareholders contribution and the remaining part will be a loan facility from the bank.

## **EMPLOYMENT GENERATION:**

The project will create one hundred (100) new jobs directly and indirectly.

## **PROJECT PROFITABILITY:**

The project is highly profitable as it can be seen by an internal rate of return of 29%.

## **CONCLUSION & RECOMMENDATION:**

The project is economically viable, financially sound and socially desirable, hence it is recommended for approval and implementation.

## **2.0 THE PROJECT:**

Background

Product description

Fruits, vegetables and other agro products are produced in plenty in Tanzania. Depending on harvesting season, different types of fruits, vegetables and other agro produce will be procured and stored. Modern machines will be used for processing, grading and packing.

### **THE PROJECT CONCEPT:-**

M/S Food Chains (T) Limited Export trading company limited intends to put up a project for processing and exporting fruits, vegetables & other agro commodities by putting up a modern processing and packing unit, by building warehousing and storage facilities, importation of modern machines, spare parts and related equipment for the project. To accomplish this, the project will have warehousing and factory building to conduct and carry out the processing activities.

Procure and install all necessary machinery and equipment's.

Procure fruits, vegetables and other agro produce for the processing, grading and Export activities.

Obtain supply of utilities and other human and non-human resources.

## **PROJECT IMPLEMENTATION**

The project will be implemented in two phases; the first phase will be constructing warehouses and storage facilities which will be used for storage of fruits, vegetables and other agro produce. The whole process work will take 5 months followed by a second phase which will involve importation of processing, grading, packing machines, storage equipments and related equipments to reach the targeted goal.

### **Countries of origin**

This Table shows only a selection of the most important countries of origin and should not be thought of as exhaustive.

Africa	Mozambique, Tanzania, Kenya, Ivory coast, Benin, Guiney Bissau and Nigeria
Asia	India, China, Vietnam
America	Mexico, West Indies, Brazil

### **Packaging**

Fruits, Vegetables and other Agro Produce are packed in, among other things pouches, cartons and bags.

### **Transport**

Means of transport

Ship, truck, railroad

Container transport

Ventilated containers (coffee containers), if the lower limits set for the water content of good, packing and flooring and the oil content of the goods are complied with and if protection against solar radiation is ensured (risk of self-heating).

### **Cargo handling**

In damp weather (rain, snow), the cargo must be protected from moisture since it may lead to mold, spoilage and self heating as a result of increased respiratory activity.

No hooks should be used with bagged cargo, so as to prevent damage to bags and loss of volume.

### Cargo securing

In order to ensure safe transport the bags must be stowed and secured in the means of transport in such a manner that they cannot slip or shift during transport. Attention must also be paid to stowage patterns which may be required as a result of special considerations, such as ventilations measures.

In the event of loading as general cargo, dunnage should be used to protect against damage:

Floor dunnage: criss-cross dunnage and packing paper

Side dunnage: lining with wooden dunnage and mats or jute coverings: protection from metal parts of the ship, since traces of metal promote cargo rancidity due to autoxidation.

Top dunnage: important for voyages to cold regions (winter) since sweat may drip onto the cargo.

### **Risk factors and loss prevention**

#### RF Temperature

Fruits, vegetables and other agro produce require particular temperature, humidity/moisture and ventilation conditions (storage climate conditions).

Favorable travel temperature range: 5-25c [1]

Temperature > 30c should not prevail for a long period, as such temperature promote respiration of the cargo and cause self-heating. Daily temperature measurement should be taken and the results recorded.

fruits, vegetables and other agro produce in cartoons & bags are at risk of moisture penetration and mold formation due to ship/container sweat. The goods may cake, turn rancid and discolor. Soaked cartons may also discolor and lose strength, and jerricans may corrode.

On the other hand, excessive dryness may lead to breakage.

During lightering, care must be taken to avoid seawater damage (silver nitrate method).

In the tropics, sudden, heavy downpours occurring during cargo handling may damage the cargo.

When container transport is used damage due to moisture may arise if the water content of the cargo is too high or if defects in the containers allow water to penetrate. The lack of ventilation in 90% full standard containers may cause spoilage.

### **RF ventilations**

Recommended ventilation conditions: air exchange rate at least 10 changes/ hour (airing)

The heat arising due to the self-heating process must be dissipated as quickly as possible by ventilation, since hot spots spread very rapidly and may affect entire batches of cargo.

It is advised to stow so as to leave trenches, so that water vapor and heat may be removed by suitable ventilation measures.

### **RF Insect infestation/Diseases**

Mites, cockroaches, saw-toothed grains beetles, flour beetles, meal moths, dried fruit moths and rats and mice may attack peas. Peas from the previous year's harvest have a particular tendency to beetle infestation.

The quarantine regulations of the country of destination must be complied with and a phytosanitary certificate and fumigation certificate may have to be enclosed with the shipping documents. Information may be obtained from the phytosanitary authorities of the countries concerned.

### 3.0 INVESTMENT COST

#### Investment structure:

The total initial investment in fixed assets is estimated to be US\$ 650,000 and that of working capital will be US\$ 200,000. The break down of the total initial investment is as follows:

	Total US\$
a) Warehouse & Storage facilities	300,000
b) Plant and Machinery	185,000
c) Vehicles	85,000
d) Furniture and Fittings	25,000
e) Others-Tools, Equipments etc	30,000
f) Pre-operation Expenses	25,000
g) Total fixed investment	<b>650,000</b>
h) Initial working Capital	200,000
TOTAL INITIAL INVESTMENT	<b>850,000</b>

#### Sources of financing:

The project will be financed by shareholders contribution of US\$ 550,000 and a loan facility of US\$ 300,000 from the Bank. In case of future project expansion, the shareholders will look for a loan facility from domestic financial institutions.

#### Sales Revenue

The Sales Revenue will be mainly from exports of Fruits, vegetables and other agro produce And is estimated as under :

( Figures in USD )

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
Fruits-exports	300,000	330,000	363,000	399,300	439,230
Vegetables-exports	250,000	275,000	302,500	332,750	366,025
Other Agro Products-exports	550,000	605,000	665,500	732,050	805,255

## **4.0 MARKETS AND PLANT CAPACITY**

Targeted markets

Processed Fruits, vegetables and other agro produce will be exported to mainly EU market, Japan, Middle East, Asia and USA. Refrigerated & frozen Foods showcase the fastest growing segment of the food and beverage industry - the entire chilled and frozen food market.

### **Competition**

The company does not fore see any threat in processing and export of Fruits, vegetables and other agro produce.

### **Environmental Pollution**

The processing business will not produce much toxics in their operations. The business in this respect is modest operation to make any impact on the environment.

## **5.0 PLANT AND MACHINERY**

Some of the basic machines and equipments required for this project are as follows

1. Driers
2. Storage & warehousing equipments
3. Separator Machines
4. Refrigerators & cooling Machines
5. Sortex Machine
6. Packing Machines
7. Generator
8. Weighing machine

### **OTHER EQUIPMENTS**

The equipment for processing include :

1. Blower fans
2. Manual shellers and shelling machines
3. Cutting machines and blades

4. Tables for shelling
5. Heat exchangers, steam rooms
6. Moisture devisces
7. Heat controllers
8. Trays
9. Peeling equipments
10. Grading tables
11. Gas flushing equipments
12. Converter kits
13. Other accessory kits and equipments

## **6.0 RAW MATERIALS AND INPUTS :**

Agriculture is the foundation of the Tanzanian economy. It accounts for about half of the national income, three quarters of merchandise exports and is source of food and provides employment opportunities to about 80 percent of Tanzanians. It has linkages with the non-farm sector through forward linkages to agro-processing, consumption and export; provides raw materials to industries and a market for manufactured goods.

Agriculture in Tanzania is dominated by smallholder farmers (peasants) cultivating an average farm sizes of between 0.9 hectares and 3.0 hectares each. About 70 percent of Tanzania's crop area is cultivated by hand hoe, 20 percent by ox plough and 10 percent by tractor. It is rainfed agriculture. Food crop production dominates the agriculture economy 5.1 million ha. are cultivated annually, of which 85 percent is under food crops. Women constitute the main part of agricultural labour force. The major constraint facing the agriculture sector is the falling labour and land productivity due to application of poor technology, dependence on unreliable and irregular weather conditions. Both crops and livestock are adversely affected by periodical droughts.

Irrigation holds the key to stabilizing agricultural production in Tanzania to improve food security, increase farmers' productivity and incomes, and also to produce higher valued crops such as vegetables and even flowers.

Urban Agriculture:

Urban agriculture has flourished as a household – level initiative to cope with economic hardships encountered as a result of raising cost of living. Urban agriculture that consists of raising and growing of vegetable and food crops is found in Tanzanian towns and cities where the ready market for Agricultural products are found. Producers of vegetables, milk, broilers' meat and eggs sell to private households and to school, hotels, hospitals, bars, cafeterias and restaurants.

### Agriculture Performance:

Agricultural GDP has grown at 3.3 percent per year since 1985, the main food crops at 3.5 percent and export crops at 5.4 percent per year. Considering that the overall GDP growth target for halving abject poverty by 2010 is in the range of 6-7 percent, this performance falls short of the needed growth.

The macro economic reforms have and continue to have had significant impact on the Agriculture sector. The economic reforms have lead to the opening up of the sector to private investment in production and processing, input importation and distribution and agricultural marketing. Most of production and processing and marketing functions have been assigned to the private sector. The Government has retained regulatory and public Support functions or facilitation role.

Farmers are free to sell their crops to cooperatives or private traders. Due to competition, normal producer prices for food & export crops have increased as such farmers can now sell their produce much faster. Farmers are no longer confined to a single source for their essential inputs for crops and livestock.

The Government recognizes the pivotal role of the agricultural sector both in terms of economic growth and poverty reduction. Also the strong influence of factors outside the sector such as infrastructure, rural financial services, land ownership and good governance is recognised.

The project will mainly procure locally grown fruits, vegetables and other agro produce from various regions producing in Tanzania and process the same and export. The availability of fruits, vegetables and other agro produce is not a limiting factor.

### Export crops:

- coffee
- cotton
- cashewnut
- tobacco
- sisal
- pyrethrum
- tea
- cloves
- Horticultural crops
- Oil seeds
- Spices and flowers

### **Export Vegetables/Friuts :**

Tomatoes, Potatoes, Mangoes, Mango Pulp, Pineapples

### **Water**

Water requirements for the production process and for workers use have been estimated to be 25,000 litres per day. To ensure regular supply of water to the factory, it is proposed to have a bore hole at the factory site.

### **Utilities and Services**

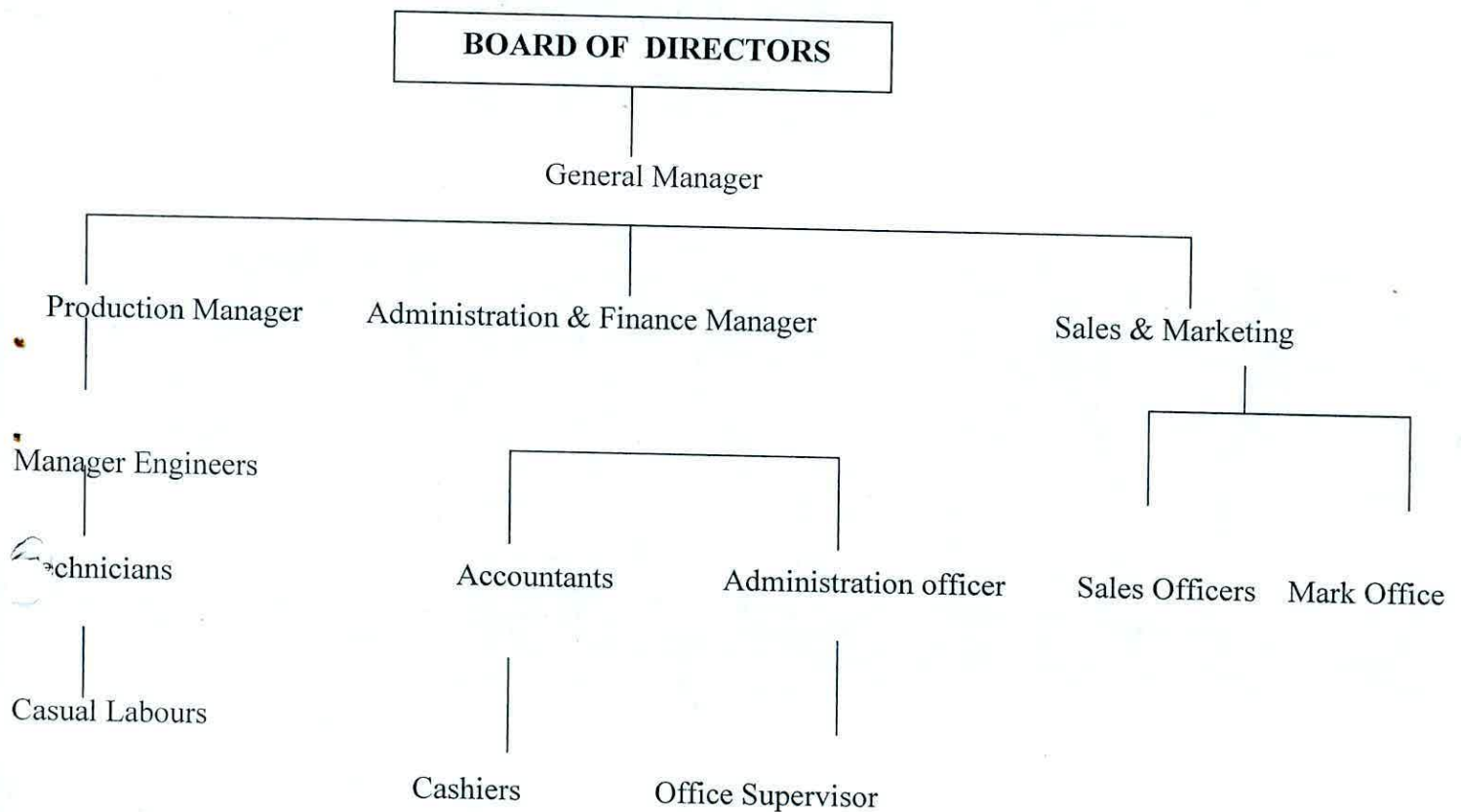
Utilities and services to be provided to the unit will include Power, Telecommunication, such as Telephone/Tele Fax facilities and internet, fuel oil, first aid services and fire fighting equipments.

### **Electricity/power cuts problems**

The project intends to have a standby generator to solve the problem of erratic power supply.

## 7.0. MANPOWER REQUIREMENT AND ORGANIZATION STRUCTURE

The company will create One hundred (100) new jobs to manage and run the project. There will be the general manager, production manager, sales and marketing manager and administration and finance manager. The organization structure of the company will look as follow.



Other posts:

01. Personnel Manager
02. Planning Manager
03. Processing Manager
04. Quality Manager
05. Purchase Manager
06. Stores/Inventory Manager

## Training

Experts from the suppliers of the machines will train Tanzanians how to operate and maintain the machines for three months before starting commercial production. On the job training will be a continuous process.

## 8.0 FINANCIAL ANALYSIS

The projects financial projections depict the project to be viable, as it is shown by some of the indicators below:

### **Projected Profit and Loss**      *Appendix 1*

The project will make a net profit of US\$ 59,631/- during year one, US\$93,046/- in year two and will increase to a maximum of US\$ 202,824/- in the Fifth Year.

### **Projected Cash flow**      *Appendix 3*

The project will be able to generate enough cash to meet its obligation of repayment of loan and financing any capital expenditure during the project life, at the end of year five, the project will have an accumulated cash balance of US\$ 161818/- after repaying the entire loan.

### **Payback Period**      *Appendix 5.*

The payback period for the project will be below 5 years as per *Appendix 5*. This period is acceptable for processing project.

### **Projected Balance Sheet**      *Appendix 2.*

The balance sheet indicates favorable state of affairs of the company throughout the projected period. The net worth will increase from US \$ 609,631/- to US \$ 1,197,875/- in the fifth year.

### Internal Rate of Return (IRR) after Tax *Appendix 7.*

The internal rate of return as per *Appendix 7* works out at 29% which is more favorable.

### Economic benefit of the project

- The project will generate employment to 100 Tanzanians.
- The government will earn revenue from taxes.
- Positive Profitability from Year 1.
- High Internal Rate Of Return.
- Low Pay Back Period.
- DSCR greater than 1
- Project shall prove boost to agriculturists.
- The project will bring foreign currency in the country as the result of exports.
- People will be able to buy high quality of processed agri produce/fruits and vegetables

### KEY INDICATORS :

INTERNAL RATE OF RETURN %	29
<i>PAY BACK PERIOD ( YEARS)</i>	4yeras & 6 months
DEBT SERVICE COVERAGE RATIO	2.61

### 9.0 CONCLUSION AND RECOMMENDATION

The project is financially and economically viable, socially desirable and environmentally friendly, hence it is recommended for approval and implementation.

**FOOD CHAIN (T) LIMITED**  
**PROJECTED PROFIT AND LOSS ACCOUNT**

Appendix 1

USD

YEAR	1	2	3	4	5
<i>Income</i>					
<i>Fruits-exports</i>	300,000	330,000	363,000	399,300	439,230
<i>Vegetables-exports</i>	250,000	275,000	302,500	332,750	366,025
<i>Other Agro Products-exports</i>	550,000	605,000	665,500	732,050	805,255
<b>Total Income</b>	1,100,000	1,210,000	1,331,000	1,464,100	1,610,510
<b>Less:</b>					
<b>Variable Cost</b>	770,000	847,000	931,700	1,024,870	1,127,357
Variable Margin	330,000	363,000	399,300	439,230	483,153
<b>Less :</b>					
Fixed Costs	150,000	150,000	150,000	150,000	150,000
Operational Margin	180,000	213,000	249,300	289,230	333,153
<b>Less</b>					
Depreciation	67,813	58,477	50,288	43,566	38,004
Profit before Interest	112,188	154,523	199,012	245,664	295,149
Interest on Long -Term Loan	27,000	21,600	16,200	10,800	5,400
Profit before Tax	85,188	132,923	182,812	234,864	289,749
Less: B/F Loss	-	-	-	-	-
Taxable Profit	85,188	132,923	182,812	234,864	289,749
Tax (30%)	25,556	39,877	54,844	70,459	86,925
Profit after Tax	59,631	93,046	127,968	164,405	202,824
Accumulated Profit	59,631	152,678	280,646	445,051	647,875

**FOOD CHAIN (T) LIMITED**  
**PROJECTED BALANCE SHEET**

Appendix 2

YEAR	USD					
	0	1	2	3	4	5
<b>ITEM DESCRIPTION</b>						
<b>Fixed Assets</b>						
Opening Balance	-	650,000	582,188	523,711	473,423	429,857
Additions	650,000	-	-	-	-	-
	650,000	650,000	582,188	523,711	473,423	429,857
Less Depreciation	-	67,813	58,477	50,288	43,566	38,004
Closing Balance	650,000	582,188	523,711	473,423	429,857	391,853
Working Capital	175,000	247,500	302,500	399,300	512,435	644,204
Accumulated Cash	25,000	19,944	56,467	77,923	112,759	161,818
<b>Total Assets</b>	<b>850,000</b>	<b>849,631</b>	<b>882,678</b>	<b>950,646</b>	<b>1,055,051</b>	<b>1,197,875</b>
<b>Financed by</b>						
Equity	550,000	550,000	550,000	550,000	550,000	550,000
Insecured Loans	-	-	-	-	-	-
Accumulated Profit	0	59,631	152,678	280,646	445,051	647,875
Total Equity	550,000	609,631	702,678	830,646	995,051	1,197,875
Long Term Loan	300,000	240,000	180,000	120,000	60,000	-
Bank Overdraft	-	-	-	-	-	-
Total Debts	300,000	240,000	180,000	120,000	60,000	-
<b>Total Equity and Debts</b>	<b>850,000</b>	<b>849,631</b>	<b>882,678</b>	<b>950,646</b>	<b>1,055,051</b>	<b>1,197,875</b>

**FOOD CHAIN (T) LIMITED  
CASH FLOW PROJECTIONS**

*Appendix 3*

						USD
ITEM DESCRIPTION/YEAR	0	1	2	3	4	5
<b>Sources</b>						
Profit before Interest	0	112,188	154,523	199,012	245,664	295,149
Depreciation	-	67,813	58,477	50,288	43,566	38,004
Long Term Loan	300,000	-	-	-	-	-
Unsecured Loans	-	-	-	-	-	-
Equity	550,000	-	-	-	-	-
<b>Total sources</b>	<b>850,000</b>	<b>180,000</b>	<b>213,000</b>	<b>249,300</b>	<b>289,230</b>	<b>333,153</b>
<b>Applications</b>						
Capital expenditure	650,000	-	-	-	-	-
Working capital	175,000	72,500	55,000	96,800	113,135	131,769
Accumulated cash	25,000	(5,056)	36,523	21,456	34,836	49,059
Tax	-	25,556	39,877	54,844	70,459	86,925
<b>Sub-total</b>	<b>850,000</b>	<b>93,000</b>	<b>131,400</b>	<b>173,100</b>	<b>218,430</b>	<b>267,753</b>
<b>Debt service</b>						
Principal	-	60,000	60,000	60,000	60,000	60,000
Interest	-	27,000	21,600	16,200	10,800	5,400
Unsecured loans					-	-
<b>Total Debt service</b>	<b>-</b>	<b>87,000</b>	<b>81,600</b>	<b>76,200</b>	<b>70,800</b>	<b>65,400</b>
<b>Total applications</b>	<b>850,000</b>	<b>180,000</b>	<b>213,000</b>	<b>249,300</b>	<b>289,230</b>	<b>333,153</b>
Accumulated cash	25,000	19,944	56,467	77,923	112,759	161,818
Necessary working capital	175,000	247,500	302,500	399,300	512,435	644,204

**FOOD CHAIN (T) LIMITED**

*Appendix 4*

**REPAYMENT OF LOANS AND BANK OVERDRAFT**

**USD.**

PARTICULARS	YEAR					
	0	1	2	3	4	5
Opening Balance	0	300000	240000	180000	120000	60000
Receipt	300000	0	0			
Repayment	0	60000	60000	60000	60000	60000
Interest - 9%	0	27000	21600	16200	10800	5400
Closing Balance	300000	240000	180000	120000	60000	0

**FOOD CHAIN (T) LIMITED**

**PAYBACK PERIOD**

*Appendix-5*

Year	Profit After Tax	Depreciation	USD	
			Total Cash Flow	Accumulated Cash Flow
1	59,631	67,813	127,444	127,444
2	93,046	58,477	151,523	278,967
3	127,968	50,288	178,256	457,223
4	164,405	43,566	207,971	665,194
5	202,824	38,004	240,828	906,022

Initial fixed investment and working capital = USD 850,000

From above table, payback period is calculated at below 5 years.

**FOOD CHAIN (T) LIMITED**  
**DEPRECIATION SCHEDULE**

*Appendix 6*  
**USD**

Item Description	Value	Rate %	1	2	3	4	5	Total	Residual Value
Warehouse & storage facilities	312,500	5.0	15,625	14,844	14,102	13,396	12,727	70,693	241,807
Plant & Machinery	227,500	12.5	28,438	24,883	21,772	19,051	16,670	110,813	116,687
Vehicles	85,000	25.0	21,250	15,938	11,953	8,965	6,724	64,829	20,171
Furniture & Equipments	25,000	12.5	2,500	2,813	2,461	2,153	1,884	11,811	13,189
<b>Total</b>	<b>650,000</b>		<b>67,813</b>	<b>58,477</b>	<b>50,288</b>	<b>43,566</b>	<b>38,004</b>	<b>258,147</b>	<b>391,853</b>

**FOOD CHAIN (T) LIMITED**

**INTERNAL RATE OF RETURN (IRR) AFTER TAX**

*Appendix-7*

Year	Investment	Working Capital	USD		
			Profit before depreciation and interest	Tax	Cashflow
0	(650,000)	(150,000)	-	-	(800,000)
1	-	-	180,000	25,556	154,444
2	-	-	213,000	39,877	173,123
3	-	-	249,300	54,844	194,456
4	-	-	289,230	70,459	218,771
5	391,853	806,022	333,153	86,925	1,444,104

Internal Rate of Return (IRR) after tax =

29%

\*= Residual Value