

PRIME MINISTER'S OFFICE

TANZANIA INVESTMENT CENTRE

FILE BEGINS		ENDS		PART	
PART	FILE TITLE		FILE NUMBER TICC		
FILE NUMBER TICC	CONFIDENTIAL		PP.10 042109		
INDEX HEADINGS					

PP.10/042109

Officer	For Action		Action taken	Officer or	For Action F/M	Initials	Date	Action taken Vide F/M	Officer or Section	For Action F/M	Initials	Date	Action taken Vide F/M
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SHARE TRADERS Co. LTD

MINUTE SHEET

Dokezo
No.

MINUTE SHEET

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\$ 4.12m
- (b) Legal entity has been incorporated under certificate

No. 25257 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 September, 2011

2.0 **EXD** ✓

In response to the TIC letter of registration dated 28th September 2011 the project has submitted the required documents namely: -

- (a) Company Board Resolution.
- (b) Reference letter/Financing from Bank M Limited
- (c) Lease Agreement to evidence of land

With the above submission EXD is requested to sign Certificate of Incentives No. 04.21.09 herein attached.

04/10/2011



DIF

JAMHURI YA MUUNGANO WA TANZANIA

THE UNITED REPUBLIC OF TANZANIA

STAKABADHI YA SERIKALI

37895692

1

TFN: 614 (Rev. 8.94)

EXCHEQUER RECEIPT

NIMEPOKEA KWA

Received from

SHIRE TRADERS CO LTD

KIASI
Amount

Shs.		Cts.	
USD	750	=	=

JUMLA YA SHILINGI (Kwa maneno)

The sum of Shillings (Words)

USDOLLAR SEVEN HUNDRED FIFTY ONLY

NA SENI
And Cents

KWA MALIPO YA

In respect of

CERTIFICATE OF INCENTIVES

KWA FEDHA TASLIMU/HUNDI

NAMBA By Cash/Cheque No.

BIDEPASIA 031011

KITUO - Station

DSU

SAHIHI YA MPOKEAJI

Signature

Signature

CHEO - Title

Acc

TAREHE - Date

03 OCT 2011



4

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 (%)
Jama Ali Mohamed	British	40
Ahmed Hassan Omar	Tanzanian	60

2. Proposed Activities : To establish a modern printing factory

3. Sector: Manufacturing Subsector Printing

4. Investment cost: Foreign - Local USD 4.12m. Total USD 4.12m.

5. Project Financing:

Equity <u>USD 1.65m.</u>	Loans <u>USD 2.47m.</u>	Total <u>USD 4.12m.</u>
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6. Source, terms and conditions of loan.....

7. Assets to be invested:

	Foreign	Local	Total
Capital items:	<u>-</u>	<u>USD 4.12m.</u>	<u>USD 4.12m.</u>

8. Technology Agreement None

9. Date of TIC Registration: 28th September 2011

10. Implementation period September 2011 - August 2014

11. Operative date September 2014

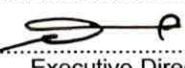
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997 And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997
 - (i) Applicable Import Duty As per Income Tax Act, 2004 (as amended)
 - (ii) Applicable with-holding Tax As per Income Tax Act, 2004 (as amended)
 - (iii) Eligibility of Capital Allowances

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



00218075

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042109

This is to certify that

SHIRE TRADERS COMPANY LIMITED

of address P.O. BOX 45080

DAR ES SALAAM


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

SHIRE TRADERS COMPANY LIMITED

Which is located at PLOT NO. 12BLOCK 5 LINDI

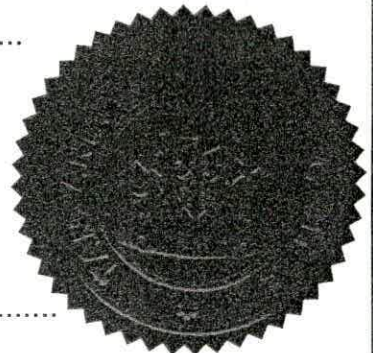
ILALA - DAR ES SALAAM

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 4TH OCTOBER 2011



TICC/PP.10/042109/6

28th September, 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

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TICC/PP.10/042109/6

28th September, 2011

Managing Director,
Shire Traders Co. Ltd.,
P.O. Box 45080,
DAR ES SALAAM

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE
ESTABLISHMENT OF A MODERN PRINTING FACTORY**

We wish to acknowledge receipt of your project proposal to establish a modern printing factory as presented in the TIC P.A. 1 Form No. 09469 and Feasibility Study with a projected investment of USD 4.12m.

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

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

.../2



2

TIC Evaluation Report

Name of the Company
Shire Traders Co. Ltd.

Post Box	Lindi Street, Plot No. 12 Block 5	COI Number	85257	Contact	Mr. Ahmed H. Omar
Post Office	45080	COI Date	19/08/2011	Designation	Company Secretary
Region	Dar Es Salaam	Application F. No	09469	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0717 421 777
		Sub Sector	Printing	Fax	0
		File No	042109	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD											
lot/Block	Plot No. 12 Block 5	<table border="1"> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> <tr> <td>0</td> <td>1.65</td> <td>0</td> <td>2.47</td> </tr> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0	1.65	0	2.47			
Foreign Equity	Local Equity		Foreign Loan	Local Loan									
0	1.65		0	2.47									
Street	Lindi												
District	Ilala												
Region	Dar es Salaam												

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	2
Jama Ali Mohamed	British	40	Plant	1
Ahmed Hassan Omar	Tanzanian	60	Vehicles	0.25
			Furniture & Fittings	0.05
			Pre-expenses	0.37
			Others	0.05
			Working Capital	0.4
			Total	4.12

Employment	57	Evaluated By	wf officer3
Capacity	1,000 sheets p.a.	Drawn By	wf registry1
Project Turn Over		Project Type	Local

Description

To establish a modern printing factory

Recommendations

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

Decision

Approved

 Ag EXD
 23/09/11

M/S SHIRE TRADERS COMPANY LIMITED



Ref.No: STCL/TIC/1/2011

12th September, 2011

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



Dear Sir,

RE: APPLICATION FOR TIC CERTIFICATE OF INCENTIVES

We are a newly incorporated company created for purposes operating printing facility. Our head office is in Dar es Salaam. It is due to this reasons that we hereby submit our application for TIC Certificate of Incentives to facilitate implementation of the project.

Attached herewith please find the following basic documents for you kind approval:

1. Three (3) sets of duly completed and signed application form
2. A certified copy of our certificate of Incorporation
3. A copy of the Company's Memorandum and Articles of Association
4. A certified copies of Lease Agreement.
5. Company Board Resolution to register with TIC
6. A copy of our Feasibility study showing the implementation Period,

Thank you for your kind consideration

Yours Sincerely,

.....
Mr. A. H. Omar



5. If the LANDLORD or TENANT wishes to terminate the lease before the agreement three months period notice shall be given to the opposite party and the rent for the remaining term shall be refunded in case the same is terminated by the LANDLORD while in case of TENANT the remaining rent if and any, shall not be repair.
6. At the expiration of the term herein created, the tenant shall peacefully yield to the Landlord vacant possession of the demised premises handling over the keys of the demised premises personally to the landlord.
7. Three months before the expiration of the term herein created, the Tenant shall notify the Landlord of his intention of either renewing the contract or not. The lease is renewable after expiry three years (3) on terms to be agreed between the parties. And the tenant has the first priority to renew.

SIGNED and DELIVERED by said
HASSAN OMAR ALI
 who is Introduced to me by _____
 The letter being at Dar es Salaam in my
 Presence this 25th August, 2011

H. Omar

SEALED and DELIVERED by said
SHIRE TRADERS COMPANY LTD
 Who is introduced to me by _____
 The letter being at Dar es Salaam in my
 Presence this 25th August, 2011

[Signature]

SIGNATURE

ADDRESS

QUALIFICATION



LEASE AGREEMENT

THIS LEASE AGREEMENT is made this 25th day of August 2011 between HASSAN OMAR ALI of P.O. Box 7545 Dar es Salaam (hereafter referred to as the LANDLORD) on one part and

SHIRE TRADERS COMPANY LTD P.O. Box 45080 Dar es Salaam (hereinafter referred to as the TENANT on the other part).

WHEREAS THE LANDLORD is the legal occupier of the Business premises located at Lindi street Plot No. 12 Block 5 Ilala District Dar es Salaam Region (Hereinafter referred to as the premises).

NOW THIS AGREEMENT WITNESSETH as follows:-

- I. The Landlord hereby demises unto the lessee the premises for **business purpose** for period of five years from 1st day of September, 2011 paying during the said term the monthly rate of Tshs. 800,000/= (Eight hundred thousand shillings only) clear of all deduction whatsoever payable yearly in advance.
2. THE TENANT HEREBY COVENANTS with Landlord as following:-
 - (a) The Tenant shall not assign, sublet or part with possession of the demised, property or any part that there of without the consent in writing of the Landlord.
 - (b) The Tenant shall during the subsistence of this Agreement permit the Landlord, his Agent or workmen to enter demised premises at reasonable and convenient hours of daytime by giving three days notice.
 - (c) The Tenant shall at all time during of this agreement keep the demised premised in good and substantial repairable condition (reasonable wear and tear).
 - (d) The Tenant shall not permit upon the premises anytime that may be considered illegal such as gambling and lottery etc. and any which may act to tarnish the good relations in the neighborhood.
 - (e) To pay and is charge all assessments and charges whatsoever payable in respect of consumed water, gas, electricity and sewerage which during the said term shall be imposed or charged on the building.
3. THE LANDLORD COVENANTS with the tenant as follows:-
 - (a) Shall keep in good repair the structure and exterior of the premises.
4. For as long as the Tenant meets the conditions herein contained, the Tenant shall quietly hold and enjoy the demised premises without any interference or interruption form the Landlord or any one claiming title under him.



SKETCH MAP SHOWING PROJECT LOCATION



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

Land/Building 2,000,000
Plant 1,000,000
Vehicles 245,000
Furniture & Fittings 50,000
Pre-expenses 374,000
Others 50,000
Working Capital 400,000
TOTAL 4,119,500

Contact Details:

Name: AHMED H. OMAR Title: COMPANY SECRETARY
Telephone: +255 717 421 777 Fax:
Email:

Payments to be made payable to:

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

APPLICATION SUMMARY

Company Name: SHIRE TRADERS Co. LTD

Certificate of Incorporation Number: 85257 Status: NEW

Certificate of Incorporation Date: 19th AUGUST 2011

Post Box: 45080

Town: DAR ES SALAAM

Sector: MANUFACTURING Sub-Sector: PRINTING

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
—	1,647,800		2,471,700

Project Objectives: TO ESTABLISH A MODERN PRINTING FACTORY/FACILITY.

Capacity: 1000 Sheets per Annum

Employment: Foreign: 8 Local: 49 Total: 57

Implementation Period: 3 YRS

Project Location

Site/Plot/Block No.: PLOT No. 12 BLOCK 5

Street: LINDI STR. District: ILALA Region: DAR ES SALAAM (Attach sketch map showing project location)

Shareholders	Nationality	%
AHMED HASSAN OMAR	TANZANIAN	60%
JAMA ALI MOHAMED	BRITISH	40%

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ 4,119,500=
8. The month and day of the financial year end is 31st DECEMBER

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

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

I, AHMED H. OMAR of Post Office Number 45080

DAR ES SALAAM do solemnly and sincerely declare that I am a director/duly authorized agent of SHIRE TRADERS 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 15th day of SEPT. 2011 }

Applicant

Before me:

Beatus E. Mpotwa
 Commissioner for Oaths

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 AHMED H. OMAR & JAMA A. MOHAMED
(~~director~~/directors/agent of SHIRE TRADERS COMPANY LTD
(name of business enterprise) apply for registration of TIC CERTIFICATE
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 DAR ES SALAAM,
LINDI STR, PLOT NO 12 BLOCK 5.

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 DAR ES SALAAM

4. The Principal Officers of the Company are 1. AHMED H. OMAR
2. JAMA A. MOHAMED

5. Auditors of the Company are

6. The authorized share capital of the Company is Tshs./US\$ 100,000,000



TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

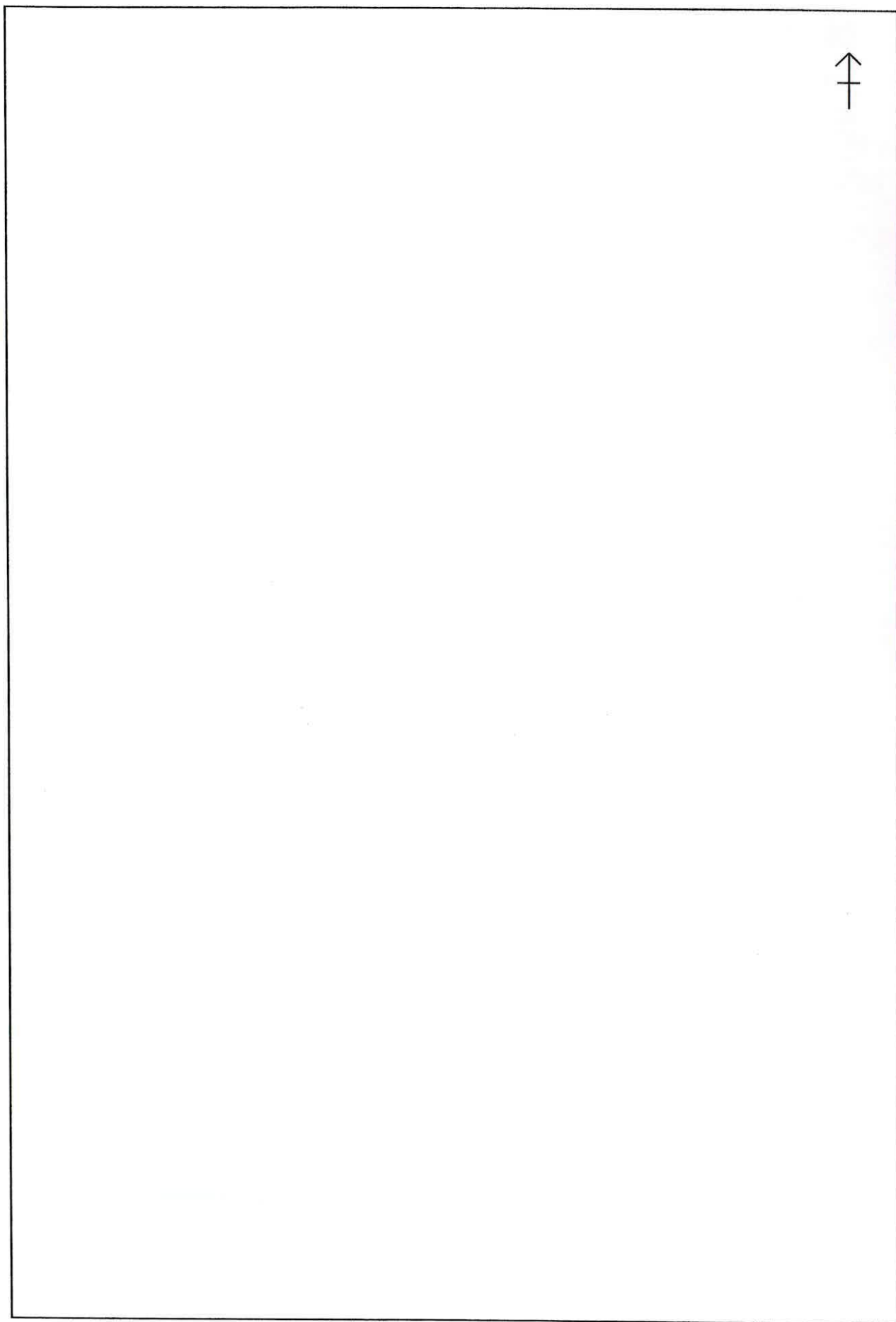
CERTIFICATE OF INCENTIVES

(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)

SKETCH MAP SHOWING PROJECT LOCATION



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

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Telephone: +255 717 421 777

Fax:

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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 5th day of Sept. 2011 }

Applicant



Before me:

Beatus E. Mpotwa
Commissioner for Oaths



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

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT

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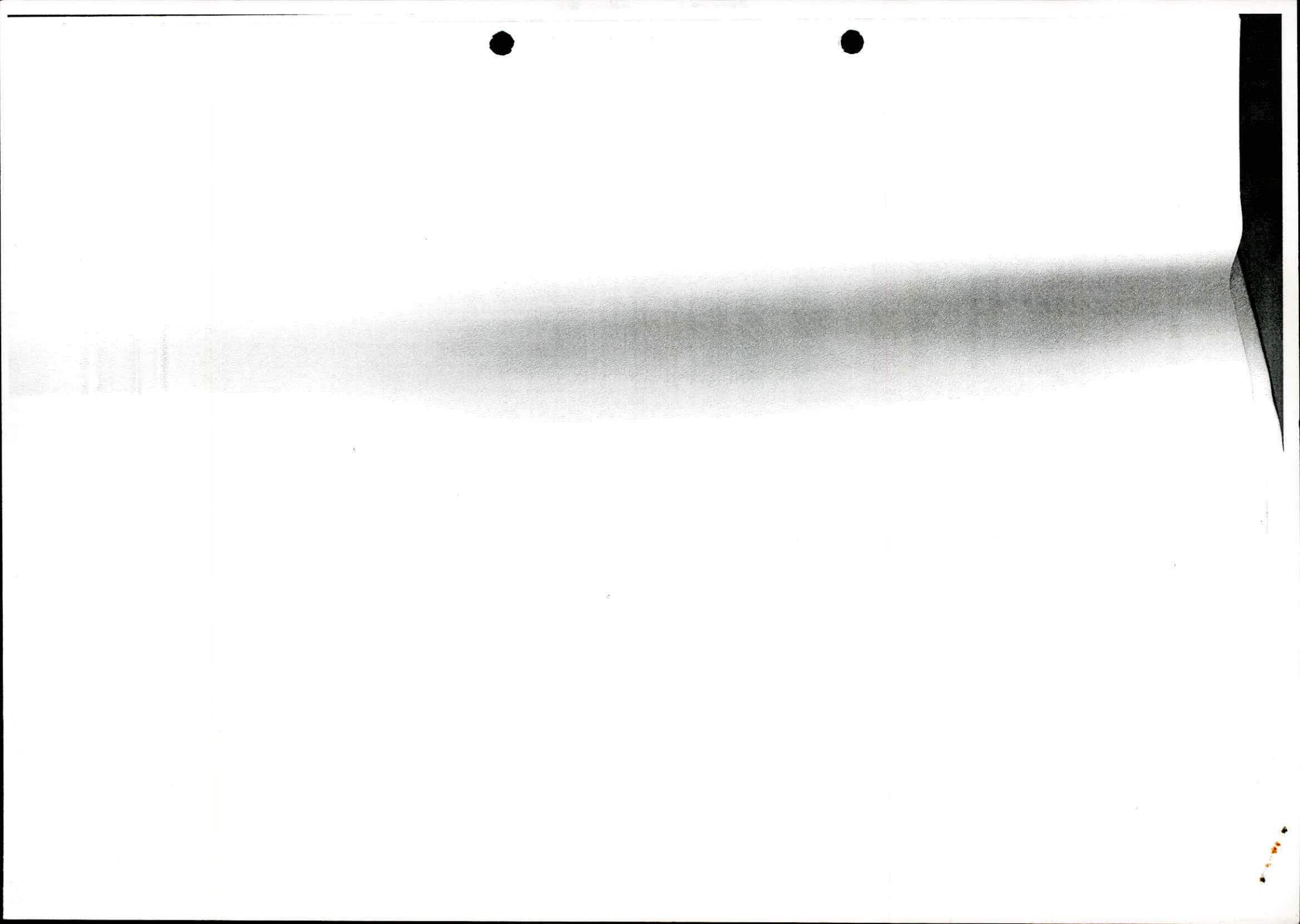
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To: The Executive Director
Tanzania Investment Centre
P. O. Box 938
DAR ES SALAAM
Tanzania

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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)

M/S SHIRE TRADERS COMPANY LIMITED

GENERAL MEETING OF SHAREHOLDERS

HELD ON 12th September 2011

Agenda

- i) Registration with Tanzania Investment Centre
- ii) AOB

At 10.00 a.m. on September 12, 2011 the shareholders of **M/S SHIRE TRADERS COMPANY LIMITED** held a meeting to discuss the agenda above. It was unanimously agreed that **M/S SHIRE TRADERS COMPANY LIMITED** would register with Tanzania Investment Centre for Printing Project.

There being no other business to discuss. The meeting was closed at 10.30 a.m.



.....
Mr. Ahmed Hassan Omar
Chairman



.....
Mr. Jama Ali Mohamed
Secretary



Corporate &
Investment Bank

BANKM/UHU/029 /2010

15nd August, 2011

Director,
Tanzania Investment Centre,
Dar-es-Salaam.
Tanzania.

Dear Sir,


RE: REFERENCE LETTER.

At the request of our customer, we would like to provide the following reference.

Mr. Ahmed Hassan Omar of P.O. Box 45080 Dar Es Salaam, is a director holding shares in **Shire Traders Co. limited** who maintain an account with the bank and his conduct has been satisfactory till to date. This is a people of high integrity who are reputed to honour all their normal business engagements.

This reference letter has been issued at a specific request of the client without risk or responsibility on the Bank or any of its officials.

Yours sincerely,
For and on behalf of,
Bank M (Tanzania) Ltd.


.....
Authorized Signatory


.....
Authorized Signatory

TANZANIA



Certificate of Incorporation

Section 15

No 85257

I HEREBY CERTIFY THAT


SHIRE TRADERS COMPANY 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 **19TH** day of **AUGUST**

TWO THOUSAND AND ELEVEN.

Certified as true copy of the
Original
Sign 
Date 02/09/2011



Assi. Registrar of Companies

NAMES, ADDRESSES, AND DESCRIPTION OF SUBSCRIBERS	NUMBER OF SHARES TAKEN	SIGNATURE
AHMED HASSAN OMAR P. O. BOX 45080 DAR ES SALAAM	600	
JAMA ALI MOHAMED P. O. BOX 45080 DAR ES SALAAM	400	

Dated at Dar es Salaam this 15th day of Aug 2011

Witness to the above signatures

Name : Brighton N. Mugisha
 Signature : B. Mugisha
 Postal Address : 75377 DSU
 Qualification : Advocate



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

AUDIT

60. Auditors shall be appointed and their duties regulated in accordance with sections 170 to 179 of the Act.
61. Any notice to be given to or by any person pursuant to the articles shall be in writing except that a notice calling a meeting of directors need not be in writing. The company may give any notice to a member either personally or by sending it by post in a prepared envelope addressed to the member at his registered address, or by leaving it at that address. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying, and posting a letter containing the notice, and to have been effected at the expiration of seventy – two hours after the letter containing the same was posted. A member whose registered address is not within the Tanzania and who gives to the company an address within the Tanzania at which notices may be given him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the company

49. The directors may delegate any of their powers to any committee consisting of one or more directors; any committees so formed shall in the exercise of the powers so to any such regulations, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.
50. All act done by a meeting of the directors or of a committee of directors or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such director, or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and was entitled to vote.
51. A resolution in writing signed by all the directors entitled to receive notice of a meeting of the directors, or of a committee of directors, shall be as valid and effectual as if it had been passed at a meeting of the directors or {as the case may be} a committee of directors duly convened and held, and may consist of several documents in the like form each signed by one or more directors.

SECRETARY

52. The Secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.
53. A provisions of the Act or these articles requiring or authorizing a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, the secretary.

THE SEAL

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

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

56. The books of account shall be kept at the registered officer of the company, or subject to section 151 (4) of the Act, at such other place or places as the directors think fit, and shall always be open to the inspection of the directors.

- (e) Resigns his office by notice in writing to the company; or
- (f) Is directly or indirectly interested in any contract with the company and fails to declare the nature of his interest in manner required by the Act.

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

41. The company may by ordinary resolution appoint a person who is willing to act as director to fill a vacancy or be an additional director.
42. The directors may appoint a person who is to act to be a director, either to fill a vacancy or as an additional director, but so that the total number of directors shall not at anytime exceed the number fixed by or in accordance with these articles. Any director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re - election.
43. The company may by ordinary resolution, of which special notice had been given in accordance with section 144 of the Act, remove any director before the expiration of his period of office notwithstanding anything in the article or any agreement between the company and such director. Such removal shall be without prejudice to any claim such director may have for damages for breach of any contract of service between him and the company.
44. The company may by ordinary resolution appoint another person in place of a director removed from office under the immediately preceding article. Without prejudice to the powers of the directors under article 40 the company in general meeting may appoint any person to be a director either to fill a vacancy or as an additional director.
45. Subject to the provisions of the articles, the directors may regulate their meetings as they think fit. Questions arising at a meeting shall be decided by a majority of votes. In case of an equality of votes, the chairman shall have a second or casting vote. A director may, and the secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting of directors to any directors who are absent from Tanzania.
46. The quorum necessary for the transaction of the business of the directions may be fixed by the directors, and unless so fixed shall be two.
47. The continuing directors may act notwithstanding any vacancy but, if and so long as their number is reduced below the number fixed by or pursuant to the articles of the act for the purpose of increasing the number of directors to that number, or summoning a general meeting of the company, but for no other purpose.
48. The directors may appoint one of their members to be the chairman of the board of directors and determine the period of which he is to hold office. Unless he is unwilling to do so, the director so appointed shall preside at every meting of directors at which he is present. But if no such chairman is appointed, or if he is unwilling to preside, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the directors present may choose one of their members to be chairman of the meeting.

34. The remuneration of the directors shall from time to time be determined by the Company in general meeting. Such remuneration shall be deemed to accrue from day to day. The directors shall also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the directors or any committee of the directors or general meetings of the company or in connection with the business of the company.

BOROWING POWERS

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

POWERS AND DUTIES OF DIRECTORS

36. Subject to the provisions of the Act, the memorandum and the articles and to any directions given by special resolution, the directors, who may exercise all the powers of the company, shall manage the business of the company. No alteration of the memorandum or articles and no such directions shall invalidate any prior act of the directors, which would otherwise have been valid. The powers given by this article shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
37. The directors may by power of attorney appoint any person to be the attorney or agent of the company for such purposes and on such conditions as they determine, including authority for the attorney or agent to delegate all or any of his powers.
38. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the directors shall from time to time by resolution determine.
39. The directors shall cause minutes to be made in books provided for the purpose:-
- (a) of all appointments of officers made by the directors;
 - (b) of the names of the directors present at each meeting of the directors and of any committees of the directors;
 - (c) of all resolutions and proceedings at all meetings of the company, and of the directors, and of committees of directors.

DISQUALIFICATION OF DIRECTORS

40. The office of director shall be vacated if the directors:-
- (a) Without the consent of the company in general meeting holds any other office of profit under the company; or
 - (b) Becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (c) Ceases to be a director by virtue of any provision of the Act or becomes prohibited by law from being a director; or
 - (d) Becomes of unsound mind; or

Signed this day of,201"

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

" Limited

I/We of Being a member/members of the above named company, hereby appoint of of or failing him of as my/our proxy to vote for me/us on my/our behalf at the {annual or extraordinary, as the case may be} general meeting of the company to be held on the day of201, and at any adjournment thereof.

Signed this day of,201"

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

*Strike out which ever is not desire"

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

CORPORATIONS ACTING BY REPRESENTATION AT MEETINGS

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

DIRECTORS

32. The Number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum of association or a majority of them and until such determination the signatories to the Memorandum of Association shall be the first directors. Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum but shall be not less than two.
33. The following persons shall be first Directors to the Company:-
1. **AHMED HASSAN OMAR**
 2. **JAMA ALI MOHAMED**

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

VOTE OF MEMBERS

21. Every member shall have one vote.
22. A member in respect of whose estate a manager has been appointed under section 26 of the Mental Diseases Act, may vote, whether on a show of hands or on a poll, by his said manager, and any such manager may, on a poll, vote by proxy.
23. No member shall be entitled to vote at any general meeting unless all moneys presently payable by him to the company have been paid.
24. On a poll votes may be given either personally or by proxy.
25. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorized in writing, or, if the appointer is a corporation, either under sea) or under the hand of an officer or attorney duly authorized. A proxy need not be a member of the company.
26. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the company or at such other place within the Territory as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting of adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
27. An instrument appointing a proxy shall be in the following form or a form as near hereto as circumstances admit:-
 "..... Limited
 I/We of, being a member/ members of the above -
 named company, hereby appoint, of or failing him
 of, as my/our proxy to vote for me/us on my/or behalf at
 the {annual or extraordinary, as the case maybe} general meeting of the company to be held on
 theday of201....., and at any adjournment thereof.

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

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

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

17. Except as provided in article 18, if a poll is duly demand it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demand.

GENERAL MEETINGS

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

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

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

NOTICE OF GENERAL MEETINGS

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

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

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

PROCEEDING AT GENERAL MEETINGS

10. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the directors and auditors, the election in the place of those retiring and the appointment of, and the fixing of the remuneration of the auditors.

TANZANIA
Stamp Duty Sha. Soof
THIS IS AN ORIGINAL
Receipt No. 17769 of 18/11
Stamp Duty Officer

THE COMPANIES ACT, 2002
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
SHIRE TRADERS CO. LIMITED

Stamp
17769
18/11

INTERPRETATION

1. In these articles:-
 - "the Act" means the Companies Act;
 - "the articles" means the articles of the company;
 - "clear days" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
 - "the seal" means any person appointed to perform the duties of the secretary of the company;
 - "Secretary" shall mean any person appointed to perform the duties of Secretary of the Company;

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

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



PRIVATE COMPANY

2. The Company is a Private company and accordingly.
 - (a) The right to transfer shares is restricted in the 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, having been formerly in the employment of the Company, were while in such employment to be the Members of the Company) is limited to fifty. PROVIDED THAT where two or more persons hold one or more shares in the Company jointly, they shall, for the purpose of this Article, be treated as a single Member,
 - (c) Any invitation to the public to subscribe for any shares or debentures is prohibited.
 - (d) The Company shall not have power to issue share warrants to bearer.

MEMBERS

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

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

NAMES, ADDRESSES, AND DESCRIPTION OF SUBSCRIBERS	NUMBER OF SHARES TAKEN	SIGNATURE
AHMED HASSAN OMAR P. O. BOX 45080 DAR ES SALAAM	600	
JAMA ALI MOHAMED P. O. BOX 15024 DAR ES SALAAM	400	

Dated at Dar es Salaam this day of 2011

Witness to the above signatures

Name : Brighton N. Mugisha

Signature : Brighton N. Mugisha

Postal Address : 75377-DCU

Qualification : Advocate



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, and.

The object specified in each of the paragraphs of this clause shall be regarded as independent objects, and accordingly shall in no wise be limited or restricted (except where otherwise expressed in such paragraphs) by reference to or inference from the terms of any other paragraph or the name of the Company, sense as if each of the said paragraphs defined the objects of a separate and distinct company, and

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

4. The Liability of the Members is Limited.

5. The capital of the Company is Shillings 100,000,000/= divided into 1000 shares of Shillings 100,000/= each. The Company shall have powers to increase its capital and to divide the shares in its capital for the time being into several classes of stock or shares and to attach thereto respectively such preferential, deferred or special rights, privileges, or conditions as may be determined by or in accordance with the Articles of Association of the Company.

- (aa) 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.
- (bb) 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.
- (cc) To accept for safe custody and keep for customers of the company all kinds of securities valuables and things.
- (dd) To lend money on any terms that may be thought fit, and particularly to customers or other person or corporations having dealing with societies and to give any guarantees that may be expedient.
- (ee) 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.
- (ff) 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.
- (gg) 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.
- (hh) To draw, make, accept, endorse, discount execute and issue promissory notes, bills of lading, warrants, debentures and negotiable or transferable instruments.
- (ii) 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.
- (jj) To obtain any provisional order, ordinance or act of Parliament for enabling the Company to carry any of it is objects into effect, or for affecting any modification of the Company's constitution, or any other purpose which may seem expedient, and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the company's interest.
- (kk) 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.
- (ll) To transact or carry on all kinds of Agency business and in particular in relation to the investment of money, the sale of property, and the collection and receipt of money.
- (mm) To do all other things as may be deemed incidental or conducive to the entertainment of the objects or any of them.

- (q) To carry on the business of big game hunter, trapping and collection of wild, live birds for sale and export within outside Tanzania, to sell, improved export, and imports, prepare, deal and trade in carvings, painting, curios, export, and provide game sanctuary facilities and to organize of safaris and expeditions. Discover, hunt, shoot, photograph, capture animals, birds, game and fish of all kinds including reptiles, marine products, pottery crafts, crustacean, salt, mangrove sea shells, groceries, vegetables, cereals goods, fruits and all allied products of every description.
- (r) 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.
- (s) 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.
- (t) 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.
- (u) 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.
- (v) 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.
- (w) 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.
- (x) 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.
- (y) To act as agents for the sale and purchase of any stocks shares or securities or for any other monetary or mercantile transactions.
- (z) To act as executors and trustees of wills and settlements made by customers and others and undertake and execute trusts of all kinds.

- (j) To carry on the business of electrical and electronic systems, electronic telecommunication engineering, repair any electrical and electronic apparatus, install and after sale services of electronic systems, electronic telecommunication engineering, electrical engineering, mechanical engineering, to design, manufacture, assemble, component or system, to act as manufactures' representatives, commission agents, merchants or brokers and to import, export, hire, sell, purchase or otherwise dealing in all kinds of mechanical.
- (k) To build, construct, alter, improve, enlarge, repair, maintain, develop, demolish, remove or replace and to work, manage, carry out or control works of all descriptions, including but not limited to offices, factories, mills, warehouses, shops, stores, garages and other buildings, roads, machinery and plants, which may, in the opinion of the Directors of the Company, be likely to advance directly or indirectly the Company's interests; to clear sites for the same; to contribute to, subsidies or otherwise assist in the building, construction, alternation, repair, improvement, enlargement, maintenance, development, demolition, removal, replacement, working, management, carrying out or control, to carry business of buying and selling building materials, Hardware's, electrical goods and household items.
- (l) To be owners and operators of health centers clinics whether mobile or stationary, to be general manufacturers, importers and or suppliers of all kinds of chemicals, such as agro-industrial chemicals, laboratory chemicals, construction and mining chemicals and generally be chemical engineers. To engage or otherwise carry on the business as general pharmacists and medical storekeepers, to be dispensing chemists and to be manufacturers and or otherwise importers of all kinds of pharmaceuticals and drugs, to be general dealers in all kinds of veterinary drugs and to provide all kinds of veterinary services.
- (m) 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.
- (n) To engage in and carry out the business of proprietors and managers of hotels, restaurants, cafes, road houses, motels, safari and holiday camps, caravan sites, guest houses, apartment housekeepers, refreshment and tea rooms, milk and snacks bars, tavern, beer house and lodging housekeepers and to provide food and catering services to individuals, private and public institutions and to industrial and business concerns.
- (o) 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.
- (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 manager hunting safaris, photo safaris adventure tours, fishing trips, handling of game trophies and animal skins, catching, harbouring, transporting, wildlife and marine products of all kind.

- (e) To carry on the business of importers, exports, buying, selling, dealers in building materials, sanitary-ware, wall papers, roofing, tiles flooring tiles, 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, general merchants, general store-keepers, universal providers, wholesale and/or retail traders, dealers of weighing scales, inkjet technology, moisture analysis, lab equipment, solar technology, hardware, piece wood, paints, glassware, crockery, cutlery, ironmongery, turners and other household fittings and requirements, other articles and commodities of personal, household use and consumption provisions, textiles, groceries, medicines, drugs, wines spirits, liquors, chemical, surgical, optical, photographic and other instruments, apparatus and materials, motor vehicles, automobiles and generally in all manufactured goods of all types and merchandise of all kinds.
- (f) To carry on all or any of the business of transport, carriage and haulage contractors, owners and charter of road vehicles, aircraft and ships and boats of every description and carriers of goods and passenger by road, rail, water or air and to establish, acquire, maintain and operate transport service of every description both public and private and all services ancillary thereto and for such purposes or as independent undertakings to purchase, take in exchange, charter, hire, build, contract or otherwise acquire and to own, operate, work, manage, maintain, repair, service and deal with and in road vehicles, aircraft and vessels of every supplies therefore and to conduct any such business within the country or any other state in Africa or Europe or Asia and or any other foreign country.
- (g) To carry on the business of clearing and forwarding agents, commission agents, transporters, freighters, hauliers, customs bonded warehouse and godown keepers, cargo and travel agents, insurance agents, tourist agents, manufacturers' representatives, road contractors, cargo superintendents, packers, machinery haulage specialists, warehousemen, engineers, electricians, motor cars, trucks, cabs, omnibus, oil tank and coach proprietors and transporters, civil transport contractors and transporters by any other means of conveyance of people and goods in Tanzania and the neighbouring countries and in such other place or places as may from time to time be determined by the company, engage in and or otherwise carry on the business as transporters and transport agents, freight forwarders.
- (h) To carry on the business and act as managers of investments and investment company, real estate agents, property managers, developers, valuers, decorators, engineers and to generally be able to carry out activities of any description with regards to land, property and real estate, investment in any type of property, buildings, lands, securities, bonds, shares and any property act as a holding company with subsidiaries and invest in any projects as the company may think fit.
- (i) To carry on the business of property developers and real estate developers, to act as planners designers, builders, contractors, renovators, decorators, landscapers, promoters, owners, sellers, buyers of all type of properties, lessors and lessees of residential houses, public houses, office blocks, apartments, housing estates, shopping malls, arcades, entertainment houses, leisure centers, leisure parks, factories, industrial buildings, warehouses, depots, god owns, parking lots, shelters of all kind as well as finance farms, farm management, agricultural and carry out related projects, implementation, firm or corporation or any assignment undertaken by the Company and all other related activities.

TANZANIA
Stamp Duty Shs. 5000/-
PAID ON ORIGINAL
Receipt No. 17767
Stamp Duty Officer

THE COMPANIES ACT, 2002
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
SHIRE TRADERS CO. LIMITED

TANZANIA
Stamp Duty Shs. 5000/-
PAID ON ORIGINAL
Receipt No. 17767
Stamp Duty Officer

1. The name of the company "SHIRE TRADERS 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 on all or any of the stationers, printers, lithographers, stereotypes, electrotypes, engravers, photographers, printers, photolithographic, 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, cardboard manufactures, type of founders, photographers, manufacturers, manufacturers of and dealers in playing, visiting, railways, festivals invitation complimentary and fancy cards and valentine, dealers in parchment stamp, agents for payment of stamps and other duties, advertising agents, designers, screen printing T.shirts, stickers, draftsman, manufacture of sellers, publishers and dealers in materials used in the manufacture of paper, cabinet makers, file rack makers and dealers in or manufacturers of any other articles or things of a character similar of analogous to the foregoing or any of them or connected therewith and to deal in the manufacture of and sell by wholesale or retail of school chalks and secretarial services.
 - (b) To carry on the business of commercial printers importing and exporting of commercial printers, brochures, leaflets, labels, magazines and all similar office machines and equipments and to carry on any other business (whether manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with above, or otherwise calculated, directly or indirectly, to enhance the value of the Company's property and rights for the time.
 - (c) To carry on the business of services, consultancy, types of information technologies, computer systems, conference systems, telecommunication systems, security systems, public address systems, data communication and to train, research, install and after sale services of electronic systems, voice and data networks and any other systems or components which the company may think fit, necessary or incidental to this business.
 - (d) To carry on the business of general merchants, importers, exporters, stockists, wholesalers, retailers and deal in all types of electrical, electronic goods, restaurant services, tyres, goods, hardware, building material, spare parts, and maintenance, tubes, tools, and accessories for all types of automotive, motor vehicles, agricultural machinery, implements, equipments, all kinds of industrial projects machinery and equipment, furniture 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.

THE COMPANIES ACT, 2002

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

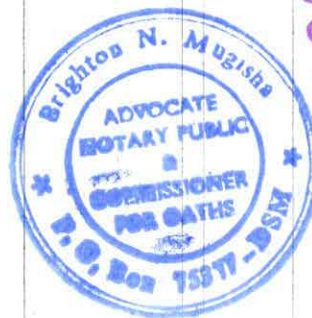
ARTICLES OF ASSOCIATION

OF

SHIRE TRADERS CO. LIMITED

Incorporated thisday of.....2011

DRAWN BY:
AHMED H. OMAR
(SUBSCRIBER)
P.O. BOX 45080
DAR ES SALAAM.



Certified as true copy of the
Original
Sign *[Signature]*
Date 02/09/2011

M/S SHIRE TRADERS COMPANY LIMITED

CASH FLOW PROJECTION					
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	USD	USD	USD	USD	USD
Cash Flow at the end of the year	979,868	1,570,636	2,060,042	2,577,490	3,114,895

M/S SHIRE TRADERS COMPANY LIMITED

PROFIT PROJECTION						
		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
		USD	USD	USD	USD	USD
Profit	After	111,734	174,676	218,963	261,538	307,694
Tax						

M/S SHIRE TRADERS COMPANY LIMITED

REVENUE PROJECTION					
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	USD	USD	USD	USD	USD
Sales Revenue	2,190,000	2,299,500	2,414,475	2,535,199	2,661,959

SCHEDULE 3					
SALARIES & WAGES					
NO.	EMPLOYEE DESIGNATION	NO.	SALARY PER MONTH	SUBTOTAL MONTHLY SALARY	ANNUAL GROSS SALARY
1	Managing Director	1	3000	3000	36,000
2	Finance and Administrative Manager	1	2000	2000	24,000
3	Operations Manager	1	2000	2000	24,000
4	Marketing Executive	2	800	1600	19,200
5	Assistant Accountant	2	800	1600	19,200
6	Operations Supervisor	2	600	1200	14,400
7	Machine Operators & Technicians	20	400	8000	96,000
8	Other technical officer	15	300	4500	54,000
8	Stores officer	2	800	1600	19,200
10	Drivers	4	400	1600	19,200
	secretary	2	500	1000	12,000
	Office Attendants	2	200	400	4,800
	Security Guards	3	200	600	7,200
	TOTAL US\$	57	12,000	29,100	349,200

SCHEDULE 3	
COST STRUCTURE	
PARTICULAR	AMOUNT USD
Land and Building	2,000,000
Machinery & Equipment	1,000,000
Motor Vehicles	245,000
Furniture & Fixtures	50,000
Pre expenses	374,500,000
Others	50,000
Working Capital	400,000
Total	4,119,500

SCHEDULE 3					
FIXED ASSETS SCHEDULE					
NAME OF ASSETS	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Land and Building	2,000,000	1,750,000	1,531,250	1,339,844	1,172,363
Machinery, Tool and Equipment	1,000,000	950,000	902,500	857,375	814,506
Motor Vehicles	245,000	214,375	187,578	164,131	143,615
Furniture & Fixtures	50,000	40,000	30,000	20,000	10,000
TOTAL	3,295,000	2,954,375	2,651,328	2,381,350	2,140,484
DEPRECIATION	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Land and Buildings	250,000	218,750	191,406	167,480	146,545
Machinery, Tool and Equipment	50,000	47,500	45,125	42,869	40,725
Motor Vehicles	30,625	26,797	23,447	20,516	17,952
Furniture & Fixtures	10,000	10,000	10,000	10,000	2,000
ANNUAL DEPRECIATION	340,625	303,047	269,979	240,866	207,223
CLOSING FIXED ASSETS	2,954,375	1,651,328	2,381,350	2,140,484	1,933,261

M/S SHIRE TRADERS COMPANY LIMITED

SCHEDULES AND TABLES

SCHEDULE 1					
REVENUE PROJECTION					
PRODUCTS	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
SALES	2,190,000	2,299,500	2,414,475	2,535,199	2,661,959

SCHEDULE 2					
OTHER OPERATING COST					
OTHER OPERATING COST	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Motor vehicle running expenses	72,000	75,600	79,380	83,349	87,516
Salaries and wages	349,200	366,660	384,993	404,243	424,455
Depreciation	340,625	303,047	269,979	240.866	20.7,223
Administrative overhead costs	197,100	20.6,955	217,303	228,168	239,576
Marketing costs	43,800	45,990	48,290	50,704	53,239
Utility costs	60,000	63,000	66,150	69,458	72,930
Insurance	20598	20,598	20,598	20,598	20,598
Communication	16,680	17,514	18,390.	19,30.9	20.,275
Interest Expense	54,377	30,8000	30,800	30,800	30,800
Total costs	1,154,380	1,130,163	1,135,881	1,147,493	1,156,612

M/S SHIRE TRADERS COMPANY LIMITED

PROJECTED CASHFLOW

		YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
CASHFLOW FROM OPERATIONS						
Cash Sales		1861,500	1954,575	1 979870	2078,863	2182806
VAT Receipt		438000	459900	482895	507,040	532,392
Subtotal Cash Received		2,299,500	2,414,475	2,462,765	2,585,903	2,715,198
Expenditures from Operations:						
Purchases		744600	781,830	820922	861,968	905066
Additional Cash Spent		813 755	827117	928479	972,871	1028,970
VAT payments		131400	183960	193,158	202816	212957
Interest Expense		54,377	30800	30800	30800	30,800
Subtotal Cash payment		1 744,132	1,823,707	1,973359	2068454	2,177,793
CASH FROM OPERATIONS		555,368	590,769	489,406	517,449	537,405
CASH FLOW FROM INVESTMENTS:						
Purchase of Assets		-				
working capital requirement		3,295,000				
		400,000				
CASH FLOW FROM INVESTMENTS:						
CASH FLOW FROM FINANCING:						
Bank loan		2,471 700				
Owners Contribution		1,647800				
CASH FLOW FROM FINANCING		4,119,500				
NET CASHFLOW FOR PERIOD		979,868	590,769	489,406	517,449	537,405
CASH FLOW AT START OF YEAR			979868	1 570636	2,060042	2,577,490
CASHFLOW AT THE END OF YEAR		979,868	1,570,636	2,060,042	2,577,490	3,114,895

M/S SHIRE TRADERS COMPANY LIMITED

PROJECTED BALANCE SHEET						
	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD	
<u>Fixed Assets:</u>	3,295,000	2,954,375	2,651,328	2,381,350	2,140,484	
Long-term Assets	340,625	303,047	269,979	240,866	207,223	
Depreciation	2,954,375	2,651,328	2,381,350	2,140,484	1,933,261	
Total Long-term Assets						
<u>Current Assets:</u>	979,868	1,570,636	2,060,042	2,577,490	3,114,896	
Cash	109,500	114,975	120,724	126,760	92,176	
Accounts Receivable	241,803	125,998	122,636	104,549	119,788	
Inventory	1,331,171	1,811,609	2,303,402	2,808,799	3,326,860	
Total Current Assets	4,285,546	4,462,937	4,684,751	4,949,283	5,260,122	
Total Assets						
<u>Current Liabilities:</u>	26,280	27,594	28,974	30,422	31,944	
Accounts Payable						
Other Current Liabilities	28,032	29,434	30,905	32,451	34,073	
Subtotal Current Liabilities	54,312	57,028	59,879	62,873	66,017	
Liabilities						
<u>Long-term Liabilities:</u>						
Long-term Liabilities	2,471,700	2,471,700	2,471,700	2,471,700	2,471,700	
Total Liabilities	2,526,012	2,528,728	2,531,579	2,534,573	2,537,717	
Net Assets	1,759,534	1,934,209	2,153,173	2,414,710	2,722,405	
<u>Capital and Reserves:</u>						
Owners Contribution	1,647,800	1,647,800	1,647,800	1,647,800	1,647,800	
Retained Earnings	111,734	286,410	505,373	766,911	1,074,605	
Total Capital	1,759,534	1,934,210	2,153,173	2,414,711	2,722,405	

M/S SHIRE TRADERS COMPANY LIMITED

PROJECTED INCOME STATEMENT

	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Sales Revenue	2,190,000	2,299,500	2,414,475	2,535,199	2,661,959
Cost of Sales	876,000	919,800	965,790	1,014,080	1,064,783
Gross Profit	1,314,000	1,379,700	1,448,685	1,521,119	1,597,175
<i>Operating Expenses:</i>					
Administrative Overhead costs	197,100	206,955	217,303	228,168	239,576
Motor Vehicle running expenses	72,000	75,600	79,380	83,349	87,516
Salaries and wages	349,200	366,660	384,993	404,243	424,455
Depreciation	340,625	303,047	269,979	240,866	207,223
Marketing Costs	43,800	45,990	48,290	50,704	53,239
Utility costs	60,000	63,000	66,150	69,458	72,930
Insurance	20,598	20,598	20,598	20,598	20,598
Communication	16,680	17,514	18,390	19,309	21,275
Interest Expense	54,377	30,800	30,800	30,800	30,800
Total Expenses	1,154,380	1,130,163	1,135,881	1,147,493	1,157,612
Profit before Tax	159,620	249,537	312,804	373,626	439,563
Tax (30%)	47,886	74,861	93,841	112,088	131,869
Profit After Tax	111,734	174,676	218,963	261,538	307,694

M/S SHIRE TRADERS COMPANY LIMITED

PROJECTED INCOME STATEMENT

	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Sales Revenue	2,190,000	2,299,500	2,414,475	2,535,199	2661959
Cost of Sales	876,000	919,800	965,790	1 014,080	1064783
Gross Profit	1,314,000	1,379700	1,448685	1,521,119	1597,175
<i>Operating Expenses:</i>					
Administrative Overhead costs	197,100	206,955	217,303	228,168	239,576
Motor Vehicle running expenses	72,000	75,600	79,380	83,349	87,516
Salaries and wages	349200	366660	384993	404,243	424455
Depreciation	340,625	303,047	269979	240,866	207223
Marketing Costs	43,800	45,990	48290	50,704	53239
Utility costs	60000	63,000	66,150	69,458	72 930
Insurance	20598	20,598	20,598	20598	20,598
Communication	16,680	17514	18390	19309	21275
Interest Expense	54,377	30800	30800	30,800	30800
Total Expenses	1,154,380	1,130,163	1,135,881	1,147,493	1,157,612
Profit before Tax	159,620	249,537	312,804	373,626	439,563
Tax (30%)	47886	74,861	93841	112088	131,869
Profit After Tax	111,734	174,676	218,963	261,538	307,694

- The direct income for the workers; combined with other social benefits that the Management of **Ms. Shire Traders Company Limited** will provide, will help in overall efforts of alleviation of poverty in the Region.
- Provision of a market for goods and services demanded by expanded tax base to the Treasury and local Government authorities and generation of substantial income to the Government.

12 RECOMMENDATIONS

The project is technically feasible, financially and economically viable and environmental friendly. A fast implementation of the project is highly recommended to avoid cost overruns and for the project to be able to realize the benefits outlined above; especially at this juncture when the Government is making effort to boost investment in various sectors in the economy.

In view of the above it is further strongly recommended that the project be approved by Tanzania Investment Centre and be granted the TIC Certificate of Incentives with its associated privileges and benefits as provided for under Tanzania Investment Act, 1997 to facilitate smooth implementation.

10.4 BALANCE SHEET

The projected Balance Sheet of the project is shown in the financial statements under same heading. Net worth of the project increases from US\$ 1,759,534.00 in the first year of operation to US\$ 2,722,405.00 in the 5th year.

1 st Year	1,759,534.00
2 nd Year	1,934,209.00
3 rd Year	2,153,173.00
4 th Year	2,414,710.00
5 th Year	2,722,405.00

11. ECONOMIC ANALYSIS:

11.1 ASSUMPTIONS AND CONSIDERATIONS

The basic assumptions underlying economic benefits and costs are:

11.1.1 Taxes on capital costs have not been considered.

11.1.2 Conversion factors have been used to determine economic costs and benefits.

11.1.3 Economic life of the project is assumed to be 5 years.

11.2 ECONOMIC BENEFITS OF THE PROJECT

The successful operation of the Project will contribute significant economic benefits to Tanzania. In summary the benefits which will be realized are as follows:-

- This project will boost investment in manufacturing sector which is important for the economy, contributing to research and other skills development. It will provide vital support to the manufacturing sector.
- Employment opportunities for at least 57 permanent staff when the project is fully operational.

10 FINANCIAL ANALYSIS

10.1 INCOME AND EXPENDITURE

10.1.1 Income

The proposed project **M/S SHIRE TRADERS COMPANY LIMITED** expects to earn its income through revenue generated from printing operations. During the fifth year of operation, the total sales are expected to stand at US\$ 2,661,959

10.1.2 Expenditure

Some project costs have been discussed in Chapter 9 and are summarized in detail in attached schedule.

10.2 NET INCOME STATEMENT HIGHLIGHTS

The project's annual after tax net income during the fifth year of production is estimated to reach US\$ 307,694 as presented in the Income Statement of the financial statements appendix.

10.3 CASH FLOW HIGHLIGHTS

This is shown in the financial statements. The project has a positive end of the year cash flow from year 1 of operation to the 5th year as shown hereunder.

1 st Year	979,868.00
2 nd Year	1,570,636.00
3 rd Year	2,060,042.00
4 th Year	2,577,490.00
5 th Year	3,114,895.00

9.1 UTILITIES

A total of US\$ 72,930 will be required as water bills and for the purchase of electric power at sustainable production level.

9.2 VEHICLE RUNNING EXPENSES

Vehicle running expenses include fuel, lubricants, road licenses, etc. The cost has been estimated at US\$ 87,516

9.3 SALARIES AND WAGES

The number of employees, along with, their incomes, is shown in attached schedules.

The total annual wage package is estimated at US \$ 424,455 including fringe benefits and related taxes

9.4 MARKETING

The marketing costs are estimated at US\$ 53,239 per annum as per attached schedules

9.5 DEPRECIATION

The following is depreciation schedule, for major assets to be employed in the project for printing.

DEPRECIATION	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	USD	USD	USD	USD	USD
Land and Building	250,00	218,750	191,406	167,480	146,545
Machinery, tools & Equipment	50,000	47,500	45,125	42,869	40,725
Motor Vehicle	30625	26,797	23,447	20,516	17,952
Furniture & Fixtures	10,000	10,000	10,000	10,000	2,000
ANNUAL DEPRECIATION	340,625	303,047	269,979	240,866	207,223

equipment is based on a quotation received from major suppliers for main production machinery and amount to US\$ 1,000,000 approximately.

8.5 MOTOR VEHICLES

For company work, the promoters intend to procure various vehicles at total cost of US\$ 245,000.

8.6 PRE-PRODUCTION CAPITAL EXPENDITURES

These include project development cost for feasibility study and start-up expenses. A budget of US\$ 50,000 is considered adequate for this item

8.7 INITIAL WORKING CAPITAL

Initial net working capital requirement at maximum for the proposed project works out at about US\$ 400,000. This is mainly for the procurement of initial stocks of raw materials. Rest of the requirement of the working capital will be raised from commercial banks as and when the need arises. This will fluctuate as per stocks in hand.

8.8 FINANCING PATTERN

The financing of the project will be from shareholder's equity as well as bank loans.

The financing of the project will take the following form

	EQUITY (US\$)	LOAN (US\$)
FOREIGN	-	-
LOCAL	1,647,800	2,471,700

9 COSTS OF OPERATIONS

Some of the anticipated costs for operating the project are detailed in the following sections and summarized in attached schedules. The summarized costs are based on the fifth year of operation.

8. INVESTMENT AND FINANCING

8.1 ASSUMPTIONS

The financial projections to determine the viability of the project by **M/S SHIRE TRADERS COMPANY LIMITED** are based on the following key assumptions:

- Installation of printing facilities will start immediately. Thereafter printing services will commence.
- The company market will be local initially with expectation of acquisition of export market in the near future
- Financial calculations are based on current market prices and costs are assumed constant throughout the operating period under review on the assumption that if operation costs change, selling prices will change proportionally to preserve the profit margins.
- The project has adopted the currency exchange rate of United States Dollar 1 = Tanzania Shilling 1,600.00 as prevailing during August 2011.

8.2 SUMMARY OF CAPITAL COSTS

On completion of project implementation, the total investment will reach to US\$ 4.119 million as shown in attached schedules.

8.3 BUILDING AND CIVIL WORKS COSTS

The main civil works required will be factory construction, renovations, partitioning, electrification and water supply, overhead tank installation, etc. The estimated cost is US\$. 2,000,000

8.4 PLANT MACHINERY AND EQUIPMENT COSTS

The main plant and machinery for the envisaged project will be for printing operations. Other supporting equipment, tools, accessories, etc. will be required as explained earlier. The total investment on machinery and

SALARIES & WAGES

NO.	EMPLOYEE DESIGNATION	NO.	SALARY PER MONTH	SUBTOTAL MONTHLY SALARY	ANNUAL GROSS SALARY
1	Managing Director	1	3000	3000	36,000
2	Finance and Administrative Manager	1	2000	2000	24,000
3	Operations Manager	1	200	2000	24,000
4	Marketing Executive	2	800	1600	19,200
5	Assistant Accountant	2	800	1600	19,200
6	Operations Supervisor	2	600	1200	14,400
7	Machine Operators & Technicians	20	400	8000	96,000
8	Other technical officer	15	300	4500	54,000
9	Stores officer	2	800	1600	19,200
10	Drivers	4	400	1600	18,200
11	secretary	2	500	1000	12,000
12	Office Attendants	2	200	400	4,800
13	Security Guards	3	200	600	7,200
	TOTAL USD \$	57	12,000	29,100	329,200

After the initial 2 years, depending on the results of the training local counter parts will replace the expatriates.

The total wage bill per annum will be US\$ 329,200 as shown in schedule showing wages and salaries.

iii. Marketing Department

This Department will be headed by the Marketing Manager who will be responsible for the development of a sustainable sales and distribution network. This will involve developing distribution network and recruitment and training of qualified and well motivated marketing and sales personnel.

There will be two Section Heads under the Department. One Section will be responsible for Research & Promotion and another will handle Sales function.

7.3 MANPOWER REQUIREMENT

The permanent manpower requirement for running the proposed factory is 57, with the breakdown mentioned as shown in attached schedules. Several other employees will be contracted on temporary basis.

7.4 SOURCE OF MANPOWER AND WAGE BILL

Manpower for proposed project will be employed from local sources, except for a few expatriates who would basically be engaged in the training of local staff. The workers will be given on-the-job training for familiarize them with the proposed machinery and equipment.

7.2 RESPONSIBILITIES

Responsibilities will be as follows:

i. Production Department

The Manager will be responsible for printing operations planning and overseeing daily printing activities being carried out. He will further be responsible for repair and maintenance of company assets and research and development activities. The Department will comprise Sections, namely:

- The Production Section which would be responsible for overseeing printing operations. An expatriate will be employed to train the local technicians in this aspect of operations.
- Maintenance Section which will manage printing plant and machinery maintenance

ii. Finance and Administration Department

An Administration and Finance Manager will head the Department. He will be responsible for the administration of the company as well as overseeing the financial aspects of the company. An Accountant will manage the finance function while a Human Resources Section Head will oversee company human resource issues. The following important units will be under the Department.

- The personnel and administration unit which will be responsible for the general administrative matters of the company as well as personnel issues.
- The finance unit, which will be responsible for financial issues. It will also be responsible for the proper maintenance of books of accounts and financial planning.
- The purchasing unit which will be responsible for the purchase of raw materials, spare parts and equipment. This section will also be responsible for the receipt, storage and issue of purchased materials.

7.1 ORGANIZATION

The Board of Directors of **M/S SHIRE TRADERS COMPANY LIMITED** shall manage the project at policy level. The top most person in the day to day running of the company will be the Managing Director. Under the Managing Director's office will be the three Departments mentioned above. Each will be under a Manager and will comprise a number of Sections each headed by a Section Head as follows.

PRODUCTION DEPARTMENT

Sections:

- Operations
- Maintenance

SALES AND MARKETING DEPARTMENT

Sections:

- Research & Promotion
- Sales

ADMINISTRATION AND FINANCE DEPARTMENT

Sections:

- Human Resources & Administration
- Finance & Accounts

Each Department will be manned by a number of personnel with varying education levels and work experiences.

The management team of **M/S SHIRE TRADERS COMPANY LIMITED** will comprise the Managing Director, Production Manager, Finance & Administration Manager and Marketing Manager.

5.3.2 Electricity

The Tanzania Electric Supply Company Ltd. (TANESCO) has no problem in providing the required amount of electricity from the national grid.

6 PRODUCTION INPUT REQUIREMENTS AND AVAILABILITY

6.1 INPUTS

As explained earlier, the major expenditure item will be purchase of various materials used in printing process. This will include paper, fabrics, colours and other inputs necessary for this kind of project.

6.2 UTILITIES

6.2.1 Water

We have explained that water will be supplied to the premises from the main pipeline.

Due to frequent water shortage in Dar es salaam, a water reservoir of capacity 20,000 has been planned for construction

6.2.2 Power

As said earlier in this report, the source of energy for the proposed project will be electric power.

A standby power generator has also been budgeted for to avoid inconveniences caused by frequent power cuts by TANESCO.

7 MANPOWER AND PLANT ORGANIZATION

The proposed project will have three independent departments, namely:

- Production
- Sales and Marketing
- Administration and Finance

5 MACHINERY EQUIPMENT AND CIVIL WORKS

5.1 MACHINERY & EQUIPMENT

The company will acquire state of the art printing machinery and equipment. The technology to be used will be modern to achieve high quality printing. The company is already negotiating with suppliers of required machinery and equipment for supply of the same once all necessary preparations are completed.

5.2 PLANT LOCATION AND CIVIL WORKS

5.2.1 Site and Location

The plant shall be located **Plot no 12 Block 5 Lindi street, Ilala District Dar es Salaam.**

The location taken into consideration such important factors like availability of reliable power.

5.2.2 Production Building Required

The built up area required for production will be medium sized taking into consideration the kind of operations to be undertaken.

5.2.3 Office Building

An office block to accommodate the administrative and clerical staff will also be required.

5.3 UTILITY SERVICES

5.3.1 Water

A three-inch diameter pipeline to the premises from the main pipeline is adequate. Due to frequent water shortage in Dar es Salaam a water reservoir of capacity 20,000 liters is recommended to be constructed.

Digital printing uses different printing engines, depending on the process. Electrophotographic printing systems are like high-speed copiers, with a photoconductor-coated cylinder, means for charging the photoconductor, a device for laser exposure of the image on the photoconductor, and means for toning and fixing the image on the substrate. Ink-jet printing systems use an engine for ejecting selected droplets of dyed inks through small orifices in glass or stainless steel nozzles onto paper or other substrate.

After the sheets are printed, most must be put through some finishing operations to make a functional product. Sheets for books or booklets must be folded, collated, bound into covers, and stacked.

4.2 QUALITY CONTROL SYSTEM

Quality will be the nucleus of our enterprise and we will make sure that it is not compromised at any cost. We expect to incorporate a strict quality management system, which will be responsible for keeping the entire business proceeding under a strict vigil. Our range of products will undergo strict quality check at each level. A variety of measures will be taken to ensure that the finished products meet specifications based on international standards.

4.3 ENVIRONMENT PROTECTION

With a conscious mind, we expect to undertake eco-friendly manufacturing processes and make sure that less effluent and smoke are released. We will take the following three concerns seriously as defined by some of the well-known regulatory bodies.

- Reduction In hazardous environmental release
- Recycling of waste products
- Use of environmental preferable products

For this, we will source some of the latest and high performing machines for our factory.

The sequence of steps in both processes is prepress, press or print, and postpress. The prepress and postpress operations are similar for both processes: that is, the design, preparation, and assembly of images for reproduction, the finishing operations to give the final product such as a leaflet, book, or package, and their distribution, are essentially the same. The two differ in the means used to convert the imaging information into the imaged page, sheet, or board that must be converted to the final printed product for distribution.

The prepress operations for the conventional plate processes have consisted of typesetting, layout and design, process photography, image assembly, and platemaking. These were traditionally manual, labour-intensive operations, but electronics and computers have gradually replaced many manual operations. Phototypesetting and electronic scanning were the first computerized systems to replace manual operations. These were followed by other digital systems. The phototypesetter became the imagesetter. Page layout was accomplished by computer software programs. The scanner was enhanced by colour electronic prepress systems. Personal computers developed into desktop publishing systems that emulated colour electronic prepress systems, and imagesetters produced films for platemaking.

The conventional printing systems require plates. These plates are traditionally made from photographic negatives or positives. The availability of imagesetters that could produce the films for plates spurred the development of high-speed printing plates that could be exposed by lasers directly in the imagesetter. Also, the introduction of high-speed imagesetters with large memory capacity encouraged the development of digital printing systems that give printed products directly without the use of printing plates or presses.

Each conventional printing process has specific requirements for its printing plates or image carriers. The printing press unit has a cylinder for mounting the plate; an inking system to feed ink to the plate; and on an offset lithographic press, a cylinder covered with a rubber blanket to which the image is transferred from the plate and which transfers the image to the paper feeding over an impression cylinder. The press has a means for feeding paper or other substrate into the printing units, and a delivery device for collecting the printed sheets. The press has as many printing units as the number of colours that it can print. For example, a four-color press has four printing units.

3.5 INTERNAL TRADE

In 2005, trade economic activities which comprise wholesale, retail and repair grew by 10.0 percent from 9.5 percent in 2007. The share of this sub activity to GDP was 14.1 percent in 2005 compared to 13.5 percent in 2007.

3.6 DAR ES SALAAM INTERNATIONAL TRADE FAIR (DITF)

In 2005, a total of 1,930 exhibitors participated at the Dar es Salaam International Trade Fair- Mwalimu Nyerere Trade Fair Ground compared to 1,566 in 2007, equivalent to an increase of 3.4 percent. Sale of goods was shs.24.5 billion in 2005 compared to shs. 27.2 billion in 2007, equivalent to a decrease of 9.7 percent. The decline was due to many participants opted to promote their products instead of selling and forming joint venture with local traders. Exhibitor participated in 2005 trade fair include; 27 countries; 325 foreign companies; 1,602 local participants; and 15 Government representatives from foreign countries.

Export inquiries valued USD 199.5 were received in 2005 compared to USD 197.3 in 2007, equivalent to an increase of 1.3 percent. The increase was attributed to improved products manufactured by participating companies. Purchase of goods decreased to USD 135.1 million in 2005 from USD 140 million in 2007, equivalent to a decrease of 3.5 percent. The decline was caused by increase in cost of domestic raw materials and technology used in production.

4 PRODUCTION PROCESS AND TECHNOLOGY

4.1 BASIC PROCESS

As mentioned earlier, printing processes use a sequence of procedures. There are two types of processes in use: plate and plateless. The plate processes are the conventional printing processes-letterpress, flexography, lithography, gravure, screen printing, and others-which use a plate or other type of image carrier such as a cylinder or screen, and a printing press on which the image carrier is mounted, ink is applied, and the image is transferred to paper or other substrate. The plateless processes are the electronic or digital printing processes-electrophotographic, magnetographic, ion or electron deposition, and ink-jet-in which the images are produced digitally by lasers or other devices using special toners or inks.

Manyara, Arusha, Kagera and Morogoro: In addition, a total of six entrepreneurs' exhibitions were undertaken in 2008 whereby 1,269 entrepreneurs displayed and sell products worth shs. 528 million. Likewise, 1,854 entrepreneurs obtained loans worth shs. 1.2 billion providing a total of 3,669 new employment opportunities.

3.3 PRODUCTION COST

The cost of manufacturing production increased to shs. 1,747,229 million in 2008 from shs. 1,712,247 million in 2007. This is equivalent to an increase of 2.0 percent. The increase was due to rise in the cost of production particularly fuel.

3.4 PRODUCTION IN SELECTED INDUSTRIES

Generally, production in selected industries declined in 2008. The decline was due to rise in production cost, and suspension of production in steel; textile; and skin and hide industries.

In 2008, production of corrugated iron sheets decreased from 36,492 tons to 31,743 tons in 2007, equivalent to a decrease of 13 percent. Production of steel and steel products decreased from 52,163 tons in 2007 to 39,969 tons in 2008, equivalent to a decrease of 23.4 percent. Production of sisal ropes declined from 7,783 tons in 2007 to 7,012 in 2008, equivalent to a decrease of 11 percent. However, production of cement increased from 1,630 million tons in 2007 to 1,756 million tons in 2008, equivalent to an increase of 7.7 percent.

Production of wheat flour decreased from 406,336 tons in 2007 to 287,925 tons in 2008, equivalent to a decline of 29.1 percent. However, production of biscuits and spaghetti increased from 11,273 tons in 2007 to 15,435 tons in 2008, equivalent to an increase of 36.9 percent.

Production of beer declined from 310,194 million Liters in 2007 to 291,175 million Liters in 2008, equivalent to a decrease of 34.6 percent. Production of Kibuku brew declined from 10,320 million litres in 2007 to 10,235 million Liters in 2008, equivalent to a decrease of 0.8 percent. Production of Konyagi declined from 5,622 million litres in 2007 to 4,049 million litres in 2008, equivalent to a decrease of 28 percent. However, production of Cigarette increased from 5,821 million in 2007 to 6,101 million in 2008, equivalent to an increase of 4.8 percent.

system as well as retrenched workers to match with production levels and improved quality and lower costs of production. The manufacturing sector is of significant importance in the Tanzania's economy. Up to 1999, the sector employed about 140,000 people or about 48% of total monthly wage earners, making it the largest urban employer. It remains to be the most reliable source of government revenue in terms of import sales, corporate and income taxes. It accounts for over half of government annual revenue collection. Though manufacturing export has been in a declining trend, yet it earns the country a fifth of total foreign exchange earnings to become a third important sector coming after agriculture and tourism. Moreover, it is the industrial sector that provides reliable field to practice invention, innovation and nurturing modern technologies for production and service provision.

3.1 SECTOR GROWTH

The growth rate of manufacturing activities was 9.9 percent in 2008 compared to 8.7 percent in 2007. The growth was attributed to increase in industrial production of food and milk; chemical and printing; and increased production of goods for export. The contribution of manufacturing activities to the Gross Domestic Product (GDP) increased to 9.4 percent in 2008 from 9.2 percent in 2007.

3.2 SMALL ENTERPRISES

In 2008, sensitization and dissemination of 19 new technologies to small enterprises was carried out, and lead to manufacturing of 118 machines and 1,780 spare parts. The technologies disseminated to owners of small enterprises among others included: food processing; reduction of consumption trees and woods products for energy; packaging of processed foods; production of construction materials particularly bricks; manufacturing of lime and chalk; grinding of cooking oil from palm tree and manufacturing of soap and skin and hide processing.

In 2008, advisory services related to business development and production activities were provided to a total of 6,139 entrepreneurs. Likewise, 770 entrepreneurs were provided training in the following areas: processing of skin, chalk, cashew nuts, animal foods, bamboo, pottery and processing and preservation of foods. Out of those, 373 entrepreneurs were trained on food processing and 178 skin processing. Training on skin processing was undertaken in regions of: Mara, Mwanza, Shinyanga, Tabora, Singida,

2.9.2 Expenditure on basic materials and Profitability

The major expenditure item is the purchase of various materials used in printing process. Project revenue will accrue from provision of printing services. Based on projected revenue at sustainable levels of production the project is quite profitable.

2.9 RECOMMENDATIONS

The study shows investing of facilities for printing is both technically and financially feasible undertaking. Furthermore, it will create local employment for the national benefit. In view of the findings, the project is recommended for implementation.

3. INDUSTRIAL SECTORS IN TANZANIA

In the end of the 20th century, manufacturing activities in Tanzania have exemplified a steady growth, registering average annual growth of over 4 percent. Nevertheless, manufacturing activities in Tanzania are relatively small and at an infancy stage. Their contribution to GDP has averaged 8% over the last decade, with most activities concentrated on manufacture of simple consumer goods - food, beverages, tobacco, textiles and furniture and wood allied products. Most of the present industries were established in the light of import substitution strategy, whereas production focused in substituting previously imported goods in view of saving the country's meager foreign exchange.

The government decision to liberalize trade and investment policies, effected since 1986, witnessed a number of firms even those believed to be as strong, clumping down as they could hardly withstand competition from imported manufactures. A number of measures were taken in view of revamping competitiveness of the local industries and enhancing their penetration into export markets.

The government starting in the early 1990s launched a deliberate programme to restructure and privatize publicly owned enterprises. Out of this programme some sheds of hope are now emerging. The overall utilization of installed industrial capacities is improving, rising from an average of 20% in 1990 to around 50% at the turn of the 21st Century. Some of the recently privatized industries have undergone intensive **rehabilitations** - improving their capital structure, production technologies and management and marketing

2.8 PROJECT ECONOMICS

2.8.1 Capital Investment Requirements

COST STRUCTURE	
PARTICULAR	AMOUNT USD
Land and Buildings	2,000,000
Machinery & Equipments	1,000,000
Motor Vehicles	245,000
Furniture & Fixtures	50,000
Pre expenses	374,500
Others	50,000
Working Capital	400,000
TOTAL	4,119,500

US\$ 1 = 1,600

operations to make a functional product. Sheets for books or booklets must be folded, collated, bound into covers, and stacked. They must also be prepared for distribution to the customer

2.5 LOCATION

The printing facility will be located at **Plot no 12 Block 5 Lindi street, Ilala District Dar es Salaam**. The sponsors are considering hiring premises for five years contract renewable.

2.6 MANPOWER REQUIREMENTS

The whole project will comprise of a total permanent work force of 57 people and several other to be employed on temporary basis. Initially there will be a few technical expatriates who will give training to the local staff. Maximum employment will be given to the local work force. The factory will be organized into three major areas namely: Production, Marketing, Finance and administration

2.7 IMPLEMENTATION

The project is planned to undergo two phases:

Phase I: Major activities to be involved include registration of the project and approvals by the Tanzania Investment Centre (TIC), and mobilization of funds from sponsors. Other activities include identification of appropriate printing technology, sourcing of machinery and equipment, renting and renovation of buildings, staff recruitment and training of core personnel. Printing operations under this expansion phase will commence during this stage.

Phase II: Will involve further expansion of printing facilities including acquisition of advanced printing technology.

distribution.

The prepress operations for the conventional plate processes have consisted of typesetting, layout and design/process photography, image assembly, and platemaking. These were traditionally manual, labour-intensive operations, but electronics and computers have gradually replaced many manual operations. Phototypesetting and electronic scanning were the first computerized systems to replace manual operations. These were followed by other digital systems. The phototypesetter became the imagesetter. Page layout was accomplished by computer software programs. The scanner was enhanced by colour electronic prepress systems. Personal computers developed into desktop publishing systems that emulated colour electronic prepress systems, and imagesetters produced films for platemaking.

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Digital printing uses different printing engines, depending on the process. Electrophotographic printing systems are like high-speed copiers, with a photoconductor-coated cylinder, means for charging the photoconductor, a device for laser exposure of the image on the photoconductor, and means for toning and fixing the image on the substrate. Ink-jet; printing system use an engine for ejecting selected droplets of dyed inks through small orifices in glass or stainless steel nozzles onto paper or other substrate.

After the sheets are printed, most must be put through some finishing

used for single- and spot-colour short-run and on- demand printing.

In ion or electron deposition printing, a latent image is formed by ions or electrons on a heated dielectric coated cylinder, toned with a magnetic toner, and transferred and fixed to paper under pressure. The system is used for on-demand variable short-run single- or spot-colour printing.

Ink-jet printing uses jets of ink droplets controlled by computer signals to print variable information. It is used extensively in packaging, and in mailing and distribution of magazines and catalogs. Colour ink-jet is used for colour proofing and short-run printed displays and billboards.

2.3 MARKET AND MARKETING ASPECTS

The market survey carried out reveals that there is a huge demand for printing facilities. There is wide gap between supply and demand and therefore, business opportunity exists for setting up additional printing facilities to satisfy the market requirement with increased local printing facilities, the country will save foreign exchange lost each year through import of printed materials.

2.4 PROCESS AND TECHNOLOGY

All the individual printing processes use a sequence of procedures. There are two types of processes in use: plate and plateless. The plate processes are the conventional printing processes-letterpress, flexography, lithography, gravure, screen printing, and others-which use a plate or other type of image carrier such as a cylinder or screen, and a printing press on which the image carrier is mounted, ink is applied, and the image is transferred to paper or other substrate. The plateless processes are the electronic or digital printing processes-electrophotographic, magnetographic, ion or electron deposition, and ink-jet-in which the images are produced digitally by lasers or other devices using special toners or inks.

The sequence of steps in both processes is prepress, press or print, and postpress. The prepress and postpress operations are similar for both processes: that is, the design, preparation, and assembly of images for reproduction, the finishing operations to give the final product such as a leaflet book, or package, and their distribution, are essentially the same. The two differ in the means used to convert the imaging information into the imaged page, sheet, or board that must be converted to the final printed product for

blanket cylinder, which then transfers the image to the paper. Relief and intaglio can also be printed by the offset principle. Because almost all lithography is printed by offset principle, the term offset has become synonymous with lithography. Another planographic process is waterless printing, which uses temperature-controlled offset lithographic presses and special silicone-coated plates that can be printed without dampening. Collotype and screenless printing are planographic processes that print illustrations without the need of halftone images.

Intaglio printing, also known as gravure printing, is accomplished by cutting or engraving and etching various sizes or depths of minute cells (or wells) below the surface of the a plate or cylinder to form the imade. The cells are flooded and looded with ink, the excess ink is scraped off the surface by a plate by a doctor blade, and the ink left in the cells is transferred to the substrate. The depth and size of each cell determine the amount of ink that is transferred to the printed surface. The nature of the process permits a heavy laydown of ink, which accounts for the rich, saturated colours typical of the gravure process.

In stencil and screen printing, also known as porous printing, ink is brushed or squeezed through a stencil image on a fine screen onto paper or other surface such as meta, glass, or textile. The screen holds the image area, which may carry either pictorial or typographic material. Although this process accounts for a comparatively small part of the total volume of printing, mechanization has made it more useful commercially. Because of the heavy laydown of ink, strong colours can be obtained by this process, making it suitable for posters and signs as well as fine art.

Conventional printing processes use printing plates and press to produce quantities of the same image. Electronic printing processes use digital imaging systems that produce an image in each cycle of the imaging device. The images can be the same or can be changed from cycle to cycle. Electronic printing is especially suited to printed products requiring variable information such as utility bills, personalized mail, insurance policies, and customized books.

Electrostatic or electrophotographic printing is similar to photocopying. The processes use a photoconductor that is charged, exposed by lasers, and imaged with dry powder or liquid toners. They are used extensively for on-demand printing. Colour electrophotographic printing systems are used for short-run variable and on-demand printing. Magnetographic printing is similar to electrophotographic printing except that magnetic toners are used. It is

2 EXECUTIVE SUMMARY

2.1 INTRODUCTION

The study examines the possibility of starting facilities for printing. A techno-economic evaluation has been carried out to determine the feasibility of establishment of this project.

2.2 PRINTING

Printing is a process in which an image is reproduced on a surface, such as paper. There are five general classes of printing process: relief printing, which includes letterpress and flexography; planographic printing, which includes offset lithography, screenless lithography, collotype and waterless printing; intaglio, which includes gravure, steel-die, and copper-plate engraving; stencil and screen printing; and electronic printing, which includes electrostatic, magnetographic, ion or electron deposition, and ink-jet printing.

In relief printing, the printing element consists of a raised surface of type, lines and dots that are inked. Printing is done by transferring the ink directly from the image surface to the paper. The nonprinting areas are below the printing surface.

In planographic printing, the printing areas of the plate are on the same plane as the nonprinting areas. Lithographic printing is accomplished by using the principle that grease and water do not mix. Early lithography was done by using greasecrayon or greasy ink to draw letters, symbols and pictures in reverse on a porous stone. The surface of the stone was then sponged with a solution of gum arabic in water to render the nonprinting portions receptive to moisture but repellent to moist ink, and the printing portions receptive to grease and repellent to moisture. The process is still used as a fine-arts medium for making lithographic prints from drawings or lettering done manually on the stone and printed on the handset.

Commercial lithography uses thin metal plates made photomechanically or digitally and mounted on a press that has means of inking and dampening the plates and prints indirectly by a method commonly known as offset. The inked image on the plate is first transferred to an intermediate rubber-covered

1.4 STUDY LAYOUT

This study is presented in one document comprising the following major chapters.

- Chapter One -Introduction
- Chapter Two -Executive Summary
- Chapter Three -Manufacturing Sector in Tanzania
- Chapter Four -Production Process and Technology
- Chapter Five -Machinery, Equipment and Civil Works
- Chapter Six -Production Input Requirement & Availability
- Chapter Seven -Manpower and Plant Organisation
- Chapter Eight -Investment and Financing
- Chapter Nine -Costs of Operation
- Chapter Ten -Financial Analysis
- Chapter Eleven -Economic Analysis
- Chapter Twelve -Recommendations

INTRODUCTION

1.1 FOREWORD

This Project Feasibility Study Report sets out proposals by **M/S SHIRE TRADERS COMPANY LIMITED** of starting printing facilities in Dar es salaam.

1.2 OBJECTIVES OF THE STUDY

The purpose of this Feasibility Study is to work out the technical and commercial details and financial viability for the the above mentioned project.

1.3 PROJECT PROMOTERS

The following sponsors are promoting the proposed new printing facilities. Directors (shareholders) are namely:

NAMES, ADDRESS AND DESCRIPTIONS OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER	% SHAREHOLDING
AHMED HASSAN OMAR P.O. BOX 45080 Dar es salaam	600	60%
JAMA ALI MOHAMED P.O. Box 45080 Dar es salaam	400	40%

- 5.3 Utility services

- 6.0 PRODUCTION INPUT REQUIREMENTS & AVAILABILITY
 - 6.1 Materials
 - 6.2 Utilities

- 7.0 MANPOWER AND PLANT ORGANISATION
 - 7.1 Organization
 - 7.2 Responsibilities
 - 7.3 Manpower Requirement
 - 7.4 Source of Manpower and Wage Bill

- 8.0 INVESTMENT AND FINANCING
 - 8.1 Assumptions
 - 8.2 Summary of Capital Costs
 - 8.3 Motor Vehicles
 - 8.4 Pre-Production Capital Expenditure
 - 8.5 Initial Working Capital
 - 8.6 Financing Pattern

- 9.0 COST OF OPERATIONS
 - 9.1 Utilities
 - 9.2 Motor Vehicle Running Expenses
 - 9.3 Salaries and Wages
 - 9.4 Marketing
 - 9.5 Depreciation

- 10.0 FINANCIAL ANALYSIS
 - 10.1 Income and Expenditure
 - 10.2 Net Income Statement Highlights
 - 10.3 Cash Flow Highlights
 - 10.4 Balance Sheet

- 11.0 ECONOMIC ANALYSIS
 - 11.1 Assumption and Analysis
 - 11.2 Economic Benefits of Project

- 12.0 RECOMMENDATIONS

PROPOSED PROJECT FOR PRINTING- A FEASIBILITY STUDY REPORT

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 - 5.1 Machinery and Equipment
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M/S SHIRE TRADERS COMPANY LIMITED

FEASIBILITY STUDY

FOR

PRINTING PROJECT

**M/S SHIRE TRADERS COMPANY LIMITED
P.O.BOX 45080
DAR ES SALAAM.**