

DUR DUR GO LID

MINUTE SHEET

Dokezo
No.

1.0

Ag. EXD

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

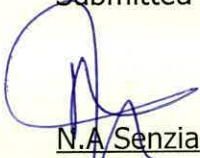
(a) Minimum finance investment threshold has been exceeded, the project expects to invest ... US\$ 2.05m

(b) Legal entity has been incorporated under certificate

No. ... 85187 of ... 17/08/2011

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

Submitted for signature.



N.A. Senzia

DIF

28th October, 2011

2.0

EXD

In response to the TIC letter of registration dated ... 28th October 2011

the project has submitted the required documents namely: -

(a) Company Board Resolution.

(b) Reference letter/Financing from ... Stanbic Bank LTD

(c) ... Lease Agreement as evidence of land

With the above submission EXD is requested to sign Certificate of Incentives No. ... 042126 herein attached.

3/11/2011



DIF

MINUTE SHEET

Dokezo
No.



TANZANIA REVENUE AUTHORITY

TRA/CE/C/P20/8/2152

09.05.2012

The Managing Director,
Dur Dur Co limited,
P. O. Box 40236,
Dar es Salaam

Dear Sir,

**RE: DUTY/VAT EXEMPTION ON CAPITAL/DEEMED CAPITAL GOODS-
CERTIFICATE OF INCENTIVES NO 042126 OF 01.11.2011**

We are writing in response to your letter dated 25.03.2012 as supported by the letter TICC/PP.10/042126/6 of 23/04/2012 from Tanzania Investment Centre regarding the captioned subject.

We hereby approve and submit two-page list of deemed capital goods for facilitation of your project with Certificate of Incentives mentioned above. It should be noted however that, other item in your list like Pressure gauge oil, oil pump could not be approved because are not among allowable items in your project. Please further note that, the vehicles are approved on understanding that are of age less than ten years from the year of manufacture.

The approved goods will be subject to 0% import duty and VAT relief under the 3rd Schedule to the VAT Act, Cap 148. You will however be requested to complete VAT forms 224 and submit the same to the Commissioner for Customs and Excise for all imported items before clearance through customs; For locally procured items the completed VAT form 224 should be submitted to the commissioner for Domestic Revenue.

Sincerely Yours

Godfrey Kitundu

For: Commissioner for Customs and Excise

RS/

c.c. Manager - Customs Service cent,
c.c. Manager – Tax exemption,
c.c. Executive Director, ✓
Tanzania Investment Centre,
P. O. Box 938,
Dar es Salaam,

ISO 9001:2008 Certified

CUSTOMS & EXCISE DEPARTMENT

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

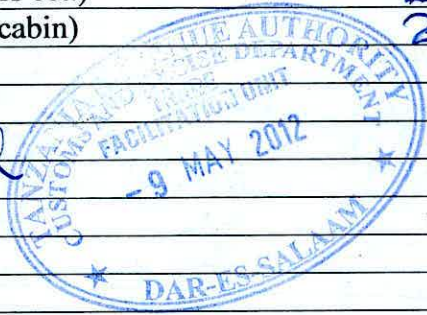
Tel: 255-22-2117765 or 255-22-2127783/4/6/8 Fax: 255-22-2138878/2135193

No.	ITEM NAME	QUANTITY
I	Machines	
	Injection machine (1) 1500	2 Pcs
	➤ Temperature controller (reading by arrow)	20 Pcs
	Time relay	50 Pcs
	Round heater	50 Pcs
	Long heater	50 Pcs
	Printer heater cover	4 Pcs
	Injection pump	2 Pcs
	Contractor (CHKO)	20 Pcs
	Precision controller	20 Pcs
	Pressure valve	20 Pcs
	Pressure gauge oil	20 Pcs
	Oil pump	2 Pcs
	Generator 50-150 KV	1 Pcs
	Borehole water pump	5 Pcs
	Water purification system reverse osmosis (RO)	3Pcs
	Labeling and expiry date machine	3Pcs
	Thermal shrinkage machine	
	Washing, Filling and Capping machine	3Pcs
II	Compressors	
	Compressors head	10 Pcs
	Small motor H.P 7.5 KWAT	10 Pcs
	Compressors pipe	10 Pcs
	Compressors belt	10 Pcs
	Piston ring	10 Pcs
	Compressors motor bearing	10 Pcs
	Filters & compressors	10 Pcs
	Motors	10 Pcs
III	Blowing machine	
	5Ltr cylinder. L&R	3 Pcs
	1Ltr cylinder. L&R	3 Pcs
	1.5 Ltr cylinder L&R	3 Pcs
	0.6 ml cylinder L&R	3 Pcs
	Blowing valve different types	3 Pcs
	Pressure nuts	60 Pcs
	JS time relay (model CP 200/135,200/105)	10 Pcs
	Pressure pipe	2 Pcs
	Pressure gauge	20 Pcs
	Switch flap	20 Pcs
	Temperature control JNDA	20 Pcs
IV	VEHICLES	



	2-5 ton delivery trucks (canters ect.)	2	5 Pcs
	Deliver pick-up (Single cabin)	2	3 Pcs
	Forklift		2 Pcs
	Stroller		2 Pcs

SKR
Approved



TICC/PP.10/042126/6

23/04/2012

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

Dear Sir,

**RE: DUTY AND VAT REMISSIONS ON CAPITAL/ DEEMED
CAPITAL GOODS – CERTIFICATE OF INCENTIVES NO:
042126**

M/S Dur Dur Co. Limited is a TIC registered company with certificate of incentives **No. 042126** which is valid up to **September 2014**

The company has been registered with objectives of establishing a water processing and packaging project.

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

Yours sincerely

TANZANIA INVESTMENT CENTRE



N.A. Senzia

FOR: EXECUTIVE DIRECTOR

TIC

5

DUR DUR COMPANY LTD

P.O.BOX 40236, Dar -es-salaam Tanzania

Mob: +255715502420 / +255713331551

25th March, 2012

COMMISSIONER FOR CUSTOMES & EXCISE.
P.O.Box 9053
DAR ES SALAAM

U.F.S. EXECUTIVE DIRECTORS
TANZANIA INVESTMENTS CENTRE.
P.O. BOX 938
DAR ES SALAAM



RE: APPLICATION FOR DUTY AN VAT EXEMPTION ON CAPITAL /DEEMED CAPITAL GOODS:

We have been granted certificate of Incentives No.0421126 for DUR DUR COMPANY LIMITED. We would like to request a waiver of duty and VAT on capital goods listen attached schedule items.

Thanking you in advance.

Yours sincerely,



ABDINUR F. ALI
Director





00218143

Stanley
10/11/2011

For: Tanzania Investment Centre

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042126

This is to certify that

DUR DUR CO LIMITED

of address P.O. BOX 40236

DAR ES SALAAM

has been granted a Certificate of Incentives to invest in a new, ~~rehabilitation & expansion~~ enterprise known as

DUR DUR CO LIMITED

Which is located at PLOT NO. 39 KEKO MWANGA

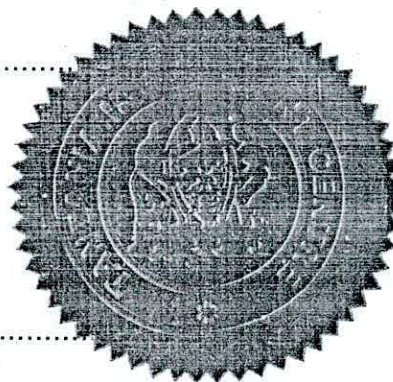
TEMEKE - DAR ES SALAAM

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

Ag. Executive Director

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

Dated 1ST NOVEMBER 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

Shareholders	Nationality	Shareholding (%)
Yassin A.F. Ali	American	20
Nasra N. Hassan	Tanzanian	20
Raha Y.N. Hassan	American	30
Abdinur F. Ali	American	30
2. Proposed Activities : To establish a water processing and packaging project
3. Sector: Manufacturing Subsector: Water Processing
4. Investment cost: Foreign USD 2.09m. Local - Total USD 2.09m.
5. Project Financing: Equity USD 2.09m. Loans - Total USD 2.09m.
6. Source, terms and conditions of loan.....
7. Assets to be invested:

Capital items:	Foreign	Local	Total
	<u>USD 2.09m.</u>	<u>-</u>	<u>USD 2.09m.</u>
8. Technology Agreement None
9. Date of TIC Registration: 28th October 2011
10. Implementation period October 2011 - September 2014
11. Operative date October 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

CTIN.: 1023985

ISO 9001:2008 Certified



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

DUR DUR CO. LIMITED

.....

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

114-443-867

.....

with effect from 27-08-2011

.....



P. N. Kassera

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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

No.	ITEM NAME	QUANTITY
I	Machines	
	Injection machine (1) 1500	2 Pcs
	➤ Temperature controller (reading by arrow)	20 Pcs
	Time relay	50 Pcs
	Round heater	50 Pcs
	Long heater	50 Pcs
	Printer heater cover	4 Pcs
	Injection pump	2 Pcs
	Contractor (CHKO)	20 Pcs
	Precision controller	20 Pcs
	Pressure valve	20 Pcs
	Pressure gauge oil ✕	20 Pcs
	Oil pump ↗	2 Pcs
	Generator 50-150 KV	1 Pcs
	Borehole water pump	5 Pcs
	Water purification system reverse osmosis (RO)	3Pcs
	Labeling and expiry date machine	3Pcs
	Thermal shrinkage machine	
	Washing, Filling and Capping machine	3Pcs
II	Compressors	
	Compressors head	10 Pcs
	Small motor H.P 7.5 KWAT	10 Pcs
	Compressors pipe	10 Pcs
	Compressors belt	10 Pcs
	Piston ring .	10 Pcs
	Compressors motor bearing	10 Pcs
	Filters & compressors	10 Pcs
	Motors	10 Pcs
III	Blowing machine	
	5Ltr cylinder. L&R	3 Pcs
	1Ltr cylinder. L&R	3 Pcs
	1.5 Ltr cylinder L&R	3 Pcs
	0.6 ml cylinder L&R	3 Pcs
	Blowing valve different types	3 Pcs
	Pressure nuts	60 Pcs
	JS time relay (model CP 200/135,200/105)	10 Pcs
	Pressure pipe	2 Pcs
	Pressure gauge	20 Pcs
	Switch flap	20 Pcs
	Temperature control JNDA	20 Pcs
IV	VEHICLES	

JAMHURI YA MUUNGANO WA TANZANIA
THE UNITED REPUBLIC OF TANZANIA

TFN. 614 (REV. 8.94)

STAKABADHI YA SERIKALI

37895077

1

EXCHEQUER RECEIPT

NIMEPOKEA KWA

Received from

DURDUR COMPANY



KIASI
Amount

Shs.										Cts.	
		1	2	3	4	5	6	7	8	00	00

JUMLA YA SHILINGI (Kwa maneno)

The sum of Shillings (Words)

ONE MILLION TWO THOUSAND THIRTY SEVEN THOUSAND

FIVE HUNDRED ONLY

NA SENI

And Cents

Kwa MALIPO YA

In respect of

CERTIFICATE OF INCENTIVES

Kwa FEDHA TASLIMU/HUNDI

NAMBA By Cash/Cheque No.

DISEPOSIT 28 OCT 2011

KITOO - Station

Dsm

SAHIHI YA MPOKEAJI - Receiving Officer's

CHEO - Title

TAREHE - Date

Signature

[Signature]

ACC

28 OCT 2011



NPIC-KIUTA

3

TICC/PP.10/042126/3

28th October, 2011

Managing Director,
Dur Dur Co. Ltd.,
P.O. Box 40236,
DAR ES SALAAM

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE
ESTABLISHMENT OF WATER PROCESSING AND PACKAGING PROJECT**

We wish to acknowledge receipt of your project proposal of establishing a water processing and packaging project as presented in the TIC P.A. 1 Form No. 09587 and Feasibility Study with a projected investment of USD 2.09m.

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.10/042126/3

28th October, 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


B.D. Chonjo

FOR: EXECUTIVE DIRECTOR

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

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

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



TIC Evaluation Report

Name of the Company
Dur Dur Co. Ltd.

Post Box	Keko Mwanga, Plot No. 39	COI Number	85187	Contact	Mr. Abdinur Ali
Post Office	40236	COI Date	17/08/2011	Designation	Director
Region	Dar Es Salaam	Application F. No	09587	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0713 331 551
		Sub Sector	Water Processing	Fax	0
		File No	042126	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD											
Plot/Block	Plot No. 39	<table border="1"> <thead> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> </thead> <tbody> <tr> <td>2.09</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	2.09	0	0	0			
Foreign Equity	Local Equity		Foreign Loan	Local Loan									
2.09	0		0	0									
Street	Keko Mwanga												
District	Temeke												
Region	Dar es Salaam												

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.65
Yassin A. F. Ali	American	20	Plant	0.75
Nasra N. Hassan	Tanzanian	20	Vehicles	0.5
Raha Y. N. Hassan	American	30	Furniture & Fittings	0.045
Abdinur F. Ali	American	30	Pre-expenses	0.009958
			Others	0.03
			Working Capital	0.105042
			Total	2.09

Employment	42	Evaluated By	wf officer3
Capacity	xxxxx	Drawn By	wf registry2
Project Turn Over		Project Type	Foreign

Description

To establish a water processing and packaging project

Recommendations

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

Decision

Approved
[Signature]
Ag EXD
26/10/11

DUR DUR COMPANY LTD
P. O. BOX 40236,
DAR ES SALAAM
18/10/11

①

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



Sir/Madam

Re: Application for Issuance of a Certificate of Incentives to Dur Dur Company Ltd

Please refer to the above heading. **Dur Dur Company Ltd** was registered in Tanzania in 2011 (Incorporation No. 85187) under the Companies Act, 2002 as a limited company by shares. Now the company wants to implement one of its objectives of water processing as it is provided in its Memorandum and Articles of Association by which it was registered. The complete project will have two lines One for water processing and the other for water bottles production and water packaging. The planned capital for this is USD 2,090,000.00 and now it is applying for the Certificate of Incentives so as to have access to investment incentives and implement this project successfully.

Attachments

- i. TIC application form
- ii. A Certificate of Incorporation - copy
- iii. Lease Agreement
- iv. Bank Letter
- v. Board Resolution
- vi. A business plan
- vii. A memorandum - Copy

Regards

Abdinur F. Ali
DIRECTOR

THE BOARD RESOLUTION (AN EXTRACT)

Agenda 4 Establishment of the Factory for Water Processing

The Board resolute that:

- i. A complete water processing project be established on the Plot 39, Keko Mwanga Industrial Area, Dar es Salaam.
- ii. The company applies for the implementation Incentive offered by the government through Tanzania Investment Centre.
- iii. The project development process begins in the 2011 calendar year.

This is an extract from the minutes of meeting of the Board of Directors as of 8th Day of September, 2011.

Signed



BOARD CHAIRPERSON



BOARD SECRETARY



Stanbic Bank

A member of Standard Bank Group

Industrial Branch

Quality Plaza Building

Nyerere Road,

P.O. Box 9992,

Dar es Salaam

Fax: 2865364

Telephone: (255-22) 2865362/3

**MANAGING DIRECTOR
TANZANIA INVESTMENT CENTER,
P O BOX 938
Dar es Salaam.**

Dear Sir

Date

21st October, 2011

Direct Telephone
Number

022 2865362/3

In reply please quotes
our reference

STB/IND/OCT

your reference

RE: INTRODUCTION OF REFERENCE-MRS RAHA Y.N. HASSAN AND MR ABDINUR F ALI

Reference is made on the captioned subject.

We would like to confirm that Mrs RAHA Y.N. HASSAN and ABDINUR F ALI is our customer maintaining USD currency account number 0240005073901 for eleven years now..

Please be advised that this account has been operated to our entire satisfaction.

Any service rendered to our customer will be highly appreciated

Kindly note that this information is given in strict confidence and without any liability on the part of the bank or any of its officers.

Yours faithfully,

**Mboni Magawa
Branch Manager**

Stanbic Bank Tanzania Limited

Directors: (Chairman/Non-Executive), H.K. Senkoro (Non-Executive), A.A Mufuruki (Non-Executive), B. Awale *** (Managing Director), N.Naidoo ** (Executive)

South African, * Kenyan.

TANZANIA



Certificate of Incorporation

Section 15

No **85187**

I HEREBY CERTIFY THAT

DUR DUR CO 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 **17TH** day of **AUGUST****TWO THOUSAND AND ELEVEN.**
Asst. Registrar of Companies

**THE REGISTION OF DOCUMENT ORDINANCE
CAP 117
LEASE AGREEMENT**

THIS LEASE AGREEMENT is made at Dar-es-salaam on this 1st Day of APRIL 2011

BETWEEN

MRS. SWARAN KAUR MATHARU of P.O.Box. 7942 Dar-es-salaam (hear in after referred to as "the LESSOR" Which expression shall , where the context so admits include its assigns, and other successors in title) of one part.

AND

DUR DUR COMPANY LTD. P.O.Box 40236 Dar-es-salaam (hear in after referred to as "the LESSEE" Which expression shall, where the context so admits include its assigns, and other successors in title) of other part.

WHERE AS , the lesser is the owner of the premises know as plot no. 39 at Dar-es-salaam (hereinafter referee to as "the demises") at Keko Mwanga Industrial Area Dar-es-salaam.

AND WHEREAS the lesser has agreed to let the demises referred herein above on the terms and condition hereinafter contained.

- 1 THE LESSEE HEREBY COVENANTS WITH LESSOR as follows.
 - a) The lesser hereby demises unto the lessee the demised premises to hold the same for a period of 3 (three) years commencing on the 1st April 2011 (hereinafter called effective date) at monthly rent of US \$ 400.00 payable in advance US \$ 4.800.00 from to 2012 and at US \$ 450 per month from 2012 to 2014.
 - b) To pay the rent reserved herein without any deduction whatsoever in the manner and upon the date herein agreed and further to pay normally obligatory to concerned authorities.
 - c) Not (without the previous consent in writing of the lesser) to make any alterations, or additions to demises or to cut injure any walls structures, or timbers thereof.
 - d) To maintain the demised premises, including all additions thereto, fixtures, doors, windows, locks, sanitary, water apparatus, electric wiring etc, in good repair and tenable conditions fair and tear accepted.

- e) Not to keep or permit to be kept on the demised premises any materials or dangerous or explosive nature or the keeping or which may contravene any statues or local regulations or by laws or to carry on or do anything that may constitute a nuisance to public or private nature or be a cause of disturbance or annoyance, or danger to neighbors, or public.
- f) To permit the lessor or his agents or servants by reasonable prior notice, and at all reasonable hours to enter or view condition of the demised premises.
- g) To use the demised premises for use and occupation as a residential premises for their company employees and not to assign sublet, or part with possession of the demised premises without the written consent of the lessor.
- h) To yield up peaceable the demised premises to the Lessor or its agent or nominee at the expiration of the fixed term aforesaid in good and tenantable repair and condition in accordance with the covenants herein before contained allowing for normal wear and tear.
- i) Not to allow or keep animals within the demised premises or the compound.
- j) To give notice of at least three months before the expiry of the term hereby created to the lessor expressing his (lessee's) intention whether or not to renew the lease for a further term.

2) **THE LESSOR HEREBY COVENANTS WITH THE LESSEE AS FOLLOWS:**

- a) To keep the main structure, roof, drainage system, sewerage system, walls and all other exterior parts of the house and building comprised in the demised premises in good repair.
- b) To pay all existing and future land rate taxes and outgoing in respect of the demised premises. The lesser hereby declares that he has paid all the dues like electricity, telephone, water, sewerage etc.
- c) The lessor shall have an obligation to insure its company subject to laws of land.

3) PROVIDED ALWAYS THAT IS HEREBY MUTUALLY AGREED AND DECLARED AS FOLLOWS:

- a) In the event of any dispute of claim raising from or in connection with this lease agreement, which is not settled mutually by the parties thereto such dispute or claim may be referred by either party to court or tribunal in Dar-es-salaam Tanzania for adjudication and settlement.
- b) "Either party can terminate this agreement by giving a written three/six months notice to other party if the other party has breached the terms and conditions of his agreement prior to termination of the agreement both parties undertake to use their best endeavors to certify the breach".

IN WITNESS WHEREOF THE PARTIES HERETO HAVE HEREUNTO SET THEIR HANDS AND SALES hereunder.

Signed and delivered by } S. Kaur.
MRS SWARN KAUR MATHARU who is known to me } LESSOR
This 1st April, 2011 }

WITNESSES OF LESSOR

1. MANJIT SINGH MATHARU
2. MAHINDER SINGH MATHARU

Signature:
Address:
Qualification:
JESSIE S. MINGUTO
ADVOCATE NOTARY PUBLIC &
COMMISSIONER FOR OATHS
P. O Box 76722 D'SALAAM

Sealed with the common seal of the said DUR DUR }
COMPANY LTD. And delivered at Dar-es-salaam in our }
Presence this 1st day of April, 2011 } Principal Officer of the
Tenant

Signature:
Address:
Qualification:
JESSIE S. MINGUTO
ADVOCATE NOTARY PUBLIC &
COMMISSIONER FOR OATHS
P. O. Box 76722 D'SALAAM



TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

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

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

(Please fill the form in duplicate)

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT

(No. 26 of 1997)

APPLICATION FOR REGISTRATION

(Made under Regulation 42)

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

1. I/We ABDINUR ALI
(director/directors/agent of DUR DUR CO. LTD.
(name of business enterprise) apply for registration of CERTIFICATE OF INCENTIVES
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.
2. The registered office of the company will be situated at Plot 39, KEKO, Mwanza
TEMEKE - DAR ES SALAAM.

Copies of the following documents are attached to this application:

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

3. The Head Office of the Company will be situated at Plot 39, KEKO, TEMEKE - DSM.
4. The Principal Officers of the Company are: ABDINUR F. ALI
RAHA Y.N. HASSAN
HASRA N. HASSAN & YASSIN A.F. ALI
5. Auditors of the Company are PASCAL G. & Co.
6. The authorized share capital of the Company is Tshs. US\$ 600,000.000/-

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

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

I/We enclose a cheque/cash made payable to the **Tanzania Investment Centre** for Tshs./US\$ 160 Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*



I, A. ABDINUR F. ALI of Post Office Number 40236 DSM do solemnly and sincerely declare that I am a director/duly authorized agent of ... DUR DUR Co. LTD

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

Declared at Dar es Salaam }
 }
 The 24th day of October, 2011. }


Applicant

Before me:

OPTAI J. MARI


Commissioner for Oaths

APPLICATION SUMMARY

Company Name: DURDUR CO. LTD.

Certificate of Incorporation Number: 85187 Status: NEW

Certificate of Incorporation Date: 17/8/2011

Post Box: 40236

Town: DSM

Sector: MANUFACTURING Sub-Sector: WATER PROCESSING

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
----------------	--------------	--------------	------------

<u>2090,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
-----------------	----------	----------	----------

Project Objectives: TO BUILD AND RUN A WATER PROCESSING AND PACKAGING PROJECT.

Capacity:

Employment: Foreign: 5 Local: ~~20~~³⁷ 25 Total: ~~25~~⁴² 30

Implementation Period: 3 YRS.

Project Location

Site/Plot/Block No.: 39

Street: KEKO MWANGA. District: TEMBEKE Region: DSM
 (Attach sketch map showing project location)

Shareholders	Nationality	%
<u>ABDINUR F. ALI</u>	<u>AMERICAN SOMALI</u>	<u>30</u>
<u>RAHA Y. N. HASSAN</u>	<u>AMERICAN SOMALI</u>	<u>30</u>
<u>NASRA N. HASSAN</u>	<u>TANZANIAN SOMALI</u>	<u>20</u>
<u>YASSIN A. F. ALI</u>	<u>AMERICAN SOMALI</u>	<u>20</u>
.....

Investment Breakdown US\$/Tshs.M

Land/Building 650,000.00
Plant 750,000.00
Vehicles 500,000.00
Furniture & Fittings 45,000.00
Pre-expenses 9,958.00
Others ~~10~~30,000.00
Working Capital 105,042.00
TOTAL 2,090,000.00

Contact Details:

Name: ..ABDINUR... ALI..... Title:DIRECTOR.....
Telephone: ...0713 331551..... Fax:
Email:

Payments to be made payable to:

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

DURDUR CO. LIMITED

FEASIBILITY STUDY FOR

WATER PROCESSING AND BOTTLING FACTORY

Prepared By:

Nasra Y N Hassan

P. O. BOX 40236

ILALA - DAR ES SALAAM

Table of Contents	Page
Preamble	3
Objectives	3
Project Location	4
Project ownership	4
Project Details	6
Market, Potential and Access	7
Environmental Care	8
Workers Welfare	8
Quality Assurance	9
Project Management	10
Investments Required & Cost Breakdown	11
Social-Economic Aspects of the Project	12
Financial Analysis	13
Financial Recommendations	15
Appendices	15

Preamble

The Project proposed here is promoted by the Durdur Co. Ltd which is a newly established company, registered in Tanzania under the companies Act, 2002; as a limited company by shares. It is a joint venture company locally owned by three shareholders and foreign owned by four shareholders to make a total of seven.

The company was registered on 17/8/2011 when it was granted a Certificate of Incorporation Number 85187, with a prime objective of:

processing water and manufacturing plastic bottles as stipulated in its Articles of Association; then pack water in bottles and distribute the water to various distribution centers and customers.

Other Objectives

- To promote the local market function by increasing local produced products (processed water, plastic bottles, etc.) implying more advantages of competition
- To widen the choices available to consumers of the products in the market
- To transfer new technology viable for the manufacturing industry in line
- To make more returns to the project
- To create employments
- To contribute to the national income by paying taxes

It is on the completeness of the project that a desirable factory will be constructed with a chain of activities including water storage systems, water processing section with complete installed machines, plastic bottling section with complete machines, water bottling section and a water distributing/marketing section.

It is on this objective that the company plans to establish and operate a water processing project by means of advanced technology, chemicals for value addition to

make local clean water to win both local and foreign supply and markets. The company wants to establish a factory with high tech-machinery and well done infrastructural facilities as the detailed below, the investment situational analysis is made comprising the general situation and the project analysis in particular.

In here therefore is an analysis of finances and other resources required by the company for the implementation of its planned establishment process. It also includes the assessment of its economic and commercial viability for presentation to its promoters such as shareholders and lenders for allocation of funds and other resources required to make the plan work.

The study also looks at the raw materials availability for the project sustainability, the market potential for the company's competence in short and long term returns, the environmental impact assessment under the cost benefit analysis, and the general social economic benefits attached to it.

Project Location

The project will be located in Dar es Salaam at plot 39, KEKO MWANGA, TEMEKE.

Project ownership

The proposed project is owned by:

Name and Address	Nationality
1. RAHA Y. N. HASSAN P. O. Box 40236 Dar Es Salaam	American
2. ABDINUR F. ALI P. O. Box 40236 Dar Es Salaam	American
3. NASRA Y. N. HASSAN P. O. Box 40236 Dar Es Salaam	Tanzanian
4. YASSIN A. F. ALI P. O. Box 40236 Dar Es Salaam	American

Investment Cost and Financing

The project cost is estimated at more than USD ~~1,045,000.00~~^{2,090,000.00} when fully implemented, and financed by shareholders contribution and internal loan.

Employment opportunities

The project will create ~~27~~³⁰ jobs and several indirect employment opportunities to the residents of Tanzania.

Project Establishment Time

The project will require four years to be fully implemented and operational.

Conclusion and recommendation

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

DETAILS

The company determines to establish a factory for high production capacity of processed and parked water which will widen-up various marketing centers. The plan is to construct a modern factory, purchase new machinery, buy trucks and other vehicles for transporting unprocessed water and other raw materials; and finished goods/ products produced. A pulling force to this establishment plan is the growing demand of processed water supply in various communities.

We promote this general awareness that our company has therefore come to join spear headers in the implementation process on this direction. The brief description of our project is an attempt to promote the objectives, programme and major approaches a head of Tanzania and us. There are a lot of ideas to be put together for the implementation of this programme in order to give full effect to various policy statements in line as go along. The declaration of our objective in this context is very clear and will remain our strong foundation for cooperation and development in Tanzania.

Technology transfer, job creation income generation and choice widening are our co values. Presumably supports of the government, other stakeholders and time will allow us to fulfil these objectives and commitments after the company getting its economics settled in its operational programme as well as witnessing some symptoms of significant economic growth.

Basically the stated are the reasons why the management has thought it prudent to invest money in the project for installing new, modern and sophisticated machinery, tools, equipments and a general new infrastructure suitable for the thought level.

Materials and Infrastructure

The main raw materials of the project are water and plastics. Tanzania is well endowed with non saline water sources the range include lakes, rivers and springs, bore-holes and rain form which raw materials are drawn. The project will start with

both river piped water supplied by DAWASCO and company made Bore-Holes for compliments.

The water storage mechanism will involve huge reservoir tanks with a capacity of 500,000,000 liters of unprocessed water and go downs of the capacity of 50, 000,000 liters for processed and packed water storage.

Market, Potential and Access

The targeted market local, Tanzania is a developing country where people and the national focus on changing from traditional life styles to modern ones. That includes doing business in modern ways and consuming goods of high quality. Water is a universal primary drink that none goes without. Although accessibility of clean water to majority is questionable, but with measures like this project have intrinsic values of increasing quality, water availability and automatically lowering price of well treated water. Eventually, we hope clean treated water will be accessible to majority (though not to all) with guarantee. The government is creating good environment to help our activism in this line like other lines of business, and we are getting well prepared to use this opportunity.

Such a market and its potential are enough to assure our company the returns to investment and the sustainability in business for a longer period.

The company has planned to open up 30 commissioned distribution centers ten in Dar es Salaam and one in each region upcountry. Each distribution centre will be complete with a sales office, warehouse/go-down and distribution truck. The processed water supply will be daily.

Products branding will be exceptional, while the marketing and promotion will go hand in hand. This will be done by broadcasting via mass media (television, radio, newspapers, etc) and narrow casting including media jingles and on road promotion for targeted areas. Programs like discounting, complementing, etc will be done by focusing various areas on a progression basis. Everywhere the promotion and

marketing will be done via quality carrying channels to reflect the quality of the products.

Competition

There are a good number of projects operating similar business in the water industry. However our company has made a thorough research of the market situation favorability which is backed up by the company owners' experience for years in water processing; and the introduction of planned new machines and of modern technology for high quality will doubtlessly minimize competition.

Environmental Care

It is clearly viewed that our project will use materials which are natural and manmade ones prepared and allowed for industrial uses. Technically the process of using water as raw material in production does not lead to environmental hazardous disposals. However the use of plastics, chemicals and fuels does. For the plastics the project will recycle every wastes to the last unit possible. For the little non recyclable plastics, chemicals and fuel by products, the project is prepared to invest in the most modern technology available to handle all environmental hazardous disposals produced to the last amount of nothing left to dispose. In that way, there is no such a big deal of environmental distotion expected. With such steps it is viably advantageous, that the project is more environmental conscious.

Workers Welfare

According to the economic performance of the company, the management aims at improving the standard of living for workers who have been employed by the projects by demonstrating and observing their priority needs in terms of facilitating them for soft loans where possible for family developments. Workers will be trained to acquire new skills, upgrade their carriers and know new technologies applications. We already have a planning system, which is designed to guarantee a stable and continuous development of the company's employees' economy.

Quality Assurance

The company has undertaken good measures to make available the full know-how comprising the sum total of knowledge, experience and skills in the water processing, packaging, storage and marketing.

The quality assurance will begin at water storage stage and end at water handling to the customer. In nutshell there will be:

Tank Venting

The air in the storage tank will be free of micro organisms to ensure that the water stored will not be contaminated

Water Filtration

As it is very sensitive, water will be made free of any contaminants that will spoil its quality, reduce its shelf life and be a pathogenic threat to the consumers.

Carbonation

Carbonation will be a step of adding carbon dioxide to water. The CO₂ will be injected in your water and will be free of particles and microorganisms.

Bottle Blower and Bottle washer

The air used in the bottle blower to turn the pre-forms into the final PET bottle will be free of contaminants; its filtration will ensures a bottle with low bioburden is produced. Bottle blowing is done in any process using PET bottles.

The water used to rinse these bottles will be free of contaminants; its filtration will ensures good quality of the bottle prior filling.

A safe and reliable container is essential to maintain the quality of drink, and thus its shelf life.

Bottle Filter

Gas filtration will also be used during the filling process of carbonated water. In order to make the filling possible the filler bowl will be pressurized and the gas used here will be microbiologically stable.

The quality measures will also include detailed entrepreneurial description containing important technological data process details such as:

- The process condition and the work flow description from stocking through to the dispatch department.
- Summary of content and physical properties of products.
- Sorting instruction with sizes/grades according to standards
- The working and testing plan as well as control forms for daily activities of quality control
- Trouble shooting list for defects on products which arise at various stages of production.

Overall; the project will be guided by the quality standards provided by Tanzania Bureau of Standards (TBS)

Project Management

The Board of Directors will be the top most body and will closely supervise the proposed project. Under the board will be the Managing Director (MD), who is one of the board members but also a share holder. Under the MD will be two Managers: a technical and production manager on one hand; and a marketing manager on the other. Under the managers will be employees (machine operators, drivers, sales, distributors, secretaries, accountants, security and messengers) and casual laborers.

INVESTMENTS REQUIRED & ITEMS' BREAKDOWN

The planned initial investment for the project to attain its desired level has a total of USD 2,090,000.00 and more investment will be done basing on further needs assessment.

The main investments will be on:

a) Buildings

The project will be required to build its offices, water tanks, service workshop (machinery and vehicles) and fencing and thus need to buy and import some building materials

b) Plant, Machinery and Equipment

The project will build a production plant, reservoir tanks, warehouses/go-downs and shops and will import machines and accessories and install them, also will procure various factory tools/workshop tools for proper care and maintenance of the machinery.

c) Motor Vehicles and Equipments

At least 20 motor vehicles and 6 moving equipments will be imported/purchased for the project. Those will include trucks, a min-buses for staff facilitation, 4x4 station wagons for office administrative works, loaders and folk lifts.

d) Furniture, Fittings and Office Equipments

Furniture, Fittings and Office Equipments will be required in the offices, warehouses, workshop premises. This category will comprise tables, chairs, cabinets, sofa sets, air conditioners, fans, etc. The category will also comprise office equipments like computers, fax machines, photocopy machines, scanners, security systems, radio call sets, refrigerators, telecommunication sets, satellite sets, and other items like beds, mattresses, etc. some of which may be imported.

Insurance

The insurance of the project on buildings, plant, machinery, equipment, motor vehicles, motorcycles and haulers will be 2% of their individual costs.

Social-Economic Aspects of the Project

The implementation of this project will have some social-economic values, which will include:

a) Corporate Social Responsibility. Being a local company with a local project and working in the local environment, the company will cooperate with other stakeholders to fulfill the general desire for good life for every Tanzanian.

b) Technology Transfer

The operation of the project in water processing activities will lead to the importation of new and sophisticated machines of modern technology. Such machines will lead to training of employees for operation, and the company will hire expertise from machine supplying company to make the training, hence the transfer of expertise from foreigners to local people.

c) Employment

The project is locally based and its expansion will lead to direct employment of about nineteen ²⁵⁻³⁷ (19) Tanzanians at start and the number will raise to more jobs as the project will expand by opening branches in all areas of supply of user/sellers of company products.

d) Income

The company will increase its level of tax paid to the government as government revenue. But also will lead to incomes earning by individuals like employees and distributors who will also pay taxes to the government.

e) Welfare

The project will introduce new packs of goods in the market, this will widen the suppliers' market and the consumers' choices.

FINANCIAL ANALYSIS

The financial analysis show that sufficient cash will be generated to meet both short and long term financial obligations and the project can generate fairly good profits.

The review is given here under the following sub sections:

- | | |
|---------------------------------------|--------------------|
| i. Fundamental Assumptions | v. Working Capital |
| ii. Capital financing and expenditure | vi. Taxation |
| iii. Operating costs | vii. Profitability |
| iv. Depreciation | |

i. Fundamental Assumptions

The assumptions used in the preparations of the financial accounts are:

- a) The operating period under which the viability of the project is being evaluated is 20years
- b) The capital cost of the proposed project is USD 2.09 million inclusive of the working capital
- c) All the calculations throughout the economic lifetime of the project are constant with revised date of December 2010 as the new base date

ii. Capital financing and expenditure

The project be financed by a loan.

The capital cost summary of the project development is in United States Dollars and is given as follows:

Fixed capital:	1,984,958
Initial Working Capital:	105,042.00
Total:	2,090.000.00

iii. Projected profit & loss

- In the income statement, the total turnover during the first year of operation is USD 1,500,000.00, while the fifth year the total turnover is USD 1,823,259.00 and remains constant throughout the review period of 10 years

- The maximum capacity of the project operation is expected to be at 70% the first year, 85% the second year and 99% the fourth year through the tenth year.
- In the first year of operation the running costs amount to USD 1,185,499.00 and in the will drop to USD 1,073,013.00 in the 7th year.
- Capital expenditure has been assumed to be incurred for a continuous period of 6 to 12 months

iv. Depreciation

Economic depreciation rates based on 0 used for lifetime of the various capital items have been adopted and the following facts apply for the depreciation rates in this project:

Buildings and civil structures	12%	straight line
Equipments	20%	five years
Motor vehicles	20%	straight line
Furniture and Fittings	20%	five years

Pre-operation expenses are amortized and written off after six years

v. Taxation

The corporate tax charged is 30% of the profits. Capital investment allowance is 50% with an indefinite loss carry over period. The capital assets are exempted from Custom Duty and Value Added Tax.

vi. Project Profitability

The Net Profit of the annual financial performance is ever increasing as illustrated in the data below:

Year	USD	Year	USD
1	220,151.00	6	652,234.00
2	243,403.00	7	655,991.00
3	265,353.00	8	656,771.00
4	285,740.00	9	656,305.00
5	635,893.00	10	649,689.00

vii. Project Ratios and Returns (IRR, NPV, PBP)

The liquidity position of the project is shows that if the proposed sales structure will not be a deterrent, the liquidity position of the project will be able to sustain the operations of the project. The project is profitable as it is shown by an **Internal Rate of Return (IRR)** on Investment of 10.48%, which confirms the project economic viability and profitability especially when compared to the adopted rate of borrowing of 15%. The **Net Present value (NPV)** is at 12.00% and the **Pay Back Period (PBP)** is within 6 years.

Financial Recommendations

After all the financial reviews of the proposed project, it is obvious that:

- The project is profitable
- The operations are financially viable
- The key ratios are acceptable
- The liquidity position is sound since the project can meet its financial commitments without any undue difficulties

It is recommended that the project be approved to go ahead as conceived by the investors and analyzed in this report.

Appendices

INVESTMENT BUDGET

FIGURES IN US\$

Category	Budget
Land and Buildings	650,000.00
Equipments	750,000.00
Vehicles	500,000.00
Furniture & Fittings	45,000.00
Others	30,000.00
Pre-Exp.	9,958.00
Working Capital	105,042.00
Total	2,090,000.00

APPENDIX I

SALARIES & WAGES

FIGURES IN US\$

	NO.	ANNUAL SALARY
GENERAL MANAGER	1	9,000
MANAGER (PRODUCTION & MAINT)	2	14,400
ACCOUNTANT	2	12,000
ADMINISTRATOR	1	6,000
TRANSPORT OFFICER	2	12,000
SECRETARY	2	2,400
DRIVERS	10	31,500
TURN BOYS	10	31,500
SECURITY GUARD	4	4,500
OFFICE MESSENGER	1	1,440
STORES	2	3,600
MECHANICS	5	4,500
TOTAL	42	132,840

APPENDIX II

BALANCE SHEET

FIGURES IN US\$

APPENDIX III

YEAR	1	2	3	4	5	6	7	8	9	10
FIXED ASSETS	2,020,000	1,539,125	1,058,250	577,375	96,500	89,375	82,250	75,125	68,000	64,000
LESS DEPRECIATION	480,875	480,875	480,875	480,875	7,125	7,125	7,125	7,125	4,000	4,000
NET CURRENT ASSETS	771,026	1,137,304	1,525,532	1,934,147	2,219,165	2,520,524	3,183,640	3,847,539	4,507,844	5,161,533
TOTAL	2,310,151	2,195,554	2,102,907	2,030,647	2,308,540	2,602,774	3,258,765	3,915,539	4,571,844	5,221,533
REPRESENTED By:										
EQUITY	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
LONG TERM LOAN	1,790,000	1,432,000	1,074,000	716,000	358,000	0	0	0	0	0
PRETAX PROFIT	314,501	347,719	379,076	408,200	908,419	931,763	937,130	938,249	937,578	928,127
LESS TAXATION	94,350	104,316	113,723	122,460	272,526	279,529	281,139	281,475	281,274	278,438
NET PROFIT	220,151	243,403	265,353	285,740	635,893	652,234	655,991	656,774	656,305	649,689
RESERVES	0	220,151	463,554	728,907	1,014,647	1,650,540	2,302,774	2,958,765	3,615,539	4,271,844
TOTAL	2,310,151	2,195,554	2,102,907	2,030,647	2,308,540	2,602,774	3,258,765	3,915,539	4,571,844	5,221,533

PROFIT & LOSS ACCOUNT

FIGURES IN US

APPENDIX IV

	1	2	3	4	5	6	7	8	9	10
PACKED WATER SALES	1,500,000	1,575,000	1,653,750	1,736,438	1,823,259	1,914,422	2,010,143	2,110,651	2,216,183	2,326,992
TOTAL REVENUE	1,500,000	1,575,000	1,653,750	1,736,438	1,823,259	1,914,422	2,010,143	2,110,651	2,216,183	2,326,992
LESS EXPENSES										
SALARIES & WAGES	132,840	146,124	160,736	176,810	194,491	213,940	235,334	258,868	284,754	313,230
ELECTRICITY & WATER	250,000	275,000	302,500	332,750	366,025	402,628	442,890	487,179	535,897	589,487
FUEL & OIL	100,000	110,000	121,000	133,100	146,410	161,051	177,156	194,872	214,359	235,795
SERVICES	6,000	6,600	7,260	7,986	8,785	9,663	10,629	11,692	12,862	14,148
INSURANCE	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000
BUSINESS TRAVELLING	5,000	5,500	6,050	6,655	7,321	8,053	8,858	9,744	10,718	11,790
OFFICE REPAIR.& MAINT.	500	550	605	666	732	805	886	974	1,072	1,179
PACKING MATERIALS	3,000	3,300	3,630	3,993	4,392	4,832	5,315	5,846	6,431	7,074
PRINTING & STATIONERY	3,000	3,300	3,630	3,993	4,392	4,832	5,315	5,846	6,431	7,074
TELEPHONE	3,000	3,300	3,630	3,993	4,392	4,832	5,315	5,846	6,431	7,074
NSSF CONTRIBUTION	13,284	14,612	16,074	17,681	19,449	21,394	23,533	25,887	28,475	31,323
BANK CHARGES	200	220	242	266	293	322	354	390	429	472
BUSINESS LICENCE	200	220	242	266	293	322	354	390	429	472
SUNDRY EXPENSES	3,000	3,300	3,630	3,993	4,392	4,832	5,315	5,846	6,431	7,074
ADVERTISEMENT	5,000	5,500	6,050	6,655	7,321	8,053	8,858	9,744	10,718	11,790
INTEREST ON L-TERM LOAN	71,600	57,280	42,960	28,640	14,320	0	0	0	0	0
DIRECTORS REMUNERATION	36,000	39,600	43,560	47,916	52,708	57,978	63,776	70,154	77,169	84,886
DEPRECIATION	480,875	480,875	480,875	480,875	7,125	7,125	7,125	7,125	4,000	4,000
TOTAL ADMINIST. COSTS	1,185,499	1,227,281	1,274,674	1,328,238	914,840	982,660	1,073,013	1,172,402	1,278,605	1,398,865
TOTAL EXPENSES	1,185,499	1,227,281	1,274,674	1,328,238	914,840	982,660	1,073,013	1,172,402	1,278,605	1,398,865
PRETAX PROFIT	314,501	347,719	379,076	408,200	908,419	931,763	937,130	938,249	937,578	928,127
CORP. TAX 30%	94,350	104,316	113,723	122,460	272,526	279,529	281,139	281,475	281,274	278,438
NET PROFIT	220,151	243,403	265,353	285,740	635,893	652,234	655,991	656,774	656,305	649,689

OPERATING COST SCHEDULE

FIGURES IN US\$

APPENDIX V

	1	2	3	4	5	6	7	8	9	10
<i>UTILITIES;</i>										
ELECTRICITY & WATER	250,000	275,000	302,500	332,750	366,025	402,628	442,890	487,179	535,897	589,487
FIXED/SEMI FIXED COST;										
DEPRECIATION	480,875	480,875	480,875	480,875	7,125	7,125	7,125	7,125	4,000	4,000
ADMINISTRATION COST;										
SALARIES & WAGES	132,840	146,124	160,736	176,810	194,491	213,940	235,334	258,868	284,754	313,230
OTHER ADMIN. EXPENSES	565,784	593,682	625,803	662,567	704,440	751,932	819,925	894,717	976,989	1,067,488
TOTAL	1,429,499	1,495,681	1,569,914	1,653,002	1,272,081	1,375,625	1,505,274	1,647,889	1,801,640	1,974,205

CASH FLOW

FIGURES IN US\$

APPENDIX VI

	1	2	3	4	5	6	7	8	9	10
INFLOW										
EQUITY	300,000	0	0	0	0	0	0	0	0	0
LONG TERM LOAN	1,790,000									
DEPRECIATION	480,875	480,875	480,875	480,875	7,125	7,125	7,125	7,125	4,000	4,000
PRETAX PROFIT	314,501	347,719	379,076	408,200	908,419	931,763	937,130	938,249	937,578	928,127
TOTAL IN FLOW	2,885,376	828,594	859,951	889,075	915,544	938,888	944,255	945,374	941,578	932,127
OUTFLOW;										
INVESTMENT	2,090,000	0	0	0	0	0	0	0	0	0
REPAYMENT OF LOAN	358,000	358,000	358,000	358,000	358,000					
CORP. TAX 300/0	94,350	104,316	113,723	122,460	272,526	279,529	281,139	281,475	281,274	278,438
TOTAL OUTFLOW	2,542,350	462,316	471,723	480,460	630,526	279,529	281,139	281,475	281,274	281,073
NET	343,026	366,278	388,228	408,615	285,018	659,359	663,116	663,899	660,305	653,589
CUMMULATIVE	343,026	709,304	1,097,532	1,506,147	1,791,165	2,450,524	3,113,640	3,777,539	4,437,844	5,091,533

ECONOMIC RATE OF RETURN ON INVESTMENT

FIGURES IN US\$.

APPENDIX VII

	1	2	3	4	5	6	7	8	9	10
PRETAX PROFIT	314,501	347,719	379,076	408,200	908,419	931,763	937,130	938,249	937,578	928,127
TOTAL INVESTMENT	2,090,000	2,090,000	2,090,000	2,090,000	2,090,000	2,090,000	2,090,000	2,090,000	2,090,000	2,090,000
RATE OF RETURN		-15	17	18	20	43	45	45	45	45

INTERNAL RATE OF RETURN ON EQUITY

APPENDIXVIII

IRR =	$\frac{\pi}{\text{Equity}}$				
		=	<u>314501</u>	=	10.48
			300000		

SCHEDULE OF LONG TERM LOAN		US\$	
PRINCIPAL LOAN	1,790,000		
PAYMENT RATE	20% of Principle fixed		
	Time	Payments	Balance
	Year 1	358,000	1,432,000
	year 2	358,000	1,074,000
	Year 3	358,000	716,000
	Year 4	358,000	358,000
	Year 5	358,000	0
	Total Paym	1,790,000	

APPENDIX IX

DEPRECIATION SCHEDULE

FIGURES IN US\$

APPENDIX X

ITEM	VALUE	RATE	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10
BILDINGS	650,000	12%	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	0	0
EQUIPMENTS	750,000	20%	150,000	150,000	150,000	150,000	150,000	0	0	0	0	0
VEHICLES	500,000	20%	100,000	100,000	100,000	100,000	100,000	0	0	0	0	0
FURNITURE & FITTINGS	45,000	20%	9,000	9,000	9,000	9,000	9,000	0	0	0	0	0

THE COMPANIES ACT, 2002

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

DUR DUR CO. LIMITED

Incorporated thisday of.....2011

DRAWN BY:
ABDINUR F. ALI
(SUBSCRIBER)
P.O. BOX 40236
DAR ES SASLAAM.

THE COMPANIES ACT, 2002

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

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OF

DUR DUR CO. LIMITED

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DRAWN BY:
ABDINUR F. ALI
(SUBSCRIBER)
P.O. BOX 40236
DAR ES SASLAAM.

TANZANIA

Stamp Duty Sbs. 5000/-

PAID ON ORIGINAL

Receipt No. 17613

11/8/2011

Stamp Duty Officer

THE COMPANIES ACT 2002
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF

DUR DUR CO. LIMITED

TANZANIA

Stamp Duty Sbs. 25000/-

Receipt No. 17613

11/8/2011

Stamp Duty Officer

1. The name of the company "DUR DUR CO. LIMITED" -
2. The Registered office of the Company will be situated in Tanzania.
3. The objects for which the Company is established are:
 - (a) To carry out the business of provision of water purification chemicals that will include treatment of sewerage waste and provision of engine pumps and repair of pumps.
 - (b) To carry on the business of conducting research on spring, natural and mineral water and be contractors on piping of both water and sewerage.
 - (c) To carry on the business of drilling for ground water, casing installations, wells development, yield test to distribute and carry out reticulation of water for irrigation and other uses, provide irrigation technical and advisory services, supply and manufacture water pumps and all other irrigation related equipment, acquire land and develop farmland for agricultural purposes, mining rights for all kinds of minerals, precious stones and all general merchandise.
 - (d) To manufacture, purify, pack, store, improve, buy s, sell and deal in mineral and aerated waters and other non-alcoholic drinks, fruit drinks and fruit juices, syrups and other preparations for making beverages and other liquids of every descriptions.
 - (e) To deal in the provision and supply of water, sanitation and sewerage services, water, sanitation and sewerage operations, to provide and render management utility, environmental, civil mechanical and electrical engineering services and to carry out similar or associated services and activities including but not limited to water, wastewater and sewage disposal and treatment services, sewerage systems construction, operation and management, asset management, treatment, operations and ownership.
 - (f) To carry on the business of manufacturing and supply of all kinds of drinks, mineral water and aerated waters, soda, fruit juices artificial and natural, bottled water and other non alcoholic drinks, fruit juices, and other consumable liquids of

whatever description, tooth paste, tooth brush, to pack and sell the same by whole sale or retail locally and to export the same to different parts of the world.

- (g) To manufacture, treat, prepare, pack, distribute, export, transport, buy, sell, water, soft drink, fruit drinks and fruit juices, locally and to export the same.
- (h) To carry on the business of distributing, supplying, wholesale and retail biscuits, tot paks, of beers, wine spirits, spirit merchants, brewers, maltsters, distillers, mineral water, soft drinks, like soda, ice cream, to run hotels, restaurants, refreshment and tea rooms, marquees, hotel management. Safari and holiday camps. Snacks, bar, tavern, beer house, and lodging housekeepers, shoe shine and to provide food and catering services to individuals, private and public institutions and to industrial and business concerns, also to provide variety of services and products to guest, tourist and hoteliers related to activities marine parks.
- (i) To be general food manufacturers, packers and suppliers to local and exporter markets, to be grain millers and padres, fruits and vegetable canners, to be manufacturers of fresh juices and other beverages and to be bottlers and canneries of same to manufacture tomato sauces and ketchups, chili sauces, salad dressing cream, spices, dried soup formulate and all kinds of food additives for local and export markets, to be importers and distributors of all kinds of foodstuffs.
- (j) To manufacture, prepare, pack, distribute, export, transport, buy, sell and generally handle pharmaceutical products, drugstore items, chemical products for agricultural purposes, agricultural products, veterinary preparations, dietetic preparations and patented medicines, surgical and medical suppliers as and a equipment, suppliers and equipment, suppliers and equipment for dentist biological products, food additives, cosmetics, oils and all articles equipment, equipment veterinary consultancy services, drugs, and formulas of all types and descriptions used or useful for treatment of diseases or for the improvement of the health or human beings, animals, livestock and plants, and also to manage and direct laboratories for research and analyses of animals livestock, and plants, and to operate clinics, hospitals, stores, shops and others and to promote or pursue directly or indirectly the activities of the company in view of the development of all sciences of nature.
- (k) To conduct Hydro geological and Geophysical survey of the prospective area, to carry on the business of goods with any other company in Tanzania or else where for the purposes of facilitating the objects of the company, to carry on all or any of the business of designers, manufacturers, installers, maintainers, repairs and importing of water pumps and all related items, to design, develop and hold public exhibitions of borehole drilling and pipe schemes machinery.

- (l) To carry on as general food processors, packers, to be general suppliers of foods stuffs and agricultural crops, grain millers, food mixers, general exporters of fresh fruits, vegetables and flowers, to act as agents of buying and selling all kinds of food stuffs, agricultural equipments of every description, and generally to deal on any other business connected therewith.
- (m) To carry and promote and trade or business of farm and agricultural inputs, implements, tools, packaging materials and deal in the livestock and or the veterinary health care products to farmers and stockists, to buy, sell, supply, distribute whether in retail or wholesale fertilizer, insecticides, fungicides, growth stimulants, agro seeds, farm implements and tools, animals feeds, veterinary drugs and any related goods and import and export agriculture and food technology, industries and equipment, manufacture and semi processed products in Tanzania and other parts of the world.
- (n) To carry on the business and trade as bakers and confectioners, to own, manage, run a bakery and deal in the selling and distribution of all types of baked foods, break, cakes, pies, meat, to trade as manufacturers of ice cream, proprietors of restaurants, hotels, refreshments and cold room, café, milk and snack bars and to del in all types of beverages and render catering services.
- (o) To carry on the business of good stuffs, importers, exporter, distributors, sellers, buyers, whole sellers, retailers of agricultural products, such as cereals, coffee, tea, sugar, rice, flour, cashew nuts, peanuts, bens, cowpeas, yellow gram green monks and to be general suppliers in local and export markets, and generally to be traders and dealers of the above.
- (p) To promote tourism in Tanzania and elsewhere in Africa, to carry on business of travel and tourist agents and tour operators, to promote facilitate traveling to organize hunting, tented-camps, fishing and diving expeditions, safari promoters and undertakers generally and in particular to arrange and manage hunting safaris, photo safaris adventure tours, fishing rips, handling of game trophies and animals skins, catching, habouring, transporting,. Wildlife and marine product of all kind.
- (q) To carry on business as safari contractors, organizers and operators, and to equip organize and arrange hunting, photographic, cinematic, exploration and cinematographic expeditions and generally to organize and provide facilities for tourist safari adventures of every kind including but not limited to game, fishing, rive canoeing, kayaking, and other safari and expedition of every description, photographers, suppliers and caterers for hunting, fishing, photographic, sight seeing and other expeditions whatsoever.
- (r) To engage and or otherwise carry on the business of general dealers of computer, hardware and software, to be importers and distributors of all kinds of computer hardware and software, to provide general computer services, to be

commercial computer programmers and generally to be computer acquisition consultants, to design and offer computer training services and to operate schools and training centers, to be suppliers and manufactures representatives of all kinds of computers and telecommunication systems, to be general importers, distributors, installers and services of all kinds of photocopiers, fax and telex machine, general telephone apparels and generally to be telecommunication experts and consultants, to carry on the business of repairs of computers al kinds of computer systems, electronic items and all kinds of electrical instruments.

- (s) To carry the business of marketing, services, consultancy and selling of all types of information technologies, computer systems, conference systems, telecommunication systems, security systems, public address systems, data communication and to train, research, install and after sale services of electronic systems, voice and data networks and any other systems or components which the company may think fit, necessary or incidental to this business.
- (t) To carry on the business of buying, selling, dealers in building materials, hardware, sanitary-ware, wall papers, roofing tiles, flooring tiles, supplying industrial equipment's agricultural implements and equipments spares of every description, plumbers, decorators, steel fabrication, machine shop, nickel plating, electric plating, making steel windows, doors, frames and rood tresses.
- (u) To build, construct, alter, improve, enlarge, repair, maintain, develop, demolish, remove or replace and to work, manage, carry out or control works of all descriptions, including but not limited to offices, factories, mills, warehouse, shops, stores, garages and other buildings, roads, machinery and plants, which may, in the opinion of the directors of the Company, be likely to advance directly or indirectly the Company's interests; to clear sites for the same, to contribute to, subsidies or otherwise assist in the building, construction, alternation, repair, improve, enlargement, maintenance, development, demolition, removal, replacement, working, management, carrying out or control.
- (v) To carry on all or any of the business of transport, carriage and haulage contractors, owners and charter of road vehicles, aircraft and ships and boats of every description and carriers of goods and passenger by road, rail, water or air and to establish, acquire, maintain and operate transport service of every description both public and private and all services ancillary thereto and for such purposes or as independent undertakings to purchase, take in exchange, charter, hire, build, contract or otherwise acquire and to own, operate, work, manage, maintain, repair, service and deal with and in road vehicles, aircraft and vessels of every supplies therefore and to conduct any such business within the country or any other state in Africa or Europe or Asia and or any other foreign country.

- (w) To carry on the business of miners and mining in all their branches and for the said purpose to peg, purchase, take on lease, or exchange or otherwise acquire concessions, grants, easements, options, claims, properties, cassettes and effects supposed to contain minerals, diamonds, or other precious stones, and any interest therein, and to explore, mine, work, excise develop and turn to account mines and mining rights and any undertaking connected therewith.
- (x) To engage in and or otherwise carry on the business of professional investors and entrepreneurs, business venturers, manufacturers, super traders, importers, exporters, distributors, suppliers, dealers in commercial and industrial goods, general business consultants, all businesses and trades incidental analogous, similar thereto required to be and otherwise capable of being carried on in conjunction therewith.
- (y) To construct , maintain and improve or subscribe towards the construction maintenance improvements of roads, water-works, and canals, and also of tramways, railways, and other roads and quays and wharves for the purpose of the company, or for access to the lands, works, and properties of the company, or to connect the same with other lines of communications.
- (z) To carry on the business as traders, consumers, suppliers, general merchants, importers, exporters, stockists, wholesalers, retailers and dealers in all types of electrical goods, hardware, building materials, spare parts and maintenance, tyres, tubes, tools and accessories for all types of automotive, motor vehicles, agricultural machinery, implements, equipment, all kinds of industrial projects machinery and equipment, timber, fishing gears, groceries, computers, office equipments, cooking oils, salts, foodstuffs, cosmetics, oils, paints, spirits sheets, hinges, screws, iron mongery, textiles piece goods, all types of leather goods, shoes, bags and other similar goods.
- (aa) To carry the business of importer and exporters, wholesalers, retailers, general merchants, provision store, general store keepers, universal providers, to establish supermarkets, duty free shops, import and export, manufacture goods, textiles, home appliances, utensils, piece goods imitation jewellery, hosiery, shoes, sun-glasses, handbags household requirements generally in all manufactured goods of all type, to acquire, establish, dealers in selling ready made garments and knitwear's, shoes, toys, motor cycles, bicycles, bicycle chairs, computer and its parts, television, mobile phone, vcd, cookers, slippers jeans, and description for commercial and home use.
- (bb) To carry on the business of, to buy, sell, manufacture, and deal in all kinds of unguents and ingredients, to carry on business of selling candles and perfumes, collectors of flowers and perfume producing vegetation.
- (cc) To carry on the business of customers robe, dress and mantle makers, silk makers and suppliers of clothing, lingerie and trimmings of every kind, selling

- corset, furriers, general drapers, haberdashers, milliners, hosiers, gloves, lace makers, and dealers, feather dressers and merchants, hatters, boot and shoe makers, dealers in fabrics, ribbons, perfume and flower (artificial and natural) and materials of all kinds.
- (dd) To carry on all or any of the business of stationers, printers, lithographers, stereotypes, electrotypes, engravers, photo lithographers, typesetting, machine operators, die sinkers, envelope makers, book binders, account book manufacturers, machine, rulers, numerical printers, paper makers, paper baffles and account book makers, box makers, flat and box file makers, cardboard manufacturers, type foundry photographers, manufacturers of and dealers in playing visiting, railways, festival invitation, business complimentary and fancy cards and valentine, dealers in parchment stamp agents of payments of stamps and other duties, advertising agents, designers, draftsmen manufacturers, book sellers, publishers and dealers in materials used in the manufacturers of paper, cabinet makers, file rack maker and dealers in or manufacturers of any other articles of things of character similar of analogous to the foregoing or any of them or connected therewith and to deal in the manufacture of all sell by wholesale or retail of school chalks, and secretarial services.
- (ee) To carry on or any of the trades and business of farmers, planters, grazers, breeders of the dealers in live stock, market gardeners, arbor culturists, agriculturists, horticulturists and dairymen and any other trade or business in connection with arboriculture, agriculture or horticulture.
- (ff) To purchase and sell livestock, poultry and agricultural and animal produce of all kinds, both wholesale and retail.
- (gg) To carry on the business as ranchers, breeder of animals of all kinds as dairy, ostrich and poultry farmers and as ranchers, breeder of animals of all kinds, as dairy, ostrich and poultry farmers and as millers, grazers, market gardeners seed growers and meat and fruit preservers.
- (hh) To carry on all any of the wholesale and/or retail as gemstones merchants, jewelers and/or dealers in and/or buy, sell market import export and/or general deal in all or any kinds of gemstones precious and semi-precious stones, gold silver and precious metals of whatsoever kind or description.
- (ii) To carry business as importers, suppliers, distributors, general merchants, sellers, buyers, worldwide traders wholesalers, retailers, deals in goods, stores, consumable articles, general merchandise and commodities, maize, tea, rice, jute, bags, corn, sugar, beans, wheat, sisal, hides, leather products leather goods, beeswax, honey, simsim, instant coffee, raw coffee, coconuts, and coconut products, green peas, foods and cash crops including livestock.

- (jj) To buy, manufacture, export, import and deal in machinery, plans and or things capable of being used in any such business as aforesaid or required by any cost paper of or persons having dealings with the company.
- (kk) To carry on the business of importers, exporters, buying selling, wholesales, dealers in hardware, building materials, sanitary-ware, wall papers, roofing tiles, flooring tiles, supplying industrial equipment's agricultural implements and equipment's spares of every description, plumbers, decorators, steel fabrication, machine shop, nickel plating, electric plating, making steel windows, doors, frames and roof tresses.
- (ll) To carry on the business as general food processors packers and suppliers, to be general suppliers of hard foods stuffs and agricultural crops, to be grain millers and food mixers to be general exporters of fresh fruits vegetables and flowers, to act as agents of buying and selling all kinds of motor vehicles, General supplies, buying and selling building hardware of every description, electrical appliances, lease.
- (mm) To carry on the business of garage proprietors and service station for motor vehicles of all kinds, to carry on the safe keeping, cleaning, repairing, refueling, panel beating, spraying and the general care of motor vehicles, aircraft, machinery, equipment and plant whether moved by mechanical power or not, implements, utensils, appliances, apparatus, fuel for internal combustion engines, lubricants, cements, solutions, batteries and accessories and all things capable of being used in connection with the said businesses or in the manufacture or maintenance of such vehicles, machinery, equipment and plant.
- (nn) To carry out the business of providing technical and allied services in the field of welding, metal fabrication, non destructive testing, quality assurances, and to provide consultancy in technical services, oil storage tank erections and all other businesses which can be carried out in connection to the above.
- (oo) To purchase, take on lease and otherwise acquire for investment or resale any estate, land, buildings, easements and other rights and interests in immovable property or any tenure in Tanzania and elsewhere and to sell let or lease exchange or otherwise dispose of or grant rights over any immovable property, belong to the company.
- (pp) To purchase, take or lease or in exchange, hire or otherwise acquire and hold any state or interest in any lands buildings, casements, rights, licenses secret processes, machinery, plants, stock, in trade and real or personal property of any kind.
- (qq) To accept payment for any property or rights sold or otherwise disposed or dealt with by the company either in cash, by installment or otherwise or in fully or partly

paid up shares of the company or corporation, with or without deferred or preferred or guaranteed rights.

- (rr) To carry any other trade or business whatever which can in the opinion of the Board of Directors be advantageously carried on by the Company in connection with the above business or the general business of the company.
- (ss) To act as executors and trustees of wills and settlements made by customers and others and undertake and execute trusts of all kinds.
- (tt) To do all or any of the above things in any part of the world and either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others and either or through agents, sub-contractors, trustees and otherwise.
- (uu) To remunerate any person, firm or company rendering services to this company, whether by cash payments or by allotment to him or them of shares or securities of the Company credited and paid in full or in part, otherwise.
- (vv) To accept for safe custody and keep for customers of the company all kinds of securities valuables and things.
- (ww) To lend money on any terms that may thought fit, and particularly to customers or other person or corporations having dealing with societies and to give any guarantees that may be expedient..
- (xx) To advance money to shareholders in the company, and other to the purpose of enabling the person borrowing the same erect or purchase, or enlarge or repair any house or building or to purchase the fee simple or any less estate or interest in, or to take a demise for any term or terms of years of any freehold or leasehold property upon such terms and conditions as the company may think fit.
- (yy) To invest and deal with the moneys of the Company not immediately required, upon such securities and in such manner as may from time to time be determined.
- (zz) To distribute among the members in pieces any property of the company, or any proceeds of sale or disposal of any property of the company.
- (aaa) To draw, make, accept, endorse, discount execute and issue promissory notes, bills of lading, warrants, debentures and negotiable or transferable instruments.
- (bbb) To act as agents or brokers, and as trustees for any person firm or company, and to undertake and perform sub-contracts and also to act in any other business of the company through or by means of agents, brokers, sub-contractors or others.
- (ccc)

- (ddd) To take or otherwise and hold shares in any other company having objects altogether or in part similar to this company, or carrying on any business capable of being conducted so as directly or indirectly to benefit the company.
- (eee) To do all other things as may be deemed incidental or conducive to the entertainment of the objects or any of them.

And it is hereby declared that:-

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

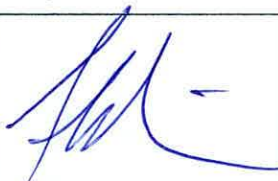



The object specified in each of the paragraphs of the paragraph of this clause shall be regarded as independent objects, and accordingly shall in no way be limited or restricted (except where otherwise expressed in such paragraphs) by reference to or inference from the terms of any other paragraph of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

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

AND it is hereby declare that the word "Company" in this clause , except where used in reference of this Company , shall be deemed to include any partnership or other body of persons, whether incorporated, and whether domiciled in Tanzania or elsewhere, and that the intention is that each of the objects set forth in any sub-clause or by the same of the company. None of such sub-clause or the objects herein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in the first sub-clause.

- 4. The Liability of the Members is Limited
- 5. The capital of the Company is Shillings 600,000,000= divided into 60,000 shares of Shillings 10,000/= each. The Company shall have powers to increase its capital and to divide the shares in its capital for the time being into several classes of stock or shares and to attach thereto respectively such preferential, deferred or special rights, privileges, or conditions as may be determined by or in accordance with the Articles of Association of the Company.

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

Names, Addresses, and Description of Subscribers.	Number of shares taken by each Subscriber	Signature
1. ABDINUR F. ALI P.O. BOX 40236 DAR ES SALAAM	3,000	
2. RAHA Y.N. HASSAN P.O. BOX 40236 DAR ES SALAAM	3,000	
2. NASRA N. HASSAN P.O. BOX 40236 DAR ES SALAAM	2,000	
2. YASSIN A.F. ALI P.O. BOX 40236 DAR ES SALAAM	2,000	

Dated at Dar this 17 day of Aug 2011

Witness to the above signatures

Name :
 Signature :
 Postal Address :
 Qualification :



TANZANIA
Stamp Duty Shs. 5000/-
PAID ON ORIGINAL
176/13 11/18/2011
Stamp Duty Office

THE COMPANIES ACT 2002
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION

TANZANIA
Stamp Duty Shs. 2500/-
176/13 11/18/2011
Stamp Duty Office

OF

DUR DUR CO. LIMITED

PRELIMINARY

1. In these regulations:-

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

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

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

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

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

PRIVATE COMPANY

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

(a) The right to transfer shares is restricted in manner hereinafter prescribed.

(b) The number of members of the company (exclusive of persons who are in the employment of the Company and of persons who have been formerly in the employment of the company were while in such employment to be the member of the company) is limited fifty, provided that where two or more persons hold one or more shares in the company jointly they shall for the purpose of this regulation be tested as a single member.

(c) Any invitation to the public to subscribe for any shares or debentures of the Company is prohibited.

- (d) The Company shall not have power to issue share warrants to bearer.

TRANSFER OF SHARES

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

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

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

The Regulation of Companies Act shall apply the following variations:-

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

6. DIRECTORS

(a) Until otherwise determined by the company in General Meeting the Directors shall not be less than two and not more than seven in number.

(b) The following persons shall be the first Directors of the company:-

- 1. **ABDINUR F. ALI**
- 2. **RAHA Y. N. HASSAN**
- 3. **NASRA N. HASSAN**
- 4. **YASSIN A.F ALI**

7. The shareholding qualification for Directors may be fixed by the company in General Meeting, and unless and until so fixed no qualification shall be required.

8. The quorum of Directors for transacting business shall, unless otherwise fixed by the Directors, be two.

9. A resolution in writing signed by all the Directors then in Tanzania shall be as valid and effectual as if it had been passed at a meeting of Directors duly called and constituted.

10. The Directors may from time to time borrow or raise any money for the purposes of the Company which may exceed the issued share capital of the company.

BORROWING POWERS

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

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

VOTE OF MEMBERS

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

DISQUALIFICATION OF DIRECTORS

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

S E A L

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

ALTERNATE DIRECTORS

16. Any director shall have power to nominate any person to act or attend as alternate Director during his absence or during his inability so to act. Such Director shall be subject in all respects to the terms and conditions existing with reference to the other Directors and such Alternate Director shall exercise and discharge all the duties of Director whom he represents.

17. Unless otherwise decided by the Directors the quorum necessary to transact business of the Directors shall be two Directors personally present.

SECRETARY

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

WINDING UP

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

ALTERNATION OR ADDITION





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

INDEMNITY

21. Every Director, Managing Director, Agent, Auditor, Secretary and other Officer for the time being of the Company shall be indemnified out of the Assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or is in connection with any application (under Section 481 of the Act) in which relief is granted to him by the Court.

ARBITRATION

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

Names, Addresses, and Description of Subscribers.	Number of shares taken by each Subscriber	Signature
1. ABDINUR F. ALI P.O. BOX 40236 DAR ES SALAAM	3,000	
2. RAHA Y.N. HASSAN P.O. BOX 40236 DAR ES SALAAM	3,000	
2. NASRA N. HASSAN P.O. BOX 40236 DAR ES SALAAM	2,000	
2. YASSIN A.F. ALI P.O. BOX 40236 DAR ES SALAAM	2,000	

Dated at Dsm this 17 day of Aug 2011

Witness to the above signatures

Name :
 Signature :
 Postal Address :
 Qualification :

