

SKY EMPIRE LTD

1.0

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\$ 0.45m

(b) Legal entity has been incorporated under certificate No. 69487 of 27/01/2009

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

Submitted for signature.



N. A. Senzia
DIF

20th March 2009

2.0

PLO
The applicants plan to establish a project for manufacturing of gypsum products.

Please advise on submitted document proving land ownership for location of the project.

Z.K

29/6/2009

2.0.

Z. K.

Re. m. 2.0.

The document submitted is a short term, ^{certificate of} right of occupancy (one year) which I do not think is adequate for a long term project like this one. ~~for~~ for 30/6/09.

to

MINUTE

PAGE NO. _____

SKY EMPIRE LIMITED

P.O. Box 15941 DAR ES SALAAM TEL :(022) 2184506

2nd March 2009



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

RE : APPLICATION FOR TIC CERTIFICATE OF INCENTIVES

Kindly refer to the caption above. SKY Empire Limited is a locally registered company with Certificate of Incorporation No.69487 registered on 27th January 2009 in Dar-es-Salaam.

We are submitting our application in order to obtain a TIC certificate of incentives that will enable us to establish smoothly our operations in Kilwa Masoko, Lindi. Attached herewith please find: -

- Copies of application forms dully filled
- Copy of Certificate of Incorporation
- Copy of Memorandum and Articles of Association
- Copy of project Feasibility Study
- Extracts from the Company Board Resolution

We hope that our project will get the required approval by your Centre.

Sincerely

Mohammed D. Babu
DIRECTOR

TANZANIA



Certificate of Incorporation

Section 15

No **69487**

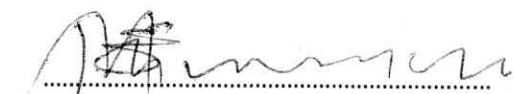
I HEREBY CERTIFY THAT

SKY EMPIRE 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 **27TH** day of **JANUARY**

TWO THOUSAND AND NINE


Asst. Registrar of Companies

SKY EMPIRE LIMITED

P.O. Box 15941 DAR ES SALAAM TEL : (022) 2184506

EXTRACTS FROM MINUTES OF THE COMPANY BOARD MEETING

**Agenda: INVESTMENT IN GYPSUM PRODUCTS
MANUFACTURING PROJECT**

During an Extraordinary Board meeting held on **12th February 2009** at the company's registered office in Dar es Salaam, the project shareholders unanimously passed the following resolutions: -

1. That the project be registered by Tanzania Investment Centre in order to be recognized by the Government and enjoy incentives for investing in Tanzania.
2. The company shareholders will finance the project using equity contribution and loan amounting to **USD. 450,000.00.**

Signed by Shareholders: -



Mohammed D. Babu
Chairman



Najma M. D. Babu
Secretary



2

Name of the Company
Sky Empire Ltd

Post Box	Kilwa Masoko	COI Number	69487	Contact	Mohammed Babu
Post Office	15941	COI Date	27/01/2009	Designation	Director
Region	Dar Es Salaam	Application F. No	07767	Phone	255 22 2184506
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0773 000759
		Sub Sector	Gypsum	Fax	022 2183706
		File No	041664	E-Mail Address	sky@zantel.com

Project Location		Investment Finance Plan in Millions USD										
Plot/Block	Mchomolo Area	<table border="1"> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> <tr> <td>0</td> <td>0.2</td> <td>0</td> <td>0.25</td> </tr> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0	0.2	0	0.25		
Foreign Equity	Local Equity		Foreign Loan	Local Loan								
0	0.2		0	0.25								
Street	Kilwa Masoko											
District	Kilwa											
Region	Lindi											

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.05
Najma M.D.Babu	Tanzanian	3	Plant	0.25
Mohammed Daud Babu	Tanzanian	97	Vehicles	0.1
			Furniture & Fittings	0.02
			Pre-expenses	0.02
			Others	0
			Working Capital	0.01
			Total	0.45

Employment	70	Evaluated By	Sospeter Ndelema Dome
Capacity	7000	Drawn By	Sarah Registry
Project Turn Over			

Description
To establish a project for manufacturing of gypsum products

Recommendations

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

Decision

Approved. - No finished goods
Rwanda
AZ ISAD
1763WT.

3

TICC/PP.10/041664/3

19th March 2009

Managing Director,
Sky Empire Limited,
P.O. Box 15941,
DAR ES SALAAM

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE
ESTABLISHMENT OF A PROJECT FOR MANUFACTURING OF
GYPSUM PRODUCTS**

We wish to acknowledge receipt of your project proposal to establish a project for manufacturing of gypsum products as presented in the TIC P.A. 1 Form No.07767 and Feasibility Study with a projected investment of USD. 0.450m.

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 Incentive you will be required to submit the following:-

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

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

.../2

TICC/PP.10/041664/3

19th March 2009

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

Yours sincerely,

Tanzania Investment Centre



B. D. Chonjo

For: EXECUTIVE DIRECTOR

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

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

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

AFFIDAVIT

I, **MOHAMED DAUD BABU**, adult Moslem of Post Office Box 17, **KILWA HEREBY AFFIRM** and state as hereunder;

1. That I am a Tanzanian businessman currently residing in Dar es Salaam and doing business in various parts of the United Republic of Tanzania including Kilwa.
2. That I am the owner of a parcel of land situated on Plot No. 89, Block "L", Kilwa Masoko, Lindi Region.
3. That I am one of the shareholders in the Company named Sky Empire Limited of P.O. Box 15941, Dar es Salaam.
4. That I offer the parcel of land above referred which is registered in my name to our Company - Sky Empire Limited for the purpose of erecting a gypsum powder processing plant.
5. That the parcel of land is to be used by the Company for the purpose above mentioned and for the period desired by the Company unless this Affidavit is revoked by me.

AND I MAKE this solemn declaration conscientiously believing the same to be true by virtue of the Oaths (Judicial Proceedings and Statutory Declarations) Act, 1966.

DECLARED at **Dar es Salaam** by the said
MOHAMED DAUD BABU
 who is known to me personally/identified to me by
 the latter
 being known to me personally in my presence
 this 20th day of June 2009

)
)
) Mohamed Daud Babu
) **Deponent**
)
)

BEFORE ME:

Musa

.....
COMMISSIONER FOR OATHS



JAMHURI YA MUUNGANO WA TANZANIA

Nakala ya kwanza
Nakala ya pili
Nakala ya tatu

Land form No. 20
Land office No. S.....

HATI YA KUMILIKI KIWANJA Sheria za Ardhi (No 4 ya 1999)

Hii ni tafsiri tu ya kiswahili ya hati, kama kutatokea ubishi juu ya maana yake, hati ya kiingereza ndiyo itakayotoa uamuzi wa mwisho.

IDARA YA ARDHI WILAYA,
P.O. BOX 160,
KILWA MASOKO

07/08/2008

Kwa: **MOHAMEDI DAUDI BABU**
P.O BOX 17
KILWA MASOKO.

Melezo ya Kitalu: **KIWANJA NA '89" KITALU "L"**

Unapewa haki ya kupanga kiwanja kama kilivyoielezwa hapo juu kwa kufuata masharti kama yaliyoandikwa hapa ndani.

Ikiwa unaipokea haki hii tafadhali tia sahihi nakala zote mbili na uzirudishe ili zinifikie mimi walao tarehe 13/01/2008 pamoja na Tshs **17,450.00**. ambazo zimeonyeshwa kama ifuatavyo: -

Malipo ya mbele	shs -
Malipo ya matengenezo/usafishaji wa kiwanja	Shs. -
Malipo ya kwanza ya kodi ya kiwanja	Shs. 5,400.00
Kuhusu sharti la pili hapo chini	
Ushuru wa Serikali juu ya nakala ya kwanza ya hati	shs. 2,700.00
Ushuru wa Serikali juu ya nakala ya pili ya hati	Shs. 1,350.00
Gharama za kutayarisha hati	Shs. 2,000.00
Deed plan	Shs. 6,000.00
Jumla ya malipo yanayotakiwa wakati wa kupokea hati hii.	Shs. 17,450.00

MASHARTI YA KUPANGA KIWANJA.

Katika masharti haya "mpangaji" ina maana yake ni mtu wa kwanza aliyepewa haki ya upangaji na wa aridhi na "Afisa Ardhi Mteule" ina maana mtu yoyote aliyepewa idhini na Bwana Kamishina wa Ardhi kuwa makamu wake: mtu aliyepewa idhini hiyo ni Afisa Ardhi Wilaya **Kilwa**.

1. Muda: - Toka tarehe **1.7. 2008** mpaka tarehe **30. 6. 2009** na baadaye toka mwaka mpaka mwaka hadi utakapokatishwa upande wowote ukitoa taarifa ya miezi mitatu iliyoandikwa kuishi wakati wowotee.
2. Kodi: - kodi ya Tsh **5,400.00** kwa wakati toka mwazo wa **1.7.2008** mpaka tarehe **30.6.2009** italipwa wakati wa kupokea tolea hili. Baadaye kodi ya mwaka ya Shs **5,400.00** italipwa mbele kila tarehe ya kwanza Julai, kila mwaka. Bwana Ardhi aweza kubadili kodi hiyo ya mwaka kumpa mpangaji taarifa iliyoandikwa miezi mitatu mbele ya tarehe ambayo mabadiliko hayo yataanza kuwa na nguvu.

3. Majengo: - kwa muda usiozidi mwaka mmoja toka tarehe ya hati hii, mpangaji atajenga katika kiwanja hiki nyumba ya aina na hali itakayo kubaliwa na Bwana Kamishna wa Ardhi, kwa wakati wowote mpangaji hatakuwa na wala hatajenga katika kiwanja hicho jengo lolote lisilokubaliwa na Bwana Kamishna wa Ardhi. Ujenzi wowote katika kiwanja hicho utakubaliana na sheria za kujenga mjini na sheria nyingine zozote zinazohusiana au masharti yanayotiliwa mkazo katika eneo hilo. Majengo yote yaliyokubaliwa kujengwa katika kiwanja hiki mpangaji atayaweka katika hali nzuri na atayatengeneza iwapo yameharibika kwa kadiri ya kumridhisha Bwana Kamishna wa Ardhi.
4. Matumizi: - ARdhi hiyo itatumika kwa biashara na makazi tu.
Matumizi_ Ardhi hiyo itatumika kwa makazi tu.
Matumizi **Makazi.1**
5. Kikomo: -Haki hiyo ikiisha, mpangaji hatakuwa na haki ya kuomba muda mpya, au kupata fidia yoyote na atatakiwa abomoe nyumba, asafishe kiwanja na akiweke katika hali safi naya taratibu kwa muda atakaopewa na bwana Kamishna wa Ardhi.
6. Utanguo: - Rais wa Jamhuri anao uwezo wa kutangua haki ya upangaji kwa sababu nzuri, kama vile mpangaji kushindwa kufuata masharti ya hati hii.
7. Kutoa haki zilizotangulia: - Katika kupokea hati hii ya haki ya upangaji, mpangaji antoa haki yoyote ya upangaji au haki nyingine ya kuthibitisha uenyeji ambayo aliweza kuwa nayo juu ya kiwanja hiki.
8. Tangazo: - haki hii ya upangaji itajulikana kuwa imetolewa kama itapelekwa kwa anuani yake aliyoitoa mwisho au kama taarifa hiyo itatundikwa mahali pa wazi au juu ya jengo lolote katika kiwanja hicho.
9. Sheria na masharti ya Ardhi: - Haki hii ya upangaji ipo chin ya kanuni za hseria za Ardhi)No. 4 ya mwaka 1999) na mashari yake na amri zinazoweza kutolewa badala ya hizi au kusahihishwa.


DISTRIGT LAND OFFICER
 KNY: KAMISHAN WA ARDHI

Mimi/sisi ninapokea/tumepokea
 Haki ya upangaji iliyotolewa na
 Ninakubali/tunakubali kutimiza
 Masharti yaliyotolewa hapo juu.
 Tutashika haki ya upangaji kwa
 Umoja/ushirikiano katika
 Hisa zilizoonyeshwa kuelekea sahihi zetu

Sahihi.....

Tarehe.....7/8/08.....



National Bank of Commerce Limited

Kariakoo Branch

P. O. Box 70191, Dar es Salaam, Tanzania
Tel: +255 (0) 22 218 0930
Fax: +255 (0) 22 218 0929
Swift address: NLCBTZTX
e-mail: kariakoo@nbctz.com
www.nbctz.com


20-May-09
Executive Director
Tanzania Investment Centre
P.O.Box 938
Dar Es Salaam

RE: MR. MOHAMED D. BABU ACCOUNT NO. 048103000240

We have been in business relationship with Mr.Mohamed D.Babu since 18th April, 2005 maintaining above mentioned account in our books. The said account has been conducted to our satisfaction.

This information is communicated to you without guarantee on our part but for your private use only And upon the express condition that neither our Bank nor any of its Officers shall be in any way responsible for giving it.

Yours Faithfully
NBC LIMITED



GEORGE L.MALYETA
BRANCH MANAGER

National Bank of Commerce Limited Reg. No. 32700

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

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

TICC/PP.10/041664/5

13 July 2009

Managing Director,
Sky Empire Ltd,
P.O. Box 15941,
DAR ES SALAAM

Dear Sir/Madam,

**RE: EVIDENCE OF LAND OWNERSHIP FOR LOCATION OF
GYPSUM MANUFACTURING PROJECT**

We write in connection to our letter under Ref. No. TICC/PP.10/041664/3 sent to you on 19th March 2009.

We have received Certificate of Occupancy for Plot No. 89, Block L, Kilwa Masoko. However, it has been observed that the document submitted is for short term right of occupancy covering only one year. We find the same not to be adequate for this kind of long-term project.

We request that you submit evidence of land ownership covering a minimum of three (3) years from date of project approval for registration.

Yours Sincerely,

Tanzania Investment Centre



Z. Kingu
For: EXECUTIVE DIRECTOR



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)

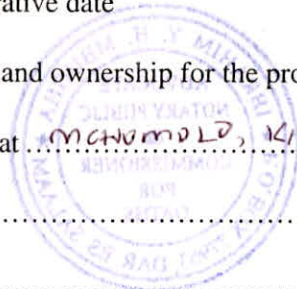
To: The Executive Director
Tanzania Investment Centre
P. O. Box 938
DAR ES SALAAM
Tanzania

1. I/We MDHAMED DAUD BABU
(director/directors/agent of SKY EMPIRE LIMITED
(name of business enterprise) apply for registration of CERTIFICATES OF INCENTIVES
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.

2. The registered office of the company will be situated at MCHUMULO, KILWA
MASIKO, LINDI

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 MCHUMULO, KILWA MASIKO, LINDI
4. The Principal Officers of the Company are MDHAMMED D. BABU
NASMA D. BABU
5. Auditors of the Company are MARSEC AUDITORS LTD
6. The authorized share capital of the Company is Tshs./US\$ 50,000,000.00



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

is Tshs./US\$ 450,000.00

8. The month and day of the financial year end is DECEMBER

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

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

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

I, MOHAMMED BABU of Post Office Number 15941

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

authorized agent of SKY EMPIRE 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 3rd day of MARCH 2009 }

Mohammed Babu
Applicant

Before me:

Yasa



Commissioner for Oaths

APPLICATION SUMMARY

Company Name: SKY EMPIRE LIMITED

Certificate of Incorporation Number: 69487 Status: NEW

Certificate of Incorporation Date: 27/1/2009

Post Box: 15941

Town: D'SALAAM

Sector: MANUFACTURING

Sub-Sector: GYPSUM MANUFACTURING

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

Foreign Equity	Local Equity	Foreign Loan	Local Loan
.....	200,000.00	.....	250,000.00

Project Objectives: TO ESTABLISH A MODERN GYPSUM PRODUCTS MANUFACTURING PROJECT IN TANZANIA

Capacity: 7000 TONS PER YEAR

Employment: Foreign: 4 Local: 66 Total: 70

Implementation Period: 5 YEARS

Project Location

Site/Plot/Block No.: MCHOMOLO AREA

Street: KILWA MASOKO District: KILWA Region: LINDI

(Attach sketch map showing project location)

Shareholders	Nationality	%
MOHAMMED DAUDI BABU	TZ	97
NAJMA M.D. BABU	TZ	3
.....
.....
.....

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

Land/Building	50,000.00
Plant & Machinery	250,000.00
Vehicles	100,000.00
Furniture & Fittings	20,000.00
Pre-expenses	20,000.00
Others	-
Working Capital	10,000.00
TOTAL	450,000.00

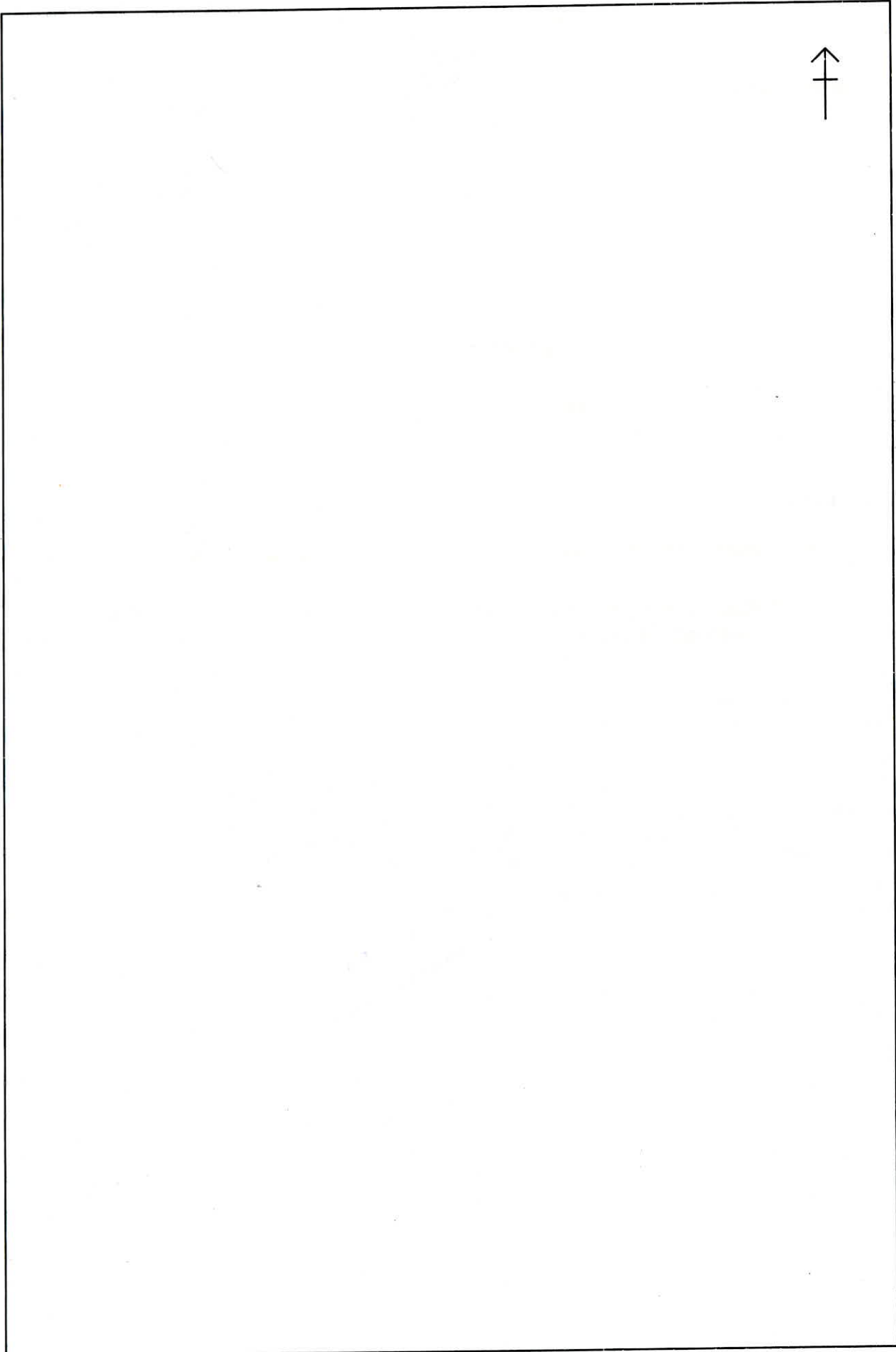
Contact Details:

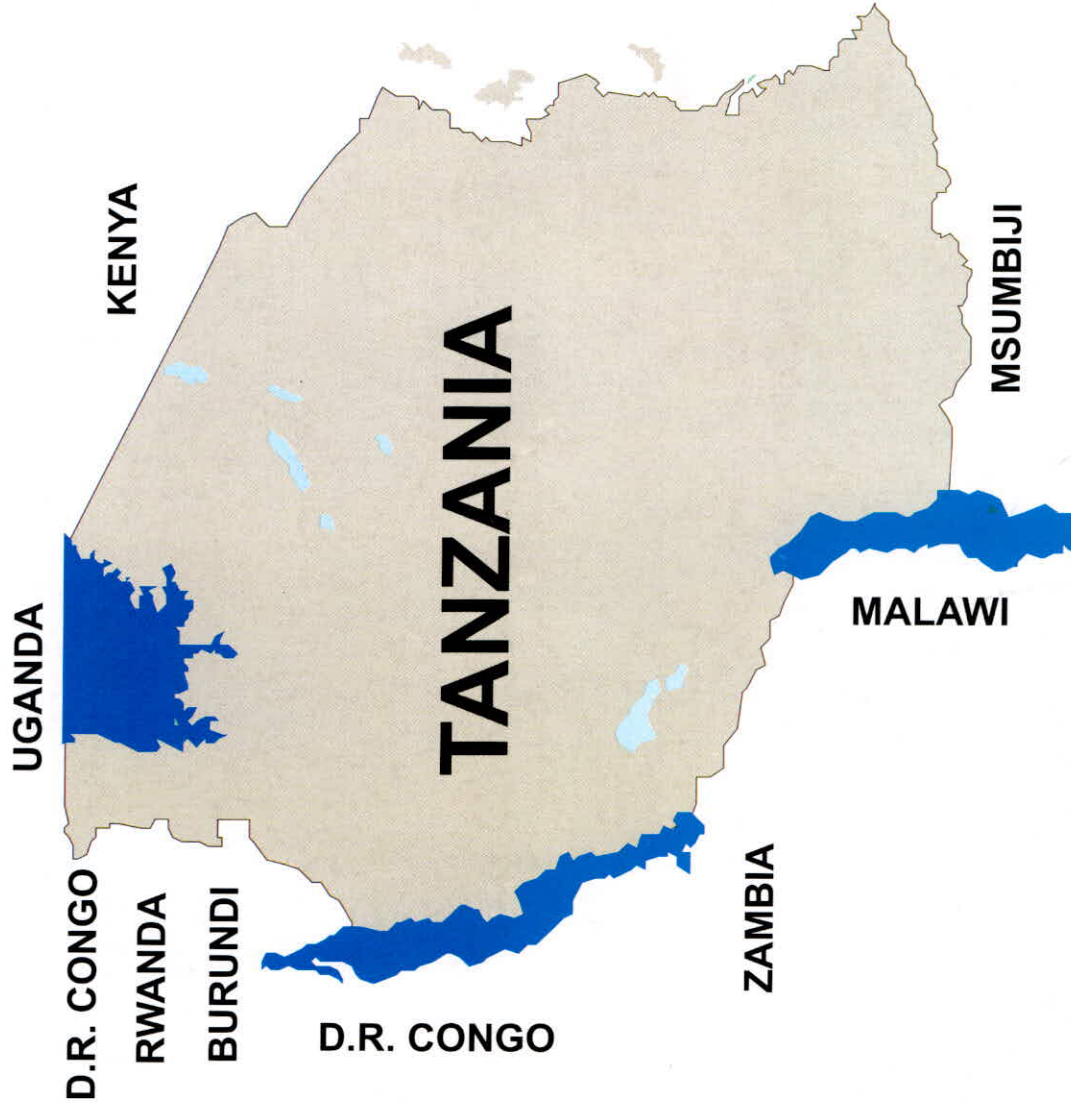
Name: MDHAMMED D. BABU Title: DIRECTOR
Telephone: +255-22-2184506 Fax: 022-2183706
0773 000759
Email: sky@zantel.com

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







TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

**(Tanzania Investment Act 1997, Section 17 and 18,
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(No. 26 of 1997)

APPLICATION FOR REGISTRATION
(Made under Regulation 42)

To: The Executive Director
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P. O. Box 938
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Tanzania

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NASMA D. BABU

5. Auditors of the Company are
MARTEC AUDITORS LTD

6. The authorized share capital of the Company is Tshs./US\$ 50,000,000.00

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is ~~Tshs.~~/US\$ 450,000.00

8. The month and day of the financial year end is DECEMBER

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Declared at Dar es Salaam }

The 3rd day of MARCH 2009 }


Applicant

Before me:





.....
Commissioner for Oaths

APPLICATION SUMMARY

Company Name: SKY EMPIRE LIMITED

Certificate of Incorporation Number: 69487 Status: NEW

Certificate of Incorporation Date: 27/1/2009

Post Box: 15941

Town: DISALAAM

Sector: MANUFACTURING

Sub-Sector: GYPSUM MANUFACTURING

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Capacity: 7000 TONS PER YEAR

Employment: Foreign: 4 Local: 66 Total: 70

Implementation Period: 5 YEARS

Project Location

Site/Plot/Block No.: MICHOMOLO AREA

Street: KILWA MASOKO District: KILWA Region: LINDI

(Attach sketch map showing project location)

Shareholders	Nationality	%
MOHAMMED DAUD BABU	TZ	97
NASMA M. D. BABU	TZ	3

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

Land/Building	.....	50,000.00
Plant & Machinery	.....	250,000.00
Vehicles	.....	100,000.00
Furniture & Fittings	.....	20,000.00
Pre-expenses	.....	20,000.00
Others	.....	-
Working Capital	.....	10,000.00
TOTAL	.....	450,000.00

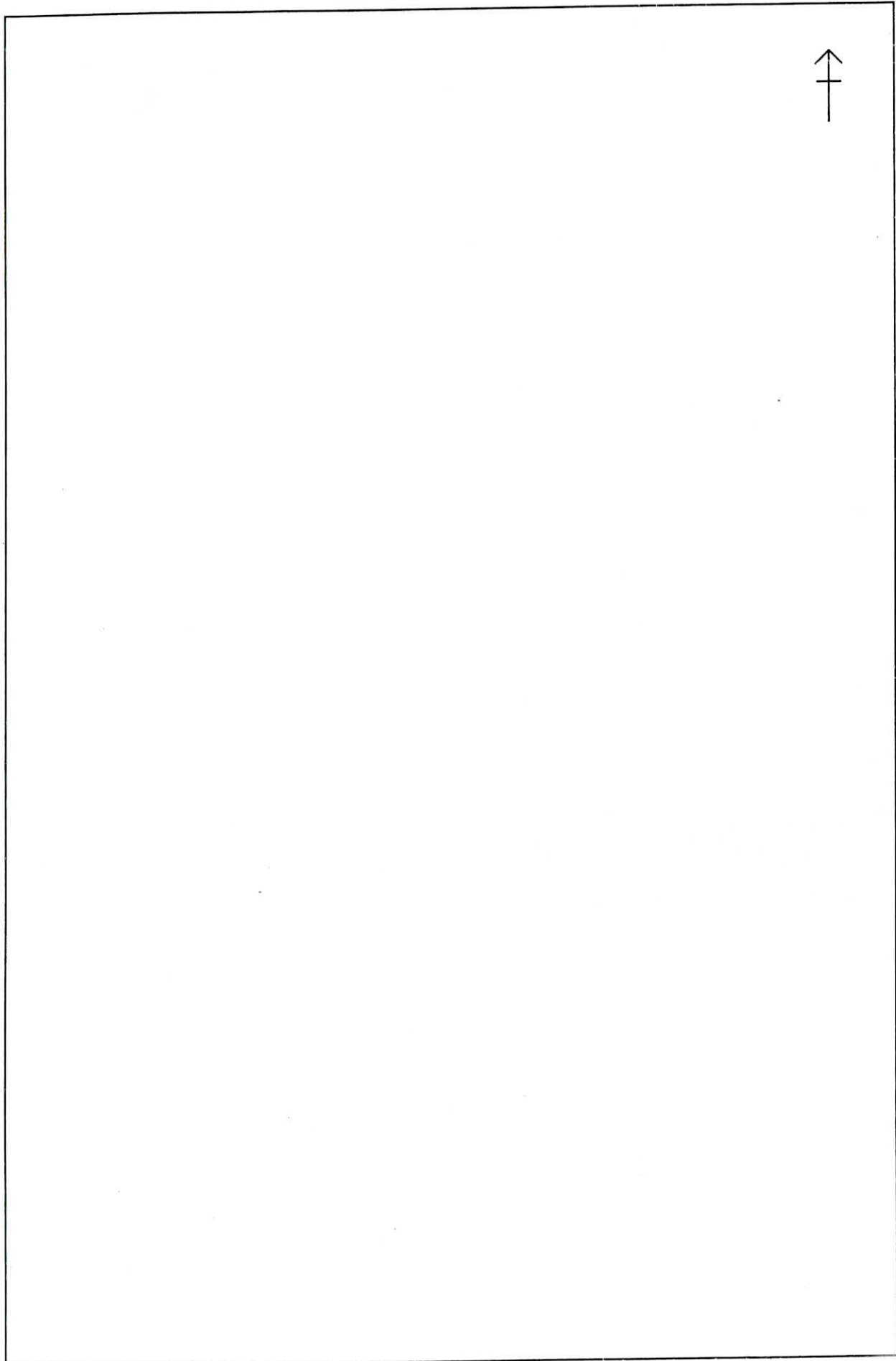
Contact Details:

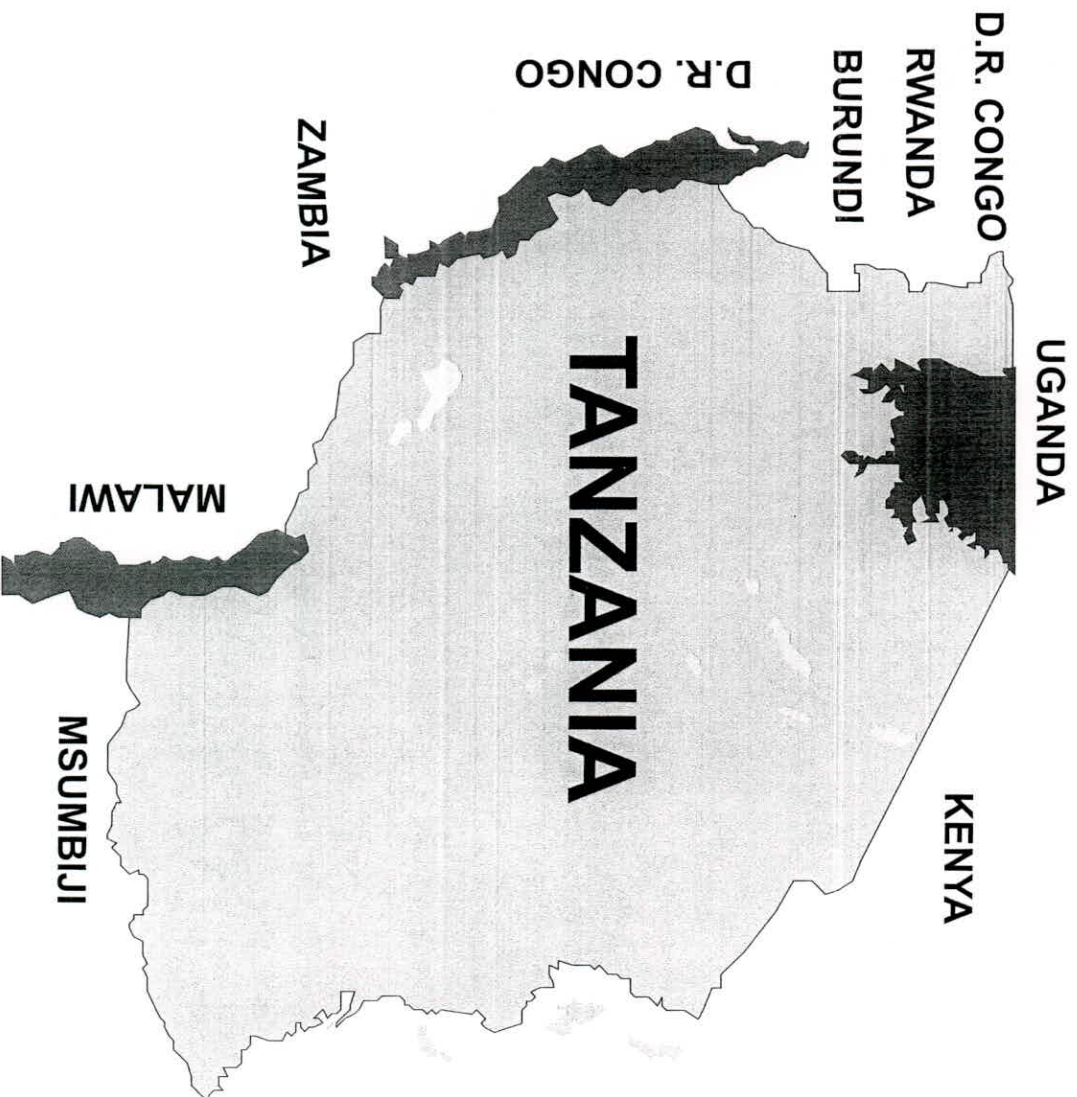
Name:	MDHAMMED D. BABU	Title:	DIRECTOR
Telephone:	+255-22-2184506 0773 000759	Fax:	022-2183706
Email:	sky@zantel.com		

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







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 MDHAMED DAUD BABU
(director/directors/agent of SKY EMPIRE LIMITED
(name of business enterprise) apply for registration of CERTIFICATES OF INCENTIVES
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.

2. The registered office of the company will be situated at MCHOMOLO, KILWA
MASOICO, LINDI

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 MCHOMOLO, KILWA MASOICO, LINDI

4. The Principal Officers of the Company are
MDHAMMED D. BABU
NAJMA D. BABU

5. Auditors of the Company are
MARDEC AUDITORS LTD

6. The authorized share capital of the Company is Tshs./US\$ 50,000,000.00

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is ~~Tshs.~~/US\$ 450,000.00
8. The month and day of the financial year end is DECEMBER

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

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

I, MOHAMMED BABU of Post Office Number 15941
D'SALAAM do solemnly and sincerely declare that I am a director/duly authorized agent of SKY EMPIRE 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 3rd day of MARCH 2009 }

Mohammed Babu
 Applicant

Before me:

Yansa



.....
 Commissioner for Oaths

APPLICATION SUMMARY

Company Name: SKY EMPIRE LIMITED

Certificate of Incorporation Number: 69487 Status: NEW

Certificate of Incorporation Date: 27/1/2009

Post Box: 15941

Town: DISALAAM

Sector: MANUFACTURING

Sub-Sector: GYPSUM MANUFACTURING

Investment Financing Plan in Million US\$ / TSh. US\$

Foreign Equity	Local Equity	Foreign Loan	Local Loan
	200,000.00		250,000.00

Project Objectives: TO ESTABLISH A MODERN GYPSUM PRODUCTS MANUFACTURING PROJECT IN TANZANIA

Capacity: 7000 TONS PER YEAR

Employment: Foreign: 4 Local: 66 Total: 70

Implementation Period: 5 YEARS

Project Location

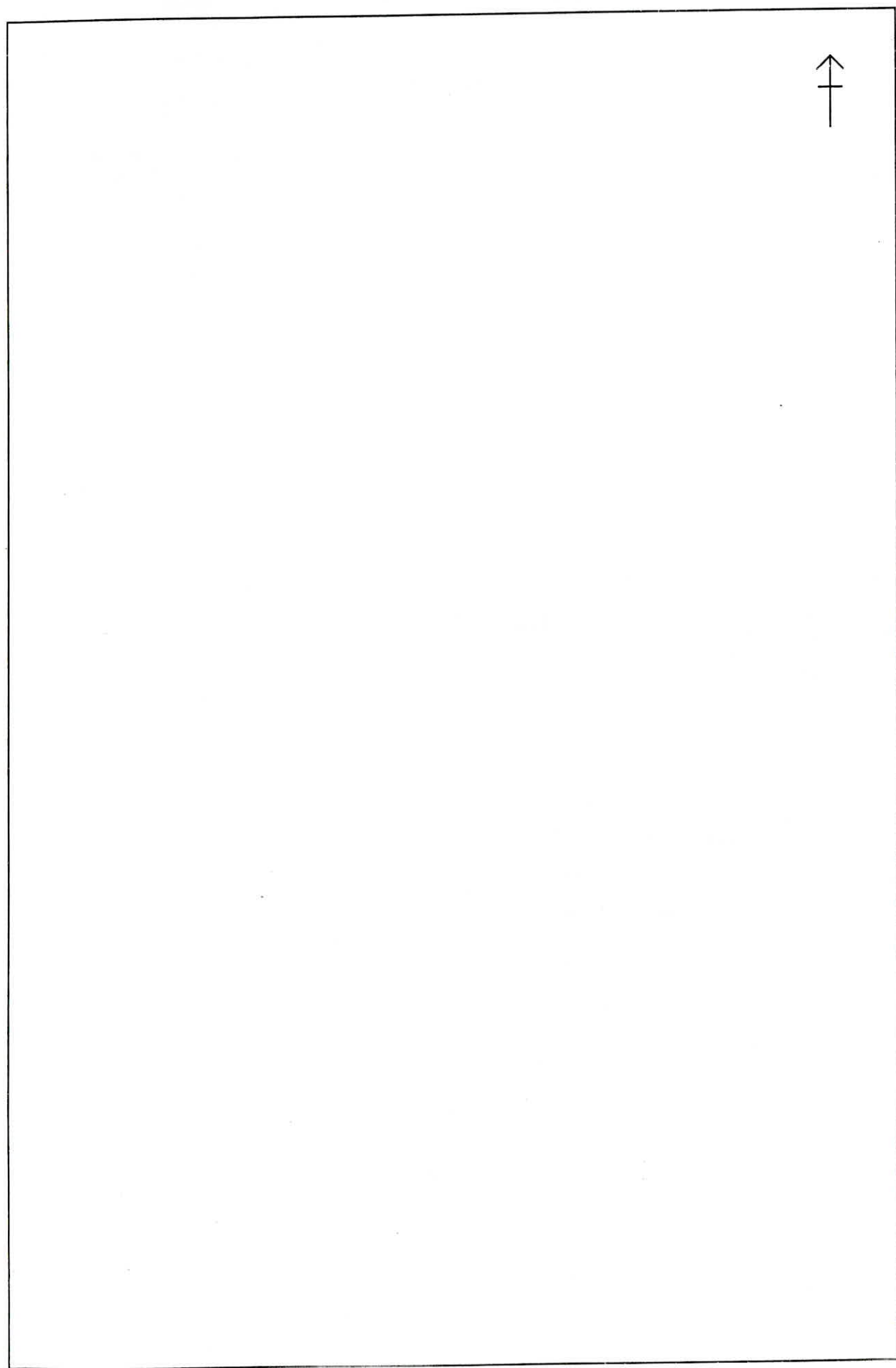
Site/Plot/Block No.: MCHDMOLO AREA

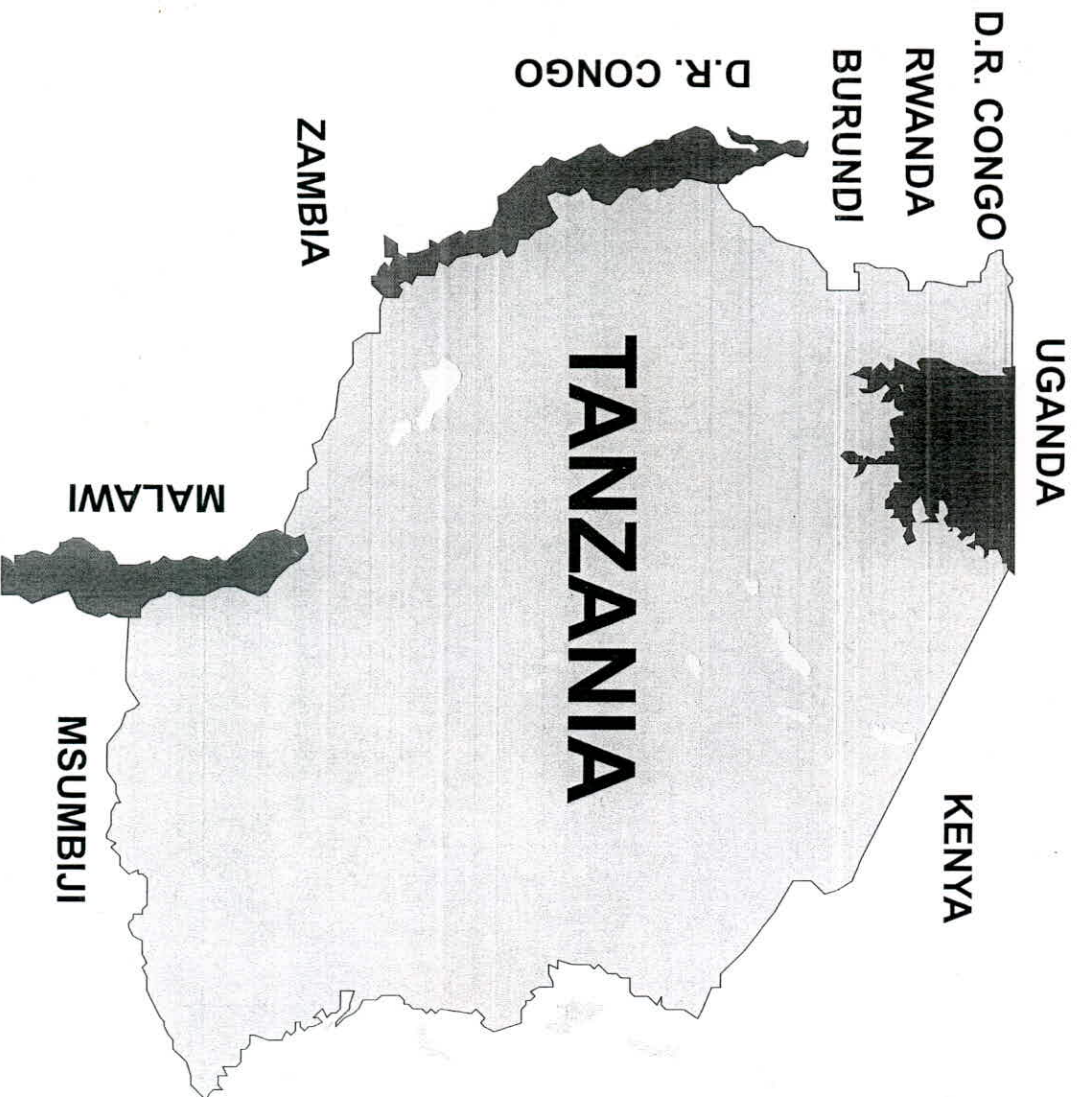
Street: KILWA MASOKO District: KILWA Region: LINDI

(Attach sketch map showing project location)

Shareholders	Nationality	%
MOHAMMED DAUD BABU	TZ	97
NASMA M. D. BABU	TZ	3

SKETCH MAP SHOWING PROJECT LOCATION





THE COMPANIES ACT 2002
COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

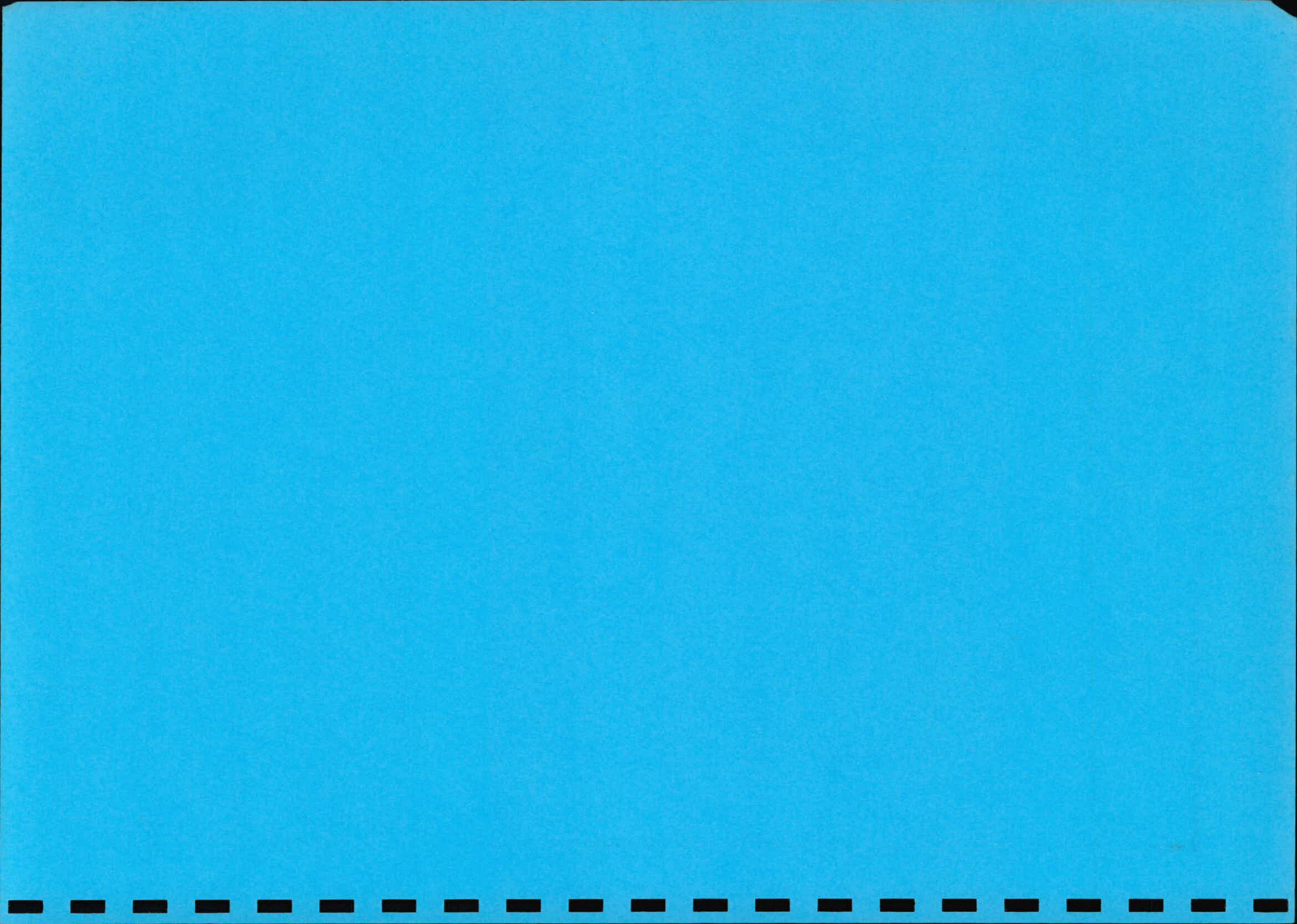
OF

SKY EMPIRE LIMITED

Incorporated at this day of 2009

Drawn by:

Mohammed D. Babu
(Subscriber)
P.O. BOX 15941,
DAR ES SALAAM.



THE COMPANIES ACT 2002

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

SKY EMPIRE LIMITED

Incorporated at this day of 2009

Drawn by:

Mohammed D. Babu
(Subscriber)
P.O. BOX 15941,
DAR ES SALAAM.

THE UNITED REPUBLIC OF TANZANIA



CERTIFICATE OF INCORPORATION

No.

I HEREBY CERTIFY THAT

SKY EMPIRE LIMITED

In this day incorporated under the Companies Act 2002

And that the Company is Limited

GIVEN under my hand at Dar es Salaam, the day of
Two Thousand and Eight

Registrar of Companies

THE COMPANIES ACT 2002
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION

OF
SKY EMPIRE LIMITED

- Stamp Duty Shs. 5000/-
PAID ON ORIGINAL
Recd. 20/06/08
Stamp Duty Officer
- TANZANIA
Stamp Duty Shs. 2500/- Paid
Recd. 20/06/08
Stamp Duty Officer
1. The name of the company is "**SKY EMPIRE LIMITED**"
 2. The Registered office of the Company will be situated in Tanzania.
 3. The objects for which the Company is established are:-
 - (a) To carry on the business of manufacturing, sellers, buyers, import and export of gypsum, gypsum products of gypsum board, plasters and decoration panels and etc, ceramic items, ceramic designing, ceramics decorations, paintings, decorative lamps, flowers and flower verses, Enamel wares, Sanitary wares, aluminium designing and decorators, Hardware, Building Materials, Roof and Wall Tiles, Glass Wares, Household, Domestic Appliance, Electronics, Electrical Materials, Electrical Fittings.
 - (b) To carry on the business of importers, exporters, buying selling, dealers in hardware, building materials, sanitary-ware, wall papers, roofing tiles, flooring tiles, supplying industrial equipment's agricultural implements and equipment's spares of every description, plumbers, decorators, steel fabrication, machine shop, nickel plating, electric plating, making steel windows, doors, frames and roof tresses.
 - (c) To engage and or carry on the business of road constructions, engineering, general civil works, buildings, renovations, office partitioners, decoratories, maintainers of dilapidated buildings, plumbing, furniture manufactures, suppliers and exporters, residential and office furnishers and general to be designers and fabricators of all kinds of gadgets whatsoever, to be timber processors, sawmillers and suppliers of all kinds of timber, to be hardware and building materials suppliers, manufactures of electrical equipments and suppliers of same.
 - (d) To carry on the business of building contractors, masonry and general construction contractors and among other things to construct, execute, carry out, equip, improve, work and advertise railways, tramways, docks harbours, sharves, canals, water-courses, irrigations, reclamations, sewage, drainage and other sanitary works, water, gas, electric and other supply works, houses, building and erections of every kind.
 - (e) To promote, establish and carry on the business of manufactures, distributors, importers, exporters, sellers, buyers, representatives and agents for all kinds and types of furniture of every description, including processing or wood, formica, chipboard, plywood, timber and every

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

- (f) To carry on the business of clearing and forwarding agents, commission agents, transporters, freighters, hauliers, customs bonded warehouse and godown keepers, cargo and travel agents, insurance agents, tourist agents, manufacturers' representatives, road contractors, cargo superintendents, packers, machinery haulage specialists, warehousemen, engineers, electricians, motor cars, cabs, omnibus, lorries, oil tank and coach proprietors and transporters, civil transport contractors and transporters by any other means of conveyance of people and goods in Tanzania and the neighbouring countries and in such other place or places as may from time to time be determined by the company, engage in and or otherwise carry on the business as transporters and transport agents, freight forwarders.
- (g) To carry on the business of manufacturers, importers, exporters, wholesalers, retailers, general traders, suppliers, merchants, stockists and dealers in all types of clothes, textile bags, shoes, tie and dye, boutique, caps, selling second hand clothing, dresses of types and description whatsoever.
- (h) To carry on the business of household, domestic appliance and electrical goods, audio visual goods, electronic items, building material, hardwares, foodstuff, agricultural products and merchandise of every nature, kind and description whatsoever as a dealer, wholesaler, retailer, distributor, importer, exporter and after sales service and repairing.
- (i) To carry on all or any of the business of transport, carriage and haulage contractors, owners and charter of road vehicles, aircraft and ships and boats of every description and carriers of goods and passenger by road, rail, water or air and to establish, acquire, maintain and operate transport service of every description both public and private and all services ancillary thereto and for such purposes or as independent undertakings to purchase, take in exchange, charter, hire, build, contract or otherwise acquire and to own, operate, work, manage, maintain, repair, service and deal with and in road vehicles, aircraft and vessels of every supplies therefore and to conduct any such business within the country or any other state in Africa or Europe or Asia and or any other foreign country.
- (j) To engage in and carry out the business of proprietors and managers of hotels, restaurants, cafes, road houses, motels, safari and holiday camps, caravan sites, guest houses, apartment housekeepers, refreshment and tea rooms, milk and snacks bars, tavern, beer house and lodging housekeepers and to provide food and catering services to individuals, private and public institutions and to industrial and business concerns.

- (k) To carry on the business as general distributors of all sorts and types of products and services to individuals, offices, industries, shops, schools, factories, hospitals, army, military, ministries and all other government offices, universities and all other places where the services of a supplier are needed.
- (l) To carry on the business of dealing in importing, exporting, marketing, manufacturing stocking, buying, selling whether by wholesale or retail of various categories of goods and merchandise, and to act as commission agents, brokers, insurance agents and manufacturers, representatives in all fields. To be agent of foreign company and to establish business enterprises whether small scale, industries and generally deal in all kinds of general merchants and to import, export and all either by merchandise and articles of all description.
- (m) To carry on the business as general traders, suppliers, merchants, stockists, wholesalers, retailers and dealers in all types of electrical goods, hardware, building materials, spare parts and maintenance, tyres, tubes, tools and accessories for all types of automotive, motor vehicles, agricultural machinery, implements, equipment, all kinds of industrial projects machinery and equipment, timber, fishing gears, groceries, computers, office equipments, cooking oils, foodstuffs, cosmetics, oils, paints, spirits sheets, hinges, screws, iron mongery, textiles piece goods, all types of leather goods, shoes, bags and other similar goods.
- (n) To carry on the business of general merchants, general storekeepers, importers, exporters, and wholesale and/or retail traders of or otherwise dealers of and in piece goods, hardware, glassware, crockery, cutlery, hosiery, enamelware, ironmongery, machinery, turners, spare parts of every description and other household fittings, and requirements and other articles and commodities of personal, household use and consumption provisions, groceries, medicines, drugs, wines spirits, liquors, surgical, optical, photographic and other instruments apparatus stationery and material and generally in all manufactured goods of all types, and merchandise of all kinds.
- (o) To engage in investment scheme for construction, rehabilitation, erection, ownership and management of commercial buildings, export processing zones and special economic zones, to buy, sell, hire, manufacture, trade, and deal in property, goods, produce, articles, and merchandise of all kinds and transact any and every description as development agency, distribution, marketing, commercial, industrial, manufacturing, mercantile, insurance and financial business and carry on the business of traders, general merchants, general storekeepers, metals, commission agents, business consultants, market research consultants, business transfer agents, company promoters, underwriters, financiers and bill brokers, del-credere agents, barter traders, court brokers, auctioneers and generally to execute and undertake agencies of all kind or carry on the business of warehouse construction, landscaping,

engineering, general civil works and deal in all kinds of scrap metal and precious metals.

- (p) To carry on the business of establishing and running supermarkets, department stores, shopping malls, provision stores, groceries and shops of all kinds and description and generally to deal with such activities.
- (q) To carry on the business of household, domestic appliance and electrical goods, electronic items, audio visual goods, building material, hardwares, foodstuff, agricultural products and merchandise of every nature, kind and description whatsoever as a dealer, wholesaler, retailer, distributor, importer, exporter and after sales service and repairing.
- (r) To carry on the business and act as managers of investments and investment company, business of property managers, developers, real estate agents valuers, decorators, engineers and to generally be able to carry out activities of any description with regards to land, property and real estate, investment in any type of property, buildings, lands, securities, bonds, shares and any property act as a holding company with subsidiaries and invest in any projects as the company may think fit.
- (s) To carry on the business of marketing, services, consultancy and selling of all types of information technologies, computer systems, conference systems, telecommunication systems, security systems, public address systems, data communication and to train, research, install and after sale services of electronic systems, voice and data networks and any other systems or components which the company may think fit, necessary or incidental to this business.
- (t) To carry on the business as manufacturers, principals or agents representatives of importing, exporting, buying, selling, distributing of new and used motor vehicles, cars, trucks, lorries or other vehicles, motor vehicles spares and parts of all descriptions, railway, fuel and other oils, petroleum of all kinds, tyres and tubes, batteries, battery solution and other spares, accessories, motor cycles, bicycles, tractors, mining equipments, fishing gears, agricultural and industrial machinery and equipments, new and second hand spare parts and accessories and generally to deal in all types of motor spare parts and industrial and agricultural machinery and parts, electronic goods and accessories thereof.
- (u) To carry on the business as exporters, traders, suppliers, general merchants, stockists, wholesalers, retailers and dealers in business of scrapers, agricultural machinery, implements, equipment and all kinds of industrial projects machinery.
- (v) To provide the business of tour operators, travel agents, tourist agents and contractors, insurance, forwarding and general agents, aircraft and ship owners, charters, hotels, apartment and lodging house keepers,

caterers, advertising agents and generally to facilitate traveling and provide for tourists and travelers or promote and provisions of facilities of every description and in particular by means of booking of travel ticket and hotel and lodging accommodation, providing guides, safe deposits, inquiry bureaux and baggage transport and arranging and operating tours.

- (w) To carry on the safe keeping, cleaning, repairing, refueling and the general care of motor vehicles of all kinds whatsoever form of propulsion maybe used.
- (x) To carry on business as safari and photographic outfitters and to equip, organise and arrange hunting, photographic, cinematic, exploration and cinematographic expeditions and generally to organise and provide facilities for tourist safari adventures of every kind including but not limited to game, fishing, river canoeing, and other safaris and expeditions of every description, photographers, suppliers and caterers for hunting, fishing, photographic, sight seeing and other expeditions whatsoever.
- (y) To advance money to any person or persons or corporations, either with or without interest upon the security of freehold or leasehold property by way of mortgage, or upon marketable security and in particular to advance money to shareholders in the company, and others, upon the security of or for the purpose of enabling the person borrowing the same to effect or purchase, or enlarge or repair any house of building or to purchase the free simple or any term or terms of years of any property in Tanzania, or elsewhere upon such terms, and conditions as the Company may think fit.
- (z) To engage in and or otherwise carry on the business of environmental protection and management, financial management, sanitary services, super cleaners, removal treatment contractors, rural, urban and community centers cleaners, landscapers to be professional sanitary services contractors, promoters of health services in governmental departments, offices, companies, public or private institutions, individual and any other organization all over the world.
- (aa) To carry on the business of miners and mining in all their branches and for the said purpose to peg, purchase, take on lease, or exchange or otherwise acquire concessions, grants, easements, options, claims, properties, cassettes- and effects supposed to contain minerals, diamonds, or other precious stones, and any interest therein, and to explore, mine, work, excise develop and turn to account mines and mining rights and any undertaking connected therewith.
- (bb) To purchase, take on lease and otherwise acquire for investment or resale any estate, land, buildings, easements and other rights and interests in immovable property or any tenure in Tanzania and

elsewhere and to sell let or lease exchange or otherwise dispose of or grant rights over any immovable property, belong to the company.

- (cc) To purchase, take or lease or in exchange, hire or otherwise acquire and hold any state or interest in any lands buildings, casements, rights, licenses secret processes, machinery, plants, stock, in trade and real or personal property of any kind.
- (dd) To accept payment for any property or rights sold or otherwise disposed or dealt with by the company either in cash, by installment or otherwise or in fully or partly paid up shares of the company or corporation, with or without deferred or preferred or guaranteed rights.
- (ee) To carry any other trade or business whatever which can in the opinion of the Board of Directors be advantageously carried on by the Company in connection with the above business or the general business of the company.
- (ff) To act as agents for the sale and purchase of any stocks shares or securities or for any other monetary or mercantile transactions.
- (gg) To act as executors and trustees of wills and settlements made by customers and others and undertake and execute trusts of all kinds.
- (hh) To do all or any of the above things in any part of the world and either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others and either or though agents, sub-contractors, trustees and otherwise.
- (ii) To remunerate any person, firm or company rendering services to this company, whether by cash payments or by allotment to him or them of shares or securities of the Company credited and paid in full or in part, otherwise.
- (jj) To accept for safe custody and keep for customers of the company all kinds of securities valuables and things.
- (kk) To lend money on any terms that may thought fit, and particularly to customers or other person or corporations having dealing with societies and to give any guarantees that may be expedient.
- (ll) To advance money to shareholders in the company, and other to the purpose of enabling the person borrowing the same erect or purchase, or enlarge or repair any house or building or to purchase the fee simple or any less estate or interest in, or to take a demise for any term or terms of years of any freehold or leasehold property upon such terms and conditions as the company may think fit.

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

And it is hereby declared that:-

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


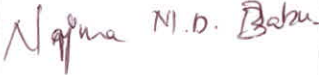
The objects specified in each of the paragraphs of the paragraph of this clause shall be regarded as independent objects, and accordingly shall in no way be limited or restricted (except where otherwise expressed in such paragraphs) by reference to or inference from the terms of any other paragraph of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

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

4. The Liability of the Members is Limited.
5. The capital of the Company is Shillings 50,000,000/= divided into 100 shares of Shillings 500,000/= each.

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


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

Names, Addresses, and Description of Subscribers.	Number of shares taken by each Subscriber	Signature
MOHAMMED DAUD BABU P. O. BOX 15941 DAR ES SALAAM	970	
NAJMA M.D. BABU P. O. BOX 15941 DAR ES SALAAM	30	

Dated at DSM.....this 27 day of DECEMBER.....2008...

Witness to the above signatures:

Name :

Signature : 

Postal Address :

Qualification :



THE COMPANIES ACT 2002
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
SKY EMPIRE LIMITED
PRELIMINARY

TANZANIA
Stamp Duty Shts. 500/-
PAID ON ORIGINAL
Receipt No. 246882 of 17/11/08
Stamp Duty Officer

TANZANIA
Stamp Duty Shts. 2500/- Paid
Receipt No. 246882 of 17/11/08
Asst. Registrar of Companies

1. In these regulations:-
"The Act" means the Companies Act 2002 of the Laws of Tanzania.

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

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

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

The regulations of Companies Act shall not apply to the company, save in so far as they are varied or excluded hereby, but in case of any conflict between the provisions herein, and the provisions under this regulation the former shall prevail, and in addition to substitution shall be the regulations of the company.

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 of persons who have been formerly in the employment of the company were while in such employment to be the member of the company) is limited 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.

TRANSFER OF SHARES

3. The Directors may in their direction and without assigning any reason thereof refuse to register the transfer of any share to any person who it shall in their opinion be undesirable for any reason whatsoever to admit to membership.
4. Subject to clauses 2 and 3 hereof the right to members to transfer their shares shall be restricted as follows;
 - (a) No share shall be transferred to a person who is not a member so long as any member of any person selected by the Directors as one who it is desirable in the interest of the Company to admit to membership.
 - (b) Every shareholder or trustee in bankruptcy, or any person who may desire to sell or transfer any such shares and every personal representative of a deceased shareholder shall give notice in writing to the Directors that he desires to make such sale or transfer. Such notice shall constitute the Board of Directors of the Company as his agent for the sale of the said shares to any member or members of the company at the price to be agreed upon between the party giving such notice the party and the board, or in case of difference to be determined by the Auditor of the Company.
 - (c) Upon price of such shares being agreed on a determined as per clause (b) above, the board shall forthwith give notice to such of the shareholders other than the shareholders desiring to sell or transfer the said shares, stating the number and price of such share inviting the person to whom notice is sent to state within 21 days from the date of such notice whether he is willing to purchase any, if so what maximum number of such shares. At the expiration of such days 21 notice the board shall apportion such shares amongst the shareholders (if more than one) who shall have expressed their desire to purchase number of shares already held by them respectively, or if there be only one such shareholder, that the whole of such shares shall be sold to him, provided no shareholder shall be obliged to take more than the maximum number of such shares stated in his answer to the said notice.

Upon such apportionment being made or such one shareholder notifying his intention to purchase, as the case may be, the party desiring to sell or transfer such shares shall be bound upon payment of the said price to transfer the shares to the respective shareholders or to single shareholder who shall have agreed to purchase the same.

5. GENERAL MEETINGS: NOTICE OF GENERAL MEETING AND PROCEEDINGS OF THE GENERAL MEETINGS.

The regulation of Companies Act shall apply to the following variations:-

- (a) A General Meeting, Ordinary or Extraordinary may with the consent in writing of all members, be convened on a shorter notice than seven days or without notice.
- (b) Two members, present either personally or by proxy shall form a quorum.
- (c) Any ordinary resolution of the company determined without any general meeting and evidenced by writing under the hands of majority of the Directors and of the members of the company holding three - fourths of the issued shares of the company shall be valid and effectual as an ordinary resolution duly passed at a general meeting of the company.

6. DIRECTORS

- (a) Until otherwise determined by the company in General Meeting the Directors shall not be less than two and not more than four in number.
 - (b) The following persons shall be the first Directors of the company:-
 - 1. MOHAMMED DAUD BABU
 - 2. NAJMA M. D. BABU
7. The shareholding qualification for Directors may be fixed by the company in General Meeting, and unless and until so fixed no qualification shall be required.
8. The quorum of Directors for transacting business shall, unless otherwise fixed by the Directors, be two.
9. A resolution in writing signed by all the Directors then in Tanzania shall be as valid and effectual as if it had been passed at a meeting of Directors duly called and constituted.
10. The Directors may from time to time borrow or raise any money for the purposes of the Company which may exceed the issued share capital of the company.

BORROWING POWERS

The Directors may from time to time in their discretion raise or borrow for the purpose of any Company's business such sum or sums of money as they think fit.

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

VOTE OF MEMBERS

12. On a show of hands every member present in person shall have one vote. On a roll every member shall have one vote only for the shares of which he is holder.
13. No member shall be entitled to vote at any general meeting unless all calls or other sums presently by him in respect of shares in the Company have been paid.

DISQUALIFICATION OF DIRECTORS

14. The office of a Director shall be vacated if the Director;
 - (a) becomes bankrupt; or
 - (b) is found to be a lunatic or becomes of unsound mind; or
 - (c) resigns his office by notice in writing to the Company;
 - (d) abstains himself from meetings of the directors for a period of six months without special leave of absence from the other Directors.

S E A L

15. The Directors shall provide for the safe custody of the Seal. The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors and in the presence of at least two Directors or a Director and Secretary or other person as aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

ALTERNATE DIRECTORS

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

SECRETARY

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

WINDING UP

19. With the sanction of a special resolution of the shareholders any part of the assets of the Company including any shares in other Companies may be divided between the members of the Company in special or may be vested in Trustees for the benefit of such members and the liquidation of the company may be closed and the company dissolved but so that no member shall be compelled to accept any shares whereupon there is any liability.

ALTERNATION OR ADDITION

20. Subject to the provisions of the Act and to those contained in the Memorandum of Association the Company may by Special Resolution make alteration or addition so made shall be as valid and effectual as if originally contained in those articles and be subject in like manner to alteration by Special Resolution.

INDEMNITY

21. Every Director, Managing Director, Agent, Auditor, Secretary and other Officer for the time being of the Company shall be indemnified out of the Assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or is in connection with any application in which relief is granted to him by the Court.

ARBITRATION

22. If and whenever any dispute or difference shall arise between the Company and any of the members or their respective representatives touching upon the construction or meaning of any of the Articles herein contained or any act matter or thing made or done or omitted to be done or with regard to the rights or liabilities arising here under or arising out of the relation existing between the parties by reasons of these Articles or the Act, such differences shall (unless a sole arbitrator be agreed upon) forthwith be referred to the arbitration of three (3) arbitrators, one to be appointed by each party and the third to be appointed by the first two or, in the event of failure to agree within (Cap. 15) or any then existing statutory modifications or re-enactment thereof shall apply.

Names, Addresses, and Description of Subscribers.	Number of shares taken by each Subscriber	Signature
MOHAMMED DAUD BABU P. O. BOX 15941 DAR ES SALAAM	970	<i>Mohammed D. Babu</i>
NAJMA M.D. BABU P. O. BOX 15941 DAR ES SALAAM	30	<i>Najma M.D. Babu</i>

Dated at DSM this 27 day of DECEMBER 2008.

Witness to the above signatures:

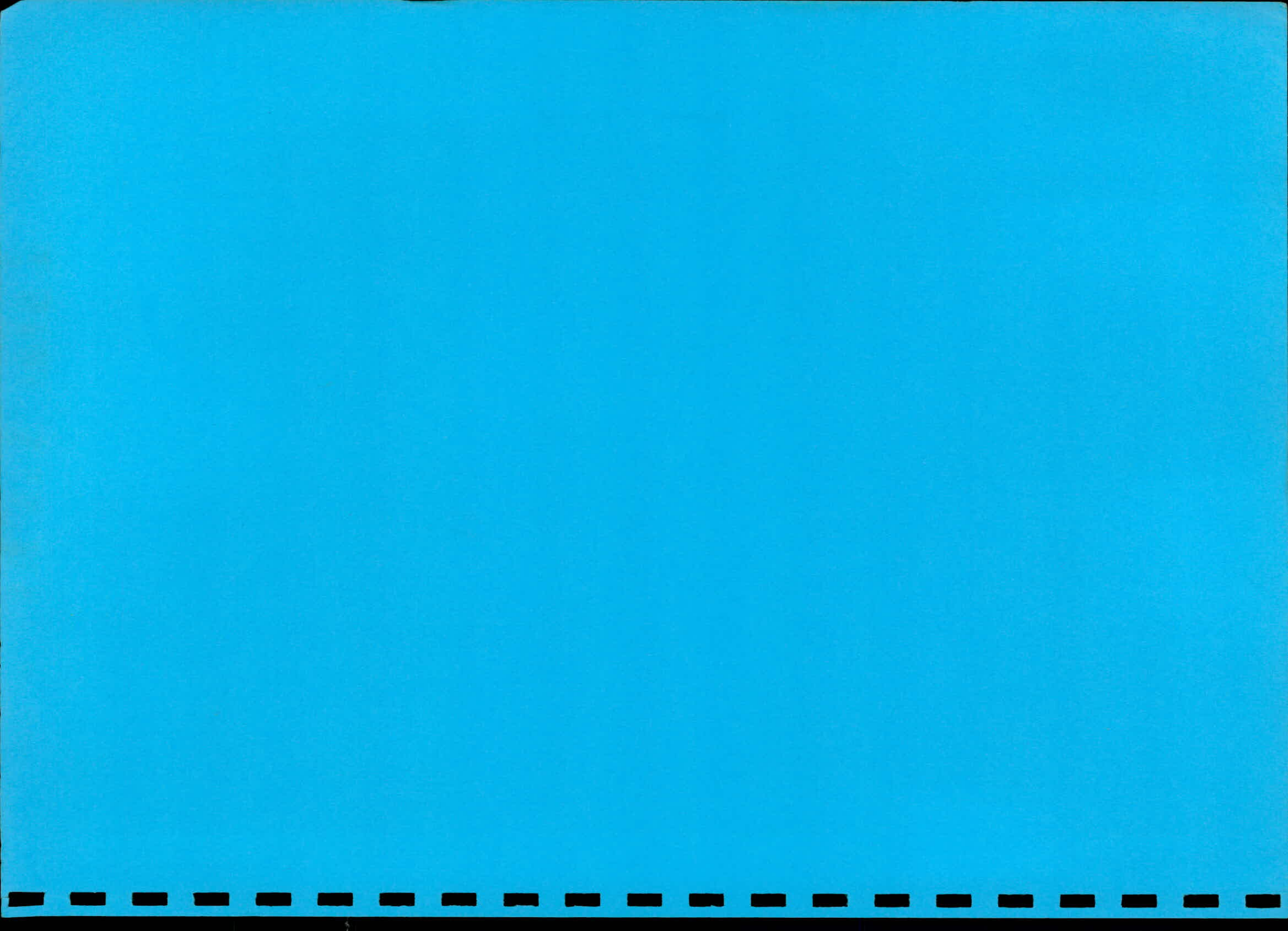
Name :

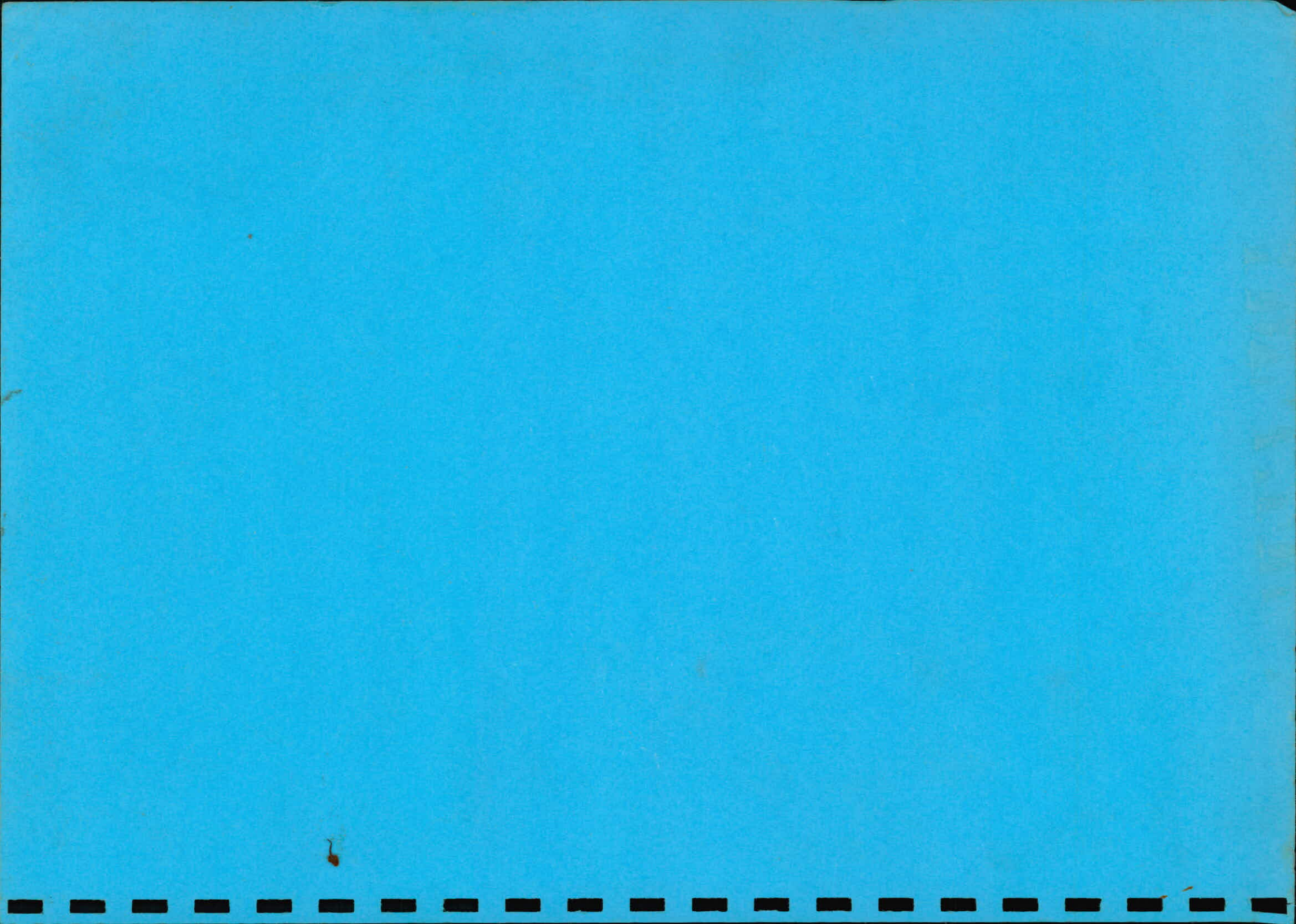
Signature : *[Handwritten Signature]*

Postal Address :

Qualification :







SKY EMPIRE LIMITED

FEASIBILITY STUDY ON

MANUFACTURING OF GYPSUM PRODUCTS IN LINDI REGION

Prepared By,
SKY Empire Limited,
P.O.BOX 15941,
DAR ES SALAAM

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1.0 THE EXECUTIVE SUMMARY

1.1 Introduction

SKY Empire Limited is a private limited liability company based in Kilwa District, Lindi Region. The company now intends to engage in manufacturing gypsum products such as gypsum plaster, gypsum ceiling boards and gypsum decorations in ceilings. The aim is to fulfil an unmet demand in Tanzania and neighbouring countries by providing high quality gypsum products to the ordinary and high-end customer segment.

This Business plan therefore sets out investment proposals for assessment of financial economic viability of the proposed gypsum products plant. Equally, it is designed to form the basis of procuring necessary approval from the relevant Government authorities to implement the venture.

1.2 The Project

The Gypsum products project is intended to serve the Tanzanian and neighbouring countries construction market. The plant to be installed will have a total capacity of 7,000 tones per annum. The plant will use local materials such as gypsum deposits in Kilwa District, Lindi Region.

1.3 Sponsors/Shareholders

The project is being promoted by M/S SKY Empire Limited based in the Kilwa District, Lindi Region. Two main shareholders of the company are as follows: -

S/No.	Names, Addresses and Description of Subscribers	Nationality	% Of Shares Taken
1.	Mr. Mohammed Daud Babu P. O. Box 15941 DAR ES SALAAM	Tanzanian	97
2.	Mr. Najma M. D. Babu P. O. Box 15941 DAR ES SALAAM	Tanzanian	3

1.4 The Market

So far there is no any gypsum products plant in the country. The proposed plant is initially intended to serve the local and neighbouring countries market. It has been established demand-supply gap is estimated at 100,000 tones. The company's competitive advantage is its vicinity from the raw materials as compared to other gypsum products which is imported from overseas.

1.5 Investment Cost

The total initial investment cost is estimated at US \$ 450,000.00 as per the breakdown shown below:

The promoters propose to finance the above investment costs in the following manner (Value in US\$):

Items	Local	Total
Land and Buildings	50,000.00	50,000.00
Plant & Machinery	250,000.00	250,000.00
Vehicles	100,000.00	100,000.00
Furniture and Fittings	20,000.00	20,000.00
Others	0.00	0.00
Pre-operational Expenses	20,000.00	20,000.00
Total Fixed Assets	440,000.00	440,000.00
Initial working capital	10,000.00	10,000.00
Grand Total	450,000.00	450,000.00

1.6 Financing Plan

The promoters propose to finance the above investment costs in the following manner.

Financing Item	Local	Total
Equity	200,000.00	200,000.00
Loan	250,000.00	250,000.00
Retained earnings	00.0	00.0
Total Financing	450,000.00	450,000.00

1.7 Conclusion and Recommendations

Presentation of this project indicates that the project will contribute to the construction industry and make gypsum products readily available to the resident of Lindi region, Tanzania and other neighbouring countries. There is still great potential demand, which is not met both imports.

The project is expected to be technically and economically feasible. Economic considerations show that:

- The project will earn foreign proceeds through export of gypsum products
- The project will create job opportunities for 70 people
- Will generate and contribute substantially to the Government revenue through direct and indirect taxes.

SKY Empire Limited is investing in gypsum products manufacturing which is a viable business entity and has bright future prospects especially in the construction industry. To avoid cost escalation, it is recommended to avail the promoters the necessary facilities as soon as possible taking into account that, this important factory in the construction industry will boost up the economic development in the country.

2.0 PROJECT BACKGROUND

The Government of Tanzania, recognizing the need for promoting investment in the country enacted the National Investment (Promotion and Protection) Act, 1990, which was amended under the Tanzania Investment Act, 1997. The Government identified several areas for investment as a national priority and extended incentives and guarantees in order to encourage investments particularly in these of national priority. Some of which are: -

- Manufacturing
- Natural Recourses
- Mining and Petroleum
- Infrastructure Development
- Telecommunication
- Human Resources
- Construction
 - Hostel and Tourist Accommodation
 - Residential Buildings
 - Commercial Buildings
 - Warehouses and Industrial Sheds
 - Estate and Factory Buildings

Construction activities in the country became stagnated for nearly 25 years after the nationalization of real estate properties owned by private individuals. The Construction of industrial and other production-oriented facilities also were not very attractive owing to steep and continuous

depreciation of the local currency against the hard currency. As a result, most of the residential units in the city and other parts of the country date back to the 1950s or earlier. There is a need to develop buildings with modern living facilities made possible by the latest architecture and technological developments. In the recent past, there has been a wide range of policy institutional changes at the macroeconomic and sectoral level in Tanzania. Among the main policy instruments is the introduction of the Investment Promotion Code and the trade liberalization. These have stimulated the economy and have shown real positive indications in the growth of investment and increase in trade volume in the country.

Housing is an essential requirement for every human being which may affect one's health, happiness and work performance. In this respect efforts should be given to both public and private companies in providing decent and permanent residential accommodation.

While in the past the responsibility of providing residential accommodation was left to the public institutions like National Insurance Corporation (NIC) and the defunct Tanzania Housing Bank (THB), now the government is encouraging the private sector to take a more substantive and effective role in providing residential accommodation.

The current housing policy was prepared in 1980/81 when the economy was in a poor state and unable to support the implantation of the housing program. However, in recognizing the need to allocate adequate funds

towards development of housing, the government's policy was to enable every citizen to have decent accommodation by the year 2000. The Government recognized the problem of housing to be prevalent in both towns and rural area. However, housing problem in towns was and is both in terms of quality and shortage of houses while in rural areas was largely on quality of the houses.

The Government policy housing had the following objectives

- To increase the number of decent houses by buildings new ones at reasonable costs and rehabilitating the old ones.
- To build new houses which can be afforded by those who will occupy them
- To mobilize funds from all sources of the sectors of the economy including private savings for constructing houses.
- To mobilize people to build or buy houses by relaxing certain conditions like securing loans
- To support private individual efforts to build houses provided it is within the Government policy framework

Despite the good intentions of the Government policy on housing, there have been significant successes in solving the acute shortage of housing accommodation especially in towns and the cities such as Dar es Salaam. The shortage of houses continues to persist due to the following factors:

- Inadequate building materials especially the locally produced ones. The imported ones are expensive attracting heavy duties.
- Rising construction costs
- Difficulty in securing housing loans
- Shortage of surveyed plots due to inadequate government funds for the purpose which sometimes force developers to cover the survey costs.
- Shortage of serviced plots due to inadequate investment by the utility organization particularly that of water and sewerage.

Although the government initiated the national site and service project (NSSSP) to cater for the low and middle income group, the actual beneficiaries of this initiative were the high income group and not the targeted ones.

Currently, most of the parastatals have stopped construction of staff houses because of liquidity problems and the subsequent privatization exercise. As Tanzania is divesting most of its parastatal organizations, the new private owners' policy is more often not to engage in non-performing investments and therefore they opt for providing housing allowance to their staff as opposed to construction of houses. This shall definitely increase substantial the demand for residential houses in Tanzania as a result building materials such as **gypsum products**.

It is against this background that SKY Empire Limited proposes to invest in the establishment of a gypsum products **manufacturing plant** in

Kilwa District, Lindi with a view to providing quality and reliable gypsum products suitable for various building requirements.

2.1 The Project

The purpose of this document is to give an assessment on the technical, economic and social viability of the gypsum products manufacturing project in Kilwa District, Lindi. SKY Empire Limited is a Tanzanian Incorporated Company with Certificate of Incorporation number 69487, issued on 27th January, 2009 at Dar es Salaam. The project aims at establishment of a gypsum products manufacturing plant that will make gypsum products with the required strength and quality for construction purposes.

2.2 Project Location

The proposed gypsum products manufacturing plant will be located at Mchomolo area, Kilwa Masoko, Kilwa District, Lindi Region. The location is convenient for the project in Kilwa District, Lindi and is well served with all the necessary infrastructures and environmental requirements as well as raw materials for gypsum products manufacturing.

2.3 Project Promoters

The project is being promoted by M/S SKY Empire Limited based in the Kilwa District, Lindi Region. Two main shareholders of the company are as follows: -

S/No.	Names, Addresses and Description of Subscribers	Nationality	% Of Shares Taken
1.	Mr. Mohammed Daud Babu P. O. Box 15941 DAR ES SALAAM	Tanzanian	97
2.	Mr. Najma M. D. Babu P. O. Box 15941 DAR ES SALAAM	Tanzanian	3

3.0 GYPSUM PRODUCTS MARKET

The rate of consumption of gypsum products is directly proportional to the rate of construction and also reflects the economic growth in the specific country. As more buildings are constructed more gypsum products will be needed. SKY Empire Limited envisages exporting only 30% of its output to potential export markets of East African and SADC countries.

3.1 Distribution of Gypsum Products in Tanzania

The distribution of gypsum products in Tanzania faces a number of problems amongst which is poor transportation means and marketing strategies. Transport facilities in the southern pose a very big problem. Roads are in very poor shape and the little available are very expensive. The company intends to sell gypsum products within the producing region and very little is taken out due to, among others, poor transportation.

The demand for gypsum products in Lindi and neighbouring regions is assumed to grow at the current national economic growth rate of 7.2%.

3.2 Projected Demand and Supply Gap

It is further assumed that the current 2008/2009 supply to the central and southern regions will continue at the same rate, It is worth noting here that when a gypsum products plant is set up in a new area, its mere existence stimulates a considerable increase in local requirements owing to the convenience of having gypsum products nearby, relatively cheaper price and being able to get the exact amount when required

3.3 Proposed Plant Capacity

Given the size of the demand/supply gap and its growth Characteristics, a plant of **7,000 tones per annum** is recommended, with Provisions for future expansion.

3.4 Selling Prices

The selling price of gypsum products has been skyrocketing at both factory level and consumer levels. The reason always spelt out for any increase of gypsum products is high transportation and distribution costs. It is therefore important to establish a gypsum products plant in the area as this will produce and distribute gypsum products within the zone at reasonable prices.

3.5 Distribution and Marketing

The proposed plant is intended to supplement the production of the one existing plants in the country, however, it is hereby categorically proposed that the gypsum products from this plant should be marketed in Lindi and its neighbourhood and some exported to a few neighbouring countries.

Due to the size of the plant, agents to be appointed will carry out distribution of the production. Consumers will also be able to purchase their needs directly from the factory.

Besides charging a very competitive price, other marketing tools will include producing very strong and convenient packaging materials, well organized and controlled marketing channel, good location of the plant in Kilwa District, Lindi and promotion of the gypsum products brand in appropriate media.

3.6 Marketing Aspects

Target Market

The targeted market that SKY Empire Limited has for the first few years will be the local market. The intention is to satisfy the local market first.

When this desire is satisfied, SKY Empire Ltd will not hesitate to expand the export market to earn the country foreign exchange that is badly needed.

Business Plan

SKY Empire Limited five years business plan is to meet the following major objectives.

- Penetrate new market, both local and international, and maintain and satisfy the existing market with gypsum products of the right quantity and quality on timely basis.
- Inject sufficient working capital and maintenance funds and make available the necessary technology and skills to ensure the plant is a success.
- To institute measures to attract and retain productive staff only.
- The workforce will undergo continuous training intended to promote team work attitude and to make each individual employee do his/her best and strive to make the plant productive, efficient and profitable as a basis for receiving better remuneration.
- To control expenditure, produce quality products and sell them at competitive prices.
- To institute and strengthen cost control system and produces and promote an attitude of cost conscious among staff and management.
- To strengthen existing sales centres for its products;
- Establish additional sales centres in potential market areas, both local and international;
- Establish reliable and efficient distribution network;
- Introduce and implement the necessary quality control measures to ensure high quality products;

- Establish company customer relationship in order to win new customer and retain old ones;
- Develop sales incentives to sales agents and productive related incentives for the rest of the employees

The Proposed Production Programme

The plant is expected to start with capacity utilization of 60% during the 1st year of operation, and will increase gradually and reach 100% during the fourth year of operation.

4.0 RAW MATERIALS AVAILABILITY, SUITABILITY AND REQUIREMENT

4.1 Introduction

The main raw material in the manufacturing of gypsum products is gypsum. The present mode of exploitation of the gypsum deposits is very much unpredictable in terms of quality and quantity. Picks, shovels, hammers and crowbars are the common tools employed for both removal of overburden and extraction of gypsum. The gypsum is highly suitable for gypsum products and cement production.

Gypsum powder equipment is composed of crusher, Raymond mill, lifter, dust remover, heat conductive oil furnace, Roots fan, material bin etc. And the system of boiling and calcinations is the key link of the whole gypsum powder-making process. The calcinations furnace produced by our company has the following characteristics:

Consumables

For normal operations of the plant the following consumable items are required.

Rocks of Gypsum Stones: crushing the stones to about 25 mm size. The processing mill is called **RAYMOND mill** (there are other mill types for calcinating or kilning).

Explosive: Explosives used are dynamite and ammonia nitrate and detonators. These are required for blasting the gypsum rocks. This stuff will have to be imported or bought from National Confine - 1000 boxes of explosives and about 600 boxes of detonators will be required per year at full capacity.

Diesel: Diesel fuel will also be stored in the plant for the plant and transport vehicles.

Fire bricks: the durability of the kiln lining depends partly on the quality of the bricks and the care with which the lining is placed and partly on the composition of the raw material, the kind of fuel, the adjustment of the flame and the manner in which the burner operates in the kiln. A stock of spare bricks will be maintained because during kiln stoppages and other irregularities there might be a necessity to repair the kiln lining

Electricity Supply: Electricity will be tapped from the existing 33 KV line. A total of 1600 KVA is required for the proposed Plant.

It is recommended that high tension (HT) lines (33KV or 22 KV) should be directly drawn to the plant from the Sub-station of the plant to avoid voltage fluctuations.

5.0 TECHNOLOGY

5.1 Selection of Technology

A lot of consideration as to be given on the technology to be adopted in making gypsum products plants a success.

A technology which is cost effective, consumers lesser amount of fuel and power and will do a lot of good to the smaller entrepreneur by way of saving a huge amount of money that is spent on procuring of fuel of specific grades and payment of electricity bills for the amount of power consumed un- necessarily.

Process: crushing the stones to about 25 mm size, then putting in the kettles and heating [what is called calcinations or kilning to certain temperature of about 120 to 130 degree centigrade, once reach this temp. Then removed, re grinded to make more fine powder [plaster] ready to use.

6.0 CIVIL WORKS

6.1 Location and Site

The proposed project will be located at Mchomolo area in Kilwa District, Lindi Region. The proposed location has been arrived at based on the

market survey, availability of raw materials, easy distribution network infrastructure development, and environmental aspects.

6.2 Buildings

The factory building will be L-shaped. At one end of the building is the raw materials preparation section while at the other end there will be a raw material blending and grinding sections.

The finished product will be stored just after the packing unit. The factory is highly ventilated to eliminate possible accumulation of dust. The walls are constructed of louver blocks and at the top there are exhaust fans and dust collectors for quick removal of dust. The factory building will have two main gates; one gate for the intake of raw materials while the other gate will be used for outgoing finished products.

The building will be constructed of asbestos sheets. The walls are of normal cement sand louver bricks. A chemical testing laboratory will be contained within the factory block. The foundation is reinforced to withstand vibration especially in the grinding section and kiln section.

The office block will be located at the end of the factory block near the gatehouse. The office block will accommodate office for the Managing Director, the Factory Manager, Chief Accountant, Sales and Purchasing Officer and Financial and Administrative Manager and Production Manager.

It is recommended that high tension lines 33 kv should be directly drawn to the plant from the substation to avoid voltage fluctuation Transformer ratings 16000 kvA Units required per year 69300 Kwh. A 9km power transmission line will have to be constructed.

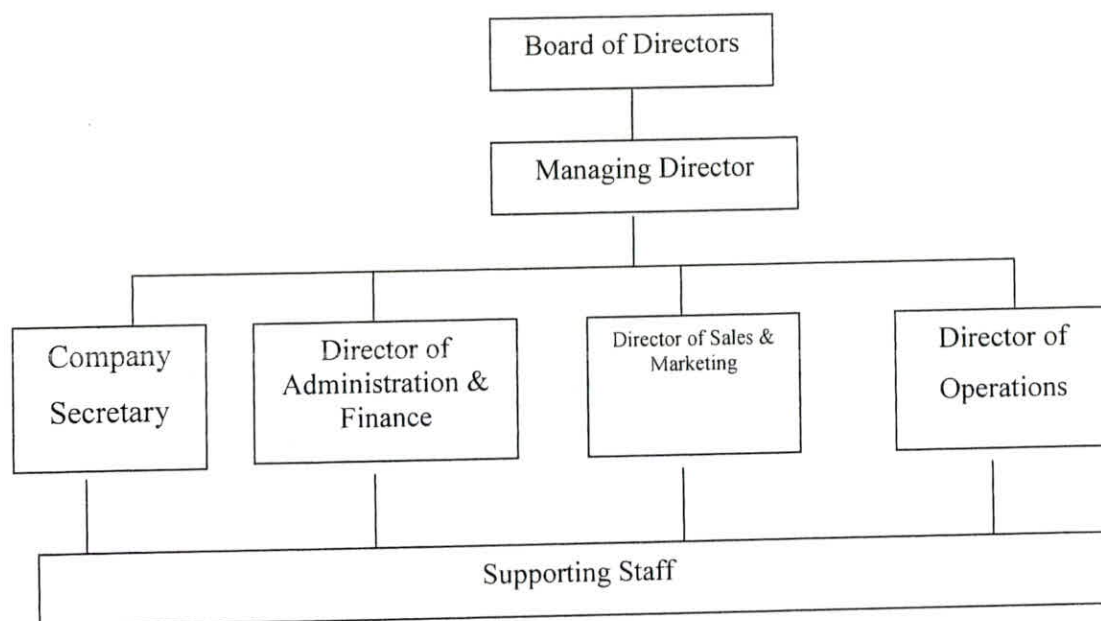
7.0 MANPOWER REQUIREMENTS AND ORGANIZATION STRUCTURE

7.1 Organization Structure

The company expect to employ about **70 people** to manage and run the project. The project under the Board of Directors led by the Chairman, followed by a reputable project management team headed by the Managing Director. Other Directors in the management team are Company Secretary, Director of Administration and Finance, Director of Sales and Marketing and Director of Operations. The organization structure of the company is shown in figure 7.1 below.

Figure 7.1

Organisation Chart



7.2 Recruitment and Training

The recruitment of personnel is carried out in line with the rate of capacity utilisation of the gypsum products manufacturing project. However, key personnel such as engineers, machine operators, quality supervisors and few support staff will be recruited on competitive basis from the market. The project will continuously train staff in-house and outside to improve their performance. Most of the personnel will be recruited from the local market.

Training is a critical requirement for ensuring operational efficiency of a project. Looking to the nature of operations and the size of the proposed

unit, it is suggested that the training of the technical and key personnel should be carried out. On the job training will be carried out by the expatriates who will impart the knowledge they have to local counterpart during their 4 years contract period

7.3 Duties and Responsibilities

The duties and responsibilities of key personnel will be designed according to the company's objectives in a team approach. Each individual will be expected to accomplish the assigned duties with efficiency to the satisfaction of the company and market needs.

The Company's staff establishment philosophy is to offer a competitive remuneration package enough to get the best from the market and eventually to retain the clean out of it.

Each key staff shall be given a job description and scheme of services. The company will design a Human Resource Policy and Procedures that will provide among others the following:

- i. Recruitment and appointments
- ii. Salaries, allowances and staff benefits
- iii. Staff Rules
- iv. Human Resource Training and development
- v. Discipline and disciplinary procedures
- vi. Organization chart, job description and salary structure.

8.0 INVESTMENT AND FINANCING PLAN

9.1 Assumptions

The project construction time is estimated at three years. The economic lift of the project is estimated at 15 years. The assumed currency exchange rate for machinery and other imported items is T.Shs. 1,300 to one USD.

8.2 Investment Structure

The total initial investment is estimated at US\$ 450,000.00 out of which the initial working capital is US\$ 10,000.00 the breakdown is as shown below (Value in US\$):

Items	Local	Total
Land and Buildings	50,000.00	50,000.00
Plant & Machinery	250,000.00	250,000.00
Vehicles	100,000.00	100,000.00
Furniture and Fittings	20,000.00	20,000.00
Others	0.00	0.00
Pre-operational Expenses	20,000.00	20,000.00
Total Fixed Assets	440,000.00	440,000.00
Initial working capital	10,000.00	10,000.00
Grand Total	450,000.00	450,000.00

8.3 Financing Plan

The promoters propose to finance the above investment costs in the following manner:

Financing Item	Local	Total
Equity	200,000.00	200,000.00
Loan	250,000.00	250,000.00
Retained earnings	00.0	00.0
Total Financing	450,000.00	450,000.00

9.0 OPERATING COSTS AND PROFITABILITY

9.1 Assumptions

- The assumed capacity levels 60% 70%, and 100% for year 1, year, years 2, and year 3-10 respectively.
- Capital foreign costs have been based on an exchange rate of T.Shs 1300 per one US Dollar;
- Corporate tax is 30%;
- Salaries and wages have been based on the current private sector scale in the country;
- The fixed assets of the project are depreciated on scrap value method;
- Service charges have been based on charges levied by similar industries in the construction sector in the country;

9.2 Development Value

The project demonstrates to have a high Economic development value on the economy through provision of reliable and best quality gypsum products. The project will also have linkage effects to the construction

sector in the country. The contribution of revenue to the Government is reasonable, and the economic rate of return is attractive.

9.3 Profitability

The project is financial viable (i.e. profitable) through the projected period of ten years.

9.4 Liquidity

The proposed project will be able to meet all its cash requirements thus demonstrating the project's comfortable liquidity position.

9.5 Projected Financial Statements

The projected financial statements of the project are shown in the following Appendices: -

- Appendix 1 Summary Sheet
- Appendix 2 Projected cash flow for Financial Planning
- Appendix 3 Projected Discounted Cash flow
- Appendix 4 Projected income statement
- Appendix 5 Projected Balance Sheet
- Appendix 6 Break Even Analysis

9.6 Sensitivity Analysis

Sensitivity analysis has been carried out on the responsiveness of the project's IRR to changes in either sales prices, or operating costs, or initial investment. The results have shown that the IRR is more sensitive

to changes in sales price than changes in either operating cost or initial investment.

9.7 Economic Benefits to the Nation

The project has a lot of economic benefits to the nation which include among others:

- Generate tax revenue to the government,
- Provide technology transfer;
- Create employment generation,
- Provide increased supply of gypsum products to the southern regions including the central corridor of Tanzania and at affordable prices to especially the low income earners and Provision of gypsum products for construction of modern houses.

10.0 CONCLUSION AND RECOMMENDATION

The financial analyses indicates that the project is financially viable and if implanted will be capable of meeting its financial obligations.

This project will generate significant foreign exchange for the country, increase employment and above all it is socially desirable, as it will alleviate the availability gypsum products to Tanzanians.

SUMMARY SHEET

Project title: SKY Empire Limited
 Project description: The company envisages to establish a project for manufacturing and distribution of gypsum products in Lindi region Tanzania
 Date and time: March 2009
 Project classification: New project
 Construction phase: 3/2009 - 2/2012
 Length: 3 years
 Production phase: 3/2012 - 12/2021
 Length: 10 years
 Accounting currency: United States Dollar (USD)
 Units: Absolute
 Local currency: United States Dollar (USD)

INVESTMENT COSTS

	Total construction	Total production	Total investment
Total fixed investment costs	385,000.00	0.00	385,000.00
Total pre-production expenditures	15,000.00	0.00	15,000.00
<i>Pre-production expenditures (net of interest)</i>	15,000.00	0.00	15,000.00
<i>Interest</i>	0.00	0.00	0.00
Increase in net working capital	0.00	97,423.47	97,423.47
TOTAL INVESTMENT COSTS	400,000.00	97,423.47	497,423.47

SOURCES OF FINANCE

	Total construction	Total production	Total inflow
Total equity capital	480,000.00	0.00	480,000.00
<i>Foreign</i>	0.00	0.00	0.00
<i>Local</i>	480,000.00	0.00	480,000.00
Total long-term loans	0.00	0.00	0.00
<i>Foreign</i>	0.00	0.00	0.00
<i>Local</i>	0.00	0.00	0.00
Total short-term loans	0.00	0.00	0.00
<i>Foreign</i>	0.00	0.00	0.00
<i>Local</i>	0.00	39,638.32	39,638.32
Accounts payable	0.00	39,638.32	39,638.32
TOTAL SOURCES OF FINANCE	480,000.00	39,638.32	519,638.32

INCOME AND COSTS, OPERATIONS

	First year 3/2012-12/2012	Reference year 2016	Last year 2021
SALES REVENUE	679,000.00	679,000.00	679,000.00
Factory costs	336,897.92	392,850.00	392,850.00
Administrative overhead costs	0.00	0.00	0.00
OPERATING COSTS	336,897.92	392,850.00	392,850.00
Depreciation	30,458.33	36,550.00	20,550.00
Financial costs	0.00	0.00	0.00
TOTAL PRODUCTION COSTS	367,356.25	429,400.00	413,400.00
Marketing costs	0.00	0.00	0.00
COSTS OF PRODUCTS	367,356.25	429,400.00	413,400.00
Interest on short-term deposits	0.00	0.00	0.00
GROSS PROFIT FROM OPERATIONS	311,643.75	249,600.00	265,600.00
Extraordinary income	0.00	0.00	0.00
Extraordinary loss	0.00	0.00	0.00
Depreciation allowances	0.00	0.00	0.00
GROSS PROFIT	311,643.75	249,600.00	265,600.00

SUMMARY SHEET

Investment allowances	0.00	0.00	0.00
TAXABLE PROFIT	311,643.75	249,600.00	265,600.00
Income (corporate) tax	93,493.13	74,880.00	79,680.00
NET PROFIT	218,150.63	174,720.00	185,920.00

RATIOS

Net Present Value of Total Capital Invested	at 20.00%	172,272.09
Internal rate of return on investment (IRR)	28.10%	
Modified IRR on investment	28.10%	
Net Present Value of Total Equity Capital Invested	at 20.00%	172,272.09
Internal rate of return on equity (IRRE)	28.10%	
Modified IRRE on equity	28.10%	
Net present values discounted to	3/2009	

CASH FLOW FOR FINANCIAL PLANNING - TOTAL

United States Dollar

	3/2009 -12/2009	2010	2011	2012	2013
TOTAL CASH INFLOW	480,000.00	0.00	0.00	718,089.23	679,000.00
Inflow funds	480,000.00	0.00	0.00	39,089.23	0.00
Inflow operation	0.00	0.00	0.00	679,000.00	679,000.00
Other income	0.00	0.00	0.00	0.00	0.00
TOTAL CASH OUTFLOW	400,000.00	0.00	0.00	655,451.48	536,321.63
Increase in fixed assets	400,000.00	0.00	0.00	0.00	0.00
Increase in current assets	0.00	0.00	0.00	137,800.19	-8,175.18
Operating costs	0.00	0.00	0.00	336,897.92	392,850.00
Marketing costs	0.00	0.00	0.00	0.00	0.00
Income (corporate) tax	0.00	0.00	0.00	93,493.13	74,880.00
Financial costs	0.00	0.00	0.00	0.00	0.00
Loan repayment	0.00	0.00	0.00	0.00	6,878.81
Dividends	0.00	0.00	0.00	87,260.25	69,888.00
Equity capital refund	0.00	0.00	0.00	0.00	0.00
SURPLUS (DEFICIT)	80,000.00	0.00	0.00	62,637.76	142,678.37
CUMULATIVE CASH BALANCE	80,000.00	80,000.00	80,000.00	142,637.76	285,316.12
Foreign surplus (deficit)	0.00	0.00	0.00	0.00	0.00
Local surplus (deficit)	80,000.00	0.00	0.00	62,637.76	142,678.37
Foreign cumulative cash balance	0.00	0.00	0.00	0.00	0.00
Local cumulative cash balance	80,000.00	80,000.00	80,000.00	142,637.76	285,316.12
Net flow of funds	480,000.00	0.00	0.00	-48,171.02	-76,766.81

CASH FLOW FOR FINANCIAL PLANNING - TOTAL

United States Dollar

	2014	2015	2016	2017	2018
TOTAL CASH INFLOW	679,549.08	679,000.00	679,000.00	679,000.00	679,000.00
Inflow funds	549.08	0.00	0.00	0.00	0.00
Inflow operation	679,000.00	679,000.00	679,000.00	679,000.00	679,000.00
Other income	0.00	0.00	0.00	0.00	0.00
TOTAL CASH OUTFLOW	538,153.97	537,640.01	537,618.00	545,351.33	546,898.00
Increase in fixed assets	0.00	0.00	0.00	0.00	0.00
Increase in current assets	535.97	0.00	0.00	0.00	0.00
Operating costs	392,850.00	392,850.00	392,850.00	392,850.00	392,850.00
Marketing costs	0.00	0.00	0.00	0.00	0.00
Income (corporate) tax	74,880.00	74,880.00	74,880.00	78,880.00	79,680.00
Financial costs	0.00	0.00	0.00	0.00	0.00
Loan repayment	0.00	22.01	0.00	0.00	0.00
Dividends	69,888.00	69,888.00	69,888.00	73,621.33	74,368.00
Equity capital refund	0.00	0.00	0.00	0.00	0.00
SURPLUS (DEFICIT)	141,395.12	141,359.99	141,382.00	133,648.67	132,102.00
CUMULATIVE CASH BALANCE	426,711.24	568,071.24	709,453.24	843,101.90	975,203.90
Foreign surplus (deficit)	0.00	0.00	0.00	0.00	0.00
Local surplus (deficit)	141,395.12	141,359.99	141,382.00	133,648.67	132,102.00
Foreign cumulative cash balance	0.00	0.00	0.00	0.00	0.00
Local cumulative cash balance	426,711.24	568,071.24	709,453.24	843,101.90	975,203.90
Net flow of funds	-69,338.92	-69,910.01	-69,888.00	-73,621.33	-74,368.00

CASH FLOW FOR FINANCIAL PLANNING - TOTAL

United States Dollar

	2019	2020	2021	Scrap 2022
TOTAL CASH INFLOW	679,000.00	679,000.00	679,000.00	248,085.97
Inflow funds	0.00	0.00	0.00	0.00
Inflow operation	679,000.00	679,000.00	679,000.00	0.00
Other income	0.00	0.00	0.00	248,085.97
TOTAL CASH OUTFLOW	546,898.00	546,898.00	546,898.00	32,737.50
Increase in fixed assets	0.00	0.00	0.00	0.00
Increase in current assets	0.00	0.00	0.00	0.00
Operating costs	392,850.00	392,850.00	392,850.00	0.00
Marketing costs	0.00	0.00	0.00	0.00
Income (corporate) tax	79,680.00	79,680.00	79,680.00	0.00
Financial costs	0.00	0.00	0.00	32,737.50
Loan repayment	0.00	0.00	0.00	0.00
Dividends	74,368.00	74,368.00	74,368.00	0.00
Equity capital refund	0.00	0.00	0.00	0.00
SURPLUS (DEFICIT)	132,102.00	132,102.00	132,102.00	215,348.47
CUMULATIVE CASH BALANCE	1,107,305.90	1,239,407.90	1,371,509.90	1,586,858.38
Foreign surplus (deficit)	0.00	0.00	0.00	0.00
Local surplus (deficit)	132,102.00	132,102.00	132,102.00	215,348.47
Foreign cumulative cash balance	0.00	0.00	0.00	0.00
Local cumulative cash balance	1,107,305.90	1,239,407.90	1,371,509.90	1,586,858.38
Net flow of funds	-74,368.00	-74,368.00	-74,368.00	-32,737.50

CASH FLOW FOR FINANCIAL PLANNING - TOTAL

United States Dollar

	Construction 3/2009-4/2009	Construction 5/2009-5/2009	Construction 6/2009-7/2009	Construction 8/2009-9/2009
TOTAL CASH INFLOW	450,000.00	0.00	0.00	30,000.00
Inflow funds	450,000.00	0.00	0.00	30,000.00
Inflow operation	0.00	0.00	0.00	0.00
Other income	0.00	0.00	0.00	0.00
TOTAL CASH OUTFLOW	65,000.00	335,000.00	0.00	0.00
Increase in fixed assets	65,000.00	335,000.00	0.00	0.00
Increase in current assets	0.00	0.00	0.00	0.00
Operating costs	0.00	0.00	0.00	0.00
Marketing costs	0.00	0.00	0.00	0.00
Income (corporate) tax	0.00	0.00	0.00	0.00
Financial costs	0.00	0.00	0.00	0.00
Loan repayment	0.00	0.00	0.00	0.00
Dividends	0.00	0.00	0.00	0.00
Equity capital refund	0.00	0.00	0.00	0.00
SURPLUS (DEFICIT)	385,000.00	-335,000.00	0.00	30,000.00
CUMULATIVE CASH BALANCE	385,000.00	50,000.00	50,000.00	80,000.00
Foreign surplus (deficit)	0.00	0.00	0.00	0.00
Local surplus (deficit)	385,000.00	-335,000.00	0.00	30,000.00
Foreign cumulative cash balance	0.00	0.00	0.00	0.00
Local cumulative cash balance	385,000.00	50,000.00	50,000.00	80,000.00
Net flow of funds	450,000.00	0.00	0.00	30,000.00

CASH FLOW FOR FINANCIAL PLANNING - TOTAL

United States Dollar

	Construction 10/2009-11/2009	Construction 12/2009-12/2009	Construction 1/2010-1/2010	Construction 2/2010-4/2010
TOTAL CASH INFLOW	0.00	0.00	0.00	0.00
Inflow funds	0.00	0.00	0.00	0.00
Inflow operation	0.00	0.00	0.00	0.00
Other income	0.00	0.00	0.00	0.00
TOTAL CASH OUTFLOW	0.00	0.00	0.00	0.00
Increase in fixed assets	0.00	0.00	0.00	0.00
Increase in current assets	0.00	0.00	0.00	0.00
Operating costs	0.00	0.00	0.00	0.00
Marketing costs	0.00	0.00	0.00	0.00
Income (corporate) tax	0.00	0.00	0.00	0.00
Financial costs	0.00	0.00	0.00	0.00
Loan repayment	0.00	0.00	0.00	0.00
Dividends	0.00	0.00	0.00	0.00
Equity capital refund	0.00	0.00	0.00	0.00
SURPLUS (DEFICIT)	0.00	0.00	0.00	0.00
CUMULATIVE CASH BALANCE	80,000.00	80,000.00	80,000.00	80,000.00
Foreign surplus (deficit)	0.00	0.00	0.00	0.00
Local surplus (deficit)	0.00	0.00	0.00	0.00
Foreign cumulative cash balance	0.00	0.00	0.00	0.00
Local cumulative cash balance	80,000.00	80,000.00	80,000.00	80,000.00
Net flow of funds	0.00	0.00	0.00	0.00

CASH FLOW FOR FINANCIAL PLANNING - TOTAL

United States Dollar

	Construction 5/2010-7/2010	Construction 8/2010-9/2010	Construction 10/2010-11/2010	Construction 12/2010-12/2010
TOTAL CASH INFLOW	0.00	0.00	0.00	0.00
Inflow funds	0.00	0.00	0.00	0.00
Inflow operation	0.00	0.00	0.00	0.00
Other income	0.00	0.00	0.00	0.00
TOTAL CASH OUTFLOW	0.00	0.00	0.00	0.00
Increase in fixed assets	0.00	0.00	0.00	0.00
Increase in current assets	0.00	0.00	0.00	0.00
Operating costs	0.00	0.00	0.00	0.00
Marketing costs	0.00	0.00	0.00	0.00
Income (corporate) tax	0.00	0.00	0.00	0.00
Financial costs	0.00	0.00	0.00	0.00
Loan repayment	0.00	0.00	0.00	0.00
Dividends	0.00	0.00	0.00	0.00
Equity capital refund	0.00	0.00	0.00	0.00
SURPLUS (DEFICIT)	0.00	0.00	0.00	0.00
CUMULATIVE CASH BALANCE	80,000.00	80,000.00	80,000.00	80,000.00
Foreign surplus (deficit)	0.00	0.00	0.00	0.00
Local surplus (deficit)	0.00	0.00	0.00	0.00
Foreign cumulative cash balance	0.00	0.00	0.00	0.00
Local cumulative cash balance	80,000.00	80,000.00	80,000.00	80,000.00
Net flow of funds	0.00	0.00	0.00	0.00

CASH FLOW FOR FINANCIAL PLANNING - TOTAL

United States Dollar

	Construction 1/2011-1/2011	Construction 2/2011-4/2011	Construction 5/2011-7/2011	Construction 8/2011-12/2011
TOTAL CASH INFLOW	0.00	0.00	0.00	0.00
Inflow funds	0.00	0.00	0.00	0.00
Inflow operation	0.00	0.00	0.00	0.00
Other income	0.00	0.00	0.00	0.00
TOTAL CASH OUTFLOW	0.00	0.00	0.00	0.00
Increase in fixed assets	0.00	0.00	0.00	0.00
Increase in current assets	0.00	0.00	0.00	0.00
Operating costs	0.00	0.00	0.00	0.00
Marketing costs	0.00	0.00	0.00	0.00
Income (corporate) tax	0.00	0.00	0.00	0.00
Financial costs	0.00	0.00	0.00	0.00
Loan repayment	0.00	0.00	0.00	0.00
Dividends	0.00	0.00	0.00	0.00
Equity capital refund	0.00	0.00	0.00	0.00
SURPLUS (DEFICIT)	0.00	0.00	0.00	0.00
CUMULATIVE CASH BALANCE	80,000.00	80,000.00	80,000.00	80,000.00
Foreign surplus (deficit)	0.00	0.00	0.00	0.00
Local surplus (deficit)	0.00	0.00	0.00	0.00
Foreign cumulative cash balance	0.00	0.00	0.00	0.00
Local cumulative cash balance	80,000.00	80,000.00	80,000.00	80,000.00
Net flow of funds	0.00	0.00	0.00	0.00

CASH FLOW FOR FINANCIAL PLANNING - TOTAL

United States Dollar

	Construction 1/2012-2/2012	Production 3/2012-12/2012	Production 2013	Production 2014
TOTAL CASH INFLOW	0.00	718,089.23	679,000.00	679,549.08
Inflow funds	0.00	39,089.23	0.00	549.08
Inflow operation	0.00	679,000.00	679,000.00	679,000.00
Other income	0.00	0.00	0.00	0.00
TOTAL CASH OUTFLOW	0.00	655,451.48	536,321.63	538,153.97
Increase in fixed assets	0.00	0.00	0.00	0.00
Increase in current assets	0.00	137,800.19	-8,175.18	535.97
Operating costs	0.00	336,897.92	392,850.00	392,850.00
Marketing costs	0.00	0.00	0.00	0.00
Income (corporate) tax	0.00	93,493.13	74,880.00	74,880.00
Financial costs	0.00	0.00	0.00	0.00
Loan repayment	0.00	0.00	6,878.81	0.00
Dividends	0.00	87,260.25	69,888.00	69,888.00
Equity capital refund	0.00	0.00	0.00	0.00
SURPLUS (DEFICIT)	0.00	62,637.76	142,678.37	141,395.12
CUMULATIVE CASH BALANCE	80,000.00	142,637.76	285,316.12	426,711.24
Foreign surplus (deficit)	0.00	0.00	0.00	0.00
Local surplus (deficit)	0.00	62,637.76	142,678.37	141,395.12
Foreign cumulative cash balance	0.00	0.00	0.00	0.00
Local cumulative cash balance	80,000.00	142,637.76	285,316.12	426,711.24
Net flow of funds	0.00	-48,171.02	-76,766.81	-69,338.92

CASH FLOW FOR FINANCIAL PLANNING - TOTAL

United States Dollar

	Production 2015	Production 2016	Production 2017	Production 2018
TOTAL CASH INFLOW	679,000.00	679,000.00	679,000.00	679,000.00
Inflow funds	0.00	0.00	0.00	0.00
Inflow operation	679,000.00	679,000.00	679,000.00	679,000.00
Other income	0.00	0.00	0.00	0.00
TOTAL CASH OUTFLOW	537,640.01	537,618.00	545,351.33	546,898.00
Increase in fixed assets	0.00	0.00	0.00	0.00
Increase in current assets	0.00	0.00	0.00	0.00
Operating costs	392,850.00	392,850.00	392,850.00	392,850.00
Marketing costs	0.00	0.00	0.00	0.00
Income (corporate) tax	74,880.00	74,880.00	78,880.00	79,680.00
Financial costs	0.00	0.00	0.00	0.00
Loan repayment	22.01	0.00	0.00	0.00
Dividends	69,888.00	69,888.00	73,621.33	74,368.00
Equity capital refund	0.00	0.00	0.00	0.00
SURPLUS (DEFICIT)	141,359.99	141,382.00	133,648.67	132,102.00
CUMULATIVE CASH BALANCE	568,071.24	709,453.24	843,101.90	975,203.90
Foreign surplus (deficit)	0.00	0.00	0.00	0.00
Local surplus (deficit)	141,359.99	141,382.00	133,648.67	132,102.00
Foreign cumulative cash balance	0.00	0.00	0.00	0.00
Local cumulative cash balance	568,071.24	709,453.24	843,101.90	975,203.90
Net flow of funds	-69,910.01	-69,888.00	-73,621.33	-74,368.00

CASH FLOW FOR FINANCIAL PLANNING - TOTAL

United States Dollar

	Production 2019	Production 2020	Production 2021	Scrap 2022
TOTAL CASH INFLOW	679,000.00	679,000.00	679,000.00	248,085.97
Inflow funds	0.00	0.00	0.00	0.00
Inflow operation	679,000.00	679,000.00	679,000.00	0.00
Other income	0.00	0.00	0.00	248,085.97
TOTAL CASH OUTFLOW	546,898.00	546,898.00	546,898.00	32,737.50
Increase in fixed assets	0.00	0.00	0.00	0.00
Increase in current assets	0.00	0.00	0.00	0.00
Operating costs	392,850.00	392,850.00	392,850.00	0.00
Marketing costs	0.00	0.00	0.00	0.00
Income (corporate) tax	79,680.00	79,680.00	79,680.00	0.00
Financial costs	0.00	0.00	0.00	0.00
Loan repayment	0.00	0.00	0.00	32,737.50
Dividends	74,368.00	74,368.00	74,368.00	0.00
Equity capital refund	0.00	0.00	0.00	0.00
SURPLUS (DEFICIT)	132,102.00	132,102.00	132,102.00	215,348.47
CUMULATIVE CASH BALANCE	1,107,305.90	1,239,407.90	1,371,509.90	1,586,858.38
Foreign surplus (deficit)	0.00	0.00	0.00	0.00
Local surplus (deficit)	132,102.00	132,102.00	132,102.00	215,348.47
Foreign cumulative cash balance	0.00	0.00	0.00	0.00
Local cumulative cash balance	1,107,305.90	1,239,407.90	1,371,509.90	1,586,858.38
Net flow of funds	-74,368.00	-74,368.00	-74,368.00	-32,737.50

BREAK-EVEN ANALYSIS - TOTAL

United States Dollar

	Production 3/2012-12/2012	Production 2013	Production 2014	Production 2015	Production 2016
Sales revenue	679,000.00	679,000.00	679,000.00	679,000.00	679,000.00
Variable costs	334,102.50	389,405.00	389,405.00	389,405.00	389,405.00
Variable margin	344,897.50	289,595.00	289,595.00	289,595.00	289,595.00
Variable margin ratio (%)	50.79	42.65	42.65	42.65	42.65
Including cost of finance					
Fixed costs	33,253.75	39,995.00	39,995.00	39,995.00	39,995.00
Financial costs	0.00	0.00	0.00	0.00	0.00
Break-even sales value	65,466.69	93,774.43	93,774.43	93,774.43	93,774.43
Break-even ratio (%)	9.64	13.81	13.81	13.81	13.81
Fixed costs coverage ratio	10.37	7.24	7.24	7.24	7.24
Excluding cost of finance					
Fixed costs	33,253.75	39,995.00	39,995.00	39,995.00	39,995.00
Break-even sales value	65,466.69	93,774.43	93,774.43	93,774.43	93,774.43
Break-even ratio (%)	9.64	13.81	13.81	13.81	13.81
Fixed costs coverage ratio	10.37	7.24	7.24	7.24	7.24

BREAK-EVEN ANALYSIS - TOTAL

United States Dollar

	Production 2017	Production 2018	Production 2019	Production 2020	Production 2021
Sales revenue	679,000.00	679,000.00	679,000.00	679,000.00	679,000.00
Variable costs	389,405.00	389,405.00	389,405.00	389,405.00	389,405.00
Variable margin	289,595.00	289,595.00	289,595.00	289,595.00	289,595.00
Variable margin ratio (%)	42.65	42.65	42.65	42.65	42.65
Including cost of finance					
Fixed costs	26,661.67	23,995.00	23,995.00	23,995.00	23,995.00
Financial costs	0.00	0.00	0.00	0.00	0.00
Break-even sales value	62,512.38	56,259.97	56,259.97	56,259.97	56,259.97
Break-even ratio (%)	9.21	8.29	8.29	8.29	8.29
Fixed costs coverage ratio	10.86	12.07	12.07	12.07	12.07
Excluding cost of finance					
Fixed costs	26,661.67	23,995.00	23,995.00	23,995.00	23,995.00
Break-even sales value	62,512.38	56,259.97	56,259.97	56,259.97	56,259.97
Break-even ratio (%)	9.21	8.29	8.29	8.29	8.29
Fixed costs coverage ratio	10.86	12.07	12.07	12.07	12.07

NET INCOME STATEMENT

United States Dollar

	Production 3/2012-12/2012	Production 2013	Production 2014	Production 2015
Sales revenue	679,000.00	679,000.00	679,000.00	679,000.00
Less variable costs	334,102.50	389,405.00	389,405.00	389,405.00
VARIABLE MARGIN	344,897.50	289,595.00	289,595.00	289,595.00
in % of sales revenue	50.79	42.65	42.65	42.65
Less fixed costs	33,253.75	39,995.00	39,995.00	39,995.00
OPERATIONAL MARGIN	311,643.75	249,600.00	249,600.00	249,600.00
in % of sales revenue	45.90	36.76	36.76	36.76
Interest on short-term deposits	0.00	0.00	0.00	0.00
Financial costs	0.00	0.00	0.00	0.00
GROSS PROFIT FROM OPERATIONS	311,643.75	249,600.00	249,600.00	249,600.00
in % of sales revenue	45.90	36.76	36.76	36.76
Extraordinary income	0.00	0.00	0.00	0.00
Extraordinary loss	0.00	0.00	0.00	0.00
Depreciation allowances	0.00	0.00	0.00	0.00
GROSS PROFIT	311,643.75	249,600.00	249,600.00	249,600.00
Investment allowances	0.00	0.00	0.00	0.00
TAXABLE PROFIT	311,643.75	249,600.00	249,600.00	249,600.00
Income (corporate) tax	93,493.13	74,880.00	74,880.00	74,880.00
NET PROFIT	218,150.63	174,720.00	174,720.00	174,720.00
in % of sales revenue	32.13	25.73	25.73	25.73
Dividends	87,260.25	69,888.00	69,888.00	69,888.00
RETAINED PROFIT	130,890.38	104,832.00	104,832.00	104,832.00
RATIOS				
Net profit to equity (%)	45.45	36.40	36.40	36.40
Net profit to net worth (%)	35.71	24.41	21.29	18.88
Net profit+interest to investment (%)	43.74	35.13	35.13	35.13

NET INCOME STATEMENT

United States Dollar

	Production 2016	Production 2017	Production 2018	Production 2019
Sales revenue	679,000.00	679,000.00	679,000.00	679,000.00
Less variable costs	389,405.00	389,405.00	389,405.00	389,405.00
VARIABLE MARGIN	289,595.00	289,595.00	289,595.00	289,595.00
in % of sales revenue	42.65	42.65	42.65	42.65
Less fixed costs	39,995.00	26,661.67	23,995.00	23,995.00
OPERATIONAL MARGIN	249,600.00	262,933.33	265,600.00	265,600.00
in % of sales revenue	36.76	38.72	39.12	39.12
Interest on short-term deposits	0.00	0.00	0.00	0.00
Financial costs	0.00	0.00	0.00	0.00
GROSS PROFIT FROM OPERATIONS	249,600.00	262,933.33	265,600.00	265,600.00
in % of sales revenue	36.76	38.72	39.12	39.12
Extraordinary income	0.00	0.00	0.00	0.00
Extraordinary loss	0.00	0.00	0.00	0.00
Depreciation allowances	0.00	0.00	0.00	0.00
GROSS PROFIT	249,600.00	262,933.33	265,600.00	265,600.00
Investment allowances	0.00	0.00	0.00	0.00
TAXABLE PROFIT	249,600.00	262,933.33	265,600.00	265,600.00
Income (corporate) tax	74,880.00	78,880.00	79,680.00	79,680.00
NET PROFIT	174,720.00	184,053.33	185,920.00	185,920.00
in % of sales revenue	25.73	27.11	27.38	27.38
Dividends	69,888.00	73,621.33	74,368.00	74,368.00
RETAINED PROFIT	104,832.00	110,432.00	111,552.00	111,552.00
RATIOS				
Net profit to equity (%)	36.40	38.34	38.73	38.73
Net profit to net worth (%)	16.96	16.14	14.85	13.63
Net profit+interest to investment (%)	35.13	37.00	37.38	37.38

NET INCOME STATEMENT

United States Dollar

	Production 2020	Production 2021
Sales revenue	679,000.00	679,000.00
Less variable costs	389,405.00	389,405.00
VARIABLE MARGIN	289,595.00	289,595.00
in % of sales revenue	42.65	42.65
Less fixed costs	23,995.00	23,995.00
OPERATIONAL MARGIN	265,600.00	265,600.00
in % of sales revenue	39.12	39.12
Interest on short-term deposits	0.00	0.00
Financial costs	0.00	0.00
GROSS PROFIT FROM OPERATIONS	265,600.00	265,600.00
in % of sales revenue	39.12	39.12
Extraordinary income	0.00	0.00
Extraordinary loss	0.00	0.00
Depreciation allowances	0.00	0.00
GROSS PROFIT	265,600.00	265,600.00
Investment allowances	0.00	0.00
TAXABLE PROFIT	265,600.00	265,600.00
Income (corporate) tax	79,680.00	79,680.00
NET PROFIT	185,920.00	185,920.00
in % of sales revenue	27.38	27.38
Dividends	74,368.00	74,368.00
RETAINED PROFIT	111,552.00	111,552.00
RATIOS		
Net profit to equity (%)	38.73	38.73
Net profit to net worth (%)	12.60	11.72
Net profit+interest to investment (%)	37.38	37.38

PROJECTED BALANCE SHEET

United States Dollar

	3/2009 -12/2009	2010	2011	2012	2013
TOTAL ASSETS	480,000.00	480,000.00	480,000.00	649,979.61	747,932.80
Total current assets	80,000.00	80,000.00	80,000.00	280,437.94	414,941.13
Total fixed assets, net of depreciation	400,000.00	400,000.00	400,000.00	369,541.67	332,991.67
Accumulated losses brought forward	0.00	0.00	0.00	0.00	0.00
Loss in current year	0.00	0.00	0.00	0.00	0.00
TOTAL LIABILITIES	480,000.00	480,000.00	480,000.00	649,979.61	747,932.80
Total current liabilities	0.00	0.00	0.00	39,089.23	32,210.42
Total long-term debt	0.00	0.00	0.00	0.00	0.00
Total equity capital	480,000.00	480,000.00	480,000.00	480,000.00	480,000.00
Reserves, retained profit brought forward	0.00	0.00	0.00	0.00	130,890.38
Retained profit	0.00	0.00	0.00	130,890.38	104,832.00
Net worth	480,000.00	480,000.00	480,000.00	610,890.38	715,722.38
RATIOS					
Equity to total liabilities (%)	100.00	100.00	100.00	73.85	64.18
Net worth to total liabilities (%)	100.00	100.00	100.00	93.99	95.69
Long-term debt to net worth	0.00	0.00	0.00	0.00	0.00
Current assets to current liabilities	0.00	0.00	0.00	7.17	12.88

PROJECTED BALANCE SHEET					
United States Dollar					
	2014	2015	2016	2017	2018
TOTAL ASSETS	853,313.88	958,123.88	1,062,955.88	1,173,387.88	1,284,939.88
Total current assets	556,872.21	698,232.21	839,614.21	973,262.88	1,105,364.88
Total fixed assets, net of depreciation	296,441.67	259,891.67	223,341.67	200,125.00	179,575.00
Accumulated losses brought forward	0.00	0.00	0.00	0.00	0.00
Loss in current year	0.00	0.00	0.00	0.00	0.00
TOTAL LIABILITIES	853,313.88	958,123.88	1,062,955.88	1,173,387.88	1,284,939.88
Total current liabilities	32,759.51	32,737.50	32,737.50	32,737.50	32,737.50
Total long-term debt	0.00	0.00	0.00	0.00	0.00
Total equity capital	480,000.00	480,000.00	480,000.00	480,000.00	480,000.00
Reserves, retained profit brought forward	235,722.38	340,554.38	445,386.38	550,218.38	660,650.38
Retained profit	104,832.00	104,832.00	104,832.00	110,432.00	111,552.00
Net worth	820,554.38	925,386.38	1,030,218.38	1,140,650.38	1,252,202.38
RATIOS					
Equity to total liabilities (%)	56.25	50.10	45.16	40.91	37.36
Net worth to total liabilities (%)	96.16	96.58	96.92	97.21	97.45
Long-term debt to net worth	0.00	0.00	0.00	0.00	0.00
Current assets to current liabilities	17.00	21.33	25.65	29.73	33.76

PROJECTED BALANCE SHEET

United States Dollar

	2019	2020	2021
TOTAL ASSETS	1,396,491.88	1,508,043.88	1,619,595.88
Total current assets	1,237,466.88	1,369,568.88	1,501,670.88
Total fixed assets, net of depreciation	159,025.00	138,475.00	117,925.00
Accumulated losses brought forward	0.00	0.00	0.00
Loss in current year	0.00	0.00	0.00
TOTAL LIABILITIES	1,396,491.88	1,508,043.88	1,619,595.88
Total current liabilities	32,737.50	32,737.50	32,737.50
Total long-term debt	0.00	0.00	0.00
Total equity capital	480,000.00	480,000.00	480,000.00
Reserves, retained profit brought forward	772,202.38	883,754.38	995,306.38
Retained profit	111,552.00	111,552.00	111,552.00
Net worth	1,363,754.38	1,475,306.38	1,586,858.38
RATIOS			
Equity to total liabilities (%)	34.37	31.83	29.64
Net worth to total liabilities (%)	97.66	97.83	97.98
Long-term debt to net worth	0.00	0.00	0.00
Current assets to current liabilities	37.80	41.83	45.87

