

LOTUS ESSENTIALS LTD

MINUTE

PAGE NO. _____

1.0

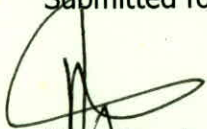
Ag. EXD

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

- (a) Minimum finance investment threshold has been exceeded, the project expects to invest US\$ 0.653 M.....
- (b) Legal entity has been incorporated under certificate
No. 77114..... of 23/02/2010.....

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
5th March, 2012

Ag. EXD

In response to the TIC letter of registration dated 5th March 2012

The project has submitted the required documents namely:-

- (a) Company Board Resolution
- (b) Reference letter/Financing from Bank of Africa Ltd
- (c) Lease Agreement to Investor of land.

With the above submission EXD is requested to sign Certificate of Incentives No. 042185... herein attached.

2/04/2012


DIF



BOA (T)/RISK/064/2012

17th February, 2012

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

Dear Sir/Madam,

RE: BANK REFERENCE LETTER FOR LOTUS ESSENTIALS LIMITED

We are writing in response to our customer letter dated 15th February, 2012 with the above subject. The above named company is our customer operating TZS Current Account Number 102040570004 with us since July 2010.

This letter is issued for the purpose of confirming a banking relation between Lotus Essential Ltd and Bank of Africa (TZ) Ltd, and informing you that the operation of these account has been successfully since then.

This information is given in strict confidence without any liability or responsibility of either the bank or any of its officers.

Yours faithfully,

For and on behalf of Bank of Africa Tanzania Limited

ARNOLD MHALLY
OPERATIONAL RISK MANAGER

ALLY MWEMA
ASST. OPERATIONAL RISK MANAGER



THE UNITED REPUBLIC OF TANZANIA

00218631

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No:042185.....

This is to certify that

.....
LOTUS ESSENTIALS LIMITED
.....

of address P.O. BOX 13462

.....
DAR ES SALAAM
.....

has been granted a Certificate of Incentives to invest in a new, ~~XXXXXXXXXXXXXXXXXXXX~~
~~XXXXXXXXXXXX~~ enterprise known as

.....
LOTUS ESSENTIALS LIMITED
.....

Which is located at WAREHOUSE PLOT NO. E 1636 GONGO LA MBOTO ILALA

.....
& WAREHOUSE PLOT NO. 46/1 NYERERE ROAD
.....
DAR..ES..SALAAM.....

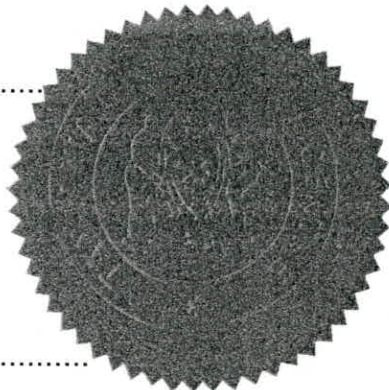
Further particulars required by Section 17 of the Tanzania Investment Act are set out overleaf.

.....

Ag. Executive Director

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

Dated 2ND APRIL 2012



Name and addresses of the allottees

Form 55a

Shareholder details	Shares and share class allotted	
	Class of Shares	Number Allotted
Name: MR. HARSHA SUVARNA	ORDINARY	11,500
Address: P.O. Box 13462-DARES SALAAM MINDU STR, PLOT # 482, FLAT # 2 - ILALA - DAR ES SALAAM.		

Shareholder details	Shares and share class allotted	
	Class of Shares	Number Allotted
Name: MS VASANTHA SUVARNA	ORDINARY	11,500
Address: P.O. Box 13462-DAR ES SALAAM MINDU STR, PLOT # 482, FLAT # 2 - ILALA - DAR ES SALAAM		

Shareholder details	Shares and share class allotted	
	Class of Shares	Number Allotted
Name: MR. PAUL N. CHAKKAPAN	ORDINARY	33,000
Address: P.O. Box 13462-DAR ES SALAAM. INDIRA GANDHI STR, GOLDEN PLAZA FLAT # 702- ILALA-DAR ES SALAAM		

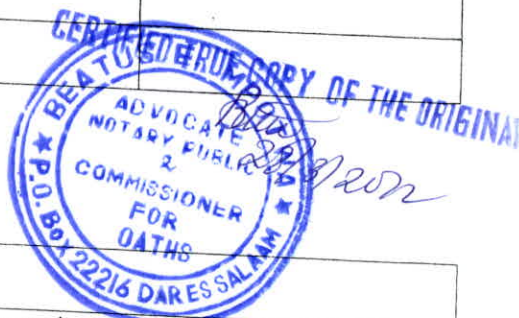
Shareholder details	Shares and share class allotted	
	Class of Shares	Number Allotted
Name: MR. MUHAMMAD JAVED ABDULKARIM	ORDINARY	33,000
Address: P.O. Box 13462-DAR ES SALAAM. INDIRA GANDHI STR, GOLDEN PLAZA FLAT # 702- ILALA- DAR ES SALAAM		

Shareholder details	Shares and share class allotted	
	Class of Shares	Number Allotted
Name: MR. REJICO ARON MDEMU	ORDINARY	1,000
Address: P.O. Box 13462-DAR ES SALAAM		

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

Signed Harsh
 director / secretary / administrator / administrative receiver / receiver / manager

Date 18th JANUARY, 2012.



RECEIVED PAID SHS: 15,000/-
 RECEIPT NO: 1022364
 DATE: 25/01/12

FIF 15,000/-
 25-01-2012

Form 55a

THE UNITED REPUBLIC OF TANZANIA
 BUSINESS REGISTRATIONS AND LICENSING AGENCY

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

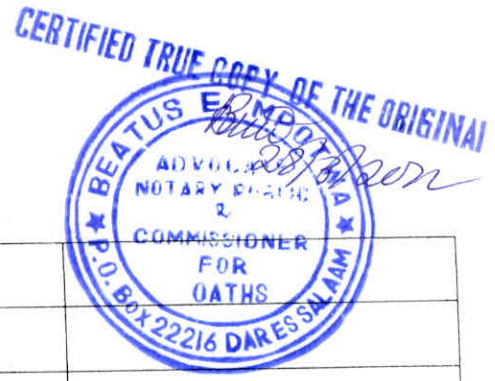
Company Number

Company Name in Full

Shares allotted (including bonus shares)

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

From:
 To:



Class of Shares (ordinary or preference etc)	<input type="text" value="ORDINARY"/>		
Number allotted			
Nominal value of each share			
Amount (if any) paid or due on each share	<input type="text" value="CASH"/>		

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

% that each share is to be treated as paid up

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

FOR OFFICIAL USE ONLY.

1350005
102367
21/01/12
25/01/12

15000
12000
25/01/2012

Form 66

THE UNITED REPUBLIC OF TANZANIA

BUSINESS REGISTRATIONS AND LICENSING AGENCY

Notice of increase in nominal capital
Pursuant to Section 66(2) of the Companies Act 2002

To the Registrar of Companies

Company Number 77114

Name of company (Full Name) LOTUS ESSENTIALS LIMITED

The above-named Company gives notice in accordance with section 66 of the above Act that by resolution of the Company dated 18/01/2012 the nominal capital of the Company has been increased by TSh 100,000,000/- beyond the registered capital of TSh 10,000,000/-

Printed copies of the resolution authorising the increase are attached.

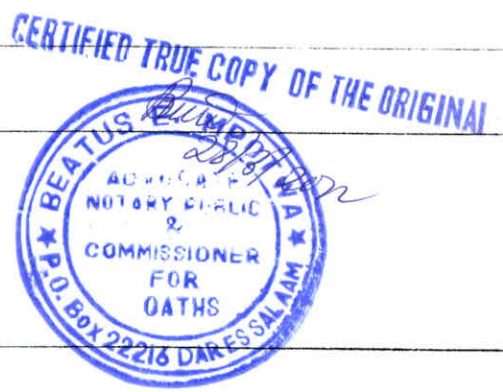
The conditions (e.g. voting rights, dividend rights, winding-up rights etc.) subject to which the new shares have been or are to be issued are as follows:

Signed [Signature]
(Director / Secretary / Administrator / Administrative Receiver / Receiver)

Print Name MR HARSHA T. SUVARNA

Date 18-01-2012

FOR OFFICIAL USE ONLY.



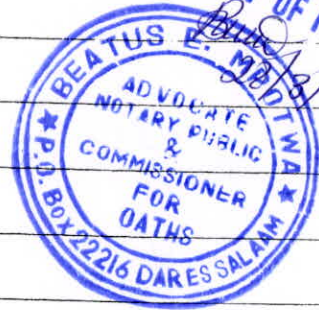
Business Occupation

Director.

Other Directorships
(directors only)

Sparkleway Limited

CERTIFIED TRUE COPY OF THE ORIGINAL



I consent to act as [director] [secretary] of the above named company

Signed.....

Date... 18/01/12

A director / secretary etc. must sign the form below

Signed.....

Date... 18/01/12

(A director / secretary / administrator / administrative receiver / receiver)

Notes:

Show full First Names, not initials. If the director or secretary is a corporation, show the name on surname line and registered or principal office address on the usual residential address line.

Give previous First Name(s) or surname(s) except that:

- for a married woman, the name by which she was known before marriage need not be given.
- names not used since the age of 18 or for at least 20 years need not be given.

Other directorships

Give the name of every company incorporated in Tanzania of which the person concerned is a director or has been a director at any time in the past five years.

RECEIPT NO: 150001-102367
DATE: 25/01/12

F/F 15,000/-
25-01-2012 Form 210a

THE UNITED REPUBLIC OF TANZANIA
BUSINESS REGISTRATIONS AND LICENSING AGENCY

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

Company Number

Company Name (in full)

Date of appointment

Appointment as director Appointment as secretary

Name: (First Name(s))

(Surname)

Previous name(s):

Address: (usual residential)

Nationality:

Date of Birth

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CERTIFIED TRUE COPY OF THE ORIGINAL



OFFICIAL USE ONLY.

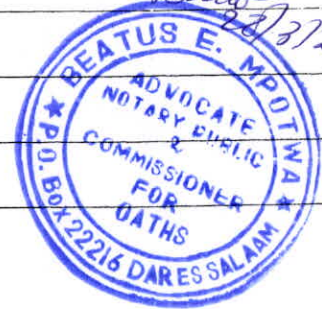
Business Occupation

Director.

Other Directorships
(directors only)

Nida Textile Mills (T) Ltd
Wizcraft Image Ltd.

CERTIFIED TRUE COPY OF THE ORIGINAL



I consent to act as [director] [secretary] of the above named company

Signed Jawee

Date 08/01/12

A director / secretary etc. must sign the form below

Signed Flash

Date 08/01/12

(A director / secretary / administrator / administrative receiver / receiver)

Notes:

Show full First Names, not initials. If the director or secretary is a corporation, show the name on surname line and registered or principal office address on the usual residential address line.

Give previous First Name(s) or surname(s) except that:

- for a married woman, the name by which she was known before marriage need not be given.
- names not used since the age of 18 or for at least 20 years need not be given.

Other directorships

Give the name of every company incorporated in Tanzania of which the person concerned is a director or has been a director at any time in the past five years.

K/E 151000/ =
25-01-2012
Form. 210a

RECEIPT NO: 102367
DATE: 25/01/12

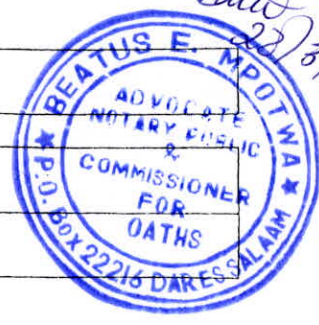
THE UNITED REPUBLIC OF TANZANIA

BUSINESS REGISTRATIONS AND LICENSING AGENCY

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

CERTIFIED TRUE COPY OF THE ORIGINAL

23/3/2012



Company Number: 77114

Company Name (in full): Lotus Essentials Limited

Date of appointment: 28/11/2012

Appointment as director

Appointment as secretary

Name: (First Name(s)) Mr. Muhammad Javed Abdul

(Surname) Karim.

Previous name(s):

Address: (usual residential) Flat No. 702, Golden Plaza, Indira Gandhi Street
P.O. Box 13462, Dsm
Ilala District

Nationality: Pakistan

Date of Birth: 08/08/1964

(continued on next page)

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Recd 27/1/14

Handwritten notes:
17/2/12
15/2/12

SPECIAL RESOLUTION

Handwritten: 15/2/12

Handwritten signature:

Handwritten: 17/2/12

**MINUTES OF THE EXTRA ORDINARY MEETING OF THE MESSERS
LOCUS ESSENTIALS LIMITED HELD AT THE REGISTERED OFFICE
ON 17TH FEBRUARY, 2012 AT 10:00 A.M.**

- | | | |
|-----------------|--------------------------------|-------------|
| PRESENT: | Mr. HARSH SIVARNA | - CHAIRMAN |
| | Ms. VASANTHA SURVARNA | - SECRETARY |
| | Mr. PAUL N. CHAKKAPAN | - MEMBER |
| | Mr. MUHAMMAD JAVEDD ABDULKARIM | - MEMBER |
| | Mr. REJICO ARON MDEMU | - MEMBER |
| | Mr. PARTHA SAHA | - MEMBER |

AGENDA:

1. Appointment of Director
2. Shares Transfer
3. Any other business.



The following Resolution was adopted

- That **Mr. PARTHA SAHA** IS hereby appointed as a new Director and Shareholder of the Company.
- That **Mr. HARSHA SUVARNA** has transferred 6,500(six thousands and five hundred) shares to **Mr. PARTHA SAHA**
- As there was no other business to transact, the meeting ended with thanks.

Certified true copy

Handwritten signature of Harsh

Mr. HARSH SIVARNA
CHAIRMAN

Handwritten signature of Vasantha

Ms. VASANTHA SURVARNA
SECRETARY

1/ REC 77114

Book forwarded to the company office

TRANSFER OF SHARE OR STOCK

MIR. HARSHA SHIVARNA
PO BOX 13462
DAR ES SALAM

in consideration of the sum of SIX MILLION AND FIVE THOUSAND PAID BY
THOUSAND DOLLARS (SHE 6,500,000) OF

MIR. PARTHA SHARMA
PO BOX 13462
DAR ES SALAM

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

SIX THOUSAND AND FIVE HUNDRED (6,500) SHARES OF
ONE THOUSAND OF NOMINAL VALUE EACH

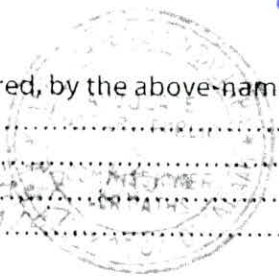
of and in the undertaking called the LOTUS ESSENTIALS LIMITED.

As Witness our hands and Sales this
In the year Two Thousand and ...T.S.E.A.M.E. day of
...16th FEBRUARY 2011.....

Witness 1

Witness 2

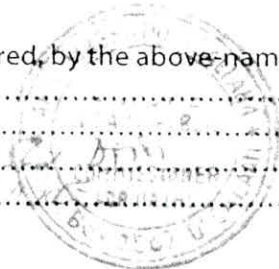
Signed, sealed and delivered, by the above named
In the Presence of
Signature
Address
Occupation



CERTIFIED TRUE COPY OF THE ORIGINAL



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

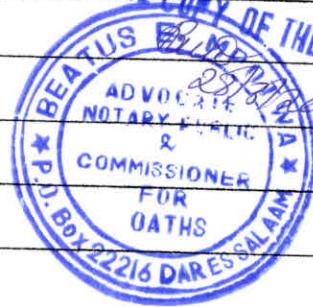


NOTE:- The Consideration money set forth in a Transfer may differ from that which the first Seller will receive, owing to sub-sales by the original Buyer; the Stamp Act requires that in such case the Consideration money paid by the Sub-purchaser shall be the one inserted in the Deed. As regulating the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

Business Occupation DIRECTOR

Other Directorships (directors only) /

CERTIFIED TRUE COPY OF THE ORIGINAL



I consent to act as [director] [secretary] of the above named company

Signed [Signature]

Date 16/02/2012

A director / ~~secretary~~ etc. must sign the form below

Signed [Signature]

Date 16/02/2012

(A director / ~~secretary~~ / administrator / administrative receiver / receiver)

Notes:

Show full First Names, not initials. If the director or secretary is a corporation, show the name on surname line and registered or principal office address on the usual residential address line.

Give previous First Name(s) or surname(s) except that:

- for a married woman, the name by which she was known before marriage need not be given.
- names not used since the age of 18 or for at least 20 years need not be given.

Other directorships

Give the name of every company incorporated in Tanzania of which the person concerned is a director or has been a director at any time in the past five years.

J.H. 15000
J.H.

15000/
105914
17/2/12

THE UNITED REPUBLIC OF TANZANIA

BUSINESS REGISTRATIONS AND LICENSING AGENCY

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

17/2/12

Company Number

Company Name (in full)

Date of appointment

Appointment as director

Appointment as secretary

Name: (First Name(s))

(Surname)

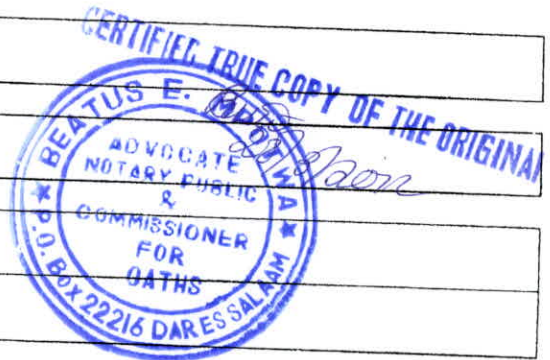
Previous name(s):

Address: (usual residential)

Nationality:

Date of Birth

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FOR OFFICIAL USE ONLY.

Empty box for official use only.

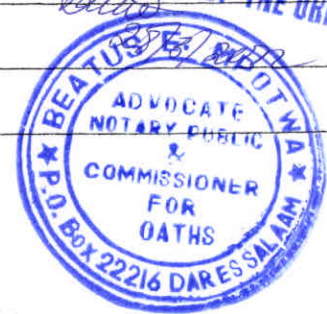
Business Occupation

[Empty box for Business Occupation]

Other Directorships
(directors only)

N.A.
[Empty lines for Other Directorships]

CERTIFIED TRUE COPY OF THE ORIGINAL



I consent to act as [director] [secretary] of the above named company

Signed... Kasanthu

Date... 08/01/2012

A director / secretary etc. must sign the form below

Signed... Parsh

Date... 08/01/2012

(A director / secretary / administrator / administrative receiver / receiver)

Notes:

Show full First Names, not initials. If the director or secretary is a corporation, show the name on surname line and registered or principal office address on the usual residential address line.

Give previous First Name(s) or surname(s) except that:
-for a married woman, the name by which she was known before marriage need not be given.
-names not used since the age of 18 or for at least 20 years need not be given.

Other directorships

Give the name of every company incorporated in Tanzania of which the person concerned is a director or has been a director at any time in the past five years.

BE PAID SHS: 15000/=
RECEIPT NO: 102364
DATE: 25/01/12

FIF 15,000/=

25-01-2012

Form. 210a

THE UNITED REPUBLIC OF TANZANIA

BUSINESS REGISTRATIONS AND LICENSING AGENCY

Appointment of a Director or Secretary

(Not for resignation (Use Form 210b) or change of particulars (Use Form 210c))

Pursuant to Section 210 of the Companies Act, 2002

Company Number

77114

Company Name
(in full)

Lotus Essentials Limited

Date of appointment

28/01/2012

Appointment as director

Appointment as secretary

Name: (First Name(s))

Ms. Vasantha

(Surname)

Suvarna

Previous name(s):

Address:
(usual residential)

P.O. Box 13462, Dar Es Salaam.

Flat No. 2, Plot No. 482, Mindu Street, Upanga.

Ilala District.

Nationality:

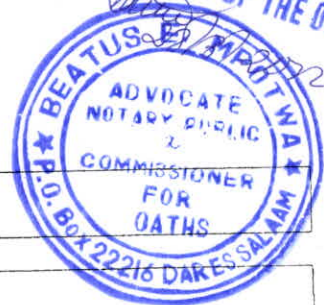
Indian

Date of Birth

07/05/1973.

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CERTIFIED TRUE COPY OF THE ORIGINAL



FOR OFFICIAL USE ONLY.

LOTUS ESSENTIALS LIMITED

P.O.Box 13462, Dar Es Salaam
Tanzania

Tel/Fax :+255-22-2863057, Mobile : +255-787-902902/715 800503

E-mail : lotusessentialslimited@gmail.com

1

Date : 20th February, 2012

To,
The Executive Director,
Tanzania Investment Centre,
P.O.Box 939,
Dar Es Salaam

Sub: Application for Registration with Tanzania Investment Centre

Dear Sir,

We, Lotus Essentials Limited aim, to establish ourselves as the largest Cosmetic Products manufacturer in Tanzania. We apply for registration of our company with Tanzania Investment Centre for Certificate of Incentives.

Please find enclosed herewith the Application forms along with the relevant copies of the documents for your approval


- Forms from the Applicant
- Certificate of Incorporation
- Memorandum and Articles of Association
- Business Licences
- Taxpayer Identification Number (TIN)
- Vat Registration Number (VRN)
- Board Resolution
- Project Business Plan

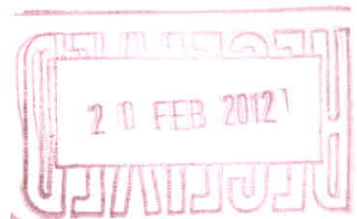


We request you to acknowledge the receipt of the same and issue us the certificate of incentives

Thanking you,

For Lotus Essentials Limited


Harsha T. Suvarna
Director





TIC Evaluation Report

Name of the Company
Lotus Essentials Ltd.

Post Box	Gongo La Mboto, Plot No. 1636	COI Number	77114	Contact	Mr. Tungappa Suvarna
Post Office	13462	COI Date	23/02/2010	Designation	Director
Region	Dar Es Salaam	Application F. No	09321	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0787 90 29 02 Or 0715 800 503
		Sub Sector	Cosmetics	Fax	0
		File No	042185	E-Mail Address	Harshsuvarna123@Gmail.Com

Project Location		Investment Finance Plan in Millions USD										
Plot/Block	E1636	<table border="1"> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> <tr> <td>0.453</td> <td>0</td> <td>0.2</td> <td>0</td> </tr> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0.453	0	0.2	0		
Foreign Equity	Local Equity		Foreign Loan	Local Loan								
0.453	0		0.2	0								
Street	Gongo la Mboto											
District	Ilala											
Region	Dar es Salaam											

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	Plant
partho Saha	Indian	6.5	0.125	0.2
Rejico Aron Mdemu	Tanzanian	1	Vehicles	0.125
Muhammad Javed Abdulkarim	Pakistan	33	Furniture & Fittings	0.005
paul N. Chakkapan	Indian	33	Pre-expenses	0.008
anthe h. Suvarna	Indian	16.05	Others	0.04
arsha T. Suvarna	Indian	10	Working Capital	0.15
			Total	0.653


Employment	210	Evaluated By	,wf officer2
Capacity	xxxx	Drawn By	wf registry2
Project Turn Over		Project Type	Foreign

Description

To establish a facility to manufacture cosmetics products

Recommendations

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

cc: *Approved*  AgEXD 27/02/12

TICC/PP.10/042185/3

5th March, 2012

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

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

3

TICC/PP.10/042185/3

5th March, 2012

Managing Director,
Lotus Essentials Ltd.,
P.O. Box 13462,
DAR ES SALAAM

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE
ESTABLISHMENT OF A FACILITY TO MANUFACTURE COSMETICS
PRODUCTS**

We wish to acknowledge receipt of your project proposal to establish a facility to manufacture cosmetics products as presented in the TIC P.A. 1 Form No. 09321 and Feasibility Study with a projected investment of USD 0.653m.

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

- Bank Reference for equity funding or a letter from Bank/Financial Institution that a loan is granted or is under consideration as required by Section 17(3) (f) of Tanzania Investment Act, 1997.
- Certified document showing evidence of Land ownership for the location of the project. (To submit the certified lease agreement with minimum of years validity)
- To certify BRELA documents

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

.../2



TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

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

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

(Please fill the form in duplicate)

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT

(No. 26 of 1997)

APPLICATION FOR REGISTRATION

(Made under Regulation 42)

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

1. I/We Harsha Tungappa Suvarna
(director/directors/agent of Lotus Essentials Limited
(name of business enterprise) apply for registration of Lotus Essentials Limited
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. 46/1, Nyerere
Road, P.O. Box 13462, Dar Es Salaam, Tanzania

Copies of the following documents are attached to this application:

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

3. The Head Office of the Company will be situated at Plot No. 46/1, Nyerere Road,
P.O. Box 13462, Dar Es Salaam Tanzania
4. The Principal Officers of the Company are Mr. Harsha T. Suvarna, Ms. Vasantha H.
Suvarna, Mr. Paul H. Chakkapan, Mr. Muhammed Javed Abdulkarim,
Mr. Rajico Aron Mdemu, Mr. Partha Saha
5. Auditors of the Company are Kalima & Company
6. The authorized share capital of the Company is Tshs./~~US\$~~ 100,000,000/-

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ 653,000/-
8. The month and day of the financial year end is 31st December

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

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

I, Harsha Tungappa Suvarna of Post Office Number 13462 do solemnly and sincerely declare that I am a director/duly authorized agent of Lotus Essentials 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 15 day of February 2012 }

Harsh
 Applicant

Before me:

[Signature]
 Commissioner for Oaths



APPLICATION SUMMARY

Company Name: Lotus Essentials Limited

Certificate of Incorporation Number: 77114 Status: New

Certificate of Incorporation Date: 23rd February 2010

Post Box: 13462

Town: Dar Es Salaam

Sector: Manufacturing Sub-Sector: Cosmetic

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
\$453,000		\$200,000	

Project Objectives: To establish itself as the largest Cosmetic products manufacturing Company in Tanzania

Capacity:

Employment: Foreign: 10 Local: 200 Total: 210

Implementation Period: 5 years

Project Location

Site/Plot/Block No.: E.1636, Congo la Mboto

Street: Congo la Mboto District: Ilala Region: Dar Es Salaam
(Attach sketch map showing project location)

Shareholders	Nationality	%
Mr. Harsha T. Suvanna	Indian	10%
Ms. Vasantha H. Suvanna	Indian	16.5%
Mr. Paul N. Chakkapan	Indian	33%
Mr. Muhammad Javed Abdul Karim	Pakistan	33%
Mr. Rejico Aron Mdemu	Tanzanian	1%
Mr. Partho Saha	Indian	6.5%

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

Land/Building 125,000
Plant 200,000
Vehicles 125,000
Furniture & Fittings 5,000
Pre-expenses 8,000
Others 40,000
Working Capital 150,000
TOTAL **653,000**

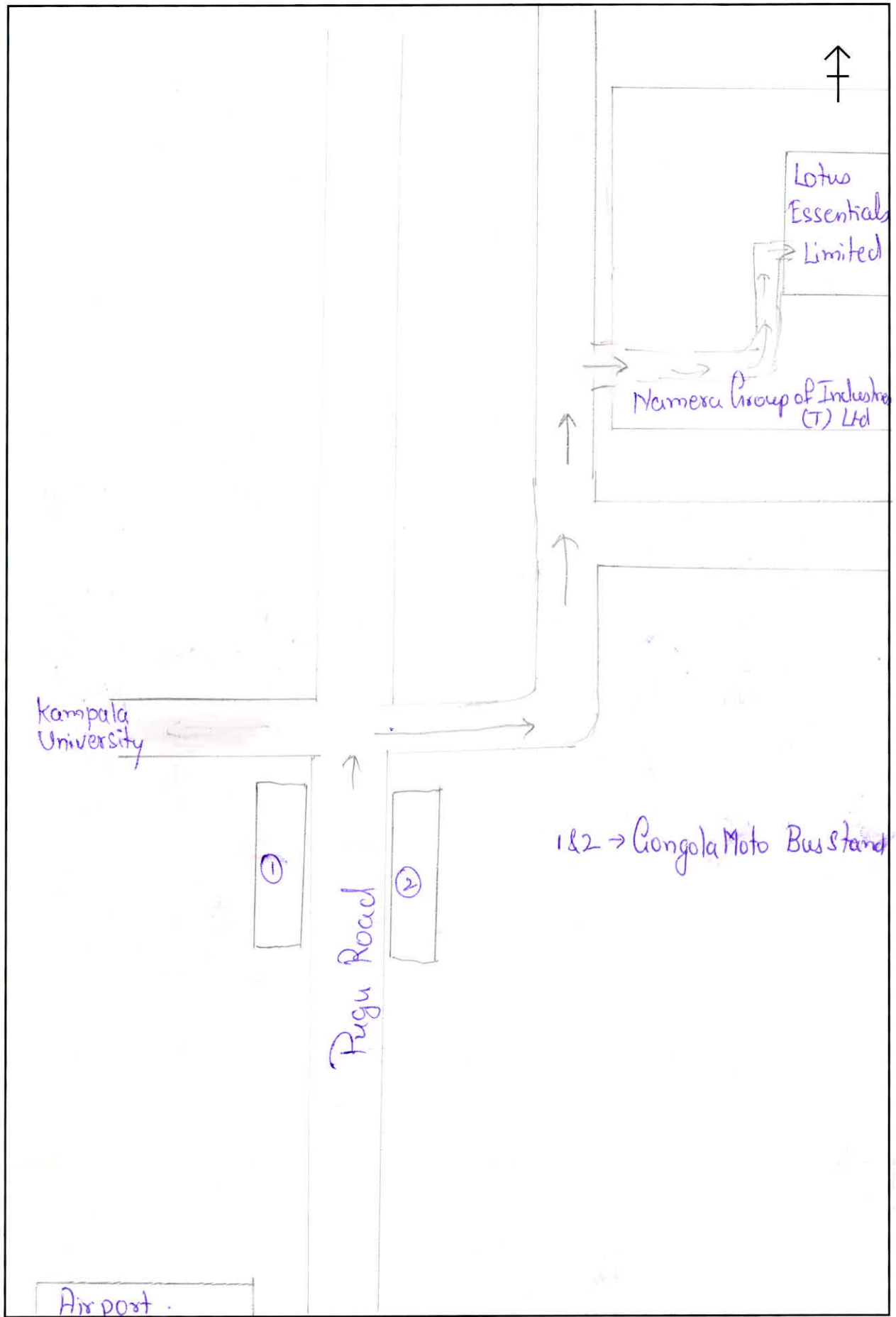
Contact Details:

Name: Harsha Tungappa Suvarna Title: Director
 +255-787 902902 / 715-800 503
Telephone: Fax:
Email: harsh.suvarna.123@gmail.com

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





8.3 The Lessor shall not, in any way, be responsible for the transactions or the activities that the Lessee indulge in using the Demised Premises, and the Lessee will be solely answerable for such activities to the parties concerned including Government Agencies.

8.4 If the Lessee shall have reasonably performed and observed the several stipulations herein contained on his part to be performed and observed up to the termination of the term of contract as hereby granted then the Lessor may let the Demised Premises to the Lessee for the further term and on such conditions as will be mutually determined by both parties.

9. Dispute Resolution

Any dispute or difference whatsoever which shall, at any time hereafter whether during the continuance of the lease or upon or after its discharge or determination, arise between the parties hereto touching or concerning this Lease or its construction or effect or as to the rights, duties or liabilities of the parties hereto or any of them under or by virtue of this lease or otherwise or as to any other matter touching on the lease shall be referred to the Court of Law.

10. Governing Law

This Agreement shall be governed by the laws of the United Republic of Tanzania.

11. Execution Copies


This Lease shall be executed in duplicate; one to be retained by the Lessor and the other by the Lessee.

IN WITNESS WHEREOF the Lessor and the Lessee have put their respective signatures on this Agreement on the day, month and year herein before appearing

SEALED with the Common Seal of

Namera Group of Industries (T) Ltd.,
the Lessor above named on this
..... day of 2011

Witness of the Lessor

1. Name..... MOHAMMAD SUABBIK 

Signed and Delivered at Dar Es Salaam by


Lotus Essential Limited, the Lessee
above named on this
..... day of 2011

Witness of the Lessee

1. Name..... MOHAMED MAYUSA

} MOHAMMAD IMRAN
.....
(Lessor)
NAMERA GROUP OF INDUSTRIES (T) LTD.
P. O. BOX 6822
DAR ES SALAAM
TANZANIA

Signature: 

} 
LOTUS ESSENTIALS LIMITED
(Lessee)
P. O. BOX 13462
DAR ES SALAAM

Signature: 



6. Lessor's Rights and Obligations

The Lessor hereby covenants with the Lessee as follows:

- 6.1 Subject to the Lessee performing all the covenants herein above specified, not to interfere or allow another person rightfully claiming under or in trust for the Lessor to interfere, interrupt or intrude upon the Lessee's peaceful enjoyment of the Demised Premises throughout the said term.
- 6.2 The Lessor reserves the right to enter the Demised Premises to inspect the premises, so long as such entry is at prearranged times, with the consent of the Lessee (which consent shall not be unreasonably withheld) and, at Lessee's discretion.
- 6.3 To maintain, repair and otherwise keep in good condition the structure of the building and in particular the roofs, foundations and walls thereof, in the same state as received at the commencement of this lease. In case any damage done to the structure of the building due to the negligence of the Lessee, the cost incurred for repairing the same shall be recovered from the Lessee.
- 6.4 During the subsistence of this Agreement not to sell, assign, transfer, lease, sublet or otherwise dispose and deal with the Demised Premises in the manner prejudicial to the Lessee's rights contained under this Agreement.

Lessee's Default

- 7.1 In the event the Lessee fails to fulfill any of its obligations under this Lease, and where this Lease specifically provides no other remedy for such failure, the Lessor will be entitled to issue a three month notice of termination of the Lease.
- 7.2 If the Lessee fails to pay the rents on the dates mutually agreed upon, the Lessor will be entitled to claim interest on the unpaid amounts at the commercial bank lending rate, and in the event the rent remains unpaid for a period of two months, the Lessor will be entitled to terminate the Lease giving one month's notice and take any legal remedies deemed fit to recover the unpaid rent amount and interest due.
- 7.3 This Lease may be terminated by either party after giving THREE MONTHS written notice of its intention to do so. In the event that such notice is given the Lessor herewith forfeits any claim or action with respect of expected lease income which would have accrued had this lease persisted for the duration herein envisaged.

8. General Terms and Conditions

It is hereby provided always and it is hereby expressly agreed and declared as follows:

- 8.1 If, at any time during the term of the Lease, the Demised Premises or any part thereof shall be destroyed or damaged by fire (not occasioned by the willful act, neglect or default of the Lessees or his licensees, invitees, visitors or servants) or act of God or force majeure then and in any such cases and so often as the same shall happen the rent herein before reserved or a fair and just proportion thereof, according to the nature and extent of the damage sustained, shall cease and be suspended during and so long as the premises hereby demised or the destroyed or damaged part shall remain inhabitable or unfit for use by reason of such destruction or damage.
- 8.2 The Lessor shall not ensure the safety of the Lessee's properties or belongings in the Demised Premises from fire or act of God or from forces, acts or events which are beyond the control of the Lessor.



- 2.3 The third installment equivalent to the rent of six months shall be paid to the Lessor by 31st May, 2012
- 2.4 The fourth installment equivalent to the rent of six months shall be paid to the Lessor by 30th November, 2012

3. Renewal of the Term

Pursuant to the terms and conditions set out under this Agreement to be performed by the Lessee, the term of this Lease shall at the option of the both the parties be renewed for a further period of two years on the terms and conditions to be mutually agreed between the parties.

4. Lessor's Warranties and Representations

The Lessor warrants and represents to the Lessee that it is a legal owner in possession of the Demised Premises and that it is legally capable and duly authorised to enter into this Lease and perform all the obligations set out herein.

5. Lessee's Rights and Obligations

The Lessee hereby covenants with the Lessor as follows:-

- 5.1 To pay the rents at the time and in the manner herein provided;
- 5.2 To occupy the Demised Premises for commercial use and for the Lessee's legal business activities only;
- 5.3 To pay for all charges in respect of water, electricity, garbage disposal, sewerage or any other charges in connection with the Demised Premises during the said term;
- 5.4 To keep the interior of Demised Premises and appurtenances thereof tidy and in good condition throughout the term;
- 5.5 To save with the previous consent in writing with the Lessor not to erect or cause to be erected in the Demised Premises any addition thereto, or to cut, demolish or modify of the structures;
- 5.6 Not to do or permit to be done anything in or upon the Demised Premises or any part or any part thereof which may be or become a nuisance, annoyance, damage or inconvenience to the Lessor, occupiers of adjoining property or the neighbourhood.
- 5.7 Upon prior appointment, to allow the Lessor and/or his officers and agents at all reasonable times to enter upon the property to inspect or carry out repairs or for other purposes in connection with the Demised Premises;
- 5.8 Not to use the Demised Premises or any part thereof for any illegal or immoral purpose;
- 5.9 Not to keep in the Demised Premises things such as explosives, inflammables or any such things that may endanger the safety and security of life and properties in the vicinity.
- 5.10 To yield up the Demised Premises with fittings and additions thereto at the expiration or sooner determination of the term in good repair and tenantable condition in accordance with the covenants herein contained.
- 5.11 The Lessee shall have to obtain the consent of the Lessor in writing, during the existence of this Lease, to attach fixtures in or upon the Demised Premises hereby leased, which fixtures, so placed in or upon or attached to the said Demised Premises shall be and remain the property of the Lessee and may be removed therefrom by the Lessee prior to the determination of the Lease, or within a reasonable time after the Lease is terminated.
- 5.12 The Lessee shall be responsible for the security of the Demised Premises and the goods stored therein.



Lease Agreement

This Agreement is made at Dar Es Salaam this 17th day of May 2011

By and Between

Namera Group of Industries (T) Limited., a limited liability company incorporated and duly existing under the laws of Tanzania, whose registered office is situated at P.O.Box: 6899, Dar Es Salaam (hereinafter called the "**Lessor**" which expression shall where the context so requires includes their administrators, executors and assignees) on the one part

and

Lotus Essentials Limited, a limited liability company incorporated and duly existing under the laws of Tanzania, whose registered office is situated at P.O.Box: 13462, Dar Es Salaam, Tanzania (hereinafter referred to as the "**Lessee**" which expression shall where the context so requires includes its administrators and assignees) on the other part.

Whereas

- (a) The Lessor is absolutely seized and possessed or otherwise well and sufficiently entitled to a warehouse measuring 793 Sqr Mtr, at its premises in Gongo La Mboto in Plot No. E 1636, Dar Es Salaam (hereinafter referred to as the "Demised Premises"); and
- (b) Whereas the Lessor has agreed to lease to the Lessee the Demised Premises for a period of 24 months renewable commencing from the 1st day of June, 2011 to 31st day of May, 2013 subject to the terms and conditions laid down in this Agreement; and
- (c) Whereas the Lessee agrees to lease the said Demised Premises for the said period and upon conditions stated and in the manner hereafter stipulated.

Now this Agreement witnesseth as follows:

1. Lease

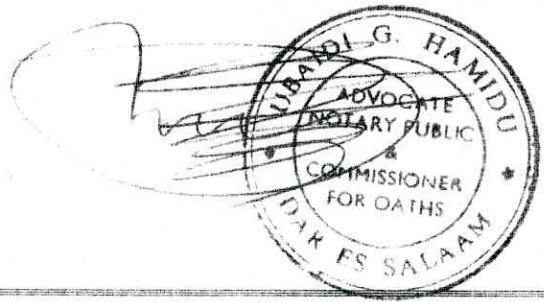
In pursuance of the said Agreement and in consideration of the rent hereby reserved and the Lessee's covenants hereinafter mentioned, the Lessor hereby grants, conveys and assigns by way of lease unto the Lessee the Demised Premises for a period of 24 months commencing from the 1st day of June 2011 and ending on 31st day of May, 2013 at a monthly rent of United States Dollars One Thousand Five Hundred Eighty Six only (US\$ 1,586/-) excluding VAT and inclusive of Withholding Tax.

2. Payment of Rent

The rent herein reserved shall be paid in cash or cheque to the Lessor without demand under the following terms,

- 2.1 The first installment equivalent to the rent of six months shall be paid to the Lessor by 31st May, 2011
- 2.2 The second installment equivalent to the rent of six months shall be paid to the Lessor by 30th November, 2011





Dated 17th May, 2011

NAMERA GROUP OF INDUSTRIES (T) LTD.,

AND



LOTUS ESSENTIALS LIMITED.

Handwritten signatures and initials at the bottom of the page.

8. That the Lessee paying the reserved rents observing the stipulation herein on their part contained shall peacefully enjoy the demised premises without any interruption by the Lessor or any person claiming under or in trust for the Lessor.

9. Option to renew
Lessor reserves the right whether or not to renew

10. Notice
Either party may give Six Months Notice during the subsistency of the Lease and subject to clearance of rent account

Dated at Dar Es Salaam, this.....day of.....2010.

[Handwritten Signature]
LOTUS ESSENTIALS LIMITED
P.O. Box 13462
DAR ES SALAAM

[Handwritten Signature]
Signature of Lessor

Signature of Lessee

Witness

Name :...RIZWAN FAZAL

Postal Address:..Box 5236,

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

Witness

Name:..Mr. KIRISH NAIR.....

Postal Address:..12880, Dsm:..

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

CERTIFIED TRUE COPY OF THE ORIGINAL



7. Covenants to the Lessee

- To pay the rent reserved on the day and in the manner aforesaid.
- To pay electricity and water bill on the demised premises each month regularly.
- To permit the lessor and his agents at all reasonable times to enter and examine the state of repair of the premises, and in case of rent default right to entry is given to the lessor.
- To abide by the regulations governing residential apartment, especially with regards to city regulations in respect of garbage and refuse.
- Not to make any alternation or addition to the demised premises without lessor's consent. Minor repairs allowed at Lessee's expenses
- Not to use or suffer the demised premises or any part thereof for any illegal or immoral purposes
- Not to assign, underlet or part with the possession of the demised premises or any part thereof without the consent of the lessor.
- Not to deduct withholding tax but the lessor will pay and issue receipt to the lessee for amount paid
- Not to operate any sound producing equipment beyond a level of annoyance to neighbourly relations with other persons residing in the building.
- To take care of furniture and fixtures, if any and any damage to be forthwith repaired at lessee's expenses
- To yield up the demised premises in good condition at the expiration of the lease term hereby granted
- To pay 1% stamp duty on this contract of lease on rental amount.

CERTIFIED TRUE COPY OF THE ORIGINAL



Beatus E. M. M. M.

A handwritten signature in blue ink, appearing to be 'Beatus E. M. M. M.', located at the bottom left of the page.

THE UNITED REPUBLIC OF TANZANIA

**THE LAND ACT. 1999
(NO:4 OF 1999)**

**CONTRACT OF LEASE
(UNDER SECTION 64)**

**Plot No. 46/1
Nyerere Road
Dar Es Salaam**

I, **ROSHAN ABDULLA FAZAL** of P.O.Box 5236, Dar Es Salaam (herein after called the Lessor) of one part hereby agree to lease the warehouse situated at the above reference to **LOTUS ESSENTIALS LIMITED** of P.O.Box 13462, Dar Es Salaam (herein after called the Lessee) of the other part.

1. Description of the land to be demised.
Warehouse at Plot No. 46/1 , Nyerere Road, Dar Es Salaam, Tanzania
2. Duration/Type of Lease
5 (Five) Years from 01st June, 2010 to 31st May, 2015.
3. Purpose of Lease
Manufacturing and Commercial Purposes
4. a) Rent
Tzs 300,000/- (Tanzanian Shillings Three Hundred Thousand Only) per month

b) Mode of Payment
Rent Payable Three months in Advance
5. Date of Execution of Lease
01st June, 2010
6. Date of delivery of possession of the demised land to the lessee
01st June, 2010

CERTIFIED TRUE COPY OF THE ORIGINAL



[Handwritten signatures and initials]

LOTUS ESSENTIALS LIMITED

P.O.BOX 13462

DAR ES SALAAM

TANZANIA

**APPLICATION FOR REGISTRATION WITH
TANZANIA INVESTMENT CENTRE**

Lotus Essentials Limited

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THE COMPANIES ACT, 2002

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

LOTUS ESSENTIALS LIMITED

Incorporated at thisday of.....2010

**DRAWN BY:
HARSHA SUVARNA
(SUBSCRIBER)
P.O. BOX 13462
DAR ES SALAAM.**

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

Sent
22/2/2010
5511

25001
22/2/2010
5511

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 to be the member of the company, where 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 tested 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 members 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 notarially 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 theday of201....., and at any adjournment thereof.
Signed day of,201"

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/Weof 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 theday of.....201....., and at any adjournment thereof.
Signed day of,201"

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 dully 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 be 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 following persons shall be first Directors to the Company:-
1. **HARSHA SUVARNA**
 2. **REJICO ARON MDELU**
34. 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.

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 the 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 statute or authorized by the directors 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
HARSHA SUVARNA P.O. BOX 13462 DAR ES SALAAM	5,000	
VASANTHA H. SUVARNA P.O. BOX 13462 DAR ES SALAAM	5,000	

Dated at Dar this 18 day of Feb. 2010

Witness to the above signatures:-

Name : _____
 Signature : _____
 Postal Address : _____
 Qualification : _____



Share transfer document
To be certified

REF NO: 135005
RECEIPT NO: 102367
DATE: 25/01/12

15000
12000
25/01/2012
Form 66

THE UNITED REPUBLIC OF TANZANIA
BUSINESS REGISTRATIONS AND LICENSING AGENCY

Notice of increase in nominal capital
Pursuant to Section 66(2) of the Companies Act 2002

To the Registrar of Companies

Company Number

Name of company (Full Name)

The above-named Company gives notice in accordance with section 66 of the above Act that by resolution of the Company dated 18/01/2012 the nominal capital of the Company has been increased by TSh 100,000,000/- beyond the registered capital of TSh 10,000,000/-

Printed copies of the resolution authorising the increase are attached.

The conditions (e.g. voting rights, dividend rights, winding-up rights etc.) subject to which the new shares have been or are to be issued are as follows:

Signed
(Director / Secretary / Administrator / Administrative Receiver / Receiver)

Print Name

Date

FOR OFFICIAL USE ONLY.



WAKALA WA USAJILI WA BIASHARA NA LESENI.
S.L.P 9393, Dar-es-Salaam.
SIMU : +255 22 2180141, 2180113, 2181113. NUKUSHI: +255
22 2180371
BARUA PEPE: usajili@cats-net.com, brela@cats-net.com
TOVUTI: <http://www.brela-tz.com>



RECEIPT NO: 00105994

NIMEPOKEA KWA
Received from

LOTUS ESSENTIALS LTD

KIASI CHA SHILINGI(KWA MANENO)
Sum of shillings(In words)

THIRTY THOUSAND TANZANIAN SHILLINGS ONLY.

KWA MALIPO YA
In respect of

FILLING FEES [TSHS30,000] .
TOTAL TSHS : 30,000

KWA FEDHA TASLIMU/HUNDI NAMBA
By cash/cheque No.

CASH

KITUO
Station

DAR



SAHIHI YA MPOKEAJI
Receiving officer's sign.

CHEO
Title

TAREHE
Date

GODFREY EDWARD

ACCOUNTS ASSISTANT

17/02/2012



File 15000/
Form. 210a
17/2/12

15000/
105974
17/2/12

THE UNITED REPUBLIC OF TANZANIA

BUSINESS REGISTRATIONS AND LICENSING AGENCY

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

Company Number

Company Name (in full)

Date of appointment

Appointment as director

Appointment as secretary

Name: (First Name(s))

(Surname)

Previous name(s):

Address: (usual residential)

Nationality:

Date of Birth

(continued on next page)

FOR OFFICIAL USE ONLY.

Business Occupation DIRECTOR

Other Directorships (directors only)

I consent to act as [director] [secretary] of the above named company

Signed [Signature] Date 16/02/2012

A director / ~~secretary~~ etc. must sign the form below

Signed [Signature] Date 16/02/2012
(A director / ~~secretary~~ / administrator / administrative receiver / receiver)

Notes:

Show full First Names, not initials. If the director or secretary is a corporation, show the name on surname line and registered or principal office address on the usual residential address line.
Give previous First Name(s) or surname(s) except that:
-for a married woman, the name by which she was known before marriage need not be given.
-names not used since the age of 18 or for at least 20 years need not be given.

Other directorships

Give the name of every company incorporated in Tanzania of which the person concerned is a director or has been a director at any time in the past five years.

Recd. 27/1/14

15000/-
R/21

15000/-

[Signature]
17/2/12

SPECIAL RESOLUTION

**MINUTES OF THE EXTRA ORDINARY MEETING OF THE MESSERS
LOCUS ESSENTIALS LIMITED HELD AT THE REGISTERED OFFICE
ON 18TH FEBRUARY, 2012 AT 10:00 A.M.**

- | | | |
|----------|--------------------------------|-------------|
| PRESENT: | Mr. HARSHS SUVARNA | - CHAIRMAN |
| | Ms. VASANTHA SURVARNA | - SECRETARY |
| | Mr. PAUL N. CHAKKAPAN | - MEMBER |
| | Mr. MUHAMMAD JAVEDD ABDULKARIM | - MEMBER |
| | Mr. REJICO ARON MDEMU | - MEMBER |
| | Mr. PARTHA SAHA | - MEMBER |



AGENDA:

1. Appointment of Director
2. Shares Transfer
3. Any other business.

The following Resolution was adopted

- That **Mr. PARTHA SAHA** IS hereby appointed as a new Director and Shareholder of the Company.
- That **Mr. HARSHA SUVARNA** has transferred 6,500(six thousands and five hundred) shares to **Mr. PARTHA SAHA**
- As there was no other business to transact, the meeting ended with thanks.

Certified true copy

[Signature of Harsh]

**Mr. HARSHS SUVARNA
CHAIRMAN**

[Signature of Vasantha]

**Ms. VASANTHA SURVARNA
SECRETARY**

REG: 77114.

stock forward to the Company's office

TRANSFER OF SHARE OR STOCK

MR. HARSHA SUVARNA
P.O. BOX 13462
DAR ES SALAAM

in consideration of the sum of SIX MILLION AND FIVE HUNDRED THOUSAND SHILLINGS (SHS 6,500,000/-) ONLY paid by

MR. PARTHA SAHA
P.O. BOX 13462
DAR ES SALAAM

Hereinafter called the said Transferee

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

SIX THOUSAND AND FIVE HUNDRED (6,500) SHARES OF ONE THOUSAND OF NOMINAL VALUE EACH.

of and in the undertaking called the LOTUS ESSENTIALS LIMITED.

As Witness our hands and Sales this

In the year Two Thousand and TWELVE day of 16th FEBRUARY

Witness 1

Witness 2

Signed, sealed and delivered, by the above named
In the Presence of
Signature [Signature]
Address P.O. BOX 2567
Occupation ADVOCATE



Stamp 65000/-
17/2/2012



MR. HARSHA SUVARNA

Signed, sealed and delivered, by the above named
in the Presence of
Signature [Signature]
Address P.O. Box 2567
Occupation ADVOCATE



MR. PARTHA SAHA

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

STAMP DUTY
Shs 65000/- Collected
Receipt No. 00558755 Date: 17-2-2012
Manager - Ilala Tax Regn.

REG: 77114

stock forward to the Company's office

TRANSFER OF SHARE OR STOCK

MR. HARSHA SUVARNA
P.O. Box 13462
DAR ES SALAAM

in consideration of the sum of SIX MILLION AND FIVE HUNDRED THOUSAND SHILLINGS (TSHS 6,500,000/-) ONLY paid by

MR. PARTHA SAHA
P.O. Box 13462
DAR ES SALAAM

Hereinafter called the said Transferee

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

SIX THOUSAND AND FIVE HUNDRED (6,500) SHARES OF ONE THOUSAND SHILLING OF NOMINAL VALUE EACH.

Witness 1

of and in the undertaking called the LOTUS ESSENTIALS LIMITED

As Witness our hands and Sales this

In the year Two Thousand and TWELVE day of 16th FEBRUARY

Witness 2

Signed, sealed and delivered, by the above-named

In the Presence of

Signature

Address

Occupation



COPY 500/-

MR. HARSHA SUVARNA
SEAL

Signed, sealed and delivered, by the above-named

in the Presence of

Signature

Address

Occupation



MR. PARTHA SAHA
SEAL

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

STAMP DUTY
Rs. 500/- Collected
Receipt No. 00558759 Date: 17-2-2012
Regional Manager - Ilala Tax Region



WAKALA WA USAJILI WA BIASHARA NA LESENI.
S.L.P 9393, Dar-es-Salaam.
SIMU : +255 22 2180141, 2180113, 2181113. NUKUSHI: +255
22 2180371
BARUA PEPE: usajili@cats-net.com, brela@cats-net.com
TOVUTI: <http://www.brela-tz.com>



RECEIPT NO: 00102369

NIMEPOKEA KWA
Received from

LOTUS ESSENTIALS LTD

KIASI CHA SHILINGI(KWA MANENO)
Sum of shillings(In words)

TWO HUNDRED AND TEN THOUSAND TANZANIAN SHILLINGS
ONLY.

KWA MALIPO YA
In respect of

FILLING FEES [TSHS210,000] .
TOTAL TSHS : 210,000

KWA FEDHA TASLIMU/HUNDI NAMBA
By cash/cheque No.

CASH

KITUO
Station

DAR ES SALAAM

SAHIHI YA MPOKEAJI
Receiving officer's sign.

CHEO
Title

TAREHE
Date

GODFREY EDWARD

ACCOUNTS ASSISTANT

25/01/2012

THE UNITED REPUBLIC OF TANZANIA

BUSINESS REGISTRATIONS AND LICENSING AGENCY

Form 66

Notice of increase in nominal capital
Pursuant to Section 66(2) of the Companies Act 2002

To the Registrar of Companies

Company Number

77114

Name of company
(Full Name)

LOTUS ESSENTIALS LIMITED

The above-named Company gives notice in accordance with section 66 of the above Act that by resolution of the Company dated 18/01/2012 the nominal capital of the Company has been increased by TSh 100,000,000 /2 beyond the registered capital of TSh 10,000,000 /2

Printed copies of the resolution authorising the increase are attached.

The conditions (e.g. voting rights, dividend rights, winding-up rights etc) subject to which the new shares have been or are to be issued are as follows:

Signed

Harsh

(Director / Secretary / Administrator / Administrative Receiver / Receiver)

Print Name

MR. HARSHA T. SUVARNA

Date

18-01-2012

FOR OFFICIAL USE ONLY.

FEE PAID SHS: 15000/-
RECEIPT NO: 102369
DATE: 25/01/12

LOTUS ESSENTIALS LIMITED
P.O.BOX 13462, DAR ES SALAAM, TANZANIA

F/F 15,000/=
25-01-2012

Reg. 77114

SPECIAL RESOLUTION

MINUTES OF THE EXTRA ORDINARY MEETING OF THE
M/S LOTUS ESSENTIALS LIMITED HELD AT THE REGISTERED OFFICE
ON 18TH JANUARY, 2012 AT 10:00 A.M.

PRESENT: Mr. HARSHA SUVARNA - CHAIRMAN
Ms. VASANTHA SUVARNA - SECRETARY
Mr. PAUL N. CHAKKAPAN - MEMBER
Mr. MUHAMMAD JAVED ABDULKARIM - MEMBER
Mr. REJICO ARON MDEMU - MEMBER

AGENDA:

1. Capital increasing.
2. Share increasing.
3. Appointment of Directors
4. Share allotment
5. Any other business.



The following Resolution was adopted

- It was resolved by the Company that the capital of the company be and hereby increased to 100,000,000/= [One hundred million shillings] beyond the registered capital of 10,000,000/= (Ten million shillings).
- It was resolved by the Company that the shares of the company be and hereby increased to one hundred thousand (100,000) beyond the registered capital of one hundred (10,000).
- That Ms. VASANTHA SUVARNA, Mr. PAUL N. CHAKKAPAN and Mr. MUHAMMAD JAVED ABDULKARIM are hereby appointed as a new Directors and Shareholders of the Company.
- That Mr. HARSHA SUVARNA is allotted eleven thousand and five hundred shares (11500).
- That Ms. VASANTHA SUVARNA is allotted eleven thousand and five hundred shares (11,500).
- That Mr. PAUL N. CHAKKAPAN is allotted thirty three thousand shares (33,000).
- That Mr. MUHAMMAD JAVED ABDULKARIM is allotted thirty three thousand shares (33,000).
- That Mr. REJICO ARON MDEMU is allotted one thousand shares (1,000).
- As there was no other business to transact, the meeting ended with thanks.

Certified true copy


CHAIRMAN


DIRECTOR

LOTUS ESSENTIALS LIMITED
P.O.BOX 13462, DAR ES SALAAM, TANZANIA

SPECIAL RESOLUTION

Reg. 77114.....

**MINUTES OF THE EXTRA ORDINARY MEETING OF THE
M/S LOTUS ESSENTIALS LIMITED HELD AT THE REGISTERED OFFICE
ON 18TH JANUARY, 2012 AT 10:00 A.M.**

PRESENT:	Mr. HARSHA SUVARNA	- CHAIRMAN
	Ms. VASANTHA SUVARNA	- SECRETARY
	Mr. PAUL N. CHAKKAPAN	- MEMBER
	Mr. MUHAMMAD JAVED ABDULKARIM	- MEMBER
	Mr. REJICO ARON MDEMU	- MEMBER

AGENDA:

1. Capital increasing.
2. Share increasing.
3. Appointment of Directors
4. Share allotment
5. Any other business.

The following Resolution was adopted

- It was resolved by the Company that the capital of the company be and hereby increased to **100,000,000/=** [One hundred million shillings] beyond the registered capital of **10,000,000/=** (Ten million shillings).
- It was resolved by the Company that the shares of the company be and hereby increased to **one hundred thousand (100,000)** beyond the registered capital of **one hundred (10,000)**.
- That **Ms. VASANTHA SUVARNA, Mr. PAUL N. CHAKKAPAN** and **Mr. MUHAMMAD JAVED ABDULKARIM** are hereby appointed as a new Directors and Shareholders of the Company.
- That **Mr. HARSHA SUVARNA** is allotted eleven thousand and five hundred shares (11500).
- That **Ms. VASANTHA SUVARNA** is allotted eleven thousand and five hundred shares (11,500).
- That **Mr. PAUL N. CHAKKAPAN** is allotted thirty three thousand shares (33,000).
- That **Mr. MUHAMMAD JAVED ABDULKARIM** is allotted thirty three thousand shares (33,000).
- That **Mr. REJICO ARON MDEMU** is allotted one thousand shares (1,000).
- As there was no other business to transact, the meeting ended with thanks.

Certified true copy



CHAIRMAN



DIRECTOR

FEE PAID SHS: 15000/-
RECEIPT NO: 102364
DATE: 25/01/12

F/F 15,000/-

25-01-2012

Form. 210a

THE UNITED REPUBLIC OF TANZANIA

BUSINESS REGISTRATIONS AND LICENSING AGENCY

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

Company Number

Company Name (in full)

Date of appointment

Appointment as director

Appointment as secretary

Name: (First Name(s))

(Surname)

Previous name(s):

Address: (usual residential)

Nationality:

Date of Birth

(continued on next page)

FOR OFFICIAL USE ONLY.

Business Occupation

Other Directorships
(directors only)

N.A

Consent to act as [director] [secretary] of the above named company

Signed Vasanth Date 08/01/2012

A director / secretary etc. must sign the form below

Signed Nash Date 08/01/2012
(A director / secretary / administrator / administrative receiver / receiver)

Notes:

Show full First Names, not initials. If the director or secretary is a corporation, show the name on surname line and registered or principal office address on the usual residential address line.

Give previous First Name(s) or surname(s) except that:

- for a married woman, the name by which she was known before marriage need not be given.
- names not used since the age of 18 or for at least 20 years need not be given.

Other directorships

Give the name of every company incorporated in Tanzania of which the person concerned is a director or has been a director at any time in the past five years.

FILED/ISSUED =
25-01-2012
Form. 210a

RECEIPT NO: 102361
DATE: 25/01/12

THE UNITED REPUBLIC OF TANZANIA

BUSINESS REGISTRATIONS AND LICENSING AGENCY

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

Company Number

Company Name (in full)

Date of appointment

Appointment as director

Appointment as secretary

Name: (First Name(s))

(Surname)

Previous name(s):

Address: (usual residential)

Nationality:

Date of Birth

(continued on next page)

FOR OFFICIAL USE ONLY.

Business Occupation

Form 210a

Director.

Other Directorships
(directors only)

Nida Textile Mills (T) Ltd
Wizcraft Image Ltd.

Consent to act as [director] [secretary] of the above named company

Signed Jawee

Date 08/01/12

A director / secretary etc. must sign the form below

Signed [Signature]

Date 08/01/12

(A director / secretary / administrator / administrative receiver / receiver)

Notes:

Show full First Names, not initials. If the director or secretary is a corporation, show the name on surname line and registered or principal office address on the usual residential address line.

Give previous First Name(s) or surname(s) except that:

- for a married woman, the name by which she was known before marriage need not be given.
- names not used since the age of 18 or for at least 20 years need not be given.

Other directorships

Give the name of every company incorporated in Tanzania of which the person concerned is a director or has been a director at any time in the past five years.

FEE P. 15,000/-
RECEIPT NO: 182367
DATE: 25/01/12

F/E 15,000/-
25-01-2012 Form 210a

THE UNITED REPUBLIC OF TANZANIA

BUSINESS REGISTRATIONS AND LICENSING AGENCY



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

Company Number

Company Name (in full)

Date of appointment

Appointment as director

Appointment as secretary

Name: (First Name(s))

(Surname)

Previous name(s):

Address: (usual residential)

Nationality:

Date of Birth

(continued on next page)

FOR OFFICIAL USE ONLY.

Business Occupation

Form 210a

Director.

Other Directorships
(directors only)

Sparkleway Limited

I consent to act as [director] [secretary] of the above named company

Signed.....

Date... 18/01/12

A director / secretary etc. must sign the form below

Signed.....

Date... 08/02/12

(A director / secretary / administrator / administrative receiver / receiver)

Notes:

Show full First Names, not initials. If the director or secretary is a corporation, show the name on surname line and registered or principal office address on the usual residential address line.

Give previous First Name(s) or surname(s) except that:

- for a married woman, the name by which she was known before marriage need not be given.
- names not used since the age of 18 or for at least 20 years need not be given.

Other directorships

Give the name of every company incorporated in Tanzania of which the person concerned is a director or has been a director at any time in the past five years.

FEE PAID SHS: 15,000/-
 RECEIPT NO: 102364
 DATE: 25/01/12

FIF 15,000/-
 #
 25-01-2012

Form 55a

THE UNITED REPUBLIC OF TANZANIA
 BUSINESS REGISTRATIONS AND LICENSING AGENCY

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

Company Number

Company Name in Full

Shares allotted (including bonus shares)

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

From:
 To:

Class of Shares (ordinary or preference etc)	ORDINARY.		
Number allotted			
Nominal value of each share			
Amount (if any) paid or due on each share	CASH		

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

% that each share is to be treated as paid up

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

FOR OFFICIAL USE ONLY.

Name and addresses of the allottees

Form 55a

Shareholder details	Shares and share class allotted	
Name:	Class of Shares	Number Allotted
MR. HARSHA SUVARNA	ORDINARY	11,500
Address: P.O. Box 13462-DAR ES SALAAM		
MINDU STR, PLOT # 482, FLAT # 2 -		
ILALA - DAR ES SALAAM.		

Name:	Class of Shares	Number Allotted
MS VASANTHA SUVARNA	ORDINARY	11,500
Address: P.O. Box 13462-DAR ES SALAAM		
MINDU STR, PLOT # 482, FLAT # 2 -		
ILALA - DAR ES SALAAM		

Name:	Class of Shares	Number Allotted
MR. PAUL N. CHAKKAPAN	ORDINARY	33,000
Address: P.O. Box 13462-DAR ES SALAAM.		
INDIRA GANDHI STR, GOLDEN PLAZA		
FLAT # 702- ILALA-DAR ES SALAAM		

Name:	Class of Shares	Number Allotted
MR. MUHAMMAD JAVED ABDULKARIM	ORDINARY	33,000
Address: P.O. Box 13462-DAR ES SALAAM.		
INDIRA GANDHI STR, GOLDEN PLAZA		
FLAT # 702- ILALA- DAR ES SALAAM.		

x

Name:	Class of Shares	Number Allotted
MR. REJICO ARON MDEMU	ORDINARY	1,000
Address: P.O. Box 13462-DAR ES SALAAM.		

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

Signed

x

Harsh

director / secretary / administrator / administrative receiver / receiver / manager

Date

15th JANUARY, 2012.

TANZANIA



Certificate of Incorporation

Section 15

No 77114

I HEREBY CERTIFY THAT

LOTUS ESSENTIALS 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 23RD day of **FEBRUARY**

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

CTIN.: 0688512



TANZANIA REVENUE AUTHORITY

CERTIFICATE OF REGISTRATION

FOR TAXPAYER IDENTIFICATION NUMBER (TIN)

(ISSUED UNDER SECTION 133 OF THE INCOME TAX ACT NO. 11 OF 2004)

THIS IS TO CERTIFY THAT
LOTUS ESSENTIALS LIMITED

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

Identification Number
TRA

110-447-574

with effect from 01-Jul-2010

JOANNES N. A. MALLY

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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

REQUIREMENTS OF THIS CERTIFICATE

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



TANZANIA REVENUE AUTHORITY

Certificate of Registration for Value Added Tax (VAT)

ISSUED UNDER SECTION 20 OF THE VALUE ADDED TAX ACT NO. 34 OF 1997

THIS IS TO CERTIFY THAT

LOTUS ESSENTIALS LIMITED

WHOSE TAXPAYER IDENTIFICATION NUMBER (TIN) IS

110-447-574

HAS BEEN REGISTERED FOR VALUE ADDED TAX (VAT)

AND ASSIGNED VAT REGISTRATION NUMBER (VRN)

40-007591-G

FOR BUSINESS LOCATED AT

NYERERE ROAD 46/1

DAR ES SALAAM

WITH EFFECT FROM 10 January 2011

GIVEN UNDER MY HAND

THIS 7th **DAY OF** January 2011


COMMISSIONER FOR VAT



REQUIREMENTS OF THIS CERTIFICATE

- 1. The taxable person must show his VAT registration number in any return, tax invoices issued, notice of appeal or other document used for the purpose of the VAT Act.**
- 2. This certificate should be displayed in a conspicuous position at the principal place of business.**

Box 12460

CH 77714

03.03.2010

VINGI 6461/2010
TFN. 226
(Rev. 2/96)



JAMHURI YA MUUNGANO WA TANZANIA

LESENI YA BIASHARA

B N° 01246461

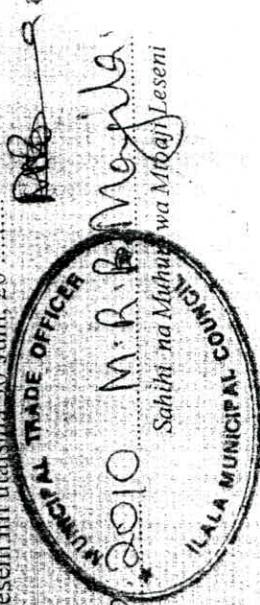
(Inatolewa chini ya Sheria ya Leseni za Biashara Na. 25 ya Mwaka 1972, marekebisho ya mwaka 1980 na masharti yaliyo nyuma)

*Futa isiyotakiwa

1. Ofisi iliyotolewa: **Manispaa, Ilangu**
2. Nambari ya Ushuru wa mapato: **110-447-574**
3. Leseni inatolewa kwa: **Lotus Essentials Limited**
kuendesha biashara za: **Wholesale Stationery**
katika Wilaya/Kanda* ya: **Ilangu, Mtaa Hyehere rd**
Plot 46/1
4. Ni ya Shina/Tawi*
Ada Sh. Nambari ya Stakabadhi: **1**
ya tarehe: **1**

5. Mpya inaendeleza* muda wa leseni Na
ya tarehe: **1**

(ii) Muda wa leseni hii utajishia 30 Juni, 20



Tarehe **06.07.2010**

GP DSM

LOTUS ESSENTIALS LIMITED

P.O.Box 13402, Dar ES Salaam
Tanzania

Tel/Fax :+255-22-2863057, Mobile : +255-787-902902/715 800503

E-mail : lotusessentialslimited@gmail.com

Reg No: 77114

COPY OF THE RESOLUTION PASSED IN THE MEETING OF THE BOARD OF DIRECTORS OF M/S LOTUS ESSENTIALS LIMITED HELD AT THE REGISTERED OFFICE OF THE COMPANY ON 1ST FEBRUARY, 2012.

“ RESOLVED THAT the new project for producing Cosmetic products, be registered with the Tanzania Investment Centre as soon as possible.

Mr. Harsha T. Suvarna is hereby empowered to sign all documents for the same.



Harsha T. Suvarna
Chairman

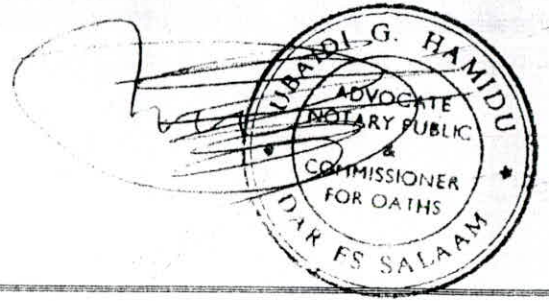


Paul N. Chakkapan
Director

Certified True Copy.



Rejico Aron Mdemu
Company Secretary



Dated 17th May, 2011

NAMERA GROUP OF INDUSTRIES (T) LTD.,

AND

LOTUS ESSENTIALS LIMITED.

Handwritten signature

Handwritten initials

This Agreement is made at Dar Es Salaam this 17th day of May 2011

By and Between

Namera Group of Industries (T) Limited., a limited liability company incorporated and duly existing under the laws of Tanzania, whose registered office is situated at P.O.Box: 6899, Dar Es Salaam (hereinafter called the "**Lessor**" which expression shall where the context so requires includes their administrators, executors and assignees) on the one part

and

Lotus Essentials Limited, a limited liability company incorporated and duly existing under the laws of Tanzania, whose registered office is situated at P.O.Box. 13462, Dar Es Salaam, Tanzania (hereinafter referred to as the "**Lessee**" which expression shall where the context so requires includes its administrators and assignees) on the other part.

whereas

- (a) The Lessor is absolutely seized and possessed or otherwise well and sufficiently entitled to a warehouse measuring 793 Sqr Mtr, at its premises in Gongo La Mboto in Plot No. E 1636, Dar Es Salaam (hereinafter referred to as the "Demised Premises"); and
- (b) Whereas the Lessor has agreed to lease to the Lessee the Demised Premises for a period of 24 months renewable commencing from the 1st day of June, 2011 to 31st day of May, 2013 subject to the terms and conditions laid down in this Agreement; and
- (c) Whereas the Lessee agrees to lease the said Demised Premises for the said period and upon conditions stated and in the manner hereafter stipulated.

Now this Agreement witnesseth as follows:

1. Lease

In pursuance of the said Agreement and in consideration of the rent hereby reserved and the Lessee's covenants hereinafter mentioned, the Lessor hereby grants, conveys and assigns by way of lease unto the Lessee the Demised Premises for a period of 24 months commencing from the 1st day of June 2011 and ending on 31st day of May, 2013 at a monthly rent of United States Dollars One Thousand Five Hundred Eighty Six only (US\$ 1,586/-) excluding VAT and inclusive of Withholding Tax.

2. Payment of Rent

The rent herein reserved shall be paid in cash or cheque to the Lessor without demand under the following terms,

- 2.1 The first installment equivalent to the rent of six months shall be paid to the Lessor by 31st May, 2011
- 2.2 The second installment equivalent to the rent of six months shall be paid to the Lessor by 30th November, 2011

[Handwritten signature]

[Handwritten signature]

- 2.3 The third installment equivalent to the rent of six months shall be paid to the Lessor by 31st May, 2012
- 2.4 The fourth installment equivalent to the rent of six months shall be paid to the Lessor by 30th November, 2012

3. **Renewal of the Term**

Pursuant to the terms and conditions set out under this Agreement to be performed by the Lessee, the term of this Lease shall at the option of the both the parties be renewed for a further period of two years on the terms and conditions to be mutually agreed between the parties.

4. **Lessor's Warranties and Representations**

The Lessor warrants and represents to the Lessee that it is a legal owner in possession of the Demised Premises and that it is legally capable and duly authorised to enter into this Lease and perform all the obligations set out herein.

5. **Lessee's Rights and Obligations**

The Lessee hereby covenants with the Lessor as follows:-

- 5.1 To pay the rents at the time and in the manner herein provided;
- 5.2 To occupy the Demised Premises for commercial use and for the Lessee's legal business activities only;
- 5.3 To pay for all charges in respect of water, electricity, garbage disposal, sewerage or any other charges in connection with the Demised Premises during the said term;
- 5.4 To keep the interior of Demised Premises and appurtenances thereof tidy and in good condition throughout the term;
- 5.5 To save with the previous consent in writing with the Lessor not to erect or cause to be erected in the Demised Premises any addition thereto, or to cut, demolish or modify of the structures;
- 5.6 Not to do or permit to be done anything in or upon the Demised Premises or any part or any part thereof which may be or become a nuisance, annoyance, damage or inconvenience to the Lessor, occupiers of adjoining property or the neighbourhood.
- 5.7 Upon prior appointment, to allow the Lessor and/or his officers and agents at all reasonable times to enter upon the property to inspect or carry out repairs or for other purposes in connection with the Demised Premises;
- 5.8 Not to use the Demised Premises or any part thereof for any illegal or immoral purpose;
- 5.9 Not to keep in the Demised Premises things such as explosives, inflammables or any such things that may endanger the safety and security of life and properties in the vicinity.
- 5.10 To yield up the Demised Premises with fittings and additions thereto at the expiration or sooner determination of the term in good repair and tenantable condition in accordance with the covenants herein contained.
- 5.11 The Lessee shall have to obtain the consent of the Lessor in writing, during the existence of this Lease, to attach fixtures in or upon the Demised Premises hereby leased, which fixtures, so placed in or upon or attached to the said Demised Premises shall be and remain the property of the Lessee and may be removed therefrom by the Lessee prior to the determination of the Lease, or within a reasonable time after the Lease is terminated.
- 5.12 The Lessee shall be responsible for the security of the Demised Premises and the goods stored therein.

6. Lessor's Rights and Obligations

The Lessor hereby covenants with the Lessee as follows:

- 6.1 Subject to the Lessee performing all the covenants herein above specified, not to interfere or allow another person rightfully claiming under or in trust for the Lessor to interfere, interrupt or intrude upon the Lessee's peaceful enjoyment of the Demised Premises throughout the said term.
- 6.2 The Lessor reserves the right to enter the Demised Premises to inspect the premises, so long as such entry is at prearranged times, with the consent of the Lessee (which consent shall not be unreasonably withheld) and, at Lessee's discretion.
- 6.3 To maintain, repair and otherwise keep in good condition the structure of the building and in particular the roofs, foundations and walls thereof, in the same state as received at the commencement of this lease. In case any damage done to the structure of the building due to the negligence of the Lessee, the cost incurred for repairing the same shall be recovered from the Lessee.
- 6.4 During the subsistence of this Agreement not to sell, assign, transfer, lease, sublet or otherwise dispose and deal with the Demised Premises in the manner prejudicial to the Lessee's rights contained under this Agreement.

Lessee's Default

- 7.1 In the event the Lessee fails to fulfill any of its obligations under this Lease, and where this Lease specifically provides no other remedy for such failure, the Lessor will be entitled to issue a three month notice of termination of the Lease.
- 7.2 If the Lessee fails to pay the rents on the dates mutually agreed upon, the Lessor will be entitled to claim interest on the unpaid amounts at the commercial bank lending rate, and in the event the rent remains unpaid for a period of two months, the Lessor will be entitled to terminate the Lease giving one month's notice and take any legal remedies deemed fit to recover the unpaid rent amount and interest due.
- 7.3 This Lease may be terminated by either party after giving THREE MONTHS written notice of its intention to do so. In the event that such notice is given the Lessor herewith forfeits any claim or action with respect of expected lease income which would have accrued had this lease persisted for the duration herein envisaged.

8. General Terms and Conditions

It is hereby provided always and it is hereby expressly agreed and declared as follows:

- 8.1 If, at any time during the term of the Lease, the Demised Premises or any part thereof shall be destroyed or damaged by fire (not occasioned by the willful act, neglect or default of the Lessees or his licensees, invitees, visitors or servants) or act of God or force majeure then and in any such cases and so often as the same shall happen the rent herein before reserved or a fair and just proportion thereof, according to the nature and extent of the damage sustained, shall cease and be suspended during and so long as the premises hereby demised or the destroyed or damaged part shall remain inhabitable or unfit for use by reason of such destruction or damage.
- 8.2 The Lessor shall not ensure the safety of the Lessee's properties or belongings in the Demised Premises from fire or act of God or from forces, acts or events which are beyond the control of the Lessor.

8.3 The Lessor shall not, in any way, be responsible for the transactions or the activities that the Lessee indulge in using the Demised Premises, and the Lessee will be solely answerable for such activities to the parties concerned including Government Agencies.

8.4 If the Lessee shall have reasonably performed and observed the several stipulations herein contained on his part to be performed and observed up to the termination of the term of contract as hereby granted then the Lessor may let the Demised Premises to the Lessee for the further term and on such conditions as will be mutually determined by both parties.

9. Dispute Resolution

Any dispute or difference whatsoever which shall, at any time hereafter whether during the continuance of the lease or upon or after its discharge or determination, arise between the parties hereto touching or concerning this Lease or its construction or effect or as to the rights, duties or liabilities of the parties hereto or any of them under or by virtue of this lease or otherwise or as to any other matter touching on the lease shall be referred to the Court of Law.

10. Governing Law

This Agreement shall be governed by the laws of the United Republic of Tanzania.

11. Execution Copies

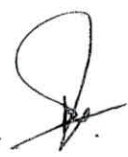
This Lease shall be executed in duplicate; one to be retained by the Lessor and the other by the Lessee.

IN WITNESS WHEREOF the Lessor and the Lessee have put their respective signatures on this Agreement on the day, month and year herein before appearing

SEALED with the Common Seal of

Namera Group of Industries (T) Ltd.,
the Lessor above named on this
..... day of 2011

Witness of the Lessor

1. Name... MOHAMMAD SUABIR 

} MOHAMMAD IMRAN
(Lessor)
NAMERA GROUP OF INDUSTRIES LTD
P. O. BOX 6900
DAR ES SALAAM
TANZANIA

Signature: 

Signed and Delivered at Dar Es Salaam by

Lotus Essential Limited, the Lessee
above named on this
..... day of 2011

Witness of the Lessee

1. Name MOHAMED MAYUSA

} 
LOTUS ESSENTIALS LIMITED
(Lessee)
P. O. BOX 13452
DAR ES SALAAM

Signature: 

TANZANIA FOOD AND DRUGS AUTHORITY

E-mail: info@tfda.or.tz
Telephone: +255 22 2450512, 2450751
+255 22 2452108
Fax No. +255 22 2450793
Website: www.tfda.or.tz



Nelson Mandela Road,
EPI - Mabibo External,
P. O. Box 77150,
DAR ES SALAAM,
TANZANIA.

All letters should be addressed to
the Director General
In reply please quote Our Ref No:

Ref No.: BE.313/314/01D/211

16th May, 2011

Lotus Essentials Ltd,
P.O. Box 13462,
Dar Es Salaam

**RE: APPLICATION FOR REGISTRATION AND LICENSING OF PREMISES
TO RUN THE BUSINESS OF A WHOLESALE COSMETICS SHOP**

The heading above is concerned.

The Tanzania Food and Drugs Authority has approved your premises to be registered for the wholesale business of cosmetics as provided for under section 18 of the Tanzania Food, Drugs and Cosmetics Act, 2003.

Since you have already paid the required fee, your premises registration certificate and business permit are being prepared and will be issued to you as soon as possible.

Regards,

Charys N. Ugullum
Ag. DIRECTOR GENERAL

Cc: Manager, TFDA Eastern Zone,
P.O. Box 77150, Dar Es Salaam.

CU/nbc/sm

MISSION

To protect and promote public health by ensuring quality, safety and effectiveness of food, drugs, cosmetics and medical devices.

THE UNITED REPUBLIC OF TANZANIA

**THE LAND ACT. 1999
(NO:4 OF 1999)**

**CONTRACT OF LEASE
(UNDER SECTION 64)**

**Plot No. 46/1
Nyerere Road
Dar Es Salaam**

I, **ROSHAN ABDULLA FAZAL** of P.O.Box 5236, Dar Es Salaam (herein after called the Lessor) of one part hereby agree to lease the warehouse situated at the above reference to **LOTUS ESSENTIALS LIMITED** of P.O.Box 13462, Dar Es Salaam (herein after called the Lessee) of the other part.

1. Description of the land to be demised.
Warehouse at Plot No. 46/1 , Nyerere Road, Dar Es Salaam, Tanzania
2. Duration/Type of Lease
5 (Five) Years from 01st June, 2010 to 31st May, 2015.
3. Purpose of Lease
Manufacturing and Commercial Purposes
4. a) Rent
Tzs 300,000/- (Tanzanian Shillings Three Hundred Thousand Only) per month

b) Mode of Payment
Rent Payable Three months in Advance
5. Date of Execution of Lease
01st June, 2010
6. Date of delivery of possession of the demised land to the lessee
01st June, 2010

[Handwritten signatures and initials]

7. Covenants to the Lessee

- To pay the rent reserved on the day and in the manner aforesaid.
- To pay electricity and water bill on the demised premises each month regularly.
- To permit the lessor and his agents at all reasonable times to enter and examine the state of repair of the premises, and in case of rent default right to entry is given to the lessor.
- To abide by the regulations governing residential apartment, especially with regards to city regulations in respect of garbage and refuse.
- Not to make any alternation or addition to the demised premises without lessor's consent. Minor repairs allowed at Lessee's expenses
- Not to use or suffer the demised premises or any part thereof for any illegal or immoral purposes
- Not to assign, underlet or part with the possession of the demised premises or any part thereof without the consent of the lessor.
- Not to deduct withholding tax but the lessor will pay and issue receipt to the lessee for amount paid
- Not to operate any sound producing equipment beyond a level of annoyance to neighbourly relations with other persons residing in the building.
- To take care of furniture and fixtures, if any and any damage to be forthwith repaired at lessee's expenses
- To yield up the demised premises in good condition at the expiration of the lease term hereby granted
- To pay 1% stamp duty on this contract of lease on rental amount.

Handwritten signatures and initials at the bottom left of the page.

8. That the Lessee paying the reserved rents observing the stipulation herein on their part contained shall peacefully enjoy the demised premises without any interruption by the Lessor or any person claiming under or in trust for the Lessor.
9. Option to renew
Lessor reserves the right whether or not to renew
10. Notice
Either party may give Six Months Notice during the subsistency of the Lease and subject to clearance of rent account

Dated at Dar Es Salaam, this.....day of.....2010.

Rush
LOTUS ESSENTIALS LIMITED
P.O. Box 13462
DAR ES SALAAM

Rizwan

Signature of Lessor

Signature of Lessee

Witness

Name :...RIZWAN...FAZAL

Postal Address:..Box...5236,

Signature:.....*Rizwan*.....

Witness

Name:..Mr. RUSH NAIR.....

Postal Address:..12550, DSM:..

Signature:.....*Rush*.....

PART I

1.0 EXECUTIVE SUMMARY

Lotus Essentials Limited is a company registered in Tanzania under Company act of 2002 and being granted Certificate of Incorporation no. 77114 of 23rd February 2010. The Company is investing in the establishment of manufacturing a unique brand concept consisting of both skin care and body care cosmetics utilizing multiple channels of distribution and modern Market strategy to enter and win the Tanzanian Market of Cosmetic Industry. The plan that follows explains the Investment, market, value proposition, investment and the market segmentation strategy. The detailed financial plans provide a clear view of the Lotus Essentials Limited sales and profit forecasts. These plans show how Lotus Essentials Limited will reach profitability in the third year of operation and generate shareholder return on equity within five years.

1.2 MISSION

To establish unique body care products (packing Creams, Lotions, Gels, and Oils) as an important brand that represents quality in skin care, fitness apparel and accessories, the company will accomplish this using high quality manufacturing and research, a creative marketing program, and a comprehensive distribution network using both brick and mortar retail outlets, and a consumer catalogue.

By utilizing this multi-channel approach we will be able to reach the niche market for quality personal care products rapidly and efficiently. It will allow the company to develop a unique brand for quality skin and body care products within our target market.

1.3 THE COMPANY

The Lotus Essentials Limited is the company which is 100% owned by Mr. Harsha .T. Suvarna holding 10,000 shares ,Mrs. Vasantha Suvarna holding 16,500 shares ,Mr. Paul N.C holding 33,000 shares and Mr. Muhammad Javed Abdulkarim holding 33,000 shares , Mr. Rejico Aron Mdemu holding 1000 shares, and Mr. Partho Saha holding 6,500 shares these are the founders as well as they constitute board of Directors of the Lotus Essentials Limited.

The shareholders have combined and wide experience in the wholesale and retail industry. Currently they are carrying out a number of business in Tanzania, Kenya and India.

The company's main office is located at Plot No. 46/1, Nyerere Road, Tazara, Dar es Salaam.

The factory is located at Plot No. E 1636, Gongo La Mboto, Dar Es Salaam, Tanzania. The leased premise/space is sufficient for thought Investment and implementation of this project.

1.4 PRODUCTS

Skin and body care products will be developed and produced at Company's contract facilities. Lotus Essentials Limited will have one product lines which is a skin care. Within the skin care line we will offer a wide array of products including eye makeup removers, cleansing creams, facial scrubs and masks, and body lotions, gel etc..

1.5 PRICING

The pricing strategy is to position our products with a shelf price that is in the mid to lower quadrant of high-quality products and brands. Lotus Essentials Limited will have to accomplish this by making careful market comparisons and adjusting our packaging size.

Lotus Essentials Limited believe has ability to create future product opportunities and growth will only be limited by the imagination and the ability to attract talented people who understand the concept of branding.

1.6 THE MARKET

Lotus Essentials Limited will occupy a unique market positioning of its products line which includes skin care and cosmetics. However, within each category significant brands do exist. Quality and price vary widely within each group. Lotus Essentials Limited will position its products as a quality brand. The cosmetics market has seen large annual growth rates over the past decade in Tanzanian being dominated by the brands from Kenya and few brands from Europe.

The cosmetics industry in Tanzania is regulated by Tanzania Food and Drugs and Authority. TFDA is a regulatory body responsible among other things for regulating the quality and safety of cosmetics in Tanzania with the objective of protecting the public against hazards associated with the use poor quality and unsafe cosmetics.

Provisions 86-92 of the Tanzania Food, Drugs and Cosmetics Act, 2003 (TFDCA, 2003) prohibits the sale of unsafe and poor quality cosmetics. These provisions form the legal basis of cosmetic regulation in Tanzania.

Lotus Essentials Limited is working closely with the TFDA to observe compliance and promote safe use of cosmetics and personal care products that are manufactured for sale in Tanzania.

1.7 THE CUSTOMER

Because Lotus Essentials Limited is a combined retail (direct to end user) and wholesale (to the end user through a reseller) strategy the Company's target customer must be broken into two distinct groups, the end user and the reseller.

The Company targeted end user is between the ages of 24 and 55. They are female urban professionals with at least some literates. This consumer has an active lifestyle. They are concerned about social and environmental issues. Mind and body wellness are important to them. They belong to a health club lessons. The effects of aging and the maintenance of a youthful appearance are a part of their life.

Lotus Essentials Limited target customers (vs. end user) for wholesale distribution will be resellers who recognize the needs of this consumer and who she identifies with. Lotus Essentials Limited has used the term resellers because they will not be limited to retailers. Lotus Essentials Limited will reach the consumer through four distinct reseller channels. Health Clubs, Lifestyle Retailers, Cosmetic Specialty Retailers, and Boutique Department Stores.

There are a number of new demand trends that have impacted the market and created greater opportunities. These trends include a returning to age old, time proven, natural remedies; more consumers that are looking for more holistic and healing benefits from her skin care products, and today's consumer being more informed and more inquisitive about the benefits of her personal care products.

1.8 FINANCIAL AND INVESTMENT

In order to launch its unique product line Lotus Essentials Limited requires an initial outlay. Sales at Lotus Essentials Limited retail stores are planned to grow rapidly from Year 1 through Year 5. During this time frame our wholesale revenues are planned to grow enormously. Lotus Essentials Limited will become profitable in our third year of operation. Initial growth will be financed by a combination of equity investment and Bank loan financing. Lotus Essentials Limited growth plans are challenging, but realistic. See annexure.

Total cost planned to be invested at this project is 653,000\$ whereas out this amount, 150,000 USD is the working capital. The loan secured from the Bank is 150,000\$. The profits generated will be reinvested. The investment is expected to cover the following items.

COST INVESTMENT STRUCTURE			
PARTICULAR	FOREIGN USD	LOCAL USD	AMOUNT USD
Land and Buildings		125,000	125,000
Equipment & tools		200,000	200,000
Motor Vehicle		125,000	125,000
Furniture & Fixtures		5,000	5,000
Pre exp		8,000	8,000
Others		40,000	40,000
Working Capital		150,000	150,000
TOTAL	0	653,000	653,000

PART II

2.0 PROJECT CONCEPT AND PROJECT RATIONALE

Tanzania like many other Sub-Saharan Africa countries achieved its independence with a severely underdeveloped economy and extremely limited infrastructure. However, Tanzania has made concerted efforts to improve its economy, raise living standard of its people and create a conducive environment for private sector development & investment. Since early 1980s, governments of developing countries have been supporting and implementing strategies of encouraging competitive free markets, privatization of state owned enterprises (parastatal), move from closed (no trade) to open (trading) economies and opening up the domestic economy through free trade and attracting foreign direct investment. This was done as a way of recognizing the lead role that private sector can play in economic development. The ultimate outcomes of major reforms have lead to the opening up of few Manufacturing industries of Cosmetics in large city of Dar es - Salaam while the facts prevailing within beauty and cosmetics industry show that, most of cosmetics are heavily imported from Kenya, Congo, UAE ,Europe and some from America.

Lotus Essentials Limited has decided aggressively to invest into this project of manufacturing Cosmetics products, because project promoters of this Company have been impressed by the Government of Tanzania's realization of the important role played by the private sector for the country's economic and social development. The existing potential market for cosmetics products within the beauty industry in Tanzania motivated the investors to invest in Production of body beauty care products (packing Creams, Lotions, Gels, Oils etc).

The project is anticipated to employ more than 20 people as permanent staff, and more than 30 casual labours. The Company will enhance provision of high quality cosmetics products.

2.1 TECHNICAL IMPLEMENTATION OF THE PROJECT

The implementations of this project will involve investment of the following machineries and equipments.

2.1.1 Cosmetic homogenized mixer machine.

The machine looks like Liquid kettle, mainly used for mixing of cleanser essence, shampoo, bath foam, washing liquid and so on, It also used for mixing material is liquid-liquid, liquid-solid

2.1.2 Vacuum Emulsifying Machine

The equipment is composed of: Emulsifying mixer boiler; Pretreatment boiler(Water pot, Oil pot)Vacuum system; Hydraulic system; Electric control (PLC/Button).

2.1.3 Piston Liquid Filling Machine

Semi-automatic piston liquid filling machine owns the function of explosion prevention, Apply to medicine, daily chemical, food, pesticides and special industries; It is ideal filling equipment for high-viscosity liquid. Since the machine is working under the uncharged state, it is more security; Humanized design fits for modern enterprises requirements, small and exquisite in model.

2.1.4 Liquid Filling Machine

The machine will be used for daily filling in the cosmetics container or tube ready for wind up packaging activities.

2.1.5 Vacuum Paste Making Machine

The vacuum paste machine is used for manufacturing paste-like products\ cosmetic solutions

2.1.6 Cream making machine

The machine operate under the principle of taking Material which come into the emulsification pot by the vacuum pump after it heating and mixed reaction in the oil pot and the water pot before they discharged to another the final process.

2.1.7 Mixing Tank

BXG series blending tank is composed of main boiler vessel and blending heating part. It can also be designed, machined and manufactured according to special requirements of customers. The equipment is made of high quality stainless steel material. With various blending forms (propeller type blender, frame type blender or disperser), it has such advantages as high efficiency, energy saving and convenient operation. It is the ideal equipment for dispensing, blending, pre-treating and processing of cream fluid.

2.2 LOCATION

The Distribution and Head Office is located at Plot No. 46/1, Nyerere Road, Dar Es Salaam. The Factory is located at Plot No. E 1636, Gongo La Mboto, Dar Es Salaam. The site has adequate space to accommodate the proposed production of cosmetics products. The location is ideal for the Investment of this nature due to the fact that, it is easily accessible and its infrastructures is highly developed.

PART III

3.0 MARKET INFORMATION

3.1 Cosmetics Industry in Tanzania

As stated in preamble chapter that , the cosmetics industry in Tanzania is regulated by Tanzania Food and Drugs and Authority. TFDA is a regulatory body responsible among other things for regulating the quality and safety of cosmetics in Tanzania with the objective of protecting the public against hazards associated with the use poor quality and unsafe cosmetics.

Provisions 86-92 of the Tanzania Food, Drugs and Cosmetics Act, 2003 (TFDCA, 2003) prohibits the sale of unsafe and poor quality cosmetics. These provisions form the legal basis of cosmetic regulation in Tanzania.

Lotus Essentials Limited will be working closely with the TFDA to observe compliance and promote safe use of cosmetics and personal care products that are manufactured for sale in Tanzania.

3.2. Product Description

3.2.1 Skin Care

The initial launch for skin care products will be our "Water" range. The products in this range will be developed in the Company's Laboratory. Some of the water range thought products include the following:

3.2.1.1 Biocatalyst Tonic

Purpose: Finishes cleansing and leaves skin perfectly clean. Relieves, soothes and softens skin. Reactivates the physiologic epidermis' functions. Prepares the skin for make up. Hydrates the entire upper layer of epidermis.

Primary ingredients: Corallina officinalis contains trace elements of marine minerals and in excess of 300 enzymes. They promote elasticity of the dermis' structural fibers (keratogenesis). This ingredient prepares the skin for cosmetics. Critmum maritimum extract adds purifying and regenerating properties. Rose water contributes a relaxing effect.

Use: Spray on nightly after makeup removal and before applying night creams or during the day to relieve stress and brighten the complexion.

3.2.1.2 Eye makeup remover

Purpose: Removes eye make up. Soothes and relieves sensitive skin in eye area. Fortifies eyelashes.

Primary ingredients: Rhodophyceae extract promotes remineralization and hydration of skin while fortifying eyelashes. Rose water to tone sensitive skin while soothing and relieving eye shadows.

Use: Soak on cotton ball lightly and gently apply on eyelids to remove make up.

3.2.1.3 Cleansing cream

Purpose: Soothes skin during make up removal. Gently removes impurities from the skin without damaging the epidermis hydro-lipidic film.

Primary Ingredients: Crithmum maritimum extract is rich in essential oils with regenerating and anti-inflammatory properties. Shea butter to nourish the skin and add suppleness. Palm oil and Groundnut oil act as cleansing agents and soothe the skin.

Use: Apply on face and neck nightly to remove make up. Finish with Biocatalyst Tonic.

3.2.1.4 Multi protection day cream

Purpose: Acts like a second skin. Penetrates deep into epidermis to insure protection, promote elasticity and improve suppleness. Clarifies skin while soothing and hydrating

Primary ingredients: Ulva lactuca extract, a fragile green algae that can resist wave pressure up to 20 tons per cubic centimeter because of an elastic fiber network similar to elastin. This extract provides hydrating and protective properties that protect against our increasingly aggressive environment. Shea butter nourishes skin and acts against dehydration.

Use: Gently massage a few drops onto clean and toned skin each morning.

3.2.1.5 Regenerating facial scrub (micro marbles)

Purpose: Cleans off dead skin cells to promote regeneration of healthy new cells. Enlightens complexion and imparts radiance to the skin. Softens and purifies the epidermis.

Primary ingredients: Spherical micro-marbles exfoliate without causing irritation. Crithmum maritimum extract purifies epidermis and boosts cell regeneration.

Use: Every other week for dry and sensitive skins, weekly for oily and normal skin types. Apply gently on clean skin, rinse with water and apply Biocatalyst Tonic.

3.2.1.6 Hydrating Cream Mask

Purpose: Softens skin. Provides equilibrium for cutaneous functions. Regenerates, while providing firmness. Maintains hydration of the epidermis.

Primary ingredients: Ulva lactuca extract is efficient in fighting skin slackening. Codium tomentosum extract provides long-lasting deep hydration of the upper epidermal layer. Enriched vitamin A, for skin regeneration.

Use: Apply on face, around eye contour area and on the neck after a gentle exfoliation. Allow to settle for three to five minutes, then wipe off excess with a soft tissue.

3.2.1.7 Purifying Cream Mask

Purpose: Smooths skin. Regenerates, enlightens and firms the skin. Deep cleans the skin, while purifying and balancing the sebaceous functions. Maintains hydration of the upper layers of the epidermis.

Primary ingredients: Laminaria digitata extract. This brown algae has anti-lipasic and sebostatic activities to fight against inflammation and regulate sebaceous secretions. Critmum maritimum extract rich in essential oils that purify the epidermis and boost cellular regeneration. Vitamin A palmitate, to reinforce suppleness.

Use: Apply on face (except eye area) and neck after a peeling or when skin is tired. Allow to settle for five to seven minutes, then gently remove excess.

3.2.1.8 Peel-Off facemask

Purpose: Forms a polymeric mask that cleans the skin and lightens the complexion.

Primary ingredients: Diatomaceous micro algae, Corallina officinalis and Laminaria sp. combine to increase cell metabolism.

Use: Apply to face weekly. Leave on the face approximately ten minutes then peel off starting from the neck.

3.1.1.9 Royal sea cream (remineralizing face, body and hair algae mask)

Purpose: Toning, relaxing, remineralizing and detoxifying for the face, body and hair. Used as a hair mask it nourishes the bulb, soothes the scalp and strengthens the hair shaft. Applied on the body it becomes a remineralizing source.

Primary ingredients: Rhodophyceae and Phaeophyceae provide minerals necessary to improve metabolism and elasticity of skin fibers. In addition they aid in the elimination of skin toxins. Red seaweed adds hydrating properties to the upper epidermal layer that are essential to skin suppleness.

Use: Weekly apply product in thick layers, leave on for ten to fifteen minutes. Finish with a shower or a shampoo.

3.1.1.10 Body lotion (intensive hydration)

Purpose: Fights dryness, restores and maintains hydro-lipidic film, nourishes, regenerates, prevents aging and improves elasticity. Protects skin from the harsh environment. Leaves the skin firm and smooth.

Primary ingredients: A powerful marine osmoregulator extracted from green seaweed and *Chondrus crispus* extract maintain an in-depth long-term hydration rate of the epidermis. Carrageenans work on the skin's surface with the skin's natural proteins to create a protective film. Vegetable oil from Karite butter increases cell regeneration and insures suppleness.

Use: Apply daily on dried skin all over the body with a soft circular motion.

3.2.1.11 Super firming gel (algae firming gel)

Purpose: A firming and toning effect on the skin combined with a lipolytic action to support the acceleration of the elimination of fat cells.

Primary ingredients: *Laminaria Digitata* extract provides the lipolytic properties. *Pelvetia Canaliculata* improves blood circulation.

Use: Gently massage the gel into belly, hips, and buttocks. For legs and thighs apply with an upward motion.

3.2.1.12 Tensing and regenerating cream

Purpose: Smooths and tenses the epidermis. Prevents dehydration of dry skin areas. Re-enforces cutaneous elasticity. Creates an instant lifting effect.

Primary ingredients: Algae oil from *Laminaria digitata* is rich in vitamin A to protect from free radicals and aid in fiber regeneration, vitamin E which promotes hydration, vitamin C to speed up the healing process and vitamin F (from the Omega 6 family) to promote suppleness and nourish the skin.

Use: In morning and evening apply a small amount of the active serum on arms, tummy, legs, bust and/or buttocks. Slightly massage until fully absorbed into the skin.

3.2.1.13 Soothing after-sun gel

Purpose: Quickly calms the epidermis after sun exposure. Instantly stops the heat sensation. Rehydrates the epidermis.

Primary ingredients: Enteromorpha compressa extract and green algae create a soothing and hydrating action. This combination of ingredients has a peptide action that has been proven excellent in fighting problems caused by over-exposure to the sun (tightening, stinging, itching and heat sensation). It also reduces the intensity and duration of sunburn. Codium tomentosum extract is a powerful marine osmoregulator that helps in maintaining the epidermis hydration rate at the optimal level.

Use: Apply generously on face and body. Within two hours of applying after-sun gel apply the hydrating milk to preserve and enhance the skins beauty.

3.2.1.14 Sun care hydrating milk

Purpose: Protect the skin from the suns harmful rays. Ensure a uniform tan. Soften and smooth skin. Preserve the epidermis hydration.

Primary ingredients: A mix of three algae extracts to obtain protection against UVA and UVB rays while still allowing the skin to tan. A vegetable oil cocktail, rich in vitamins A and E to reinforce the skins hydration capacity and nutrients to ensure the skins suppleness. Glycerin provides a natural dampener to soften and smooth the skin.

Use: Apply in an even layer all over the body. Renew application frequently during extended periods of sun exposure.

3.2.1.15 Anti-aging protective sun cream

Purpose: Ensure a safe and rapid suntan. Preserve epidermal hydration. Fight against premature aging of the skin caused by the sun.

Primary ingredients: Chritmum Maritimum and Phaeodactylum Tricornotum phylo plankton combine to create a natural synergy rich in the essential fatty acids EPA/DHA. This ensures cellular regeneration and the formation of ceramids that are essential to the balance of the hydrolipidic film. Oil of Karite butter ensures the skin will maintain a supple texture and appearance. Palm oil (nourishing and softening), liquorice extract (anti-inflammatory) and a insaponifiable of Soya and Avocado extract aide in maintaining the skins fiber and give the cream its total care capacity.

Use: During or before sun exposure. Apply frequently during extended periods of exposure to the sun.

3.3 Distribution

Distribution in the first year will be managed from a facility in Plot No. 46/1, Nyerere Road, Dar Es Salaam. In years two through five we plan to manage distribution through a contract resource capable of handling both wholesale distribution and retail fulfillment. Skin and body care products will be developed and produced at Factory Location facilities at Ngonglamoto.

3.4 Competitive Comparison

Lotus Essentials Limited will occupy a unique market position. No other brand offers a specialty line that includes skin care and cosmetics. However, within each category significant brands do exist. Quality and price vary widely within each group. Lotus Essentials Limited will be positioned as a quality brand. We have eliminated the drugstore and discount brands from this comparison.

In the skin care and cosmetics category the competition can be divided into:-

The commercial brands are primarily sold through department stores. Their major advantage is their financial strength and their department store relationships.

The clinical brands are perceived to be "authentic." Their image is based upon the perception of treatment qualities versus purely cosmetic benefits. These brands are sold through retail outlets, specialty stores, department stores and/or health food stores.

Lotus Essentials Limited skin care and cosmetic products will offer therapeutic benefits to the user based upon the principles of Thalasso therapy in our water line and Botanical treatments in our earth line. Our color cosmetics will be mineral based and provide the user with esthetic benefits while nourishing the skin. In addition to providing retail appropriate packaging we will develop bulk sizes for distribution within the business line.

3.5 Marketing Strategy

Lotus Essentials Limited will utilize a brand building (pull) strategy as the basis for its marketing plan. The Company will position its print media spend in magazines that influence our target consumer and validate the brand. The publications which the Company will utilize are: *Femina*, *Shea elusion*, *Bang*, *Excel* and *the Man*. These are the same publications retail buyers and trend analysts scour to find emerging brands or trends. In addition to paid ads in regional issues of the publications mentioned, the will retain a PR firm to develop a grass roots program for obtaining product placement and celebrity/trainer endorsements. The Company media and PR strategy will bring the brand to the forefront for the consumer and set the stage for our image development. Lotus Essentials Limited will have a separate plan to market its products at trade shows. In addition we will develop a unique in-store graphic and communication package that explains our products benefits and advantages at point of sale.

3.6 Marketing Programs

1. Development of product packaging: Develop a packaging and labeling system that communicates the unique brand of Lotus Essentials Limited message.
2. Development of product brochures: Create a series of brochures that will function at point of sale and at trade shows.
3. Selection of a PR firm: Begin the selection process for a retained public relations firm in 2012.
4. Creation of our graphic language: to be done by graphics expert
5. Selection of an advertising firm: Begin the selection process for an advertising agency in 2012
6. Development of our print campaign: Development of this campaign will begin immediately after selecting an agency.
7. Creation of consumer seminars: Develop and implement these programs by end of 2012.
8. Development of bonus week programs and products:

3.7 Pricing Strategy

The Company pricing strategy at retail will be to create a price-to-benefits ratio that positions Company's products as a superior value. At wholesale the company will price its products to provide the retailer with a 50% maintained margin and offer a product exchange program for current accounts. The Company's wholesale prices will be derived after the appropriate retail is determined to insure that the shelf price represents a value to the consumer and the retailer has a 50% margin.

3.8 Promotion Strategy

Our promotional strategy will cover a broad range of programs.

3.8.1 Pricing:

The Company will not have price promotions in its own facilities and the company will discourage wholesale customers from reducing prices. Instead we will have a quarterly bonus week. During the bonus week consumers will receive a free gift with any Lotus Brand purchase over a pre set amount. The gift sets will consist of sample size of a Company's products from the most current launch in a specially designed tote.

3.8.2 Consumer Mailers

The Company will have a monthly mailer for customers. It will be designed to educate the consumer about the benefits of a particular product or ingredient. The mailer will be redeemable for a sample of the product.

3.8.3 Seminars:

The Company point of sale system will track consumer sales and usage by customer. We will invite our best customers to quarterly seminars on skin care and wellness.

3.8.4 Public Relations:

The Company will contract a top public relations firm to develop and execute a gorilla campaign. The objective will be to secure product placement in key publications and endorsements by opinion leaders.

3.8.5 Print Campaign:

The Company will have a paid placement program that includes monthly placement in regional issues of Femina, Bang, The Man, Excel and Shea elusion.

3.9 Sales Strategy

The Company's retail sales strategy consists of just two parts. First the Company will hire and train people who fit the Skin and body care products image and lifestyle. The Company training programs will insure that they have the product knowledge necessary to serve the customers' needs and close the sale. Second, the commission and retention programs will insure recognition and reward performance. The sales people will be on a commission program that compensates for follow up sales at progressively higher rates. This will provide an incentive for consumer follow up and the creation of repeat business. The Company's commission program will also insure that individual performance is monitored and recognized. Top performers will be singled out for recognition and poor performers will be given additional training or encouraged to seek a profession more suitable to their skills.

PART III

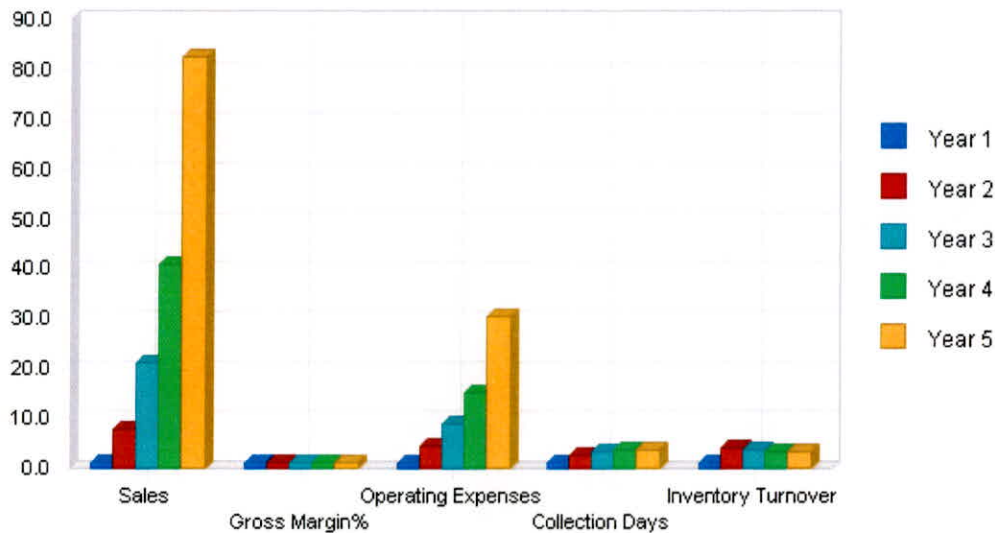
3.0 FINANCIAL PROJECTIONS, INVESTMENT AND FINANCING

Lotus Essentials Limited will become profitable in a first year of operation whereby in the third year the Company will be starting experiencing positive cash flow. Initial growth will be financed by a combination of equity investment and debt financing. The tables in this section explain the detail behind our financing plan and our growth plans.

3.1 IMPORTANT ASSUMPTIONS

The guiding assumptions on financial projections are detailed in the proceeding tables. The Company have planned for relatively slow but stable general economic growth and an interest rate on borrowing of 16.5%. Because our business is a combination of retail and wholesale the collection days may look somewhat optimistic. There is a three-day payment lag on these sales. We assumed that wholesale customers would pay on an average of 50 days and that in year one 60% of our business would be on terms. As we develop our customer base (at wholesale) this number is ramped up to 80% by year five. The payments to vendors are assumed at 45 days.

Benchmarks



3.2 FINANCING PLAN

Lotus Essentials Limited will finance its business operation activities through both equity and Bank loan Financing. It is anticipated 453,000 \$ will equity from project promoters and 200,000\$ will a loan secured from Commercial Bank. However the profit generated from this business will be reinvested

LOTUS ESSENTIALS LIMITED FINANCING PLAN

FINANCING COMPONENT	AMOUNT	PERCENT
EQUITY	453,000	55.84
LOAN	200,000	44.16
TOTAL FINANCING	653,000	100.00

3.3 FINANCIAL PROJECTED ANNEXTURES

Below are tables/schedules showing financial projected Balance sheet, Income statement, cash flow, projected sales revenue and projected operating costs. All projection are made at period of a minimum of five years

LOTUS ESSENTIALS LIMITED

PROJECTED INCOME & EXPENDITURE STATEMENT

	2012 USD	2013 USD	2014 USD	2015 USD	2016 USD
Sales Revenue	776,500	829,955	887,107	948,212	1,013,545
Cost of Sales	271,775	290,484	310,487	331,874	354,741
Gross Profit	504,725	539,471	576,619	616,338	658,804
Operating Expenses:					
Administrative Overhead Costs:	32,655	34,288	36,002	37,802	39,692
Motor Vehicle running expenses	45,300	47,565	49,943	52,440	55,062
Salaries and wages	81,816	85,907	90,202	94,712	99,448
Pension Contribution	12,272	12,886	13,530	14,207	14,917
Depreciation	61,250	61,250	61,250	61,250	61,250
Marketing Costs	30,425	31,946	33,544	31,866	30,273
Utility costs	23,525	24,701	25,936	27,233	28,595
Insurance	15,000	15,000	15,750	15,750	15,750
Communication	11,850	11,850	12,443	12,443	13,443
Total Expenses	314,093	325,393	338,600	347,704	358,430
Profit before Tax	190,632	214,078	238,019	268,634	300,374
Tax (30%)	57,189	64,223	71,406	80,590	90,112
Profit After Tax	133,442	149,854	166,613	188,044	210,262

LOTUS ESSENTIALS LIMITED

PROJECTED BALANCE SHEET

	2012 USD	2013 USD	2014 USD	2015 USD	2016 USD
<u>Fixed Assets</u>					
Long-term Assets	455,000	553,750	492,500	431,250	202,000
Depreciation	73,750	73,750	73,750	73,750	47,700
Total Long-term Assets	381,250	480,000	418,750	357,500	154,300
<u>Current Assets</u>					
Cash	266,173	404,558	557,455	730,884	925,274
Accounts Receivable	26,153	82,650	157,713	237,001	436,412
Inventory	29,217	46,599	47,742	48,964	70,271
Total Current Assets	321,542	533,807	762,910	1,016,849	1,431,957
Total Assets	702,792	1,013,807	1,181,660	1,374,349	1,586,257
<u>Current Liabilities</u>					
Accounts Payable	8,153	8,715	9,315	13,275	14,190
Other Current Liabilities	8,697	9,295	9,936	10,620	11,352
Subtotal Current Liabilities	16,850	18,010	19,250	23,895	25,541
<u>Long-term Liabilities</u>					
Long-term Liabilities	200,000	200,000	200,000	200,000	200,000
Total Liabilities	216,850	218,010	219,250	223,895	225,541
Net Assets	485,942	795,797	962,410	1,150,454	1,360,716
<u>Capital and Reserves</u>					
Owners Contribution	453,000	453,000	453,000	453,000	453,000
Retained Earnings	32,942	342,797	509,410	697,454	907,716
Total Capital	485,942	795,797	962,410	1,150,454	1,360,716

LOTUS ESSENTIALS LIMITED

PROJECTED CASHFLOW

	2012 USD	2013 USD	2014 USD	2015 USD	2016 USD
CASHFLOW FROM OPERATIONS					
Cash Sales	660,025	663,964	709,685	758,570	810,836
VAT Receipt	155,300	165,991	177,421	189,642	202,709
Subtotal Cash Received	660,025	663,964	709,685	758,570	810,836
Expenditures from Operations:					
Purchases	231,009	261,436	279,439	298,687	319,267
Additional Cash Spent	252,843	264,143	277,350	286,454	297,180
VAT payments	68,785	72,980	77,725	82,501	87,799
Subtotal Cash payment	483,852	525,579	556,789	585,141	616,447
CASH FROM OPERATIONS	176,173	138,385	152,897	173,429	194,389
CASH FLOW FROM INVESTMENTS:					
Purchase of Assets	-500,000				
working capital requirement	-153,000				
CASH FLOW FROM INVESTMENTS:	-653,000	0	0	0	0
CASH FLOW FROM FINANCING:					
Owners Equity Contribution		453,000			
Bank Loan		200,000			
CASH FLOW FROM FINANCING	653,000	0	0	0	0
NET CASHFLOW FOR PERIOD	176,173	138,385	152,897	173,429	194,389
CASHFLOW AT START OF YEAR	0	-176,173	-37,788	115,109	288,538
CASHFLOW AT THE END OF YEAR	-176,173	-37,788	115,109	288,538	482,927

LOTUS ESSENTIALS LIMITED

REVENUE PROJECTION

PRODUCTS	YEARS				
	2012 USD	2013 USD	2014 USD	2015 USD	2016 USD
Wholesale Revenue	731,500	782,705	837,494	896,119	958,847
Retail sales Revenues	45,000	47,250	49,613	52,093	54,698
	776,500	829,955	887,107	948,212	1,013,545

OTHER OPERATING COSTS

OTHER OPERATING COST	YEARS				
	2012 USD	2013 USD	2014 USD	2015 USD	2016 USD
Motor vehicle running expenses	45,300	47,565	49,943	52,440	55,062
Salaries and wages	81,816	85,907	90,202	94,712	99,448
Pension Contribution	12,272	12,886	13,530	14,207	14,917
Depreciation	98,000	98,000	98,000	98,000	98,000
Administrative Overhead Costs:	32,655	34,288	36,002	37,802	39,692
Marketing Costs	30,425	31,946	33,544	31,866	30,273
Utility costs	23,525	24,701	25,936	27,233	28,595
Insurance	15,000	15,000	15,750	15,750	15,750
Communication	11,850	11,850	12,443	12,443	12,443
Total costs	350,843	362,143	375,350	384,454	394,180

COST INVESTMENT STRUCTURE

PARTICULAR	FOREIGN USD	LOCAL USD	AMOUNT USD
Land and Buildings		125,000	125,000
Equipment & tools		200,000	200,000
Motor Vehicle		125,000	125,000
Furniture & Fixtures		5,000	5,000
Pre exp		8,000	8,000
Others		40,000	40,000
Working Capital		150,000	150,000
TOTAL	0	653,000	653,000

FIXED ASSETS SCHEDULE

NAME OF ASSETS	2012 USD	2013 USD	2014 USD	2015 USD	2016 USD
Land and Buildings	125,000	125,000	125,000	125,000	125,000
Machinery, tools & Equipment	200,000	316,750	271,500	226,250	81,000
Motor Vehicles	125,000	105,000	90,000	75,000	-24,000
Furniture & Fixtures	5,000	7,000	6,000	5,000	20,000
TOTAL	455,000	553,750	492,500	431,250	202,000
DEPRECIATION	2012 USD	2013 USD	2014 USD	2015 USD	2016 USD
Land and Buildings	12,500	12,500	12,500	12,500	12,500
Machinery, tools & Equipment	45,250	45,250	45,250	45,250	16,200
Motor Vehicles	15,000	15,000	15,000	15,000	15,000
Furniture & Fixtures	1,000	1,000	1,000	1,000	4,000
ANNUAL DEPRECIATION	73,750	73,750	73,750	73,750	47,700
CLOSING FIXED ASSETS	381,250	480,000	418,750	357,500	154,300

SALARIES & WAGES

EMPLOYEE DESIGNATION	NO.	SALARY PER MONTH	SUBTOTAL MONTHLY SALARY	ANNUAL GROSS SALARY
Managing Director	1	1000	1000	12,000
Directors	3	800	2400	28,800
Accountant	1	550	550	6,600
Supervisor (Expatriates)	3	500	1500	18,000
Machine Operators & Technicians	15	72	1080	12,960
Drivers	3	72	216	2,592
secretary	1	72	72	864
TOTAL USD \$	27	3,066	6,818	81,816

