



MSK REFINERIES LTD

# MINUTE SHEET

Dokezo  
No.

1  
**Ag. EXD**

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

(a) Minimum finance investment threshold has been exceeded, the project expects to invest ..... USD 3m .....

(b) Legal entity has been incorporated under certificate

No. 76170 ..... of 03/05/2010 .....

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

Submitted for signature.



Glory Bildard

**Ag. DIF**

28<sup>th</sup> December, 2011

2.0  
**Ag. EXD**

In response to the TIC letter of registration dated 28/12/2017 .....

the project has submitted the required documents namely: -

(a) Company Board Resolution.

(b) Reference letter/Financing from Tanzania Investment Bank

(c) Letter from Morogoro District Council

With the above submission EXD is requested to sign Certificate of Incentives No. 042148 ..... herein attached.

Dressy  
Ag DIF  
10/08/2012

# MINUTE SHEET

Dokezo  
No.



# TANZANIA REVENUE AUTHORITY

TRA/CE/C/P.20/08

31<sup>st</sup> October, 2012

Managing Director,  
MSK Refineries Ltd,  
P.O.BOX 1551,  
**MWANZA**

**RE: DUTY /VAT EXMPTION ON CAPITAL/DEEMED CAPITAL GOODS-  
CERTIFICATE OF INCENTIVES NO.042148 OF 28.12.2011**

We are writing in response to your letter MSK/TIC/012/02 dated 30<sup>th</sup> October, 2012, as supported by the letter TICC/PP.10/042148/6 of 09<sup>th</sup> October, 2012, from Tanzania Investment Centre, regarding the captioned subject.

We hereby approve and confirm items as per five page list herewith attached as capital/deemed capital goods for facilitation of your project with certificate of incentives mentioned above. It is condition that locally manufactured goods should be procured locally.

The approved goods will be assessable at 0% Import Duty and VAT relieved. Please complete VAT forms 224 and submit for approval by the Commissioner for Domestic Revenue for local purchases and Commissioner for Customs and Excise for importations.

Sincerely yours,

Said Athumani

**For: COMMISSIONER FOR CUSTOMS AND EXCISE.**

NK/

C.C: Manger Tax Exemption

C.C: Manager- TRA Mwanza,

C.C: Executive Director,

Tanzania Investment Centre,  
Dar es Salaam,

**ISO 9001 : 2008 Certified**

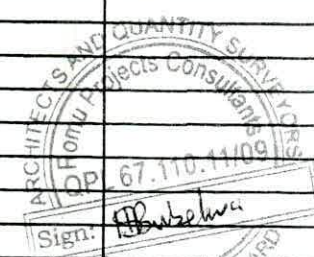
CUSTOMS & EXCISE DEPARTMENT

Sokoine Drive, P.O. Box 9053, Dar es Salaam, Tanzania

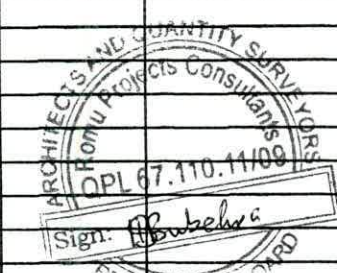
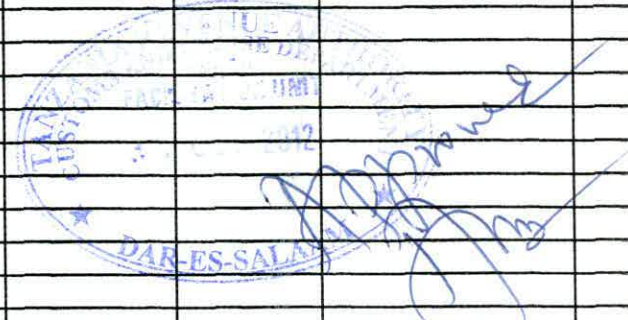
Tel: +255-22-2117765, or 255-22-2127783/4/6/8 Fax: +255 22 2138878/2135193

**M/s MSK REFINERIES LTD - TIC CERTIFICATE NO: ...**  
**APPLICATION FOR DUTY/VAT EXEMPTION FOR PROPOSED CONSTRUCTION FACTORY BUILDING**

S/No.	ITEM DESCRIPTIONS	QTY	UNITS	ITEM GROUP	ITEM PRICE	TIN NO:	EXEMPTION REF NO:	EXEMPTION DATE
1	Anti Termite Treatment Solution (20Litres)	84	Buckets	Building Material				
2	Cement 50Kgs	821	Ton	Building Material				
3	Aggregate (Tipper 4.5m3 capacity)	419	Trips	Building Material				
4	Sand (Tipper 4.5m3 capacity)	2545	Trips	Building Material				
5	Hardcore (Tipper 4.5m3 capacity)	544	Trips	Building Material				
6	12mm diameter high tensile	22	Ton	Building Material				
7	10mm diameter high tensile bars	10	Ton	Building Material				
8	Fabric reinforcement to BS 4483 Type A98	4165	Pcs	Building Material				
9	Marine board size 2400x1200mm	250	Pcs	Building Material				
10	Binding wire	1	Ton	Building Material				
11	Nails (different size)	3	Ton	Building Material				
12	48mm dia. mild black pipe; Scaffolding	3000	Pcs	Building Material				
13	Concrete Block; (450 x 230 x 150mm)	93598	Nr	Building Material				
14	200x100x80mm Precast Concrete Pavior block	563000	Pcs	Building Material				
15	150x90mm Precast Concrete kerbstone	2796	M	Building Material				
16	Damp Proof Membranes	3409	Sm	Building Material				
	<b>FRAMED STRUCTURE</b>							
17	Rectangular Hollow Section; size 200x100x6 (6m long)	77	Pcs	Building Material				
18	I - beams; Size 200 x 100 (6m long)	217	Pcs	Building Material				
19	356x171x67kg/m I - Section Universal Beam(6m long)	96	Pcs	Building Material				
	<b>ROOF STEEL STRUCTURE &amp; COVERING</b>							
20	75mm Dia. Galvanised Steel Hollow Section(6m long)	420	Pcs	Building Material				
21	50mm Dia. Galvanised Steel Hollow Section(6m long)	760	Pcs	Building Material				
22	50x150x2mm Z - Purlins(6m long)	1875	Pcs	Building Material				
23	50x150mm doubleleaves MS plate	612	Nr	Building Material				
24	20x180mm bolts	3280	Nr	Building Material				
25	IT4 Roofing Covering	8410	Sm	Building Material				
26	Hip and Ridge Capping (2100mm Long)	330	Pcs	Building Material				
27	75mm Dia. Downpipe (6m Long)	90	Pcs	Building Material				
28	Outlet Pipe	80	Pcs	Building Material				
29	PVC Gutter (6m Long)	210	Pcs	Building Material				
30	25x250mm; fascial board (3800mm long)	21	Pcs	Building Material				
31	150x50mm; treated softwood (3800mm long)	200	Pcs	Building Material				
32	50x50mm; treated softwood	155	Pcs	Building Material				



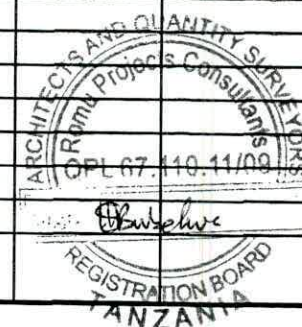
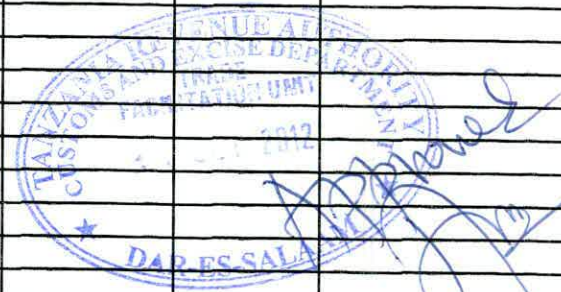
S/No.	ITEM DESCRIPTIONS	QTY	UNITS	ITEM GROUP	ITEM PRICE	TIN NO:	EXEMPTION REF NO:	EXEMPTION DATE
	<b>ALUMINIUM WINDOWS</b>							
33	Windows overall size; 2400 x 1500mm high	34	Nr	Building Material				
34	Windows overall size; 1800 x 1500mm high	12	Nr	Building Material				
35	Windows overall size; 1770 x 1500mm high	2	Nr	Building Material				
36	Windows overall size; 1500 x 1500mm high	3	Nr	Building Material				
37	Windows overall size; 1200 x 1500mm high	2	Nr	Building Material				
38	Windows overall size; 1000 x 900mm high	2	Nr	Building Material				
39	Windows overall size; 800 x 900mm high	4	Nr	Building Material				
40	Windows overall size; 800 x 800mm high	6	Nr	Building Material				
41	Windows overall size; 600 x 600mm high	6	Nr	Building Material				
	<b>WINDOWS METAL GRILLS</b>							
42	Metal Grill overall size; 2400 x 1500mm high	34	Nr	Building Material				
43	Metal Grill overall size; 1800 x 1500mm high	12	Nr	Building Material				
44	Metal Grill overall size; 1770 x 1500mm high	2	Nr	Building Material				
45	Metal Grill overall size; 1500 x 1500mm high	3	Nr	Building Material				
46	Metal Grill overall size; 1200 x 1500mm high	2	Nr	Building Material				
47	Metal Grill overall size; 1000 x 900mm high	2	Nr	Building Material				
48	Metal Grill overall size; 800 x 900mm high	4	Nr	Building Material				
49	Metal Grill overall size; 800 x 800mm high	6	Nr	Building Material				
50	Metal Grill overall size; 600 x 600mm high	6	Nr	Building Material				
	<b>PANELLED DOORS; Complete With Frames</b>							
51	1700 x 2100mm high; Hardwood Doors	1	Nr	Building Material				
52	900 x 2050mm high; Hardwood Doors	1	Nr	Building Material				
53	800 x 2100mm high; Hardwood Doors	23	Nr	Building Material				
54	800 x 2050mm high; Hardwood Doors	11	Nr	Building Material				
55	700 x 2050mm high; Hardwood Doors	16	Nr	Building Material				
	<b>COMPOSITE UNIT FRAME FOR DOORS</b>							
56	overall opening; 1800 x 2550mm	1	Nr	Building Material				
57	overall opening; 1500 x 2550mm	2	Nr	Building Material				
58	overall opening; 1200 x 2550mm	1	Nr	Building Material				
59	overall opening; 900 x 2550mm	34	Nr	Building Material				
60	overall opening; 800 x 2100mm	16	Nr	Building Material				
	<b>STEEL DOORS</b>							
61	overall opening; 3000 x 3000mm	36	Nr	Building Material				
	<b>IRONMONGERY</b>							
62	Two lever mortice locks & sets lever handle furniture	55	Nr	Building Material				
63	100mm heavy duty brass butt hinges	109	Nr	Building Material				
64	Rubber door stop	20	Nr	Building Material				
65	Barrel Bolts	33	Nr	Building Material				



S/No.	ITEM DESCRIPTIONS	QTY	UNITS	ITEM GROUP	ITEM PRICE	TIN NO:	EXEMPTION REF NO:	EXEMPTION DATE
	<b>FINISHING</b>							
66	400x400mm Floor tiles	600	Boxes	Building Material				
67	250x300mm Wall tiles	343	Boxes	Building Material				
68	600 x 130 x 10mm; skirting; Ceramic floor tiles	1200	Pcs	Building Material				
69	Gypsum Board Ceiling (1200x2400mm)	280	Pcs	Building Material				
70	Gypsum Cornices @ 2400mm long	164	Pcs	Building Material				
71	50x50mm timber brandering; 3800mm long	562	Pcs	Building Material				
	<b>PAINTING AND DECORATION</b>							
72	Emulsion Paint	60	Bucket	Building Material				
73	Bituminous Paint	20	Tin	Building Material				
74	Oil Paint	76	Tin	Building Material				
	<b>PLANT AND MACHINERY</b>							
	<b>75 TPD COTTONSEED OIL MILL PLANT</b>							
75	"UMAS" Seed Cleaner; Complete	1	Item	Plant&Machinery				
76	"UMAS" Seed Breaking Machine model DBR250x500	1	Item	Plant&Machinery				
77	"UMAS" Double Drum Hull Beater; Complete	2	Item	Plant&Machinery				
78	"UMAS" ASHOKA MK-3 Oil Expeller	5	Item	Plant&Machinery				
79	"UMAS" DIAMOND Filter Press; Complete	1	Item	Plant&Machinery				
80	Material handling Equipment	1	Item	Plant&Machinery				
81	Motor Control Cabinet; Complete	1	Item	Plant&Machinery				
82	Boiler suitable for the plant; complete	1	Item	Plant&Machinery				
83	Pipes, Valves and Fittings	1	Item	Plant&Machinery				
	<b>BATCH OIL REFINING PLANT</b>							
84	10 TPD Batch Oil Refining Plant for Cottonseed	1	Item	Plant&Machinery				
85	Steel Supporting Structure	1	Item	Plant&Machinery				
86	Boiler suitable for the plant; complete	1	Item	Plant&Machinery				
	<b>DEWAXING SECTION FOR SUNFLOWER OIL</b>							
87	10 TPD Dewaxing section for Sunflower Oil	1	Item	Plant&Machinery				
88	Steel Supporting Structure	1	Item	Plant&Machinery				
	<b>SPARES FOR OIL MILL AND REFINERY</b>							
89	Elevator Spares	6	Pcs	Plant&Machinery				
90	Bucket Elevator	150	Pcs	Plant&Machinery				
91	Elevator Chain	3	Pcs	Plant&Machinery				
92	Gear Pump for Oil	2	Pcs	Plant&Machinery				
93	Expellers	Bulk	Item	Plant&Machinery				
94	Gear Pump for Oil	2	Pcs	Plant&Machinery				
95	Meter for Gauge reading	3	Item	Plant&Machinery				



S/No.	ITEM DESCRIPTIONS	QTY	UNITS	ITEM GROUP	ITEM PRICE	TIN NO:	EXEMPTION REF NO:	EXEMPTION DATE
	<b>FINISHING</b>							
66	400x400mm Floor tiles	600	Boxes	Building Material				
67	250x300mm Wall tiles	343	Boxes	Building Material				
68	600 x 130 x 10mm; skirting; Ceramic floor tiles	1200	Pcs	Building Material				
69	Gypsum Board Ceiling (1200x2400mm)	280	Pcs	Building Material				
70	Gypsum Cornices @ 2400mm long	164	Pcs	Building Material				
71	50x50mm timber brandering; 3800mm long	562	Pcs	Building Material				
	<b>PAINTING AND DECORATION</b>							
72	Emulsion Paint	60	Bucket	Building Material				
73	Bituminous Paint	20	Tin	Building Material				
74	Oil Paint	76	Tin	Building Material				
	<b>PLANT AND MACHINERY</b>							
	<b>75 TPD COTTONSEED OIL MILL PLANT</b>							
75	"UMAS" Seed Cleaner; Complete	1	Item	Plant&Machinery				
76	"UMAS" Seed Breaking Machine model DBR250x500	1	Item	Plant&Machinery				
77	"UMAS" Double Drum Hull Beater; Complete	2	Item	Plant&Machinery				
78	"UMAS" ASHOKA MK-3 Oil Expeller	5	Item	Plant&Machinery				
79	"UMAS" DIAMOND Filter Press; Complete	1	Item	Plant&Machinery				
80	Material handling Equipment	1	Item	Plant&Machinery				
81	Motor Control Cabinet; Complete	1	Item	Plant&Machinery				
82	Boiler suitable for the plant; complete	1	Item	Plant&Machinery				
83	Pipes, Valves and Fittings	1	Item	Plant&Machinery				
	<b>BATCH OIL REFINING PLANT</b>							
84	10 TPD Batch Oil Refining Plant for Cottonseed	1	Item	Plant&Machinery				
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	<b>DEWAXING SECTION FOR SUNFLOWER OIL</b>							
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	<b>SPARES FOR OIL MILL AND REFINERY</b>							
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90	Bucket Elevator	150	Pcs	Plant&Machinery				
91	Elevator Chain	3	Pcs	Plant&Machinery				
92	Gear Pump for Oil	2	Pcs	Plant&Machinery				
93	Expellers	Bulk	Item	Plant&Machinery				
94	Gear Pump for Oil	2	Pcs	Plant&Machinery				
95	Meter for Gauge reading	3	Item	Plant&Machinery				



S/No.	ITEM DESCRIPTIONS	QTY	UNITS	ITEM GROUP	ITEM PRICE	TIN NO:	EXEMPTION REF NO:	EXEMPTION DATE
<b>OIL TANKS</b>								
96	6mm Thick Mild Steel Flat Plates; (1200x2400mm)	100	Pcs	Building Material				
97	4mm Thick Mild Steel Flat Plates; (1200x2400mm)	100	Pcs	Building Material				
98	2.5mm Thick Mild Steel Flat Plates; (1200x2400mm)	100	Pcs	Building Material				
<b>ELECTRICAL EQUIPMENTS</b>								
99	Automatic 400A TP change over switch.	1	Pcs	Fittings				
100	Encapsulated surge voltage arrester	1	Pcs	Fittings				
101	12kV, 350A rated switchgear	1	Pcs	Fittings				
102	An outdoor 11kV metering panel	1	Pcs	Fittings				
103	12 ways Three phase main distribution board	4	Pcs	Fittings				
104	4 ways Single phase distribution board c/w cards	56	Pcs	Fittings				
105	Single core 95mm <sup>2</sup> PVC, CU Earth cable (G/Y)	100	M	Fittings				
106	Single core 16mm <sup>2</sup> PVC, CU Earth cable (G/Y)	200	M	Fittings				
107	Single core 4mm <sup>2</sup> PVC, CU Earth cable (green/yellow)	4	Roll	Fittings				
108	300mm x 50mm heavy cable tray	50	Pcs	Fittings				
109	150mm x 50mm PVC cable tray complete	100	Pcs	Fittings				
110	Active air terminal	150	Pcs	Fittings				
111	5M 2" Galvanised pole	1	Pcs	Fittings				
112	25mm x3m flat copper bar	80	M	Fittings				
113	900mm x 900mm x 3mm copper earth plate	3	pcs	Fittings				
114	16mm copper earth rod	4	pcs	Fittings				
115	Single core, 1.5mm <sup>2</sup> PVC CU cable	330	Roll	Fittings				
116	Single core, 2.5mm <sup>2</sup> PVC CU cable	200	Roll	Fittings				
117	Single core, 4mm <sup>2</sup> PVC CU cable	3	Roll	Fittings				
118	Two core, 6mm <sup>2</sup> PVC CU cable	28	Roll	Fittings				
119	4 core, 16mm <sup>2</sup> armoured cable	100	M	Fittings				
120	4 core, 25mm <sup>2</sup> armoured cable	60	M	Fittings				
121	4 core, 185mm <sup>2</sup> armoured cable	40	M	Fittings				
122	3 core, 50mm <sup>2</sup> high tension cable	100	M	Fittings				
123	13A single and twin switch socket outlet	220	Pcs	Fittings				
124	20A DP switches with Neon indicator	20	Pcs	Fittings				
125	2x36W, lighting fittings complete with diffuser	100	Pcs	Fittings				
126	1x57W fluorescent bulk head luminaire a	30	Pcs	Fittings				
127	1x55W polycarbonate bulk head lamp	30	Pcs	Fittings				
128	18W Decorative luminaire with indirect effect	100	Pcs	Fittings				
129	Wall mounted compact fluorescent luminaire	40	Pcs	Fittings				
130	Recessed (2x18W) 300x300mm downlight luminaire	40	Pcs	Fittings				



S/No.	ITEM DESCRIPTIONS	QTY	UNITS	ITEM GROUP	ITEM PRICE	TIN NO:	EXEMPTION REF NO:	EXEMPTION DATE
131	1gang 1way lighting switches	50	Pcs	Fittings				
132	2gang 1way lighting switches	50	Pcs	Fittings				
133	3gang 1way lighting switches	40	Pcs	Fittings				
134	1gang 2way lighting switches	80	Pcs	Fittings				
135	2gang 2way lighting switches	40	Pcs	Fittings				
<b>OFFICE FURNITURES AND EQUIPMENTS</b>								
136	Office Furnitures	35	Pcs	Fittings				
137	Office Fixtures	30	Pcs	Fittings&Fixtures				
138	ICT Equipments	35	Pcs	Equipment				
<b>VEHICLES</b>								
139	Trucks	4	Nr	Vehicles				
140	Toyota Landcruiser Pickup	2	Nr	Vehicles				
141	Motorcycle	10	Nr	Vehicles				
<b>EQUIPMENT</b>								
142	500kVA diesel driven generator over switch.	1	Pcs	Equipment				
143	Standby Generator; 350kVA Capacity	1	Item	Equipment				
144	Generator; 27kVA Capacity	1	Item	Equipment				
145	300kVA, 11/0.4kV Transformer	1	Pcs	Equipment				
146	Weighbridge; 100 tone Capacity	1	Item	Equipment				



JAMHURI YA MUUNGANO WA TANZANIA  
THE UNITED REPUBLIC OF TANZANIA

51214420

STAKABADHI YA SERIKALI

EXCHEQUER RECEIPT

NIMPOKEA KWA  
Received from

DEJE (I) LIMITED

five hundred only

TFN. 614 (Rev. 8.94)

KIASI Amount					Shs.	Cts
					500	

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

NA SENI  
AND CENTS

Police loss report - CP RB10693103

KITUO - Station

CPJ - DSW

KWA MALIPO YA  
In respect of

KWA FEDHA TASHIMU/HUNE:

NAMBA By Cash/Cheque

SAMHI YA MPOKEA Officer's

Signature

CPJ RB10693103

CHEQUE

THE UNITED REPUBLIC OF TANZANIA  
MINISTRY OF HOME AFFAIRS  
TANZANIA POLICE FORCE



OFFICER IN CHARGE,  
CENTRAL POLICE STATION,  
P.O. BOX 9140,  
DAR ES SALAAM.

REF: CD/IR/RB/...../2013

DATE.....

TO WHOM IT MAY CONCERN:

POLICE REPORT/INITIAL/FINAL

This is to certify that MR/MRS/MISS DEJE (D) LTD of  
Box 11 Dar es Salaam reported to this Station that on.....  
15 day of APRIL 2013 at about 15:00  
Hours along 5500 MEDICAL within City Centre Dar es salaam under Mentioned items  
were lost/stolen:.....

CERTIFICATE OF INCENTIVES NUMBER  
072148. ISSUED BY TIC TO MSK REFINERIES  
LIMITED

(1) No arrest or recovery has been made  
ERV NO 5124720 2013

*[Signature]*  
OFFICER INCHARGE CENTRAL POLICE STATION  
DAR ES SALAAM.

NB: 1. The Police does not in any way verify the correct of  
This report. a burden which lies with the report.

2. The Police cannot in anyway be held responsible for any  
Loss/damage what to ever which may occur as a result of this report.

**TICC/PP.10/042148/6**

**09/10/2012**

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

Dear Sir,

**RE: DUTY/ VAT REMISSIONS ON CAPITAL/ DEEMED CAPITAL  
GOODS – CERTIFICATE OF INCENTIVES No: 042148**

**M/S MSK Refineries Limited** is a TIC registered company with certificate of incentives **No. 042148** which is valid up to **November 2014**

The company has been registered with objectives of establishing double refining cotton and sunflower seeds edible oil processing plant.

Attached herewith please find a list of Capital/ Deemed Capital Goods for Duty/ VAT remissions approval.

Yours sincerely

**TANZANIA INVESTMENT CENTRE**



Revocatus Arbogast

**FOR: EXECUTIVE DIRECTOR**



**MSK REFINERIES LTD**

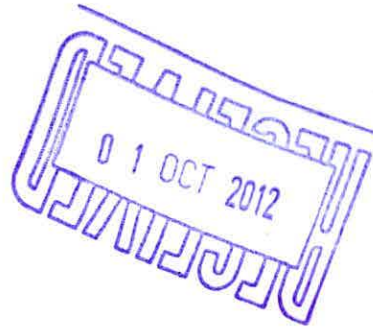
PPF Plaza, 2<sup>nd</sup> Floor Rear tower Po box 1551 Mwanza  
TANZANIA

Tell: +255 282 506 027

Fax: +255 282 506 028

Mob: +255 688 666 222, +255 685 530 903

Email: [mskltd@gmail.com](mailto:mskltd@gmail.com), [www.msk.co.tz](http://www.msk.co.tz)



MSK/TIC/012/02

September 30<sup>th</sup> 2012

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



Dear Sir

**Re: List of Items required for project implementation, Project with TIC certificate No 042148**

Please refer to the above subject

Our company has been granted certificate of tax incentive with reference no 042148 for Double refine edible oil mill project (Copy attached)

With this letter please find attached the list of item that will be bought for this project (Attached list Page 1-5) under the grace period of this certificate

Thanking you in advance for your usual good cooperation and support

Yours faithful  
For: MSK REFINERIES LIMITED

YOHANA MSWAHILI  
DIRECTOR AND CHIEF EXECUTIVES OFFICER

**Cc:**  
The Commissioner for Customs and Excise  
P. O. Box 9053  
Dar es Salaam, Tanzania

Signature: *[Signature]*  
Date: 14/8/2012



For: Executive Director  
Tanzania Investment Centre

THE UNITED REPUBLIC OF TANZANIA

00219089

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042148

**This is to certify that**

MSK REFINERIES LTD

of address P.O. BOX 1551

MWANZA

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

MSK REFINERIES LTD

Which is located at NYANG'HOMANGO INDUSTRIAL AREA

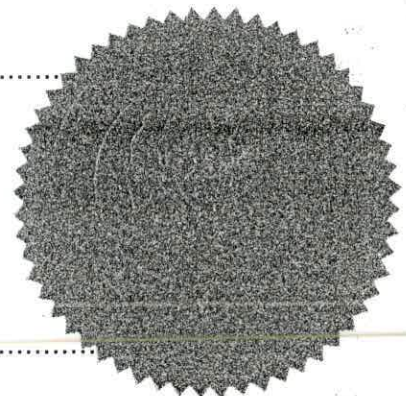
NYANG'HOMANGO VILLAGE, MISUNGWI - MWANZA

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

Ag. Executive Director

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

Dated 28TH DECEMBER 2011



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

1. Shareholders
 

	Nationality	Shareholding (%)
Mohamed Sheweji	Tanzanian	33.33
Hamis Kigwangalla	Tanzanian	33.33
Yohana Mswahili	Tanzanian	33.34
  
2. Proposed Activities : To establish double refining cotton and sunflower seeds edible oil processing plant
  
3. Sector: Manufacturing Subsector Edible Oil Refinery
  
4. Investment cost: Foreign - Local USD 3m. Total USD 3m.
  
5. Project Financing: Equity USD 1.126m. Loans USD 1.874m. Total USD 3m.
  
6. Source, terms and conditions of loan
  
7. Assets to be invested:
 

	Foreign	Local	Total
Capital items:	-	USD 3m.	USD 3m.
  
8. Technology Agreement None
  
9. Date of TIC Registration: 28th December 2011
  
10. Implementation period December 2011 - November 2014
  
11. Operative date December 2014
  
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
  - (i) Applicable Import Duty And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997
  - (ii) Applicable with-holding Tax As per Income Tax Act, 2004 (as amended)
  - (iii) Eligibility of Capital Allowances As per Income Tax Act, 2004 (as amended)
  
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
  
14. Conditions attached to this Certificate of Incentives
  - (i) Date of Commencement of investment has to be notified to the Centre.
  - (ii) Certificate not to be transferred, assigned or amended
  - (iii) Failure to commence implementation within two years invalidates Certificate
  - (iv) Failure to operate investment must be notified to the Centre
  - (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre
  
15. Additional conditions attached to Certificate  
Finished goods are not allowed under this Certificate

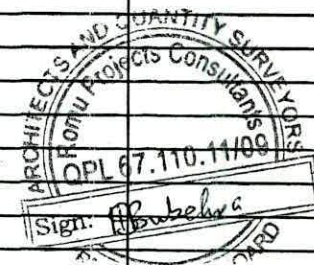
Signed   
Ag. Executive Director

**M/s MSK REFINERIES LTD - TIC CERTIFICATE NO: ...**  
**APPLICATION FOR DUTY/VAT EXEMPTION FOR PROPOSED CONSTRUCTION FACTORY BUILDING**

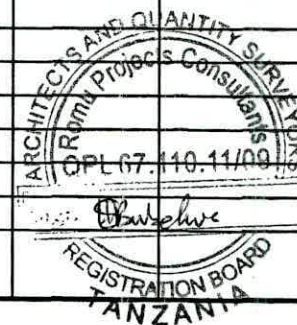
S/No.	ITEM DESCRIPTIONS	QTY	UNITS	ITEM GROUP	ITEM PRICE	TIN NO:	EXEMPTION REF NO:	EXEMPTION DATE
1	Anti Termite Treatment Solution (20Litres)	84	Buckets	Building Material				
2	Cement 50Kgs	821	Ton	Building Material				
3	Aggregate (Tipper 4.5m3 capacity)	419	Trips	Building Material				
4	Sand (Tipper 4.5m3 capacity)	2545	Trips	Building Material				
5	Hardcore (Tipper 4.5m3 capacity)	544	Trips	Building Material				
6	12mm diameter high tensile	22	Ton	Building Material				
7	10mm diameter high tensile bars	10	Ton	Building Material				
8	Fabric reinforcement to BS 4483 Type A98	4165	Pcs	Building Material				
9	Marine board size 2400x1200mm	250	Pcs	Building Material				
10	Binding wire	1	Ton	Building Material				
11	Nails (different size)	3	Ton	Building Material				
12	48mm dia. mild black pipe; Scaffolding	3000	Pcs	Building Material				
13	Concrete Block; (450 x 230 x 150mm)	93598	Nr	Building Material				
14	200x100x80mm Precast Concrete Pavior block	563000	Pcs	Building Material				
15	150x90mm Precast Concrete kerbstone	2796	M	Building Material				
16	Damp Proof Membranes	3409	Sm	Building Material				
	<b>FRAMED STRUCTURE</b>							
17	Rectangular Hollow Section; size 200x100x6 (6m long)	77	Pcs	Building Material				
18	I - beams; Size 200 x 100 (6m long)	217	Pcs	Building Material				
19	356x171x67kg/m I - Section Universal Beam(6m long)	96	Pcs	Building Material				
	<b>ROOF STEEL STRUCTURE &amp; COVERING</b>							
20	75mm Dia. Galvanised Steel Hollow Section(6m long)	420	Pcs	Building Material				
21	50mm Dia. Galvanised Steel Hollow Section(6m long)	760	Pcs	Building Material				
22	50x150x2mm Z - Purlins(6m long)	1875	Pcs	Building Material				
23	50x150mm doubleleaves MS plate	612	Nr	Building Material				
24	20x180mm bolts	3280	Nr	Building Material				
25	IT4 Roofing Covering	8410	Sm	Building Material				
26	Hip and Ridge Capping (2100mm Long)	330	Pcs	Building Material				
27	75mm Dia. Downpipe (6m Long)	90	Pcs	Building Material				
28	Outlet Pipe	80	Pcs	Building Material				
29	PVC Gutter (6m Long)	210	Pcs	Building Material				
30	25x250mm; fascial board (3800mm long)	21	Pcs	Building Material				
31	150x50mm; treated softwood (3800mm long)	200	Pcs	Building Material				
32	50x50mm; treated softwood	155	Pcs	Building Material				

ARCHITECTS AND QUANTITY SURVEYORS  
 P. Ramu Projects Consultants  
 QP. 67.110.11/09  
 Sign: *B. B. B. B.*

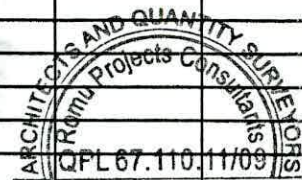
S/No.	ITEM DESCRIPTIONS	QTY	UNITS	ITEM GROUP	ITEM PRICE	TIN NO:	EXEMPTION REF NO:	EXEMPTION DATE
	<b>ALUMINIUM WINDOWS</b>							
33	Windows overall size; 2400 x 1500mm high	34	Nr	Building Material				
34	Windows overall size; 1800 x 1500mm high	12	Nr	Building Material				
35	Windows overall size; 1770 x 1500mm high	2	Nr	Building Material				
36	Windows overall size; 1500 x 1500mm high	3	Nr	Building Material				
37	Windows overall size; 1200 x 1500mm high	2	Nr	Building Material				
38	Windows overall size; 1000 x 900mm high	2	Nr	Building Material				
39	Windows overall size; 800 x 900mm high	4	Nr	Building Material				
40	Windows overall size; 800 x 800mm high	6	Nr	Building Material				
41	Windows overall size; 600 x 600mm high	6	Nr	Building Material				
	<b>WINDOWS METAL GRILLS</b>							
42	Metal Grill overall size; 2400 x 1500mm high	34	Nr	Building Material				
43	Metal Grill overall size; 1800 x 1500mm high	12	Nr	Building Material				
44	Metal Grill overall size; 1770 x 1500mm high	2	Nr	Building Material				
45	Metal Grill overall size; 1500 x 1500mm high	3	Nr	Building Material				
46	Metal Grill overall size; 1200 x 1500mm high	2	Nr	Building Material				
47	Metal Grill overall size; 1000 x 900mm high	2	Nr	Building Material				
48	Metal Grill overall size; 800 x 900mm high	4	Nr	Building Material				
49	Metal Grill overall size; 800 x 800mm high	6	Nr	Building Material				
50	Metal Grill overall size; 600 x 600mm high	6	Nr	Building Material				
	<b>PANELLED DOORS; Complete With Frames</b>							
51	1700 x 2100mm high; Hardwood Doors	1	Nr	Building Material				
52	900 x 2050mm high; Hardwood Doors	1	Nr	Building Material				
53	800 x 2100mm high; Hardwood Doors	23	Nr	Building Material				
54	800 x 2050mm high; Hardwood Doors	11	Nr	Building Material				
55	700 x 2050mm high; Hardwood Doors	16	Nr	Building Material				
	<b>COMPOSITE UNIT FRAME FOR DOORS</b>							
56	overall opening; 1800 x 2550mm	1	Nr	Building Material				
57	overall opening; 1500 x 2550mm	2	Nr	Building Material				
58	overall opening; 1200 x 2550mm	1	Nr	Building Material				
59	overall opening; 900 x 2550mm	34	Nr	Building Material				
60	overall opening; 800 x 2100mm	16	Nr	Building Material				
	<b>STEEL DOORS</b>							
61	overall opening; 3000 x 3000mm	36	Nr	Building Material				
	<b>IRONMONGERY</b>							
62	Two lever mortice locks & sets lever handle furniture	55	Nr	Building Material				
63	100mm heavy duty brass butt hinges	109	Nr	Building Material				
64	Rubber door stop	20	Nr	Building Material				
65	Barrel Bolts	33	Nr	Building Material				



S/No.	ITEM DESCRIPTIONS	QTY	UNITS	ITEM GROUP	ITEM PRICE	TIN NO:	EXEMPTION REF NO:	EXEMPTION DATE
	<b>FINISHING</b>							
66	400x400mm Floor tiles	600	Boxes	Building Material				
67	250x300mm Wall tiles	343	Boxes	Building Material				
68	600 x 130 x 10mm; skirting; Ceramic floor tiles	1200	Pcs	Building Material				
69	Gypsum Board Ceiling (1200x2400mm)	280	Pcs	Building Material				
70	Gypsum Cornices @ 2400mm long	164	Pcs	Building Material				
71	50x50mm timber bandering; 3800mm long	562	Pcs	Building Material				
	<b>PAINTING AND DECORATION</b>							
72	Emulsion Paint	60	Bucket	Building Material				
73	Bituminous Paint	20	Tin	Building Material				
74	Oil Paint	76	Tin	Building Material				
	<b>PLANT AND MACHINERY</b>							
	<b>75 TPD COTTONSEED OIL MILL PLANT</b>							
75	"UMAS" Seed Cleaner; Complete	1	Item	Plant&Machinery				
76	"UMAS" Seed Breaking Machine model DBR250x500	1	Item	Plant&Machinery				
77	"UMAS" Double Drum Hull Beater; Complete	2	Item	Plant&Machinery				
78	"UMAS" ASHOKA MK-3 Oil Expeller	5	Item	Plant&Machinery				
79	"UMAS" DIAMOND Filter Press; Complete	1	Item	Plant&Machinery				
80	Material handling Equipment	1	Item	Plant&Machinery				
81	Motor Control Cabinet; Complete	1	Item	Plant&Machinery				
82	Boiler suitable for the plant; complete	1	Item	Plant&Machinery				
83	Pipes, Valves and Fittings	1	Item	Plant&Machinery				
	<b>BATCH OIL REFINING PLANT</b>							
84	10 TPD Batch Oil Refining Plant for Cottonseed	1	Item	Plant&Machinery				
85	Steel Supporting Structure	1	Item	Plant&Machinery				
86	Boiler suitable for the plant; complete	1	Item	Plant&Machinery				
	<b>DEWAXING SECTION FOR SUNFLOWER OIL</b>							
87	10 TPD Dewaxing section for Sunflower Oil	1	Item	Plant&Machinery				
88	Steel Supporting Structure	1	Item	Plant&Machinery				
	<b>SPARES FOR OIL MILL AND REFINERY</b>							
89	Elevator Spares	6	Pcs	Plant&Machinery				
90	Bucket Elevator	150	Pcs	Plant&Machinery				
91	Elevator Chain	3	Pcs	Plant&Machinery				
92	Gear Pump for Oil	2	Pcs	Plant&Machinery				
93	Expellers	Bulk	Item	Plant&Machinery				
94	Gear Pump for Oil	2	Pcs	Plant&Machinery				
95	Meter for Gauge reading	3	Item	Plant&Machinery				




S/No.	ITEM DESCRIPTIONS	QTY	UNITS	ITEM GROUP	ITEM PRICE	TIN NO:	EXEMPTION REF NO:	EXEMPTION DATE
	<b>OIL TANKS</b>							
96	6mm Thick Mild Steel Flat Plates; (1200x2400mm)	100	Pcs	Building Material				
97	4mm Thick Mild Steel Flat Plates; (1200x2400mm)	100	Pcs	Building Material				
98	2.5mm Thick Mild Steel Flat Plates; (1200x2400mm)	100	Pcs	Building Material				
	<b>ELECTRICAL EQUIPMENTS</b>							
99	Automatic 400A TP change over switch.	1	Pcs	Fittings				
100	Encapsulated surge voltage arrester	1	Pcs	Fittings				
101	12kV, 350A rated switchgear	1	Pcs	Fittings				
102	An outdoor 11kV metering panel	1	Pcs	Fittings				
103	12 ways Three phase main distribution board	4	Pcs	Fittings				
104	4 ways Single phase distribution board c/w cards	56	Pcs	Fittings				
105	Single core 95mm <sup>2</sup> PVC, CU Earth cable (G/Y)	100	M	Fittings				
106	Single core 16mm <sup>2</sup> PVC, CU Earth cable (G/Y)	200	M	Fittings				
107	Single core 4mm <sup>2</sup> PVC, CU Earth cable (green/yellow)	4	Roll	Fittings				
108	300mm x 50mm heavy cable tray	50	Pcs	Fittings				
109	150mm x 50mm PVC cable tray complete	100	Pcs	Fittings				
110	Active air terminal	150	Pcs	Fittings				
111	5M 2" Galvanised pole	1	Pcs	Fittings				
112	25mm x3m flat copper bar	80	M	Fittings				
113	900mm x 900mmx 3mm copper earth plate	3	pcs	Fittings				
114	16mm copper earth rod	4	pcs	Fittings				
115	Single core, 1.5mm <sup>2</sup> PVC CU cable	330	Roll	Fittings				
116	Single core, 2.5mm <sup>2</sup> PVC CU cable	200	Roll	Fittings				
117	Single core, 4mm <sup>2</sup> PVC CU cable	3	Roll	Fittings				
118	Two core, 6mm <sup>2</sup> PVC CU cable	28	Roll	Fittings				
119	4 core, 16mm <sup>2</sup> armoured cable	100	M	Fittings				
120	4 core, 25mm <sup>2</sup> armoured cable	60	M	Fittings				
121	4 core, 185mm <sup>2</sup> armoured cable	40	M	Fittings				
122	3 core, 50mm <sup>2</sup> high tension cable	100	M	Fittings				
123	13A single and twin switch socket outlet	220	Pcs	Fittings				
124	20A DP switches with Neon indicator	20	Pcs	Fittings				
125	2x36W, lighting fittings complete with diffuser	100	Pcs	Fittings				
126	1x57W flourescent bulk head luminaire a	30	Pcs	Fittings				
127	1x55W polycarbonate bulk head lamp	30	Pcs	Fittings				
128	18W Decorative luminaire with indirect effect	100	Pcs	Fittings				
129	Wall mounted compact flourescent luminaire	40	Pcs	Fittings				
130	Recessed (2x18W) 300x300mm downlight luminaire	40	Pcs	Fittings				



Sign: *[Signature]*



S/No.	ITEM DESCRIPTIONS	QTY	UNITS	ITEM GROUP	ITEM PRICE	TIN NO:	EXEMPTION REF NO:	EXEMPTION DATE
131	1gang 1way lighting switches	50	Pcs	Fittings				
132	2gang 1way lighting switches	50	Pcs	Fittings				
133	3gang 1way lighting switches	40	Pcs	Fittings				
134	1gang 2way lighting switches	80	Pcs	Fittings				
135	2gang 2way lighting switches	40	Pcs	Fittings				
<b>OFFICE FURNITURES AND EQUIPMENTS</b>								
136	<del>Office Furnitures</del>	35	Pcs	Fittings				
137	<del>Office Fixtures</del>	30	Pcs	Fittings&Fixtures				
138	<del>ICT Equipments</del>	35	Pcs	Equipment				
<b>VEHICLES</b>								
139	Trucks	4	Nr	Vehicles				
140	ToyotaLandcruiser Pickup	2	Nr	Vehicles				
141	Motorcycle <del>x</del>	<del>10</del>	Nr	Vehicles				
<b>EQUIPMENT</b>								
142	500kVA diesel driven generator over switch.	1	Pcs	Equipment				
143	Standby Generator; 350kVA Capacity	1	Item	Equipment				
144	Generator; 27kVA Capacity	1	Item	Equipment				
145	300kVA, 11/0.4kV Transformer	1	Pcs	Equipment				
146	Weighbridge; 100 tone Capacity	1	Item	Equipment				
								

14

JAMHURI YA MUNGANO WA TANZANIA  
THE UNITED REPUBLIC OF TANZANIA

STAKABADHI YA SERIKALI  
EXCHEQUER RECEIPT

NIMROKKA KW  
Receipts from

MSK REFINERIES LTD

378986635

1  
Kiasi  
Amount

USD  
750

JAMEA YA SHILINGI (Kwa mnamo)

The sum of Shilling (Words) ONLY SEVEN HUNDRED AND FIFTY US DOLLARS

ONLY

NA-SEMI  
And Cents

CERTIFICATE OF INCENTIVES

Kwa MALPO YA  
In respect of

KWA FEDHA YA SEMI/HUNDE  
NABWA By Cash/Cheque No.

DL

KITIRO - Station

SAMHE YA MROSA  
Signature

29/06/12

TAREHE - Date

2/1/10

TIC - AMWANZA

T.F.N. 614 (Rev. 8.94)

RECEIVED  
06 AUG 2012

3

TICC/PP.10/042148/3

28<sup>th</sup> December, 2011

Managing Director,  
MSK Refineries Ltd.,  
P.O. Box 1551,  
**MWANZA**

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE  
ESTABLISHMENT OF PLANT FOR PROCESSING AND DOUBLE REFINING  
COTTON AND SUNFLOWER SEEDS EDIBLE OIL**

We wish to acknowledge receipt of your project proposal of establishing double refining cotton and Sunflower seeds edible oil processing plant as presented in the TIC P.A. 1 Form No. 09722 and Feasibility Study with a projected investment of USD 3m.

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

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

.../2

TICC/PP.10/042148/3

28<sup>th</sup> December, 2011

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

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

Yours sincerely,

● **TANZANIA INVESTMENT CENTRE**



R.P. Mbilinyi

**AG: EXECUTIVE DIRECTOR**

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

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

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



## TIC Evaluation Report

**Name of the Company**  
**Msk Refineries Ltd.**

Post Box	Nyang'homangu Industrial Area	COI Number	76170	Contact	Mr. Yohana Mswahili Masasa
Post Office	1551	COI Date	05/03/2010	Designation	Chief Executive Officer
Region	Mwanza	Application F. No	09722	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0688 666 222
		Sub Sector	Cotton And Sunflower	Fax	028 250 6028
		File No	042148	E-Mail Address	Mskltd@Gmail.Com

Project Location		Investment Finance Plan in Millions USD			
Plot/Block	Nyang'homangu Industrial Area	Foreign Equity	Local Equity	Foreign Loan	Local Loan
Street	Nyang'homangu Village	0	1.126	0.6	1.274
District	Misungwi				
Region	Mwanza				

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.671
Mohamed Sheweji	Tanzanian	33.33	Plant	0.870426
Hamis Kingwangalla	Tanzanian	33.33	Vehicles	0.274
Yohana Mswahili	Tanzanian	33.34	Furniture & Fittings	0.013074
			Pre-expenses	0.046
			Others	0.1255
			Working Capital	1
			Total	3

Employment	38	Evaluated By	wf officer3
Capacity	75 tones of seed daily	Drawn By	wf registry2
Project Turn Over		Project Type	Mixed(Local & Foreign)

### Description

To establish double refining cotton and Sunflower seeds edible oil processing plant

### Recommendations

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

### Decision

Approved  
  
 Ag EXD  
 22/12/11



## MSK Refineries Ltd

PPF Plaza, 2<sup>nd</sup> Floor Rear tower, P.O. Box: 1551 Mwanza, TANZANIA.

Tell: +255 282 506 027

Fax: +255 282 506 028

Mob: +255 688 666 222, +255 714 777 444

Email: mskltd@gmail.com

1

Ref: MSK/TIC/2011/02

1<sup>ST</sup> December 2011

The Executive Director  
Tanzania Investment Centre  
No. 9 a & b Shaaban Robert Street  
P.O. Box 938  
Dar es Salaam.



UFS: Zonal Manager  
Tanzania Investment Centre  
P.O.Box:638  
Mwanza.

**Ref: Application for Tanzania Investment Centre TIC tax relief Certificates (TIC Certificate for Incentives)**

We are here by introducing ourselves that we are MSK Refineries Ltd a company registered in Tanzania in year 2010 with Registration number: 76170, we are based in Mwanza having our registered office at 2<sup>nd</sup> floor Rear wing at PPF Plaza building, Kenyatta Road Street.

This to inform you that; we are undertaking a project of establishment of a state of the art Double Refinery oil mill factory at Nyang'omango Industrial area, in Misungwi district nearly to Mwanza city; the objective of this project is to process locally produced seeds mainly from sunflower and cotton to obtain double refined edible cooking oil and seed cakes; cakes will further be processed to obtain animal feeds.

Project investment will be 3m USD, will employ 38 permanent staffs and 620 temporarily staffs seasonally, its projected that at its full capacity the project will process about 30,000 Tones of seeds annually, and will support about 35,000 farmers from both sunflower and cotton; also will provide sustainable markets for seeds produced by local ginners.

The construction of the project is in primary stages and projected that by July 2012, factory will be completed and production started as well

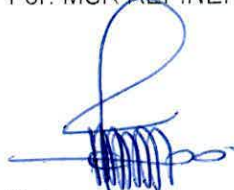
We kindly therefore request your good office to provide us with tax relief certificates so as we can apply for tax incentives at Tanzania Revenue Authority and assist we to import machineries and other required accessories.

With this letter therefore find attached 3 copies of each of the followings

- Project Business Plan
- Company MEMARTS
- Certificates of Incorporation
- Tax Identification Number (TIN)
- Land Occupation Documents
- Board Resolutions
- Directors Profile
- TIB Bank Letter as proof of financial capabilities
- Receipt of TIC Application payments

We remain hopeful that our requests will be considered

Faithfull your  
For: MSK REFINERIES LIMITED



**Yohana M. Masasa**  
DIRECTOR AND CHIEF EXECUTIVE OFFICER

MSK REFINERIES LIMITED  
P. O. Box 1551  
MWANZA - TANZANIA



# TANZANIA INVESTMENT CENTRE

## REGISTRATION FORM

FOR

## CERTIFICATE OF INCENTIVES

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

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

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

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT

(No. 26 of 1997)

APPLICATION FOR REGISTRATION

(Made under Regulation 42)

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

1. I/We YOHANA TSWAHILI MASASA  
(director/directors/agent of MSK ~~REF~~ REFINERIES LIMITED.  
(name of business enterprise) apply for registration of MSK REFINERIES LTD.  
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.
2. The registered office of the company will be situated at 2nd FLOOR PPF PLAZA  
KENYATTA ROAD TZWANZA.
- 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 TZWANZA.
4. The Principal Officers of the Company are MR: YOHANA TSWAHILI - CEO & DIRECTOR  
MIR: MOHAMED SHAWEJI SALUTI - CEO & DIRECTOR  
DR: HATTIS ANDREA KIGWANGALLA - CEO & DIRECTOR.
5. Auditors of the Company are ONDUCHI ASSOCIATES  
P.O. BOX 7349 4th FLOOR CCT BUILDING TZWANZA.
6. The authorized share capital of the Company is Tshs./US\$  
500,000,000 Tzs ONLY.

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ 3,000,000 \$ USD
8. The month and day of the financial year end is 31st DECEMBER, 20

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\$ 160,000<sup>2</sup> Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, YOHANA MWAHILI of Post Office Number 1551 MWANZA  
do solemnly and sincerely declare that I am a director/~~duly~~  
~~authorized~~ agent of MSK REFINERIES 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 MWANZA }  
~~Dares Salaam~~ }  
The 11 day of DECEMBER, 2011 }

  
Applicant

**MSK REFINERIES LIMITED**  
**P. O. Box 1551**  
**MWANZA - TANZANIA**

Before me:

  
Commissioner for Oaths



APPLICATION SUMMARY

Company Name: MSK REFINERIES LIMITED.

Certificate of Incorporation Number: 76170 Status: NEW

Certificate of Incorporation Date: 3rd MAY 2010

Post Box: 1551

Town: MWANZA

Sector: MANUFACTURING Sub-Sector: COTTON & SUNFLOWER

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
	<u>1,126,000</u>	<u>600,000</u>	<u>1,274,000</u>
	<del>1,462,850,000</del>	<del>1,020,000,000</del>	<del>20</del>

Project Objectives: DOUBLE REFINING COTTON & SUNFLOWER SEEDS TO OBTAIN COOKING OIL & SEED CAKES.

Capacity: 75 TONES OF SEED DAILY.

Employment: Foreign: 3 Local: 35 Total: 38

Implementation Period: FIVE YEARS.

Project Location

Site/Plot/Block No.: NYANGOTRANGO INDUSTRIAL AREA.

Street: NYANGOTRANGO VILLAGE District: MISUNGWI Region: MWANZA  
(Attach sketch map showing project location)

Shareholders	Nationality	%
<u>TO. YOHANA MSWAHILI</u>	<u>TANZANIAN</u>	<u>33.34%</u>
<u>DR. HAMIS KIGWANGALLA</u>	<u>TANZANIAN</u>	<u>33.33%</u>
<u>EN. MOHAMED SHAWESI</u>	<u>TANZANIAN</u>	<u>33.33%</u>

5/10

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

Land/Building	671,000
Plant	870,426
Vehicles	274,000
Furniture & Fittings	13,074
Pre-expenses	46,000
Others	125,500
Working Capital	1,000,000
<b>TOTAL</b>	<b>3,000,000</b>

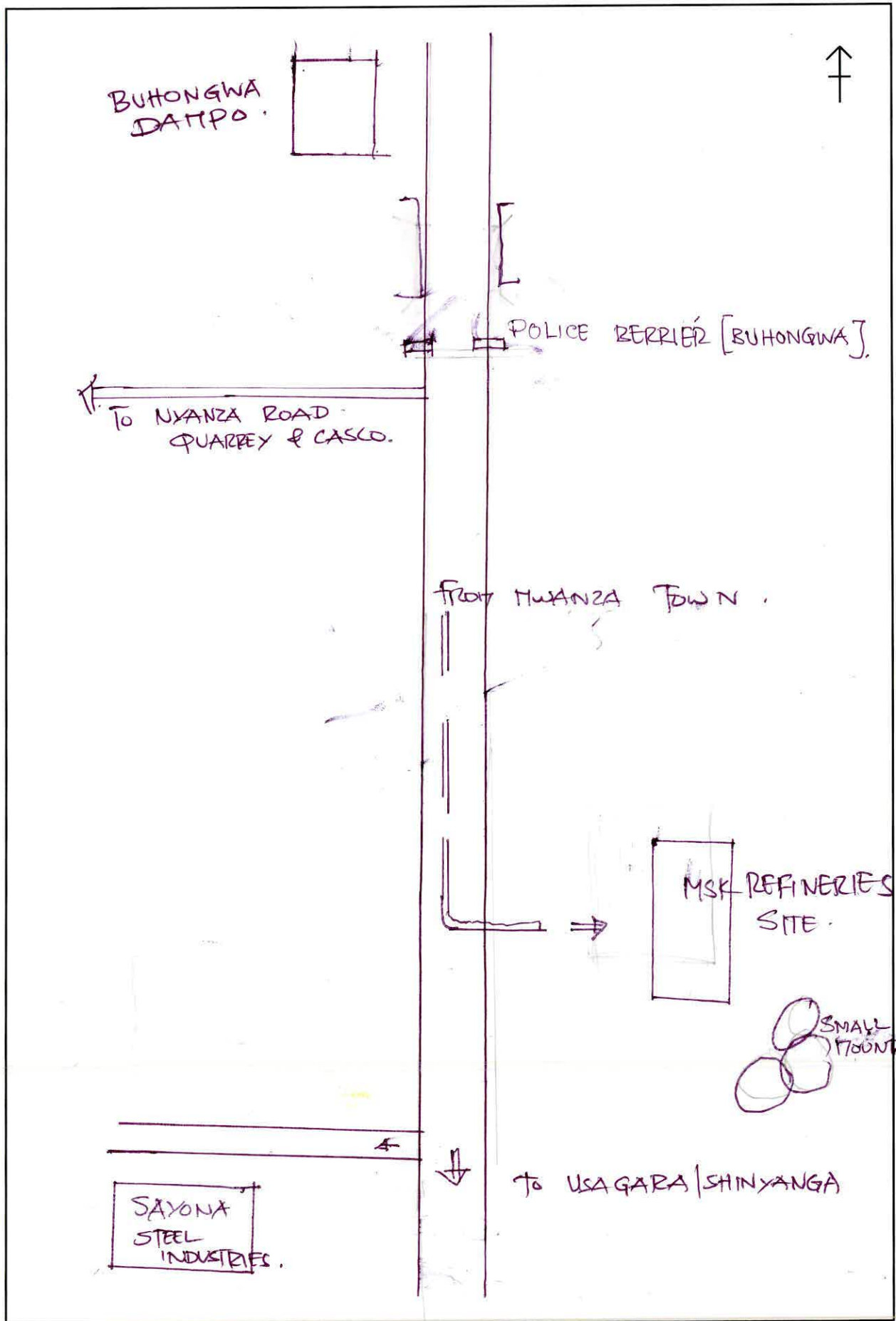
**Contact Details:**

Name: MR YOHANA KISWAHLI MASASA Title: CHIEF EXECUTIVE OFFICER  
Telephone: +255 688 666 222 Fax: +255 282 250 60 28  
Email: msk ltd @ gmail. com

**Payments to be made payable to:**

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

# SKETCH MAP SHOWING PROJECT LOCATION





JAMHURI YA MUUNGANO WA TANZANIA  
THE UNITED REPUBLIC OF TANZANIA

STAKABADHI YA SERIKALI

EXCHEQUER RECEIPT

NIMEPOKEA KWA  
Received from

MSK SOLUTION LTD

MSK REFINNERIES LTD

TFN. 614 (Rev. 8.94)

37889527

1

KIASI  
Amount

Shs.				Cts.	
#	1	60000	#		

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

ONE HUNDRED AND SIXTY THOUSAND S ONLY

NA SENTI  
And Cents

KWA MALIPO YA  
In respect of

APPLICATION FORM

KWA FEDHA TASLIMU/HUNDI

CASH

NAMBA By Cash/Cheque No.

Sahihi ya Mpokeaji  
Signature

Handwritten signature

Sheho - Title

SIPO

TAREHE - Date

14/09/2011

Kituo - Station

TIC - MWANZA

NPC-KUITA

MSK REFINERIES LTD

# CASH CROP SOURCING AND PROCESSING

BUSINESS PLAN

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## COMPANY INFORMATION

Company details		
A1	Company name	MSK REFINERIES
A2	Company short name	MSK
A3	PO Box	1551 Mwanza, Tanzania
A4	Address	2nd Floor, PPF Plaza, Rear tower, Kenyatta road
		P.O.Box 1551 Mwanza, Tanzania
A5	Town / Area	Misungwi, Mwanza
A6	City / County	MWANZA
A7	Post code	+255 28.
A8	Country	Tanzania
A9	Telephone number	+255 282 506 027
A10	Fax number	+255 282 506 027

Contact details		
A11	Salutation	Mr
A12	First name	MASASA
A13	Surname	YOHANA MSWAHILI
A14	Job title	CHIEF EXECUTIVE OFFICER
A15	Email	mskltd@gmail.com
A16	Mobile number	+255 688 666 222/ +255 784 659 148

## PROJECT INFORMATION

Project details		
B1	Project title	CASH CROP SOURCING AND PROCESSING
B2	Project short title	CCSP
B3	Economic sector	Agri-Business - Processing
B4	Country(ies) focus	Tanzania
B5	Start date	November 2011
B6	End date	November 2017

Funding details (in USD)		
B7	Bank Loan	\$ 600,000
B8	AECF Repayable grant	\$ 200,000
B9	Total Loan and grants	\$ 800,000
B10		

Matching funds (in USD)		
B11	Matching funds 1: lead applicant's cash investment	\$726,426
B12	Matching funds 2: lead applicant's "in-kind" investment	\$200,000
B13		
B14	Total matching funds	\$ 1,726,426
B15		

## EXECUTIVE SUMMARY

### EXECUTIVE SUMMARY

MSK Refineries is a "CASH CROP SOURCING AND PROCESSING" company, just established and registered in Tanzania in 2010 is Setting up state of the art double refinery edible oil plant as its Strategic Business Unit with production capacity of 75 tons per day in Mwanza, Tanzania. The project cost is \$ 1,726,426 Million. Sources of finance are Bank loan \$ 600,000, AECF grant \$ 200,000, MSK own cash \$ 726,426, in kind contribution \$ 1,211,426, RLDC partner \$ 200,000. This will finance Plant \$ 870,426, Building \$ 621,000, Property and Equipment \$ 125,500, Civil work \$ 59,500 and Land \$ 50,000.

The plant will have dual capabilities of refining cotton seeds and sunflower at a ratio of 65%:35% respectively. This means a day the plant will produce 13.5 tons of packed and branded double refined oil, and 45.3 tons of seed cakes.

MSK Refineries is positioned to stimulating cotton and sunflower production in the Lake zone areas through contract farming, operationalizing Source-Processing model. The model will directly benefit initial 15,000 farmers and scale up to 30,000 farmers at the end of the project in 2017. Farmers will supply their produce directly to the oil plant through a coordinated buying posts/collection positioned in different locality in the cotton and sunflower production areas in the Lake Zone. The financial benefit per Household member \$ 98 with an increment of 5% per year. Total Benefit by 2017 is \$ 2,723,757

MSK Refineries is a sister company of MSK Solutions a company that operates ginnery facility with production capacity of 52,000 bales per year (32,000 tons) of which 240 bales per day, 210Kg of lint per bale. The facility has 887 staff of which 142 production, 133 logistics, 608 buying posts and 24 Administration. The ginnery had been making good profits, now MSK expands to edible oil plant. The plant will produce 3,600 tons of oil per year. MSK collaboration with RLDC (Inter Cooperation and Swiss Contact NGOs), forged partnership to establish Cotton Development Project-NZECODEP in Nzega districts. To increase cotton production, productivity and quality with focus of creating sustainable markets for rural farmers.

Tanzania is estimated to consume about 330,000MTS annually while production capacity is 148,000 MT only which is almost 45% of the total annual demand. This leaves the country with shortage of 181,500MT, approximately about 55% gap. However, according to Tanzania Cotton Board (TCB) 2009 report, indicated cotton seeds as the main valuable by product of seed cotton, constituting an average of 64-65 of seed cotton. Cotton seeds contribute 16,121MT of edible oil, which is about 27% of the total national edible oil production and 8% of the total demand as per FAO recommended country consumption rate of 200,000MT. Cotton industry if well utilized can produce up to 115,150mts. The industry could generate up to TZS 55 billion to the economy with multiplier effect over 3 million rural residents, Edible oil industry in Tanzania is dominated by sunflower about 40% and cotton seed about 60%. However, most of imported oil is shipped from Indonesia and Malaysia but their health safety with regard to cholesterol content remain

elusive.

Sunflower is one of the high value vegetable oil. Production stood at 134,360MT in 2004/05 season, (Ministry of Agriculture, Food and Co operative Report, 2008). Oil extracted from sunflower by local producers contributes about 40% of the total national production (ARI- Ilonga). The development of the subsector has been triggered by two main factors that includes; firstly, food-value, sunflower is grown for edible oil production and secondly, processing ability by farmers at farm level. Sunflower is grown almost everywhere as long as there is full sun (RLDC Sunflower Magazine, 2010). Both cotton and sunflower oil produced at the ratio of 27:40% of the total country production.

Nevertheless, there are number of oil mills in the lake zone and Tanzania in general, most of these produce single refined edible oil. Out of the total 32 oil millers (TCB Report, 2009) only 4 millers i.e. Gaki Investments, Kahama Oil Mill Ltd and Bunda Oil, have invested in double refinery plant. Among other, Vegetable Oil Industries Ltd (VOIL) is the only miller not a ginner, has invested in complete double refinery plant and is the sole producer, producing and selling double refined oil in Tanzania and neighbouring country markets.

## PROPOSED BUSINESS IDEA

### Project purpose and objectives

D1

MSK Refineries is establishing state of the art double refinery oil plant construction project as part of its expansion program. The project is in compliance with Tanzanian government policy to ban semi refinery oil product of which grace period had been issued to 2012, requiring existing semi/single refinery plants to convert to double refinery or close down. This provides MSK competitive advantage and in the oil industry.

The project has the following objectives:

- To stimulate cotton and sunflower production in the Lake Zone rural areas in Tanzania
- To promote and support contract farming arrangement and improve the livelihood of rural poor farmers
- To stimulate sustainable, reliable market in the rural areas in cotton and sunflower industry
- To add value to locally produced cotton seeds and sunflower
- To create forward and backward linkages to farmers, processors and ginners
- To promote Tanzania edible oil exports in the East African Market of Kenya, Uganda, Rwanda, Burundi and Southern Sudan.

Edible oil double refinery plant will have dual capability of processing cotton and sun flower seeds respectively. The project aims at value addition to both cotton and sun flower seeds and gradually reverse the practice of disposing by product of cotton and sunflower seeds as waste material with little value and/or exporting the same as raw products to neighbouring countries of Kenya and Uganda to useful value added products. With the project take off, exportation of raw cotton and sunflower seeds will be scaled down and promote exports of finished ready for consumption edible oil products. This will again add value and generate more forex needed in cotton and sun flower oil processing industry.

MSK has already made substantial progress in the implementation of the project through contract farming establishment to both cotton and sunflower growers in the districts of Nzega and Igunga with an expansion plan on motion to Singida and Dodoma regions in the forthcoming planting season. Farmers through their designated contracted groups are supplied with inputs and extension service to increase yields, and sale both cotton and sunflower seeds in premium, previously perceived as waste to a useful value added resources.

The project will leverage MSK's position by benefiting about 10,000 farmers and laborers involved in the business chain.

Inputs/Resources, Activities and Outcomes			
	Inputs/Resources	Activities	Outcomes
D2	Purchase of machinery and equipments	Machineries and equipments are procured	Installation made at the plant
	Plant construction	Plant construction and machinery installation	Main oil plant construction completed and up running
	Facility buildings	Main facility building construction	Facility buildings completed and in use
	Purchases of Stock	Cotton and sunflower seeds bought from farmers	cotton and sunflower processed double refined edible oil
	Contracting Farmers	Training of initial 15,000 small farmers on improved farming methodology	15,000 farmers increase yields per acre
	Repayment of AECF repayable grant	disbursement of funds as per repayable schedule	Final AECF loan repayment by 2016

## INNOVATION

The project is substantially new to MSK operations of which represent change in technology from semi refinery to double refinery in the oil mill industry in Tanzania. The project aim at adding value to cotton and sun flower seeds respectively, reversing the practice of disposing cotton and sunflower seeds by product as waste material and exports as raw products to neighbouring countries of Kenya and Uganda to useful products. In addition, processing of cotton seed and sunflower promotes exports of ready for consumption edible oil products. This adds more value and generate forex needed in cotton and sun flower edible oil processing industry development.

Contract farming had been introduced, however, is an innovative model in the oil mill industry. MSK with its robust Sourcing-Processing model in the oil mill feeds directly from the farmers to the plant. The model is designed on the basis of direct relationship between MSK and the farmers through farmers groups. Such model does not exist in any of the existing oil mills neither in single/semi refinery nor double refinery mills. All other oil mills source their raw material through agents and/or ginneries. To reiterate, the innovation element is the direct relationship between the oil mill and farmers of which famers will accure direct benefits from the project. This leverages MSK's position by benefiting inital 15,000 farmers and people involved in the business chain with technical shift to local farmers. This will be the first project in Tanzania to apply Source-Processing model in edible oil industry.

## MARKET AND COMPETITION

### Market analysis

**F1**

Edible oil demand surpass supply, presenting opportunities to MSK to take advantage of Tanzania's economic growth. MSK competitive advantage includes but not limited to:

- Collaboration with RLDC and other stake holders in up running cotton and sunflower development project. This will provide the mill with sustainable raw material supply needed for running the refinery plant demand by 70% and the remaining 30% will be sourced from non contracted farmers and own ginnery.
- Tanzania has introduced a policy which requires Oil millers to produce double refined oil by 2012 in order to safe guard consumer's health.
- Dual product brand assures markets in different segments.

MSK will use both consumer and business approaches to Market Segmentation. The first market segment will be for consumer market that divides into four key points segments namely geographic; will be in business lake zone regions of Mwanza, Kagera, Shinyanga, Tabora, Kigoma and Mara since customers are located in particular rural areas, but as well in city stores, demographic; these are customers accessing point of sales with higher, middle and low income, this is why MSK has 3L of oil to cater for this segment, physiographic; targeting different social classes. This segment are inclined by quality, service and economic price of which 5L, 10L to 20L keep them healthy and afloat. The Second market segment will be for business market on edible oil that settled into five key variables namely as demographic, operating variables, situational factors, purchasing approaches and personal characteristics.

The criteria used for grouping these market segments are based on the following objectives.

- Market segment for both services should be providing potential indicators for analyzing profits and Return on Investment (ROI) of MSK Solutions over time
- Enabling MSK to identify similarity of needs of potential consumers with specific segment.
- Enabling MSK to have a separate market plan and strategy for every market segment identified.
- Market segment provides fact for MSK's solid customer base.
- Market segment provides bases for positioning of our market as well as marketing mix for each mix.

# MARKETING AND SALES

## Marketing plan

G1

Main approach would be price-quality. Offering more in terms of service, quality, feature and performance.

a) Product: Decisions takes into consideration advantages and how they will be leveraged not

limited to;

- Product quality; MSK emphasis on the quality of its products not only in terms of processing but also in delivery to customers in terms of quality consistency to please the customer.

- Product features; MSK intends to differentiate its products from competitors to gain competitive

advantage. Achieved with best taste, consistency, coloring and lower in cholesterol with respect to cotton oil and cholesterol free in respect of sunflower oil. Making the two products

lighter, healthier and rich in taste cooking oils.

- Product design; design of the product is core to consumer confidence as it triggers taste and product usefulness.

- Branding; MSK intends to excel in "Nice Fry" brand on different meanings convey: Level-Nice Fry cooking oil, Attribute-Premium quality, Benefit-tasty meal and easy cooking, Value-enjoyment & tradition, Personality-attention to detail cooking chef.

- Brand Equity; MSK value the power of a brand name carries in the market, to increase in profits

and market share. This is on the levels of awareness of the brand to be high, preference be medium and loyalty remaining high over generations.

- Packaging; MSK put great attention to packaging design for Nic Fry product. This will involve use of Poly (lactic acid), significant commercial polymer. The material makes it useful for recyclable and biodegradable packaging such as bottles and jerry cans.

b) Price: Strategically developed pricing strategy to expected volume and variables. Edible oil in the lake zone, has monopolistically competitive market. That is a market which buyers and sellers trade over a range of prices rather than a single market price. Sellers differentiate their products from each other through quality, features, style and accompanying services. Example

Voil vegetable oil can differentiate their products from the rest with different features they offer

such as OKI oil in plastic cans.

-Pricing Strategy; Market price objective is primarily to tap upper middle and lower middle class segments. Achieved through product quality leadership by investing in R & D. High costs invested in R&D wil be recovered from value based pricing mechanism and premium pricing strategies subject to consumers perceptions of MSK products' values. This will be facilitated through promotions on television and radio commercial advertisement.

- Credit lines; MSK intends to provide credit lines access for its distributors and wholesaler from commerical banks.

c) Place (distribution); Operationalize synergy strategy, blending all components of the marketing mix. MSK has an established distribution network in Tanzania. Consideration will be taken on variables such as;

-Distribution channels: direct, wholesalers,distributors and intermediates

-Criteria of evaluating distributors & Locations

-Logistics, transport facilitation, warehousing order fulfillment

Distribution levels

MSK Factory---Distributor---Wholesaler---Retailer---Consumer

/ \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

d) Promotion: Activites scaled up to introduce product values and benefits through visibility marketing in print adverstisement, posters, at distributors, vendors' shops, sign boards,flags and

media marketing through newspapers and magazines,radio and television commercials

-Promotional messages; Promotional messages in packages: "low or no fats", "organic", "natural"

and "fresh",aims to trigger consumer preferences in anticipating consumer demand.

-Sales promotion; Events such as cooking contests on televsion shows.

-Personal selling; No personal selling, this is trade off to wholesalers and retailers.

## DIRECT AND INDIRECT DEVELOPMENTAL IMPACT

Beneficiaries		
H1	Number of new jobs created in your company	38
H2	Annual wage bill at start of project (US\$) For 6 Months 2012	\$ 27,888
H3	Annual wage bill at end of project (after 6 years) ( US\$)	\$ 87,895
H4	<p><b>Justification and description of new jobs created in your company</b></p> <p>A. Management &amp; Administration</p> <ul style="list-style-type: none"> <li>• 1 General Manager</li> <li>• 1 Administration Manager</li> </ul> <p>B. Marketing</p> <ul style="list-style-type: none"> <li>• 1 Marketing Manager</li> <li>• 1 Marketing Officer</li> </ul> <p>C. Operations</p> <ul style="list-style-type: none"> <li>• 1 Operations Manager</li> <li>• 1 Operations Officer</li> </ul> <p>D. Finance &amp; Accounts</p> <ul style="list-style-type: none"> <li>• 1 Finance Manager</li> <li>• 1 Accountant</li> <li>• 1 Cashier</li> </ul> <p>E. Research &amp; Development</p> <ul style="list-style-type: none"> <li>• 1 Research &amp; Development Manager</li> </ul> <p>F. Workshop &amp; Support</p> <ul style="list-style-type: none"> <li>• 1 Plant Engineer</li> <li>• 1 Plant Technician</li> </ul> <p>G. Mill Production</p> <ul style="list-style-type: none"> <li>• 1 Engineer</li> <li>• 2 Technician</li> <li>• 14 Shift staff</li> </ul> <p>F. Security</p> <ul style="list-style-type: none"> <li>• 10 Shift guards</li> </ul>	
H5	Number of people that will directly benefit from the project	10,655
H6	<p><b>Justification and description of beneficiaries of the project</b></p> <p>This includes full time 38 employees at the plant and 620 employees working on part time. In addition, 4000 sunflower farmers will yield 650kg per 1.5 acre (farmer will yield a range of 500kg-650kg seeds of sunflower per 1.5 acre) and 6000 seed cotton farmers yield of cotton 400kg per acre with the project the yield will increase to 700kg per 1.5 acre (with a view that each</p>	

	Household with 5 members would manage 5 acres).	
H7	NET benefit per direct beneficiary, per year (after 6 years) (US\$)	\$ 250
H8	<b>Justification and description of NET benefit figure</b>  The beneficiaries involved are in two levels, level one are those involved in contract farming arrangement operationalizing source-processing model and level two are those have direct labour to the plant (plant staff and buying post staff).	
H9	<b>Total benefit</b>	<b>\$ 2,723,757</b>
H10		

#### Benefits to other businesses

H11	<p>The project will benefit the following businesses;</p> <ul style="list-style-type: none"> <li>• Media such as newspapers advertisement, radio and television commercials branding "Nice Fry" oil by \$.4,440 (2017)</li> <li>• Polythene bags and jerry can manufacturing industries, supplying oil packaging material of 3L,5L,10L and 20L</li> <li>• Plant supplied equipments, furnitures and consumables to facilitate and support operations by \$ 5,550</li> </ul>
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#### Replication

H12	<p>The business idea has a potential of replication elsewhere with other investors, including MSK as part of its expansion investment plan in palm oil processing in the future. This would benefit additional 5000 farmers in the Western part of Tanzania in Kigoma region of which MSK is earmaking on the ongoing feasibility study on the market and palm sourcing through contract farming with the view to replicate Source-Processing double refined edible oil model.</p>
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## WIDER DEVELOPMENTAL IMPACT – CHANGES TO MARKET SYSTEMS

<b>Law and regulation</b>	
<b>I1</b>	<p>The laws that would have direct impact on the business are as follows; The Employment and Labour Relations Act 2004, Occupation, Safety and Health Act 2003, Tanzania Investment Act 1997, Tanzania Food and Drugs Authority and Tanzania Bureau of Standards laws respectively.</p> <p>Also, there are government institutions which provide support to the business this include; Tanzania Investment Center (TIC) issues Certificate of Incentives of which provides Tax relief to investment capital goods, Tanzania Cotton Board (TCB) provides permits and industry information, Tanzania Bureau of Standards (TBS) provides quality certification oversight, TPRI provides industry information and research information and Tanzania Revenue Authority (TRA). Government authorities engaged on the project so far amongst other is the Misungwi district council in the project area. The Tanzania Cotton Board as a major oversight stakeholder has been instrumental in facilitating project take off by providing industry information and market trend in Tanzania.</p>
<b>Sources of information</b>	
<b>I2</b>	<p>Market data and trends provide useful information on the business and on the overall business strategy. However, improvement of the same is central to the project and edible oil industry specifically on timely data and informative forecast. It should be noted that, having current and fresh market information and industry analysis remains a challenge as there is more or less one reliable source of information dominated by the Cotton Board.</p> <p>Other key sources of information includes but not limited to financial institutions mainly commercial banks, provides industry analysis as they are principal actors in financing cotton and sunflower production. In addition, Ministry of Industry and Trade is another key source of information on the price push effect in the edible oil industry.</p> <p>The project aims at addressing current information challenge on market trend and industry information by setting up a Research and Development Unit (R&amp;D) specifically to collect, collate and analyse market and industry data and trend respectively. The Unit will be led by qualified team of experts in Agriculture, business, marketing, financial forecasting and technologists.</p>
<b>Physical infrastructure</b>	
<b>I3</b>	<p>Physical infrastructure is in place, this includes main road off the highway to the central regions, electricity is supplied by Tanzania Electric Supply Company Ltd (TANESCO), Water services is available through conventional water connection, road transportation is easily accessible and ICT connectivity is present. Conventional telecommunication network is present both fixed lines and mobile services. All basic infrastructure to support the project is available of which provides investment space for future expansion plan. MSK supporting infrastructure such as collection posts/buying centers, ginnery and trucks are present and operational.</p>
<b>Other adverse factors</b>	

14	<p>Government policy to advance impact investment in support of private sector development through financial institutions has failed to be translated in practice. Access to finance specifically through local commercial banks have significant effect on the business, as the lending terms and conditions does not provide investment loan repayment flexibility, mainly to long term loan. In addition, lending requirements are quite demanding to finance long term investment. For example on average security is gauged at 120% against the loan, yet the procedures to access commercial bank financing is too bureaucratic with little or no access to investor information feedback process. Moreover, local commercial banks do not provide reasonable repayment schedule, providing investment loan with short term repayment and not as a debt. This contrains business growth and handicap long term investment. However, the weigh measure to address financing problem is through sourcing of alternative access to finance through equity, own saving and exploring on social capital investment financing.</p>
<p><b>Competition and replication</b></p>	
15	<p>There is no foreseeable stiff competition in the market since the demand surpasses the supply. This is translated as follows; Tanzania edible oil demand is estimated about 330,000 MT, locally produced 148,000 MTS(45%), deficit 181,500 MT (55%), (Edible Oil Producers Forum, 2010).The project has a potential of being replicated in other areas in Tanzania with the view of meeting edible oil demand of which fall short of supply in Tanzania and elsewhere in Africa. Nevertheless, the replication is expected to be carried out by MSK in the Palm oil double refining. Palm is abundant in Tanzania largely from Kigoma region and the same is heavily imported from South East Asia specifically from Indonesia and Malaysia. Expansion to process palm is a well thought MSK business plan in the next five years.</p>

## SECTION J: MONITORING AND EVALUTION

### Monitoring and Evaluation of Progress

J1	KPI	Description	Year 2012	Year 2013	Year 2014	Year 2015	Year 2016	Year 2017
		<b>BUSINESS PERFORMANCE</b>						
	<b>1</b>	Production – Cotton Oil (Kg)	660,000	1,080,000	1,560,000	1,560,000	1,560,000	1,560,000
		Sunflower (Kg)	540,000	810,000	1,350,000	1,620,000	1,890,000	1,890,000
	<b>2</b>	Profits	\$ 781,638	\$ 1,010,972	\$ 1,811,206	\$ 1,897,673	\$ 1,987,539	\$ 1,902,334
		<b>DEVELOPMENT IMPACT</b>						
	<b>3</b>	Contracted Farmers	15,000	20,000	25,000	30,000	30,000	30,000
	<b>4</b>	Cotton Purchases (Kg)	5,500,000	9,000,000	13,000,000	13,000,000	13,000,000	13,000,000
	<b>5</b>	Sunflower Purchases (Kg)	2,000,000	3,000,000	5,000,000	6,000,000	7,000,000	7,000,000
		<b>SYSTEMIC CHANGE</b>						
	<b>6</b>	Ginners on Contract Farming	All Ginners are required to comply with new policy of Contract farming					
	<b>7</b>	Extension	All Ginners replicated contract farming to cover wide range of areas and farmers	More than thirty ginners in the lake zone comply with contract farming policy				
	<b>8</b>	Government Process	Edible oil processing Policy Change					

## OWNERSHIP STRUCTURE, HISTORY AND OPERATIONS

Business details		
K1	Year established	2010
K2	Annual turnover (USD)	
K3	No. full-time employees	38
K4	No. part-time employees	620
K5	Core business	Cash Crop sourcing and processing

Company Registration		
K6	Company registration number	76170
K7	Country of registration	Tanzania

Shareholders			
K8	Shareholder 1	Mohammed Shaweji	17.0% holding
	Shareholder 2	Yohana Mswahili	17.0% holding
	Shareholder 3	Hamisi Kigwangalla	17.0% holding
	Other shareholders		
	Total share issued		51%

## History of the business

**K9** MSK was established in 2001, by then organized as a partnership and operating as commission agent for sourcing cash crop from farmers and supply to companies, such as Olam Tanzania limited, Mohamed Enterprises (MeTL). Most of the products and crops were cotton seed in the lake zone and cashewnut in the southern coast regions of Tanzania. However, in 2006 MSK Solutions was incorporated as a private limited liability company, It was incorporated under the Companies Act 2002, of the United Republic of Tanzania with certificate of incorporation number 55203 of 26<sup>th</sup> January, 2006. in its efforts to move the cotton value chain the company has established this new edible cooking double refine factory, capable of processing both sunflower and cotton seeds

MSK Solutions was established by Tanzanian Entrepreneurs, with qualified professional background with minimum 5 years experience in Agro business. These are; Yohana Mswahili Masasa, Dr. Hamis Andrea Kigwangalla, Eng. Mohamed Shaweji Salum and Wema Gilala. Apparently, Wema had been bought out.

Since its establishment MSK Solutions has been at the centre stage in crop sourcing from farmers and processing the same, final products are sold to both local and international markets. The following is our business trend since 2006 to date; In 2006 MSK was incorporated and started business operations with its headquarters in Dar es Salaam and a branch office in Mwanza. In 2007 MSK hired Mara lint ginnery situated in Bunda, Mara region where it started buying cotton seeds from farmers and processed about 4000 bales per annum. The bales were sold to Plexus Cotton Ltd of the United Kingdom and Mohamed Enterprises Ltd (MeTL) a local spinner in Tanzania respectively. In 2008 MSK acquired Mwalujo ginnery in Kwimba district, Mwanza region. At the same time operated, hired Mara lint ginnery and produced about 6000 bales which were sold to Plexus cotton Ltd, MeTL as well. At this point MSK was able to expand its export to spinners in Bangkok, Thailand.

In 2008, MSK Solutions is the first Tanzanian local company to establish cotton brand direct to spinners abroad without using International merchants. Bales were sold to directly to Lucky Spinning Ltd, of Bangkok Thailand. During the same period of 2008, MSK diversified its operations and won a bid to supply crop packaging material (jute bags) to the Southern regions Co-operative Union, producing large quantities of raw cashewnut, ever since MSK is the largest supplier of cashewnut packaging materials. In 2009 MSK Solutions and Luck Spinning of Bangkok, Thailand among other leading spinners in Southern Asia signed a Memorandum of Understanding (MoU) to establish state of the art spinning mill and at later stage garment manufacturing factory in Tanzania. 25,500 square meters of land has been acquired through the sisters companies of JVC and MSK Apparels ltd at Benjamin Mkapa Export Processing Zone (BMSEZ) for the same.

In 2009, MSK established Cotton Development Project, as pro poor alternative economic earnings to rural majority in Nzega district, Tabora region, in collaboration with Rural Livelihood Development Company (RLDC). The project has engaged 5000 registered farmers and support them in tilling their farms, providing input supplies and training them on modern farming practice (extension service).

However, in 2010 MSK resolved to establish state of the art dual processing facility of sunflower and cotton seeds edible oil in Mwanza city. The objective to add value to locally produced seeds and creating sustainable markets to rural farmers engaging in production of both sunflower and cotton in the lake zone region. The oil mill facility will increase MSK turn over from \$ 3,500,000M (2010) to \$ 12,500,000M (2017).

MSK continues to advance pro poor farmer-friendly policy to improve life of rural majority and create sustainable markets for their produces. This is through forward and backward linkages, completion of agriculture value chain.

Operations	
<b>K10</b>	MSK ginning facility has production capacity of ginning 52,000 bales per year (32tons) of which 240 bales per day, 210Kg of lint per bale. The facility has 887 staff of which 142 production, 133 logistics, 608 buying posts and 24 Administration. The facility has generator sets; 2-350KVA, 1-70KVA, 1-27KVA. In addition, Fuel Storage Tanks 1-15,000L and 1-10,000L and 1-fuel pump. The ginnery had been making good profits, now MSK expands to edible oil plant with production capacity (capable to process both cotton seeds and sunflower) of 75 tons per day. With the supply of 19,800 tons of cotton and sunflower per year. The plant will have the capacity to produce 3,600 tons of oil per year. MSK has collaboration with RLDC (Inter Cooperation and Swiss Contact NGOs), forged partnership to establish Cotton Development Project-NZECODEP in Nzega districts. To increase cotton production, productivity and quality with focus of creating sustainable markets for rural poor farmers. MSK operations are supported by an ICT backed Management Information System.

## MANAGEMENT AND PERSONNEL

Management and Personnel	
<i>Set out the structure and key skills of management team and staff</i>	
<b>L1</b>	<p>The MSK is managed by Joint Chief Executive Officers, here under is a brief profile of the key executives of the group:</p> <p>Mr. Yohana Mswahili, CEO Finance and Investments, Is a post graduate candidate of Corporate Management and graduate of Business Administration and Management both acquired at Mzumbe University. He has 14 years experience in cash crops procurement, processing to exports. Prior to working with MSK Solutions he worked with Olam International Ltd in Sub Saharan African countries of Tanzania, Kenya, Uganda, Malawi and Zimbabwe. He is founder and full time employee and serves as Board Chairman of MSK Solutions Group of companies.</p> <p>Dr. Hamis Andrea Kigwangalla, CEO Administration and Marketing Strategy, medical graduate of Medicine. He is post graduate of Public Health and Business Administration. Hamis has 8 years experience in Agro business, consulting and community development projects. He is co-founder, Secretary to the Board of Directors of MSK group of companies and full time employee of MSK.</p> <p>Eng: Mohamed Shaweji, CEO Operation, graduate in Computer Science Engineering. He is a Microsoft Certified System Engineer (MCSE) and Database Administrator (MSDBA). Hp Accredited Platform Specialist (Hp APS). Shaweji has 6 years experience in Agro business, is a co-founder and part time employee of MSK.</p> <p>Mr. Govindaraj Rajaram, General Manager, has diploma in Textile technology. He is an expert with certification in cotton processing operations, ISO-IQ Auditors Training. He is responsible for operations, Accounts and Financial management. Has 17 years experience in cotton industry, agro procurement and processing factories. Is a full time employee.</p> <p>Mr. Daligo Kossami, Accountant, graduate in Business Administration (Accounts and Finance). Is a full time employee responsible for financial matters of MSK Group.</p> <p>Mr. Denis Jackson, Financial Controller, graduate in Finance and Accounts, he is Certified Public Accountant (CPA) finalist. He is in-charge of financial control of the company and would be the focal financial person for AECF fund management.</p>

## PROJECTED FINANCIAL STATEMENTS

Please attach to the business plan, in your own format, six year proforma project financial statements (P&L, Balance sheet and cash flow statements). Explanatory notes can be included in the box below

<b>N1</b>	Please see attached Spreadsheets
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## ENVIRONMENTAL ISSUES

*Evidence of a positive (not just neutral) environmental impact.*

The project is sensitive to environment from planting at farm to processing at factory. Should recalled that both cotton and subflower are cultivated yearly, collected and burnt after harvest to prevent disease spread to the forthcoming season and some are used as fire wood for domestic use. Oil production does not involve chemical processes, the main ingredient is caustic soda in a mixture of 50:6750:500Kgs, chemical, oil and water, the finished product is edible oil. Water is recycled for boiling system to generate steam. Soap generated is used for domestic laundry and sold at low price to serve lower class income. Husks is collected and used as source of energy to power the boiler, excess is sold as animal feed in the local market. The company is in conclusion of the Environmental Impact Assessment (EIA), and from the findings the company is prepared to develop mitigation plans. Nevertheless, the company is at the final stage in developing specific Environmental Conservation and Safe Waste Disposal Guideline in line with MSK Environmental Protection and Quality Assurance Policy.

## RISKS AND ASSUMPTIONS

No	Key Risks	Impact (L, M, H)	Probability of risk occurring (L, M, H)	Mitigation Strategies
9	Power shedding and/or cut off	H	M	24 hours generator on standby
10	Water cutoff and/or shortage of supply	M	L	Constructed water storage facility/tanks with storage capacity to keep running the plant for 3 consecutive months
11	Increase of spiral inflation	H	M	Investment relief on imported capital goods (incentive application) lodged at TIC and/or Tax exemption request

12	Impact on gross margin as a result of currency devaluation	L	L	Application for stimulus package from the government
13	Decrease in production level due to adverse change of weather	M	M	Opt dual seed cotton and sunflower, change of one leads to choice of the other
14	Product competition with imported oil due to fall in price	M	L	sales in advance, forward contract/sales to avoid risks as a result of price drop of imported oil
15	Competition from source market	L	L	contract farming guarantee supply, reduce of variable costs-downsize

## OTHER INFORMATION

*Other relevant information not included in other sections.*

The project mainstream gender equity of which among 620 buying posts staff 50% are women. They would benefit more by \$ 120 compared to the current earning which stand at \$ 175

Government support to the project is significant as part of private sector development support. This is through timely issuance of permits and licenses. Tax exemption to capital goods is an incentive in making the project a successful end. Misungwi district council is the immediate interlocutor to the development of the project.

Moreover, local community around the project are key stakeholders in various stages, providing project legitimacy through forward and backward benefits to the community. This aims at building local ownership and attachment to the project.

5551-AECF-2843-0009

TZW-R1

Company: MSK REFINERY LIMITED

Project: CASH CROP SOURCING AND PROCESSING

[1]	Key Activity <i>(incl Key Inputs)</i>	[2] Key Project Outcomes	2011		2012				2013				2014				2015				2016				2017			
			Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>1</b>	<b>CONSTRUCTION OF OIL PLANT</b>																											
1.1	Mobilization and sourcing of building materials	Delivery of building material on site																										
1.2	Construction and fabrication of plant buildings	Main plant house, warehouses built																										
1.3	Completion of plant buildings and handover	Oil Mill facility handed over to MSK by contractor																										
<b>2</b>	<b>RECRUITMENT OF STAFF AND OPERATIONAL TRAINING</b>																											
2.1	Recruiting of plant staff working in different plant sections	Recruited staff on standby on call to start work																										
2.2	Training of recruited staff on plant operational requirements	Trained qualified staff capable to man plant operations																										
2.3	Continuous staff training to consolidate operational requirements	Increase of operations and productions efficiency																										
2.4	Refresher training to core plant staff on advanced operational requirements	Increase in efficiency and plant management and safety measures																										
2.5	Recruiting and Training of buying posts staff	Buying posts staff recruited, trained and deployed to buying posts																										
<b>3</b>	<b>BUYING POSTS COORDINATION AND POINT-OF SALES ENGAGEMENT</b>																											
3.1	Setting up of buying posts and logistical support	Posts established coordinating seed cotton and sunflower supply to the plant																										
3.2	Engaging Point of Sales and set up distribution channel	No. of Point of sales engaged and distribution mode agreed																										
<b>4</b>	<b>OIL MILL PLANT STARTS OPERATIONS</b>																											
4.1	Plant's operations starts and oil production commence (run trial production)	Edible oil product produced																										
4.2	Scaling up production to maximum capacity	Edible oil product enters the market																										
<b>5</b>	<b>REPAYMENT OF AECF REPAYABLE LOAN</b>																											
5.1	Repayable grant/loan to AECF commence																											
5.2	Loan repayment	1st Installment																										
5.3	Loan repayment	2nd Installment																										
5.4	Loan repayment	3rd Installment																										
5.5	Loan repayment	4th Installment																										
5.6	Loan repayment	5th Installment																										
5.7	Loan repayment	6th Installment																										
5.8	Loan repayment	7th Installment																										
5.9	Loan repayment	8th Installment																										
5.10	Loan repayment	9th Installment																										
5.11	Loan repayment	10th Installment																										
5.12	Loan repayment	11th Installment																										
5.13	Loan repayment	12th Installment																										

**Notes**

1. Please shade in each quarter in which the activity described will occur.
2. Whether you use various colours (some find it helpful) or simply black or grey, is up to you.
3. Please insert additional rows, as necessary.

**MSK REFINERY LIMITED**  
**Edible Oil Mill Strategic Business Unit**  
**PROJECT CAPITAL COST 2012-2017**

S/N	DETAILS	Year 2012 - Year 2017	PROJECT TOTAL COST
<b>1</b>	<b>PLANT</b>		
	Machinery Purchase Cost	\$ 720,700.00	\$ 720,700.00
	Value Added Tax (18%)-Tanzania	\$ 129,726.00	\$ 129,726.00
	Transportation Tanzania Mainland	\$ 10,000.00	\$ 10,000.00
	Installation Charges	\$ 10,000.00	\$ 10,000.00
	<b>Plant Total Cost</b>	<b>\$ 870,426.00</b>	<b>\$ 870,426.00</b>
<b>2</b>	<b>BUILDINGS</b>		
	Warehouse Blocks	\$ 366,000.00	\$ 366,000.00
	Administration Block	\$ 225,000.00	\$ 225,000.00
	Rest House Block	\$ 30,000.00	\$ 30,000.00
	<b>Buildings Total Cost</b>	<b>\$ 621,000.00</b>	<b>\$ 621,000.00</b>
<b>3</b>	<b>PROPERTY AND EQUIPMENT</b>		
	Weighing Bridge	\$ 65,000.00	\$ 65,000.00
	Motorvehicle	\$ 55,000.00	\$ 55,000.00
	Furniture and Fittings	\$ 5,500.00	\$ 5,500.00
	<b>Property and Equipment Total Cost</b>	<b>\$ 125,500.00</b>	<b>\$ 125,500.00</b>
<b>4</b>	<b>CIVIL WORKS</b>		
	Architecture Cost	\$ 33,000.00	\$ 33,000.00
	Main Contractor Cost	\$ 22,000.00	\$ 22,000.00
	Utility Cost-TANESCO/MWAUWASA Installation	\$ 4,500.00	\$ 4,500.00
	<b>Civil Work Total Cost</b>	<b>\$ 59,500.00</b>	<b>\$ 59,500.00</b>
<b>5</b>	<b>LAND</b>		
	Lot Purchase Cost	\$ 40,000.00	\$ 40,000.00
	Title Deed & Permitt registration	\$ 10,000.00	\$ 10,000.00
	<b>Land Total Cost</b>	<b>\$ 50,000.00</b>	<b>\$ 50,000.00</b>
<b>GRAND TOTAL PROJECT COST</b>			<b>\$ 1,726,426.00</b>

**Edible Oil Strategic Business Unit  
PRODUCTION SCHEDULE**

Schedule 1 (a)

	INPUT							OUTPUT (PRODUCTION)								
	MATERIAL				LABOUR			YIELD		FROM COTTON SEED				FROM SUNFLOWER SEED		
	Cotton Seed	Sunflower Seed	Caustic Soda	Packing Materials	Working Days	Shifts	Number of Workers	Cotton Seed	Sunflower Seed	Cotton Oil	Cotton Cake	Cotton Husks	Sludge	Sunflower Jerry Cans	Sunflower Cake	Waste
Year 2012	Kgs.	Kgs.	Kgs.	Empty J/Cans						Jerry Can	Kgs.	Kgs.	Kgs.		Kgs.	Kgs.
Quarter 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Quarter 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Quarter 3	2,750,000	1,000,000	36,667	33,333	66	198	2,376	12%	27%	18,333	1,485,000	880,000	55,000	15,000	710,000	20,000
Quarter 4	2,750,000	1,000,000	36,667	18,333	66	198	2,376	12%	27%	18,333	1,485,000	880,000	55,000	15,000	710,000	20,000
	5,500,000	2,000,000	73,333	51,667	132	396	4,752			36,667	2,970,000	1,760,000	110,000	30,000	1,420,000	40,000
<b>Year 2013</b>																
Quarter 1	2,250,000	750,000	30,000	26,250	66	198	2,376	12%	27%	15,000	1,215,000	720,000	45,000	11,250	532,500	15,000
Quarter 2	2,250,000	750,000	30,000	26,250	66	198	2,376	12%	27%	15,000	1,215,000	720,000	45,000	11,250	532,500	15,000
Quarter 3	2,250,000	750,000	30,000	26,250	66	198	2,376	12%	27%	15,000	1,215,000	720,000	45,000	11,250	532,500	15,000
Quarter 4	2,250,000	750,000	30,000	15,000	66	198	2,376	12%	27%	15,000	1,215,000	720,000	45,000	11,250	532,500	15,000
	9,000,000	3,000,000	120,000	93,750	264	792	9,504			60,000	4,860,000	2,880,000	180,000	45,000	2,130,000	60,000
<b>Year 2014</b>																
Quarter 1	3,250,000	1,250,000	43,333	40,417	66	198	2,376	12%	27%	21,667	1,755,000	1,040,000	65,000	18,750	887,500	25,000
Quarter 2	3,250,000	1,250,000	43,333	40,417	66	198	2,376	12%	27%	21,667	1,755,000	1,040,000	65,000	18,750	887,500	25,000
Quarter 3	3,250,000	1,250,000	43,333	40,417	66	198	2,376	12%	27%	21,667	1,755,000	1,040,000	65,000	18,750	887,500	25,000
Quarter 4	3,250,000	1,250,000	43,333	21,667	66	198	2,376	12%	27%	21,667	1,755,000	1,040,000	65,000	18,750	887,500	25,000
	13,000,000	5,000,000	173,333	142,917	264	792	9,504			86,667	7,020,000	4,160,000	260,000	75,000	3,550,000	100,000
<b>Year 2015</b>																
Quarter 1	3,250,000	1,500,000	43,333	44,167	66	198	2,376	12%	27%	21,667	1,755,000	1,040,000	65,000	22,500	1,065,000	30,000
Quarter 2	3,250,000	1,500,000	43,333	44,167	66	198	2,376	12%	27%	21,667	1,755,000	1,040,000	65,000	22,500	1,065,000	30,000
Quarter 3	3,250,000	1,500,000	43,333	44,167	66	198	2,376	12%	27%	21,667	1,755,000	1,040,000	65,000	22,500	1,065,000	30,000
Quarter 4	3,250,000	1,500,000	43,333	21,667	66	198	2,376	12%	27%	21,667	1,755,000	1,040,000	65,000	22,500	1,065,000	30,000
	13,000,000	6,000,000	173,333	154,167	264	792	9,504			86,667	7,020,000	4,160,000	260,000	90,000	4,260,000	120,000
<b>Year 2016</b>																
Quarter 1	3,250,000	1,750,000	43,333	47,917	66	198	2,376	12%	27%	21,667	1,755,000	1,040,000	65,000	26,250	1,242,500	35,000
Quarter 2	3,250,000	1,750,000	43,333	47,917	66	198	2,376	12%	27%	21,667	1,755,000	1,040,000	65,000	26,250	1,242,500	35,000
Quarter 3	3,250,000	1,750,000	43,333	47,917	66	198	2,376	12%	27%	21,667	1,755,000	1,040,000	65,000	26,250	1,242,500	35,000
Quarter 4	3,250,000	1,750,000	43,333	21,667	66	198	2,376	12%	27%	21,667	1,755,000	1,040,000	65,000	26,250	1,242,500	35,000
	13,000,000	7,000,000	173,333	165,417	264	792	9,504			86,667	7,020,000	4,160,000	260,000	105,000	4,970,000	140,000
<b>Year 2017</b>																
Quarter 1	3,250,000	1,750,000	43,333	47,917	66	198	2,376	12%	27%	21,667	1,755,000	1,040,000	65,000	26,250	1,242,500	35,000
Quarter 2	3,250,000	1,750,000	43,333	47,917	66	198	2,376	12%	27%	21,667	1,755,000	1,040,000	65,000	26,250	1,242,500	35,000
Quarter 3	3,250,000	1,750,000	43,333	47,917	66	198	2,376	12%	27%	21,667	1,755,000	1,040,000	65,000	26,250	1,242,500	35,000
Quarter 4	3,250,000	1,750,000	43,333	21,667	66	198	2,376	12%	27%	21,667	1,755,000	1,040,000	65,000	26,250	1,242,500	35,000
	13,000,000	7,000,000	173,333	165,417	264	792	9,504			86,667	7,020,000	4,160,000	260,000	105,000	4,970,000	140,000

**MSK REFINERY LIMITED**  
**Edible Oil Strategic Business Unit**  
**PRODUCTION COST SCHEDULE**

Schedule 1(b)

	MATERIAL COST												LABOUR COST						
	COTTON SEED			SUNFLOWER SEED			PACKING MATERIALS			CHEMICALS			WAGE PAY						
	Cotton Seed	Unit Price	Amount	Sunflower Seed	Unit Price	Amount	Empty Jerry Can	Unit Price	Amount	Caustic Soda	Unit Price	Amount	Working Days	Number of Shifts	Hours per Shift	Number of Workers	Total Working Hours	Pay Rate/Hour	Total Wage Pay
Year 2012	Kgs.	US.\$	US.\$	Kgs.	US.\$	US.\$	Pc	US.\$	US.\$	Kgs.	US.\$	US.\$			Hours		Hours	US.\$	US.\$
Quarter 1	0	0.00	0	0	0.00	0	0	0.00	0	0	0.0000	0	0	0	0	0	0	0.00	0.00
Quarter 2	0	0.00	0	0	0.00	0	0	0.00	0	0	0.0000	0	0	0	0	0	0	0.00	0.00
Quarter 3	2,750,000	0.30	825,000	1,000,000	0.60	600,000	33,333	2.33	77,667	36,667	0.0400	1,467	66	198	8	36	57,024	0.48	27,216.00
Quarter 4	2,750,000	0.30	825,000	1,000,000	0.60	600,000	18,333	2.33	42,717	36,667	0.0400	1,467	66	198	8	36	57,024	0.48	27,216.00
	<b>5,500,000</b>	<b>0.300</b>	<b>1,650,000</b>	<b>2,000,000</b>	<b>0.600</b>	<b>1,200,000</b>	<b>51,667</b>	<b>2.33</b>	<b>120,383</b>	<b>73,333</b>	<b>0.040</b>	<b>2,933</b>	<b>132</b>	<b>396</b>			<b>114,048</b>	<b>0.477</b>	<b>54,432.00</b>
<b>Year 2013</b>																			
Quarter 1	2,250,000	0.30	675,000	750,000	0.60	450,000	26,250	2.45	64,221	30,000	0.0420	1,260	66	198	8	36	57,024	0.53	29,938
Quarter 2	2,250,000	0.30	675,000	750,000	0.60	450,000	26,250	2.45	64,221	30,000	0.0420	1,260	66	198	8	36	57,024	0.53	29,938
Quarter 3	2,250,000	0.32	708,750	750,000	0.63	472,500	26,250	2.45	64,221	30,000	0.0420	1,260	66	198	8	36	57,024	0.53	29,938
Quarter 4	2,250,000	0.32	708,750	750,000	0.63	472,500	5,000	2.45	36,698	30,000	0.0420	1,260	66	198	8	36	57,024	0.53	29,938
	<b>9,000,000</b>	<b>0.308</b>	<b>2,767,500</b>	<b>3,000,000</b>	<b>0.615</b>	<b>1,845,000</b>	<b>93,750</b>	<b>2.45</b>	<b>229,359</b>	<b>120,000</b>	<b>0.042</b>	<b>5,040</b>	<b>264</b>	<b>792</b>			<b>228,096</b>	<b>0.525</b>	<b>119,750</b>
<b>Year 2014</b>																			
Quarter 1	3,250,000	0.32	1,023,750	1,250,000	0.63	787,500	40,417	2.57	103,823	43,333	0.0441	1,911	66	198	8	36	57,024	0.58	32,931
Quarter 2	3,250,000	0.32	1,023,750	1,250,000	0.63	787,500	40,417	2.57	103,823	43,333	0.0441	1,911	66	198	8	36	57,024	0.58	32,931
Quarter 3	3,250,000	0.33	1,074,938	1,250,000	0.66	826,875	40,417	2.57	103,823	43,333	0.0441	1,911	66	198	8	36	57,024	0.58	32,931
Quarter 4	3,250,000	0.33	1,074,938	1,250,000	0.66	826,875	21,667	2.57	55,658	43,333	0.0441	1,911	66	198	8	36	57,024	0.58	32,931
	<b>13,000,000</b>	<b>0.323</b>	<b>4,197,375</b>	<b>5,000,000</b>	<b>0.646</b>	<b>3,228,750</b>	<b>142,917</b>	<b>2.57</b>	<b>367,128</b>	<b>173,333</b>	<b>0.044</b>	<b>7,644</b>	<b>264</b>	<b>792</b>			<b>228,096</b>	<b>0.578</b>	<b>131,725</b>
<b>Year 2015</b>																			
Quarter 1	3,250,000	0.331	1,074,938	1,500,000	0.662	992,250	44,167	2.697	119,129	43,333	0.0463	2,007	66	198	8	36	57,024	0.635	36,224
Quarter 2	3,250,000	0.331	1,074,938	1,500,000	0.662	992,250	44,167	2.697	119,129	43,333	0.0463	2,007	66	198	8	36	57,024	0.635	36,224
Quarter 3	3,250,000	0.347	1,128,684	1,500,000	0.695	1,041,863	44,167	2.697	119,129	43,333	0.0463	2,007	66	198	8	36	57,024	0.635	36,224
Quarter 4	3,250,000	0.347	1,128,684	1,500,000	0.695	1,041,863	21,667	2.697	58,441	43,333	0.0463	2,007	66	198	8	36	57,024	0.635	36,224
	<b>13,000,000</b>	<b>0.339</b>	<b>4,407,244</b>	<b>6,000,000</b>	<b>0.678</b>	<b>4,068,225</b>	<b>154,167</b>	<b>2.697</b>	<b>415,829</b>	<b>173,333</b>	<b>0.046</b>	<b>8,026</b>	<b>264</b>	<b>792</b>			<b>228,096</b>	<b>0.635</b>	<b>144,898</b>
<b>Year 2016</b>																			
Quarter 1	3,250,000	0.347	1,128,684	1,750,000	0.695	1,215,506	47,917	2.832	135,706	43,333	0.0486	2,107	66	198	8	36	57,024	0.699	39,847
Quarter 2	3,250,000	0.347	1,128,684	1,750,000	0.695	1,215,506	47,917	2.832	135,706	43,333	0.0486	2,107	66	198	8	36	57,024	0.699	39,847
Quarter 3	3,250,000	0.365	1,185,119	1,750,000	0.729	1,276,282	47,917	2.832	135,706	43,333	0.0486	2,107	66	198	8	36	57,024	0.699	39,847
Quarter 4	3,250,000	0.365	1,185,119	1,750,000	0.729	1,276,282	21,667	2.832	61,363	43,333	0.0486	2,107	66	198	8	36	57,024	0.699	39,847
	<b>13,000,000</b>	<b>0.356</b>	<b>4,627,606</b>	<b>7,000,000</b>	<b>0.712</b>	<b>4,983,576</b>	<b>165,417</b>	<b>2.83</b>	<b>458,481</b>	<b>173,333</b>	<b>0.049</b>	<b>8,428</b>	<b>264</b>	<b>792</b>			<b>228,096</b>	<b>0.699</b>	<b>159,388</b>
<b>Year 2017</b>																			
Quarter 1	3,250,000	0.365	1,185,119	1,750,000	0.729	1,276,282	47,917	2.974	142,492	43,333	0.0511	2,212	66	198	8	36	57,024	0.769	43,832
Quarter 2	3,250,000	0.365	1,185,119	1,750,000	0.729	1,276,282	47,917	2.974	142,492	43,333	0.0511	2,212	66	198	8	36	57,024	0.769	43,832
Quarter 3	3,250,000	0.383	1,244,375	1,750,000	0.766	1,340,096	47,917	2.974	142,492	43,333	0.0511	2,212	66	198	8	36	57,024	0.769	43,832
Quarter 4	3,250,000	0.383	1,244,375	1,750,000	0.766	1,340,096	21,667	2.974	64,431	43,333	0.0511	2,212	66	198	8	36	57,024	0.769	43,832
	<b>13,000,000</b>	<b>0.37</b>	<b>4,858,986</b>	<b>7,000,000</b>	<b>0.75</b>	<b>5,232,754</b>	<b>165,417</b>	<b>2.97</b>	<b>491,966</b>	<b>173,333</b>	<b>0.0511</b>	<b>8,849</b>	<b>264</b>	<b>792</b>			<b>228,096</b>	<b>0.769</b>	<b>175,327</b>

**MSK REFINERY LIMITED**  
**Edible Oil Strategic Business Unit**  
**OPERATION RUNNING COST**

Schedule 2

	Techn Staff Salaries	Electricity & Water	Mach. Repair & Maintainance	Fuel for Standby Generator	Insurance - Stocks & Machinery	Cotton & Sunflower Seed Handling	Depreciation	TOTAL
	US.\$	US.\$	US.\$	US.\$	US.\$	US.\$	US.\$	US.\$
<b>Year 2012</b>								
Quarter 1	-	-	-	-	-	-	-	-
Quarter 2	-	-	-	-	-	-	-	-
Quarter 3	6,006	2,727	13,056	1,091	1,544	7,125	43,379	74,929
Quarter 4	6,006	2,727	13,056	1,091	1,544	7,125	43,379	74,929
	12,012	5,455	26,113	2,182	3,088	14,250	86,758	149,857
<b>Year 2013</b>								
Quarter 1	6,306	2,795	15,232	1,118	1,621	5,625	23,801	56,499
Quarter 2	6,306	2,795	15,232	1,118	1,621	5,625	23,801	56,499
Quarter 3	6,306	2,795	15,232	1,118	1,621	5,906	23,801	56,781
Quarter 4	6,306	2,795	15,232	1,118	1,621	5,906	23,801	56,781
	25,225	11,182	60,930	4,473	6,485	23,063	95,203	226,500
<b>Year 2014</b>								
Quarter 1	6,622	2,865	17,409	1,146	1,702	9,056	20,826	59,626
Quarter 2	6,622	2,865	17,409	1,146	1,702	9,056	20,826	59,626
Quarter 3	6,622	2,865	17,409	1,146	1,702	9,509	20,826	60,079
Quarter 4	6,622	2,865	17,409	1,146	1,702	9,509	20,826	60,079
	26,486	11,461	69,634	4,585	6,809	37,131	83,303	239,409
<b>Year 2015</b>								
Quarter 1	6,953	2,937	19,585	1,175	1,787	10,336	18,223	60,995
Quarter 2	6,953	2,937	19,585	1,175	1,787	10,336	18,223	60,995
Quarter 3	6,953	2,937	19,585	1,175	1,757	10,853	18,223	61,512
Quarter 4	6,953	2,937	19,585	1,175	1,787	10,853	18,223	61,512
	27,811	11,748	78,338	4,699	7,150	42,377	72,890	245,013
<b>Year 2016</b>								
Quarter 1	7,300	3,010	21,761	1,204	1,877	11,721	15,945	62,818
Quarter 2	7,300	3,010	21,761	1,204	1,877	11,721	15,945	62,818
Quarter 3	7,300	3,010	21,761	1,204	1,877	12,307	15,945	63,404
Quarter 4	7,300	3,010	21,761	1,204	1,877	12,307	15,945	63,404
	29,201	12,042	87,043	4,817	7,507	48,056	63,779	252,444
<b>Year 2017</b>								
Quarter 1	7,665	3,086	23,937	1,234	1,971	12,307	13,952	64,151
Quarter 2	7,665	3,086	23,937	1,234	1,971	12,307	13,952	64,151
Quarter 3	7,665	3,086	23,937	1,234	1,971	12,922	13,952	64,766
Quarter 4	7,665	3,086	23,937	1,234	1,971	12,922	13,952	64,766
	30,661	12,343	95,747	4,937	7,882	50,459	55,806	257,835

**MSK REFINERY LIMITED**  
**Edible Oil Strategic Business Unit**  
**PRODUCT SALES SCHEDULE**

Schedule 3

	MAIN PRODUCTS															BY-PRODUCTS						Total Sales
	COTTON SEED OIL						SUNFLOWER SEED						COTTON BY-PRODUCTS			SUNFLOWER BY-PRODUCTS						
	Cotton Seed	Unit Price	Amount	Sunflower Seed	Unit Price	Amount	Cotton Cake	Unit Price	Amount	Cotton Husk	Unit Price	Amount	Sunfl Cake	Unit Price	Amount							
Year 2012	Jerry Can	US \$	US \$	Jerry Can	US \$	US \$						Kgs.	US \$	US \$								
Quarter 1	0	30.60	-	-	39.60	-	-	-	-	-	-	-	-	-	-							
Quarter 2	0	30.62	-	-	39.70	-	-	-	-	-	-	-	-	-	-							
Quarter 3	15,278	30.64	468,111	12,500	39.80	497,500	1,237,500	0.40	495,000	733,333	0.20	146,667	591,667	0.40	236,667	1,843,944						
Quarter 4	15,278	30.66	468,417	12,500	39.90	498,750	1,237,500	0.41	507,375	733,333	0.21	154,000	591,667	0.41	242,583	1,871,125						
	30,556	30.65	936,528	25,000	39.85	996,250	2,475,000		1,002,375	1,466,667		300,667	73,333		479,250	3,715,089						
<b>Year 2013</b>																						
Quarter 1	12,500	30.68	383,500	9,375	40.00	375,000	1,012,500	0.42	425,250	600,000	0.22	132,000	443,750	0.42	185,375	1,502,125						
Quarter 2	12,500	30.70	383,750	9,375	40.10	375,938	1,012,500	0.43	435,375	600,000	0.23	138,000	443,750	0.43	190,813	1,523,875						
Quarter 3	12,500	30.72	384,000	9,375	40.20	376,875	1,012,500	0.44	445,500	600,000	0.24	144,000	443,750	0.44	195,250	1,545,625						
Quarter 4	12,500	30.74	384,250	9,375	40.30	377,813	1,012,500	0.45	455,625	600,000	0.25	150,000	443,750	0.45	199,688	1,567,375						
	50,000	30.71	1,535,500	37,500	40.15	1,505,625	4,050,000		901,125	2,400,000		564,000	120,000		772,125	5,278,375						
<b>Year 2014</b>																						
Quarter 1	18,056	30.76	555,389	15,625	40.40	631,250	1,462,500	0.46	672,750	866,667	0.26	225,333	739,583	0.46	340,208	2,424,931						
Quarter 2	18,056	30.78	555,750	15,625	40.50	632,813	1,462,500	0.47	687,375	866,667	0.27	234,000	739,583	0.47	347,604	2,457,542						
Quarter 3	18,056	30.80	556,111	15,625	40.60	634,375	1,462,500	0.48	702,000	866,667	0.28	242,667	739,583	0.48	355,000	2,490,153						
Quarter 4	18,056	30.82	556,472	15,625	40.70	635,938	1,462,500	0.49	716,625	866,667	0.29	251,333	739,583	0.49	362,396	2,522,764						
	72,222	30.79	2,223,722	62,500	40.55	2,534,375	5,850,000		1,418,625	142,917		953,333	173,333		1,405,208	8,535,264						
<b>Year 2015</b>																						
Quarter 1	18,056	30.84	556,833	18,750	40.80	765,000	1,462,500	0.50	731,250	866,667	0.30	260,000	887,500	0.50	443,750	2,756,833						
Quarter 2	18,056	30.86	557,194	18,750	40.90	766,875	1,462,500	0.51	745,875	866,667	0.31	268,667	887,500	0.51	452,625	2,791,236						
Quarter 3	18,056	30.88	557,556	18,750	41.00	768,750	1,462,500	0.52	760,500	866,667	0.32	277,333	887,500	0.52	461,500	2,825,639						
Quarter 4	18,056	30.90	557,917	18,750	41.10	770,625	1,462,500	0.53	775,125	866,667	0.33	286,000	887,500	0.53	470,375	2,860,042						
	72,222	30.87	2,229,500	75,000	40.95	3,071,250	5,850,000		1,535,625	154,167		1,092,000	173,333		1,828,250	8,758,825						
<b>Year 2016</b>																						
Quarter 1	18,056	30.92	558,278	21,875	41.20	901,250	1,462,500	0.54	789,750	866,667	0.34	294,667	1,035,417	0.54	558,125	3,103,069						
Quarter 2	18,056	30.94	558,639	21,875	41.30	903,438	1,462,500	0.55	804,375	866,667	0.35	303,333	1,035,417	0.55	569,479	3,139,264						
Quarter 3	18,056	30.96	559,000	21,875	41.40	905,625	1,462,500	0.56	819,000	866,667	0.36	312,000	1,035,417	0.56	579,833	3,175,458						
Quarter 4	18,056	30.98	559,361	21,875	41.50	907,813	1,462,500	0.57	833,625	866,667	0.37	320,667	1,035,417	0.57	590,188	3,211,653						
	72,222	30.95	2,235,278	87,500	41.35	3,618,125	5,850,000		1,652,625	165,417		1,230,667	173,333		2,298,625	11,035,318						
<b>Year 2017</b>																						
Quarter 1	18,056	31.00	559,722	21,875	41.60	910,000	1,462,500	0.58	848,250	866,667	0.38	329,333	1,035,417	0.58	600,542	3,247,847						
Quarter 2	18,056	31.02	560,083	21,875	41.70	912,188	1,462,500	0.59	862,875	866,667	0.39	338,000	1,035,417	0.59	610,896	3,284,042						
Quarter 3	18,056	31.04	560,444	21,875	41.80	914,375	1,462,500	0.60	877,500	866,667	0.40	346,667	1,035,417	0.60	621,250	3,320,236						
Quarter 4	18,056	31.06	560,806	21,875	41.90	916,563	1,462,500	0.61	892,125	866,667	0.41	355,333	1,035,417	0.61	631,604	3,356,431						
	72,222	31.03	2,241,056	87,500	41.75	3,653,125	5,850,000		1,769,625	165,417		1,369,333	173,333		2,464,292	11,447,431						

## MSK REFINERY LIMITED

## Edible Strategic Business Unit

## Depreciation Methods for Assets-Reducing Balance Method

Reducing Balance Method								
Asset	Rate	Status	2012	2013	2014	2015	2016	2017
Land	0%	NBV	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
		Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Total	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Buildings	5%	NBV	\$ 680,500	\$ 663,488	\$ 630,313	\$ 598,797	\$ 568,858	\$ 540,415
		Depreciation	\$ 17,013	\$ 33,174	\$ 31,516	\$ 29,940	\$ 28,443	\$ 27,021
		Total	\$ 663,488	\$ 630,313	\$ 598,797	\$ 568,858	\$ 540,415	\$ 513,394
Equipment-WB	25%	NBV	\$ 65,000	\$ 56,875	\$ 42,656	\$ 31,992	\$ 23,994	\$ 17,996
		Depreciation	\$ 8,125	\$ 14,219	\$ 10,664	\$ 7,998	\$ 5,999	\$ 4,499
		Total	\$ 56,875	\$ 42,656	\$ 31,992	\$ 23,994	\$ 17,996	\$ 13,497
Motorvehicle	25%	NBV	\$ 55,000	\$ 48,125	\$ 45,719	\$ 43,433	\$ 41,261	\$ 39,198
		Depreciation	\$ 6,875	\$ 2,406	\$ 2,286	\$ 2,172	\$ 2,063	\$ 1,960
		Total	\$ 48,125	\$ 45,719	\$ 43,433	\$ 41,261	\$ 39,198	\$ 37,238
Furniture and Fittings	12.50%	NBV	\$ 5,500	\$ 5,156	\$ 4,512	\$ 3,948	\$ 3,454	\$ 3,022
		Depreciation	\$ 344	\$ 645	\$ 564	\$ 493	\$ 432	\$ 378
		Total	\$ 5,156	\$ 4,512	\$ 3,948	\$ 3,454	\$ 3,022	\$ 2,645
Total Asset Other			\$ 856,000	\$ 823,644	\$ 773,200	\$ 728,170	\$ 687,567	\$ 650,631
Total Asset NBV			\$ 823,644	\$ 773,200	\$ 728,170	\$ 687,567	\$ 650,631	\$ 616,774
Total Asset Deprec.			\$ 32,356	\$ 50,444	\$ 45,030	\$ 40,603	\$ 36,936	\$ 33,857
Plant	0.125	NBV	\$ 870,426	\$ 816,024	\$ 714,021	\$ 624,769	\$ 546,673	\$ 478,339
		Depreciation	\$ 54,402	\$ 102,003	\$ 89,253	\$ 78,096	\$ 68,334	\$ 59,792
		Total Plant	\$ 816,024	\$ 714,021	\$ 624,769	\$ 546,673	\$ 478,339	\$ 418,546
Total Asset-All			\$ 1,726,426	\$ 1,639,668	\$ 1,487,221	\$ 1,352,939	\$ 1,234,240	\$ 1,128,969
Total NBV - All			\$ 1,639,668	\$ 1,487,221	\$ 1,352,939	\$ 1,234,240	\$ 1,128,969	\$ 1,035,320
Total Depr - All			\$ 86,758	\$ 152,447	\$ 134,282	\$ 118,699	\$ 105,270	\$ 93,650

MSK REFINERY LIMITED							
Edible Oil Mill Strategic Business Unit							
PROJECTED CASHFLOW STATEMENT-(YEAR 2012-2017)							
S/N	Year	2012	2013	2014	2015	2016	2017
1	<b>Cashflow from Operating Activities</b>						
	Net Profit/Loss for the Year	\$ 1,116,626	\$ 1,444,245	\$ 2,587,437	\$ 2,710,962	\$ 2,839,341	\$ 2,717,620
	Add: Depreciation	\$ 86,758	\$ 152,447	\$ 134,282	\$ 118,699	\$ 105,270	\$ 93,650
	<b>Cashflow from Operations</b>	\$ 1,203,384	\$ 1,596,692	\$ 2,721,719	\$ 2,829,661	\$ 2,944,611	\$ 2,811,270
	<b>Change in Working Capital</b>						
	Increase in inventory	\$ (123,394)	\$ (81,143)	\$ (131,658)	\$ (60,167)	\$ (67,140)	\$ (33,008)
	Increase in accounts receivable	\$ (113,346)	\$ (72,551)	\$ (104,979)	\$ (33,208)	\$ (33,818)	\$ (2,491)
	Increase in accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Net Cash flow from operations	\$ 966,644	\$ 1,442,998	\$ 2,485,082	\$ 2,736,287	\$ 2,843,653	\$ 2,775,771
2	<b>Cashflow from Investing Activities</b>						
	Purchases of Property, Plant and Equipment	\$ (1,726,426)	\$ -	\$ -	\$ -	\$ -	\$ -
	Net Cash flow from investing Activities	\$ (1,726,426)	\$ -	\$ -	\$ -	\$ -	\$ -
3	<b>Cashflow from financing Activities</b>						
	Plus net new equity capital raised for Oil Mill-MSK	\$ 726,426	\$ -	\$ -	\$ -	\$ -	\$ -
	Dividends paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Net new long-term debt-AECF	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ -
	Loan Repayment - AECF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Net new Overdraft-TIB	\$ -	\$ -	\$ -	\$ (190,000)	\$ (190,000)	\$ (190,000)
	Loan Repayment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Grant - AECF	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -
	Grant - SWISS	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -
	Net Cashflow from financing Activities	\$ 1,726,426	\$ -	\$ -	\$ (190,000)	\$ (190,000)	\$ (190,000)
	Tax Paid	\$ (334,988)	\$ (433,274)	\$ (776,231)	\$ (813,289)	\$ (851,802)	\$ (815,286)
	Changes in Cash and Cash equivalent for ther year	\$ 631,656	\$ 1,009,724	\$ 1,708,851	\$ 1,732,998	\$ 1,801,851	\$ 1,770,485
	Beginning cash and cash equivalent	\$ -	\$ 631,656	\$ 1,641,381	\$ 3,350,232	\$ 5,083,230	\$ 6,885,081
	Ending cash and cash equivalent	\$ 631,656	\$ 1,641,381	\$ 3,350,232	\$ 5,083,230	\$ 6,885,081	\$ 8,655,566

**MSK REFINERY LIMITED**  
**Edible Oil Strategic Business Unit**  
**PROJECTED INCOME STATEMENT - (YEAR 2012-2017)**

	Year 2012	Year 2013	Year 2014	Year 2015	Year 2016	Year 2017
<b>INCOME- MAIN PRODUCTS - (Schedule 3)</b>						
Cotton Seed Edible Oil Sales	\$ 936,528	\$ 1,535,500	\$ 2,223,722	\$ 2,229,500	\$ 2,235,278	\$ 2,241,056
Sunflower Seed Edible Oil Sales	\$ 996,250	\$ 1,505,625	\$ 2,534,375	\$ 3,071,250	\$ 3,618,125	\$ 3,653,125
<b>Total Main Product Income</b>	<b>\$ 1,932,778</b>	<b>\$ 3,041,125</b>	<b>\$ 4,758,097</b>	<b>\$ 5,300,750</b>	<b>\$ 5,853,403</b>	<b>\$ 5,894,181</b>
<b>COST OF SALE-MAIN PRODUCTS - (Schedule 4(a))</b>						
Cotton Seed Edible Oil	\$ 337,874	\$ 645,751	\$ 967,924	\$ 1,050,338	\$ 1,126,168	\$ 1,209,153
Sunflower Seed Edible Oil	\$ 340,792	\$ 595,556	\$ 1,019,400	\$ 1,318,613	\$ 1,644,991	\$ 1,769,903
<b>Total Cost of Sale</b>	<b>\$ 678,666</b>	<b>\$ 1,241,307</b>	<b>\$ 1,987,324</b>	<b>\$ 2,368,951</b>	<b>\$ 2,771,160</b>	<b>\$ 2,979,057</b>
<b>GROSS PROFIT</b>	<b>\$ 1,254,111</b>	<b>\$ 1,799,818</b>	<b>\$ 2,770,774</b>	<b>\$ 2,931,799</b>	<b>\$ 3,082,243</b>	<b>\$ 2,915,124</b>
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>						
Employment Cost (Salaries, PAYE, SDL and NSSF)	\$ 27,288	\$ 60,034	\$ 66,037	\$ 72,641	\$ 79,905	\$ 87,895
Office Running Expenses	\$ 5,860	\$ 12,807	\$ 14,001	\$ 15,315	\$ 16,759	\$ 18,349
Security Charges	\$ 7,636	\$ 16,036	\$ 16,838	\$ 17,680	\$ 18,564	\$ 19,492
Insurance Cost-Cash on Transit & Stocks	\$ 8,750	\$ 19,250	\$ 21,175	\$ 23,293	\$ 25,622	\$ 28,184
Bank Charges	\$ 966	\$ 2,045	\$ 2,147	\$ 2,254	\$ 2,367	\$ 2,486
Research and Development	\$ 4,800	\$ 11,520	\$ 13,824	\$ 16,589	\$ 19,907	\$ 23,888
Depreciation	\$ 32,356	\$ 50,444	\$ 45,030	\$ 40,603	\$ 36,936	\$ 33,857
Directors Remuneration	\$ 18,000	\$ 43,200	\$ 47,520	\$ 52,272	\$ 57,499	\$ 63,249
Auditors Remuneration	\$ 1,000	\$ 2,400	\$ 2,880	\$ 3,456	\$ 4,147	\$ 4,977
<b>Total General and Administrative Expenses</b>	<b>\$ 106,657</b>	<b>\$ 217,736</b>	<b>\$ 229,452</b>	<b>\$ 244,103</b>	<b>\$ 261,706</b>	<b>\$ 282,377</b>
<b>SELLING AND DISTRIBUTION EXPENSES</b>						
Travelling Expenses/Carriage Outward	\$ 580	\$ 1,218	\$ 1,279	\$ 1,342	\$ 1,410	\$ 1,480
Advertisement and Promotion Expenses	\$ 1,933	\$ 2,029	\$ 2,131	\$ 2,237	\$ 2,349	\$ 2,467
Selling and Distribution Wages Expenses	\$ 193	\$ 406	\$ 426	\$ 447	\$ 470	\$ 493
<b>Total Selling and Distribution Expenses</b>	<b>\$ 2,706</b>	<b>\$ 3,653</b>	<b>\$ 3,836</b>	<b>\$ 4,027</b>	<b>\$ 4,229</b>	<b>\$ 4,440</b>
<b>FARMERS SUBSIDIES EXPENSES</b>						
Tractor	\$ 181,818	\$ 527,143	\$ 681,486	\$ 828,385	\$ 969,212	\$ 993,443
Seeds	\$ 1,364	\$ 3,960	\$ 5,124	\$ 6,231	\$ 7,288	\$ 7,470
Pesticides	\$ 47,728	\$ 138,394	\$ 178,930	\$ 217,500	\$ 254,475	\$ 260,620
Training and Promotion	\$ 20,000	\$ 24,000	\$ 28,800	\$ 34,560	\$ 41,472	\$ 49,766
<b>Total Farmers Subsidies Expenses</b>	<b>\$ 250,909</b>	<b>\$ 693,497</b>	<b>\$ 894,340</b>	<b>\$ 1,086,676</b>	<b>\$ 1,272,447</b>	<b>\$ 1,311,499</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 360,272</b>	<b>\$ 914,886</b>	<b>\$ 1,127,628</b>	<b>\$ 1,334,806</b>	<b>\$ 1,538,381</b>	<b>\$ 1,538,316</b>
<b>TOTAL OPERATING INCOME</b>	<b>\$ 893,840</b>	<b>\$ 884,933</b>	<b>\$ 1,643,146</b>	<b>\$ 1,596,993</b>	<b>\$ 1,543,862</b>	<b>\$ 1,376,807</b>
<b>INCOME-BY PRODUCTS</b>						
Cotton Seed Cake	\$ 125,297	\$ 225,281	\$ 354,656	\$ 383,906	\$ 413,156	\$ 442,466
Cotton Seed Husk	\$ 37,583	\$ 141,000	\$ 238,333	\$ 273,000	\$ 307,667	\$ 342,353
Sunflower Seed Cake	\$ 59,906	\$ 193,031	\$ 351,302	\$ 457,063	\$ 574,655	\$ 616,073
<b>Total By-Products Income</b>	<b>\$ 222,786</b>	<b>\$ 559,313</b>	<b>\$ 944,292</b>	<b>\$ 1,113,969</b>	<b>\$ 1,295,479</b>	<b>\$ 1,400,893</b>
<b>NET INCOME BEFORE TAX</b>	<b>\$ 1,116,626</b>	<b>\$ 1,444,245</b>	<b>\$ 2,587,437</b>	<b>\$ 2,710,962</b>	<b>\$ 2,839,341</b>	<b>\$ 2,777,600</b>
Corporate Tax-30%	\$ (334,988)	\$ (433,274)	\$ (776,231)	\$ (813,289)	\$ (851,602)	\$ (815,763)
<b>NET INCOME/PROFIT AFTER TAXATION</b>	<b>\$ 781,638</b>	<b>\$ 1,010,972</b>	<b>\$ 1,811,206</b>	<b>\$ 1,897,673</b>	<b>\$ 1,987,739</b>	<b>\$ 1,961,837</b>

**MSK REFINERY LIMITED**  
**Edible Oil Mill Strategic Business Unit**  
**PROJECTED BALANCE SHEET-(YEAR 2012-2017)**

ASSETS	Year 2012	Year 2013	Year 2014	Year 2015	Year 2016	Year 2017
<b>Non Current Asset</b>						
Land and Building	\$ 713,488	\$ 680,313	\$ 648,797	\$ 618,858	\$ 590,415	\$ 563,394
Plant	\$ 816,024	\$ 714,021	\$ 624,769	\$ 546,673	\$ 478,339	\$ 418,546
Property and Equipment	\$ 110,156	\$ 92,887	\$ 79,373	\$ 68,709	\$ 60,216	\$ 53,380
<b>Total Non Current Assets</b>	<b>\$ 1,639,668</b>	<b>\$ 1,487,221</b>	<b>\$ 1,352,939</b>	<b>\$ 1,234,240</b>	<b>\$ 1,128,970</b>	<b>\$ 1,035,320</b>
<b>Current Assets</b>						
Inventories	\$ 123,394	\$ 204,537	\$ 336,195	\$ 396,362	\$ 463,502	\$ 496,509
Account Receivables	\$ 113,346	\$ 185,897	\$ 290,876	\$ 314,084	\$ 337,902	\$ 330,393
Cash and Cash equivalents	\$ 631,656	\$ 1,641,381	\$ 3,350,232	\$ 5,083,230	\$ 6,885,081	\$ 8,655,566
<b>Total Current Assets</b>	<b>\$ 868,396</b>	<b>\$ 2,031,815</b>	<b>\$ 3,977,303</b>	<b>\$ 5,793,676</b>	<b>\$ 7,686,484</b>	<b>\$ 9,482,468</b>
<b>TOTAL ASSETS</b>	<b>\$ 2,508,064</b>	<b>\$ 3,519,036</b>	<b>\$ 5,330,242</b>	<b>\$ 7,027,916</b>	<b>\$ 8,815,454</b>	<b>\$ 10,517,788</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
Share Capital From MSK Solutions for Oil Mill	\$ 726,426	\$ 726,426	\$ 726,426	\$ 726,426	\$ 726,426	\$ 726,426
Retained Earnings/Accumulated Loss	\$ 781,638	\$ 1,792,610	\$ 3,603,816	\$ 5,501,490	\$ 7,489,028	\$ 9,391,362
<b>Total Equity</b>	<b>\$ 1,508,064</b>	<b>\$ 2,519,036</b>	<b>\$ 4,330,242</b>	<b>\$ 6,227,916</b>	<b>\$ 8,215,454</b>	<b>\$ 10,117,788</b>
<b>Grants</b>						
AECF Grants	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
SWISS Grants	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
<b>Total Grants</b>	<b>\$ 400,000</b>	<b>\$ 400,000</b>	<b>\$ 400,000</b>	<b>\$ 400,000</b>	<b>\$ 400,000</b>	<b>\$ 400,000</b>
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Bank Overdraft-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payables	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Current Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Non Current Liabilities</b>						
<b>Long Term Debt</b>						
AECF Loan for three years	\$ 600,000	\$ 600,000	\$ 600,000	\$ 400,000	\$ 200,000	\$ -
Bank Loan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Long Term Debt</b>	<b>\$ 600,000</b>	<b>\$ 600,000</b>	<b>\$ 600,000</b>	<b>\$ 400,000</b>	<b>\$ 200,000</b>	<b>\$ -</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>\$ 2,508,064</b>	<b>\$ 3,519,036</b>	<b>\$ 5,330,242</b>	<b>\$ 7,027,916</b>	<b>\$ 8,815,454</b>	<b>\$ 10,517,788</b>

**MSK REFINERY LIMITED**  
**Edible Oil Strategic Business Unit**  
**Proposed Permanent Oil Mill Staff**

S/N	Department	Number	Total	Proposed Salary \$	Yearly	PAYE&SDL	TOTAL	Non Factory Staff
I	<b>Marketing</b>							
	Marketing Manager	1		\$ 350	\$ 4,200	\$ 840	\$ 5,040	
	Marketing Officer	1	2	\$ 250	\$ 3,000	\$ 600	\$ 3,600	\$ 8,640
II	<b>Operations</b>							
	Operations Manager	1		\$ 350	\$ 4,200	\$ 840	\$ 5,040	
	Operations Officer (Logistics, Procurement, Factory)	1	2	\$ 250	\$ 3,000	\$ 600	\$ 3,600	
III	<b>Finance &amp; Accounts</b>							
	Finance Manager	1		\$ 500	\$ 6,000	\$ 1,200	\$ 7,200	
	Accountant	1		\$ 350	\$ 4,200	\$ 840	\$ 5,040	
	Cashier	1	3	\$ 170	\$ 2,040	\$ 408	\$ 2,448	\$ 21,888
IV	<b>Research &amp; Development</b>							
	R & D Manager	1	1	\$ 470	\$ 5,640	\$ 1,128	\$ 6,768	\$ 6,768
V	<b>Administration</b>							
	Administrator	1	1	\$ 400	\$ 4,800	\$ 960	\$ 5,760	\$ 5,760
VI	<b>Workshop &amp; Support</b>							
	Engineer	1	1	\$ 470	\$ 5,640	\$ 1,128	\$ 6,768	
	Technician			\$ 250	\$ 3,000	\$ 600	\$ 3,600	
VII	<b>Security</b>							
	Guards 5 X 2 Shifts	10	10	\$ 1,000	\$ 12,000	\$ 2,400	\$ 14,400	
VIII	<b>Mill Production</b>							
	Staff 7 X 2 Shifts	14	14	\$ 933	\$ 11,200	\$ 2,240	\$ 13,440	
IX	<b>General Manager</b>							
		1	1	\$ 800	\$ 9,600	\$ 1,920	\$ 11,520	\$ 11,520
	<b>Total</b>		<b>35</b>	<b>\$ 6,543</b>	<b>\$ 78,520</b>		<b>\$ 94,224</b>	<b>\$ 54,576</b>

TANZANIA



## Certificate of Incorporation

Section 15

No 76170

I HEREBY CERTIFY THAT

**MSK REFINERIES LIMITED =====**

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

Given under my hand at Dar es salaam

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

Asst. Registrar of Companies

CTIN: 0897669



# TANZANIA REVENUE AUTHORITY

## CERTIFICATE OF REGISTRATION FOR TAXPAYER IDENTIFICATION NUMBER (TIN)

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

**THIS IS TO CERTIFY THAT**

MSK REFINERIES LIMITED

.....

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

111-266-352

.....

with effect from 22-11-2010

.....

A handwritten signature in black ink, appearing to read 'P. N. Kassera', is written over a rectangular stamp.

P. N. Kassera

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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

REQUIREMENTS OF THIS CERTIFICATE

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

HALMASHAURI YA WILAYA YA MISUNGWI.



Ofisi ya Mkurugenzi Mtendaji (W),  
Idara ya Ardhi, Maliasili na Mazingira,  
S.L.P. 20,  
MISUNGWI,  
8/11/2011.

Phone: 255-732980745  
Fax: 255 732980745  
Email: [dedmisungwi@gmail.com](mailto:dedmisungwi@gmail.com)

Kumb. Na. MZA/MDC/R.30/12/184  
Mkurugenzi Mtendaji,  
MSK Refinery Ltd,  
SLP 1351,  
MWANZA..

**YAH: UPIMAJI WA ENEO LA KIWANDA CHA KUSINDIKA MAFUTA YA  
PAMBA NA ALIZETI-ENEO LA NYANG'HOMANGO.**

Tafadhali husika na somo hapo juu.

Katika ziara ya Kamati ya Huduma za Uchumi iliyofanyika tarehe 11.10.2011 kutembelea maeneo mbalimbali ya miradi, Kamati hii vilevile ilitembelea eneo lako unalokusudia kujenga kiwanda cha kusindika mafuta ya Pamba na Alizeti na kuona hali halisi ya eneo hilo.

Katika kikao chake cha kamati iliyotajwa hapo juu kilichofanyika tarehe 26.10.2011, pamoja na mambo mengine kilifanya tathmini ya ziara iliyofanyika tarehe 11.10.2011. Katika tathmini hiyo yafuatayo yalipendekezwa kuhusu eneo lako:

1. Kwamba, eneo unalotaka kujenga kiwanda ni eneo linalofaa kwa matumizi ya viwanda hivyo maandalizi ya mchoro wa mipangomiji wa eneo hilo utazingatia matumizi hayo.

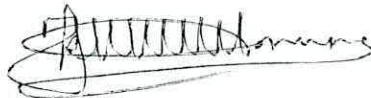


2. Kwamba, eneo hilo lipo ndani ya kijiji cha Nyang'homango na taratibu za kuhamisha ardhi hiyo kutoka serikali ya kijiji na kuwa ardhi ya kawaida chini ya Kamishna wa ardhi(UHAWILISHAJI) zimeishaanza na zitakapokamilika ndipo hatua za utayarishaji wa michoro ya Mipangomiji, upimaji wa viwanja na utoaji wa HATI wa maeneo hayo likiwemo na eneo lako utakapofanyika.

Kutokana na maelezo yaliyomo kwenye barua ya maombi yako yenye kumbukumbu na. MSK/DED/2011/04 ya tarehe 14.07.2011, kamati imetafakari ombi hilo na imekubali kuwa uweke vifaa vyako vya ujenzi na kufanya maandalizi ya awali katika eneo lako wakati unasuburi taratibu za uhawilishaji na hatimaye kupata hati kama zilivyoainishwa katika kipengele na. 2 cha barua hii zitakapokamilika.

Ofisi itashirikiana nawe katika kuhakikisha kuwa zoezi la kuhawilisha na hatimaye kupata HATI linakamilika mapema kwa maendeleo ya Wilaya yetu.

Nakutakia kazi njema.



**J.K. Kalumuna**  
Kny Mkurugenzi Mtendaji(W)  
MISUNGWI



## PLOT SALE AGREEMENT

THIS AGREEMENT is made this 20<sup>th</sup> day of April, 2010

BETWEEN

YOHANA MASASA MSWAHILI of P.O.BOX 1551 MWANZA (hereinafter referred to as "the Seller") of the other part.

AND

MSK REFINERIES LTD of P.O.BOX 1551 MWANZA (hereinafter to as "the Buyer") of the one part;

WHEREAS the Seller is the rightful owner of a 2.367 Hectors about 6 acres piece of surveyed land, situated at Nyangh'omango Industrial area along Mwanza to Shinyanga High way, nearly to Mwanza city centre; (hereinafter referred to as "Land").

AND WHEREAS the Seller is desirous of selling to the Buyer and the Buyer is willing to purchase from the Seller; the said piece of Land for a consideration sum of Shillings Seventy Eight million only (Tshs 78,000,000/=) (hereinafter referred to as "the purchase price") on the terms and conditions hereinafter appearing.

NOW THIS AGREEMENT WITNESSES as follows:

1. The Seller shall sell and the buyer shall purchase the piece of Land at the agreed price in lump sum of Tshs. 78,000,000/= (Tshs. Seventy Eight Million Only) on this day and date of signing this agreement.
2. The buyer has paid full amount sum of 78,000,000/= (Tshs. Seventy Eight million only)
3. The seller shall provide cooperate with the buyer in ensuring that the transfer of ownership and finalization of the process of obtaining the title deeds from the District Council as the process were initiated by the seller both part agrees that all cost related to this procedure will be borne by buyer



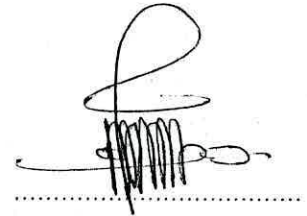
IN WITNESS WHEREOF the parties herein above have set their hands on the date and manner herein below appearing bellow:-

Signed and Declared at Mwanza by

This 22 day of April 2010

Name: Mr. YOHANA MSWAHILI

Who is the Land owner



SELLER


SEALED at MWANZA by the SEAL of

MSK REFINERIES LTD this 22

Day of April, 2010

SEAL

1. Name: MR: MOHAMED SHWEJI

Signature: 

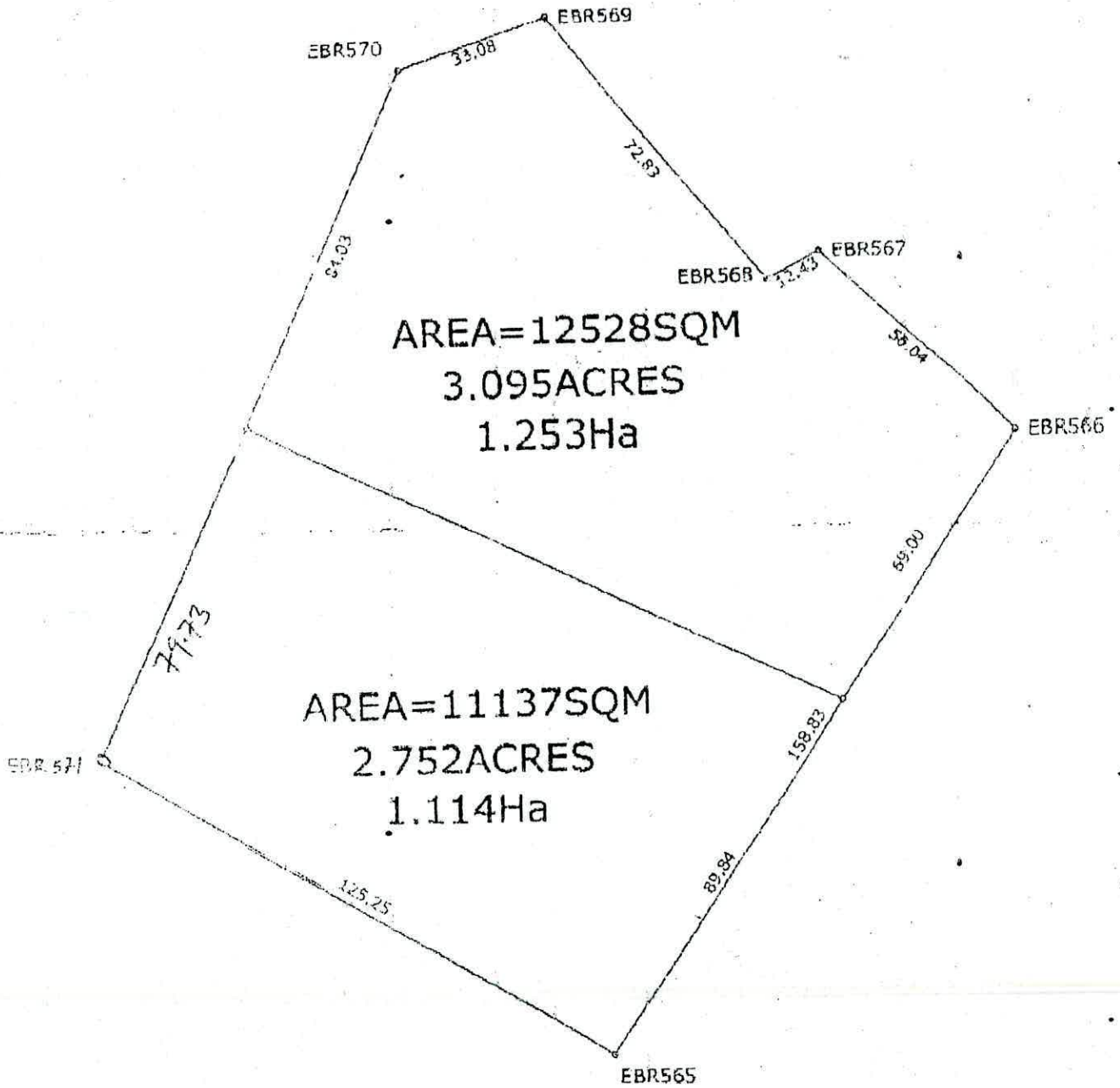
Postal Address: BOX 22490 D87.

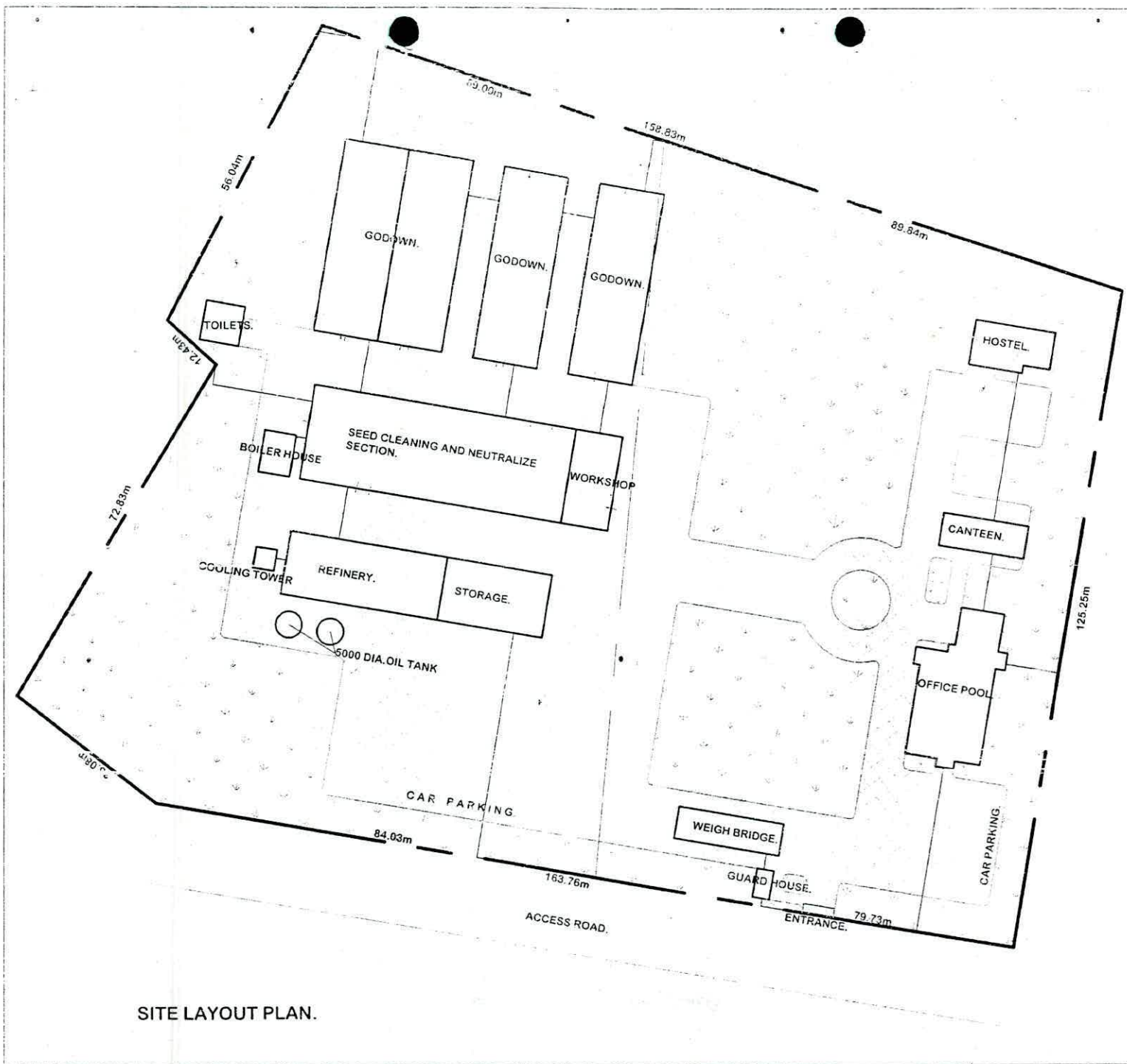
Qualification: DIRECTOR



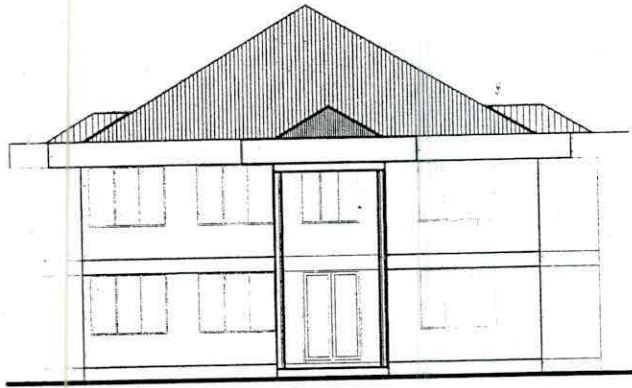
DRAWN BY:  
MOHAMED SHWEJI SALUM  
DIRECTOR  
MSK REFINERIES LTD  
P.O. BOX 1551  
MWANZA

A5





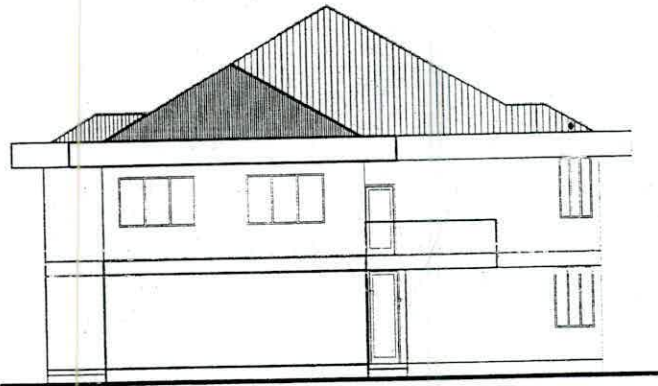
SITE LAYOUT PLAN.



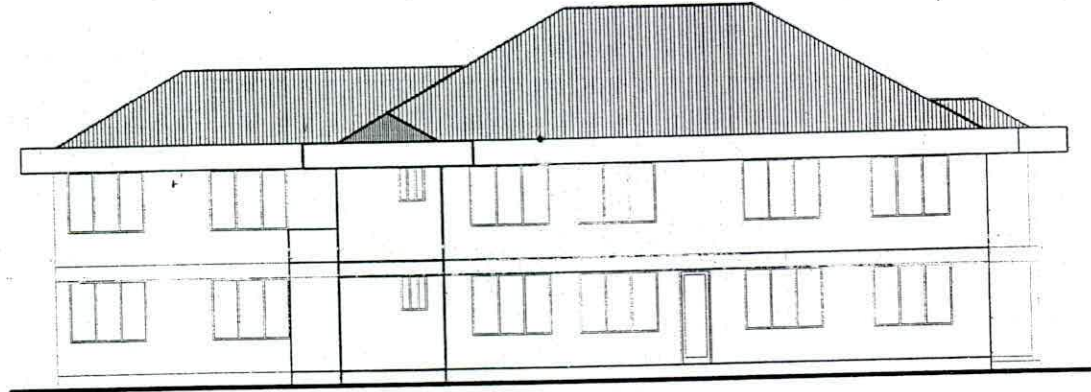
FRONT ELEVATION.



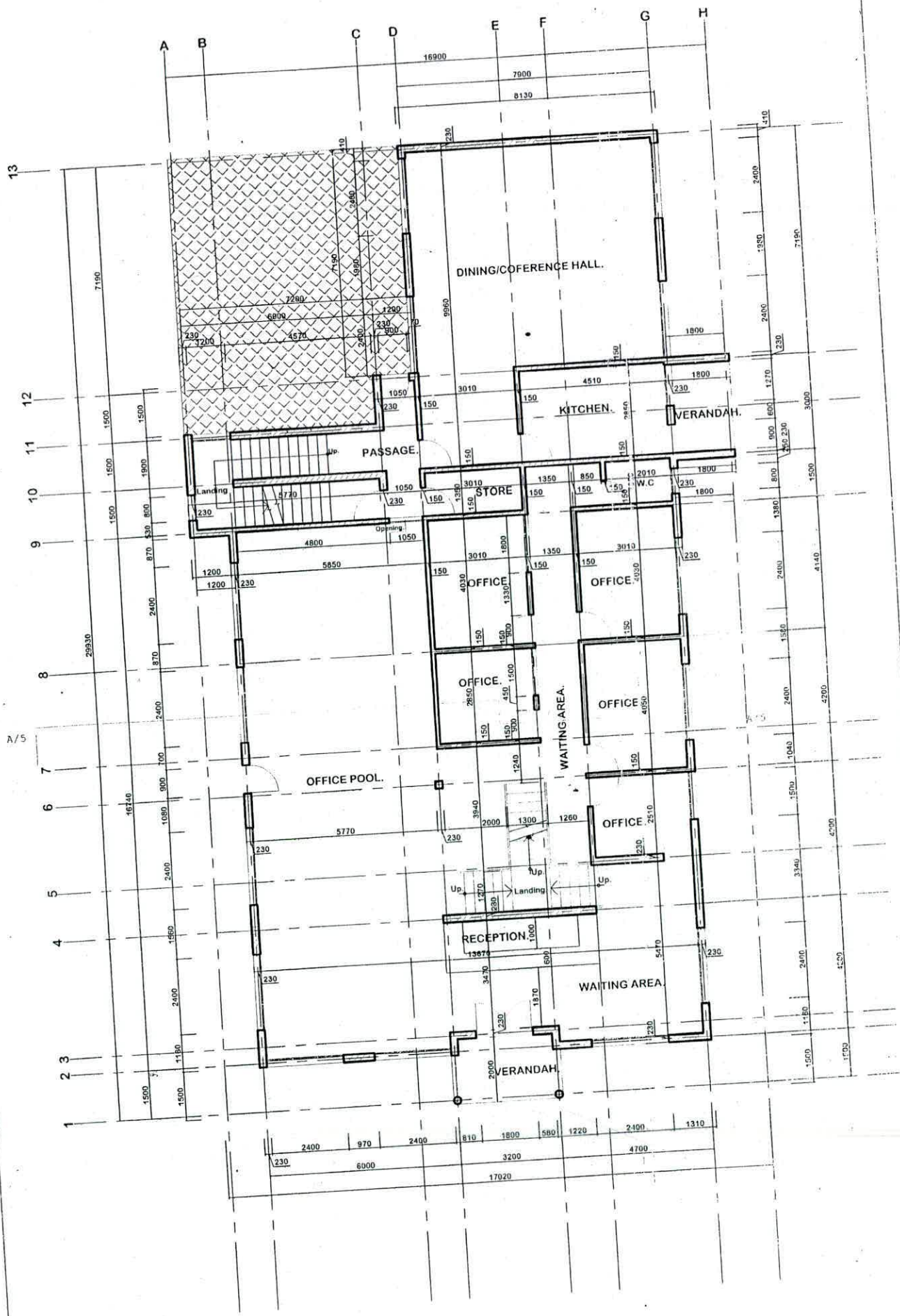
RIGHT ELEVATION.



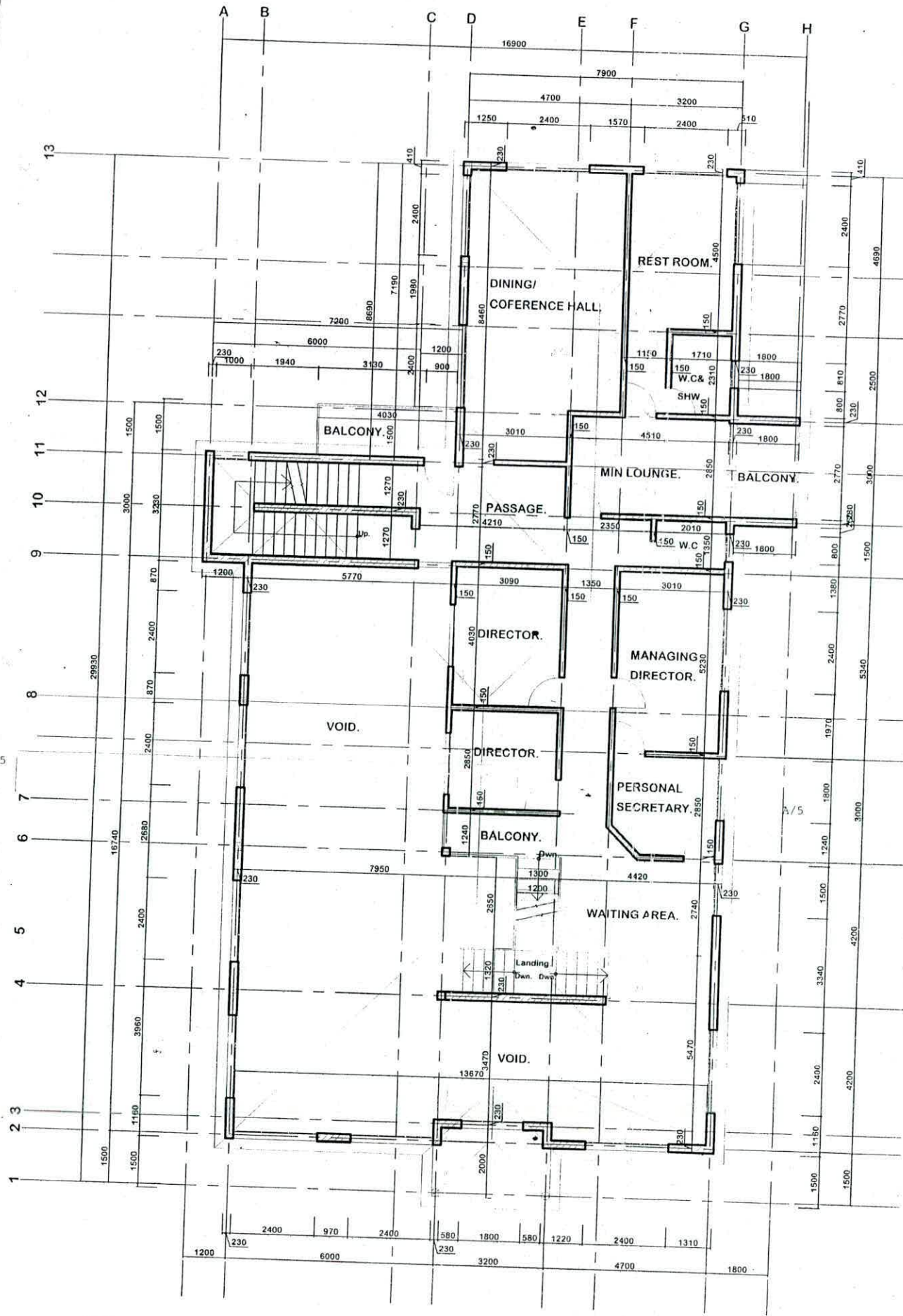
REAR ELEVATION.



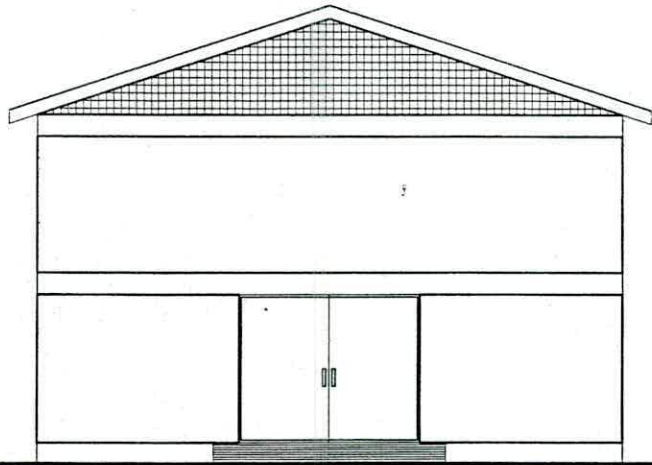
LEFT ELEVATION.



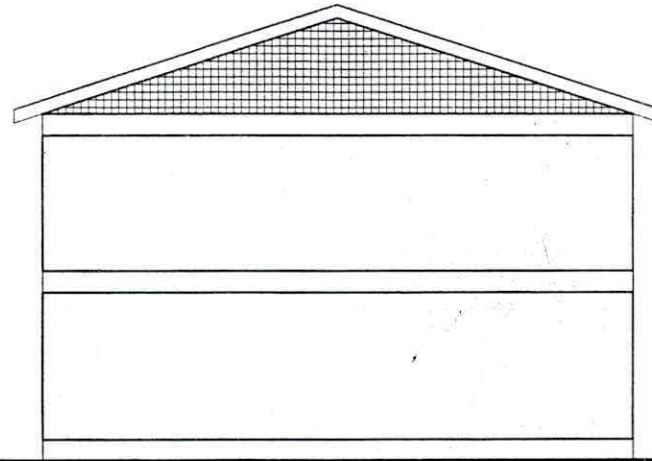
GROUND FLOOR PLAN.



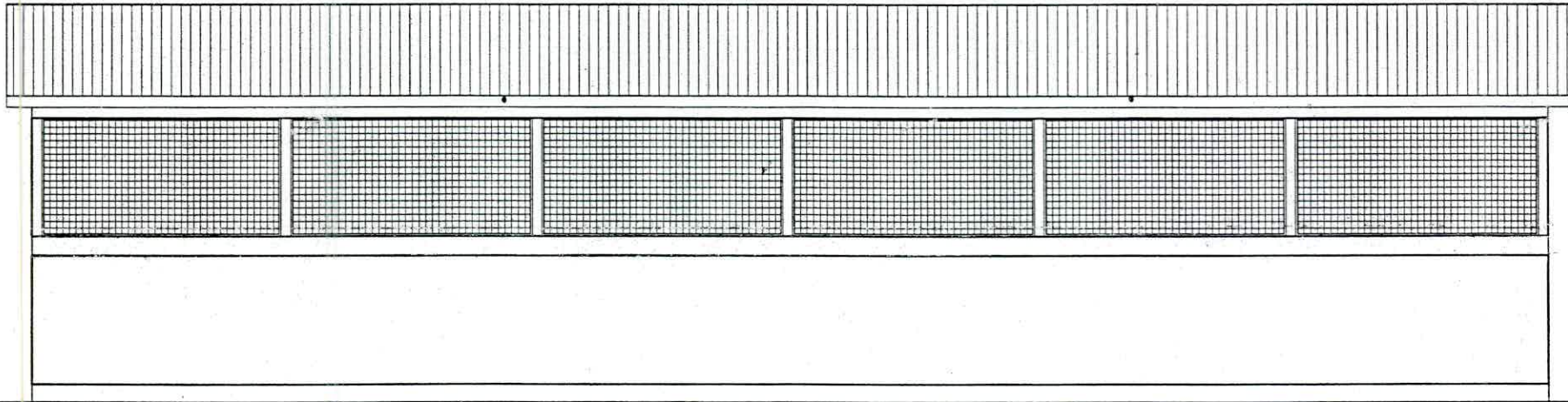
UPPER PLAN.



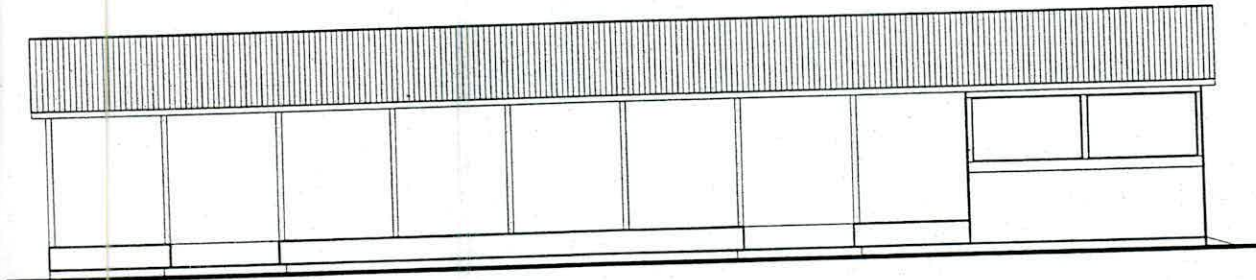
FRONT ELEVATION



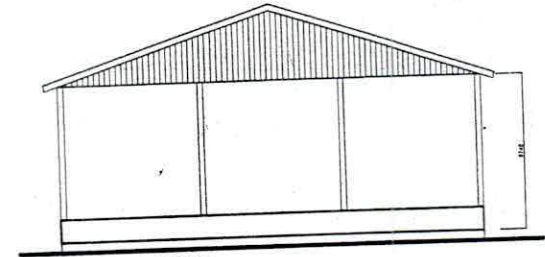
REAR ELEVATION



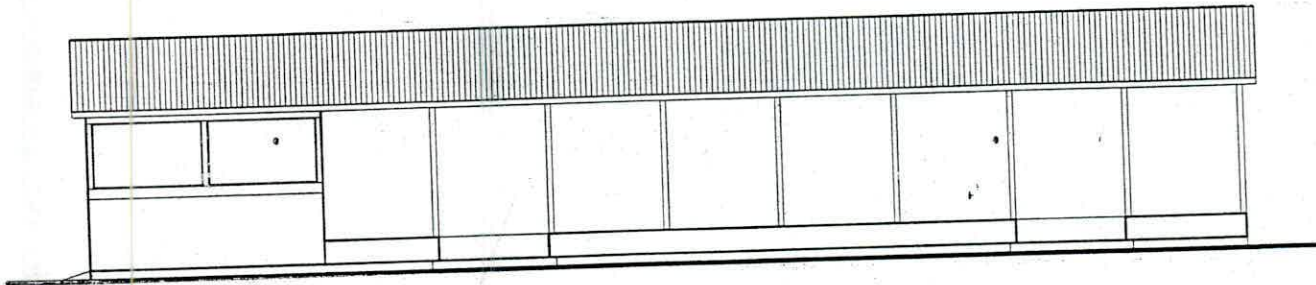
LEFT & RIGHT SIDE ELEVATION



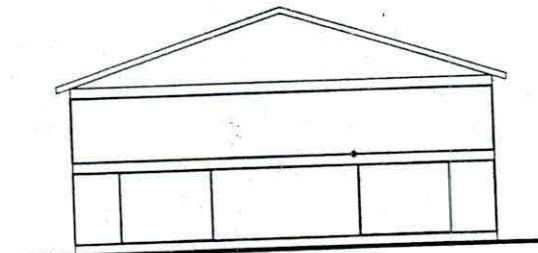
RIGHT SIDE ELEVATION



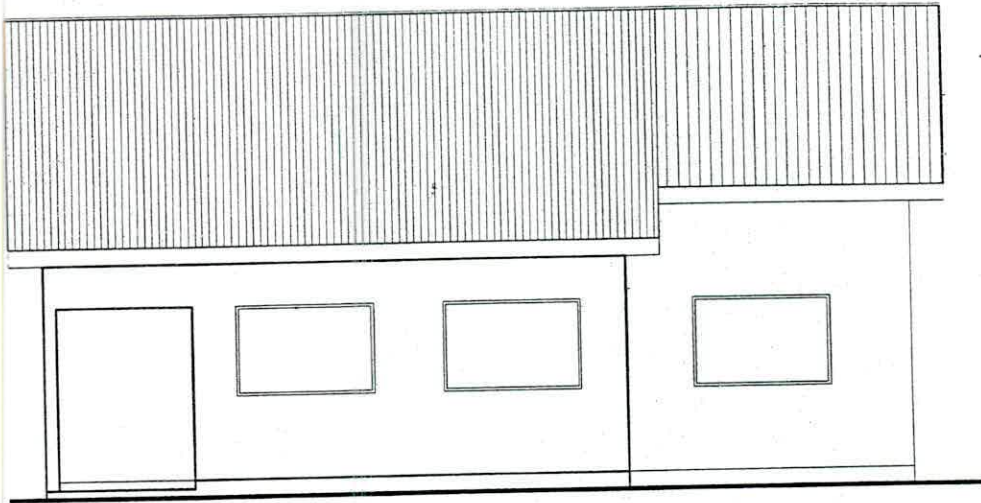
FRONT ELEVATION



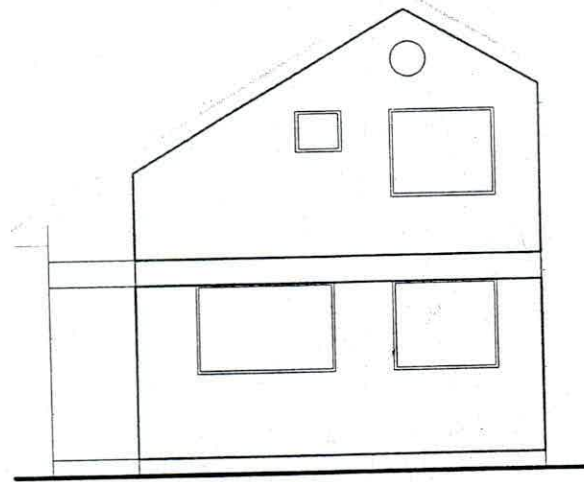
LEFT SIDE ELEVATION



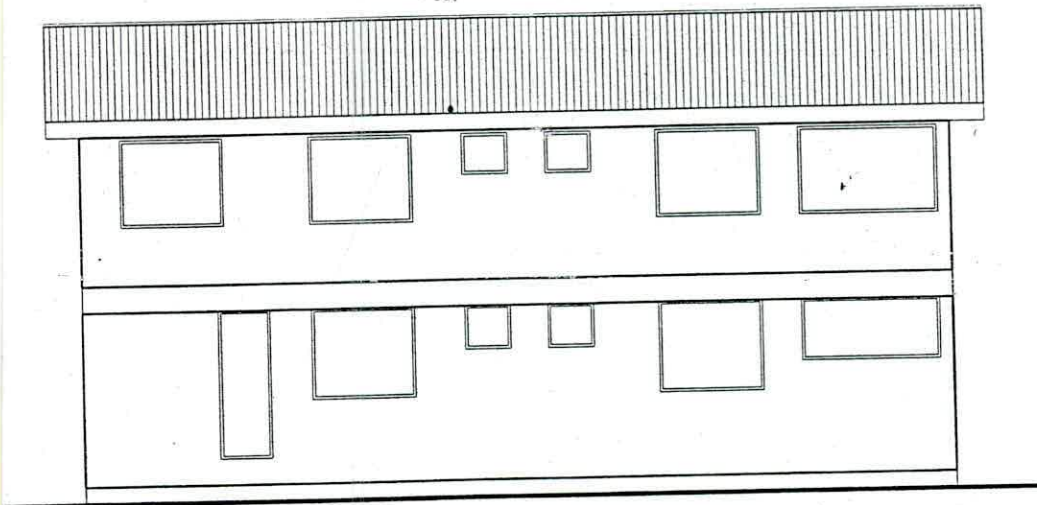
REAR ELEVATION



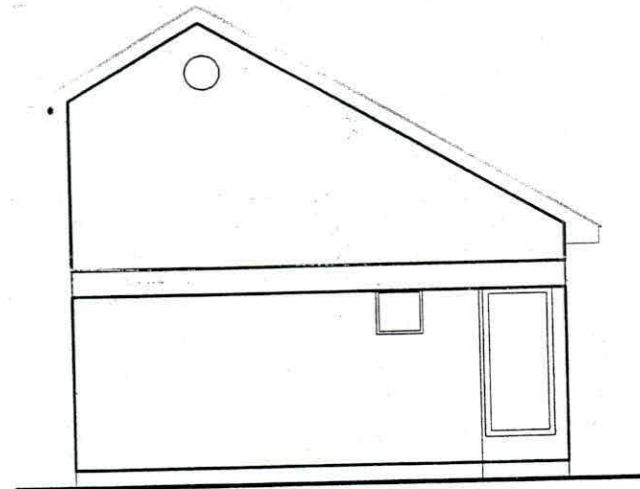
FRONT ELEVATION.



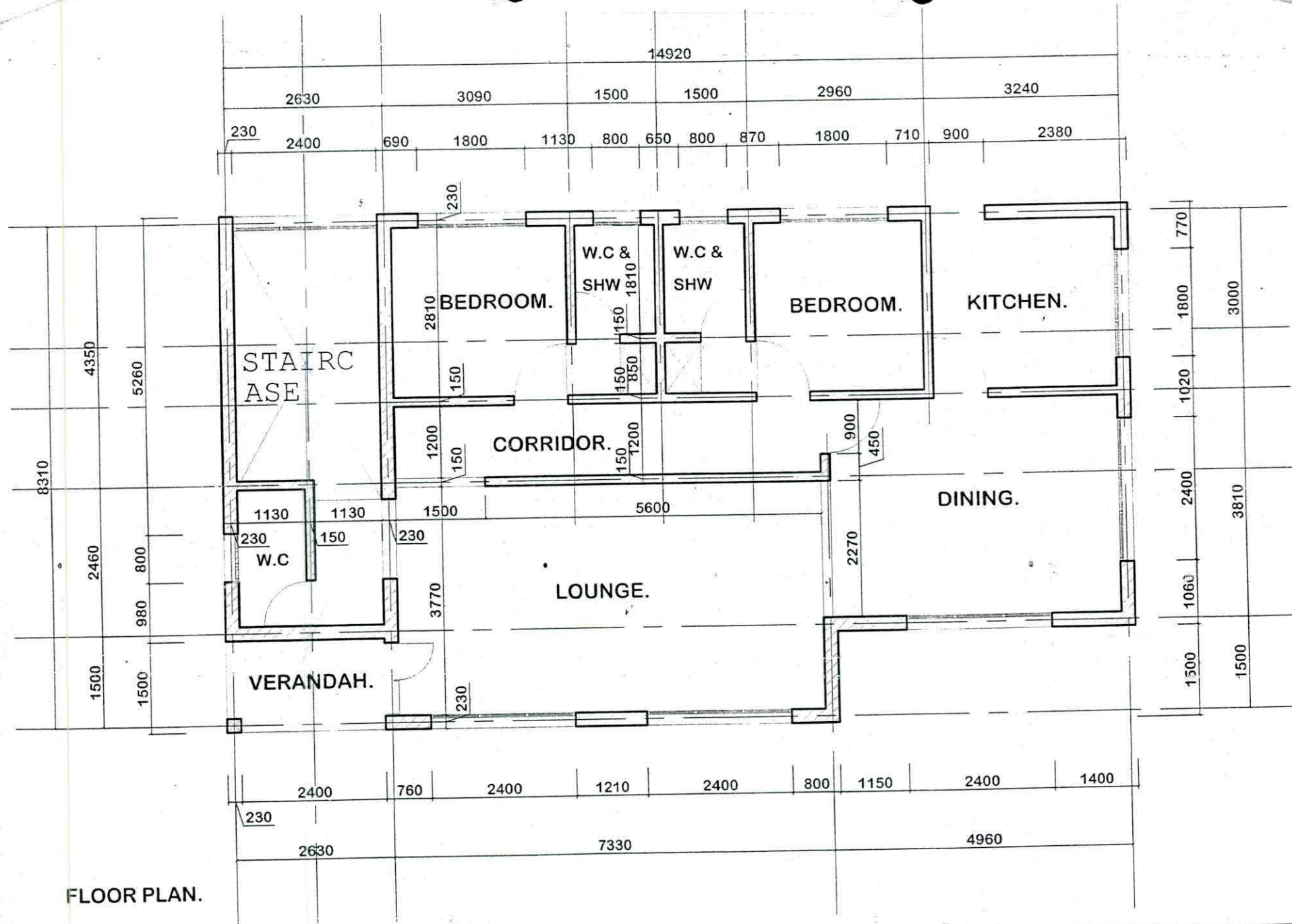
RIGHT SIDE ELEVATION.



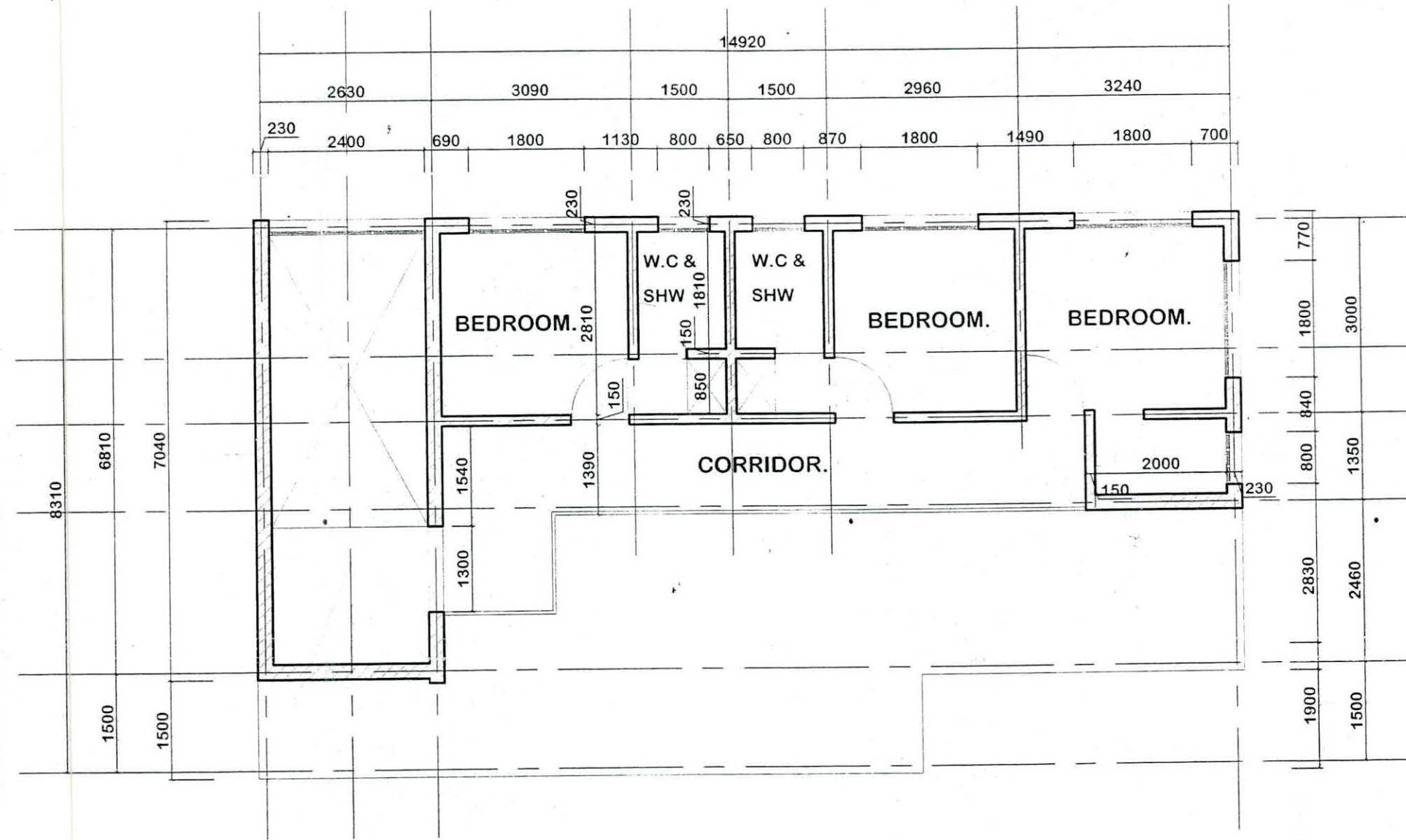
REAR ELEVATION.



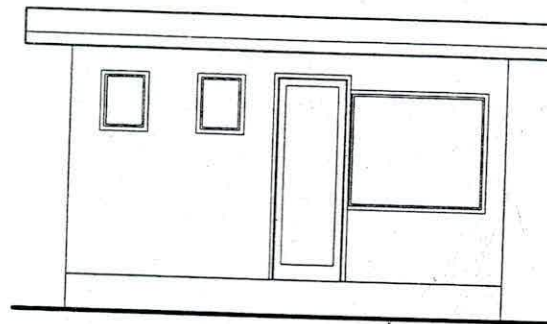
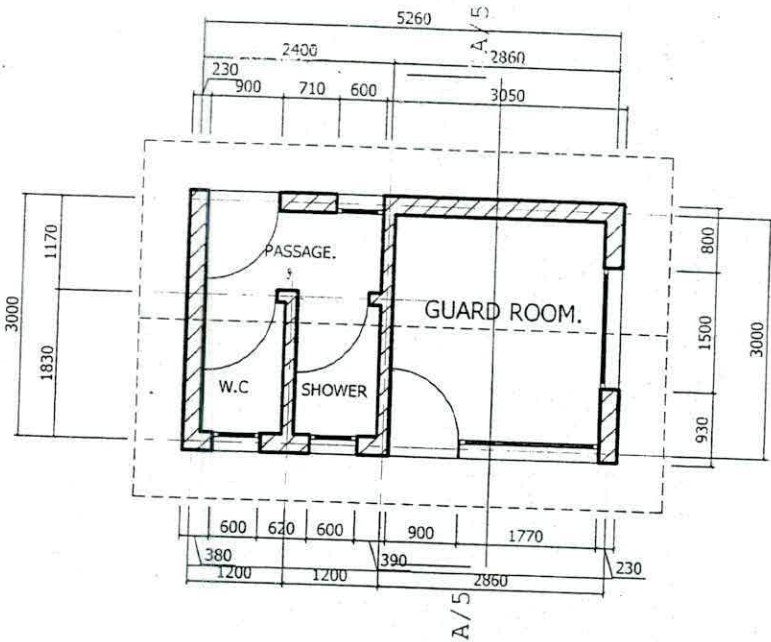
LEFT SIDE ELEVATION.



FLOOR PLAN.

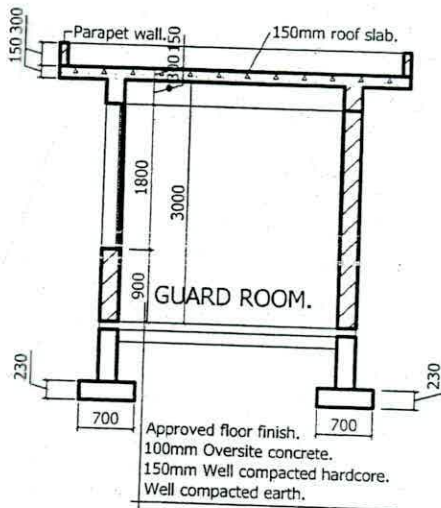


UPPER PLAN.



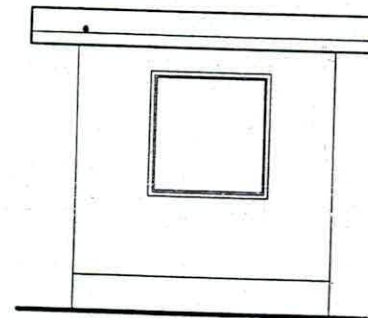
**FRONT ELEVATION.**

SCALE 1:50



**SECTION C-C.**

SCALE 1:50



**RIGHT SIDE ELEVATION.**

SCALE 1:50



**MSK REFINERIES LIMITED**

PPF Plaza, 4th Floor Rear tower Po box 1551 Mwanza  
TANZANIA  
Tell: +255 282 506 027  
Fax: +255 282 506 028  
Mob: +255 713 069 928  
Email: mskltd@gmail.com

Ref: MSK/TIC/2011/01

20<sup>TH</sup> May 2011

Minutes of a meeting of the Board of Directors of MSK REFINERIES LIMITED duly convened at the offices of the company at 2<sup>nd</sup> Floor PPF Plaza on the 20<sup>th</sup> of May 2011

Present were:

1. Mr. Yohana Mswahili Masasa – Director and Board Chairman
2. Dr. Hamisi Andrea Kigwangalla- Director and Board secretary
3. Engr. Mohamed Shaweji Salum –Director and Board member

4. No one was absent.

At a duly convened meeting of the board of directors of MSK REFINERIES LIMITED held at our offices at PPF Plaza, 2<sup>nd</sup> Floor Rear tower on 20<sup>TH</sup> May, 2011, The Company board of directors discussed and resolved to register the project of construction of Double refineries factory to be established at Nyangh'omango village, Misungwi district in Mwanza city, with Tanzanian Investment Centre TIC

We certify that the above information is the true extract from the minutes of the board of directors and that the resolutions set forth were duly passed in accordance with and comply with the Memorandum and Articles of association of the company.

Certified

Mr. Yohana M. Masasa  
**Company Chairman**

Dr. Hamisi Andrea Kigwangalla  
**Company Secretary**

Signed this day of 21<sup>st</sup> Month of MAY 2011

## PROJECT OWNERS BRIEF PROFILE

MSK Refineries Ltd, was established and registered in 2010 by three young budding Tanzanian Entrepreneurs

### **Mr. Yohana M. Masasa**

#### **Director and Chief Executive Officer: Finance and Investments**

A graduate in business administration (BBA) specialized in Entrepreneurship Development, with Background in Marketing, Management Accounts and Finance from Mzumbe University; Yohana has 14 years experience in cash crops procurement, Processing to Exports, Prior to working with MSK Solutions he worked with Olam International Ltd in various African sub Saharan countries among others Tanzania, Kenya, Uganda, Malawi and Zimbabwe, He resignation at the rank of senior field officer.

Is a founder, full time employee and also serves as a Board Chairman of MSK Solutions Group of companies

### **Dr. Hamisi A. Kigwangalla**

#### **Chief Executive officer: Marketing strategies and administration**

Is a medical graduate from University of Dar es salaam with postgraduate qualifications in Public Health and Masters in Business Administration (MPH, MBA – both were acquired from Karolinska Institute and Blekinge Institute of Technology both of Sweden respectively

Dr. Hamis has more than 8 years experience in Agro business, Consulting and various Community Development Projects, A part from being founder and full time employee of the organization he also serves as a Chief executive officer and secretary of the Board of Directors of MSK Group

### **Eng. Mohamed Shaweji Salum**

#### **Chief Executive Officer; Operations**

Is a graduate in computer science Engineering acquired from International University of Africa in Khartoum Sudan, is a Microsoft Certified system Engineer (MCSE) and data base administrator (MSDBA). Hp Accredited Platform Specialist (Hp APS) also is a D-Link certified Engineer (DCE).

Engineer Shaweji has 6 years experience in Agro business operations, is a group founder and part time working with MSK Solutions Ltd



# Tanzania Investment Bank Limited.

P. O. Box 1903, Zonal Office - Mwanza, PPF Plaza, Kenyatta Road

Tel: +255 28 2506012/13 Fax: +255 28 2506014, E-mail: mwanzazone@tib.co.tz, Website: www.tib.co.tz

TIB/ORG/MZA/03

6<sup>th</sup> September 2011

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

Dear Sir,

**RE: REFERENCE FOR M/S MSK REFINERIES LIMITED**

M/s MSK Refineries Limited has been a good client of TIB. The company maintains accounts with Tanzania Investment Bank (TIB), and is among several entities that are banking with us and expects to have a close banking relationship in the near future.

This information is provided to you in strict confidence and without guarantee, for your private use only and upon the express condition that it does not confer any liability on the part of the bank or its officers.

We hope the above information meets your requirements.

Yours sincerely,  
Tanzania Investment Bank Limited.

E. Lewanga  
Branch Supervisor.

L. Masasi  
Branch Manager

THE UNITED REPUBLIC OF TANZANIA

THE COMPANIES ACT

(ACT NO 12 OF 2002)

COMPANY LIMITED BY SHARES

MEMORANDUM AND ARTICLES OF ASSOCIATION

OF

MSK REFINERIES LIMITED.

Incorporated this .....day of .....2010

DRAWN BY:  
MR. A. MAKAZA (PROMOTER)  
P.O. BOX 676  
MWANZA

THE UNITED REPUBLIC OF TANZANIA

THE COMPANIES ACT

(ACT NO 12 OF 2002)

COMPANY LIMITED BY SHARES

MEMORANDUM AND ARTICLES OF ASSOCIATION

OF

MSK REFINERIES LIMITED.

Incorporated this .....day of .....2010

DRAWN BY:  
MR. A. MAKAZA  
P.O. BOX 676  
MWANZA

THE UNITED REPUBLIC OF TANZANIA

THE COMPANIES ACT

( ACT NO 12 OF 2002 )

COMPANY LIMITED BY SHARED

MEMORANDUM AND ARTICLES OF ASSOCIATION OF

MSK REFINERIES LIMITED.

Incorporated this.....Day of.....2010

DRAWN BY:  
MR.A.MAKAZA  
P.O.BOX 676  
MWANZA

THE COMPANIES ACT  
(ACT NO 12 OF 2002)

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

MSK REFINERIES LTD

TANZANIA  
Stamp Duty Shs: 5000/-  
PAID ON ORIGINAL  
Receipt No: 6875  
25/11/10

TANZANIA  
Stamp Duty Shs: 2500/- Paid  
Receipt No: 6875  
25/11/10  
Asset Registrar of Companies

1. The Company's name "MSK REFINERIES LIMITED"
2. The Company's registered office is to be situated in Tanzania.
3. The Company's objects are:
  - a) To carry on the business of a general commercial company and to provide general supply services to businesses, NGOs, institutions and governments, in the broad sense of the word, in the United Republic of Tanzania and elsewhere.
  - b) To acquire by purchase, lease, exchange, hire or otherwise and take options over any property whatever, and any rights or privileges of any kind over or in respect of any property of any kind necessary or convenient for the purpose of or in connection with the company's business.
  - c) To acquire by purchase, application, registration or otherwise and protect, prolong and renew, whether in the United Republic of Tanzania or elsewhere any patents, patent rights, licences, secret processes, trade marks, designs, protections and concessions or any other intellectual property rights and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same.
  - d) To acquire or undertake the whole or any part of the business, goodwill, and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which the Company is authorized to carry on and undertake all or any of the liabilities of such a person, firm or company as part of the consideration for such acquisitions, or to acquire an interest in, amalgamate with or enter into partnership or into any arrangement for

sharing profits , or for co-operation, or for mutual assistance with any such person, firm of company, or for subsidizing or otherwise assisting any such person , firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debentures stock or securities so received.

- e) To carry on the activities of importing and distributing agricultural in-puts such as agro-chemicals, agro-seeds and agro machineries and to improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose or, turn to account, grant licenses, options, rights and privileges in respect of or otherwise deal with all or any part of the property and right of the Company.
- f) To carry on the activities of oil manufacturing, production and processing such as processing seeds into edible cooking oil, processing crude oil into refined cooking oil, seed cakes into animal feeds and generally to manufacture and produce animal feeds, roundly soaps, to cultivate crops or buy crops from farmers for the purpose of process and selling rice, flours, seed cakes, husks, cooking oil, soaps, and to invest and deal with the moneys of the company not immediately required and to hold or otherwise deal with any investments made in such manner as the company may from time to time determine.
- g) To lend and advance money or give credit on any terms and with or without security to any person, firm or company (including without prejudice to the generality of the foregoing any holding company subsidiary or fellow subsidiary of, or any other company associated in any way with the Company), to enter into guarantees, contracts of indemnity and surety ships of all kinds, to receive money on deposit of loan upon any terms, and to secure or guarantee in any manner and upon and terms, and to secure or guarantee in any manner and upon and terms the payment of the sum of money or the performance of any obligation by any person firm of company (including without prejudice to the generality of the foregoing any such holding company subsidiary, fellow subsidiary or associated company as aforesaid)
- h) To borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.

- i) To draw, make, accept, endorse, discount, negotiate, execute and issue Cheque, bills of exchange, promissory notes, warrants, debentures and other negotiable or transferable instruments.
- j) To oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- k) To acquire by subscription or otherwise hold, sell, deal with and dispose of, place and underwrite shares stocks, debentures, debenture stocks, or any other securities issued or guaranteed by any company constituted or carrying on business in any part of the world, and any such securities issued or guaranteed by any government or authority, municipal, local or otherwise, in any part of the world.
- l) To control, manage finance subsidiaries, coordinate of otherwise assist any company or companies in which the Company has a direct or indirect financial interest.
- m) To promote any other company for the purpose of acquiring the whole or any part of it if it appears likely to assist or benefit the company or to enhance the value of any property of business of the Company, and to place or guarantee the placing of, underwrite subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.
- n) To sell or otherwise dispose of the whole or any part of the business or property of the Company for such consideration as company may think fit.
- o) To purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers or employees of the Company or of any other company which is its holding company or any of the predecessors of the company or of such holding company has any interest whether direct or indirect or which is in any way allied to or associated with company, or of any subsidiary undertaking of the company or of any such other company or who are or were at any time trustees of any pension fund in which any employees of the company or of any such other company or subsidiary undertaking are interested including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties powers or offices in relation to the company or any such other company, subsidiary undertaking or pension fund.
- p) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts.

- q) To remunerate any person, firm or company rendering services to the company either by cash payment or otherwise.
- r) To distribute among the members of the company in kind any property of the company properly distributable amongst the members.
- s) To pay or procure the payment of all or any expenses incurred in connection with the promotion, formation and incorporation of the company.
- t) To give or award pensions, annuities, gratuities and superannuation of other allowances or benefits or charitable and generally to provide advantages, facilities and services for any persons who are or have been Directors or employees of the Company, or any company which is a subsidiary of the company or the holding company or the Company or a fellow subsidiary of the company or the predecessors in business of the company or of any such subsidiary, holding of fellow subsidiary company and to the wives, widows, children and other relatives and dependants of such persons; to make payments towards insurance including insurance including insurance for any director, officer omission by them in relation to the carrying out of their obligations and duties in relation to the company.
- u) To give, whether directly or indirectly, any kind of financial assistance for any purpose as it deems fit and approved by the board of directors.
- v) To procure the Company to be registered or recognized in any part of the world.
- w) To provide consultation, advice, conduct researches, represent businesses, offer educational and professional services and expertise to individuals, governments, and non-governmental organizations in gender and development, health related matters, management, legal, accounting, information and technology not limited to these but including their broadest sense as may be determined from time o time by the board of directors in the articles of association.
- x) To design, develop, manufacture, assemble, sale, install and/or implementation of any technological product and system, hardware and software, requisites, components and parts, in any material whatsoever, both domestically and abroad, in the broadest sense of the word, and anything connected directly or indirectly therewith.
- y) To do all or any of the things authorized in any part of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, subcontractors or otherwise and either alone or in conjunction with others.

- z) To do all such other things as may be deemed incidental or conducive to the attachment of the Company's object or of any of the powers given to it the Act or by this clause.

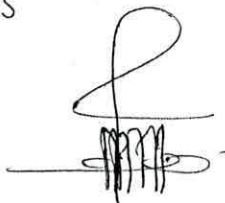


AND so that:

- (i) None of the provisions set forth in any sub-clause of this Clause shall be restrictively construed but the widest interpretation shall be given to each such provision, and none of such provisions shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other provisions set forth in such sub-clause, or by reference to inference from the terms of any other sub-clause of this clause, or by reference to or inference from the name of the Company.
- (ii) The word "Company" in this Clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Republic of Tanzania or elsewhere.
- (iii) In this Clause the expression "the Act" means the Companies Act, Act No. 12 of 2002, but so that any reference in this Clause to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of the provision for the time being in force.

4. The Liability of the Members is limited.

5. The Company's share capital is T.SHS. 500,000,000 divided into 100,000 shares of T.SHS. 5,000 each, with the power of increase or to divide the shares in the capital for the time being, into different classes having such rights, privileges and advantages as to voting and otherwise, as the Articles of Association may from time to time prescribe.

We, the subscribers to this Memorandum of Association, wish to be formed into a Company pursuant to this Memorandum; and we agree to take the number of shares shown opposite our respective names.

NAME AND ADDRESSES OF SUBSCRIBERS	NUMBER OF SHARES TAKEN AND SIGNATURE OF SUBSCRIBER
1. MR. YOHANA MSWAHILI MASASA BWIRU MCHANGANI P.O. BOX 1551, MWANZA TANZANIA. PHONE NO: +255 713 069 928	17,000 SHARES   Signature .....
2. MR. MOHAMED SHEWEJI NAMANGA, MIKOROSHINI, TANESCO ESTATE, HOUSE NO. 7 P.O. BOX 1551, MWANZA TANZANIA. PHONE NO: +255 748659 148	17,000 SHARES   Signature .....
3. DR. HAMISI A. KIGWANGALLA MBEZI, JUU, TANGI BOVU, OFF BAGAMOYO ROAD, P.O. BOX 22499, DAR ES SALAAM TANZANIA PHONE NO: +255 744 636 963	17,000 SHARES   Signature.....
<b>TOTAL SHARES TAKEN</b>	<b>51,000 SHARES</b>

DATED this 21<sup>st</sup> day of April 2010

WITNESS to the above Signatures:

NAME: PHILEAS MASTO

ADDRESS: P.O. Box 17250 Dar es Salaam

QUALIFICATION: ADVOCATE

OFFICIAL SEAL: .....



2115/82-1005  
 Stamp Duty Paid  
 Receipt No. 6835 of 20/11/02  
 Registrar of Companies  
 KANZANIA

THE COMPANIES ACT  
ACT 12 OF 2002

A COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION  
OF  
MSK REFINERIES LIMITED

KANZANIA  
 Stamp Duty Paid  
 Receipt No. 6835 of 20/11/02  
 Registrar of Companies

Preliminary

1. In these Articles, if not inconsistent with the subject or context, the words and expressions standing on the left side shall bear the meanings set opposite them respectively on the right side thereof.

**Words and their Meaning**

- The Act:** Means the Companies Act (Act No. 12 of 2002)
- The Seal:** Means the Common Seal of the Company
- Capital:** The sum of the aggregate per value of all outstanding shares with per value of the company and shares with per value held by the Company as treasury shares plus.
- The Company:** Shall mean **MSK REFINERIES LTD** unless otherwise specified.
  - a) The aggregate of the amounts designated as capital of all outstanding shares without per value of the Company and shares without per value held by the Company as treasury shares and
  - b) The amounts as are from time to time transferred from surplus to capital by a resolution of directors.
- Chief executive officer:** The chief executive officer from time to time of the Company.
- Member:** A person who holds shares in the Company.
- Person:** Any individual, firm, company, corporation, trust, government, state or agency of a state, joint venture, the estate of a deceased individual, limited liability company, public company limited, partnership or

incorporated or unincorporated association of persons.

**Resolution of directors:** Except as otherwise required by law, the Memorandum or These Articles, a resolution:

- a) Approved at a duly convened and constituted meeting of directors of the Company or of a committee of directors of the Company by the affirmative vote of a simple majority of the directors present at the meeting who voted and did not abstain or
- b) Consented to in writing by three-quarter of all directors or three-quarters of all members of the committee, as the case may be: except that where a director is given more than one vote, he shall be counted by the number of votes he casts for the purpose of establishing a majority.

**Resolutions of Members:** Except as otherwise required by law, the Memorandum or these Articles, a resolution; approved at a duly convened and constituted meeting of the members of the Company by the affirmative vote of

- a) A simple majority of the vote of the shares entitled to vote thereon which were Present at the meeting and were voted and not abstained or
- b) A simple majority of the votes of each class or series of shares which were present at the meeting and entitled to vote thereon as a class or series and were voted and not abstained and of a simple majority of the votes of the remaining shares entitled to vote thereon which were present at the meeting and were voted and not abstained.

**Securities:** Shares and debt obligations of every kind, and options, warrants and rights to acquire shares or debts obligations.

**Surplus:** The excess, if any, at the time of the determination of the total assets of the Company over the aggregate of its total liabilities, as shown in its books of account, plus the Company's capital.

**The Memorandum:** The Memorandum of Association of the Company as originally  
Framed or as from time to time amended.

**The Seal:** Any Seal which has been duly adopted as the Seal of the Company.

**These Articles:** These Articles of Association as originally framed or as from time to time amended.

**Treasury Shares:** Shares in the Company that were previously issued but were repurchased, redeemed or otherwise acquired by the Company and not cancelled.

2. "Written" or any term of like import includes words typewritten, printed, painted, engraved, lithographed, photographed or represented or reproduced by any mode of reproducing words in a visible form, including telex, facsimile, telegram, cable or other form of writing produced by electronic communication.
3. Save as aforesaid any words or expressions defined in the Act shall bear the same meaning in these Articles. The Regulations contained in Table A of the first Schedule to the ordinance shall apply to the Company unless expressly excluded.
4. Whenever the singular or plural number, or the masculine, feminine or Neuter gender is used in these Articles, it shall equally, where the context admits, include the others.
5. A reference in these Articles to voting in relation to shares shall be construed as a reference to voting by members holding the shares except that it is the votes allocated to the shares that shall be counted and not the number of members who actually voted and a reference to shares being present at a meeting shall be given a corresponding construction.
6. A reference to money in these Articles is, unless otherwise stated, a reference to the currency in which shares in the Company shall be issued according to the provisions of the Memorandum.

**REGISTERED SHARES.**

7. Every member holding registered shares in the Company shall be entitled to a certificate signed by a director or officer of the Company and under the Seal specifying the share of shares held by him and the signature of the director or officer and the seal may be facsimiles.
8. If several persons are registered as joint holders of any shares, any one of such persons may give an effectual receipt for any dividend payable in respect of such shares.

**SHARES, AUTHORIZED CAPITAL, CAPITAL AND SUPRLUS**

9. Subject to the provisions of these Articles, the Memorandum and any resolution of members, the unissued shares of the Company shall be at the disposal of the directors who may, without limiting or affecting any rights previously conferred on the holders of any existing shares or class or series of shares, offer, allot, grant options over or otherwise dispose of shares to such persons, at such times and upon such terms and conditions as the Company may by resolution of directors determine.

10. No share in the Company may be issued until the consideration in respect thereof is fully paid, and when issued the share is for all purposes fully paid and non-assessable save that a share issued for a promissory note or other written obligation for payment of debt may be issued subject to forfeiture in the manner prescribed in these Articles.
11. Shares in the Company shall be issued for money, services rendered, personal property, an estate in real property, a promissory note or other binding obligation to contribute money or property or any combination of the foregoing as shall be determined by a resolution of directors.
12. Shares in the Company may be issued for such amount of consideration as the directors may from time to time by resolution of directors determine, except that the case of shares with per value, the amount shall not be less than the per value, and in the absence of fraud the decision of the directors as the value of the consideration received by the Company in respect of the issue is conclusive unless a question of law is involved. The consideration in respect of the shares constitutes capital to the extent of per value and the excess constitutes surplus.
13. A share issued by the Company upon conversion of, or in exchange for, another share or a debt obligation or other security in the Company, shall be treated for all purposes as having been issued for money equal to the consideration received or deemed to have been received by the Company in respect of the other share, debt obligation or security.
14. Treasury shares may be disposed of by the Company on such terms and conditions (not otherwise inconsistent with these Articles) as the Company may by resolution of directors determine.
15. The Company may issue fractions of a share and a fractional share shall have the same corresponding fractional liabilities, limitations, preferences, privileges, qualifications, restrictions, rights and other attributes of a whole share of the same class or series of shares.
16. Upon the issue by the Company of a share without per value, if an amount is stated in the Memorandum to be authorized capital represented by such shares then each share shall be issued for no less than the appropriate proportion of such amount which shall constitute capital, otherwise the consideration in respect of the share constitutes capital to the extent designated by the directors and the excess constitutes surplus, except that the directors must designate as capital an amount of the consideration that is at least equal to the amount that the share is entitled to as a preference, if any, in the assets of the Company upon liquidation of the Company.
17. The Company may purchase, redeem or otherwise acquire and hold its own shares on such terms and conditions as may be determined by a resolution of

directors, provided, however, that the Company may only do so out of surplus or in exchange for newly issued shares of equal value.

18. No purchase, redemption or other acquisition of share be made unless the directors determine that immediately after the purchase, redemption or other acquisition the Company will be able to satisfy its liabilities as they become due in the ordinary course of its business and the realizable value of the assets of the company will not be less than the sum of its capital liability other than deferred taxes, as shown in the books of account, and its capital and, in the absence of fraud, the decision of the directors as to the realizable value of the assets of the Company is conclusive, unless a question of law is involved.
19. A determination by the directors under the preceding Regulation is not required where shares are purchased, redeemed or otherwise acquired.
  - a) Pursuant to a right of a member to have his shares redeemed or to have his heirs exchanged for money or other property of the Company:
  - b) By virtue of a transfer of capital according to the companies Act
  - c) Pursuant to an order of the Court.
20. Shares that the Company purchases, redeems or otherwise acquires pursuant to the preceding Regulation may be cancelled or held as treasury shares except to the extent that such shares are in excess of 80 percent of the issued shares of the Company in which case they shall be cancelled but they shall be available for reissue.
21. Where shares in the Company are held by the Company as treasure shares or are held by another company of which the Company holds, directly or indirectly, shares having more than 50 percent of the voted in the election of directors of the other company, such shares of the Company are not entitled to vote or to have dividends paid thereon and shall not be treated as outstanding or any purpose except for purposes of determining the capital of the Company.
22. The Company may by a resolution of directors include in the computation of surplus for any purpose the unrealized appreciation of the assets of the Company, and, in the absence of fraud, the decision of the directors as to the value of the assets is conclusive, unless a question of law is involved.

#### **MORTGAGES AND CHARGES OF SHARES**

23. Members may mortgage or charge their shares in the Company and upon satisfactory evidence thereof the Company shall give effect to the terms of any valid mortgage or charge except insofar as it may conflict with any requirements herein contained for consent to the transfer to shares.

24. In the case of the mortgage or charge of shares there may be entered in the share register of the Company at the request of the registered holder of such shares.
- a) A statement that the shares are mortgaged or charges;
  - b) The name of the mortgagee or chargee; and
  - c) The date on which the aforesaid particulars are entered in the share Register.
25. Where particulars of a mortgage or charge are registered, such particulars shall be cancelled.
- a) With the consent of the named mortgagee or chargee or anyone Authorized to act on his behalf; or
  - b) Upon evidence satisfactory to the directors of the discharge of the liability secured by the mortgage or charge and the issued of such indemnities as the directors shall consider necessary or desirable.
26. Whilst particulars of a mortgage or charge are registered, no transfer of any share comprised therein shall be affected without the written consent of the named mortgagee or chargee or anyone authorized to act on his behalf.

#### **FORFEITURE**

27. When shares issued for a promissory note or other written obligation for payment of a debt has been issued subject to forfeiture, the following provisions shall apply.
28. Written notice specifying a date for payment to be made and the shares respect of which payment is to be made shall be served on the member who defaults in making payment pursuant to a promissory note or other written obligations to pay a debt.
29. The written notice specifying a date for payment shall.
- a) Name a further date not earlier than the expiration of 14 days from the date of service of the notice on or before which payment required by the notice is to be made; and
  - b) Contain a statement that in the event of non-payment at or before the time named in the notice the shares, or any of them, in respect of which payment is not made will be liable to be forfeited.
30. Where a written notice has been issued and the requirements have not been complied with within the prescribed time, the directors may at any time before tender of payment forfeit and cancel the shares to which the notice relates.

31. The Company is under no obligation to refund any money to the member whose shares have forfeited and cancelled pursuant to these provisions. Upon forfeiture and cancellation of the shares the member is discharged from any further obligation the Company with respect to the shares forfeited and cancelled.

**LIEN**

32. The Company shall have a first and paramount lien on every share issued for a promissory note or for any other binding obligation to contribute money or property or any combination thereof to the Company, and the Company shall also have a first and paramount lien on every share standing registered in the name of a member, whether singly or jointly with any other person or persons, for all the debts and liabilities of such member or his estate to the Company, whether the same shall have been incurred before or after notice to the Company of any interest of any person other than such member, and whether the time for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether a member of the Company or not. The Company's lien on a share shall extend to all dividends payable thereon. The directors may at any time either generally, or in any particular case, waive any lien that has arisen or declare any share to be wholly or in part exempt from the provisions of this Regulation.
33. In the absence of express provisions regarding sale in the promissory note or other binding obligation to contribute money or property, the Company may sell, in such manner as the directors may by resolution determine, any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of twenty-one days after a notice in writing, stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default of such payment, has been served on the holder for the time being of the share.
34. The net proceeds of the sale by the Company of any shares on which it has a lien shall be applied in or towards payment or discharge of the promissory note or other binding obligation to contribute money or property or any combination thereof in respect of which the lien exists so far as the same is presently payable and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale) be paid to the holder of share immediately before such sale. For giving effect to any such sale the directors may authorize some person to transfer the share and he shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale.

### **TRANSFER OF SHARES**

35. Subject to any limitations in the Memorandum, registered shares in the Company may be transferred by a written instrument of transfer signed by the absence of such written instrument of transfer the directors may accept such evidence of a transfer of shares as they consider appropriate.
36. The Company shall not be required to treat a transferee of a registered share in the Company as a member until the transferee's name has been entered in the share register.

### **TRANSMISSION OF SHARES**

37. The executor or administrator of a deceased member, the guardian of an incompetent member or the trustee of a bankrupt member shall be the only person recognized by the Company as having any title to his share but they shall not be entitled to exercise any rights as a member of the Company until they have proceeded as set forth in the next following three Regulations.
38. The production to the Company of any document which is evidence of probate of the will, or letters of administration of the estate, or confirmation as executor, of a deceased member or of the appointment of a guardian of incompetent member or the trustee of a bankrupt member shall be accepted by the Company even if the deceased, incompetent or bankrupt member is domiciled outside the United Republic of Tanzania if the document evidencing the grant of probate or letters of administration, confirmation as executor, appointment as guardian or trustee in bankruptcy is issued by a foreign court which had competent jurisdiction in the matter. For the purpose of establishing whether or not a foreign court had competent jurisdiction in such a matter the directors may obtain appropriate legal advice. The directors may also require an indemnity to be given by the executor, administrator, guardian or trustee in bankruptcy.
39. Any person becoming entitled by operation of law or otherwise to a share or shares in consequence of the death, incompetence or bankruptcy of any member may be registered as a member upon such evidence being produced as may reasonably be required by the directors. An application by any such person to be registered as a member shall for all purposes be deemed to be a transfer of shares of the deceased, incompetent or bankrupt member and the directors shall treat it as such.
40. Any person who has become entitled to a share or shares in consequence of the death, incompetence or bankruptcy of any member may, instead of being registered himself, request in writing that some person to be named by him be registered as the transferee of such share or shares and such request shall likewise be treated as if it were a transfer.
41. What amounts to incompetence on the part of a person is a matter to be determined by the court having regard to all the relevant evidence and the circumstances of the case.

#### **ALTERATION OF AUTHORIZED CAPITAL OR CAPITAL**

42. The Company may either by a resolution of members or by a resolution of director's amends the Memorandum to

- a) Increase or reduce its authorized capital and in connection therewith the Company may in respect of any unissued shares increase or reduce the number of such shares, increase or reduce the per value of any such shares or effect any combination of the foregoing;
- b) Increase the number of its shares having no per value.
- c) Increase its capital constituted by shares of no par value by transferring reserves or profits to the capital, with or without a distribution of shares;
- d) Combine and divide all or any part of its share capital into shares of larger amount that its existing shares or combine and reduce the number of the issued no par value shares;
- e) Increase the number of it's issued no per value shares without an increase of its Capital;
- f) Subdivide its shares, or any of them, into shares of smaller amount that is fixed by the Memorandum;
- g) Convert any shares having a per value into shares of no par value;
- h) Convert any shares, of no per value into shares having a par value;
- i) Convert any of its shares, whether issued or not, into shares of another class.

43. The Company may, either by a resolution of members or by a resolution of directors, amend the Memorandum to

- a) Divide the shares, including issued shares, of a class or series into a larger number of shares of the same class or series; or
- b) Combine the shares, including issued shared, of a class or series into a smaller number of shares of the same class or series, provided, however, that where shares having a per value are divided or combined under (a) or (b) of this Regulation, the aggregate per value of the new shares must be equal to the aggregate per value of the original shares.

44. The capital of the Company may be a resolution of directors be increased by Transferring an amount of the surplus of the Company to capital.

45. Subject to the provisions of the two next succeeding Regulations, the capital of the Company may be resolution of directors be reduced by transferring an amount of the capital of the Company to surplus.
46. No reduction of capital shall be effected that reduces the capital of the Company to an amount that immediately after the reduction is less than the aggregate per value of all outstanding share without per value and all shares with per value held by the Company as treasury shares and the aggregate of the amounts designated as capital of all outstanding shares without per value and all shares without per value held by the Company as treasury shares that are entitled to a preference, if any, in the assets of the Company upon liquidation of the Company.
47. No reduction of capital shall be effected unless the directors determine that immediately after the reduction the Company will be able to satisfy its liabilities as they become due in the ordinary course of its business and that the realizable assets of the Company will not be less than its total liabilities, other than deferred taxes, as shown in the books of the Company and its remaining capital, and, in the absence of fraud, the decision of the directors as to be realizable value of the assets of the Company is conclusive, unless a question of law is involved.

#### **MEETINGS AND CONSENTS OF MEMBERS**

48. Any action required or permitted to be taken by the members must be effected at a duly called annual or special meeting (as described in Regulation 51) of the members entitled to vote on such action or by written consent without a meeting. The following provisions shall apply to such written consent.
  - a) Unless otherwise provided in the Memorandum, any action required by statute to be taken at any annual or special meeting of members of any action that may be taken at any annual or special meeting of members, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.
  - b) Every written consent shall bear the date of signature of each member who signs the consent, and no written consent shall be effective to take the corporate action referred to therein unless, within 60 days of the earliest dated consents delivered to the Company in the manner herein required, written consents signed by a sufficient number of members to take action are delivered to the Company at its registered office in the United Republic of Tanzania, its principal place of business or an officer or agent of the Company having custody of the book in which proceedings of meetings of members are recorded. Delivery made to the Company's

registered office shall be by and or by certified or registered mail, return receipt requested.

- c) Notwithstanding the foregoing, the members may not take any action by written consent after the date on which the Company closes a public offering by it of shares pursuant to an effective registration statement under the law.

49. Meetings of members shall be held at such times and places as may be fixed from time to time by the director.

50. An annual meeting of members for elections of directors and for such other business as may come before the meeting shall be held at such date and time as may be determined by the directors.

51. Special meetings of members may be called only by the directors pursuant to a resolution of directors to that effect or by the chief executive officer. The foregoing provisions of this Regulation 51, as well as the provisions of Regulation 48 shall not apply to action taken by holders of preference shares.

52. Written notice of all meetings of members, stating the time, place and purposes thereof, shall be given not fewer than ten days before the date of the proposed meeting to those persons whose names appear as members in the share register of the Company on the date of the notice and are entitled to vote at the meeting.

53. The directors may fix the date notice is given of a meeting of members as the record date for determining those shares that are entitled to vote at the meeting.

54. A meeting of members may be called on short notice:

- a) If members holding not less than 90 percent of the total number of shares entitled to vote on all matters to be considered at the meeting, or 90 percent of the votes of each class or series of shares where members are entitled to vote thereon as a class or series together with not less than a 90 percent majority of the remaining votes, have agreed to short notice of the meeting, or
- b) If all members holding shares entitled to vote on all or any matters to be considered at the meeting shall be deemed to constitute waiver.

55. The inadvertent failure of the directors to give notice of a meeting to a member or the fact that a member has not received notice does not invalidate the meeting.

56. A member may be represented at a meeting of members by a proxy who may speak and vote on behalf of the member.

57. The instrument appointing a proxy shall be produced at the place appointed for the meeting before the time for holding the meeting at which the person named in such instrument proposes to vote.

58. An instrument appointing a proxy shall be in substantially the following form or such other form as the chairman of the meeting shall accept as properly evidencing the wishes of the member appointing the proxy.

**(MSK REFINERIES LIMITED)**

I/We ..... being a member of the above Company with ..... shares HEREBY APPOINT ..... of ..... to be my/our proxy to vote for me/us at the meeting of members to be held on the ..... Day of ..... and at any adjournment thereof. (any restrictions on voting to be inserted here)

Signed this ..... day of .....

Member

59. The following shall in respect of joint ownership of shares:

- a) If two or more persons hold shares jointly each of them may be present in person or by proxy at a meeting of members and may speak as a member.
- b) If only one of the joint owners is present in person or by proxy he may vote on behalf of all joint owners, and
- c) If two or more of the joint owners is present in person or by proxy they must vote as one.

60. A member shall be deemed to be present at a meeting of members if he participates by telephone or other electronic meeting of members if he participates by telephone or other electronic means and all members participating in the meeting are able to hear each other.

61. A meeting of members is duly constituted if, at the commencement of the meeting, there are present in person or by proxy not less than 50 percent of the votes of the shares or class or series of shares entitled to vote on resolutions of members to be considered at the meeting. If a quorum be present, notwithstanding the fact such quorum may be represented by only one person then such person may resolve any matter and a certificate signed by such person accompanied where such person is a proxy by a copy of the proxy form shall constitute a valid resolution of members.

62. If within two hours from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to the next business day at the same time and place or to such other time and place as the directors may

determine, and if at the adjourned meeting there are present within one hour from the time appointed for the meeting in person or by proxy not less than one third of the votes of the shares or each class or series of shares entitled to vote on the resolutions to be considered by the meeting, those present shall constitute a quorum but otherwise the meeting shall be dissolved.

63. At any meeting of members, only such business shall be conducted as shall have been brought before such meeting:

- a) By or at the direction of the Chairman of the Board of Directors; or
- b) By any member who is a holder or record at the time of the giving of the notice provided for in Regulation 52 who is entitled to vote at the meeting and who complies with the procedures set out in Regulation 64.

64. For business to be properly brought to the annual meeting of members by a member, the member must have given written notice thereof, either by personal delivery or by prepaid registered post to the Secretary of the company (the "Secretary") at the principal executive offices of the Company not less than 30 days nor more than 60 days prior to the meeting as originally scheduled, provided, however, that, if less than 40 days' notice or prior public disclosure of the date of the meeting is given or made close of business on the fifth day following the day on which such notice of the date of the general meeting was posted or such public disclosure was made. For the purposes of this Regulation 64, any adjournment(s) or postponement(s) of the original meeting whereby the meeting will reconvene within 30 days from the original date shall be deemed, for purposes of notice, to be a continuation of the original meeting and no business may be brought before any reconvened meeting unless such timely notice of such business was given to the Secretary for the meeting as originally scheduled. A member's notice to the Secretary shall set out as to each matter that the member wishes to be brought before the meeting of members.

- a) A brief of description of the business desired to be brought before the meeting;
- b) The name and address of record of the member proposing such business;
- c) The class and number of shares of the Company which are beneficially owned by such member;
- d) Any material interest of such member in such business; and
- e) If the member intends to solicit proxies in support of such member's proposal, a representation to that effect.

Notwithstanding the foregoing, nothing in this Regulation 64 shall be interpreted or construed to require the inclusion of information about any such proposal in

any proxy statement distributed by, at the direction of, or on behalf of, the director. The chairman of a meeting of members shall, if the facts so warrant, determine and declare to the meeting that business was not properly brought before the meeting in accordance with the provisions of this Regulation 64 and, if he should so determine, he shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted. However, the notice requirements set out in this Regulation 64 shall be deemed satisfied by a member if the member has notified the Company of his intention to present a proposal at a meeting of members and such member's proposal has been included in a proxy statement that has been distributed by, at the direction of, or on behalf of, the directors to solicit proxies for such meeting; provided that, if such member does not appear or send a qualified representative, as determined by the chairman of the meeting, to present such proposal at such meeting, the Company need not present such proposal for a vote at such meeting, notwithstanding that proxies in respect of such vote may have been received by the Company.

65. At every meeting of members, the Chairman of the Board of Directors shall preside as chairman of the meeting. If there is no Chairman of the Board of Directors or if the Chairman of the Board of Directors is not present at the meeting, the chief executive officer shall be the chairman. In the absence of the chief executive officer, such person as shall be selected by the Board of Directors shall act as chairman of the meeting. The Chairman of the Board of Directors, in addition to a deliberative vote as director, shall cast the deciding vote in the event that any vote by the Board of Directors requiring a majority vote for approval ends in a tie.
66. The chairman may, with the consent of the meeting, adjourn any meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
67. At any meeting of the members the chairman shall be responsible for deciding in such manner as he shall consider appropriate whether any resolution has been carried or not and the result of his decision shall be announced to the meeting and recorded in the minutes thereof. If the chairman shall have any doubt as to the outcome of any resolution, but if the chairman shall fail to take a poll then any member present in person or by proxy who disputes the announcement by the chairman of the result of any vote may immediately following such announcement demand that a poll be taken and the chairman shall thereupon cause a poll to be taken. If a poll is taken at any meeting, the result thereof shall be duly recorded in the minutes of that meeting by the chairman.
68. Any person other than an individual shall be regarded as one member and subject to the specific provisions hereinafter contained for the appointment of representatives of such persons the right of any individual to speak for or represent such member shall be determined by the law of the jurisdiction

where, and by the documents by which, the person is constituted or derives its existence. In case of doubt, the directors may in good faith seek legal advice from any qualified person and unless until a court of competent jurisdiction shall otherwise rule, the directors may rely and act upon such advice without incurring any liability to any member.

69. Any person other than an individual which is a member of the Company may be resolution of its directors or other governing body authorize such person as it thinks fit to act as its representative at any person so authorized shall be entitled to exercise the same powers on behalf of the person which he represents as that person could exercise if it were an individual member of the Company.
70. The chairman of any meeting at which a vote is cast by proxy or on behalf of any person other than an individual may call for a notarially certified copy of such proxy or authority which shall be produced within seven days of being so requested or the votes cast by such proxy or on behalf of such person shall be disregarded.
71. Directors of the Company may attend and speak at any meeting of members of the Company and at any separate meeting of the holders of any class or series of shares in the Company.
72. No business shall be conducted at a meeting of members except in accordance with regulations 48 to 71.

#### **NUMBER OF DIRECTORS AND SHARES QUALIFICATION**

73. The number of directors shall be at least 2 and no greater than 10, as determined from time to time by a resolution of directors. The following shall be the first directors;
  - (1) MR. YOHANA MSWAHILI MASASA
  - (2) MR. MOHAMED SHAWAJI
  - (3) DR. HAMISI A. KIGWANGALLA
74. The continuing directors may act, notwithstanding any casual vacancy in their body, so long as they remain in office not less than the prescribed minimum number of directors duly qualified to act, but if the number falls below the prescribed minimum, the remaining directors shall not act except for the purpose of filling such vacancy.
75. The shareholding qualification for directors may be fixed, and from time to time varied, by a resolution of members and unless and until so fixed no qualification shall be required. A director may be an individual or a company.

## APPOINTMENT AND RETIREMENT OF DIRECTORS

76. The term of each director shall expire at the next annual meeting of members following such director's election. Retiring directors shall be eligible for re-election. The first directors of the Company shall be appointed by the subscribers to the Memorandum, and thereafter, they shall be elected by the members to serve the term set forth in this Regulation 76.

77. Any vacancy on the Board of Directors resulting from death, resignation, removal or other cause and any newly created directorship resulting from any increase in the authorized number of directors between meetings of members, shall be filled only by the affirmative vote of a majority of all the directors then in office (even if less than a quorum) and any director so appointed shall hold office for the remainder of the annual term of the directors and until a successor is duly elected or until his earlier death, resignation or removal from office in accordance with these Articles or any applicable law.

78. Nomination of persons for election to the Board of Directors shall be made only at a meeting of members and only.

a) By or at the direction of the directors; or

b) By a member entitled to vote for the election of directors who complies with the Notice of procedures set out below.

Such nominations, other than those made by or at the direction of the directors, shall be made pursuant to timely notice in writing to the Secretary. To be timely, a member's notice shall be delivered to or mailed and received at the principal executive offices of the company not less than 30 days nor more than 60 days before the meeting, provided, however, that if less than 40 days notice or prior public disclosure of the date of the meeting is given or made to members, notice by the member to be timely must be so received not later than the close of business on the tenth day following the day on which such notice of the date of the meeting was mailed or such public disclosure was made. For the purposes of this Regulation, any adjournment or postponement of the original meeting whereby the meeting will reconvene within 30 days from the original date shall be deemed for the purposes of this notice to be a continuation of the original meeting and no nominations by a member of persons to be elected directors may be made at any such reconvened meeting and no nominations by a member of persons to be elected directors of the Company may be made at any such reconvened meeting unless pursuant to a notice which was timely for the meeting on the date originally scheduled. Each such notice shall set out.

(i) The name and address of the member who intends to make the nomination and of the persons to be nominated;

(ii) A representation that the member is a holder of record of shares in the Company entitled to vote at such meeting and that he intends to

appear in person or by proxy at the meeting to nominate the persons specified in the notice;

- (iii) A description of all arrangements or understandings between the member and each nominee and any other person (naming such person) pursuant to which the nominations are to be made by the member;
- (iv) Such other information regarding each nominee proposed by such member as would have been required to be included in a proxy statement filed pursuant to the proxy rules of the law of Tanzania, had each nominee been nominated, or intended to be nominated, by the directors;
- (v) The consent of each nominee to serve as a director of the Company if so elected; and
- (vi) If the member intends to solicit proxies in support of such member's nominees, a representation to that effect.

79. The chairman of the meeting may refuse to acknowledge the nomination of any person not made in compliance with the foregoing procedure or if the member solicits proxies in favour of such member's nominees without having made the representation required by the immediately preceding sentence. Only such persons as are nominated in accordance with the procedures set out above shall be eligible to serve as directors of the Company. If at any meeting of members at which an election of directors ought to take place, the place of any retiring director is not filled, he shall, if willing, continue in office until the dissolution of the annual meeting of members in the next year, and so on from year to year until his place is filled, unless it shall be determined at such meeting not to fill such vacancy.

80. The appointment of a director shall take effect upon compliance with the requirements of the Act.

#### **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

81. Subject to the provisions of the Act, a director shall cease to hold office as follows only:

- a) If he becomes insolvent, or assigns his estate for the benefit to his creditors, or suspends payment or files a petition for the liquidation of his affairs, or compounds generally with his creditors; or
- b) If he becomes of unsound mind; or
- c) If (unless he is not required to hold a share qualification) he has not duly qualified himself within two months of his appointment or if he ceases to hold the required number of shares to qualify him for office; or

- d) If he is absent from meetings of the directors for six consecutive months without leave of the directors and is not represented at any such meetings during such six consecutive directors resolve that the office be vacated by an alternative director, provided that the directors shall have power to grant any director leave of absence for any or an indefinite period; or
- e) If he dies; or
- f) One month or, with the permission of the directors earlier, after he has given notice in writing of his intention to resign; or
- g) If he shall, pursuant to the provisions of the Act, be disqualified or cease to hold office or be prohibited from acting as director; or
- h) If he is removed from office by a resolution signed by all the other directors; or
- i) If he is removed from office for cause by a resolution of members. For the purposes hereof, 'cause' means the willful and continuous failure by a director to substantially perform his duties to the Company (other than any such failure resulting from incapacity due to physical or mental illness) or the willful engaging by the director in gross misconduct materially and demonstrably injurious to the Company.

#### **REGISTER OF DIRECTORS**

82. The Company may determine by resolution of director to keep a register of directors containing

- a) The names and addresses of the persons who are directors of the Company;
- b) The date on which each person whose name is entered in the register was appointed as a director of the Company; and
- c) The date on which each person named as a director ceased to be a director of the Company.

83. If the directors determine to maintain a register of director, a copy thereof shall be kept at the registered office of the Company and the Company may determine by resolution of directors to register a copy of the register with the Registrar of Companies.

#### **CHIEF EXECUTIVE OFFICER/MANAGING DIRECTOR**

84. The directors may from time to time appoint one or more of their number to be a Chief executive officer, managing director, joint chief executive officers or joint managing directors of the Company or to be the holder of any other

executive office in the Company, including, for the purposes of these Articles, the office of chairman and may, subject to any contract between him or them and the Company, from time to time terminate his or their appointment and appoint another or others in his or their place or places.

85. A director appointed in terms of the provisions of Regulation 84 to the office of chief executive officer or managing director of the Company, or to any other executive office in the Company, may be paid, in addition to the remuneration payable in terms of Regulation 98 or 99, such remuneration – not exceeding a reasonable maximum in each year – in respect of such officer as may be determined by a disinterested quorum of the directors.
86. The directors may from time to time entrust and confer upon a chief executive officer, managing director or other executive officer for the time being such of the powers and authorities vested in the as they think fit.

#### **POWERS OF DIRECTORS**

87. The management of the business and the control of the company shall be vested in the directors who, in addition to the powers and authorities by these Articles expressly conferred upon them, may exercise all such powers, and to all such acts and things, as may be exercised or done by the Company and are not hereby or by the Act expressly directed or required to be exercised or done by meeting of member, but subject nevertheless to such management and control not being inconsistent with these Articles or with any resolution passed at any meeting of members, but no resolution of members shall invalidate any prior act of the directors which would have been valid if such resolution had not been passed. The general powers given by this Regulation shall not be limited or restricted by any special authority or power given to the directors by any other Regulation.
88. The directors may authorize the payment of such donations by the Company to such religious, charitable, public or other bodies, clubs, funds or associations or persons as may seem to them advisable in the interests of the Company.
89. Every officer or agent of the Company has such powers and authority of the directors, including the power and authority to affix the Seal, as are set out in these Articles or in the resolution of directors appointing the officer or agent, except that no officer or agent has any power or authority with respect to the matters requiring a resolution of directors under the Act.
90. Any director which is a body corporate may appoint any person its duly authorized representative for the purpose of representing it at meetings of the Board of Directors or with respect to unanimous written consents.
91. The directors may by resolution of directors exercise all the powers of the Company to borrow money and to mortgage or charge its undertakings and property or any part thereof, to issue debentures, stock and other securities

whenever money is borrowed or as security for any debt, liability or obligation of the Company or of any third part.

92. All Cheque, promissory notes, drafts, bill of exchange and other negotiable instruments and all receipts for moneys, paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as shall from time to time be determined by resolution of directors.
93. The Company may determine by resolution of directors to maintain at its registered office a register of mortgages, charges and other encumbrances in which there shall be entered the following particulars regarding each mortgage, charge and other encumbrance;
- a) The sum secured;
  - b) The assets secured;
  - c) The name and address of the mortgage, charge or other encumbrance; and
  - d) The date of creation of the mortgage, charge or other encumbrance; and
  - e) The date on which the particulars specified above in respect of the mortgage, charge or other encumbrance are entered in the register.
94. The Company may further determine by a resolution of directors to register a copy of the register of mortgages, charges or other encumbrances with the Registrar of companies.
95. The directors may, by resolution of directors, designate one or more committees, each consisting of one or more directors.
96. Each committee of directors has such powers and authorities of the directors, including the power and authority to affix the seal, as are set forth in the resolution of directors establishing the committee, except that no committee has any power or authority to amend the Memorandum or these Articles, to appoint directors or fix their emoluments, or to appoint officers or agent of the Company.
97. The meetings and proceedings of each committee of directors consisting of two or more directors shall be governed mutatis mutandis by the provisions of these Articles regulating the proceedings of directors so far as the same are not superseded by any provisions in the resolution establishing the committee.

### **REMUNERATION AND EXPENSES OF DIRECTORS**

98. With the prior or subsequent approval by a resolution of members, the directors may, by a resolution of directors, fix the emoluments of directors with respect to services to be rendered in any capacity of the Company.
99. The directors shall be paid all their traveling and other expenses properly and necessarily incurred by them in and about the business of the Company, and in attending meetings of the directors or of committees thereof, and if any director shall be required to perform extra services or otherwise shall be specially occupied about the Company's business, he shall be entitled to receive a remuneration to be fixed by a disinterested quorum of the directors which may be either in addition to or in substitution for the remuneration provided for in Regulation 98.

### **PROCEEDINGS OF DIRECTORS**

100. The directors of the Company or any committee thereof may meet at such times and in such manner and places as the directors may determine to be necessary or desirable.
101. A director shall be deemed to be present at a meeting of directors if he participates by telephone or other electronic means and all directors participating in the meeting are able to hear each other.
102. A director shall be given not less than three days notice of meetings of directors, but a meeting of directors held without three days notice having been given to all directors shall be valid if all the directors entitled to vote at the meeting who do not attend, waive notice of the meeting and for this purpose, the presence of a director at a meeting shall constitute waiver on his part. The inadvertent failure to give notice of a meeting to a director, or the fact that a director has not received the notice, does not invalidate the meeting.
103. A director may by a written instrument appoint an alternate who need not be a director and an alternate is entitled to attend meetings in the absence of the director who appointed him and to vote or consent in place of the director.
104. A meeting of directors is duly constituted for all purposes if at the commencement of the meeting there present in person or by alternate not less than one-half of the total number of directors, unless there are only two directors in which case the quorum shall be two.
105. If the Company shall have only one director the provisions herein contained for meetings of the directors shall not apply but such sole director shall have full power to present and act for the company in all matters as are not by the Act or the Memorandum or these Articles required to be exercised by the members of the Company and in lieu of minutes of a meeting shall record in writing and sign a note or memorandum of all matters requiring a

resolution of directors. Such a note or memorandum shall constitute evidence of such resolution for all purposes.

106. At every meeting of the directors the Chairman of the Board of Directors shall preside as chairman of the meeting. If there is no Chairman of the Board of directors or if the chairman of the Board of directors is not present at the meeting the Vice-Chairman of the Board of Director shall preside. If there is no Vice-Chairman of the Board of Directors or if the Vice-chairman of the Board of Directors is not present at the meeting the directors presents shall choose some one of their number to be chairman of the meeting.
107. Any action that may be taken by the directors or a committee of directors at a meeting may also be taken by a resolution of directors or a committee of directors consented to in writing or by telex, telegram, cable, facsimile or other written electronic communication by three-quarters, of all directors or three-quarters of all members of the committee, as the case may be, provided that a copy of the proposed resolution will have been sent or delivered to all directors or all directors or all members of the committee, for their consent. The consent may be in the form of counterparts, each counterpart being signed by one or more directors.
108. Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director, notwithstanding his office:
  - a) May be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the company is otherwise interested;
  - b) May be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
  - c) Shall not, by reason of his office, be accounted to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
109. For the purposes of Regulation 108
  - a) A general notice to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and

- b) An interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.
110. The directors shall cause the following corporate record to be kept:
- a) Minutes of all meetings of directors, members, committees of directors, committees of officers and committees of members;
  - b) Copies of all resolutions consented to by directors, members, committees of directors committees of officers and committees of members; and
  - c) Such other accounts and records as the directors by resolution of directors consider necessary or desirable in order or reflect the financial position of the Company.
111. The books, records a minute shall be kept at the registered office of the Company, its principal place of business or at such other place as the directors determine.

#### **OFFICERS**

112. The Company may by resolution of directors appoint officers of the Company at such times it shall be considered necessary or expedient. Such officers may consist of a Chairman of the Board of Directors, a Vice-Chairman of the Board of Directors, a Chief Executive Officer, Secretaries and Treasurers and such other officers as may from time to time be deemed desirable. Any number of offices may be held by the same person.
113. The officers shall perform such duties as shall be prescribed at the time of their appointment subject to any modification in such duties as may be prescribed thereafter by resolution of directors or resolution of members, but in the absence of any specific allocation of duties it shall be the responsibility of the Chairman of the Board of Directors to preside at meetings of directors and members, the Vice-Chairman to act in the absence of the Chairman, the Chief Executive Officer to manage the day to day affairs of the Company, the Secretaries to maintain the share register, minute books and record (other than financial records) of the Company and ensure compliance with all procedural requirements imposed on the Company by applicable law, and the Treasurer to be responsible for the financial affairs of the Company.
114. The emoluments of all officers shall be fixed by resolution of directors.
115. The officers of the Company shall hold office until their successors are duly elected and qualified, but any officer elected or appointed by the directors may be removed at any time, with or without cause, by resolution of directors. Any vacancy occurring in any office of the Company may be filled by resolution of directors.

### **LIMITATION OF LIABILITY**

116. To the full extent permitted by the Act or any other applicable laws presently or hereafter in effect, no director of the company shall be personally liable to the Company or its members for or with respect to any acts or omissions in the performance of his or her duties as a director of the company. Any repeal or modification of this Regulation 116 by a resolution of members shall not adversely affect the right or protection of a director of the company existing at the time of such repeal or modification with respect to acts or omissions occurring prior to such repeal or modification. The liability of members is limited.

### **INDEMNIFICATION**

117. Subject to the limitations hereinafter provided the Company may indemnify against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonable incurred in connection with legal, administrative or investigative proceedings any person who:-

- a) Is or was a party or is threatened to be made a party to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a director, an officer or a liquidator of the Company.
- b) Is or was, at the request of the Company, serving as a director, officer or liquidator of, or in any other capacity is or was acting for, another company or a partnership. Joint venture, trust or other enterprise.

118. The Company may only indemnify a person if the person acted honestly and in good faith with a view to the best interests of the Company and, in the case of criminal proceedings, the person has no reasonable cause to believe that his conduct was unlawful.

119. The decision of the directors as to whether the person acted honestly and in good faith and with a view to the best interests of the Company and as to whether the person had no reasonable cause to believe that his conduct was unlawful is, in the absence of fraud, sufficient of the purposes of these Articles, unless a question of law is involved.

120. The termination of any proceedings by any judgment, order, settlement, conviction or the entering of a nolle prosequi does not, by itself, create a presumption that the person did not act honestly and in good faith and with a view to the best interests of the Company or that the person had reasonable cause to believe that his conduct was unlawful.

121. If a person to be indemnified has been successful in defence of any proceedings referred to above the person is entitled to be indemnified against all expenses, including legal fees, and against all judgments, fines

and amounts paid in settlement and reasonably incurred by the person in connection with the proceedings.

122. The Company may purchase and maintain insurance in relation to any person who is or was a director, an officer or a liquidator of the company, or who at the request of the Company is or was serving as a director, an officer or a liquidator of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise, against the person and incurred by the person in that capacity, whether or not the company has or would have the power to indemnify the person against the liability as provided in these Articles.

#### **THE SEAL**

123. The Company may have more than one Seal and references herein to the Seal shall be references to every Seal which shall have been duly adopted by resolution of directors. The directors shall provide for the safe custody of the Seal and for an imprint thereof to be kept at the Registered Office, except as otherwise expressly provided herein, the Seal when affixed to any written instrument shall be witnessed and attested to by the signature of a director or any other person so authorized from time to time by resolution of directors. Such authorization may be before or after the Seal is affixed, may be general or specific and may refer to any number of sealings. The directors may provide for a facsimile of the Seal and of the signature of any director or authorized person which may be reproduced by printing or other means on any instrument and it shall have the same force and validity as if the Seal had been affixed to such instrument and the same had been signed as hereinbefore described.

#### **DIVIDENDS**

124. The Company may by a resolution of directors declare and pay dividends in money, shares or other property, but dividends shall only be declared and paid out of surplus. In the event that dividends are paid in specie, the director shall have responsibility for establishing and recording in the resolution of directors authorizing the dividends, a fair and proper value for the assets to be so distributed.
125. The directors may from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the Company.
126. The directors may, before declaring any dividend, set aside out of the profits of the Company such sum as they think proper as a reserve fund, and may invest the sum to set aside as a reserve fund upon such securities as they may select.
127. No dividend shall be declared and paid unless the directors determine that immediately after the payment of the dividend the Company will be able to satisfy its liabilities as they become due in the ordinary course of its

business and the realizable value of the assets of the Company will not be less than the sum of its total liabilities, other than deferred taxes, as shown in its books of account, and its capital. In the absence of fraud, the decision of the directors as to the realizable value of the assets of the Company is conclusive, unless a question of law is involved.

128. Notice of any dividend that may have been declared shall be given to each member in the manner hereinafter mentioned and all dividends unclaimed for three years after having been declared may be forfeited by resolution of directors for the benefit of the Company.
129. No dividend shall bear interest as against the Company and no dividend shall be paid on treasury shares or shares held by another company of which the Company holds, directly or indirectly, shares having more than 50 percent of the vote in electing directors.
130. A share issued as a dividend by the Company shall be treated for all purposes as having been issued for money equal to the surplus that is transferred to capital upon the issue of the share.
131. In the case of a dividend of authorized but unissued shares with per value, an amount equal to the aggregate per value of the shares shall be transferred from surplus to capital at the time of the distribution.
132. In the case of a dividend of authorized but unissued shares without per value, the amount designated by the directors shall be transferred from surplus to capital at the time of the distribution, except that the directors must designate as capital an amount that is at least equal to the amount that the shares are entitled to as a preference, if any, in the assets of the Company upon liquidation of the Company.
133. A division of the issued and outstanding shares of a class or series of shares into a larger number of shares of the same class or series having a proportionately smaller per value does not constitute a dividend of shares.

#### **ACCOUNTS AND AUDIT**

134. The Company may by resolution of members call for the directors to prepare periodically a profit and loss account and a balance sheet. The profit and loss account and balance sheet shall be drawn up so as to give respectively a true and fair view of the profit and loss of the Company for the Company for the financial period and a true and fair view of the state of affairs of the Company as at the end of the financial period.
135. The company may by resolution of members call for the accounts to be examined by Auditors.
136. The auditors of the Company shall be appointed by resolution of directors.

137. The auditors may be members of the Company but no director or other officer shall be eligible to be an auditor of the Company during his continuance in office.
138. The remuneration of the auditors of the Company.
- a) In the case of auditors appointed by the directors, may be fixed by resolution of directors; and
  - b) Subject to the foregoing, shall be fixed by resolution of members or in such manner as the Company may be resolution of members determine.
139. The auditors shall examine each profit and loss account and balance sheet required to be served on every member of the Company or lay before a meeting of the members of the Company and shall state in a written report whether or not.
- a) In their opinion the profit and loss account and balance sheet give a true and fair view respectively of the profit and loss for the period covered by the accounts and of the state of affair of the Company at the end of that period; and
  - b) All the information and explanations required by the auditors have been obtained.
140. The report of the auditors shall be annexed to the accounts and shall be read at the meeting of members at which the accounts are laid before the Company or shall be served on the members.
141. Every auditor of the Company shall have a right of access at all times to the books of account and vouchers of the Company, and shall be entitled to require from the directors and officers of the Company such information and explanations as he thinks necessary for the performance of the duties of the auditors.
142. The auditors of the company shall be entitled to receive notice of, and to attend any meetings of members of the Company at which the Company's profit and loss account and balance sheet are to be presented.

#### **NOTICES**

143. Any notice, information or written statement to be given by the Company to members may be served in the case of members holding registered shares in any way by which it can reasonably be expected to reach each member or by mail addressed to each member at the address shown in the share register and in the case of members holding shares issued to bearer, in the manner provided in the Memorandum.

144. Any summons, notice, order, document, process, information or written statement to be served on the Company may be served by leaving it, or by sending it by registered mail addressed to the company, at its registered office, or by leaving it with, or by sending it by registered mail to, the registered agent of the company.
145. Service of any summons, notice, order, document, process, information or written statement to be served on the Company may be proved by showing that the summons, notice, order, document, process information or written statement was delivered to the registered office or the registered agent of the Company or that it was mailed in such time as to admit to its being delivered to the registered office of the registered agent of the Company in the normal course of delivery within the period prescribed for service and was correctly addressed and the postage was prepaid.

#### **PENSION AND SUPERANNUATION FUNDS**

146. The directors may establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to, any persons who are or were at any time in the employment or service of the Company or any company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary, or who are or were at any time directors or officers of the Company or with any such subsidiary, or who are or were at any time directors or officers of the company or of any such other company as aforesaid or who hold or held any salaried employment or office in the Company of such other company, or any persons in whose welfare the company or any such other company as aforesaid is or has been at any time interested, and to the wives, widows, families and dependents of any such persons as aforesaid, and may do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid. Subject always to the proposal being approved by resolution of members, a director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension allowance or emolument.

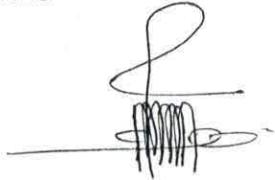

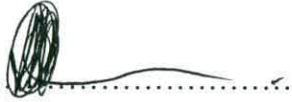
#### **VOLUNTARY WINDING UP AND DISSOLUTION**

147. The Company may voluntarily commence to wind up and dissolve by a resolution of members but if the Company has never issued shares it may voluntarily commence to wind up and dissolve by resolution of directors.

#### **CONTINUATION**

148. The Company may by resolution of members or by a resolution passed unanimously by all directors of the Company continue as a company incorporated under the laws of a jurisdiction outside the United Republic of Tanzania in the manner provided under those laws.

We. The undersigned, subscribe our names to these Articles of Association.

NAME AND ADDRESSES OF SUBSCRIBERS	NUMBER OF SHARES TAKEN AND SIGNATURE OF SUBSCRIBER
1. MR. YOHANA MSWAHILI MASASA BWIRU MCHANGANI P.O. BOX 1551, MWANZA TANZANIA. PHONE NO: +255 713 069 928	17,000 SHARES   Signature .....
2. MR. MOHAMED SHEWEJI NAMANGA, MIKOROSHINI, TANESCO ESTATE, HOUSE NO. 7 P.O. BOX 1551, MWANZA TANZANIA. PHONE NO: +255 748659 148	17,000 SHARES   Signature .....
3. DR. HAMISI A. KIGWANGALLA MBEZI, JUU, TANGI BOVU, OFF BAGAMOYO ROAD, P.O. BOX 22499, DAR ES SALAAM TANZANIA PHONE NO: +255 744 636 963	17,000 SHARES   Signature.....
<b>TOTAL SHARES TAKEN</b>	<b>51,000 SHARES</b>

DATED this 21<sup>st</sup> day of April 2010

WITNESS to the above Signatures:

NAME: PHINEAS MATO

ADDRESS: P.O. Box 12750 Dar es Salaam

QUALIFICATION: ADVOCATE

OFFICIAL SEAL: .....

