

CHIUNG GU TWA

INVESTMENT CO. LTD

MINUTE SHEET

Dokezo
No.

1.0

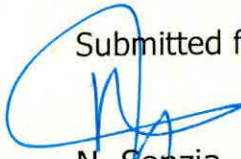
EXD

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

- (a) Minimum finance investment threshold has been exceeded, the project expects to invest US\$ 0.77M
- (b) Legal entity has been incorporated under certificate No. 76366 of 11/05/2010

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

Submitted for signature.



N. Senzia

DIF

23rd December, 2013



EXD

In response to the TIC letter of registration dated 23rd December 2013

the project has submitted the required documents namely: -

- (a) Company Board Resolution.
- (b) Reference letter/Financing from CRAB Bank Ltd
- (c) Lease Agreement in favour of Gwari

With the above submission EXD is requested to sign Certificate of Incentives No. 842576 herein attached.

20/01/2013



MINUTE SHEET

Dokezo
No.

Unclaimed refund beyond three years will be forfeited



TANZANIA INVESTMENT CENTRE

Shaaban Robert Street, P.O. Box 938, Dar Es Salaam, Tel. +255 22 2116328-31, Fax: +255 22 2118253

RECEIPT REC013977

No.007918

Received from : CHIUNGUTWA INVESTMENT CO. LTD

Address P.O. Box 39, MASASI.

Received the sum of (In words): ONE THOUSAND AND ZERO CENTS ONLY



Being payment in respect of CERTIFICATE OF INCENTIVES FEES

Amount : USD 1,000.00

Cash / Cheque No: d/deposit 7/1

Date : 07-Jan-2014

Buisso
Receiving Officer

Unclaimed refund beyond three years will be forfeited



11579

9589

TANZANIA INVESTMENT CENTRE

Shaaban Robert Street, P.O. Box 938, Dar Es Salaam, Tel. +255 22 2116328-31, Fax: +255 22 2118253

RECEIPT REC013694

No.007640

Received from : CHIUNGUTWA INVESTMENT

Address P. O. Box 99, MASASI.

Received the sum of (In words): ONE HUNDRED FIFTY-FOUR THOUSAND EIGHT HUNDRED AND ZERO CENTS ONLY

Being payment in respect of: REGISTRATION FEE

Amount : TZS 154,800.00

Cash / Cheque No: D/Deposit

02-Dec-2013

Date :

BUISSO

Receiving Officer

For Executive Director
Tanzania Investment Centre

**CHIUNGUTWA INVESTMENT COMPANY
LIMITED**

BUSINESS PLAN

Prepared by: CHIUNGUTWA COMPANY LIMITED
P.O. BOX 99
MASASI-MTWARA

CHIUNGUTWA COMPANY LIMITED, P.O. BOX 99 , MTWARA

1.0 EXECUTIVE SUMMARY

1.1 This Project report sets out proposals by **M/s CHIUNGUTWA INVESTMENT COMPANY LIMITED** of promoting a new factory to manufacture bottling drinking water and fruit juice for use by the local and external market.

1.2 **CHIUNGUTWA INVESTMENT COMPANY LIMITED** was incorporated under the companies Act 2002 on 13 May two thousand and ten with a certificate of incorporation number 76366

1.3 **OWNERSHIP** The **M/s CHIUNGUTWA INVESTMENT COMPANY LIMITED:**

NAME	NUMBER OF SHARES TAKEN BY SUBSCRIBER	NANATINALITY
JUMA RAJABU UMMY PLOT 39 WAPIWAPI STREET P.O.BOX 99 MASASI MTWARA	750	TANZANIAN
HABIB JUMA RAJABU, PLOT 39 WAPIWAPI STREET P.O.BOX 99 MASASI MTWARA	250	TANZANIAN

1.4 The project objective is to manufacture for sale bottling drinking water and fruit juices. The project shall be located at Lulindi village Masasi district, Mtwara region

CHIUNGUTWA COMPANY LIMITED, P.O. BOX 99 , MTWARA

- 1.5 The project has been prompted by the following reasons:-
- (i) Inability of the existing factories to satisfy the general demand of bottling drinking water and fruit juice, causing a substantial importation of fruit juices and bottling drinking water.
 - (ii) Very high costs of bottling drinking water and fruit juice both internally manufactured and imported, consequently some consumers fail to afford.
 - (iii) Persistent shortage of bottling drinking water and fruit juices products due to the fact that there are few factories producing these products face various operational problems.
 - (iv) As a consequence of an attractive environment for investors in Tanzania there has been steady growth of new factories.

1.6 **PROJECT BACKGROUND:**

1.7 **M/s CHIUNGUTWA INVESTMENT COMPANY LIMITED:**

This study cover the carrying out of the initial/ establishment of a factory to manufacture bottling drinking water and fruit juice processing under taking to be situated in an appropriate plot within Lulindi village Masasi district Mtwara Region.

The importance of such products does not need to be subjected to the efforts of orchestrating. Indeed the demand for these categories of the product is always on the increase. This is the case because to date the quantities being supplied in this country is limited.

The products from this country are intended to contribute towards the current supply source which is the local production.

1.8 LAYOUT OF THE STUDY

This report presents a full fledged financial and techno-economic analysis relevant to the proposed bottling drinking water and fruit juices manufacturing undertaking to be situated in an appropriate plot within Lulindi village, Masasi District Mtwara region.

This report presentation commences with the coverage of an introduction. Thereafter follows the summary and the recommendations where as the market and marketing are outlined. Aspects of the civil works and buildings are presented.

Then follows manpower requirements and organization, thereafter follows an outline on the implementation schedule.

The investment and financing is covered and the report ends up with the presentations of operating costs and financial economic analysis respectively.

2.0. SUMMARY AND RECOMMENDATIONS

2.1 INTRODUCTION

The report accounts for the financial and techno-economic analysis on the phase 1 setting up / operation of an intergraded finishing building construction materials processing undertaking to be situated in an appropriate plot within Mtwara region

2.2. MARKET

There is a substantial demand supply gap both in the local and in the neighboring countries. In the context of the latter market there is an exhaustible market potential. What will be required by these project executors is to carry out proper identification / firming up business understanding with appropriate clientele

2.3 PROJECT OBJECTIVE

As noted above the objective of this project is to carry out a factory to manufacture bottling drinking water and fruit juices for both local and external markets. Among the key basic raw materials will include water and fruits such as mangoes, oranges and guava which available here in Tanzania and machines from abroad.

2.31 PRODUCTION INPUTS

a) Bottling drinking water

A water molecule consists of two atoms of hydrogen bonded to one atom of oxygen .the chemical symbol is H₂O, water usually also contain wide range of organic and inorganic materials or suspension.

In the process of water several chemicals may be added, these include disinfectants like chlorine, chloramines or ozone coagulant ant like aluminum sulfate ,ferric chloride and various organic polymers acidity neutralizers like caustic soda or lime and chemicals to help tooth decay in the form of various fluoride compounds

b) Fruit juices

The primary ingredients in Orange ,Mango and Guava juice is ofcourse include navel, mandarinand Valencia , ablend of different types of fruits is generally used to give specific taste and ensure freedom from bitterness. Selection of fruits for juices is made on the basis of a number of factors such as variety and maturity of the fruit. The fruit contain anumber of natural materials that contribute to the overall flavor and consistency of juice including water , sugar ,organic acidsand flavor compound

Preservative s such as sulfur dioxide or sodium benzoate may be used in orange juice although the amount are controlled. Similarly ascorbic aci alpha tocopherol, EDTA,BHA or BHT are used as antioxidants.sweeteners maya be added in the form of corn ,syrup,dextrose, honey or even artificial sweeteners, more often though citric acid is added to provide tartness

2.4 LOCATION AND SITE

The plant will be established in an appropriate location within Mtwara at Lulindi village masasi district, Mtwara Region, the location will be accessible and fully provided with the necessary utilities: water and electricity.

2.5 PLANT LAYOUT

The lay out proposed is the one deemed appropriate for the functional areas of the plant.

However among the key functional areas of the facility will include the following:-

- Storage space for processing inputs
- Office space
- Processing hall
- Storage of proposed products
- Social amenities space
- Ordinary stores
- Sales shop

2.6 MANPOWER

Estimate manpower according to the proposed organization set up has been estimated at 40 people. This again has been derived taking into account the types of activities that are intended to be undertaken.

2.7 IMPLEMENTATION SCHEDULE

It is estimated that the implementation period will take about 12 months to completion once the decision for implementation has been reached.

2.8 INVESTMENT STRUCTURE

CHIUNGUTWA COMPANY LIMITED, P.O. BOX 99 , MTWARA

TABLE 2.1 INVESTMENT STRUCTURE

ITEM	US\$
FIXED ASSETS	
land	-
Civil works	100,000
Machinery and equipment	200,000
Furniture and fittings	40,000
vehicle	300,000
Operational expenses	100,000
Initial working capital	250,000
GRAND TOTAL	990,000

2.9 FINANCING PATTERN

The total initial investment of 99,000,000 TSH shall be financed as follows:-

TABLE 2.2 FINANCING PATTERN BREAKDOWNS

SOURCE	US\$
FIXED ASSETS	
Equity (40%)	216,000
Long-term loan (60%)	324,000
Sub total	540,000
WORKING CAPITAL	
Bank overdraft (75%)	337,500
Equity (25%)	112,500
subtotal	450,000

GRAND TOTAL	990,000
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2.10 OPERATIONAL COSTS

The structure of operating costs at full capacity is as given below. This level refers to the initial year in subsequent years they are expected to increase at the rate of 2%-5% per annum.

TABLE 2.3 OPERATIONAL COSTS AND INITIAL WORKING CAPITAL BREAKDOWN

ITEM	US\$
RAW MATERIALS	100,000
SALARIES AND WAGES	70,000
VEHICLE RUNNING COSTS	50,000
WATER	50,000
ELECTRICITY	20,000
MAINTENANCE: MACHINERY AND EQUIPMENT	30,000
REPAIR FURNITURE AND FITTINGS	7,000
INSURANCE PERSONNEL	-
ADMINISTRATIVE OVERHEADS	10,000
MARKT & ADVERT	20,000

2.11 FINANCIAL INDICATORS

The financial indicator shows that the project is viable as hereafter confirmed here below;

2.11.1 BREAK-EVEN ANALYSIS 3rd YEAR

The break even analysis on the 3rd year of operation shows that break even sales and break even capacity of 30%.

2.11.2 INTERNAL RATE OF RETURN (IRR) AFTER TAX

The projects internal rate of return after tax is 30% well above the lending rate of 10% and 12% assumed for the long term loan and the bank overdraft.

2.11.3 PAY BACK PERIOD

This gives an estimated period from start of operation to the time when initial fixed investment is recovered through profits after tax and depreciation charges. The payback period for this undertaking estimated at around 4 years and 5 months

2.12 ECONOMIC ADVANTAGES

On the basis of the above account the analysis has overwhelmingly proved that the project is financial sound and techno-economically viable.

Furthermore the project has potential towards the earning of the badly needed forex earnings. It is hereby recommended that the project be implemented. The envisaged undertaking will be viable and profitable if it is implemented early.

However, there will be several social economic benefits that will be apprehended in the course of operating this undertaking. These will include the following:-

- Expanded employment creation
- Expanded tax base
- Expanded capacity to earn foreign exchange

2.13 CONCLUSION

The project as shown in this study is a valuable undertaking to both investors and the country of Tanzania at large. Apart from rigid assumptions and pessimistic revenue

projections contained in the study, the project has shown that it is capable of creating employment, generating foreign exchange, expanding the local and central government tax base.

This project is in the line with the government objectives of encouraging the private sector to contribute towards economic development of this country.

In addition it will have positive impact in the development of the region as it will generate number of benefits and more of the positive impact on the economy of the region as noted above this undertaking will bring about the generation a number of benefits and reliable income for the employees of the project and the providers of the service and goods demanded by the projects workforce/ their families.

This project has provide full analysis of financial tech-no economic viability on the setting up /operating an integrated finishing building construction materials processing undertaking to be situated in an appropriate industrial plot within dare s salaam municipality. Also the financing requirements/parameters has been considered and it has been established that the proposed project is technically sound, financially viable and economically/ social beneficial.

In order to ensure prompt implementation of the project and achieving the anticipated impact number of the factor have to be taken into the account this will include the levels of the proposed investment in this project man power needs, machinery/equipment, anticipated significant roles in the above mentioned sectors and in the overall status of the national economy and the proposed project area.

In the context of the immense useful potential of this project the management of CHIUNGUTWA INVESTMENT COMPANY LIMITED anticipated that all interested parties in the region / and the government of Tanzania will give their full support so as to ensure timely implementation of the project and apprehension of successfully operation.

The project also stands to benefit the people of Mtwara region and the country at large.

3.0 MARKETS AND MARKETING ASPECTS

3.1 GENERAL

In this part an attempt is made to estimate the demand for bottling drinking water and fruit juice in Tanzania as well as the supply of these projects. The ultimate goal is to establish the current demand –supply gap and projections for the future.

3.2 ASSUMPTION

In order to estimate the demand and supply for bottling drinking water and fruit juice in the country the following assumptions have been made;-

- bottling drinking water and fruit juice are needed by all people in Tanzania and in other neighboring countries.
- National population growth rate 2.8% (2000 census results)

3.3 DEMAND BY HOUSE HOLDS

According to the population census of 2012 , Tanzania had a population of 42.2 million and this was increasing at an average of 2.8% per annum. At the same time according to the same population census each house hold in the country had an average size of 5 to 7 persons. Consequently, Tanzania at present has a total of about 10,000,000 households.

TABLE 3.1 ESTIMATED POPULATION SIZE FROM 2000 TO 2010

YEAR	POPULATION
------	------------

2000	28,935,629
2001	29,745,825
2002	30,578,708
2003	31,434,912
2004	32,315,089
2005	33,219,912
2006	35,150,069
2007	36,134,270
2008	37,146,030
2009	38,186,119
2010	39,255,330

3.4 SUPPLY

As noted elsewhere in this report existing source is through imports from abroad and locally manufactured of bottling drinking water and fruit juices

3.5 DEMAND SUPPLY GAP

It is estimated the current demand – supply gap for various categories of bottling drinking water and fruit juices is in the range of more than 1,500,000 – 2,000,000 per annum.

The product in question will include various milliliter of bottling drinking water and fruit juices

3.6 DISTRIBUTION

Product will be sold at the factory where both whole sale and retail customers will be served.

The company will also hire vehicles which would carry the products to various depots, especially in Mtwara, Dar es Salaam, Mbeya, Morogoro and outside the country where the market is concentrated. This would be a strategy to increase sales.

3.7 PLANT CAPACITY

The envisaged processing capacity is in the region of 100,000-250,000ltr per annum. This will attain in the range of 60%, 70% and 80% for year 1, 2, 3 respectively.

4.0 CIVIL WORKS AND BUILDINGS

4.1 GENERAL

The proposed facility shall be located in appropriate plot within Mtwara region

4.2 ACCESSIBILITY OF THE SITE

The envisaged project site will be accessible; it can easily be reached and will have full provision of all basic utilities, electricity and water.

4.3 DESIGN CONCEPT

The ultimate factory building will be built of concrete blocks and properly designed with ample space to cover all functional spaces such as processing hall, offices, raw materials storage, product storage and other social amenities space requirement. It is envisaged that on final completion the factory will have a total built up area of 1200square meter.

4.4 AUXILIARY SERVICE SREQUIREMENTS

4.4.1 POWER SUPPLY SYSTEM

- **MAIN POWER SUPPLY**

It will power supply from the national grid prevailing in the municipality, this power at times is highly unreliable because of the frequent cuts and fluctuating voltages.

- **EMERGENCY POWER SUPPLY**

A stand by generator will have to be provided to supply all the essential loads in an event of TANESCO power failure. For this reason M/S CHIUNGUTWA INVESTMENT COMPANY LIMITED might be forced to use stand by generator to some extent, such sources of power will result in the increase in the production costs of the products in question.

- **POWER DISTRIBUTION**

Power distribution in the factory compound will be via underground cables to be installed with TANESCO requirements.

- **FIRE PROTECTION**

It is composed to provide fire protection and fire fighting systems, fire detection system which consist of automatic and manual detection devises, alarm and communication systems whereas fire fighting systems will feature portable extinguishers, hose reels, wet and dry rises and automatic sprinkler system.

4.4.2 ACCESS ENTRANCE

Wide inlet/ entrance will be provided so as to facilitate smooth passage of the workers and vehicles.

4.4.3 A PARKING SPACE FOR THE FACTORY BUILDING

The plant area will have ample parking space adequate to accommodate several vehicles at any given time.

4.4.4 WATER SUPPLY

- **SOURCE OF WATER**

The source of the portable water for the plant will be from the municipal water system.

Design of the water supply will be based on the ministry of water and livestock design manual. Material specification for pipes and fittings will be according to the relevant British standards.

4.4.5 STORM WATER DRAINAGE AND SEWERAGE SYSTEM

- **STORM WATER DRAINAGE**

Road storm water drainage will be dealt separately during design of the parking space where by all the drainage structures will be considered.

Storm water runoff will be collected from the building by means of spouts and full boras through down pipes and will be discharged into the open channel and deposited into road side drains.

Also the some method / channels will be used to dispose storm water run – off from car park and other facilities to the road side drains.

5.0 MAN POWER REQUIREMENTS AND ORGANIZATION

Also the some method / channels will be used to dispose storm water run – off from car park and other facilities to the road side drains.

5.0 MAN POWER REQUIREMENTS AND ORGANIZATION

5.1 MANAGEMENT

The success of the venture of this kind depends on the competence of the personnel recruited of manage; it is assumed that relevant personnel with requisite skills shall be available within the country. There will be a need of the recruiting expatriates in some key positions.

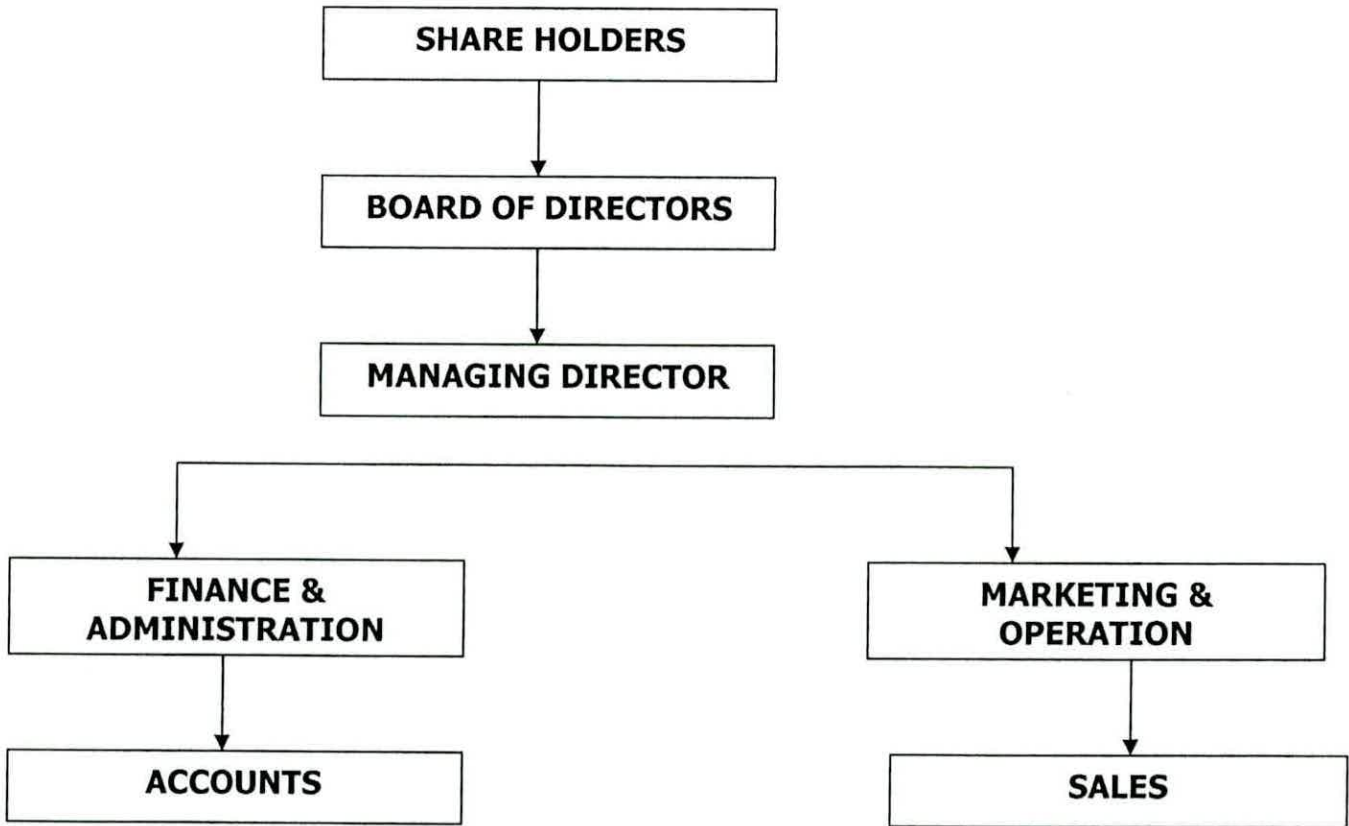
The overall in charge, responsible of the day to day operations will be the project manager who in turn is answerable to the board of directors.

5.2 ORGANIZATION SET UP.

Initially the operation will broadly be divided into the following:-

- Administration department
- Production department
- Marketing and sales department
- Finance department

ORGANIZATION STRUCTURE



5.3 MAN POWER REQUIREMENTS

5.3.1 TOTAL MAN POWER REQUIREMENTS

Based on the proposed organization structure the project will initially employ a total of 40 people.

5.3.2 SALARIES AND SEWERAGES

Total wages bill for the proposed project in the initial year has been computed at US\$ 70,000 and allowances of 10% has been included for social benefits. Details for the man power salaries/ benefits are presented in appendix 5: A

5.4 RECRUITMENT AND TRAINING

5.4.1 RECRUITMENT

All staff will be recruited at least one month before the plant operations are commenced.

5.4.2 TRAINING

The management of the plant would strive to employ competent and qualified personnel in the manufacturing business. To reduce costs few senior staff will be trained at the selected locally available institutions, all other supporting staff will be trained on the job.

However it is expected that most of them will have some basic knowledge and experience in manufacturing business.

6.2. PRELIMINARY FORMALITIES

On the finalization of the study duration of about 2 weeks will be needed for executive of the preliminary formalities of the project.

6.3. PROJECT STAGE

6.3.1. Undertaking of the improvement measures onto the rented premises

The management of M/S CHIUNGUTWA INVESTMENT COMPANY LIMITED envisages to initially operating the project in rented premises. After a period of 1-2 years then the operations of the undertaking will be housed in own premises. These measures will take about 4 weeks. It should be noted having completed the improvement measures than will follow installation of the machinery and equipment, trial runs and commercial production.

6.3.2 Finalization of the Plot Acquisition

The management of has already M/S CHIUNGUTWA INVESTMENT COMPANY LIMITED decided the likely location of the plant. This exercise of deciding where exactly the plant will have to be done and thereafter will follow the finalization of plot acquisition

6.3.3. Plot Development Undertaking

These will comprise of activities such as plot clearing, carrying out construction of drainage channels etc. They will take 2 weeks to complete.

6.3.4. Construction of the Buildings

This undertaking will require a period of 8-12 months to completion

6.3.5 Ordering of Machinery / Equipment / Vehicles / Furniture

Timely ordering will have to be executed to match the rate of development of the plant. Time required will run into several days.

6.3.6 Installation of Machinery / Equipment / Furniture

Once the buildings are construed and then will follow the installation of machinery / equipment / furniture and fittings upon arrival at the project site.

6.3.7 Trial Runs

Upon completion of the installation of machinery and equipment then will follow trial runs of the unit. This will take about 4 weeks.

6.3.8 Commercial Production

On completion of the trial runs then will follow commercial production.

7.0 INVESTMENT AND FINANCING

7.1 ASSUMPTIONS

- The project construction time is assumed to be one year
- The economic life of the project is 10 years
- The currency exchange rate of Tshs 1,595/= to be one US\$ has been adopted.
- Re-investment in vehicles shall be done after every four years.

7.2 INVESTMENT STRUCTURE

The total initial investment in fixed assets is estimated at US\$. 990,000 whose breakdown of which is as follows (also see Appendix 7: A)

TABLE 7.1: INVESTMENT STRUCTURE

ITEM	US\$
Fixed Assets	
Land	-
Civil works	100,000
Machinery and Equipment	200,000
Furniture and Fittings	40,000

Vehicles	300,000
Pre-Operational expenses	100,000
Sub total	740,000
Initial working capital	250,000
GRAND TOTAL	99,000,000

7.2.1 Civil Works

The proposed civil works are estimated at a cost of US\$100, 000

7.2.2 Machinery and Equipment

The initial machinery / equipment needs for the undertaking are estimated at cost of US\$ 200,000

7.2.3 Vehicles

These are estimated at US\$ 300,000

7.2.4 Pre Operational Expenses

These are estimated at US\$ 100,000

7.2.5. Furniture & Fittings

These are estimated at US\$ 40,000

7.2.6. The initial Working Capital

The initial working capital is computed at US\$ 250,000. A further presentation of the sale is indicated in **Appendix 7:A**. Whereas the Net Working Capital in subsequent years is as presented in **Appendix 7: B**

7.3 RE-INVESTMENT

There shall be need for re-investment in vehicles after every four years, i.e. in year 4 and year 8.

7.4 FINANCING PATTERN

The initial total investment of US\$ 990,000 shall be financed as there after presented in Table 7:2 and further outlined in Appendix 7: A

TABLE 7:2 FINANCING PATTERN BREAKDOWN

SOURCE	US\$
Fixed Assets	
Equity (40%)	216,000
Long term loan (60%)	324,000
Sub total	540,000
Working Capital	
Bank Overdraft (75%)	337,500
Equity (25%)	112,500
Sub total	450,000
GRAND TOTAL	990,000

As indicated above the financing of the fixed assets will be through long term long at 60% and the balance will be through long term long at 60% and the balance will be through equity whereas the working capital will be financed through equity and bank overdraft at 25% and 75% respectively.

7.5 BANK OVERDRAFT

As noted above a short term of financing of US\$ 337,500 shall be sought to cover 75% of the initial working capital requirement. An interest rate of 12% has been assumed.

7.6 OWNER'S EQUITY

The owners shall finance 25% of the cost of working capital and 40% of the fixed assets costs.

8.0 OPERATING COSTS

8.1 ASSUMPTIONS

The prices of inputs are assumed to remain constant over the ten years period because under rising inflation the prices and services will rise including those of outputs hence leaving the profit margin unchanged.

8.2 OPERATION COST STRUCTURE

The main items which will constitute the operating costs are as hereafter outlined, in Table 8.1 when the unit is in the initial year, thereafter the majority of the operating costs will increase at the rate of 2-5% per annum.

TABLE 8.1 OPERATIONAL COSTS AND INITIAL WORKING CAPITAL BREAKDOWN

ITEM	US\$
RAW MATERIALS	100,000
SALARIES AND WAGES	70,000
VEHICLE RUNNING COSTS	50,000
WATER	50,000
ELECTRICITY	20,000
MAINTENANCE:MACHINERY AND EQUIPMENT	30,000
REPAIR FURNITURE AND FITTINGS	7,000
INSURANCE PERSONNEL	-
ADMINISTRATIVE OVERHEADS	10,000
MARKT & ADVERT	20,000

The main cost items will include raw materials, salaries and wages, vehicles running expenses, electricity, water, Insurance, maintenance of: machinery and equipment/furniture and fittings, advertising / marketing and administrative overheads. The details of all projected operating expenses are shown in Appendix 8: A however a brief mention of each is as hereafter presented.

8.3.1 Raw Material

The initial of the requirements are estimated at US\$ 100,000

8.3.2 Salaries Wages

These will be at US\$ 70,000 during the first year of operation

8.3.3 Vehicle Running Expenses

These are estimated at US\$50,000 during first year

8.3.5. Water

In the first year is computed at US\$ 50,000

8.3.6. Insurance: personnel

During the first year is NIL

8.3.7 Insurance: Machinery / equipment

In the first year is computed at NIL

8.3.8 Maintenance: Machinery / equipment

This will cost US\$30,000 during the first year

8.3.9 Repairs: Furniture and Fittings

These are estimated at US\$7,000 during the first year

8.3.10 Marketing / Advertisement

These are estimated at US\$ 20,000 per annum.

8.3.11 Administration Overheads

The administrative expenses are estimated at US\$ 10,000 per annum. These will include items such as stationary, telephone, fax, uniforms and other services.

8.3.12 Depreciation

Depreciation rates have been calculated as follows:

Land, Building and civil works	4% Straight Line
Vehicle	25% Straight Line
Pre-operational Expenses	20% Straight Line
Equipment	12.5% Diminishing Value

Total depreciation charges in year one is US\$ 4,312 decreasing steadily to US\$ 1,045 in year 10 as illustrated in Appendix 8: B:

8.3.13 Tax

Corporation tax is charged at 30% on profits before tax. Tax in year 1 is estimated at TSH 2,276 rising to US\$ 7,977 in year 10.

9.0 FINANCIAL AND ECONOMIC ANALYSIS

9.1 ASSUMPTIONS

The prices of inputs and outputs are assumed to remain constant over the life of the project i.e. 10 years.

However, in case of changes in the costs of inputs, to maintain the desired profit margin, the prices of the outputs will be accordingly adjusted.

9.2 INCOME

The project's income in the first year is estimated to average at US\$ 625,000, rising to 835,586,000 in year 3 onwards.

9.3 EXPENDITURE

The expenditure items are as indicated in the operating costs. They include all costs items plus depreciation and financial charges. These are listed in Appendices 8: A and 8: B:

9.5 PROJECTED BALANCE SHEET

Fixed assets net of depreciation decrease from US\$ 2,868 in the first year of operation to US\$ 8,971 in the tenth year.

On the other hand, cash and bank balances increase from US\$ 307,690 in the 2nd year of operation to US\$ 693,023 in the tenth year.

9.6 FINANCIAL INDICATORS

Financial indicators showing the financial viability of the project are summarized below:

9.6.1 Internal Rate of Return (IRR) After Tax

This is estimated at 30% well above the lending rate of 10% and 12% for long term and bank overdraft respectively used for the study.

9.6.2 Payback Period

This has been computed and found to be 4 years 5 months.

9.6.3 Break-even Analysis: 3rd Year

The break-even analysis in the 3rd of operation shows breakeven sales at US\$ 435,586 and breakeven capacity of 30%.

9.7 SENSITIVITY ANALYSIS

A sensitivity analysis has been carried out on the project's IRR responsiveness to changes in sales prices, operating costs, or initial investment. And the result of the sensitivity analysis has shown that the IRR is more sensitive to changes in sales prices than changes in either operating costs or initial investment.

9.8 ECONOMIC BENEFITS OF THE PROJECTS

The successful operation of the M/S CHIUNGUTWA INVESTMNET COMPANY LIMITED plant will produce significant economic benefits to Mtwara region and Tanzania as whole. In summary the benefits which will be realized are as follows:-

- i. Contributing to the industrial base in the region hence creation of direct employment opportunities for over 40 employees for the factory.
- ii. Significant contribution to self-sufficiency in Solar/wind energy machinery/equipment generating processing products.
- iii. Provision of income to the 40 people to be employed by the plant will bring about an increase in the demand of services and goods related to the welfare to the workforce in question along to their families.
- iv. The direct income from workers, combined with the medical and other social benefits that M/S CHIUNGUTWA INVESTMNET COMPANY LIMITED Management will provide, in turn will help in overall efforts of alleviation of poverty in the region of Mtwara.

Setting up this plant is therefore important in the Mtwara region strategy of poverty alleviation, which emphasizes the creation of job opportunities.

- v. Expanded tax base to the Treasury and local Government authorities and generation of substantial income to the Government. The Government earns considerable revenue from the manufacturing industry in terms tax collections.
- vi. Opportunity for increasing foreign exchange earnings through export of some of the plants products to the neighboring countries.

9.9 CONCLUSION

The investment and development of M/s CHIUNGUTWA INVESTMNET COMPANY LIMITED Plant is in line with the Government policy which places special emphasis on initiating / setting up of various industries in the country. In addition, it will have a positive impact on the development of the region, as it would generate a number of benefits and reliable income for the employees of the company and providers of the services and goods demanded by these workers / their families.

This document has provided a full analysis on the financial, Techno-economic viability on the establishment /operation of the processing Undertaking, along with the financing requirements / parameters have been considered and it has been established that the proposed project is technically sound, financially viable, and economically / socially beneficial.

However, in order for this project to be implemented and the production targets to be achieved as planned, several factors have to be taken into account. This will include consideration of the level of investments in this project, the roles of the foams manufacturing, in the context of the overall national economy, and the location of the plant.

The management of M/S CHIUNGUTWA INVESTMNET COMPANY LIMITED anticipates that all interested parties in the Mtwara region /and the Government of Tanzania at large will give their full support so as to ensure timely implementation of the project and apprehension of successful operation.

APPENDIX 7.A

SN	ITEM DESCRIPTION	US\$
A	LAND	
B	CIVIL WORKS	100,000
C	MACHINERY & EQUIPMENT	200,000
D	FURNITURE & FITTINGS	4,000
E	VEHICLES	300,000

APPENDIX 7.A

SN	ITEM DESCRIPTION	US\$
A	LAND	
B	CIVIL WORKS	100,000
C	MACHINERY & EQUIPMENT	200,000
D	FURNITURE & FITTINGS	4,000
E	VEHICLES	300,000
F	PRE-OPERATING EXPENSES	10,000
	TOTAL FIXED COSTS	740,000
	INITIAL WORKING CAPITAL	250,000
	TOTAL INVESTMENT	990,000
	FINANCING STRUCTURE	
	FIXED COSTS	
	EQUITY (40%)	216,000
	LONG-TERM LOAN (60%)	324,000
	SUB TOTAL	54,000
	INITIAL WORKING CAPITAL	
	BANK -OVER DRAFT (75%)	337,500
	EQUITY-(25%)	112,500
	SUB TOTAL	450,000
	TOTAL FINANCING	990,000

APPENDIX 7.B

WORKING CAPITAL REQUIREMENTS

ITEM / YEAR	1	2	3	4	5	6	7	8	9	10
RAW MATERIALS	25,000	25,625	26,266	2,266	2,266	2,266	2,266	2,266	2,266	2,266
ELECTRICITY	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
WATER	208	208	208	208	208	208	208	208	208	208
CASH IN HAND	6,250	6,406	6,566	6,566	6,566	6,566	6,566	6,566	6,566	6,566
TOTAL	33,458	34,240	35,040	35,040	35,040	35,040	35,040	35,040	35,040	35,040
NET WORKING CAPITAL	33,458	34,240	35,040	35,040	35,040	35,040	35,040	35,040	35,040	35,040
CHANGE IN WORKING CAPITAL	-	781	801	-	-	-	-	-	-	-

APPENDIX 8.A

OPERATING COSTS

YEAR	1	2	3	4	5	6	7	8	9	10
RAW MATERIALS	300,000	307,500	315,188	315,188	315,188	315,188	315,188	315,188	315,188	315,188
SALARY & WAGES	75,000	76,875	78,797	78,797	78,797	78,797	78,797	78,797	78,797	78,797
VEHICLE RUNNING EXPENSES	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500
ELECTRICITY	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
WATER	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
INSURANCE PERSONNEL	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
INSURANCE MACHINERY/EQUIPMENT	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
REPAIRS FURNITURE & FITTINGS	180	180	180	180	180	180	180	180	180	180
MARKETING/ ADVERT	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
ADMINISTRATIVE COSTS	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
TOTAL	492,180	501,555	511,164	511,164	511,164	511,164	511,164	511,164	511,164	511,164

**CHIUNGUTWA INVESTMENT COMPANY
LIMITED**

BUSINESS PLAN

Prepared by: CHIUNGUTWA COMPANY LIMITED
P.O. BOX 99
MASASI-MTWARA

CHIUNGUTWA COMPANY LIMITED, P.O. BOX 99 , MTWARA

1.0 EXECUTIVE SUMMARY

1.1 This Project report sets out proposals by M/s **CHIUNGUTWA INVESTMENT COMPANY LIMITED** of promoting a new factory to manufacture bottling drinking water and fruit juice for use by the local and external market.

1.2 **CHIUNGUTWA INVESTMENT COMPANY LIMITED**

was incorporated under the companies Act 2002 on 13 May two thousand and ten with a certificate of incorporation number 76366

1.3 OWNERSHIP The M/s **CHIUNGUTWA INVESTMENT COMPANY LIMITED:**

NAME	NUMBER OF SHARES TAKEN BY SUBSCRIBER	NANATINALITY
JUMA RAJABU UMMY PLOT 39 WAPIWAPI STREET P.O.BOX 99 MASASI MTWARA	750	TANZANIAN
HABIB JUMA RAJABU, PLOT 39 WAPIWAPI STREET P.O.BOX 99 MASASI MTWARA	250	TANZANIAN

1.4 The project objective is to manufacture for sale bottling drinking water and fruit juices. The project shall be located at Lulindi village Masasi district, Mtwara region

1.5 The project has been prompted by the following reasons:-

- (i) Inability of the existing factories to satisfy the general demand of bottling drinking water and fruit juice, causing a substantial importation of fruit juices and bottling drinking water.
- (ii) Very high costs of bottling drinking water and fruit juice both internally manufactured and imported, consequently some consumers fail to afford.
- (iii) Persistent shortage of bottling drinking water and fruit juices products due to the fact that there are few factories producing these products face various operational problems.
- (iv) As a consequence of an attractive environment for investors in Tanzania there has been steady growth of new factories.

1.6 **PROJECT BACKGROUND:**

1.7 **M/s CHIUNGUTWA INVESTMENT COMPANY LIMITED:**

This study cover the carrying out of the initial/ establishment of a factory to manufacture bottling drinking water and fruit juice processing under taking to be situated in an appropriate plot within Lulindi village Masasi district Mtwara Region.

The importance of such products does not need to be subjected to the efforts of orchestrating. Indeed the demand for these categories of the product is always on the increase. This is the case because to date the quantities being supplied in this country is limited.

The products from this country are intended to contribute towards the current supply source which is the local production.

1.8 LAYOUT OF THE STUDY

This report presents a full fledged financial and techno-economic analysis relevant to the proposed bottling drinking water and fruit juices manufacturing undertaking to be situated in an appropriate plot within Lulindi village, Masasi District Mtwara region.

This report presentation commences with the coverage of an introduction. Thereafter follows the summary and the recommendations where as the market and marketing are outlined. Aspects of the civil works and buildings are presented.

Then follows manpower requirements and organization, thereafter follows an outline on the implementation schedule.

The investment and financing is covered and the report ends up with the presentations of operating costs and financial economic analysis respectively.

2.0. SUMMARY AND RECOMMENDATIONS

2.1 INTRODUCTION

The report accounts for the financial and techno-economic analysis on the phase 1 setting up / operation of an intergraded finishing building construction materials processing undertaking to be situated in an appropriate plot within Mtwara region

2.2. MARKET

There is a substantial demand supply gap both in the local and in the neighboring countries. In the context of the latter market there is an exhaustible market potential. What will be required by these project executors is to carry out proper identification / firming up business understanding with appropriate clientele

2.3 PROJECT OBJECTIVE

As noted above the objective of this project is to carry out a factory to manufacture bottling drinking water and fruit juices for both local and external markets. Among the key basic raw materials will include water and fruits such as mangoes, oranges and guava which available here in Tanzania and machines from abroad.

2.31 PRODUCTION INPUTS

a) Bottling drinking water

A water molecule consists of two atoms of hydrogen bonded to one atom of oxygen .the chemical symbol is H₂O, water usually also contain wide range of organic and inorganic materials or suspension.

In the process of water several chemicals may be added, these include disinfectants like chlorine, chloramines or ozone coagulant and like aluminum sulfate ,ferric chloride and various organic polymers acidity neutralizers like caustic soda or lime and chemicals to help tooth decay in the form of various fluoride compounds

b) Fruit juices

The primary ingredients in Orange ,Mango and Guava juice is ofcourse include navel, mandarin and Valencia , a blend of different types of fruits is generally used to give specific taste and ensure freedom from bitterness. Selection of fruits for juices is made on the basis of a number of factors such as variety and maturity of the fruit. The fruit contain a number of natural materials that contribute to the overall flavor and consistency of juice including water , sugar ,organic acids and flavor compound

Preservatives such as sulfur dioxide or sodium benzoate may be used in orange juice although the amount are controlled. Similarly ascorbic acid alpha tocopherol, EDTA, BHA or BHT are used as antioxidants. sweeteners may be added in the form of corn ,syrup, dextrose, honey or even artificial sweeteners, more often though citric acid is added to provide tartness

2.4 LOCATION AND SITE

The plant will be established in an appropriate location within Mtwara at Lulindi village masasi district, Mtwara Region, the location will be accessible and fully provided with the necessary utilities: water and electricity.

2.5 PLANT LAYOUT

The lay out proposed is the one deemed appropriate for the functional areas of the plant.

However among the key functional areas of the facility will include the following:-

- Storage space for processing inputs
- Office space
- Processing hall
- Storage of proposed products
- Social amenities space
- Ordinary stores
- Sales shop

2.6 MANPOWER

Estimate manpower according to the proposed organization set up has been estimated at 40 people. This again has been derived taking into account the types of activities that are intended to be undertaken.

2.7 IMPLEMENTATION SCHEDULE

It is estimated that the implementation period will take about 12 months to completion once the decision for implementation has been reached.

2.8 INVESTMENT STRUCTURE

CHIUNGUTWA COMPANY LIMITED, P.O. BOX 99 , MTWARA

TABLE 2.1 INVESTMENT STRUCTURE

ITEM	US\$
FIXED ASSETS	
land	-
Civil works	100,000
Machinery and equipment	200,000
Furniture and fittings	40,000
vehicle	300,000
Operational expenses	100,000
Initial working capital	250,000
GRAND TOTAL	990,000

2.9 FINANCING PATTERN

The total initial investment of 99,000,000 TSH shall be financed as follows:-

TABLE 2.2 FINANCING PATTERN BREAKDOWNS

SOURCE	US\$
FIXED ASSETS	
Equity (40%)	216,000
Long-term loan (60%)	324,000
Sub total	540,000
WORKING CAPITAL	
Bank overdraft (75%)	337,500
Equity (25%)	112,500
subtotal	450,000

GRAND TOTAL	990,000
--------------------	----------------

2.10 OPERATIONAL COSTS

The structure of operating costs at full capacity is as given below. This level refers to the initial year in subsequently year they are expected to increase at the rate of 2%-5% per annum.

TABLE 2.3 OPERATIONAL COSTS AND INITIAL WORKING CAPITAL BREAKDOWN

ITEM	US\$
RAW MATERIALS	100,000
SALARIES AND WAGES	70,000
VEHICLE RUNNING COSTS	50,000
WATER	50,000
ELECTRICITY	20,000
MAINTENANCE:MACHINERY AND EQUIPMENT	30,000
REPAIR FURNITURE AND FITTINGS	7,000
INSURANCE PERSONNEL	-
ADMINISTRATIVE OVERHEADS	10,000
MARKT & ADVERT	20,000

2.11 FINANCIAL INDICATORS

The financial indicator shows that the project is viable as hereafter confirmed here below;

2.11.1 BREAK-EVEN ANALYSIS 3rd YEAR

The break even analysis on the 3rd year of operation shows that break even sales and break even capacity of 30%.

2.11.2 INTERNAL RATE OF RETURN (IRR) AFTER TAX

The projects internal rate of return after tax is 30% well above the lending rate of 10% and 12% assumed for the long term loan and the bank overdraft.

2.11.3 PAY BACK PERIOD

This gives an estimated period from start of operation to the time when initial fixed investment is recovered through profits after tax and depreciation charges. The payback period for this undertaking estimated at around 4 years and 5 months

2.12 ECONOMIC ADVANTAGES

On the basis of the above account the analysis has overwhelmingly proved that the project is financial sound and techno-economically viable.

Furthermore the project has potential towards the earning of the badly needed forex earnings. It is hereby recommended that the project be implemented. The envisaged undertaking will be viable and profitable of it is implemented early.

However, there will be several social economic benefits that will apprehend in the course of operating this undertaking. These will include the following:-

- Expanded employment creation
- Expanded tax base
- Expanded capacity to earn foreign exchange

2.13 CONCLUSION

The project as shown in this study is valuable undertaking to both investors and country of Tanzania at large. Apart from rigid assumption and pessimistic revenue

projections contained in the study, the project has shown that it is capable of creating employment, generating foreign exchange, expanding the local and central government tax base.

This project is in the line with the government objectives of encouraging the private sector to contribute towards economic development of this country.

In addition it will have positive impact in the development of the region as it will generate number of benefits and more of the positive impact on the economy of the region as noted above this undertaking will bring about the generation a number of benefits and reliable income for the employees of the project and the providers of the service and goods demanded by the projects workforce/ their families.

This project has provide full analysis of financial tech-no economic viability on the setting up /operating an integrated finishing building construction materials processing undertaking to be situated in an appropriate industrial plot within dare s salaam municipality. Also the financing requirements/parameters has been considered and it has been established that the proposed project is technically sound, financially viable and economically/ social beneficial.

In order to ensure prompt implementation of the project and achieving the anticipated impact number of the factor have to be taken into the account this will include the levels of the proposed investment in this project man power needs, machinery/equipment, anticipated significant roles in the above mentioned sectors and in the overall status of the national economy and the proposed project area.

In the context of the immense useful potential of this project the management of CHIUNGUTWA INVESTMENT COMPANY LIMITED anticipated that all interested parties in the region / and the government of Tanzania will give their full support so as to ensure timely implementation of the project and apprehension of successfully operation.

The project also stands to benefit the people of Mtwara region and the country at large.

3.0 MARKETS AND MARKETING ASPECTS

3.1 GENERAL

In this part an attempt is made to estimate the demand for bottling drinking water and fruit juice in Tanzania as well as the supply of these projects. The ultimate goal is to establish the current demand –supply gap and projections for the future.

3.2 ASSUMPTION

In order to estimate the demand and supply for bottling drinking water and fruit juice in the country the following assumptions have been made;-

- bottling drinking water and fruit juice are needed by all people in Tanzania and in other neighboring countries.
- National population growth rate 2.8% (2000 census results)

3.3 DEMAND BY HOUSE HOLDS

According to the population census of 2012 , Tanzania had a population of 42.2 million and this was increasing at an average of 2.8% per annum. At the same time according to the same population census each house hold in the country had an average size of 5 to 7 persons. Consequently, Tanzania at present has a total of about 10,000,000 households.

TABLE 3.1 ESTIMATED POPULATION SIZE FROM 2000 TO 2010

YEAR	POPULATION
------	------------

2000	28,935,629
2001	29,745,825
2002	30,578,708
2003	31,434,912
2004	32,315,089
2005	33,219,912
2006	35,150,069
2007	36,134,270
2008	37,146,030
2009	38,186,119
2010	39,255,330

3.4 SUPPLY

As noted elsewhere in this report existing source is through imports from abroad and locally manufactured of bottling drinking water and fruit juices

3.5 DEMAND SUPPLY GAP

It is estimated the current demand – supply gap for various categories of bottling drinking water and fruit juices is in the range of more than 1,500,000 – 2,000,000 per annum.

The product in question will include various milliliter of bottling drinking water and fruit juices

3.6 DISTRIBUTION

CHIUNGUTWA COMPANY LIMITED, P.O. BOX 99 , MTWARA

Product will be sold at the factory where both whole sale and retail customers will be served.

The company will also hire vehicles which would carry the products to various depots, especially in Mtwara, Dar es Salaam, Mbeya, Morogoro and outside the country where the market is concentrated. This would be a strategy to increase sales.

3.7 PLANT CAPACITY

The envisaged processing capacity is in the region of 100,000-250,000ltr per annum. This will attain in the range of 60%, 70% and 80% for year 1, 2, 3 respectively.

4.0 CIVIL WORKS AND BUILDINGS

4.1 GENERAL

The proposed facility shall be located in appropriate plot within Mtwara region

4.2 ACCESSIBILITY OF THE SITE

The envisaged project site will be accessible; it can easily be reached and will have full provision of all basic utilities, electricity and water.

4.3 DESIGN CONCEPT

The ultimate factory building will be built of concrete blocks and properly designed with ample space to cover all functional spaces such as processing hall, offices, raw materials storage, product storage and other social amenities space requirement. It is envisaged that on final completion the factory will have a total built up area of 1200square meter.

4.4 AUXILIARY SERVICE SREQUIREMENTS

4.4.1 POWER SUPPLY SYSTEM

- **MAIN POWER SUPPLY**

It will power supply from the national grid prevailing in the municipality, this power at times is highly unreliable because of the frequent cuts and fluctuating voltages.

- **EMERGENCY POWER SUPPLY**

A stand by generator will have to be provided to supply all the essential loads in an event of TANESCO power failure. For this reason M/S CHIUNGUTWA INVESTMENT COMPANY LIMITED might be forced to use stand by generator to some extent, such sources of power will result in the increase in the production costs of the products in question.

- **POWER DISTRIBUTION**

Power distribution in the factory compound will be via underground cables to be installed with TANESCO requirements.

- **FIRE PROTECTION**

It is composed to provide fire protection and fire fighting systems, fire detection system which consist of automatic and manual detection devises, alarm and communication systems whereas fire fighting systems will feature portable extinguishers, hose reels, wet and dry rises and automatic sprinkler system.

4.4.2 ACCESS ENTRANCE

Wide inlet/ entrance will be provided so as to facilitate smooth passage of the workers and vehicles.

4.4.3 A PARKING SPACE FOR THE FACTORY BUILDING

The plant area will have ample parking space adequate to accommodate several vehicles at any given time.

4.4.4 WATER SUPPLY

- **SOURCE OF WATER**

The source of the portable water for the plant will be from the municipal water system.

Design of the water supply will be based on the ministry of water and livestock design manual. Material specification for pipes and fittings will be according to the relevant British standards.

4.4.5 STORM WATER DRAINAGE AND SEWERAGE SYSTEM

- **STORM WATER DRAINAGE**

Road storm water drainage will be dealt separately during design of the parking space where by all the drainage structures will be considered.

Storm water runoff will be collected from the building by means of spouts and full boras through down pipes and will be discharged into the open channel and deposited into road side drains.

Also the some method / channels will be used to dispose storm water run – off from car park and other facilities to the road side drains.

5.0 MAN POWER REQUIREMENTS AND ORGANIZATION

Also the some method / channels will be used to dispose storm water run – off from car park and other facilities to the road side drains.

5.0 MAN POWER REQUIREMENTS AND ORGANIZATION

5.1 MANAGEMENT

The success of the venture of this kind depends on the competence of the personnel recruited of manage; it is assumed that relevant personnel with requisite skills shall be available within the country. There will be a need of the recruiting expatriates in some key positions.

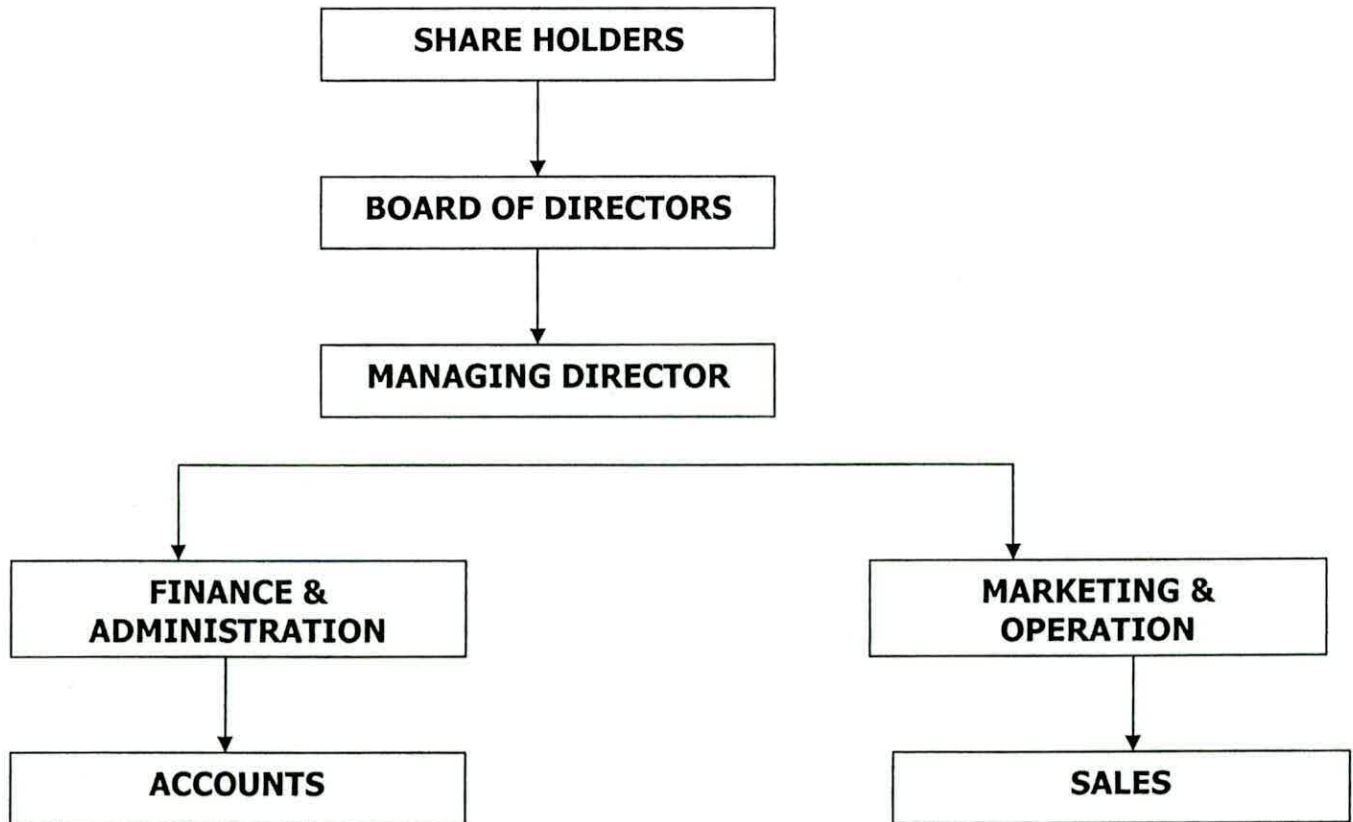
The overall in charge, responsible of the day to day operations will be the project manager who in turn is answerable to the board of directors.

5.2 ORGANIZATION SET UP.

Initially the operation will broadly be divided into the following:-

- Administration department
- Production department
- Marketing and sales department
- Finance department

ORGANIZATION STRUCTURE



5.3 MAN POWER REQUIREMENTS

5.3.1 TOTAL MAN POWER REQUIREMENTS

Based on the proposed organization structure the project will initially employ a total of 40 people.

5.3.2 SALARIES AND SEWERAGES

Total wages bill for the proposed project in the initial year has been computed at US\$ 70,000 and allowances of 10% has been included for social benefits. Details for the man power salaries/ benefits are presented in appendix 5: A

5.4 RECRUITMENT AND TRAINING

5.4.1 RECRUITMENT

All staff will be recruited at least one month before the plant operations are commenced.

5.4.2 TRAINING

The management of the plant would strive to employ competent and qualified personnel in the manufacturing business. To reduce costs few senior staff will be trained at the selected locally available institutions, all other supporting staff will be trained on the job.

However it is expected that most of them will have some basic knowledge and experience in manufacturing business.

6.2. PRELIMINARY FORMALITIES

On the finalization of the study duration of about 2 weeks will be needed for executive of the preliminary formalities of the project.

6.3. PROJECT STAGE

6.3.1. Undertaking of the improvement measures onto the rented premises

The management of M/S CHIUNGUTWA INVESTMENT COMPANY LIMITED envisages to initially operating the project in rented premises. After a period of 1-2 years then the operations of the undertaking will be housed in own premises. These measures will take about 4 weeks. It should be noted having completed the improvement measures than will follow installation of the machinery and equipment, trial runs and commercial production.

6.3.2 Finalization of the Plot Acquisition

The management of has already M/S CHIUNGUTWA INVESTMENT COMPANY LIMITED decided the likely location of the plant. This exercise of deciding where exactly the plant will have to be done and thereafter will follow the finalization of plot acquisition

6.3.3. Plot Development Undertaking

These will comprise of activities such as plot clearing, carrying out construction of drainage channels etc. They will take 2 weeks to complete.

6.3.4. Construction of the Buildings

This undertaking will require a period of 8-12 months to completion

6.3.5 Ordering of Machinery / Equipment / Vehicles / Furniture

Timely ordering will have to be executed to match the rate of development of the plant. Time required will run into several days.

6.3.6 Installation of Machinery / Equipment / Furniture

Once the buildings are construed and then will follow the installation of machinery / equipment / furniture and fittings upon arrival at the project site.

6.3.7 Trial Runs

Upon completion of the installation of machinery and equipment then will follow trial runs of the unit. This will take about 4 weeks.

6.3.8 Commercial Production

On completion of the trial runs then will follow commercial production.

7.0 INVESTMENT AND FINANCING

7.1 ASSUMPTIONS

- The project construction time is assumed to be one year
- The economic life of the project is 10 years
- The currency exchange rate of Tshs 1,595/= to be one US\$ has been adopted.
- Re-investment in vehicles shall be done after every four years.

7.2 INVESTMENT STRUCTURE

The total initial investment in fixed assets is estimated at US\$. 990,000 whose breakdown of which is as follows (also see Appendix 7: A)

TABLE 7.1: INVESTMENT STRUCTURE

ITEM	US\$
Fixed Assets	
Land	-
Civil works	100,000
Machinery and Equipment	200,000
Furniture and Fittings	40,000

Vehicles	300,000
Pre-Operational expenses	100,000
Sub total	740,000
Initial working capital	250,000
GRAND TOTAL	99,000,000

7.2.1 Civil Works

The proposed civil works are estimated at a cost of US\$100, 000

7.2.2 Machinery and Equipment

The initial machinery / equipment needs for the undertaking are estimated at cost of US\$ 200,000

7.2.3 Vehicles

These are estimated at US\$ 300,000

7.2.4 Pre Operational Expenses

These are estimated at US\$ 100,000

7.2.5. Furniture & Fittings

These are estimated at US\$ 40,000

7.2.6. The initial Working Capital

The initial working capital is computed at US\$ 250,000. A further presentation of the sale is indicated in **Appendix 7:A**. Whereas the Net Working Capital in subsequent years is as presented in **Appendix 7: B**

7.3 RE-INVESTMENT

There shall be need for re-investment in vehicles after every four years, i.e. in year 4 and year 8.

7.4 FINANCING PATTERN

The initial total investment of US\$ 990,000 shall be financed as there after presented in Table 7:2 and further outlined in Appendix 7: A

TABLE 7:2 FINANCING PATTERN BREAKDOWN

SOURCE	US\$
Fixed Assets	
Equity (40%)	216,000
Long term loan (60%)	324,000
Sub total	540,000
Working Capital	
Bank Overdraft (75%)	337,500
Equity (25%)	112,500
Sub total	450,000
GRAND TOTAL	990,000

As indicated above the financing of the fixed assets will be through long term long at 60% and the balance will be through long term long at 60% and the balance will be through equity whereas the working capital will be financed through equity and bank overdraft at 25% and 75% respectively.

7.5 BANK OVERDRAFT

As noted above a short term of financing of US\$ 337,500 shall be sought to cover 75% of the initial working capital requirement. An interest rate of 12% has been assumed.

7.6 OWNER'S EQUITY

The owners shall finance 25% of the cost of working capital and 40% of the fixed assets costs.

8.0 OPERATING COSTS

8.1 ASSUMPTIONS

The prices of inputs are assumed to remain constant over the ten years period because under rising inflation the prices and services will rise including those of outputs hence leaving the profit margin unchanged.

8.2 OPERATION COST STRUCTURE

The main items which will constitute the operating costs are as hereafter outlined, in Table 8.1 when the unit is in the initial year, thereafter the majority of the operating costs will increase at the rate of 2-5% per annum.

TABLE 8.1 OPERATIONAL COSTS AND INITIAL WORKING CAPITAL BREAKDOWN

ITEM	US\$
RAW MATERIALS	100,000
SALARIES AND WAGES	70,000
VEHICLE RUNNING COSTS	50,000
WATER	50,000
ELECTRICITY	20,000
MAINTENANCE:MACHINERY AND EQUIPMENT	30,000
REPAIR FURNITURE AND FITTINGS	7,000
INSURANCE PERSONNEL	-
ADMINISTRATIVE OVERHEADS	10,000
MARKT & ADVERT	20,000

The main cost items will include raw materials, salaries and wages, vehicles running expenses, electricity, water, Insurance, maintenance of: machinery and equipment/furniture and fittings, advertising / marketing and administrative overheads. The details of all projected operating expenses are shown in Appendix 8: A however a brief mention of each is as hereafter presented.

8.3.1 Raw Material

The initial of the requirements are estimated at US\$ 100,000

8.3.2 Salaries Wages

These will be at US\$ 70,000 during the first year of operation

8.3.3 Vehicle Running Expenses

These are estimated at US\$50,000 during first year

8.3.5. Water

In the first year is computed at US\$ 50,000

8.3.6. Insurance: personnel

During the first year is NIL

8.3.7 Insurance: Machinery / equipment

In the first year is computed at NIL

8.3.8 Maintenance: Machinery / equipment

This will cost US\$30,000 during the first year

8.3.9 Repairs: Furniture and Fittings

These are estimated at US\$7,000 during the first year

8.3.10 Marketing / Advertisement

These are estimated at US\$ 20,000 per annum.

8.3.11 Administration Overheads

The administrative expenses are estimated at US\$ 10,000 per annum. These will include items such as stationary, telephone, fax, uniforms and other services.

8.3.12 Depreciation

Depreciation rates have been calculated as follows:

Land, Building and civil works	4% Straight Line
Vehicle	25% Straight Line
Pre-operational Expenses	20% Straight Line
Equipment	12.5% Diminishing Value

Total depreciation charges in year one is US\$ 4,312 decreasing steadily to US\$ 1,045 in year 10 as illustrated in Appendix 8: B:

8.3.13 Tax

Corporation tax is charged at 30% on profits before tax. Tax in year 1 is estimated at TSH 2,276 rising to US\$ 7,977 in year 10.

9.0 FINANCIAL AND ECONOMIC ANALYSIS

9.1 ASSUMPTIONS

The prices of inputs and outputs are assumed to remain constant over the life of the project i.e. 10 years.

However, in case of changes in the costs of inputs, to maintain the desired profit margin, the prices of the outputs will be accordingly adjusted.

9.2 INCOME

The project's income in the first year is estimated to average at US\$ 625,000, rising to 835,586,000 in year 3 onwards.

9.3 EXPENDITURE

The expenditure items are as indicated in the operating costs. They include all costs items plus depreciation and financial charges. These are listed in Appendices 8: A and 8: B:

9.5 PROJECTED BALANCE SHEET

Fixed assets net of depreciation decrease from US\$ 2,868 in the first year of operation to US\$ 8,971 in the tenth year.

On the other hand, cash and bank balances increase from US\$ 307,690 in the 2nd year of operation to US\$ 693,023 in the tenth year.

9.6 FINANCIAL INDICATORS

Financial indicators showing the financial viability of the project are summarized below:

9.6.1 Internal Rate of Return (IRR) After Tax

This is estimated at 30% well above the lending rate of 10% and 12% for long term and bank overdraft respectively used for the study.

9.6.2 Payback Period

This has been computed and found to be 4 years 5 months.

9.6.3 Break-even Analysis: 3rd Year

The break-even analysis in the 3rd of operation shows breakeven sales at US\$ 435,586 and breakeven capacity of 30%.

9.7 SENSITIVITY ANALYSIS

A sensitivity analysis has been carried out on the project's IRR responsiveness to changes in sales prices, operating costs, or initial investment. And the result of the sensitivity analysis has shown that the IRR is more sensitive to changes in sales prices than changes in either operating costs or initial investment.

9.8 ECONOMIC BENEFITS OF THE PROJECTS

The successful operation of the M/S CHIUNGUTWA INVESTMNET COMPANY LIMITED plant will produce significant economic benefits to Mtwara region and Tanzania as whole. In summary the benefits which will be realized are as follows:-

- i. Contributing to the industrial base in the region hence creation of direct employment opportunities for over 40 employees for the factory.
- ii. Significant contribution to self-sufficiency in Solar/wind energy machinery/equipment generating processing products.
- iii. Provision of income to the 40 people to be employed by the plant will bring about an increase in the demand of services and goods related to the welfare to the workforce in question along to their families.
- iv. The direct income from workers, combined with the medical and other social benefits that M/S CHIUNGUTWA INVESTMNET COMPANY LIMITED Management will provide, in turn will help in overall efforts of alleviation of poverty in the region of Mtwara.

Setting up this plant is therefore important in the Mtwara region strategy of poverty alleviation, which emphasizes the creation of job opportunities.

- v. Expanded tax base to the Treasury and local Government authorities and generation of substantial income to the Government. The Government earns considerable revenue from the manufacturing industry in terms tax collections.
- vi. Opportunity for increasing foreign exchange earnings through export of some of the plants products to the neighboring countries.

9.9 CONCLUSION

The investment and development of M/s CHIUNGUTWA INVESTMNET COMPANY LIMITED Plant is in line with the Government policy which places special emphasis on initiating / setting up of various industries in the country. In addition, it will have a positive impact on the development of the region, as it would generate a number of benefits and reliable income for the employees of the company and providers of the services and goods demanded by these workers / their families.

This document has provided a full analysis on the financial, Techno-economic viability on the establishment /operation of the processing Undertaking, along with the financing requirements / parameters have been considered and it has been established that the proposed project is technically sound, financially viable, and economically / socially beneficial.

However, in order for this project to be implemented and the production targets to be achieved as planned, several factors have to be taken into account. This will include consideration of the level of investments in this project, the roles of the foams manufacturing, in the context of the overall national economy, and the location of the plant.

The management of M/S CHIUNGUTWA INVESTMNET COMPANY LIMITED anticipates that all interested parties in the Mtwara region /and the Government of Tanzania at large will give their full support so as to ensure timely implementation of the project and apprehension of successful operation.

APPENDIX 7.A

SN	ITEM DESCRIPTION	US\$
A	LAND	
B	CIVIL WORKS	100,000
C	MACHINERY & EQUIPMENT	200,000
D	FURNITURE & FITTINGS	4,000
E	VEHICLES	300,000

APPENDIX 7.A

SN	ITEM DESCRIPTION	US\$
A	LAND	
B	CIVIL WORKS	100,000
C	MACHINERY & EQUIPMENT	200,000
D	FURNITURE & FITTINGS	4,000
E	VEHICLES	300,000
F	PRE-OPERATING EXPENSES	10,000
	TOTAL FIXED COSTS	740,000
	INITIAL WORKING CAPITAL	250,000
	TOTAL INVESTMENT	990,000
	FINANCING STRUCTURE	
	FIXED COSTS	
	EQUITY (40%)	216,000
	LONG-TERM LOAN (60%)	324,000
	SUB TOTAL	54,000
	INITIAL WORKING CAPITAL	
	BANK -OVER DRAFT (75%)	337,500
	EQUITY-(25%)	112,500
	SUB TOTAL	450,000
	TOTAL FINANCING	990,000

APPENDIX 7.B

WORKING CAPITAL REQUIREMENTS

ITEM / YEAR	1	2	3	4	5	6	7	8	9	10
RAW MATERIALS	25,000	25,625	26,266	2,266	2,266	2,266	2,266	2,266	2,266	2,266
ELECTRICITY	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
WATER	208	208	208	208	208	208	208	208	208	208
CASH IN HAND	6,250	6,406	6,566	6,566	6,566	6,566	6,566	6,566	6,566	6,566
TOTAL	33,458	34,240	35,040	35,040	35,040	35,040	35,040	35,040	35,040	35,040
NET WORKING CAPITAL	33,458	34,240	35,040	35,040	35,040	35,040	35,040	35,040	35,040	35,040
CHANGE IN WORKING CAPITAL	-	781	801	-	-	-	-	-	-	-

APPENDIX 8.A

OPERATING COSTS

YEAR	1	2	3	4	5	6	7	8	9	10
RAW MATERIALS	300,000	307,500	315,188	315,188	315,188	315,188	315,188	315,188	315,188	315,188
SALARY & WAGES	75,000	76,875	78,797	78,797	78,797	78,797	78,797	78,797	78,797	78,797
VEHICLE RUNNING EXPENSES	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500
ELECTRICITY	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
WATER	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
INSURANCE PERSONNEL	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
INSURANCE MACHINERY/EQUIPMENT	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
REPAIRS FURNITURE & FITTINGS	180	180	180	180	180	180	180	180	180	180
MARKETING/ ADVERT	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
ADMINISTRATIVE COSTS	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
TOTAL	492,180	501,555	511,164	511,164	511,164	511,164	511,164	511,164	511,164	511,164

THE COMPANIES ACT (CAP 212)

COMPANY LIMITED BY SHARES

MEMORANDUM AND ARTICLES OF ASSOCIATION

OF

CHIUNGUTWA INVESTMENT COMPANY LIMITED

DRAWN BY:

LawCastles (Advocates)
6th Floor, NSSF Nyerere Pension Tower
Bibi Titi Street/Morogoro Road
P. O. Box 78934
Dar es Salaam
Tanzania

THE COMPANIES ACT (CAP. 212)

COMPANY LIMITED BY SHARES

MEMORANDUM AND ARTICLES OF ASSOCIATION

OF

CHIUNGUTWA INVESTMENT COMPANY LIMITED

Incorporated this.....day of April 2010

THE COMPANIES ACT, 2002

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

CHIUNGUTWA INVESTMENT COMPANY LIMITED

TANZANIA
Stamp Duty Sht. 223/05/2010
PAID ON ORIGINAL
Stamp Duty Officer

TANZANIA
Stamp Duty Sht. 223/05/2010
Asst. Registrar of Companies

- I. The name of the company is “**CHIUNGUTWA INVESTMENT COMPANY LIMITED**”
- II. The registered office of the company will situate in Tanzania.
- III. The objectives for which the Company is established are to carry on business as a general commercial company particularly the following:
 - (a) To carry on all or any of the business or businesses sellers, importers, exporters, suppliers, distributors of all types of motor-cycles, bicycles, fridges, fans and housewares.
 - (b) To carry on all the business of import and export of the brand cloth, brand sports clothes, brand and used sports shoes, jewellery, bags, and glasses.
 - (c) To carry on the business as traders, consumers, suppliers, general merchants, importers, exporters, stockists, wholesalers, retailers and dealers in all types of plates, glasses .
 - (d) To undertake the work of searching inspection examination and exploration of mineral oil and petroleum and for that purpose to take on licence, lease, purchase or otherwise acquire land and places which may seem to the company capable of affording supply of mineral oil, and to establish and being apply the pumping stations, pipe lines and other works and conveniences suitable for the purpose extraction of fuel oil and lubricants of any kind nature and description including the petroleum and other mineral products.
 - (e) To establish run and maintain the pipe lines and under ground reservoir for the preservation of petrol diesel and any other kind of mineral oil and to arrange the sale or distribution of the same in different place of places of the country and for that purpose to acquire by purchase hire charter or in any other manner the land, river and ocean going transport including the carriers like tank lorry oil tanker oil ship and any other ship vessel and transport suitable for the purpose of business of the company.

interested in, and to carry on or dispose of, remove or put an end to the same or otherwise deal with any such businesses or undertakings as may be thought desirable and to act as merchants generally.

- (g) To coordinate the policy and administration of any companies of which this Company is a member of which are in any manner controlled by or alter, manipulate or otherwise deal in vehicles, plant, machinery, fittings, furnishing and implements, tools, materials, products, articles and things capable of being used for the purpose of the foregoing businesses or any of them, or likely to be required by customers of or any of them, or likely to be required by customers of or persons having dealings with the Company; and to act as merchants generally.
- (h) To carry on transport business in Tanzania and elsewhere involving trucks, lorries, buses and motor cars of all kinds and on all such lines as the company may think fit for transport goods and passengers and generally to carry on the business of common carriers on land and water by any vehicles launches vessels, ships and any other land and water transport whatsoever and to establish run and maintain motor garage mechanical work shop service centre shipyard and dockyard for repairing maintenance and servicing of ships and vessels of any kind and description.
- (i) To carry on all or any of the businesses of warehousemen, railway, clearing and forwarding agents, shippers, haulage and transport contractors, garage proprietors, operators, hirers and contractors, dealers in motor and other vehicles, craft, plant, machinery, tools and equipment of all kinds and to carry on all or any of the business of general merchants and traders, importers and exporters, commission agents, cash and credit traders, manufacturers, agents and representatives, financial agents, advisors, brokers, agents manufacturers, retailers, wholesalers, buyers, sellers, distributors and to participate in, undertake, perform and carry on all kinds of commercial, industrial, trading and financial operations.
- (j) 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, refuelling, 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, lubricant, cements, solutions, batteries and accessories and all things capable of being used in connection with the said business or in the manufacture or maintenance of such vehicles, machinery, equipment and plant.
- (k) To buy, sell manufacture, export, import, treat, refined and deal in (wholesale and retail) goods, stores, commodities raw; materials, ores precious stones, bullion, coins precious metals, foodstuffs, provisions, liquid, liquors, aerated water, grain of all kinds, textile goods materials, merchandise, articles and chattels whatsoever.
- (l) To purchase, take in exchange, charter, hire or otherwise acquire and hold ships and vessels or any shares or interest in ships or vessels and also shares, stocks and securities of any companies possessed of or interested in any ships or vessels and to maintain, repair, improve, alter, sell, exchange or let out on hire or charter or otherwise deal with and dispose and any ship vessel

- (m) To carry on the business or businesses, whether together or separately of proprietors and operators of shops, markets, supermarkets, shopping centres, malls, groceries, hotels, restaurants, banks, bureaux de change, travel agencies, tour operators, entertainment, conference halls, and any such enterprise.
- (n) To carry on the trade and business of warehousing, removers, clearing and forwarding, stores and packers of goods of every kind and description and to arrange for transportation, insurance and haulage of all types of goods one destination to another.
- (o) To carry on business as dealers, distributors, stockiest, buyers, sellers, cleaners, stores, importers, exporters or great of motor car, trucks, lorries and carriages, motor cycles, scooters or bicycles, tractors, earth moving equipments, trailers and other vehicles, agricultural implements, pumps and machineries and spare parts, engine motor accessories, components, tools, batteries, glass panels and sheets apparatus, fittings, furnishing materials, tyres, tubes, paints, lubricants fork oils gas or other materials used or required for such vehicles implements or machines and to act as transporters of goods and passengers, travelling or clearing agents and let out, hire or licence on hire purchase system or other automobile and other vehicles, implements machines and of the aforementioned products or things.
- (p) To build, construct, alter, improve, enlarge, repair, maintain, develop, demolish, remove or replace and to work, manage, carry out or control works of all description, including but not limited to offices, factories, mills, warehouse, shops, stores, garages and other building, roads, machinery and plants and to clear sites for the same or otherwise assist in the building, construction, alternation, repair, improve, enlargement, maintenance, development, demolition, removal, replacement, working, management, carrying out or control.
- (q) To carry on the business of manufacturers, fabricators, producers, importers, exporters, dealers, agents, stockists, retailer, traders or brokers of ferrous and non-ferrous metals, alloy sheets, Ferro alloys, pig iron, steel converts, rolled steel makers, smelters, shedders of steel scrap, lump makers, scrap cleaners, steel foundries in all or any of their respective branches metallurgical prospectus, explorer, contractors, to establish workshop for manufacturers of any equipment required for any industries which the company can undertake and to deal in such equipments, buying, selling and supplying to Government bodies, Semi-Government bodies, local authorities, such organizations which are wholly/partly owned by the Government and/or in open market, trading and otherwise dealing in switchgears, metering equipments, electrical goods, and such goods for electric controls, protection and/or for the distribution of electricity, high tension and/or low tension distribution line goods and allied materials, sheet metal works and fabrication works.
- (r) To take or otherwise acquire and hold shares, stocks, debentures or other interests in any other company having objects altogether or in part similar to those of this company or carrying on any business capable of being conducted so as directly or indirectly to benefit this company.
- (s) To acquire and take over the whole or any part of the business

- (t) To apply for purchase or otherwise acquire any patents, brevets, invention, licences, concessions and the like conferring an exclusive or non-exclusive or limited right to use any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company or the acquisition of which may seem calculated directly or indirectly to benefit this company and to use, exercise, develop, grant licences in respect of or otherwise turn to account the proprietary right and information so acquired.
- (u) To purchase, charter, hire, construct, equip and maintain boats, burger, lighters, mills, warehouse, godown and any other convenience or erections suitable for any of the purposes of the company.
- (v) To sell, dispose or mortgage, exchange, lease or transfer the business property and undertaking of the company or any part thereof for any lawful consideration which the company may deem fit to accept and in particular, buy shares full or partly paid up, debentures, debenture stock, bonds or securities of any other company and/ or to promote any company or companies for the purpose of acquiring all or any of the properties' right and liabilities for this company or any other purpose which may seem directly or indirectly calculated to benefit this company.
- (w) To purchase, or take on lease or exchange, hire or otherwise acquire any real and personal property and rights and privileges, which company may think necessary or convenient for the purpose of its business and in particular purchase any land, building construction, basements' machinery, plant and stock-in trade.
- (x) To construct, maintain, alter, improve and enlarge any building or works necessary or convenient for the purposes of the company.
- (y) To contract, carry out, maintain, improve factories, warehouses and other works and conveniences which may seem directly or indirectly conclusive to any of the company's object and to contribute, subsidise or otherwise assist or to take part such maintenance and management working control superintendence.
- (z) To carry on the business as manufactures, buyers, sellers, importers, exporters, agents, fitters, installers, assemblers of and dealers in all types of machineries, equipment, components, tools and spares of compressors.
- (aa) To carry on the business as traders, consumers, suppliers, general merchants, importers, exporters, stockists, wholesalers, retailers and dealers in all types of juices, juice extractors equipments .
- (bb) Apparatus and materials, motor vehicles, automobiles and generally in manufactured goods of all types and merchandise of all kinds.
- (cc) To enter into partnership or into any arrangements for sharing profits, union of interests, co-operation, joint venture, reciprocal concessions or otherwise, with any person, firm or Company carrying on, or engaged in or engaged in or about to carry on or engaged or in any business or transaction which this Company is authorized to carry on engage in or any business or undertaking or transaction which may seem capable of being carried on or conducted .

- company and to sell, re-issue with or without guarantee or otherwise deal with the same.
- (dd) 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.
 - (ee) To accept payment for any property or rights sold or otherwise disposed or dealt with by the company either in cash, by instalment or otherwise or in full or partly paid up shares of the company or corporation, with or without deferred or preferred or guaranteed rights.
 - (ff) To borrow and raise money for the purposes of the Company or any subsidiary undertaking of the Company or any other company, firm, person, fund or trust and to secure or discharge any debt or obligation of or binding on the Company or any subsidiary undertaking of the Company in such manner as may be thought fit and in particular by mortgages, debentures and charges upon all or any part of the undertaking, property and assets (present and future) of the Company or any subsidiary undertaking of the Company or by the creation and issue of debentures, debenture stock or other securities of any description.
 - (gg) To advance, deposit or lend money, securities and properties to or with any company, body corporate, firm, person or association to commence or expand any industrial or commercial activity or for any other business purposes, with or without security and on such terms as may be determined from time to time and to discount, buy, sell or deal in bills, notes, warrants, coupons and other negotiable or transferable securities or documents and to guarantee the performance of any contract by any such person.
 - (hh) to guarantee or give indemnities or other assurance for the obligations of any person or provide security, without consideration and whether by personal covenant or by mortgage or charge upon all or any part of the undertaking, property and assets (present and future) of the Company, or by all or any such methods, for the performance of any contracts or obligations, and the payment of capital or principal (together with any premium) and dividends or interest on any shares, debentures or other securities, of any person, firm, company, fund or trust including (without limiting the generality of the foregoing) any company which is for the time being a subsidiary undertaking of the Company or is associated with the Company in business.
 - (ii) 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 above business or the general business of the company.
 - (jj) To act as executors and trustees of wills and settlements made by customers and others and undertake and execute trusts of all kinds.
 - (kk) To do all or any of the above

- (ll) To remunerate any person, firm or company rendering services to this 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.
- (mm) To accept for safe custody and keep for customers of the company all kinds of securities valuables and things.
- (nn) To enter into any agreement with any Government or authorities (municipal, local or otherwise) or any corporations, companies, or persons, which may seem conducive to the company's objects or any of them and to obtain from any such Government, authority, corporation, company or person any contracts, rights, privileges and concessions which the company rights, privileges and concessions.
- (oo) 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.
- (pp) 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 and 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.
- (qq) To draw, make, accept, endorse, discount execute and issue promissory notes, bills of lading, warranties, debentures and negotiable or transferable instruments.
- (rr) To act as agent or brokers, and as trustees for any person firm or company, and to undertake and performance sub-contracts and also to act in any other business of the company through or by means of agents, brokers, sub-contractors or others.
- (ss) To obtain any provisional order 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.
- (tt) 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.
- (uu) To do all other things as may be deemed incidental or conducive to the entertainment of the objects or any of them.

AND IT IS HEREBY DECLARED THAT:-

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


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

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

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

4. The liability of the members is limited.
5. The share capital of the Company is Tanzanian Shillings One hundred Million (Tshs 100,000,000) divided into 1,000 shares of Tanzanian Shillings Hundred Thousands (Tshs. 100,000) each.

We, the several persons whose names and addresses are described below, are desirous of being formed in 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, Postal Address and Occupations of Subscribers	Number of Shares taken by each Subscriber	Signature
Juma Rajabu Ummi, Plot 39, Wapiwapi Street P.O. BOX 99, Masasi-Mtwara Tanzania.	750	
Habib Juma Rajabu, Plot 39, Wapiwapi Street P.O. BOX 99, Masasi-Mtwara Tanzania.	250	HABIBU
TOTAL	1,000	

Dated this 30th day of April 2010

WITNESS to the above signatures:

Signature:  ALEX MASHAKA BALOMI LL.B (Hons.)
 AD-... PUBLIC AND
 COMMISSIONER FOR OATHS
 Postal Address: ... BOX 11691
 ... SALAAM
 TANZANIA
 Qualification: ...

TANZANIA
Stamp Duty Shs. 5000/-
PAID ON ORIGINAL
Receipt No. 723/13/05/2010
Stamp Duty Officer

THE COMPANIES ACT, 2002

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF
CHIUNGUTWA INVESTMENT COMPANY LIMITED

TANZANIA
Stamp Duty Shs. 2500/- PAID
Receipt No. 723/13/05/2010
Asst. Registrar of Companies

PRELIMINARY

TABLE A

1. The regulations in Table A in the First Schedule to the Companies Act, 2002 shall not apply to the Company except in so far as the same are repeated or contained in these Articles.

INTERPRETATION

2. In these Articles, unless the subject or context otherwise requires:

The words standing in the first column of the following table shall bear the meanings set opposite to them respectively in the second column thereof:

WORDS	MEANINGS
"Articles"	means these Articles of Association as now framed or as altered from time to time by special Resolution;
"Board"	means the Board of Directors of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present;
"Company"	means " CHIUNGUTWA INVESTMENT COMPANY LIMITED "
"Directors"	means the Directors for the time being of the Company including Alternate Directors;
Member(s)	means Shareholder(s) or representatives of shareholder(s) by proxy present in a general or

"Office"	means the Registered Office for the time being of the Company;
"Act"	means the Companies Act, 2002 or any statutory re-enactment or modification thereof for the time being in force;
"Paid up"	means paid up or credited as paid up;
"Register"	means the Register of Members of the Company;
"Regulations"	means these Articles;
"Seal"	means the Common Seal of the Company;
"Secretary"	means the Secretary of the Company and any other person appointed to perform the duties of the Secretary;
"Territory"	means Mainland Tanzania; and
"In Writing"	means written or produced by any substitute for writing, or partly written and partly so produced.

Words importing the singular number only shall include the plural number and vice versa.

Words importing the masculine gender only shall include the feminine gender.

Words importing persons shall include corporations.

The expression "debenture" and "debentures holder" shall include debenture stock and debenture stockholder.

The expression "dividend" shall include bonus.

Reference to any provision of the Act shall be construed as a reference to such provision as modified by any statute for the time being in force.

Any words or expressions defined in the Act shall, except where the subject or context forbids bear the same meanings in these Articles.

PRIVATE COMPANY

3. The Company is a private company and accordingly:

- (a) the right to transfer shares is restricted in manner hereinafter prescribed;
- (b) the number of members of the Company (exclusive of persons who are in the employment of the Company and of persons who having been formerly

persons hold one or more shares in the Company jointly they shall for the purpose of this Regulation be treated as a single member;

- (c) any invitation to the public to subscribe for any shares or debentures of the Company is prohibited;
 - (d) the Company shall not have power to issue share warrants to bearer.
4. Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Board at such time or times as the Board shall think fit, and further may be suffered by the Company to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with the same.
5. The Office shall be at such place in the Territory as the Board shall from time to time appoint.
6. (1) No part of the funds of the Company shall be employed in the subscription or purchase of or in loans upon the security of the Company's shares or those of its holding company (if any) or of any company holding a direct or indirect equity interest in the Company or its holding company (if any).
- (2) The Company shall not give, whether directly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with any purchase or subscription by any person of shares in the Company or in its holding Company (if any) nor make, or guarantee or provide any security in connection with, a loan to any Director of the Company or of its holding Company (if any); but nothing in this Article shall prohibit transactions authorised by Section 57 of the Act.

CAPITAL

7. The share capital of the Company is Tanzanian Shillings One hundred Million (Tshs 100,000,000) divided into 1,000 shares of Tanzanian Shillings One Hundred Thousands (Tshs. 100,000) each.
8. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return or capital or otherwise as the Company may from time to time by Ordinary Resolution determine.

PREFERENCE SHARES

9. Subject to the provisions of Section 61 of the Act, any preference shares may, with the sanction of an Ordinary Resolution, be issued on the terms that they are, or at

MODIFICATION OF RIGHTS

10. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the consent in Writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these Articles relating to general meetings shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll.
11. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

ALLOTMENT OF SHARES

12. Subject to the provisions of these Articles the un-issued shares for the time being of the Company shall be at the disposal of the Board which may allot, grant option over, or otherwise dispose of them to such persons, on such terms and conditions, and at such times as it may think fit, but so that no share shall be issued at a discount, except in accordance with the provisions of the Act.
13. The Company may exercise the powers of paying commissions conferred by Section 56 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the said Section and the rate of the commission shall not exceed the rate of 10 per cent of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 10 per cent of such price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.
14. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these Articles or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

SHARE CERTIFICATE

15. Every person whose name is entered as a Member in the Register of Members shall be entitled without payment to receive two months after allotment or lodgment of transfer (or within such other period as the conditions of issue of the shares may require) a certificate of the shares held by him in the Company.

less sum as the Board shall from time to time determine. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereof, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue more than one certificate, and delivery to all such holders.

16. If a share certificate be defaced, lost or destroyed, it may be renewed on payment of a fee of Tshs.2,000.00 or such less sum and on such terms (if any) as to evidence and indemnity and the payment of out-of-pocket expenses of the Company of investigating evidence as the Board think fit.

LIEN

17. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a first and paramount lien on all shares (other than fully paid shares) standing registered in the name of a single person for all moneys presently payable by him or his estate to the Company; but the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall extend to all dividends payable thereon.
18. The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in Writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy.
19. To give effect to any such sale the Directors may authorize some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer, and he shall not be bound to see the application of purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
20. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue (if any) shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

21. The Directors may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times or subject to the fulfilment of specified conditions, provided that (subject to such conditions of allotment) no call shall be payable at less than one month from the date fixed for payment of the last preceding call, and each member shall (subject to receiving at least fourteen days' notice specifying the time or times and place or payment) pay to the Company, at the time or times and

place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine.

22. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be required to be paid by instalments.
23. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
24. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate as the Directors may determine, but the Directors shall be at liberty to waive payment of any such interest wholly or in part.
25. Any sum which by the terms of issue of a share, becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable and in case of non-payment all the relevant provisions of these presents as to payment of interest and expenses, of forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
26. The Directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the time of payment.
27. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become payable) pay interest at such rate as may be agreed upon between the Directors and the members paying such sum in advance.
28. No member shall be entitled to receive any dividend or to be present or to vote on any question, either personally or by proxy, at any General Meeting, or upon a poll, or to be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares held by him, whether alone or jointly with any other person.

TRANSFER OF SHARES

29. Subject to Article 30 and to such other of these presents as may be applicable, any member may transfer all or any of his shares by instrument in Writing. Such transfer should be in the following form (or any other form which the Directors may approve):

"I, -----of -----

in consideration of the sum of Shillings [-----] paid to me by -----
----- of ----- (hereinafter called "the said transferee") do hereby transfer
shares of Shs. [-----] each in the capital of **CHIUNGUTWA
INVESTMENT COMPANY LIMITED** (such shares being numbered) to hold
unto the said transferee, subject to the several conditions on which I hold the same;

and I, the said transferee, do hereby agree to take the said shares subject to the conditions aforesaid.

AS WITNESS our hands the day of -----, 201 -----”

30. (1) No shares shall be transferred except in accordance with the provisions of this Article. .
- (2) No transfer of any share in the capital or the Company to any person whether already a member of the Company or not shall be made or registered without the previous sanction of the Directors, who may, without assigning any reason, decline to give such sanction and shall so decline in the case of any transfer the registration of which would involve a contravention of Article 4 hereof. The Directors may also suspend the registration of transfers during fourteen days immediately preceding the Ordinary General Meeting in each year.
- (3) The proposing transferor shall give notice in Writing (“the transfer notice”) to the Company that he desires to transfer the shares. The notice shall constitute the Company as the agent of the proposing transferor for the sale of the shares to any member of the Company or to any person selected by the directors as one whom it is desirable in the interests of the Company to admit to membership at the value (“the sale price”) to be decided by the auditors of the Company pursuant to paragraph 6 of this Article.
- (4) The said shares to be transferred shall be offered by the Company to all members of the Company (other than the selling member) holding ordinary shares for purchase at the sale price in proportion to their respective holding of shares in the Company and shall specify a time within which such offer must be accepted in Writing or in default of which such offer will be deemed to have lapsed. If the said members shall not accept all the said shares, the directors may offer those not so accepted to other members and/or to any other person or persons selected or approved by the directors as suitable for admission to membership of the Company.
- (5) If the Company within sixty days after being served with the transfer notice shall find a member or person selected as set out above willing to purchase the shares and gives notice thereof to the proposing transferor it shall be bound, upon payment of the sale price to transfer the shares to the purchasing member who shall be bound to complete the purchase within fourteen days thereof.
- (6) The auditors of the Company shall determine the sale value of shares to be transferred, at the higher of an earning based or net asset valuation. .
- (7) The instrument of transfer of any share shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain a holder of the shares until the name of the transferee is entered in the register of members in respect thereof.

32. The Directors may also decline to recognise any instrument of transfer unless:
- (a) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; and
 - (b) the instrument of transfer is in respect of only one class of share.
33. If the Directors refuse to register a transfer they shall within thirty days after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.
34. The registration of transfers may be suspended at such times and for such periods as the directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty days in any year.

TRANSMISSION OF SHARES

35. In the case of the death of a member the survivor or survivors where the deceased was a joint holder, and the personal representatives of the deceased where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
36. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy, as the case may be.
37. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in Writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer signed by that member.
38. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

notice is not complied with within ninety days the Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

39. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
40. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited.
41. If the requirements of any such notices as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made be forfeited by a resolution of the Directors to that effect.
42. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Directors think fit.
43. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.
44. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, if any, or shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
45. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time or subject to the fulfilment of specified conditions, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

46. The Company may by ordinary resolution convert any paid up shares into stock, and reconvert any stock into paid up shares of any denomination.
47. The holders of stock may transfer the same, or any part thereof, in the same manner, and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit; and the Directors may from time to time fix the minimum amount of stock transferable but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
48. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regard dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
49. Such of the Articles of the Company as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stockholder".

ALTERATION OF CAPITAL

50.
 - (1) The Company may from time to time by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount as the resolution shall prescribe.
 - (2) Unless the Company otherwise resolves in the resolution increasing the share capital of the Company, all new shares shall first be offered to the existing members of the Company in proportion, as nearly as possible, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered and a time within which the offer, if not accepted, will be deemed to be declined. After the expiration of such time, or on the receipt of intimation from the person to whom the offer is made that he declines to accept the shares offered, the directors may dispose of such shares in such manner as they deem most appropriate for the Company.
51. The Company may by ordinary resolution:
 - (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (b) sub-divide its existing shares, or any of them, into share of smaller amount than is fixed by the memorandum of association subject, nevertheless, to the provisions of Section 64 (1) (d) of the Act;
 - (c) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

52. The Company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner and with, and subject to any incident authorised, and consent required, by law.

GENERAL MEETING

53. 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 notices 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 shall hold 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.
54. All general meetings other than annual general meetings shall be called extraordinary general meetings.
55. 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 134 of the Act.

NOTICE OF GENERAL MEETINGS

56. Every general meeting shall be called by twenty-one days notice in Writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of the meeting and the nature of any special business that is to be transacted, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under the regulations of the Company, entitled to receive such notices from the Company.

Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in these Articles, be deemed to have been duly called if it is 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 holding not less than 95 per cent in nominal value of the shares giving that right.
57. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

58. 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 of Directors in the place of those retiring and the appointment of, and the fixing of the remuneration of, the auditors.
59. 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. The quorum for the meeting shall be two members holding or represented by proxy.
60. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day at such other time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.
61. The chairman, if any, of the Board of Directors shall preside as chairman at every general meeting of the Company or if there is no such chairman, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act the Directors present shall elect one of their number to be chairman of the meeting.
62. 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 number to be chairman of the meeting.
63. 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 left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. 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.
64. 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) demanded:
 - (a) by the Chairman; or
 - (b) by the member or members present in person or by proxy; or
 - (c) by a member or members holding shares in the Company conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the

74. The instrument appointing a proxy shall be in Writing under the hand of the appointer or of his attorney duly authorised in Writing, or, if the appointer is a corporation, either under seal, or under the hand of an officer or attorney duly authorised. A proxy need not be a member of the Company.
75. 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 later than the time for holding the meeting or adjourned meeting, at which the person named in the instrument proposes to vote, or in the case of a poll, not later than the time appointed for the taking of the poll, or at such later time as the Directors may agree, and in default the instrument of proxy shall not be treated as valid.
76. An instrument appointing a proxy shall be in the following form or in any other usual form acceptable to the Directors:

"CHIUNGUTWA INVESTMENT COMPANY LIMITED"

I/We _____ of _____ being a member/members of the above-named Company, hereby appoint _____ of _____ 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 of _____ 200_ and at any adjournment thereof.

Signed this _____ day of _____ 201 _____

77. 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 in any other usual form acceptable to the Directors:

"CHIUNGUTWA INVESTMENT COMPANY LIMITED"

I/We _____ of _____ being a member/members of the above-named Company, hereby appoint of failing 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 of _____ 201_ and at any adjournment thereof.

Signed this _____ day of _____ 201 _____

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

78. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
79. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of a proxy or of the authority.

TANZANIA



Certificate of Incorporation

Section 15

No 76366

I HEREBY CERTIFY THAT

CHIUNGUTWA INVESTMENT 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 **14TH** day of **MAY**

TWO THOUSAND AND TEN

A handwritten signature in black ink, appearing to be 'M. W. M. S.', written over a dotted line.

Asst. Registrar of Companies



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



NIMEPOKEA KWA
Received from

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

KWA MALIPO YA
In respect for

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

KITUO
Station

SAHIHI YA MPOKEAJI
Receiving officer's sign.

ARTHUR A.K

CHIUNGUTWA INVESTMENT CO LTD RECEIPT NO: 00007231

THIRTY-ONE THOUSAND TWO HUNDRED TANZANIAN
SHILLINGS ONLY. [TSHS 31,200]

STAMPDUTY

CASH

DAR ES SALAAM

CHEO
Title

CASHIER

TAREHE
Date

13/05/2010

Designed By SURA Technologies

appointer or of his attorney duly authorised in Writing, or, if the appointer is a corporation, either under seal, or under the hand of an officer or attorney duly authorised. A proxy need not be a member of the Company.

75. 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 later than the time for holding the meeting or adjourned meeting, at which the person named in the instrument proposes to vote, or in the case of a poll, not later than the time appointed for the taking of the poll, or at such later time as the Directors may agree, and in default the instrument of proxy shall not be treated as valid.

76. An instrument appointing a proxy shall be in the following form or in any other usual form acceptable to the Directors:

“CHIUNGUTWA INVESTMENT COMPANY LIMITED”

I/We _____ of _____ being a member/members of the above-named Company, hereby appoint _____ of _____ 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 of _____ 200_ and at any adjournment thereof.

Signed this _____ day of _____ 201_____

77. 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 in any other usual form acceptable to the Directors:

“CHIUNGUTWA INVESTMENT COMPANY LIMITED”

I/We _____ of _____ being a member/members of the above-named Company, hereby appoint of failing 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 of _____ 201_, and at any adjournment thereof.

Signed this _____ day of _____ 201_____”

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

78. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

79. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in Writing

of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

80. Any corporation which is a member of the Company may by resolution of its Directors or other governing or managing body authorize such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members 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

81. The number of Directors shall not be less than two and not more than ten (or such greater number as the Company may in General Meeting determine). The first Directors shall be appointed in writing by the subscribers of the Memorandum of Association and until such appointment the first Directors shall be as named in the particulars delivered to the Registrar of Companies pursuant to the provisions of section 210 of the Act.
82. (1) 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 may also be paid all traveling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or in connection with the business of the Company.
- (2) Any Director who, by request, performs special services or goes or resides abroad for any purpose of the Company may be paid such extra remuneration as the Board may determine.
83. The share holding qualification for Directors may be fixed by the Company in general meeting, and unless and until so fixed no share qualification shall be required.
84. A Director of the Company may be or become a Director or other officer of, or otherwise interested in, any Company promoted by the Company or in which the Company may be interested as shareholder or otherwise, and no such Director shall be accountable to the Company for any remuneration or other benefits received by him as a Director or officer of, or from his interest in, such other Company unless the Company otherwise direct.

POWERS AND DUTIES OF DIRECTORS

85. The business of the Company shall be managed by the Directors in accordance these Articles, who may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not, by the Act or by these Regulations required to be exercised by the Company in general

- meeting, subject, nevertheless, to any of these regulations, to the provisions of the Act and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in general meeting; but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.
86. Subject to these Articles, the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as primary or collateral security for any debt, liability or obligation of the Company or of any third party and to issue notes, bonds and other obligation of the Company, either for cash or as consideration for the acquisition of assets other than cash.
87. The Directors may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purpose and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Directors under these Regulations) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorize any such attorney to delegate all or any of the powers, authorities and discretion vested in him.
88. The Directors may exercise the powers conferred by Section 43 of the Act with regard to having an official seal for use abroad.
89. The Directors may exercise the powers conferred upon the Company by Sections 124 to 127 of the Act with regard to the keeping of a branch register, and the Directors may (subject to the provisions of those Sections) make and vary such regulation as they may think fit respecting the keeping of any such register.
90. (1) A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of the Directors in accordance with Section 209 of the Act.
- (2) A Director shall, nevertheless, be entitled to vote in respect of any contract or arrangement in which he is interested.
- (3) A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be voided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by

reason of such Director holding that office or of the fiduciary relation thereby established.

- (4) A Director, notwithstanding his interest, may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any such office or place of profit under the Company or whereat the terms of any such appointment are arranged and he may vote on any such appointment or the arrangement of the terms thereof.
 - (5) Any Director may act himself or by his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director. Provided that nothing herein contained shall authorise a Director or his firm to act as auditor to the Company.
91. All cheques, promissory notes, dates, 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.
92. 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 committee of the Directors;
 - (c) of all resolutions and proceedings at all meetings of the Company, and of the Directors, and of committees of Directors, and every Director present at any meeting of Directors or committee of Directors shall sign his name in a book to be kept for that purpose.
93. The Directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Director who has held any other salaried office or place of profit with the Company or to his widow or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

DISQUALIFICATION OF DIRECTORS

94. The office of Director shall be vacated if the Director:
- (a) ceases to be a Director by virtue of Section 193 of the Act; or
 - (b) becomes disqualified or makes any arrangement of composition with his creditors generally; or
 - (c) becomes prohibited from being a Director by reason of any order made under Section 197 of the Act; or

- (f) shall for more than six months have been absent without permission of the Directors from meetings of the Directors held during that period.

ALTERNATE DIRECTORS

- 95. Each Director shall have power by an instrument in Writing to nominate any person to act as alternate Director in his place and his discretion to remove such alternate Director; and on such appointment being made the alternate Director shall be subject in all respects to the terms and conditions affecting the other Directors, and each alternate Director, while acting in the place of an absent Director, shall exercise all the rights and discharge all the duties of the Director he represents. Should an alternate Director also be a Director of the Company, all rights vested in him as an alternate Director (including the right of voting at meetings and of signing on behalf of such Director any such resolution as is mentioned in Article 108) shall be in addition to and not in substitution for his rights as a Director. Any instrument appointing an alternate Director shall be delivered to and retained by the Company. If the Director making any such appointment shall cease to be a Director, the person appointed by him shall cease to have any power or authority to act as an alternate Director.
- 96. All appointments and removal of an alternate Director shall be effected by instrument in Writing delivered at the Office and signed by the appointor.

APPOINTMENT AND REMOVAL OF DIRECTORS

- 97. The Company may by Ordinary Resolution:
 - (a) appoint any person a Director, so, however, that the prescribed maximum be not exceeded, and determine the period for which he is to hold office;
 - (b) remove any Director from office and appoint another person in his stead.
- 98. A Director need not be a member of the Company, but he shall, nevertheless, be entitled to receive notice of and to attend and speak at any General Meeting or at any separate meeting of the holders of any class of shares in the Company.
- 99. Every Director shall remain in office until the expiry of his period of appointment or until removed under the provisions of Article 97 or until his office is vacated under the provisions of Article 94 or as otherwise agreed by all of the members of the Company in Writing.
- 100. Subject to and in accordance with any agreement in Writing among all of the members of the Company, the Director shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors shall not at any time exceed the number fixed in accordance with these Articles.

PROCEEDINGS OF DIRECTORS

101. The Directors may meet together for the despatch of business, adjourn, and otherwise regulate their meetings, as they think fit. Questions arising at any 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 on the requisition of a Director shall, at any time summon a meeting of the Directors.
102. Every meeting shall be called by twenty-one days notice in Writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of the meeting and the nature of any business that is to be transacted, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the directors, to such persons as are, under the regulations of the Company, entitled to receive such notices from the Company.

Provided that a meeting of the directors shall, notwithstanding that it is called by shorter notice than that specified in these Articles, be deemed to have been duly called if it is so agreed by all the directors entitled to attend and vote thereat.

The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.
103. Subject to and in accordance with any agreement in writing among all the members of the Company, the quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed shall be two. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to the regulations of the Company as the necessary quorum of Directors, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that number, or of summoning a general meeting of the Company, but for no other purpose.
104. The Directors may elect a chairman of their meetings and determine the period of which he is to hold office; but if no such chairman is elected, 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 number to be chairman of the meeting.
105. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulation that may be imposed on it by the Directors.
106. A committee may elect a chairman of its meetings; if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their members to be chairman of the meeting.
107. A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes the chairman shall not have a second or casting vote.

108. All acts done by any meeting of the Directors or of a committee of Directors or by any 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 person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.
109. A resolution in writing, signed by each Director for the time being entitled to receive notices of a meeting of the Directors or his alternate shall be as valid and effectual as if it had been passed at a meeting of the Directors fully convened and held. Such resolution may consist of two or more documents in like form signed by one or more of the Directors or members of the committees concerned, notwithstanding that the same may be signed at different times and places.

CHIEF EXECUTIVE

110. The Directors may from time to time appoint one or more of their body to the office of Chief Executive for such period and on such terms as they think fit, and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment. A Director so appointed shall not, whilst holding that office, be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors, but his appointment shall be automatically determined if he ceases from any cause to be a Director.
111. The Chief Executive shall receive such remuneration as the Directors may determine.
112. The Directors may entrust to and confer upon the Chief Executive any of the powers exercisable by them under such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own power and may from time to time revoke, withdraw, alter or vary all of any of such powers.

SECRETARY

113. 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.
114. No person shall be appointed or hold office as Secretary who is:
 - (a) the sole Director of the Company; or
 - (b) a corporation the sole Director of which is the sole Director of the Company;
 - (c) the sole Director of a corporation which is the sole Director of the Company.
115. A provision of the Act or these Articles requiring or authorising 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

116. The Directors shall provide for the safe custody of the seal, which shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf, and every instrument to which the seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose.

DIVIDENDS AND RESERVE

117. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Directors.
118. The Directors may from time to time pay to the members such interim dividends as appear to the Directors to be justified by the profits of the Company.
119. No dividend shall be paid otherwise than out of the profits of the Company.
120. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Directors may from time to time think fit. The Directors may also without placing the same to reserve carry forward any profits that they may think prudent not to divide.
121. Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
122. The Directors may deduct from any dividend payable to any member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
123. Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular of paid up shares, debentures or debenture stock of any other company or in any one or more of such ways, and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any

parties, and may vest any such specific assets in trustees as may seem expedient to the Directors.

124. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named in the register of members or to such person and to such address as the holder or joint holders may in Writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one or two or more joint holders may give effectual receipts for any dividends, bonuses or other moneys payable in respect of the shares held by them as joint holders.
125. No dividend shall bear interest against the Company.

ACCOUNTS

126. 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 of which the receipt and expenditure takes place;
 - (b) all sales and purchases of goods by the Company; and
 - (c) the assets and liabilities of the Company.

Proper 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 fair view of the state of the Company's affairs and to explain its transactions.

127. The books of account shall be kept at the Office or at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.
128. The Directors shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in general meeting.
129. The Directors shall from time to time, in accordance with Section 153 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.
130. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting, together with a copy of the auditors' report, 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 and to every person registered under Article 37.

Provided that this Article 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 shares or debentures.

CAPITALIZATION OF PROFITS

131. The Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full un-issued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution.

Provided that a share premium account and a capital redemption reserve fund may, for the purposes of this Article, only be applied in the paying up of un-issued shares to be issued to members of the Company as fully paid bonus shares.

132. Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully-paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

AUDIT

133. Auditors shall be appointed and their duties regulated in accordance with Sections 170 to 179 of the Act.

NOTICES

134. A notice may be given by the Company to any member either personally or by sending it by post to him or to his registered address, or (if he has no registered address within the Territory) to such address, supplied by him to the Company for the giving of notice to him. Where a notice is sent by post, service of the notice

posted, and in any other case at the time at which the letter would be delivered in the ordinary course of post.

135. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the register of members in respect of the share.
136. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any within Tanzania supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.
137. Notice of every general meeting shall be given in any manner hereinbefore authorized to:
 - (a) every member except those members who (having no registered address within Tanzania) have not supplied to the Company an address for the giving of notices to them;
 - (b) every person upon whom the ownership of a share devolves by reason of his being legal personal representative or a trustee in bankruptcy of a member where the member but for his death or bankruptcy would be entitled to receive notice of the meeting; and
 - (c) the auditor for the time being of the Company.No other person shall be entitled to receive notices of general meetings.


WINDING UP

138. If the Company shall be wound up the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Act, divide amongst the members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or difference classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

139. Subject to the provisions of the Act but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director or other officer or Auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the Court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

We, the several persons whose name and addresses are described here below, are desirous of being formed into a Company in pursuance of these Articles of Association and we respectively agree to take the number of shares in capital of the Company set opposite our respective names.

Names, Postal Address and Occupations of Subscribers	Number of Shares taken by each Subscriber	Signature
Juma Rajabu Ummi, Plot 39, Wapiwapi Street P.O.BOX 99, Masasi-Mtwara Tanzania.	750	
Habib Juma Rajabu, Plot 39, Wapiwapi Street P.O.BOX 99, Masasi-Mtwara Tanzania.	250	...HABIBU
TOTAL	1,000	

Dated this 30th day of April, 2010

WITNESS to the above signatures:

Signature:

Postal Address:

Qualification:



REGISTERED
Land Form 32
At 8:30 A.M.
Asst. Registrar of Titles



Asst. Registrar of Titles

L.D. No. RLDO/

2/6

THE UNITED REPUBLIC OF TANZANIA

CERTIFICATE OF OCCUPANCY 20/- Paid

(Section 9 of the Land Ordinance) on original Receipt No. 619352 of 29-8-85 One thousand

31st day of July

The nine hundred and Eighty six SEVEN TITLE No. 33434

THIS IS TO CERTIFY that ALIYAD HASSAN GILLAGU OF P. O. BOX 40269, DAR-ES-SALAM.

(hereinafter called "the Occupier") is entitled to a Right of Occupancy (hereinafter called "the Right") in and over the Land described in the Schedule hereto (hereinafter called "the Land") for a term of thirty three years from the first day of July

One thousand nine hundred and eighty six according to the true intent and meaning of the Land Ordinance and subject to the provisions thereof and to any regulations made thereunder and to any enactment in substitution therefor or amendment thereof and to the following special conditions:—

1. The Occupier having paid rent up to the thirtieth day of June, 1987, shall thereafter pay rent of Three hundred and ninety shillings (Shs. 390/=) a year in advance on the first day of July in every year of the term without any deduction PROVIDED that the rent may be revised by the Minister for the time being responsible for Lands (hereinafter called "the Minister") on the first day of July in each of the years 1996, 2006 and 2016 or within three years thereafter in each case.

2. The Occupier shall:—
- (i) Erect on the land buildings (hereinafter called "the buildings") in permanent materials designed for use in accordance with the conditions of the Right and which conform to the building line (if any) decided by The Masasi District Council (hereinafter called "the Authority");
 - (ii) By the thirty first day of December 1986, submit to the Authority such plans for the buildings (including block plans showing the position of the buildings) and such drawings, elevations and specifications of them as will satisfy the Authority and as are in accordance with the building condition in sub-paragraph (i) above which said plans and specifications shall be submitted in triplicate;
 - (iii) Within six months from the date of notification by the Authority of approval of the plans and specifications referred to in sub-paragraph (ii) above begin building on the land in accordance with such plans and specifications;
 - (iv) Complete the buildings according to the plans and specifications so that they are ready for use and occupation by the thirtieth day of June 1989;
 - (v) At all times during the term after the thirtieth day of June 1989 have on the land buildings as approved by the Authority and maintain them in good order and repair to the satisfaction of the Commissioner for Lands (hereinafter called "the Commissioner");

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(vi) Not erect or commence to erect on the land any building except in accordance with building plans and specifications which shall have been first approved by the Authority as hereinbefore provided;

(vii) Be responsible for the protection of all beacons on the land throughout the term of the Right. Missing beacons will have to be re-established at any time at the Occupier's expenses as assessed by the Commissioner for Surveys and Mapping.

Approval of plans of any building by the Authority shall not imply that the construction of such a building will satisfy the Occupier's obligation under the conditions of the Right and shall not imply waiver of modification of any condition in the Right.

3.—(i) The Occupier shall not subdivide the land or assign, sublet or otherwise dispose of or deal with the whole or any part of it or of any building on it without the previous written consent of the Commissioner PROVIDED that after condition 2(iv) has been complied with by the Occupier the consent of the Commissioner shall not be necessary—

to a single sub-letting of the whole of the land where the sub-lease contains conditions sufficient to ensure compliance with the conditions of the Right;

~~to a single sub-letting of the whole of the land or of the whole or any part of any building on it where the sub-lease contains conditions sufficient to ensure compliance with the conditions of the Right.~~

(ii) Occupation or use of the whole or any part of the land or buildings on it by any person other than the Occupier or his employees agents contractors or members of the household shall be deemed a dealing with the land or buildings.

4. Except as hereinbefore provided the Commissioner shall have an absolute discretion to give or withhold consent under condition 3(i). Any dealing or agreement (other than a mortgage or charge) entered into before compliance with condition 2(iv) will not receive consent except in special circumstances of which the Commissioner shall be the sole judge.

5. The Occupier shall pay to the Minister on demand made by the Commissioner on his behalf:—

- (i) any further fees or stamp duties which may be discovered to be payable by the Occupier in connection with the Right;
- (ii) an amount equal to any contribution in lieu of rates which may be payable by Government for the land during the term of the Right;
- (iii) such sum as the Commissioner shall assess as a proper share payable for the land of the cost of making up the road or improvement of same upon which the land fronts, abuts or adjoins, whether such demand is made before during or after such making or improvement thereof. This condition does not oblige the Government to make or improve roads.

6. Only one main building together with the usual and necessary out-buildings shall be built on the land and the same shall be used for Residential purposes only. Use Group 'A' Use Classes (a) and (c) as defined in the Town and Country Planning (Use Classes) Regulations, 1960.

7. The President may revoke the Right for good cause and in public interest.

LAND REGISTRY MATIVARA
TRANSIFER

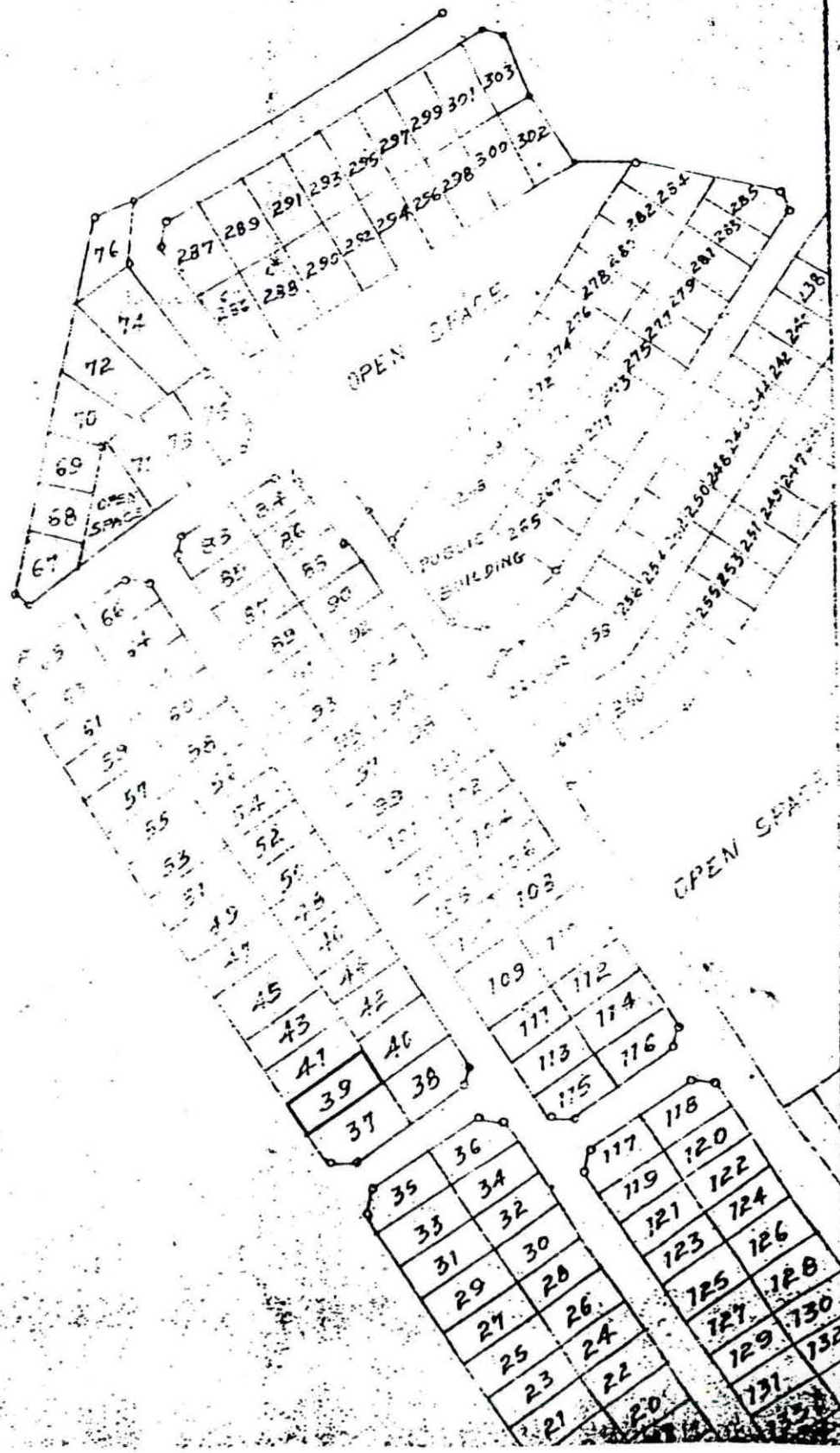
Document no 1635
of Regis. on 06-06-2007 issue 1.00 P.M

TUMA RAJABU UMIM
P.O. BOX 213 MASASI
CONS. ISHE. 200.000/5
BMM/2

For the Registrar of Titles.

No.
 Plot No. 39
 L.O. No. 89871
 Area 525 sq.m

1/6



MKATABA WA KUPANGISHA NYUMBA

PLOT NO. 39 BLOCK N MASASI

Mkataba huu umefanyika leo tarehe 12/01/2013

KATI YA

JUMA RAJABU UMMI, S.L.P. 213 Masasi ambaye atajulikana kama Mpangishaji kwa upande mmoja.

NA

CHIUNGUTWA INVESTMENT, S.L.P 99 Masasi ambaye atajulikana kama Mpangishwaji kwa upande mwingine.

1. PANDE ZA MKATABA:

(a) **MPANGISHWAJI:** Ni kampuni iliyoanzishwa kwa mujibu wa sheria za usajili wa makampuni Tanzania ambayo katika mkataba huu itajulikana kama mpangaji katika nyumba tajwa hapo juu.

(b) Kwamba Mpangaji ni kampuni iliyoanzishwa kisheria ambayo inayo uwezo wa kushitaki na kushitakiwa. Na kwa madhumuni ya mkataba huu itatumia anuani S.L.P 213 Masasi ambayo ndiyo anuani yake ya kudumu.

(c) **MPANGISHAJI:** Ni mmiliki binafsi wa nyumba iliyoko kwenye Kiwanja Namba **39** kitalu **N** ambayo ipo ndani ya Wilaya ya Masasi mkoani Mtwara.

(d) Mpangishaji ni raia wa Tanzania na anuani yake ni S.L.P 99 Masasi na itatumika kwa madhumuni ya mkataba huu pia anao uwezo wakushitaki ama kushitakiwa katika makubaliano haya.

2. WAJIBU WA MPANGISHWAJI:

- (i) Ni jukumu la Mpangishwaji kuhakikisha kwamba Mpangishaji analipwa malipo yake kama ilivyokubaliwa kwenye mkataba huu kwa wakati muafaka bila kucheleweshwa.
- (ii) Kwamba Mpangishwaji hana jukumu la kufanya ukarabati au matengenezo yoyote bila idhini ya mpangishaji.
- (iii) Kwamba bili zote za umeme na maji ni jukumu la Mpangishwaji na fedha hiyo italipwa nje ya makubaliano ya fedha ya pango kuanzia tarehe ya kuanza kutumika mkataba huu.
- (iv) Ni jukumu la mpangishwaji kutoa taarifa mara moja pindi kunapotekea tatizo lolote linalohusiana na nyumba aliyopangishwa.
- (v) Mpangishwaji hana ruhusa ya kumpangisha mtu mwingine nyumba bila kupata idhini ya mpangishaji.
- (vi) Mpangishwaji katika nyumba hiyo atavikuta vitu kwa busara vitatumika na kuviacha katika hali yake nzuri hadi siku ya makabidhiano (mwisho wa mkataba)

3. WAJIBU WA MPANGISHAJI:

- (i) Ni jukumu la Mpangishaji kuhakikisha kila nyumba inapopata matatizo anatatua tatizo hilo haraka iwezekanavyo.
- (ii) Kwamba Mpangishaji ahakikishe anafanya ukarabati wa nyumba yake kulingana na matakwa ya mpangishwaji.
- (iii) Mpangishaji hana ruhusa ya kuingia ndani ya nyumba aliyompangisha mpangishwaji bila idhini ya mpangishwaji.
- (iv) Kwamba Mpangishaji atahakikisha Mpangishwaji anaishi kwa usalama na amani kwa kipindi chote cha mkataba huu.
- (v) Ni jukumu la mpangishaji kuhakikisha umeme na maji havileti matatizo ambayo siyo ya ulipaji wa bili.

4. MUDA WA MKATABA:

Muda wa Mkataba katika mkataba huu ni miaka **mitano (5)** kuanzia Tarehe **12.01.2013** hadi Tarehe **11.01.2018**, hivyo baada ya muda huu kuisha mpangishwaji atahitajika kuingia mkataba mwingine na mpangishaji.

5. MALIPO:

Imekubalika kwamba mpangishaji atalipwa **TSh. 7,500,000/=** kwa pamoja ikiwa ni malipo ya pango kwa miaka **mitano (5)** kila mwaka atalipa **Tsh. 1,500,000/=** na amemkabidhi mpangishaji kiasi hicho cha fedha na mpangishaji anakiri kupokea kiasi hicho cha fedha.

6. UVUNJIKAJI WA MKATABA:

- (i) Upande wowote katika Mkataba huu unaweza kuvunja mkataba baada ya kutoa taarifa ya awali kimaandishi isiyopungua miezi sita (6).
- (ii) Hakuna upande wowote katika mkataba huu utakaowajibika iwapo mkataba huu au moja wapo ya masharti ya mkataba huu hayataatekelezwa kutokana na kuzuiliwa na sheria, vita, mapinduzi au sababu nyingine yoyote ambayo ipo juu ya uwezo ili mradi upande unaohusika utoe taarifa ya kutokea jambo hilo na matokeo ya kushindwa kwa utekelezaji wa mkataba huu.

7. USULUHISHI WA MIGOGORO:

Kama kutatokea mgogoro wowote kati ya pande zote mbili basi mgogoro huo utasuluhishwa kwa makubaliano na maafikiano yasipofikiwa mgogoro huo utapelekwa katika vyombo vya kisheria yenye uwezo wa kusikiliza mgogoro huo.

8. SHERIA ZA MKATABA HUU:

Mkataba huu unalindwa na sheria ya Jamhuri ya Muungano wa Tanzania.

9. LUGHA YA MKATABA:

Lugha inayotumika katika mkataba huu ni Kiswahili na kiingereza.

10. MAKUBALIANO:

Makubaliano hayo yametiwa sahihi na pande zote mbili na pande zote zimeruhusu makubaliano haya kama ifuatavyo:-

KWA NIABA YA MPANGISHAJI:

Jina JUMA R. UMMI

MPANGISHAJI

S.L.P. 99,

Masasi

Saini [Signature]

Tarehe 12-01-2013

Jina SUMAHAYA R. KWIYASHI

SHAHIDI

S.L.P. 99,

Masasi

Saini [Signature]

Tarehe 12-01-2013

KWA NIABA YA MPANGISHWAJI:

Jina HABIBU JUMA.

MPANGISHWAJI

S.L.P. 213

Masasi

Saini [Signature]

Tarehe 12-01-2013

Jina SHARIFU ISSA RAJABU

SHAHIDI

S.L.P. 213

Masasi

Saini [Signature]

Tarehe 12-01-2013

MBELE YA;

Kamishna wa kiapo/Wakili wa Serikali

Jina: Sifael T. Kulanga

Saini [Signature]

**COUNCIL SOLICITOR
MASASI DISTRICT COUNCIL
MTWARA**



TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

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

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

(Please fill the form in duplicate)

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT
(No. 26 of 1997)

APPLICATION FOR REGISTRATION
(Made under Regulation 42)

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

1. I/We JUMA RAJABU UMMI
(director/directors/agent of CHIUNGUTWA INVESTMENT CO. LIMITED
(name of business enterprise) apply for registration of TIC CERT. OF INCENTIVES
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.

2. The registered office of the company will be situated at PLOT NO. 39 BLOCK 'N'
..... MASASI URBAN, MTWARA
.....

Copies of the following documents are attached to this application:

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

3. The Head Office of the Company will be situated at PLOT NO. 39, BLOCK 'N' - MASASI - MTWARA
.....

4. The Principal Officers of the Company are 1. JUMA RAJABU UMMI
..... 2. HABIB JUMA RAJABU
.....

5. Auditors of the Company are
.....

6. The authorized share capital of the Company is Tshs./US\$ 100,000,000/=
..... (ONE HUNDRED MILLION)
.....

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

is Tshs./US\$ 990,000.

8. The month and day of the financial year end is DECEMBER 31ST

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

I, HABIB JUMA RAJABU of Post Office Number 99, MASASI - MTWARA

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

authorized agent of CHIUNGUTWA INVESTMENT CO. LIMITED

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

Declared at Dar es Salaam }
..... }

The 6th day of December, 2013 }

Jabikeri
Applicant

Before me:



Rawash

.....
Commissioner for Oaths

APPLICATION SUMMARY

Company Name: CHIUNGUTWA INVESTMENT COMPANY LIMITED

Certificate of Incorporation Number: 76366 Status: NEW

Certificate of Incorporation Date: 14 MAY 2010

Post Box: 99

Town: MASASI - MTWARA

Sector: MANUFACTURING Sub-Sector: BOTTLED DRINKING WATER & JUICE

Investment Financing Plan in Million US\$/Tshs.

Table with 4 columns: Foreign Equity, Local Equity, Foreign Loan, Local Loan. Values: -, 990,000, -, -

Project Objectives: IS TO MANUFACTURE FOR SALE BOTTLING DRINKING WATER AND FRUIT JUICES.

Capacity:

Employment: Foreign: - Local: 40 Total: 40

Implementation Period: 3 YRS

Project Location

Site/Plot/Block No.: PLOT NO: 39 - BLOCK 'N'

Street: MASASI URBAN District: MASASI Region: MTWARA

(Attach sketch map showing project location)

Table with 3 columns: Shareholders, Nationality, %. Rows: 1. JUMA RAJABU UMMI TANZANIAN 75%, 2. HABIB JUMA RAJABU TANZANIAN 25%

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

Land/Building <i>CIVILWORKS</i>	<i>100,000</i>
Plant <i>MACHINERY & EQUIP.</i>	<i>200,000</i>
Vehicles	<i>300,000</i>
Furniture & Fittings	<i>40,000</i>
Pre-expenses	<i>100,000</i>
Others	<i>-</i>
Working Capital	<i>250,000</i>
TOTAL	<i>990,000</i>

Contact Details:

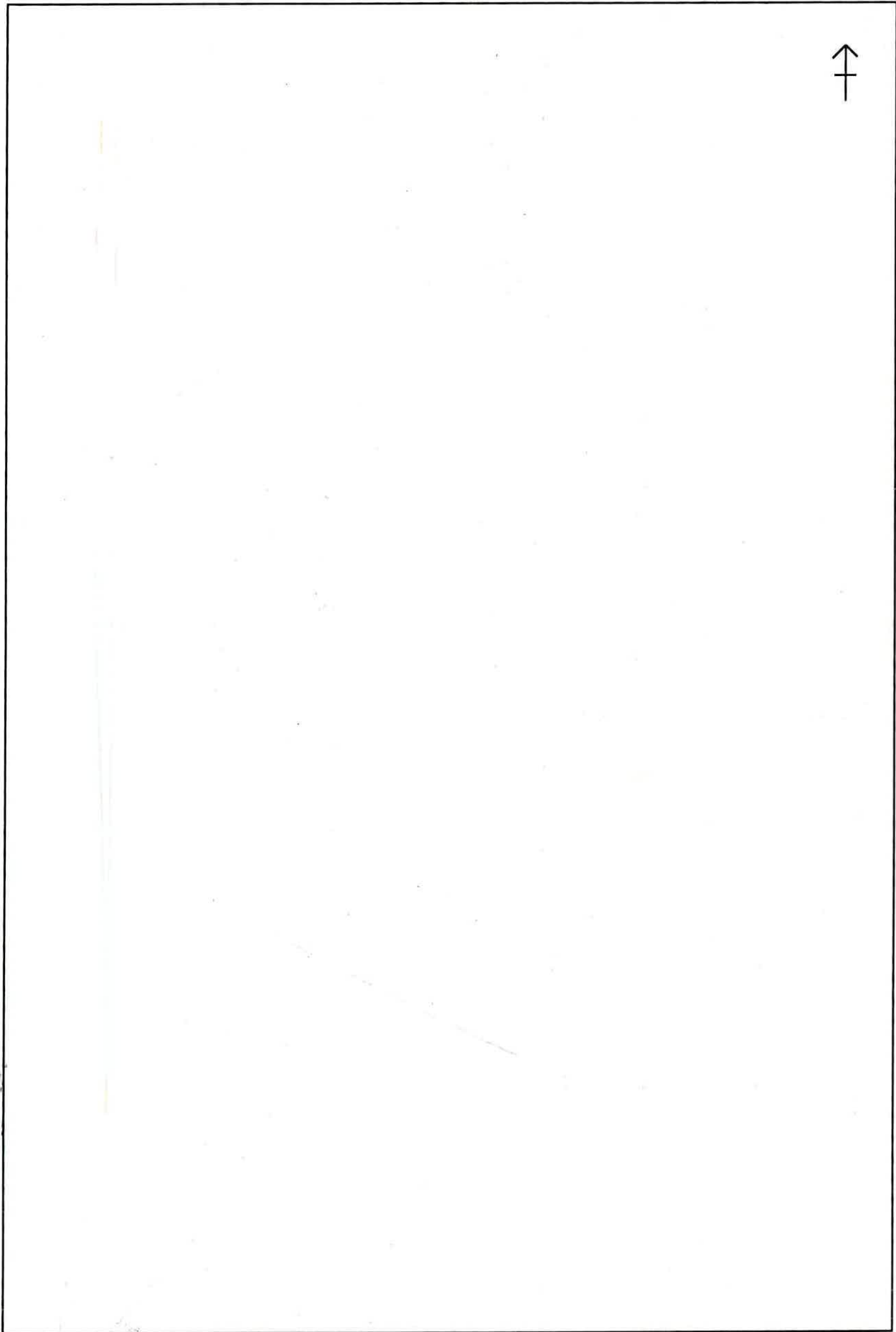
Name: *HABIBU J. RAJAB*..... Title: *DIRECTOR*.....
Telephone: *0714 777010*..... Fax:

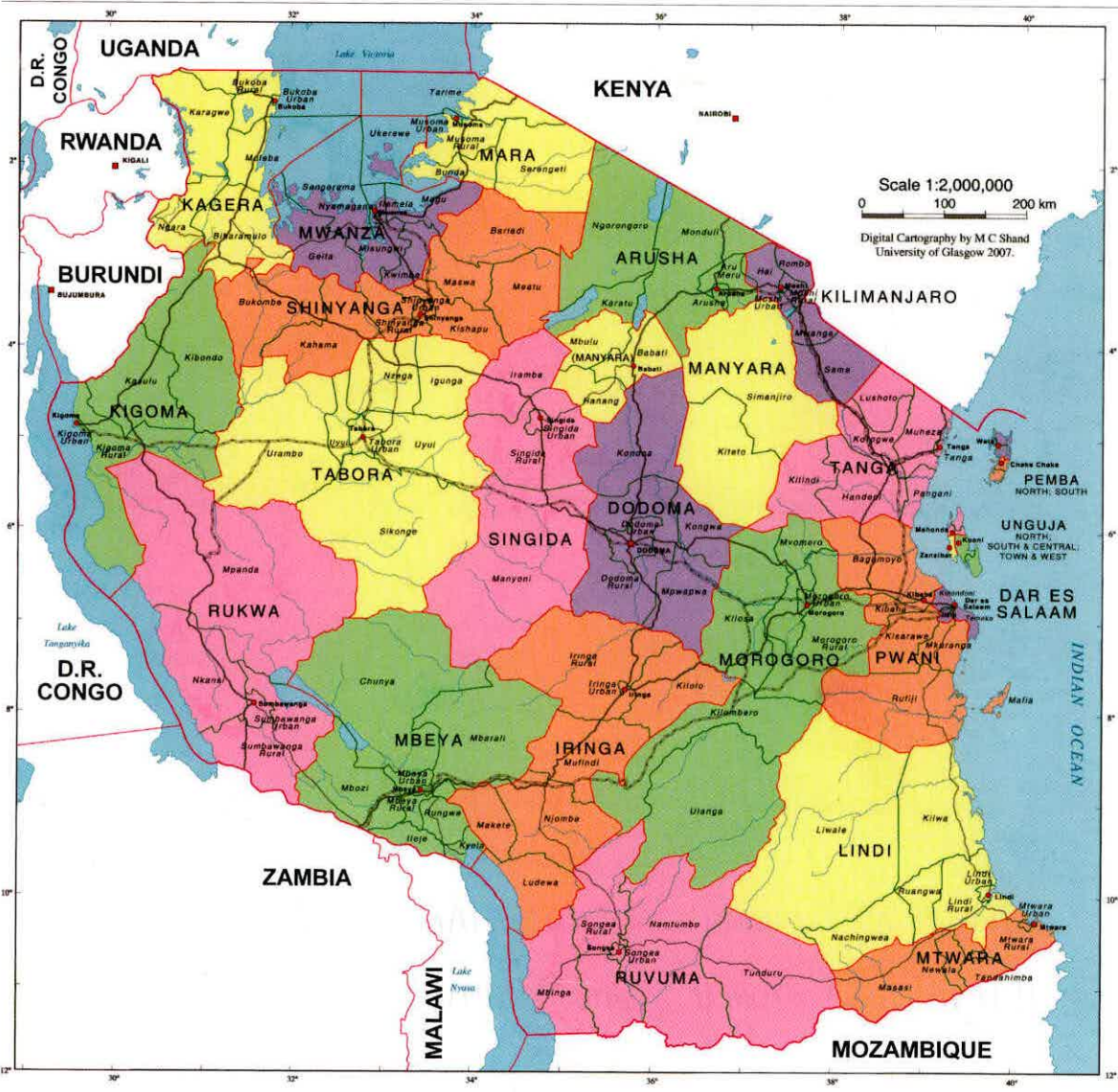
Email:

Payments to be made payable to:

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

SKETCH MAP SHOWING PROJECT LOCATION





27.11.2013

TIC
DAR ES SALAAM

YAH: UTHIBITISHO WA CHIUNGUTWA INVESTMENT.

Husika na kichwa cha habari hapo juu,

Chiungutwa Investment ni mteja wetu katika benki ya CRDB Tawi la Masasi mwenye akaunti namba 0150437644500. Kwa heshima na tahadhima tunaomba ushirikiano wenu katika taasisi yenu ya TIC kwa lolote lile ambalo atakaloliomba kwenu mumpe ushirikiano.



Erick Muchuruza
Meneja wa Tawi.

BOARD RESOLUTION OF

CHIUNGUTWA INVESTMENT COMPANY LIMITED

OF P.O. BOX 99, MASASI-MTWARA

**APPROVING THE APPLICATION FOR CERTIFICATE OF INCENTIVES FROM
TANZANIA INVESTMENT CENTRE DULLY PASSED ON 28th DAY OF NOVEMBER, 2013**

APPLICATION FOR TIC CERTIFICATE OF INCENTIVES

Whereas, this Board of Directors deems it desirable and in best interests of this company to apply for a Certificate of Incentives from Tanzania Investment Centre (TIC).

RESOLVED FURTHER, that the **Managing Director** of this company is hereby authorized, directed and empowered solely to execute, for and on behalf of this company and in its name, any and all documents required in connection with the application for this Certificate including but not limited to the terms and conditions of the T.I.C.

RESOLVED FURTHER, that any actions taken by such officer prior to the date of the foregoing resolutions adopted hereby that are within the authority conferred thereby are hereby ratified, confirmed and approved as the acts and deeds of this Company.



(CHAIRMAN) – Mr. Juma Rajabu Umami



(SECRETARY)

BOARD RESOLUTION

CHIUNGUTWA INVESTMENT COMPANY LIMITED

P.O. Box 99, MASASI - MTWARA

Ref. No: CIC/01/14

Date: 6th December, 2014

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



RE: APPLICATION FOR TIC CERTIFICATE OF INCENTIVES

M/S CHIUNGUTWA INVESTMENT COMPANY LIMITED is a Tanzanian Incorporated Company located in Masasi - Mtwara. We look forward to establish a bottled water and juice manufacturing project and also wish to apply for a TIC Certificate of Incentives so as to benefit from the Investment Incentives as prescribed by Tanzania Investment Act of 1997.

We hereby request your good office to facilitate our project to enable us to fully implement our operations as planned in our Business Plan. With this letter we attach all the necessary documents as required for registration of TIC Certificate of Incentives.

We look forward to your cooperation and support.

Yours sincerely,

Habibu
DIRECTOR



TIC Evaluation Report

Name of the Company
Chiungutwa Investment Co. Ltd.

Post Box	Masasi Urban, Plot No. 39 Block N	COI Number	76366	Contact	Mr. Habibu T. Rajab
Post Office	39	COI Date	14/05/2010	Designation	Director
Region	Mtwara	Application F. No	11579	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0714 777 010
		Sub Sector	Bottled Drinking Water & Juice	Fax	0
		File No	042576	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD										
Plot/Block	Plot No. 39 Block N	<table border="1"> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> <tr> <td>0</td> <td>0.99</td> <td>0</td> <td>0</td> </tr> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0	0.99	0	0		
Foreign Equity	Local Equity		Foreign Loan	Local Loan								
0	0.99		0	0								
Street	Masasi Urban											
District	Masasi											
Region	Mtwara											

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.1
Habib Juma Rajabu	Tanzanian	25	Plant	0.2
Juma Rajabu Ummi	Tanzanian	75	Vehicles	0.3
			Furniture & Fittings	0.04
			Pre-expenses	0.1
			Others	0
			Working Capital	0.25
			Total	0.99

Employment	40	Evaluated By	wf officer3
Capacity	xxxx	Drawn By	wf regist3
Project Turn Over		Project Type	Local

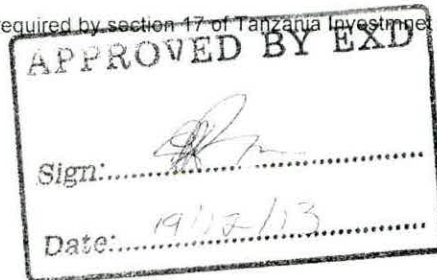
Description

To establish and operate pure drinking water and fruit juices processing facilities

Recommendations

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

Decision



TICC/PP.10/042476/3

23rd December, 2013

Managing Director,
Chiungutwa Investment Co. Ltd
P.O. Box 39
MTWARA

**RE: CERTIFICATE OF INCENTIVES FOR PROCESSING FACILITIES FOR
PURE DRINKING WATER AND FRUIT JUICES**

We wish to acknowledge receipt of your project proposal to establish and operate pure drinking water and fruit juices processing facilities as presented in the TIC P.A. 1 Form No. 11579 and Feasibility Study with a projected investment amounting to USD 0.99 m.

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

Also be informed that you will have to submit a project implementation Progress Report on the implementation of the project in every six months for centre's information and review. Guidelines for the preparation of the report are contained in annexure attached to this letter. Please do not hesitate to contact the Centre for any clarification if the need arises. Also note that a facilitation fee equivalent to US\$ 1000.00 is payable at the ruling exchange rate prior issuance of the Certificate of Incentives. Please make deposit direct to the bank as per bank details below:-

.../2

TICC/PP.10/042576/3

23rd December, 2013

*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



Juliet R. Kairuki

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



00220607

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

042576

No:

This is to certify that

.....
CHIUNGUTWA INVESTMENT COMPANY LIMITED
.....

.....
P.O. BOX 99 MASASI
.....

of address

MTWARA
.....

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

CHIUNGUTWA INVESTMENT COMPANY LIMITED
.....

.....
PLOT NO. 39 BLOCK N, MASASI URBAN
.....

Which is located at

MTWARA
.....

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

.....
Executive Director

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

Dated 20TH JANUARY 2014



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 (%)
	Habib Juma Rajabu	Tanzanian	25
	Juma Rajabu Ummi	Tanzanian	75

2. Proposed Activities : **To establish and operate pure drinking water and fruit juices processing facilities**

3. Sector: **Manufacturing** Subsector **Bottled Drinking water & Juice**

4. Investment cost: Foreign **-** Local **USD 0.99m.** Total **USD 0.99m.**

5. Project Financing: **USD 0.99m.** Loans **-** Total **USD 0.99m.**

6. Source, terms and conditions of loan.....

7. Assets to be invested:

Capital items:	Foreign	Local	Total
	USD -	USD 0.99m.	USD 0.99m.

8. Technology Agreement **None**

9. Date of TIC Registration: **23rd December 2013**

10. Implementation period **December 2013 - November 2016**

11. Operative date..... **December 2016**

12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997

(i) Applicable Import Duty **And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997**

(ii) Applicable with-holding Tax **As per Income Tax act, 2004 (as amended)**

(iii) Eligibility of Capital Allowances **As per Income Tax Act, 2004 (as amended)**

13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.

14. Conditions attached to this Certificate of Incentives

(i) Date of Commencement of investment has to be notified to the Centre.

(ii) Certificate not to be transferred, assigned or amended

(iii) Failure to commence implementation within two years invalidates Certificate

(iv) Failure to operate investment must be notified to the Centre

(v) Changes in shareholding, project activities and level of invested capital must be notified to the centre

15. Additional conditions attached to Certificate

Finished goods are not allowed under this Certificate

Signed 
Executive Director

LIST OF CAPITAL/DEEMED CAPITAL GOODS FOR
M/S CHIUNGUTWA INVESTMENT CO. LIMITED
SECTOR: MANUFACTURING
TIC CERTIFICATE NO. 042351

NO.	DESCRIPTION/ITEM	DESCRIPTION	QUANTITY	UNIT
A	MACHINERY AND EQUIPMENT			
1	5000L/H UF Water Treatment Machine with water softener RS-4 (Fiber Class Tanks)	5000l/h	4	Pcs
2	Ozone Sterilizer	20g/h	4	Pcs
3	UV Sterilizing Lamp	200W	4	Pcs
4	Semi Automatic PET Bottle Blowing Machine	Normal type without air compressor) 600-800B/H Base on 500ml Bottle		
5	Bottle Mold 350ml	2Cavity	4	Pcs
6	Bottle Mold 500ml	2Cavity	4	Pcs
7	Bottle Mold 100ml	2Cavity	4	Pcs
8	Bottle Mold 1500ml.	2Cavity	4	Pcs
9	optional: Air Cold Dryer	2Cavity	4	Pcs
10	Operate Conveyor	~	4	UNIT
11	Bottle Washing fill capping machine	16-12-6 3500B/H base on 500ml	4	Pcs
12	Includes 2 meters of conveyor belts before machine, 4 meters of conveyor belts after machine	16-12 3500B/H base on 500ml	4	Pcs
13	Exchange part for 350ml	16-12-6 350B/H base on 500ml	4	Pcs
14	Exchange part for 1000ml	16-12-6 350B/H base on 500ml	4	Pcs
15	Exchange part for 1500ml	16-12-6 3500B/H base on 500ml	2	Pcs
16	Lamp checking system	DL-800	4	Pcs
17	Shrinking tunnel and team generator 6Kw		4	Pcs
18	5000L/H UF Water Treatment Machine with water softener RS-5 (Fiber Class Tanks)	5000L/H with ISO & CE Certificate	4	Pcs
19	Ozone Sterilizer	15h/H	4	Pcs
20	UV Sterilizing Lamp	160W	4	pcs
21	PET Bottle Blowing Machine	A4 3200B/H Base on 500ml bottle	4	Pcs
22	Bottle Mold 350ml	4 cavity	4	Pcs
23	Bottle Mold 500ml	4 cavity	4	Pcs
24	Bottle Mold 1000ml	4Cavity	4	Pcs
25	Bottle Mold 1500ml.	4Cavity	4	Pcs
26	Operate Conveyor	10 meter	10	
27	Bottle Washing fill capping machine	24-24-8 350MI/500ML	4	Pcs
28	Includes 2 meters of conveyor belts before machine,	24-24-8 350MI/500ML	4	Pcs
29	6 meters of conveyor belts after machine	24-24-8 350ML/500ML	4	Pcs
30	Exchange part for 350ml	24-24-8 350ML/500ML	4	Pcs
31	Exchange part for 1000ml	24-24-8 350MI/500ML	4	Pcs
32	Exchange part for 1500ml	24-24-8 350MI/500ML	4	Pcs
33	Lamp checking system	DL-800	4	Pcs
34	Automatic shrink sleeve labeling machine	250B 12000-1500B/H base	4	Pcs
35	Shrinking tunnel and team generator 18Kw	250B 12000-1500B/H base	4	Pcs
36	Exchange part for 350ml	250B 12000-1500B/H base	4	Pcs
37	Exchange part for 1000ml	250B 12000-1500B/H base	4	Pcs
38	Exchange part for 1500ml	250 12000-15000B/H base	4	Pcs
39	Inject Printer		4	Pcs

40 Automatic Shrink Wrapper	WD-150A	4	Pcs
41 Conveyor	After the shrinking machine	10	Metres
42 corrugatin Machine		5	Pcs
43 Pasting 105 machine		5	Pcs
44 Pasting 65 Machine		5	Pcs
45 Rotary 105 Machine		5	Pcs
46 Rotary 65 Machine		5	Pcs
47 Came Slote 85 Machine		5	Pcs
48 Flexo Printing Machine		5	Pcs
49 Dye Cutting Machine		5	Pcs
50 Hand Cutter 60 Machine		5	Pcs
51 Staple Machine 52			

B ELECTRICAL APPLIANCES

1 20mm diameter pvc conduit pipe		150	pcs
2 40mm diameter pvc conduit pipe		100	pcs
3 Round boxes		100	pcs
4 5A lighting switches (Warious sizes)		50	pcs
5 13A Switch Socket outlet		50	pcs
6 15A DP switch socket outlet		30	pcs
7 45A DP cooker control unit		15	pcs
8 100A Change over Switch		10	pcs
9 Main switch 4way with circuit breaker 63A		15	pcs
10 100A-36 ways distribution board		15	pcs
11 Electrical cable (1.5 & 2.5mm)	50 each		Rolls
12 Elecritc bell & Bell swits		25	pcs
13 Ball fittings		25	pcs
14 Coxial cable		35	pcs
15 Earthrod		12	pcs
16 Electrical wiring of various sizes		1	set
17 Extrical fencing with overhead alarm system		1	set

C UTILITY MOTOR VEHICLES

1 Semi trailer trucs		4	Pcs
2 Pick ups		4	pcs
3 Truck with HyAb Crane (7-10 tons)		4	Pcs
4 Toyota Landcruiser (Handtop)		2	Pcs
5 Mini buses for employee's transport		1	Pcs
5			



00220607

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

042576

No:

This is to certify that

.....
CHIUNGUTWA INVESTMENT COMPANY LIMITED
.....

P.O. BOX 99 MASASI

of address

MTWARA
.....

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

CHIUNGUTWA INVESTMENT COMPANY LIMITED

PLOT NO. 39 BLOCK N, MASASI URBAN

Which is located at

MTWARA
.....

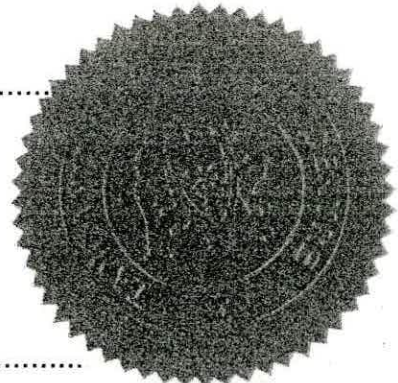
Further particulars required by Section 17 of the Tanzania Investment Act are set out overleaf.

.....

Executive Director

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

Dated 20TH JANUARY 2014



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 (%)
Habib Juma Rajabu	Tanzanian	25
Juma Rajabu Ummi	Tanzanian	75

2. Proposed Activities : **To establish and operate pure drinking water and fruit juices processing facilities**
3. Sector: **Manufacturing** Subsector **Bottled Drinking water & Juice**
4. Investment cost: Foreign **—** Local **USD 0.99m.** Total **USD 0.99m.**
5. Project Financing: Equity **USD 0.99m.** Loans **—** Total **USD 0.99m.**
6. Source, terms and conditions of loan.....

7. Assets to be invested:

	Foreign	Local	Total
Capital items:	USD —	USD 0.99m.	USD 0.99m.

8. Technology Agreement **None**
9. Date of TIC Registration: **23rd December 2013**
10. Implementation period **December 2013 - November 2016**
11. Operative date..... **December 2016**
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
 - (i) Applicable Import Duty **And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997**
 - (ii) Applicable with-holding Tax **As per Income Tax act, 2004 (as amended)**
 - (iii) Eligibility of Capital Allowances **As per Income Tax Act, 2004 (as amended)**
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
 - (i) Date of Commencement of investment has to be notified to the Centre.
 - (ii) Certificate not to be transferred, assigned or amended
 - (iii) Failure to commence implementation within two years invalidates Certificate
 - (iv) Failure to operate investment must be notified to the Centre
 - (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre
15. Additional conditions attached to Certificate
Finished goods are not allowed under this Certificate

Signed
 Executive Director

TIC

5

CHIUNGUTWA INVESTMENT CO. LTD,

P.O. Box 39,
TANZANIA

TEL: 0784 - 706 193

Ref. No.

3rd February, 2014

The Commissioner for Customs,
Tanzania Revenue Authority,
P.O. Box 1149,
Dar es Salaam.



Received -
05/2/2014
M
TRAFFIC

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

**Ref: DUTY/VAT EXEMPTION ON CAPITAL/DEEMED CAPITAL GOODS OF
CERTIFICATE OF INCENTIVES NO.**

We the above named locally Tanzanian Company are in process of
establish and operate our drinking water and fruit juices

Herewith please find the Master list of Items required in implementing the
project.

We request for approval of Exemption of Duty and VAT on the said items.

We hope our application will receive your consideration.

Thank you.

Yours Sincerely,

A handwritten signature in blue ink, appearing to be "A. S. S. S."

DIRECTOR

TIN:

TICC/PP.10/042576/6

07/02/2014

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

Dear Sir,

**RE: DUTY/VAT REMISSIONS ON THE CAPITAL/DEEMED
CAPITAL GOODS OF CERTIFICATE OF INCENTIVES NO.
042576**

M/S Chiungutwa Investment Co. Limited is a TIC registered company with certificate of incentives **No. 042576** which is valid up to **November 2016**

The company has been registered with objectives of establishing and operating pure drinking water and fruit juices processing facilities.

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

Yours sincerely

TANZANIA INVESTMENT CENTRE


N.A. Senzia

FOR: EXECUTIVE DIRECTOR

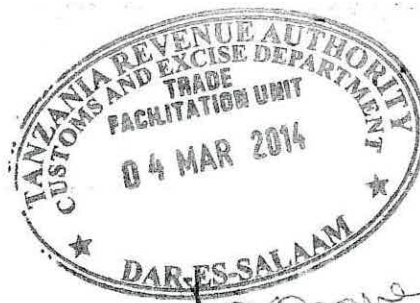
**LIST OF CAPITAL/DEEMED CAPITAL GOODS FOR
M/S CHIUNGUTWA INVESTMENT CO. LIMITED
SECTOR: MANUFACTURING
TIC CERTIFICATE NO. 042351**

NO.	DESCRIPTION	ITEM	QUANTITY	UNIT
1.	PVC Pipe	3" inch	40	Roll
2.	PVC Pipe	2" inch	40	Roll
3.	PVC Pipe	1½" inch	20	Roll
4.	PVC Pipe	1" inch	20	Roll
5.	Standby generator	20HP	2	Pcs
6.	Raw water tank 304SS	2CBM	4	Pcs
7.	Multimediuim filter	2T/H	4	Pcs
8.	Active carbon filter	2T/H	4	Pcs
9.	Sodion exchanger	2T/H	4	Pcs
10.	Precision filter	2T/H	4	Pcs
11.	One grade reverse	2T/H	4	Pcs
12.	Osmosis system	2T/H	4	Pcs
13.	Empty bottle air loader	2.4M	3	Pcs
14.	CGF 8.8.4 water filling 3 in 1 machine (500ML)	2000-2500BHP	3	Pcs
15.	Filled bottle conveying belt	2.4M	3	Pcs
16.	Automatic cap loading machine		3	Pcs
17.	Different volume bottle exchanging part		2	Pcs
18.	Filled bottle conveying system (wire slot, supporter, conveying chain plate)	2.4M	2	Pcs
19.	Worker labeling platform	2.4M	2	Pcs
20.	Steam generator	1000-3000BPH	2	Pcs
21.	Label steam shrink tunnel (for heat shrinkable labels)	1000-3000BPH	2	Pcs
22.	Bottle body dryer	2000-3000BPH	2	Pcs
23.	Semi matic PE film packing machine		8	Pcs

**LIST OF CAPITAL/DEEMED CAPITAL GOODS FOR
M/S CHIUNGUTWA INVESTMENT CO. LIMITED
SECTOR: MANUFACTURING
TIC CERTIFICATE NO. 042351**

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15.	Filled bottle conveying belt	2.4M	3	Pcs
16.	Automatic cap loading machine		3	Pcs
17.	Different volume bottle exchanging part		2	Pcs
18.	Filled bottle conveying system (wire slot, supporter, conveying chain plate)	2.4M	2	Pcs
19.	Worker labeling platform	2.4M	2	Pcs
20.	Steam generator	1000-3000BPH	2	Pcs
21.	Label steam shrink tunnel (for heat shrinkable labels)	1000-3000BPH	2	Pcs
22.	Bottle body dryer	2000-3000BPH	2	Pcs
23.	Semi matic PE film packing machine		8	Pcs

LIST OF CAPITAL/DEEMED CAPITAL GOODS FOR
M/S CHIUNGUTWA INVESTMENT CO. LIMITED
SECTOR: MANUFACTURING
TIC CERTIFICATE NO. 042351



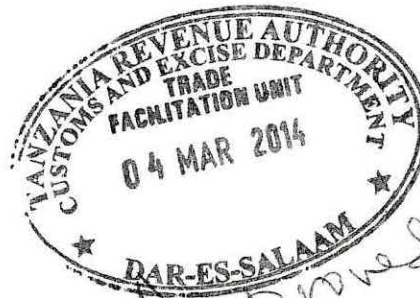
NO.	DESCRIPTION/ITEM	DESCRIPTION	QUANTITY	UNIT
A	MACHINERY AND EQUIPMENT			
1	5000L/H UF Water Treatment Machine with water softener RS-4 (Fiber Class Tanks)	5000l/h	4	Pcs
2	Ozone Sterilizer	20g/h	4	Pcs
3	UV Sterilizing Lamp	200W	4	Pcs
4	Semi Automatic PET Bottle Blowing Machine	Normal type withou air compressor) 600-800B/H Base on 500ml Bottle		
5	Bottle Mold 350ml	2Cavity	4	Pcs
6	Bottle Mold 500ml	2Cavity	4	Pcs
7	Bottle Mold 100ml	2Cavity	4	Pcs
8	Bottle Mold 1500m.	2Cavity	4	Pcs
9	optional: Air Cold Dryer	2Cavity	4	Pcs
10	Operate Conveyor	~	4	UNIT
11	Bottle Washing fill capping machine	16-12-6 3500B/H base on 500ml	4	Pcs
12	Includes 2 meters of conveyor belts befor machine, 4 meters of conveyor belts after machine	16-12 3500B/H base on 500ml	4	Pcs
13	Exchange part for 350ml	16-12-6 350B/H base on 500ml	4	Pcs
14	Exchange part for 1000ml	16-12-6 350B/H base on 500ml	4	Pcs
15	Exchange part for 1500ml	16-12-6 3500B/H base on 500ml	2	Pcs
16	Lamp checking system	DL-800	4	Pcs
17	Shrinking tunnel and team generator 6Kw		4	Pcs
18	5000L/H UF Water Treatment Machine with water softener RS-5 (Fiber Class Tanks)	5000L/H with ISO & CE Certificate	4	Pcs
19	Ozone Sterilizer	15h/H	4	Pcs
20	UV Sterilizing Lamp	160W	4	pcs
21	PET Bottle Blowing Machine	A4 3200B/H Base on 500ml bottle	4	Pcs
22	Bottle Mold 350ml	4 cavity	4	Pcs
23	Bottle Mold 500ml	4 cavity	4	Pcs
24	Bottle Mold 1000ml	4Cavity	4	Pcs
25	Bottle Mold 1500ml.	4Cavity	4	Pcs
26	Operate Conveyor	10 meter	10	
27	Bottle Washing fill capping machine	24-24-8 350MI/500ML	4	Pcs
28	Includes 2 meters of conveyor belts befor machine,	24-24-8 350MI/500ML	4	Pcs
29	6 meters of conveyo belts after machine	24-24-8 350ML/500ML	4	Pcs
30	Exchange part for 350ml	24-24-8 350ML/500ML	4	Pcs
31	Exchange part for 1000ml	24-24-8 350MI/500ML	4	Pcs
32	Exchange part for 1500ml	24-24-8 350MI/500ML	4	Pcs
33	Lamp checking system	DL-800	4	Pcs
34	Automatic shrink sleeve labeling machine	250B 12000-1500B/H base	4	Pcs
35	Shrinking tunnel and team generator 18Kw	250B 12000-1500B/H base	4	Pcs
36	Exchange part for 350ml	250B 12000-1500B/H base	4	Pcs
37	Exchange part for 1000ml	250B 12000-1500B/H base	4	Pcs
38	Exchang part for 1500ml	250 12000-15000B/H base	4	Pcs
39	Inject Printer		4	Pcs

- 40 Automatic Shrink Wrapper
- 41 Conveyor
- 42 corrugatin Machine
- 43 Pasting 105 machine
- 44 Pasting 65 Machine
- 45 Rotary 105 Machine
- 46 Rotary 65 Machine
- 47 Came Slote 85 Machine
- 48 Flexo Printing Machine
- 49 Dye Cutting Machine
- 50 Hand Cutter 60 Machine
- 51 Staple Machine 52

WD-150A

After the shrinking machine

- 4 Pcs
- 10 Metres
- 5 Pcs
- 5 Pcs
- 5 Pcs
- 5 Pcs
- 5 Pcs
- 5 Pcs
- 5 Pcs
- 5 Pcs
- 5 Pcs
- 5 Pcs



B ELECTRICAL APPLIANCES

- 1 20mm diameter pvc conduit pipe
- 2 40mm diameter pvc conduit pipe
- 3 Round boxes
- 4 5A lighting switches (Warious sizes)
- 5 13A Switch Socket outlet
- 6 15A DP switch socket outlet
- 7 45A DP cooker control unit
- 8 100A Change over Switch
- 9 Main switch 4way with circuit breaker 63A
- 10 100A-36 ways distribution board
- 11 Electrical cable (1.5 & 2.5mm)
- 12 Elecritc bell & Bell swits
- 13 Ball fittings
- 14 Coxial cable
- 15 Earthrod
- 16 Electrical wiring of various sizes
- 17 Extrical fencing with overhead alarm system

- 150 pcs
- 100 pcs
- 100 pcs
- 50 pcs
- 50 pcs
- 30 pcs
- 15 pcs
- 10 pcs
- 15 pcs
- 15 pcs
- 50 each Rolls
- 25 pcs
- 25 pcs
- 35 pcs
- 12 pcs
- 1 set
- 1 set

C UTILITY MOTOR VEHICLES

- 1 Semi trailer trucs
- 2 Pick ups
- 3 Truck with HyAb Crane (7-10 tons)
- 4 Toyota Landcruiser (Handtop)
- 5 Mini buses for employee's transport
- 5

- 4 Pcs
- 4 pcs
- 4 Pcs
- 2 Pcs
- 1 Pcs



TANZANIA REVENUE AUTHORITY

TRA/CE/C/P.20/08/3835

03rd March, 2014

✓ Managing Director,
Chiungutwa Investment Company Limited,
P.O.BOX 99,
MASASI - MTWARA

**RE: DUTY /VAT EXMPTION ON CAPITAL/DEEMED CAPITAL GOODS-
CERTIFICATE OF INCENTIVES NO. 42576 OF 20.01.2014
115-666-053**

We are writing in response to your letter dated 03rd February, 2014 as supported by the letter TICC/PP.10/042576/6 of 07th February, 2014, from Tanzania Investment Centre, regarding the captioned subject.

We hereby approve and confirm items as per two page list herewith attached as capital/deemed capital goods for facilitation of your project with certificate of incentives mentioned above. Approval of motor vehicles will be considered after substantial development of the project and locally manufactured goods should be procured locally.

The approved deemed capital goods will be exempted from Import Duty to the tune of 75% of the amount of Import Duty to which the goods would otherwise be liable and VAT relieved to the tune of 45% of the amount of VAT payable. Please complete VAT form 224 and submit the same for approval to the Commissioner for Domestic Revenue for local purchases and Commissioner for Customs and Excise for importations.

Sincerely yours,

Said Athumani

For: COMMISSIONER FOR CUSTOMS AND EXCISE.

NK/
C.C: Manager Tax Exemption,
C.C: Manager- TRA Miwara,
C.C: Executive Director,
Tanzania Investment Centre,
DSM.

ISO 9001 : 2008 Certified

CUSTOMS & EXCISE DEPARTMENT

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

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

CTIN 1697691

ISO 9001 : 2008 Certified



TANZANIA REVENUE AUTHORITY

CERTIFICATE OF REGISTRATION FOR TAXPAYER IDENTIFICATION NUMBER (TIN)

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

THIS IS TO CERTIFY THAT

CHIUNGUTWA INVESTMENT COMPANY LIMITED

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

115-666-053

with effect from 13-Dec-11



P. N. Kassera

COMMISSIONER FOR DOMESTIC REVENUE

OFFICIAL SEAL

THE REQUIREMENTS UNDER WHICH THIS CERTIFICATE IS ISSUED ARE STATED OVER LEAF

Handwritten: 21/1/2014
Executive Director
Investment Centre



00220607

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

042576

No:

This is to certify that

.....
CHIUNGUTWA INVESTMENT COMPANY LIMITED
.....

of address P.O. BOX 99 MASASI

.....
MTWARA
.....

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

.....
CHIUNGUTWA INVESTMENT COMPANY LIMITED
.....

Which is located at PLOT NO. 39 BLOCK N, MASASI URBAN

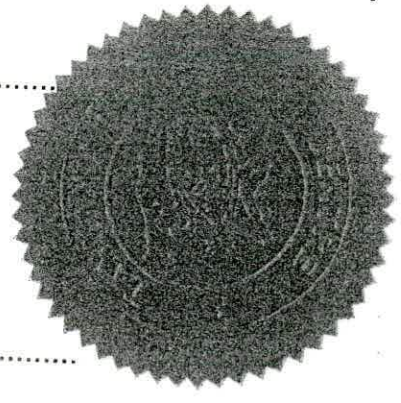
.....
MTWARA
.....

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

.....
[Signature]
Executive Director

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

Dated 20TH JANUARY 2014



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 (%)
	Habib Juma Rajabu	Tanzanian	25
	Juma Rajabu Ummi	Tanzanian	75

2. Proposed Activities : **To establish and operate pure drinking water and fruit juices processing facilities**

3. Sector: **Manufacturing** Subsector: **Bottled Drinking water & Juice**

4. Investment cost: Foreign **-** Local **USD 0.99m.** Total **USD 0.99m.**

5. Project Financing: Equity **USD 0.99m.** Loans **-** Total **USD 0.99m.**

6. Source, terms and conditions of loan.....

7. Assets to be invested:

Capital items:	Foreign	Local	Total
	USD -	USD 0.99m.	USD 0.99m.

8. Technology Agreement **None**

9. Date of TIC Registration: **23rd December 2013**

10. Implementation period **December 2013 - November 2016**

11. Operative date..... **December 2016**

12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997


- (i) Applicable Import Duty **And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997**
- (ii) Applicable with-holding Tax **As per Income Tax act, 2004 (as amended)**
- (iii) Eligibility of Capital Allowances **As per Income Tax Act, 2004 (as amended)**

13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.

14. Conditions attached to this Certificate of Incentives

- (i) Date of Commencement of investment has to be notified to the Centre.
- (ii) Certificate not to be transferred, assigned or amended
- (iii) Failure to commence implementation within two years invalidates Certificate
- (iv) Failure to operate investment must be notified to the Centre
- (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre

15. Additional conditions attached to Certificate
Finished goods are not allowed under this Certificate

Signed 
Executive Director

TIC

7

CHIUNGUTWA INVESTMENT CO. LTD

P.O.BOX 39, MASASI

MTWARA

Ref.No 0520

3rd April,2014

The commissioner for Customs,
Tanzania Revenue Authority,
P.O.Box 1149,
Dar es salaam

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



Received on
17/4/2014

M
MAY/2014

**Ref: DUTY/VAT EXEMPTION ON CAPITAL /DEEMED CAPITAL GOODS OF
CERTIFICATE OF INCENTIVES NO. 00220607**

We the above named locally Tanzania company are process of establish and operate pur drinking water and fruit juices

Herewith please find the master list of Addition items required in implementing the project.

We request for approval of Exemption of Duty and VAT on the said items.

We hope our application will receive your consideration

Thank you.

Yours Sincerely

A handwritten signature in black ink, appearing to be "M. M. M.", written over a horizontal line.

Director

TICC/PP.10/042576/8

23/04/2014

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

Dear Sir,

**RE: DUTY/VAT REMISSIONS ON THE CAPITAL/DEEMED
CAPITAL GOODS OF CERTIFICATE OF INCENTIVES NO.
042576**

M/S Chiungutwa Investment Co. Limited is a TIC registered company with certificate of incentives **No. 042576** which is valid up to **November 2016**

The company has been registered with objectives of establishing and operating pure drinking water and fruit juices processing facilities.

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

Yours sincerely

TANZANIA INVESTMENT CENTRE


N.A. Senzia