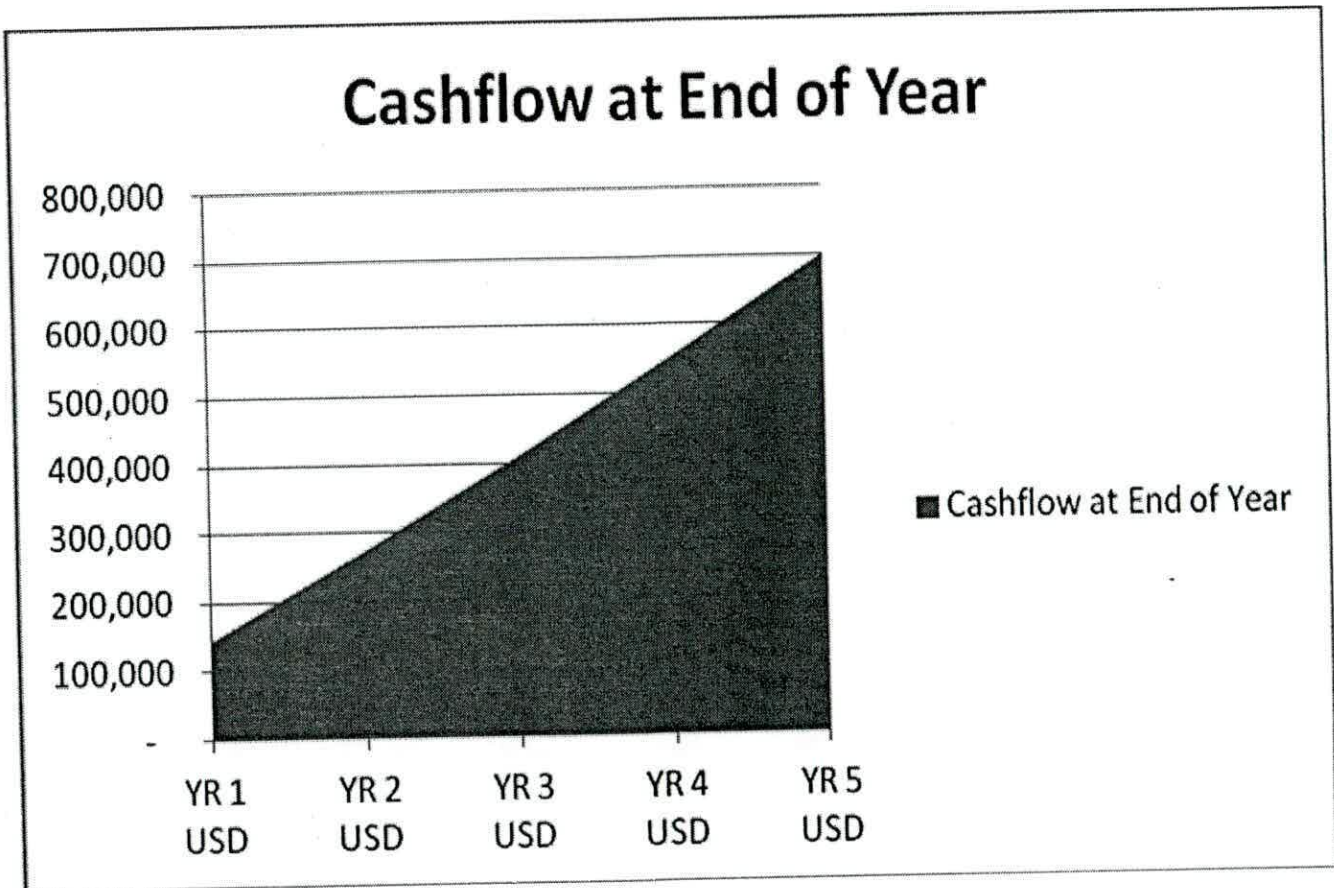


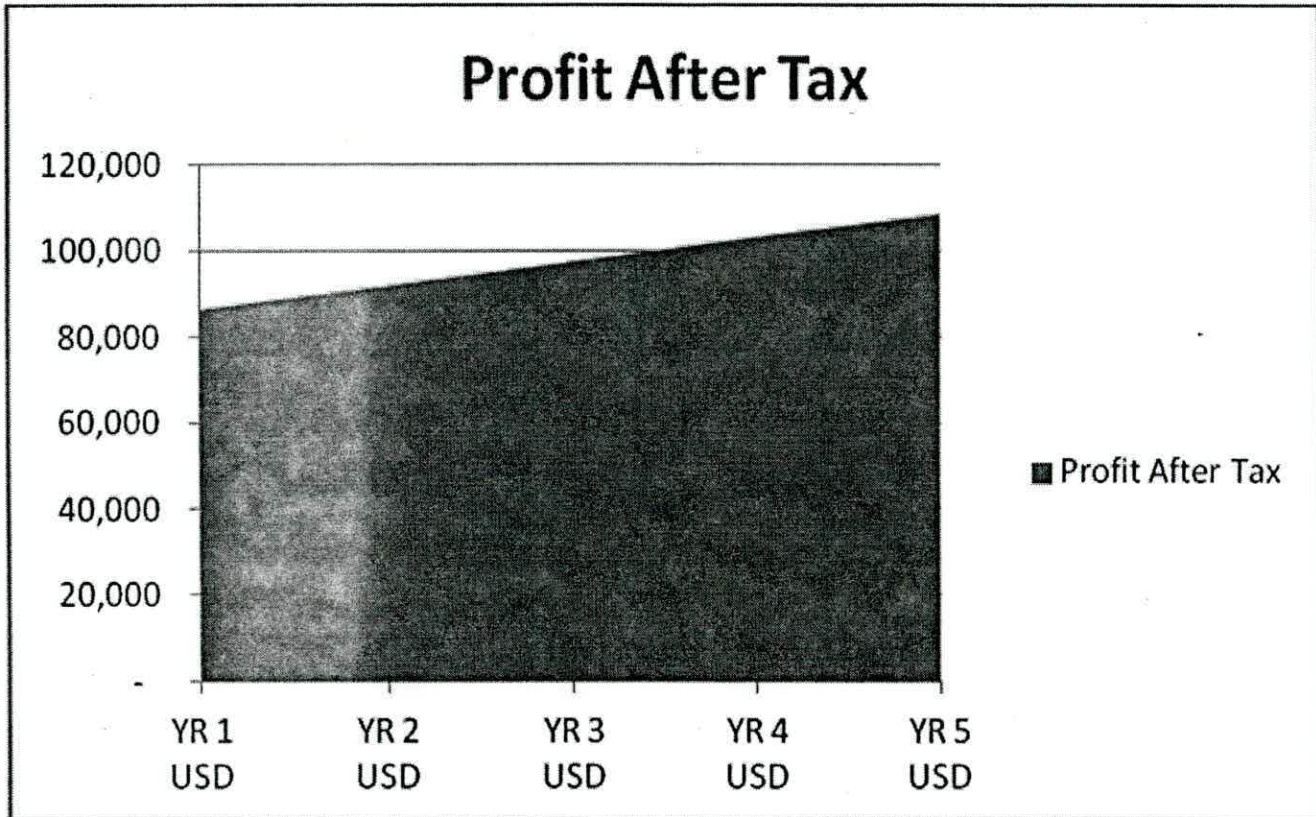


KIBWIBWI INVESTMENTS  
LTD

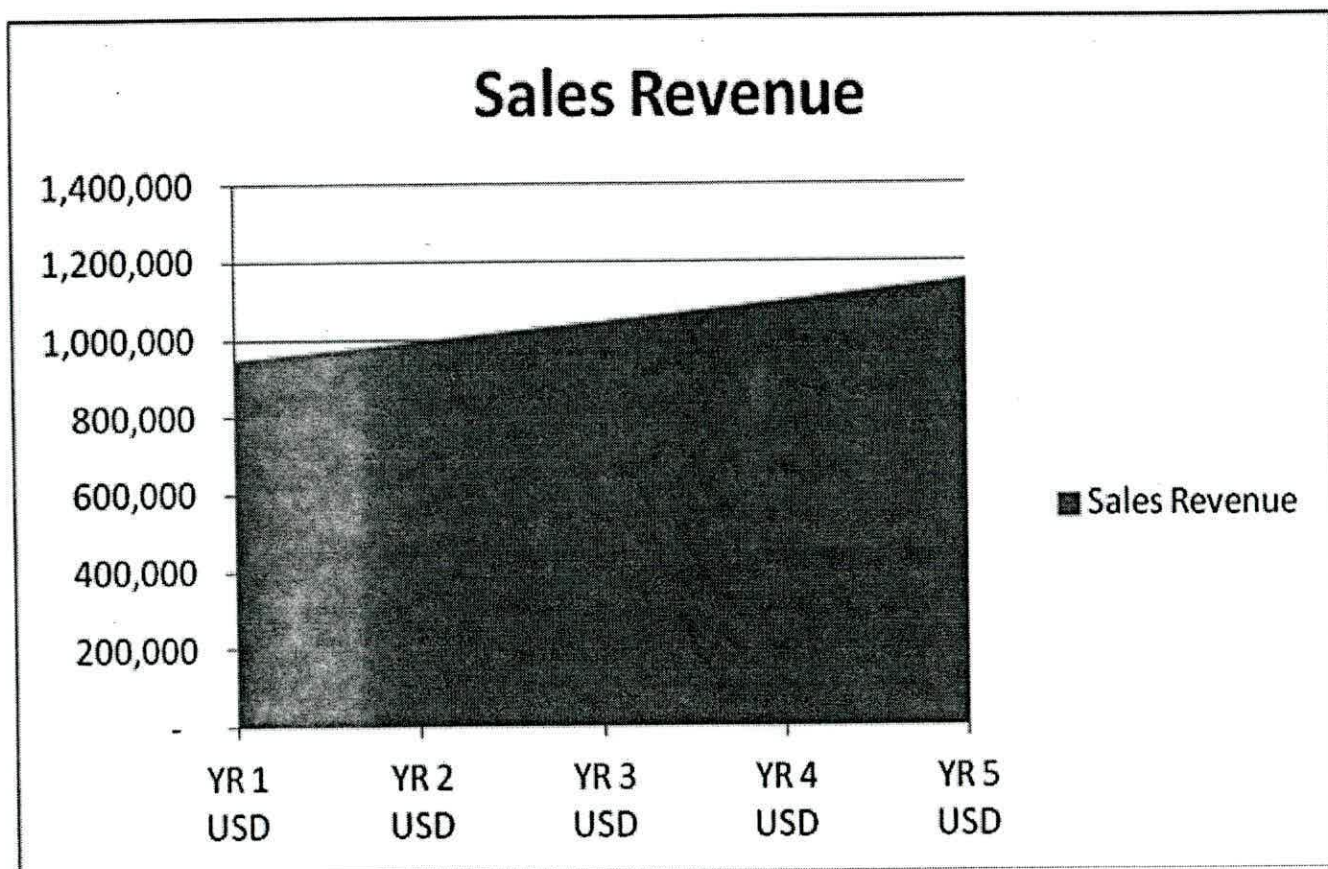
CASH FLOW PROJECTION					
	YR 1 USD	YR 2 USD	YR 3 USD	YR 4 USD	YR 5 USD
Cashflow at End of Year	143,410	273,157	409,414	552,349	701,126



PROFIT PROJECTION					
	YR 1 USD	YR 2 USD	YR 3 USD	YR 4 USD	YR 5 USD
Profit After Tax	86,405	91,851	97,469	103,259	108,517



REVENUE PROJECTION					
	YR 1 USD	YR 2 USD	YR 3 USD	YR 4 USD	YR 5 USD
Sales Revenue	950,000	997,500	1,047,375	1,099,744	1,154,731



SCHEDULE 5					
SALARIES & WAGES					
N O	DEPARTMENTS/DESIGNATION	NO.	SALARY PER MONTH	SUBTOTAL MONTHLY SALARY	ANNUAL GROSS SALARY
1	Managing Director	1	1000	1000	12,000
2	Finance and Administration Manager	1	800	800	9,600
3	Production Manager	1	800	800	9,600
4	Sales and Marketing Manager	1	800	800	9,600
5	Marketing Officer	1	400	400	4,800
6	Assistant Accountants	1	400	400	4,800
7	Machine Operators	4	250	1000	12,000
8	Technicians	2	250	500	6,000
8	Secretary	1	200	200	2,400
9	Drivers	4	150	600	7,200
10	Casual Labourers	6	100	600	7,200
11	Security Guards	2	100	200	2,400
12	Office Assistant	2	100	200	2,400
	TOTAL USD \$	27	5,350	7,500	90,000

SCHEDULE 3	
COST STRUCTURE	
PARTICULAR	AMOUNT USD
Land and Buildings	125,000
Plant, Machinery & Equipment	168,000
Motor Vehicles	65,000
Furniture & Fittings	5,000
Pre expenses	20,000
Others	20,000
Working Capital	20,000
<b>TOTAL</b>	<b>423,000</b>

SCHEDULE 4					
FIXED ASSETS SCHEDULE					
NAME OF ASSETS	YR 1 USD	YR 2 USD	YR 3 USD	YR 4 USD	YR 5 USD
Land and Buildings	125,000	112,500	100,000	87,500	75,000
Machinery & Equipment	168,000	151,200	134,400	117,600	100,800
Motor Vehicles	65,000	58,500	52,000	45,500	39,000
Furniture & Fixtures	5,000	4,500	4,000	3,500	3,000
<b>TOTAL</b>	<b>363,000</b>	<b>326,700</b>	<b>290,400</b>	<b>254,100</b>	<b>217,800</b>
DEPRECIATION	YR 1 USD	YR 2 USD	YR 3 USD	YR 4 USD	YR 5 USD
Land and Buildings	12,500	12,500	12,500	12,500	12,500
Machinery & Equipment	16,800	16,800	16,800	16,800	16,800
Motor Vehicles	6,500	6,500	6,500	6,500	6,500
Furniture & Fixtures	500	500	500	500	500
<b>ANNUAL DEPRECIATION</b>	<b>36,300</b>	<b>36,300</b>	<b>36,300</b>	<b>36,300</b>	<b>36,300</b>
<b>CLOSING FIXED ASSETS</b>	<b>326,700</b>	<b>290,400</b>	<b>254,100</b>	<b>217,800</b>	<b>181,500</b>

KIBWIBWI INVESTMENTS LTD					
SCHEDULES AND GRAPHS					
SCHEDULE 1					
REVENUE PROJECTION					
PRODUCTS	YR 1 USD	YR 2 USD	YR 3 USD	YR 4 USD	YR 5 USD
Building Materials	950,000	997,500	1,047,375	1,099,744	1,154,731
	950,000	997,500	1,047,375	1,099,744	1,154,731

SCHEDULE 2					
OTHER OPERATING COSTS					
OTHER OPERATING COST	YR 1 USD	YR 2 USD	YR 3 USD	YR 4 USD	YR 5 USD
M/ vehicle running expenses	110,200	115,710	121,496	127,570	133,949
Salaries and wages	90,000	94,500	99,225	104,186	109,396
Pension contribution	9,000	9,450	9,923	10,419	10,940
Depreciation	36,300	36,300	36,300	36,300	36,300
Administrative expenses	114,000	119,700	125,685	131,969	138,568
Marketing Costs	47,500	49,875	52,369	54,987	57,737
Interest Expense	7,445	7,445	7,445	7,445	7,445
Utility costs	28,500	31,350	34,485	37,934	41,727
Insurance	16,920	16,920	16,920	16,920	16,920
Communication	5,700	5,985	6,284	6,598	6,928
Total costs	465,565	487,235	510,131	534,328	559,908

<b>KIBWIBWI INVESTMENTS LTD</b>						
<b>PROJECTED CASHFLOW</b>						
	YR 1 USD	YR 2 USD	YR 3 USD	YR 4 USD	YR 5 USD	
<b>CASHFLOW FROM OPERATIONS:</b>						
Cash Sales	779,000	817,950	858,848	901,790	946,879	
VAT Receipt	171,000	179,550	188,528	197,954	207,852	
Subtotal Cash Received	950,000	997,500	1,047,375	1,099,744	1,154,731	
<b>Expenditures from Operations:</b>						
Purchases	324,900	341,145	358,202	376,112	394,918	
Additional Cash Spent	429,265	450,935	473,831	498,028	524,608	
VAT payments	64,980	68,229	71,640	75,222	78,984	
Interest Expense	7,445	7,445	7,445	7,445	7,445	
Subtotal Cash payment	826,590	867,754	911,118	956,808	1,005,955	
<b>CASH FROM OPERATIONS</b>	<b>123,410</b>	<b>129,746</b>	<b>136,257</b>	<b>142,936</b>	<b>148,776</b>	
<b>CASH FLOW FROM INVESTMENTS:</b>						
Purchase of Assets	- 363,000					
Working capital	- 40,000					
<b>CASH FLOW FROM INVESTMENTS:</b>	<b>- 403,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>CASH FLOW FROM FINANCING:</b>						
Owners Equity Contribution	84,600					
Bank loan	338,400					
<b>CASH FLOW FROM FINANCING</b>	<b>423,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>NET CASHFLOW FOR PERIOD</b>	<b>143,410</b>	<b>129,746</b>	<b>136,257</b>	<b>142,936</b>	<b>148,776</b>	
<b>CASHFLOW AT START OF YEAR</b>	<b>-</b>	<b>143,410</b>	<b>273,157</b>	<b>409,414</b>	<b>552,349</b>	
<b>END OF YEAR CASHFLOW</b>	<b>143,410</b>	<b>273,157</b>	<b>409,414</b>	<b>552,349</b>	<b>701,126</b>	

<b>KIBWIBWI INVESTMENTS LTD</b>					
<b>PROJECTED BALANCE SHEET</b>					
	YR 1 USD	YR 2 USD	YR 3 USD	YR 4 USD	YR 5 USD
<u>Fixed Assets</u>					
Long-term Assets	363,000	326,700	290,400	254,100	217,800
Depreciation	36,300	36,300	36,300	36,300	36,300
Total Long-term Assets	326,700	290,400	254,100	217,800	181,500
<u>Current Assets</u>					
Cash	143,410	273,157	409,414	552,349	701,126
Accounts Receivable	237,500	249,375	261,844	274,936	288,683
Stock	265,050	278,303	292,218	306,829	322,170
Total Current Assets	645,960	800,834	963,475	1,134,114	1,311,978
Total Assets	972,660	1,091,234	1,217,575	1,351,914	1,493,478
<u>Current Liabilities</u>					
Accounts Payable	434,376	459,654	487,010	516,498	547,874
Other Current Liabilities	28,880	30,324	31,840	33,432	35,104
Subtotal Current Liabilities	463,256	489,978	518,850	549,930	582,978
<u>Long-term Liabilities</u>					
Long-term Liabilities	338,400	338,400	338,400	338,400	338,400
Total Liabilities	801,656	828,378	857,250	888,330	921,378
Net Assets	171,004	262,856	360,325	463,584	572,102
<u>Capital and Reserves</u>					
Owners Contribution	84,600	84,600	84,600	84,600	84,600
Retained Earnings	86,405	178,256	275,725	378,984	487,502
Total Capital	171,005	262,856	360,325	463,584	572,102

<b>KIBWIBWI INVESTMENTS LTD</b>						
<b>PROJECTED INCOME &amp; EXPENDITURE STATEMENT</b>						
	YR 1 USD	YR 2 USD	YR 3 USD	YR 4 USD	YR 5 USD	
Sales Revenue	950,000	997,500	1,047,375	1,099,744	1,154,731	
Cost of Sales	361,000	379,050	398,003	417,903	438,798	
Gross Profit	589,000	618,450	649,373	681,841	715,933	
Operating Expenses:						
Administrative Expenses:	114,000	119,700	125,685	131,969	138,568	
Motor Vehicle running expenses	110,200	115,710	121,496	127,570	133,949	
Salaries and wages	90,000	94,500	99,225	104,186	109,396	
Pension contribution	9,000	9,450	9,923	10,419	10,940	
Depreciation	36,300	36,300	36,300	36,300	36,300	
Marketing Costs	47,500	49,875	52,369	54,987	57,737	
Interest Expense	7,445	7,445	7,445	7,445	7,445	
Utility costs	28,500	31,350	34,485	37,934	41,727	
Insurance	16,920	16,920	16,920	16,920	16,920	
Communication	5,700	5,985	6,284	6,598	7,928	
Total Expenses	465,565	487,235	510,131	534,328	560,908	
Profit before Tax	123,435	131,215	139,242	147,513	155,025	
Tax (30%)	37,031	39,365	41,773	44,254	46,507	
Profit After Tax	86,405	91,851	97,469	103,259	108,517	

## **13. CONCLUSION AND RECOMMENDATIONS**

### **13.1 CONCLUSION**

In all aspects, the project is feasible, sustainable and beneficial not only to the investors but also to the ultimate consumers and the economy as a whole. M/S Kibwibwi Investments Limited is expected to produce useful building materials initially for domestic market and later for export market.

### **13.2 RECOMMENDATIONS**

Provided all other economic factors remain substantially the same, it is strongly recommended that the project be implemented with immediate effect. It is further recommended that an application for TIC Certificate of Investment Incentives be submitted to Tanzania Investment Centre with a view to benefit from investment benefits and protection as statutorily allowed under Tanzania Investment Act, 1997.

## **12. ECONOMIC BENEFITS OF THE PROJECT**

### **12.1 EMPLOYMENT**

The new project by M/s Kibwibwi Investments Limited will provide additional permanent direct employment to 27 individuals mostly local Tanzanians.

### **12.2 TAXES**

The government will earn revenue from company taxes standing at US\$ 37,031 in the first year of operation. This figure is anticipated to increase to US\$ 46,507 during the fifth year of operation. The same is summarized in the attached schedules.

### **12.3 FOREIGN CURRENCY EARNINGS**

The project will bring in the country foreign currency when the company starts exporting some of the building materials at later stages of project implementation.

### **12.4 PRODUCTION OF HIGH QUALITY BUILDING MATERIALS**

Individuals as well as firms will be able to buy high quality building materials as the company will employ state of the art technology in manufacturing the products.

1 <sup>st</sup> Year	86,405.00
2 <sup>nd</sup> Year	91,851.00
3 <sup>rd</sup> Year	97,469.00
4 <sup>th</sup> Year	103,259.00
5 <sup>th</sup> Year	108,517.00

### 11.3 CASH FLOW HIGHLIGHTS

The project's cash flow is impressive as the project has positive end of the year cash flow from first to fifth year of operation.

1 <sup>st</sup> Year	143,410.00
2 <sup>nd</sup> Year	273,157.00
3 <sup>rd</sup> Year	409,414.00
4 <sup>th</sup> Year	552,349.00
5 <sup>th</sup> Year	701,126.00

## 11 FINANCIAL ANALYSIS

### 11.1 INCOME AND EXPENDITURE

#### 11.1.1 Income

The proposed project expects to earn its income through the sale of various building materials. At sustainable level of production, the total sales are expected to increase from US\$ 950,000 in the first year of production to US\$ 1,154,731 in the fifth year of operation.

REVENUE PROJECTION					
PRODUCTS	YR 1 USD	YR 2 USD	YR 3 USD	YR 4 USD	YR 5 USD
Building Materials	950,000	997,500	1,047,375	1,099,744	1,154,731
	950,000	997,500	1,047,375	1,099,744	1,154,731

#### 11.1.2 Expenditure

All project costs have been discussed in Chapter 10 above and are summarized in attached schedules.

### 11.2 NET INCOME STATEMENT HIGHLIGHTS

The project generates profit from the first year of operation and can easily meet both its long term and short-term obligations in less than five years.

## 10.5 DEPRECIATION

The following is a depreciation schedule for major assets to be employed in manufacturing operations of the project.

DEPRECIATION	YR 1 USD	YR 2 USD	YR 3 USD	YR 4 USD	YR 5 USD
Land & Buildings	12,500	12,500	12,500	12,500	12,500
Plant & Equipment	16,800	16,800	16,800	16,800	16,800
Motor Vehicles	6,500	6,500	6,500	6,500	6,500
Furniture & Fixtures	500	500	500	500	500
ANNUAL DEPRECIATION	36,300	36,300	36,300	36,300	36,300

## **10 COST OF OPERATIONS**

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

### **10.1 UTILITIES**

A total of US\$ 41,727 will be required as water bills and for the purchase of electric power at sustainable production level.

### **10.2 VEHICLE RUNNING EXPENSES**

Vehicle running expenses include fuel, lubricants, road licenses, etc. The cost has been estimated at US\$ 133,949.

### **10.3 SALARIES AND WAGES**

The number of employees, along with their incomes, is shown in attached schedules. The total annual wage package is estimated at US \$109,396 including fringe benefits and related taxes

### **10.4 MARKETING**

The marketing costs are estimated at US\$ 57,737 in the fifth year of operation as per attached schedules

## 9.7 INITIAL WORKING CAPITAL

Initial net working capital requirement at maximum for the proposed project works out at about US\$ 20,000. This is mainly for the procurement of initial stocks of raw materials. The rest of the requirement of the working capital will be raised from commercial banks as and when the need arises. This will fluctuate as per stocks in hand.

## 9.8 FINANCING PATTERN

The financing of the project will be from shareholder's equity as well as loans. It is anticipated that the financing of the project will take the following form.

Equity	Loans
US\$ 84,600	US\$ 338,400

electrification, water supply, installation of overhead tank, etc. This aspect is expected to cost US\$ 125,000.

#### 9.4 PLANT MACHINERY AND EQUIPMENT COSTS

The main machinery for the envisaged project has been explained earlier. The total investment on machinery and equipment is based on a quotation received from suppliers for main production machinery and amount of to US\$ 168,000 approximately.

#### 9.5 MOTOR VEHICLES

For company work, M/s Kibwibwi Investments Limited will procure the following vehicles at total cost of US\$ 65,000:

UNITS	TYPE OF VEHICLE	UNIT PRICE (US\$)	TOTAL COST (US\$)
1	Light Distribution Trucks	14,000	14,000
1	Light Distribution Trucks	7,000	7,000
2	Fuso Tippers ( 4Tonnes)	22,000	44,000
	TOTAL		65,000

#### 9.6 PRE-PRODUCTION CAPITAL EXPENDITURES

These include project development cost for feasibility study and start-up expenses, transportation of machinery, installation, and other overheads during installation. A budget of US\$ 20,000 is considered adequate for this item

## **9. INVESTMENT AND FINANCING**

### **9.1 ASSUMPTIONS**

The financial projections prepared by Kibwibwi Investments Limited to determine the viability of the project are based on the following key assumptions:

- The production of various building materials will start from second half of the year 2012.
- The whole project output will be sold locally during initial years of project implementation.
- Financial calculations are based on current market prices and costs are assumed constant throughout the operating period under review on the assumption that if operation costs change, selling prices will change proportionally to preserve the profit margins.
- The project has adopted the currency exchange rate of United States Dollar 1 = Tanzania Shilling 1,600.00.

### **9.2 SUMMARY OF CAPITAL COSTS**

On completion of project implementation, the total investment will reach to US\$ 0.423million as per attached schedules.

### **9.3 BUILDING AND CIVIL WORKS COSTS**

The main civil works required is the construction of factory buildings in which the plant and machinery are to be installed and operated. Other work will involve partitioning,

#### 8.4 SOURCE OF MANPOWER AND WAGE BILL

Manpower for proposed project will be employed from local sources, except for a few expatriates who would basically be engaged in the training of local staff. The workers will be given on-the-job training to familiarize them with the proposed machinery and equipment. The total wage bill per annum will be US\$ 90,000 as shown in attached schedule.

A quality controller and machine operators will assist the Production Manager execute his duties.

### 8.2.3 Finance and Administration Department

A qualified accountant with experience in administrative issues will head the department. He will be responsible for the administration of the company as well as overseeing the financial aspects of the company. The administration and finance department will comprise three sections, namely:

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

### 8.2.4 Sales and Marketing Department.

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

## 8.3 MANPOWER REQUIREMENT

The permanent manpower requirement for running the proposed plant is 27, with the breakdown mentioned in attached schedules.

- Research and Development section
- Repair / Maintenance section

Sales & Marketing Department:

- Marketing Section
- Sales and Distribution Section
- Finished Goods Stores
- Procurement and Logistics Section

Administration & Finance Department:

- Procurement
- Accounts
- Personnel and Administration
- Security

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

The management team will comprise the Managing Director, Production Manager, Finance & Administrative Manager and the Marketing Manager.

## 8.2 RESPONSIBILITIES

Responsibilities will be as follows:

### 8.2.2 Production and Technical Services Department

The Production Manager will head the department. The Manager will be responsible for production planning and overseeing that daily production activities are carried. He will further be responsible for repair and maintenance of company assets and research and development activities.

## **8 MANPOWER AND ORGANIZATION**

The proposed project by M/s Kibwibwi Investments Limited will have three independent departments, namely:

- Production and Technical Services
- Sales and Marketing
- Administration and Finance

### **8.1 ORGANIZATION**

The Board of Directors of Kibwibwi Investments Limited shall manage the project at policy level. The top most officer in the day to day running of the company will be the Managing Director. Under the Managing Director's office will be the three departments mentioned above. Each department will be under a manager and will comprise a number of sections each headed by a section head as follows.

Production & Technical Services Department:

- Vibrated blocks section
- Paving blocks section
- Culverts section
- Concrete divider section
- Concrete pipes section
- Raw Materials Stores
- Quality Control section

## **7 RAW MATERIALS AND OTHER PRODUCTION INPUTS**

### **7.1 BASIC MATERIALS**

The basic Raw Materials used in the manufacture of different building materials include aggregate, powdered cement, water, and sand. These materials will be sourced locally and are easily available

### **7.2 UTILITIES**

#### **7.2.2 Power**

As said earlier in this report, the source of energy for the proposed project will be electric power. Power is consumed in quite large quantities and is among the higher cost elements. Standby power generators have also been budgeted for to avoid inconveniences caused by frequent power cuts by TANESCO.

#### **7.2.2 Water**

Referring to previous explanation, three-inch diameter pipelines to each locality from the main pipeline should be available. The plant water requirement is basically for making of concrete forms and for other factory uses. About 20,000 liters of water will be required per day for each site. Therefore, water reservoirs with capacity of around 40,000 liters are planned for construction on each location.

## 6.3 UTILITY SERVICES

### 6.3.2 Water

A three-inch diameter pipeline to both locations from the main pipeline should be available. The plant water requirement is basically for making of concrete forms and for other factory uses. About 20,000 liters of water will be required per day at each industrial site. Therefore, water reservoirs with capacity of around 40,000 liters are planned for construction on each site.

### 6.3.3 Electricity

The Tanzania Electric Supply Company Ltd. (TANESCO) is expected to provide electricity to the factories to facilitate smooth production of various types of building materials. Standby 10 KVA power generators are to be acquired to supply electricity in case there is failure by power utility company to supply required electricity.

## **6 MACHINERY, EQUIPMENT AND CIVIL WORKS**

### **6.1 MACHINERY**

The production of various concrete forms involve use of various machinery and equipment such as general purpose brick making machines, concrete mixing machines, 10 KVA generators, PAT drilling machine, various moulds, conveyor belt, weigh batcher, storage bins, moulds, and pallets.

### **6.2 PLANT LOCATION AND CIVIL WORKS**

#### **6.2.2 Site and Location**

As mentioned earlier, the project locations will be at Dundani and Vikiindu industrial areas, Mkuranga District, Coast Region. These will be the locations of company manufacturing operations and it will have areas large enough to contain all the manufacturing operations, materials storage, and stockyard and office space

#### **6.2.3 Production Buildings Required**

The buildings required for production are expected to have ample space. An open shed roofed with GCI sheets will be ideal for storage of finished building materials and for onward delivery to the customers.

#### **6.2.4 Office Buildings**

Office blocks to accommodate clerical staff will be available within the premises. These will be constructed during the initial years of programme implementation.

following three concerns seriously as defined by some of the well-known regulatory bodies.

- Reduction in hazardous environmental release
- Recycling of waste products
- Use of environmentally preferable products

For this, it will source some of the latest and high performing machines for its factories.

The factory surroundings will be kept clean and trees are to be planted as part of environment conservation efforts.

highest probability of producing box culvert that meets and/or exceeds the project requirements.

### 5.1.5 Concrete Pipes

The wet cast manufacturing process for concrete pipes uses a relatively wet concrete mix. The pipe is made vertically in the annular space between an inner core and an outer form. This process is most commonly used for large diameter pipe production where the pipe sections are manufactured, cured and stripped at a single location.

Depending on the pipe diameters and lengths, various numbers of external vibrators are attached to the forms for consolidating the concrete. The forms are freestanding and no machine is involved in production. Usually, several forms are set up at the same time so a pouring line can be established.

Wet casting is a very versatile process. Because there are no constraints of a machine frame, pipe may be cast in several lengths. Pipe of many lengths and diameters may be intermixed in the casting line.

## 5.2 QUALITY CONTROL

The company will facilitate quality control by ensuring that its products are inspected for the highest quality before delivery. Similarly, sourcing of materials will be done with great care to ensure that the best materials are used in the manufacturing processes for various products.

## 5.3 ENVIRONMENT PROTECTION

With a conscious mind, the company will undertake eco-friendly manufacturing processes and make sure that less effluent and smoke are released. It will take the

forms may be removed when no distortion, slump, or misalignment of the concrete occurs. The barrier is required to remain supported on the bottom until the concrete has reached a proper strength.

Curing is required until the ultimate strength is achieved. Curing may be achieved by covering all exposed surfaces with two layers of wet burlap or steam curing. When wet burlap is used, the burlap is required to be kept wet by automatic means. Steam curing is used in a controlled environment to speed up the curing process.

Unless otherwise approved, precast barriers are required to be handled with a suitable hoisting device provided with a spreader sling. This sling prevents horizontal forces from being produced in the member due to lifting.

#### 5.1.4 Culverts

Culvert manufacturing takes place in a precast concrete manufacturing facility that is certified and in good standing. One of the first and most important attributes to calculate is the lifting utility anchor to be used to lift the culvert.

Quality concrete is important in the manufacturing and performance of the culvert. Since the concrete is exposed to the weather and normally running water, it is important that a high strength, well proportioned mix design be utilized. Each precast concrete culvert has different loads associated depending on site conditions and use. The burial depth and loadings can create a need for greater reinforcing and is the reason why a licensed professional engineer should design.

The manufacturing industry places primary emphasis on a registered, independently monitored quality program. Culvert manufacturing relies on the use of good forming equipment. Forming system to be used must work well for the manufacturer and be able to produce quality culverts. It is important that box culverts be manufactured with high degrees of quality and uniformity. This requires the use of uniform, documented, controlled processes throughout manufacturing. A precast concrete plant offers the

and mixed again. The procedure of mixing and adding water is iterated until the desired moisture content for these dry materials is achieved. These materials are combined by predetermined recipes in a steel mold of the shape desired.

Under high vibration and hydraulic pressure the materials are compacted in the mold to create the paving stone selected. The product is then set aside to air dry, subsequently packaged and shipped to the client or distributor.

The paving stone colour desired is achieved by conditioning various pigments in specific recipes. The colour is included in the manufacturing process and the paving stone will have the selected colour through the entire stone not just on top and not just a tinting of colour in the base.

### 5.1.3 Concrete Dividers

Precast concrete dividers/ concrete median barriers are normally produced in a casting yard or a concrete plant. After casting and final inspection, they are shipped to the job-site and set in place. The forms used for precast concrete median barriers are generally made of steel and are required to be unyielding, mortar tight, and of sufficient rigidity to prevent distortion. The forms are designed so that the finished product conforms to the required dimensions and contours.

All sharp corners are required to be chamfered. Concrete is placed in the forms in such a manner that there is no more than 5 ft of free fall and that no segregation occurs. The concrete is placed in uniform layers and vibrated during and after placement. Immediately after removing the forms, fins and irregular projections are removed from all exposed surfaces.

All holes, honeycomb spots, cavities, broken corners or edges, and other defects are required to be thoroughly cleaned and saturated with water. The concrete is carefully pointed and trued with fresh mortar within 30 minutes of removal of the forms. Side

## **5 PRODUCTION PROCESS AND TECHNOLOGY**

### **5.1 BASIC PRODUCTION PROCESS**

#### **5.1.1 Building Blocks**

To produce cement blocks, molds are set up in the exact shape the blocks are desired to be. A concrete mixer is used to mix cement with clean sand. The ratio should be three parts sand to one part cement for normal types of concrete. For stronger concrete, the mixture has to be two parts sand to one part cement. Gravel or crushed limestone is then added to the mixer. The amount of gravel must roughly equal the combined sand-and-concrete mixture: three parts gravel to two parts sand, plus one part cement.

Slowly water is added into the mixture, stirring it until it reaches the right consistency. This concrete must be mixed for several more minutes until it is consistent throughout. The inside of the mold is sprayed with a water-based concrete-releasing agent. This will help when removing the concrete block from the mold once it has hardened.

The concrete is poured carefully into the mold and then is leveled off the top using a trowel or a wooden board. The mixture is tapped to help it settle, and to get rid of any air pockets in the mold. Concrete is allowed to harden for at least 24 hours before attempting to remove it from the mold. The completed block is then pressed down while simultaneously pulling up on the mold. The block should spring free, and the mold can then be reused to make more blocks

#### **5.1.2 Paving Blocks**

Paving stones are made by combining cement, stones, sand, color and minimal amount of water and mixed by body mix mixer. After mixing water is added to the materials

During 2008, the Board inspected a number of 610 construction sites in the following regions: Dar es Salaam; Tanga; Kilimanjaro; Arusha; Mbeya and Iringa compared to 296 inspections in 2007. The inspection aimed at visiting regions with larger construction sites.

In adhering to the rules and regulations of architect and quantity survey, a total of 41 site projects were suspended and 72 developers and technicians were subjected to disciplinary actions by the Board. Developers and technicians were penalized according to rules and regulations.

#### 4.8 The National Building Council

In 2008, the National Building Council continued to facilitate improvement of construction in the informal sector. The Council supported 74 participants from informal sector to pursue vocational trainings aimed at enhancing their standard to qualify to the Contractors Registration Board requirements. The trainings intended to enable participants to formalize their activities. In addition, the Council conducted the following trainings to 159 stakeholders: tendering procedures; contract management; disputes management; credit management; road construction cost; and building maintenance. The Council inspected 31 projects and identified weaknesses emanated from the use of Public Procurement Act.

#### 4.9 Tanzania Building Agency

In 2008, the Tanzania Building Agency completed constructions of 23 houses in Dar es Salaam of which, 21 were in Mbweni Malindi area and two flats in ADA estate–Kinondoni. In addition, the Agency continued with the second phase of constructing two flats in Arusha, three flats in partnership at Dar es Salaam City and construction of 12 low cost houses in Coastal region.

#### 4.5 Contractors Registration Board

In 2008, the Contractors Registration Board registered 656 contractors compared to 752 contractors in 2007, thus made the total number of contractors registered at the end of December 2008 to reach 5,125 contractors. Out of those, 185 contractors were foreigners and 4,940 locals. Furthermore, a total of 142 contractors were upgraded.

For the year 2008, the Board registered 2,361 projects compared to 2,084 projects in 2007. Similarly, a total of 1,500 construction projects were inspected compared to 1,251 projects in 2007. Out of which, 70.5 percent of the projects adhered to the rules and regulations, while 29.5 percent did not comply with the rules and regulations. Out of those which did not comply to rules and regulations, 11.4 percent did not follow safety measures, 7.0 percent of contractors executed contracts beyond their grades, and 5.4 were unregistered contractors.

#### 4.6 Engineers Registration Board

By the end of December 2008, a total of 8,408 engineers were registered. Of which, 7,879 were local and 529 foreigners. In 2008, a total of 268 consultancy engineers were registered; whereby, 212 were local and 56 foreigners. In addition, 160 consultancy engineering firms were registered, of which, 118 firms were local and 47 foreign firms.

#### 4.7 Architects and Quantity Surveyors Registration Board

In 2008, the Architects and Quantity Surveyors' Registration Board registered 21 architects and 14 quantity surveyors compared to 16 architects and 13 quantity surveyors in 2007, making a total of architects and quantity surveyors to reach 433 by end December 2008 compared to 403 architects and quantity surveyors in December 2007. In addition, the Board registered 26 technicians in 2008 compared to 28 technicians in 2007.

A total of 2,121 bridges of trunk roads received an edge repair and maintenance in 2008 compared to 2,163 bridges in 2007. Furthermore, 162 bridges of regional roads received an edge repair and maintenance compared to 353 bridges in 2007.

#### 4.4 Road Board Fund

In 2008, the Road Board Fund collected a total of shs. 223,178.9 million compared to shs.153,725.1 million in 2007, equivalent to an increase of 47.6 percent. Out of the amount collected shs. 216,473.9 million was from fuel levy; 2,673.9 million from foreign vehicles; and shs. 4,031.1 million was from excess weight. The increase was attributed to improved collections from road toll and adjustment of fuel levy. In addition, a total of shs 234,386.7 million were disbursed to road agencies compared to shs. 127,433.3 million in 2007.

Table: Road Board Fund Collections and Expenditures

Road Type	2007	2008	Increase (%)
<b>A: Collections</b>			
Fuel Levy	146,669.9	216,473.9	47.6
Foreign Vehicles	2,693.3	2,673.9	-0.7
Excess weight	4,361.9	4,031.1	-7.6
<b>Total</b>	<b>153,725.1</b>	<b>223,178.9</b>	<b>45.2</b>
<b>B: Expenditures: Distributions</b>			
TANROADS	79,466.7	146,408.4	84.2
PMO-RALG	37,891.3	69,718.3	84.0
Ministry of Infrastructure	8,829.6	16,267.6	84.2
Road Fund	1,245.7	1,992.4	59.9
<b>Total</b>	<b>127,433.3</b>	<b>234,386.7</b>	<b>83.9</b>

Source: Road Board Fund

Sub-total	10,701.87	6,352.03	1,936.49	18,957.39
Grand Total	16,604.11	9,738.22	2,578.2	28,891.72

Source: Ministry of Infrastructure Development

In 2008, a total of 10,701.9 kilometres of regional roads were in good condition compared to 8,462.4 kilometres in 2007, equivalent to an increase of 26.5 percent. In addition, a total of 6,352.0 kilometres were in average condition compared to 7,131.8 kilometres in 2007. Likewise, a total of 1,936.5 kilometres were in bad condition in 2008 compared to 3,363.2 kilometres in 2007, equivalent to an improvement of 42.4 percent.

#### 4.3 Roads and Bridges Maintenance

In 2008, the Road Maintenance Program rehabilitated a total of 27,311 kilometres and 1,935 bridges. Furthermore, a total of 11,125 kilometres of tarmac trunk roads were rehabilitated under routine maintenance compared to 1,547.5 kilometres in 2007. In addition, a total of 930.9 kilometres of regional tarmac roads and 34,914.8 kilometres of earth roads were undertaken routine maintenance compared to 93.4 kilometres and 5,062.4 kilometres in 2007 respectively.

In 2008, special maintenance was carried out in the following areas: tarmac trunk of 621 kilometres compared to 33.5 kilometres in 2007; regional tarmac roads of 160.3 kilometres compared to 22.9 kilometres in 2007; and regional earth roads of 1,448.7 kilometres compared to 183.1 kilometres in 2007.

During 2008, a total of 30.4 kilometres in risky areas of tarmac trunk roads were rehabilitated compared to 6.1 kilometres in 2007. In addition, a total of 998.80 kilometres of hazardous area of regional roads were maintained compared to 146 kilometres in 2007.

## 4 CONSTRUCTION SECTOR IN TANZANIA

### 4.1 Growth

In 2008, the growth rate of construction activities was 10.5 percent compared to 9.7 percent in 2007. The growth was attributed to an increase in the construction of non-residential and residential buildings, roads and land development. The contribution of construction activities to GDP was 7.7 percent in 2008 compared to 7.8 percent in 2007.

### 4.2 Road Network

In 2008, a total of 5,902.2 kilometres of trunk roads were in good condition compared to 5,286.3 kilometres in 2007, equivalent to an improvement of 11.7 percent. Likewise, a total of 3,386.2 kilometres of trunk road in 2008 were in average condition compared to 3,501.7 kilometres in 2007. On the other hand, a total of 641.7 kilometres were in bad condition compared to 1,178 kilometres in 2007, equivalent to an improvement of 45.5 percent.

Table: Condition of Road Network by December 2008

Road Type	Good km	Fair km	Poor km	Total km
Trunk Roads				
Tarmac	2,832.44	901.02	164.98	3,913.77
Gravel Roads	3,069.80	2,485.17	476.73	6,020.65
Sub-total	5,902.24	3,501.64	1178.25	9,934.33
Regional Roads				
Tarmac	293.2	31.93	9.82	327.45
Gravel/Earth Roads	10,408.67	6,320.10	3,353.39	18,629.94

will comprise of modern and adequate number of distribution trucks as well as recruitment and training of qualified sales and marketing personnel.

### 3.4 Marketing & Sales Strategy

The marketing strategy is to present the products as the best and most logical solution to customers' needs. The promoters are positioning the company as the low-cost, highest quality, best value producer and provider of the product and service in the marketplace. The company will use a variety of marketing approaches and materials including brochures, billboards and simple word of mouth.

Sales of the company's products, services will be handled by an internal sales force and independent agents and sales representatives. A telemarketing, advertising firm will be hired to assist with building brand awareness and generating sales leads.

### 3.5 Competition

The company will face competition from large up country firms and smaller firms in the area. These companies specialize in these products and do not provide the same quality / price / convenience / service that the proposed project will offer. The company distinguishes itself from its competitors through its unique selling proposition. Its competitive edge will be its ability to provide the products / services to its customers more economically, faster and of better quality than any of the competitors

### **3 MARKET AND MARKETING**

In this chapter, we look into whether there is a market for the proposed products and how the promoters would approach that market.

#### **3.1 PRODUCTS**

The products which this project will produce for sale are building materials generally termed as concrete forms including Vibrated Building Blocks, Paving Blocks, Concrete Dividers, Culverts, and Concrete Pipes.

#### **3.2 DEMAND**

A company survey has revealed an increasing demand for building materials including Vibrated Building Blocks, Paving Blocks, Concrete Dividers, Culverts, and Concrete Pipes. Their use has been on the increase taking into consideration the growth occurring in construction industry in Tanzania.

#### **3.3 DISTRIBUTION CHANNEL**

The company will involve itself with a product that will be distributed to final consumers either directly (one level channel) or by using only one intermediary who will resale to final consumers (two level channel). It is important for these channels to be adopted because they reduce costs of distribution and avoid several profit margins of distributors, hence making the product price competitive in the market place. However, the company is exploring all sales and distribution avenues that will work to the company's advantage, given the stiff competition anticipated in the market. The company has budgeted for the development of a modern distribution/sales network that

REVENUE PROJECTION					
PRODUCTS	YR 1 USD	YR 2 USD	YR 3 USD	YR 4 USD	YR 5 USD
Building Materials	950,000	997,500	1,047,375	1,099,744	1,154,731
	950,000	997,500	1,047,375	1,099,744	1,154,731

## 2.11 RECOMMENDATIONS

The study shows the establishment by M/s Kibwibwi Investments Limited of production facilities for building materials is both technically and financially a feasible undertaking. Furthermore, it will create local employment for the national benefit. In view of the findings, the project is recommended for implementation.

## 2.10 PROJECT ECONOMICS

### 2.10.1 Capital Investment Requirements

PARTICULAR	LOCAL USD	FOREIGN USD	TOTAL USD
Land and Buildings	125,000	-	125,000
Plant, Machinery & Equipment	168,000	-	168,000
Motor Vehicles	65,000	-	65,000
Furniture & Fittings	5,000	-	5,000
Pre expenses	20,000	-	20,000
Others	20,000	-	20,000
Working Capital	20,000	-	20,000
<b>TOTAL</b>	<b>423,000</b>	<b>-</b>	<b>423,000</b>

### 2.10.2 Expenditure and Profitability

The major expenditure item is the purchase of several raw materials used in the manufacture of various building materials for the project such as aggregate, cement, sand, and water.

Project revenue will accrue from sales of building materials. Total revenue from this project will increase from USD 950,000 in the first year of operation to USD 1,154,731 in the fifth year. This is shown in the following summary.

## 2.8 MANPOWER REQUIREMENTS

The whole project will comprise of a total work force of 27 permanent employees and several part time employees. Maximum employment will be given to the local work force. The plant will be organized into three functions namely:

Production and Technical Services

Marketing

Finance and administration

## 2.9 IMPLEMENTATION

The project is planned to undergo two phases:

**Phase I:** Major activities involved include registration of the project and approvals by the Tanzania Investment Centre (TIC), and mobilization of funds from Sponsors. Other activities include identification of appropriate production technology, sourcing of machinery and equipment, construction of factory buildings, staff recruitment and training of core personnel. A total of six months period is planned for the above activities after completion of this study.

**Phase II:** The second phase will involve full production of various building materials envisaged to start in the second half of year 2012.

## 2.4 QUALITY CONTROL

Quality will be the nucleus of company operations and Kibwibwi Enterprises Limited has resolved not to compromise this crucial aspect at any cost. It expects to incorporate a strict quality management system, which will be responsible for keeping the entire business proceeding under a strict vigil. The range of products will undergo strict quality check at each level. A variety of measures will be taken to ensure that the finished products meet specifications based on international standards. Similarly, sourcing of materials will be done with great care to ensure that the best materials are used in the manufacturing processes for various products.

## 2.5 BYPRODUCTS/WASTE

The by products from various manufacturing processes will be collected and sent out of the factory for proper disposal to ensure that no harm is done to the environment.

## 2.6 PRODUCTION INPUTS

As explained earlier, the basic raw materials used in the manufacture of building materials include aggregate, cement, sand, and water. These are used in the different processes during the manufacturing of the different types of building materials.

## 2.7 LOCATION

The project locations will be at Dundani and Vikiindu Industrial Areas, Mkuranga District, Coast Region. These will be the locations for company manufacturing operations and will have areas large enough to contain all the manufacturing operations, materials storage, and stockyard and office space

### 2.1.5 Concrete Pipes

A reinforced concrete pipe is a composite structure specially designed to use the best features of both concrete and reinforcement. The concrete is designed for the compressive force and the reinforcement for the tensile force. Unless the concrete cracks, the reinforcement is not being used to its design capacity. As more tensile forces are carried by the reinforcement, hairline cracks become visible, but these occur at loads well below the design loading of the reinforced member. Hairline cracks are not an indication of danger, distress, or loss of structural integrity. Concrete pipe is generally designed to carry loads well within the engineered load bearing capacity of a pipeline, and hairline cracks do not occur. If hairline cracks do occur, they tend to seal themselves through a process known as autogenous healing. Autogenous healing is the ability of concrete to repair itself in the presence of moisture. Reinforced concrete pipe, unlike reinforced concrete beams and slabs, are buried where moisture conditions are present for autogenous healing to take place.

## 2.2 MARKET AND MARKETING ASPECTS

The market survey carried out reveals that the current demand for building materials is higher than the local production. There is wide gap between supply and demand and therefore, business opportunity exists for setting up additional manufacturing facilities to satisfy the market requirement.

## 2.3 PROCESS AND TECHNOLOGY

Manufacturing process and technology for the building materials to be produced by Kibwibwi Investments Limited has comprehensively been covered under chapter five of this document.

and driveways to large diameter structures on significant waterways or supporting large water control works. The latter can comprise large engineering projects.

There are three primary materials that culverts are made out of. These are Steel, Concrete, and Polymer (plastic). They can also be built as a hybrid between steel and concrete, for example an open-bottom corrugated steel structure on concrete footings, or a corrugated steel structure with a concrete "collar" around the ends.

Designing a culvert draws on the expertise in several disciplines of civil engineering. The first step of determining an adequate size draws on the hydrologic and hydraulic aspects, while determining its structural adequacy for the intended application draws on geotechnical expertise. For larger culvert sizes, open-bottom culverts, and concrete culverts, structural design becomes a factor as well.

When used to transport water in streams or rivers, the capacity of the culvert(s) is generally lower than the capacity of the river itself. This results in the water overflowing the road surface during heavy flow events. If this is by design, the result is referred to as a low water crossing. When this is unacceptable, the culvert-based crossing must be replaced by a more expensive system such as a bridge. Also, debris and trash that is carried by the water may get stuck in the culvert, decreasing the flow of water even further.

Torrential rains during the wet season place a heavy demand on culverts. A Minimum Energy Loss culvert or waterway is a structure designed with the concept of minimum head loss. The flow in the approach channel is contracted through a streamlined inlet into the barrel where the channel width is minimum, and then it is expanded in a streamlined outlet before being finally released into the downstream natural channel. Both the inlet and outlet must be streamlined to avoid significant form losses. The barrel invert is often lowered to increase the discharge capacity.

It is only necessary to lift the vehicle enough to reduce the friction between the tires and the paved surface. This aids in banking and redirecting the vehicle. If the vehicle is lifted too high into the air, it may yaw, pitch, or roll, which can cause the vehicle to roll over when the wheels come in contact with the ground again. Concrete safety shape barriers should be adjacent to a paved surface so that the wheels cannot dig into the soil and cause the vehicle to overturn.

Modern variations include the Constant Slope Barrier, which has one constant slope from the base to the top, and the F-Shape Barrier. The F-Shape has different angles and is much taller. The F-Shape is thought to be the best current concrete barrier design. It takes its name from a set of tested barriers that were assigned letters as identification. However, the F-Shape was not widely adopted as many jurisdictions were well-satisfied with the original shape, which also met the crash-test criteria. In addition, their contractors did not want to change profiles because they had a considerable investment in the forms required to produce original barriers.

Concrete barriers have been used extensively by forces to fortify road-blocks and public infrastructure, along with modern "T" and "L" barriers, much taller variants.

#### 2.1.4 Culverts

A culvert is a conduit used to enclose a flowing body of water. It may be used to allow water to pass underneath a road, railway, or embankment for example. Culverts can be made of many different materials; steel, polyvinyl chloride (PVC) and concrete are the most common.

Culverts come in many shapes and sizes, including round, elliptical, flat-bottomed, pear-shaped, and box. They vary from the small drainage culverts found on highways

washed clean as soon as it is noted. Sealing also preserves the pavers' natural beauty for years to come.

### 2.1.3 Concrete Divider

Concrete Dividers separate lanes of traffic with a goal of minimizing vehicle crossover in the case of accidents. They have also come into use as a means to keep car bombs away from perceived targets.

Such dividers were originally developed to divide multiple lanes on a highway. A typical barrier stands 3 feet tall and is made of poured concrete. Their widespread use on the highway has led to many other uses as a general barrier, for instance, during general construction projects or constructing temporary walkways.

The design of a divider is specifically intended to minimize damage and reduce the likelihood of a car crossing into oncoming lanes in the event of a collision. For the more common shallow angle hits, the divider is intended to minimize sheet metal damage by allowing the vehicle tires to ride up on the lower sloped face.

For higher impact angles, the divider is actually a multistage barrier. The front bumper impacts the upper sloped face and slides upwards. This interaction initiates lifting of the vehicle. If the bumper is relatively weak, the front end starts to crush before any uplift occurs. Then, as the vehicle becomes more nearly parallel with the barrier, the wheel contacts the lower sloped face. Most of the additional lift of the vehicle is caused by the lower sloped face compressing the front suspension. However, wheel side-scrubbing forces provide some additional lift, particularly if the barrier face is rough. Therefore, exposed aggregate and other rough surface finishes should be avoided. Modern vehicles have relatively short distances between the bumper and the wheel; as a result, bumper contact is followed almost immediately by wheel contact.

### 2.1.2 Paving Blocks

An interlocking concrete paver is a multi-shaped, multi-coloured piece of concrete commonly used in exterior landscaping applications. Interlocking Concrete Paving Stones offer an alternative to plain concrete or asphalt. Installed over a compacted stone sub-base and a leveling bed of sand, concrete paving stones can be used for walkways, patios, pool decks and driveways. Their compressive strength makes concrete paving stones a more durable choice than clay bricks.

Interlocking pavers are available in a wide range of shapes, so one isn't bound to using different sized squares. For instance, a diagonal arrangement of rectangular tiles might create a herringbone pattern. Hexagons fit tightly together, as well.

Instead of connecting the pavers by pouring grout between the joints, as one would with tiles, sand particles are spread over the pavers and tamped down. The sand stabilizes the interlocking pavers, yet allows for some flexibility. In other words, this type of pavement will absorb stress such as small earthquakes, freezes and thaws, and slight ground erosion by shifting each tile slightly. Therefore, they will not crack or buckle like concrete.

The only special tool needed for installing interlocking pavers is a vibrating machine called a tamper. This actually vibrates the tiny spheres of sand until they are at their most compact. The sand doesn't easily wash out with rain or garden hose water. You can opt for an additional sealer, but many interlocking pavers come pre-sealed. A driveway especially benefits from a sealer, as oil and tire marks won't stain. Sealing is meant to protect pavers from the elements such as rain and anything foreign that were to fall on them. It creates an invisible barrier on top of the pavers that repels water, oil, and anything else that might accidentally drop on the driveway or pool deck, so long as it is

concrete foundation and slab with a concrete block wall on the perimeter. Large buildings typically use copious amounts of concrete block; for even larger buildings, concrete block supplements steel I-beams. Tilt-wall construction, however is replacing CBS for some large structures. The holes inside concrete block allow rebar and concrete to run vertically through the block to compensate for the lack of tensile strength. Because most people find the appearance of concrete block to be drab and unattractive, exposed surfaces are generally given a decorative finish of stucco, brick, paint or siding.

When the rebar running vertically through a concrete block wall is anchored, as is usually the case, into the foundation or floor slab before the wall is built, it presents a potential problem in assembling the wall, since every block might need to be lowered from the rebar tops to its resting place in the wall. This problem is solved by using a style of open-ended block whose plan form resembles the letter "H", commonly known as a mortar less head joint or speed block. Speed blocks can be maneuvered between the reinforcing bars and tilted into place; the vertical spaces are then filled with concrete as with ordinary concrete blocks.

Glazing such as that used for pottery can also be applied to concrete masonry units, resulting in a hard, glossy finish on this construction material. This finish often can be made virtually any colour and, with integral water repellents, can be made water-resistant. This makes glazed masonry an ideal fit for areas in which special attention must be paid to moisture issues and sanitation codes. This includes car washes, pools, locker rooms, shower stalls and dining areas such as cafeterias and commercial kitchens.

Cinder blocks differ from concrete blocks in their aggregate content. Cinder blocks are made from coal cinders and Portland cement. Cinder blocks are lighter and, depending on aggregate availability, may be cheaper than concrete blocks of the same size.

## **2. EXECUTIVE SUMMARY**

### **2.1 INTRODUCTION**

The Study examines the possibility of establishing manufacturing facilities for building materials for both industrial and domestic usage. The targeted building materials generally termed as concrete forms include Vibrated Building Blocks, Paving Blocks, Concrete Dividers, Culverts, and Concrete Pipes. A techno-economic evaluation has been carried out to determine the feasibility of project.

#### **2.1.1 Vibrated Building Concrete Blocks**

A concrete block is a large rectangular brick used in construction. Concrete blocks are made from cast concrete, i.e. Portland cement and aggregate, usually sand and fine gravel for high-density blocks. Lower density blocks may be produced by using cinders as an aggregate, and are known as cinder blocks. Concrete blocks that do not contain cinders are often mistakenly called cinder or breeze blocks. Lightweight blocks can also be produced using aerated concrete.

Concrete blocks may be produced with hollow centres to reduce weight or improve insulation and are produced in different sizes. The use of block work allows structures to be built in the traditional masonry style with layers of overlapping blocks. Concrete block, when reinforced with concrete columns and tie beams, is a very common building material for the load-bearing walls of buildings, in what is termed CBS construction for Concrete Block Structure. Suburban houses typically employ a

## 1.6 STUDY LAYOUT

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

Chapter One	-Introduction
Chapter Two	-Executive Summary
Chapter Three	-Market Analysis
Chapter Four	-Construction Sector in Tanzania
Chapter Five	-Production Technology
Chapter Six	-Machinery and Equipment
Chapter Seven	-Production Inputs
Chapter Eight	-Manpower and Plant Organization
Chapter Nine	-Investment and Financing
Chapter Ten	-Operating Costs
Chapter Eleven	-Financial Analysis
Chapter Twelve	-Economic Benefits
Chapter Thirteen	-Conclusion and Recommendations

#### 1.4 PROJECT PROMOTERS

The following sponsors are promoting the proposed building materials manufacturing project. Directors (shareholders) are namely:

S/NO	NAME OF SHAREHOLDER	NATIONALITY	NUMBER OF SHARES
1.	Jafari Mohamed Kiwope	Tanzanian	150
2.	Mustapher Jafari Mohamed	Tanzanian	100
3.	Jerry Jafari Mohamed	Tanzanian	100
4.	Kiwope Jafari Mohamed	Tanzanian	100
5.	Zeth Jafari Mohamed	Tanzanian	100
6.	Halima Abdalla Ally	Tanzanian	150

#### 1.5 ECONOMIC BENEFITS

The promoters' mission is to contribute maximum benefits to the society and economy at large. They will create a good livelihood for their employees and their families. They will have strong tax generation capabilities as their enterprise believes that, if there is more National Development & Government spending, then there will be even a bigger market for their products. This in turn will bring the nation's living and social standards on par with the world at large.

After initial start up and settling well in the market, the company will seek to export to neighbouring countries and further promote tax generation and make the industry competitive in East Africa

Founders of Kibwibwi Investments Limited have enjoyed a proud history and the future looks even brighter for the proposed project establishment. The following are reasons why one should select the company's products

- Strong Foundations:

A strict code of professionalism, quality and service will place the company at the top of other building materials manufacturers, and its reputation will be steadily extended through the obvious satisfaction of customers.

- Strong On Quality:

The company will manufacture building materials generally known as concrete forms. Its range of products will be of superb quality. The factory will maintain high quality standards certified to universally recognized criteria.

## 1.2 MISSION STATEMENT

Kibwibwi Investments Limited is entering in the building materials sub sector as an innovative, creative, conservative and aggressive provider of retail and wholesale products and services to the building and construction industry. The company looks forward to offering unparalleled quality service and value for their products and services. They strongly value integrity, honesty, creativity, etc. and respect their relationships with each other, our customers, and the world at large.

## 1.3 OBJECTIVE OF STUDY

The purpose of this Feasibility Study is to work out the technical and commercial details and the financial viability for the establishment of manufacturing facilities for various building materials.

## **1. INTRODUCTION**

### **1.1 FOREWORD**

This Project Feasibility Study Report sets out proposals by M/s Kibwibwi Investments Limited to establish manufacturing facilities for building materials generally termed as concrete forms including Vibrated Building Blocks, Paving Blocks, Concrete Dividers, Culverts, and Concrete Pipes. The project involves acquisition of state of the art plant, machinery and equipment and development of a modern and well equipped distribution network. Kibwibwi Investments Limited was incorporated on 19<sup>th</sup> January 2012 under Certificate of Incorporation No: 88725.

Recognition of market needs and demands will be the hallmark of the anticipated success in the company's manufacturing operations. The project will be properly developed using leading edge technology to enable Kibwibwi Investments Limited enjoy rapid expansion in all target markets as more and more consumers continue to appreciate the benefits of its products. The company will develop the capability to produce products to suit its target market.

It is expected that innovative design and consistency in the manufacturing process will earn the company's products an international reputation for excellence. Development of specialised technology is expected to contribute in positioning the company as leader in building materials manufacturing. All operations will have latest international standard accreditation, reassuring customers of products designed to meet their needs and produced to consistently high quality standards.

## 9.0 INVESTMENT AND FINANCING

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9.2 Summary of Capital Costs

9.3 Building and Civil Works Costs

9.4 Plant, Machinery and Equipment Costs

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9.6 Pre-Production Expenditure

9.7 Initial Working Capital

9.8 Financing Pattern

## 10.0 COST OF OPERATIONS

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10.2 Vehicles Running Expenses

10.3 Salaries and Wages

10.4 Marketing

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## 11.0 FINANCIAL ANALYSIS

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11.2 Net Income Statement Highlights

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## 12.0 ECONOMIC BENEFITS

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## 13.0 CONCLUSION AND RECOMMENDATIONS

13.1 Conclusion

13.2 Recommendations

#### 4.0 CONSTRUCTION SECTOR IN TANZANIA

##### 4.1 Growth

##### 4.2 Road Network

##### 4.3 Roads and Bridges Maintenance

##### 4.4 Road Fund Board

##### 4.5 Contractors Registration Board

##### 4.6 Engineers Registration Board

##### 4.7 Architects and Quantity Surveyors Registration Board

##### 4.8 The National Buildings Council

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#### 5.0 PRODUCTION PROCESS AND TECHNOLOGY

##### 5.1 Basic Production Process

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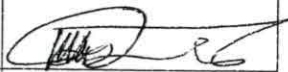

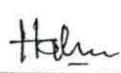
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**KIBWIBWI  
INVESTMENTS  
LIMITED**


**PROPOSED PROJECT FOR MANUFACTURING  
BUILDING MATERIALS  
BUSINESS PLAN**



Name, Postal, Address, Description of each Subscriber	NUMBER OF SHARES TAKEN BY EACH	SIGNATURE OF EACH SUBSCRIBER
JAFARI MOHAMED KIWOPE P.O.BOX 77679 DAR ES SALAAM	150	
MUSTAPHER JAFARI MOHAMED P.O.BOX 77679 DAR ES SALAAM	100	
JERRY JAFARI MOHAMED P.O.BOX 77679 DAR ES SALAAM	100	
KIWOPE JAFARI MOHAMED P.O.BOX 77679 DAR ES SALAAM	100	
ZETH JAFARI MOHAMED P.O.BOX 77679 DAR ES SALAAM	100	
HALIMA ABDALLA ALLY P.O.BOX 77679 DAR ES SALAAM	150	

Dated this 16<sup>th</sup> day of January, 2012

WITNESS to the above signatures:

Signature: 

Postal Address: BOX 15865 DSM

Qualification: .....



120. 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 Companies Act, 2002 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 decision shall be carried out as between the members or different classes of members. The Liquidator may, with sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the contributors 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

121. Subject to the provisions of the Companies Act, 2002 every director, managing director, agent, auditor, secretary and other officer for the time being of the Company shall be indemnified against any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted

114. Auditors shall be appointed and their duties regulated in accordance with the Companies Act, 2002 or any statutory modification thereof for the time being in force.

#### NOTICES

115. 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 a registered address in Tanzania), to the address, if any, within Tanzania supplied by him to the Company for the giving of notices to him. Where a notice is sent by post, service of the notice shall be deemed affected by properly addressing, prepaying and posting a letter containing the notice and, unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.
116. If a member has no registered address in Tanzania and has not supplied to the Company an address within The Republic of Tanzania for the giving of notices to him, a notice addressed to him, and displayed in the registered office of the company, shall be deemed to be duly given on the day on which it is so displayed.
117. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder named first in the register in respect of the share.
118. 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 trustees of the bankrupt, or by any like description, at the address, if any, in the United Republic of 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.
119. Notice of any general meeting shall be given in the same manner hereinbefore authorized to
- a. Every member of the Company except those members who (having no registered address within the United Republic of Tanzania) have not supplied to the Company an address within The United Republic of Tanzania for the giving of notices to them;
  - b. Every person entitled to share in consequence of death or bankruptcy of a member, who, but for his death or bankruptcy, would be entitled to receive notice of the meeting; and
  - c. The auditors for the time being of the company. No other person shall be entitled to receive notices of general meetings.

#### WINDING UP

to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheet, group accounts (if any) and reports as are referred to in those sections.

111. A copy of every balance sheet (including every document required by the law to be annexed thereto) which is to be laid before the Company in General meeting before the date of the meeting together either a copy of the auditors report, shall not less than twenty one days be sent to every member of, and every holder of debentures of, the Company and to every person as stipulated in accordance with the Companies Act, 2002. Provided that the Act shall not require a copy of those documents to be sent to any member of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

### CAPITALISATION OF PROFITS

112. The Company in general meeting may upon the recommendation of the directors resolve that the desire 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 to be distributed by law 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 unused 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 capital redemption reserve fund may, for the purpose of this regulation, only be applied in the paying up of unused shares to be issued to members of the Company as fully paid bonus shares.
113. Whenever such 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 issue of fully paid up shares or debentures, if any, and generally shall do all acts and things 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 as they think fit for the case of share of debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any other 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 or their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised or the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effectively and binding on all such members.

103. No dividends shall be paid otherwise than out of profits.
104. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid on the shares, but if and so long as nothing is paid up on any of shares in the Company dividends may be declared and paid according to the amount of the shares. No amount paid on a share in advance of call shall, while carrying interest, be treated for purpose of this article as paid on the share.
105. 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 meeting contingencies, or for equalising dividends, or for any other 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.
106. If several persons are registered as joint holders of any share any one of them may give effectual receipts for any dividends payable on the share. No dividend shall bear interest against the Company.

#### ACCOUNTS

107. The directors shall cause proper books of accounts to be kept with respect to: All sums of money received and expended by the Company, and the matters in respect of which the receipt and expenditure takes place. All sales and purchases of goods by the Company; and the assets and liabilities of the Company. Proper books of account mean such books as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.
108. The books of accounts shall be kept at the registered office of the Company, or at such other place or places as the directors think fit, and shall always be open to the inspection of the directors.
109. 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.
110. The directors shall from time to time in accordance with the Companies Act, 2002 or any statutory modification thereof for the time being in force, cause

or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed to be a director.

96. A resolution determined on without any meeting of directors and evidenced by writing under the hands of all directors, or sole director, or of all members of a committee, or of sole member of a committee, shall be as valid and effectual as a resolution duly passed at meeting of the directors or of such committee.

#### **SECRETARY**

97. 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.

98. No person shall be appointed or hold office as a 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; or
- c. the sole director of a corporation which is the sole director of the Company

99. A provision of the Companies Act, 2002 or these regulations 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**

100. 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 or of a committee of the directors authorised by the directors in that behalf, and every instrument to which the Seal is affixed by Secretary or by a second director or by some other person appointed by the directors for the purpose but so that the directors may by resolution determine, either generally or in any particular case, that the signature of any director may be affixed by some mechanical means to be specified in such resolution, provided that the use of such means is by such resolution restricted to certificates which have first been approved for sealing by the Auditors, Transfer Auditors, Transfer Agents or Bankers of the Company in writing.

#### **DIVIDENDS AND RESERVE**

101. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the directors.

102. 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.

shareholder in respect of such contract and retain for his own use profits made by him under any such contract; provided always that unless he be at the time sole director he must disclose his interest to his co-directors before the contract is entered into by the directors, and if he be at the time sole director, the contract must be entered into by the Company in general meeting, and before the contract is entered into, the director or directors must disclose his or their interest to the meeting.

#### PROCEEDINGS OF DIRECTORS

88. The directors may meet together for the dispatch of, 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 any 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.
89. 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.
90. The continuing directors may act notwithstanding any vacancy in the body, but, if and so long as their number is reduced below the number fixed by or pursuant to these articles as the quorum of directors, the continuing director may act for the purpose of increasing the number of directors to that number, or summoning a general meeting of the Company, but for no other purpose.
91. The Directors may elect a chairman of their general meeting and determine the period for 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 their meeting.
92. The directors may delegate any of their powers to committees consisting of such members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegate conform to any regulation that may be imposed on them by the directors.
93. A committee may elect a chairman of their meeting; 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 any of their number to be chairman of the meeting.
94. A committee may meet and adjourn as they think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case if an equality of votes the chairman shall have a second or casting vote.
95. All acts done by any meeting of the directors or of a committee of directors, or any person acting as a director, shall, notwithstanding that it afterwards discovered that there was some effect in the appointment of any such directors

the Company in general meeting resolves that his tenure of the office of managing director or manager be determined.

83. The directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property, uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt liability or obligation of the Company or of any third party.
84. The directors shall duly comply with the provisions of the Companies Act, 2002 or any statutory modification thereof for the time being in force, and in particular with the provisions in regard to registration of the particulars of mortgages and charges affecting the property of the Company, or created by it, and to keeping a register of the directors and secretaries, and to sending to the Registrar of Companies an annual list of members, and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital, or conversion of shares into stock, and copies of special and extraordinary resolutions, and a copy of the register of directors and notification of any changes therein.
85. The directors shall cause minutes to be made in the 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.

#### DISQUALIFICATION OF DIRECTORS

86. The Office of any director shall be vacated, if the director
- a. Resigns his office by notice in writing to the Company; or
  - b. Becomes bankrupt in this Territory or in any other territory which is declared to be a reciprocating territory under section 147 of the bankruptcy Ordinance; or
  - c. Is found lunatic or becomes of unsound mind; or
  - d. Is punished with imprisonment for a term exceeding six months without the option of fine; or
  - e. Is requested in writing by all his co-directors to resign.
87. Any director of any Company or firm of which a director is a member, may enter into contracts with the Company and any director may vote as a director or

- a. In addition to their usual remuneration the directors shall also be paid such travelling, hotel and other expenses as may reasonably be incurred by them in the exercise of their duties, including any such expenses incurred in connection with their attendance at meetings of directors.

78. Any director may in writing appoint any person, who is approved by the majority of the directors, to be his alternate to act in his place at any meeting of the directors to which he is unable to be present. Every such alternate shall be entitled to notice of meetings of the directors and to attend and vote thereat as a director when the person appointing him is not personally present, and where he is a director, to have a separate vote on behalf of the director he is representing in addition to his own vote. A director may at any time in writing revoke the appointment of an alternate appointed by him. Every such alternate shall be an officer of the Company and shall not be deemed to be the agent of the director appointing him. The remuneration of such alternate shall be payable out of the remuneration payable to the director appointing him, and the proportion thereof shall be agreed between them. An alternate director need not hold any share qualification.

79. A director and alternate director shall not require a share qualification but nevertheless shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company.

80. The Company may by extraordinary resolution remove any director before the expiration of his period of office, and may by an ordinary resolution appoint another person in his stead. A vacancy occurring in the board of directors may be filled up by the Company by an ordinary resolution.

#### **POWERS AND DUTIES OF DIRECTORS**

81. The business of the Company shall be managed by the directors, who may pay all expenses incurred in forming and registering the Company, and may exercise all such powers of the Company as are not, by the Companies Act, 2002 or any statutory modification thereof, for the time being in force, or by these articles, required to be exercised by the Company in general meeting, subject nevertheless to the provisions of these articles and of the said Act, and the exercise of such powers shall be subject to control of any general meeting of the Company specially convened for the purpose, but no resolution of the Company in general meeting shall invalidate any prior act of the directors which would have been valid if that resolution had not been passed.

82. The directors may from time to time appoint one or more of their body to the office of managing director or manager for such term and at such remuneration (whether by way of salary, or commission, or participation in profits, or partly in one way and partially in another) as they may think fit. The office of managing director shall be subject to determination ipso facto if he ceases from any cause to be a director, or if

attorney so authorised. A member shall not be entitled to appoint more than one proxy to attend on the same occasion nor may a proxy vote except on a poll.

72. The instrument appointing proxy and the power of attorney or other authority, if any, under which it is signed or a naturally certified copy of that power or authority shall be deposited at the registered office of the Company not less than forty-eight hours before the time for holding the meeting, or adjourned meeting, or taking of the poll at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

73. An instrument appointing a proxy may be in the following form, or in any other form which the directors shall approve:-

..... Limited

"I .....of..... being a member of the  
.....Limited hereby appoint.....  
of,..... to act as my proxy to vote for me and on my behalf at the  
ordinary (or extraordinary, as the case may be) general meeting of the Company to  
be held on the .....day of .....and at any adjourned  
meeting thereof.

Signed this .....day of..... 200....

Signature of Member

74. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company and the person so authorised 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

75. The first directors shall be not less than two in number and shall be appointed by the subscribers to the Memorandum of Association and not more than twelve.

76. The names of the first directors of the Company are as herein below

1. JAFARI MOHAMED KIWOPE

2. MUSTAPHER JAFARI MOHAMED

77. The remuneration of the directors shall from time to time be determined by the Company in general meeting.

61. If a poll is duly demanded it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be a resolution of the meeting at which the poll was demanded.
62. In the case of an equality of votes, whether on a show of hands, or on a poll, the chairman of the meeting at which the show of hands takes place, or at which the poll is demanded shall be entitled to a second or casting vote.
63. A poll demanded on the election of a chairman, or in a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs.
64. Any ordinary resolution of the company determined on without any general meeting and evidenced by writing under the hands of all the directors or a sole director and of members of the company holding three-fourths of the issued shares of the company shall be as valid and effectual as an ordinary resolution duly passed at a general meeting of the company duly convened and held.

#### VOTES OF MEMBERS

65. On a show of hands every member present in person shall have one vote. On a poll every member shall have one vote for each share of which he is the holder.
66. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of members.
67. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, a curator bonus, or other person in the nature of a committee or curator bonus appointed by that court, and any such committee, curator boons, or other person may on a poll, vote by proxy.
68. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
69. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.
70. On a poll votes may be given either personally or by proxy.
71. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, either under the common seal, or under the hand of an officer or

that meeting may be convened by such shorter notice and in such manner as those members may think fit.

53. The accidental omission to give notice to, or the non-receipt of notice of a meeting by, any member shall not invalidate the proceedings at any meetings.
54. All business shall be deemed special that is transacted at an extraordinary general meeting, and all that is transacted at an annual general meeting, with the exception of sanctioning a dividend, the consideration of the accounts and balance sheet and the ordinary report of the directors and auditors, the election of directors in the place of those retiring by rotation, and the appointment and fixing - of the remuneration of the directors.
55. 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; same as herein otherwise provided two members personally present shall be a quorum.
56. 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; and any other case it shall stand adjourned to the same day in the next week, at the same time and place, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the meeting shall be dissolved.
57. The chairman, if any, of the board of directors shall preside as chairman at every general meeting of the Company.
58. If there is no such chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the members present shall choose someone of their number to be chairman.
59. 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 any original meeting. Save as aforesaid it shall not be necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting.
60. 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 by at least one member entitled to vote present in person or by proxy; and unless a poll is so demanded, a declaration by the chairman that the resolution has, on a show of hands, been carried or carried unanimously, or by particular majority, or lost, and an entry to that effect in the minute book shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against the resolution.

resolution:-d. Reduce its share capital and any capital redemption reserve fund in any manner and with, and subject to, any incident authorized, and consent, required, by law.

#### **MODIFICATION OF RIGHTS**

48. Subject to the provisions of the Act if at any time the capital of the Company is divided into different classes of shares, the rights or privileges for the time being attached to any class of shares may (notwithstanding that the Company may be or be about to be in liquidation) be varied or abrogated with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class. To any such separate general meeting all the provisions of these Articles relating to General Meetings shall apply provided always that the necessary quorum at any such meeting other than an adjourned meeting shall be two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class in question and at an adjourned meeting one person holding shares of the class in question or his proxy and provided that any holder of shares of the class in question present in person or proxy may demand a poll.

#### **GENERAL MEETINGS**

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

50. All general meeting other than the annual general meeting shall be called extraordinary general meetings.

51. 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 the Companies Act, 2002. If at any time there are not within the United Republic of Tanzania sufficient directors capable of acting to form a quorum, any director or any one member of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.

#### **PROCEEDINGS AT GENERAL MEETINGS**

52. An annual general meeting and a meeting called for the passing of special resolution shall be called by twenty-one days' notice in writing at the least, and all other meetings by fourteen days' notice in writing at least. Such 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 meeting and, in case of special business, the general nature of the business shall be given in the 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 those articles, entitled to receive such notices from the Company; but with the consent of all the members entitled to receive notice of some particular meeting,

42. A statutory declaration in writing that declarant is a director of the Company, and that a share in the Company has been duty forfeited or expropriated 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, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture or expropriation, sale or disposal of the share.

43. The provisions of these articles as to forfeiture shall apply in the case of non-payment of any sum which, by terms of issue of share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### ALTERATION OF CAPITAL

44. 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.

45. Subject to any direction to the contrary that may be given by the resolution sanctioning the increase of share capital, all new shares shall before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, 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 limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration to that time, or on receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the directors may dispose of the same in such manner as they think most beneficial to the Company. The directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares cannot, in the opinion of the director, be conveniently offered under this article.

46. The new shares shall be subject to the same provisions with reference to payment of calls, lien, transfer, transmission, forfeiture, expropriation, and otherwise as the shares in the original share capital.

47. 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 shares of smaller amount than is fixed by the memorandum of association subject, nevertheless, to the provisions of the Companies Act, 2002.
- 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; and may by special

said twenty-one days, transfer the shares not sold to any person (subject to article 17) and at any price.

#### FORFEITURE OF SHARES AND EXPROPRIATION OF SMALL HOLDINGS

36. If a member fails to pay any call or installment of a call, on the day appointed for payment thereof, the directors may at any time thereafter during such time as any part of such call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
37. The notice shall name a further day (not earlier than the expiration of fourteen days from the date 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.
38. If the requirements of any such notice 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 and such forfeiture shall extend to any dividends in respect of any share so forfeited not actually paid at the date of the said notice.
39. 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.
40. A person whose shares have been forfeited shall ceased 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 the forfeiture, were presently payable by him to the Company in respect of the shares, but his liability shall cease if and when the Company receive payment in the full of the nominal amount of the shares.
41. The holders for the time being of four-fifths of the issued shares in the Company shall be entitled at any time to purchase ex dividend all or any of the shares held by any member of the Company at a price equal to the sum paid up thereon and upon the tender of that price by the holders of four-fifths of the issued shares to any other member for the shares held by him that member shall execute transfer of the shares to the members by whom the tender is made or their nominees in such shares and proportions as they shall direct. If the member to whom the tender is made neglects or refuses to accept the sum tendered or to execute transfers of the shares the Company may on proof of his neglect or refusal accept and give a good discharge for the moneys tendered on behalf of the member to whom the same shall have been tendered, and the provisions of article 23 shall apply to the execution of transfer of the shares and the registration of the members by whom the tender was made or their nominees as owners of the said shares.

twenty-one days from the service of such notice, the retiring member shall at any time within six months thereafter be at liberty, subject to Article 30, to sell and transfer the shares comprised in his sale notice (or such of them as shall not have been sold to a purchasing member) to any person and at any price.

29. The Directors may, in their absolute discretion and without assigning any reason therefore, decline to register any transfer of any share whether or not it is a fully paid share, but such right of refusal shall not be exercisable in the case of any transfer made pursuant to Article 27.
30. If the Directors refuse to register a transfer of any shares they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal, as required by the Act.
31. The personal representatives of a deceased sole holder of share shall be the only persons recognized by the Company as having any title to the share. In the case of share registers in the names of two or more holders, the survivors or survivor, or the personal representatives of the deceased survivor, shall be the only persons recognized by the Company as having any title to the share.
32. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member shall, upon such evidence being produced as may from time to time be required by the directors have the right, either to be registered as a member in respect of the share or, instead of being registered himself, to make such transfer of share as the deceased or bankrupt person could have made; 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 transfer of the share by the deceased or bankrupt person before the death or bankruptcy.
33. Every member or other person referred to in article 26 hereof who intends to transfer share (hereinafter called the vendor) shall give notice in writing to the board of his intention. The notice shall constitute the board, his agent for the sale of the said shares in one or more lots at the discretion of the board to members of the Company at a price to be agreed upon by the vendor and the board, and in default of agreement, at a price which the auditor of the Company for the time being shall certify, by writing under his hand, to be in his opinion, the fair selling value thereof as between a willing vendor and a willing purchaser.
34. Upon the price being fixed as aforesaid the board shall forthwith give notice to all the members of the Company other than holders of employees' shares of the number and price of the shares to be sold and invite each of them to state in writing within twenty-one days from the date of the said notice whether he is willing to purchase any, and if so, what maximum number, of the said shares.
35. In the event of the whole of the said shares not being purchased under article 28 the vendor may at any time within six calendar months after the expiration of the

- b. Forthwith upon receipt by the Company of any sale notice the Company shall direct the Auditors for the time being of the Company to certify the fair value of the shares comprised in such sale notice in accordance with sub-paragraph (4) hereof.
- c. The fair value of the shares for the purposes of this Article shall be such price as shall be certified in writing by the Auditors of the Company for the time being as being, in their opinion, the fair value of the said shares and in so certifying the Auditors shall pay no regard as to whether the shares comprised in such sale notice form part of a majority or minority holding in the Company. In carrying out the obligations created by this Article the Auditors shall be considered to be acting as experts and not as arbitrators, and in so determining the fair value of the shares their decision shall be final and binding.
- d. If the Directors within twenty-eight days after the receipt by the Company of the certificate of the Auditors of the fair value of the shares specified in the sale notice find a member willing to purchase any share comprised therein (hereinafter described as a "purchasing member") and shall give notice thereof to the retiring member, the retiring member shall be bound upon payment of the fair value to transfer the share to such purchasing member. The Directors shall, with a view to finding a purchasing member, offer any shares comprised in the Company as nearly as may be in the proportion to their holdings of shares in the Company, and shall limit a time within which such offer if not accepted will be deemed to have been declined; and the Directors shall make such arrangements as regards the finding of a purchasing member for any shares not accepted by a member to whom they shall have been so offered as aforesaid within the time so limited as they shall think just and reasonable.
- e. In the event of the retiring member failing to carry out the sale of any shares which he shall have become bound to transfer as aforesaid, the Directors may authorize some person to execute a transfer of the shares to the purchasing member and may give a good receipt for the purchase price of such shares, and may register the purchasing member as holder thereof and issue to him a certificate for the same, and thereupon the purchasing member shall become indefeasibly entitled thereto. The retiring member shall in such case be bound to deliver up his certificate for the said purchase price, without interest, and if such certificate shall comprise any shares which he has not become bound to transfer as aforesaid the Company shall issue to him a balance certificate for such shares.
- f. If the Directors shall not, within the space of twenty-eight days after receipt by the Company of the certificate of the Auditors referred to in sub-paragraph (5) above, find a purchasing member for all or any of the shares comprised in the sale notice and give notice to the retiring member in the manner aforesaid, or if, through no default of the retiring member, the purchase of any share in respect of which such last mentioned notice shall be given shall not be completed within

respect of which such advance has been made, the Directors may pay or allow such interest as may be agreed between them and such member, in addition to the dividend payable upon such part of the share in respect of which such advance has been made as is actually called up.

#### TRANSFER AND TRANSMISSION

24. Subject to the restrictions of these Articles, shares shall be transferable, but every transfer must be in writing and must be left at the registered office, accompanied by the certificate of the shares to be transferred and such other evidence (if any) as the Directors may require to prove the title of the intending transferor.
25. The instrument of transfer of a share shall be executed by the transferor and, when the share is not fully paid, by the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof.
26. Any share may be transferred at any time by a member to his or her father or mother, or to any lineal descendant of such father or mother, or to his or her wife or husband; and any share of a deceased member may be transferred by his executors or administrators to the widow or widower of any such relative as aforesaid of such deceased member, being a *cestui que trust* or specific legatee thereof, and shares standing in the name of any deceased member may be transferred to or placed in the names of the executors or trustees of his will, and upon any change of trustees may be transferred to the trustees for the time being of such will. A share may (subject as aforesaid) at any time be transferred to any member of the Company.
27. No share shall in any circumstances be issued or transferred to any infant, bankrupt or person of unsound mind.
28. Save as provided in Article 27, no share shall be transferred to any person who is not a member of the Company so long as any member is willing to purchase the same at the fair value (as hereinafter defined), which shall be determined as hereinafter provided.
  - a. In order to ascertain whether any member is willing to purchase a share at the fair value, the person, whether a member of the Company or not, proposing to transfer the same (hereinafter called "the retiring member") shall give a notice in writing (hereinafter described as a "sale notice") to the Company that he desires to transfer the same. Every sale notice shall specify the number of the shares which the retiring member desires to transfer, and shall constitute the Company the agent of the retiring member for the sale of such shares to any member of the Company at the fair value. No sale notice shall be withdrawn except with the sanction of the Directors.

15. For giving effect to any such sale the directors may authorise some person to transfer the share 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 found to see to the application of the purchaser money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
16. The proceeds of sale shall be applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue shall be held (subject to a like lien for sums not presently payable as existed upon the shares prior to the sale) by the Company on behalf of the person entitled to the shares at the date of the sale.

### CALLS ON SHARES

17. The Directors may, subject to the provisions of these Articles, from time to time make such calls upon the members in respect of all monies unpaid on their shares as they think fit, provided that fourteen days' notice at least is given of each call and each member shall be liable to pay the amount of every call so made upon him to the persons, by the installments (if any) and at the times and places appointed by the Directors.
18. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing such call was passed.
19. The joint holders of a share shall be jointly and severally liable for the payment of all calls and installments in respect thereof.
20. If before or on the day appointed for payment thereof a call or installment payable in respect of a share is not paid, the person from whom the same is due shall pay interest on the amount of the call or installment at such rate not exceeding 20 per cent, per annum as the Directors shall fix from the day appointed for payment thereof to the time of actual payment, but the Directors may waive payment of such interest wholly or in part.
21. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the amount of the share or by way of premium, shall for all purposes of these Articles, be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment the provisions of these Articles as to payment of interest and expenses, forfeiture and the like, and all other relevant provisions of these Articles, shall apply as if such sum were a call duly made and notified as hereby provided.
22. The Directors may, from time to time, make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and in the time of payment of such calls.
23. The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the monies due upon his shares beyond the sums actually called up thereon, and upon the monies so paid in advance, or so much thereof as exceeds the amount for the time being called up on the shares in

9. If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends or other moneys payable in respect of such share.
10. No person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by or required to recognize any equitable, contingent, future or partial interest in any share or any right whatsoever in respect of any share other than an absolute right to the entirety thereof in the registered holder, except as by these Articles otherwise expressly provided or as required by law.
11. Every member shall be entitled, without payment, to receive within two months after allotment or lodgment of transfer (unless the conditions of issue provide for a longer interval) one certificate (under the Company's common seal) or for all the shares registered in his name, specifying the number and (where necessary) denoting numbers of the shares in respect of which it is issued and the amount paid up thereon; Provided that in the case of joint holders the Company shall not be bound to issue more than one certificate to all the joint holders, and delivery of such certificate to any one of them shall be sufficient delivery to all. Every certificate shall be signed by one Director and countersigned by the Secretary or by an assistant or deputy Secretary. Where parts only of the shares comprised in a certificate are transferred, the member transferring shall be entitled without payment to a certificate for the balance thereof.
12. If any share certificate shall be defaced, worn out, destroyed or lost, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company investigating the evidence as the Directors shall require but otherwise free of charge and (in case of defacement or wearing out) on delivery up of the old certificate.

#### LIEN

13. The Company shall have a lien on every share for all moneys (whether present payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a lien on all 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 directors 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.
14. The Company may sell, in such manner as the directors think fit, any shares on which has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiry 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 by reason of his death or bankruptcy to the share.

- b. The shares shall not be transferable except in accordance with the manner prescribed by these Articles.
  - c. The number of members of the company shall be limited to fifty, not including persons who are in the employment of the company and persons who, having been formerly in the employment of the company, were while in that employment, and have continued after the determination of that employment to be, members of the company.
5. The Company may pay to any person a commission in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company: Provided that such commission shall not exceed 10 per cent of the price at which such shares are issued, or an amount equivalent to such percentage.
6. The Directors may
  - a. Subject to Article 47 hereof allot, grant options over or otherwise deal with or dispose of any relevant securities of the Company to such persons and generally on such terms and conditions as the Directors think proper.
7. The general authority conferred by paragraph (a) of this Article shall be conditional upon due compliance with Article 47 hereof and shall extend to the amount of the authorized share capital of the Company upon its incorporation.
8. The Directors shall be entitled under the general authority conferred by paragraph (a) of this Article to make at any time before the expiry of such authority any offer or agreement which will or might require relevant securities of the Company to be allotted after the expiry of such authority.

4. Any branch or kind of **business** which the **Company** is either expressly or by implication authorized to **undertake** may be **undertaken** by the directors at such time or times as they shall **think fit**, and further may be suffered by them to be in abeyance whether such **branch** or kind of **business** may have been actually commenced or not so long as the directors may deem it expedient not to commence or proceed with such branch or kind of **business**.
5. The registered office of the **Company** shall be at such place as the directors shall from time to time appoint.

#### SHARES

1. The initial share capital of the **Company** is Shillings 10,000,000/ = divided into 10,000 shares of Shillings 1,000= each.
2. 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.
3. Subject to the provisions of the Act, any preference shares may, with the sanction of an Ordinary Resolution, be issued on the terms that they are, or at the opinion of the **Company** are liable to be, redeemed on such terms and in such manner as the **Company** before the issue of the shares may by Special Resolution determine.
4. The **Company** is a private company and accordingly:
  - a. No invitation or offer shall be made to the public (whether for cash or otherwise) to subscribe for any shares in or debentures of the **Company**, nor shall the **Company** allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the **Company** with a view to all or any of the those shares or debentures being offered for sale to the public.

TANZANIA

Stamp Duty Shs. 5000/=

PAID ON ORIGINAL



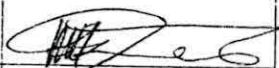

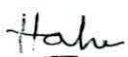
Receipt No. 2168 of 18/01/2012

Stamp Duty Officer

THE COMPANIES ACT, 2002  
COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
OF  
KIBWIBWI INVESTMENTS LIMITED

2500/= 18/01/2012  
2168 of 18/01/2012

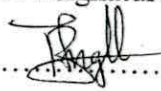
1. The company is registered as a private company and accordingly:
  - a) The right to transfer shares is restricted in the manner hereafter provided.
  - b) The number of members of the Company (exclusive of persons who are in the employment of the Company and of persons who having been formerly in the employment and have continued after determination of such employment to be members of the Company) is limited to fifty. Provided that where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this article be treated as a single person.
  - 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.
2. Table A in the first schedule to the Companies Act, 2002 shall not apply to this Company.
3. In these Articles, unless the context otherwise requires, expressions defined in the Companies Act, 2002 or any statutory modification thereof in force at the date of which these articles become binding on the Company, shall have the meaning so defined; and words importing the singular shall include the plural, and vice versa, and words importing the masculine gender shall include females, and words importing persons shall include bodies corporate.

Name, Postal, Address, Description of each Subscriber	NUMBER OF SHARES TAKEN BY EACH	SIGNATURE OF EACH SUBSCRIBER
JAFARI MOHAMED KIWOPE P.O.BOX 77679 DAR ES SALAAM	150	
MUSTAPHER JAFARI MOHAMED P.O.BOX 77679 DAR ES SALAAM	100	
JERRY JAFARI MOHAMED P.O.BOX 77679 DAR ES SALAAM	100	
KIWOPE JAFARI MOHAMED P.O.BOX 77679 DAR ES SALAAM	100	
ZETH JAFARI MOHAMED P.O.BOX 77679 DAR ES SALAAM	100	
HALIMA ABDALLA ALLY P.O.BOX 77679 DAR ES SALAAM	150	

Dated this 16 day of JANU, 2012

WITNESS to the above signatures:

Signature:.....



Postal Address: .....

Box 15865 DCM

Qualification: .....



- s. To sell or dispose the undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, debentures, or securities, of any other Company licenses to use the same outright or on any terms which may, in the opinion of the Directors, be to the interest of the Company.

AND so that:

1. None of the objects set forth in any sub-clause of this clause shall be restrictively construed but the widest interpretation shall be given to each such object, and none of such objects shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause, or by reference to or inference from the terms of any other sub-clause of this clause, or by reference to or inference from the name of the Company.
2. None of the sub-clauses of this clause and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-clause, and the Company shall have as full a power to exercise each and every one of the objects specified in each sub-clause of this clause as though each such sub-clause contained the objects of a separate Company.

And it is hereby declared that:

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

The object specified in each of the paragraphs of this clause shall be regarded as independent objects, and accordingly shall in no ways be limited or restricted (except where otherwise expressed in such paragraphs) by reference to or inference from the terms of any other paragraph or the name of the Company, save as if each of the said paragraphs defined the objects of a separate and distinct company, and that the meaning of any general word or words in any paragraph of this clause shall not be restricted by being construed ejusdem genericis with any particular word or words in the same paragraph.

4. The Liability of the Members is Limited.
5. The capital of the Company is Shillings 10,000,000/= divided into 10,000 shares of Shillings 1,000/= each. The Company shall have powers to increase its capital and to divide the shares in its capital for the time being into several classes of stock or shares and to attach thereto respectively such preferential, deferred or special rights, privileges, or conditions as may be determined by or in accordance with the Articles of Association of the Company.

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

- above or calculated directly or indirectly to enhance the value of or render more profitable any of the company's property.
- j. To improve, manage, cultivate, develop, exchange, let on lease or otherwise mortgage, charge, sell, dispose of, turn to account, grant rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the company.
  - k. To invest and deal with the moneys of the company not immediately required in such shares or upon such securities and in such manner as may from time to time be determined.
  - l. To draw, make, accept, endorse, discount, execute, and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instruments.
  - m. To deal with business of import and export of goods of whatever nature, deal with production, distribution of pharmaceuticals, to carry on business of publishers, to carry on business of selling, distribution of all products of any description, printers, periodical maps, guides, newspapers sellers, foreign correspondence and advertising agents, to hire, sell, manufacture any type of goods, industrial and agricultural products and inputs. To carry on business of internet cafes and all communication businesses
  - n. To enter into any arrangement with any Government or authorities, supreme, municipal, local, or otherwise, and to obtain from any such government or authority all rights, concessions and privileges that may seem conducive to the objects of the Company or any of them. To take loans, overdraft from banks and financial institutions, other companies, organizations, or any other authority for the purpose carrying better the objects of the company and expand its business.
  - o. To borrow or raise money in such manner as the company shall think fit, and in particular by the issue of debentures or debenture stock (perpetual or otherwise), and to secure the repayment of any money borrowed, raised or owing, by mortgage, charge, or lien upon the whole or any part of the company's property or assets (whether present or future), including its uncalled capital and also by a similar mortgage, charge or lien to secure and guarantee the performance by the company of any obligation or liability it may undertake.
  - p. To subscribe for, purchase or otherwise acquire and hold shares, stocks, debentures and other securities of any other company and to invest and deal with the monies of the Company in any manner.
  - q. To carry on the business of tour operators, travel agents, tourist agents and contractors, insurance forwarding and general agents, aircraft and ship owners, and chatters, agents for operators of air, sea, land and inland waterway carriage undertakings, road transport owners and hires hotel, apartment and lodging - house keepers, caterers and storekeepers publishers of books, periodical and newspaper sellers, advertising agents and generally to facilitate traveling and provide for tourists and travelers.
  - r. To apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Republic of Tanzania or elsewhere any patents, patent rights, brevets d'invention, licenses, secret processes, trademarks, designs, protections and concessions and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licenses or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire.

TANZANIA

Stamp Duty Shs. 5000/=

PAID ON ORIGINAL

Receipt No. 21685 of 18/01/2012

Stamp Duty Office



THE COMPANIES ACT OF 2002

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

KIBWIBWI INVESTMENTS LIMITED

Stamp Duty Shs. 2000/-

Receipt No. 21685 of 18/01/2012



1. The name of the Company is **KIBWIBWI INVESTMENTS LIMITED**
2. The Registered Office of the Company will be situated on the mainland of the **United Republic of Tanzania**.
3. The purpose for which the Company is established is the transaction of any and all lawful business for which companies may be incorporated in Tanzania; and more particularly the Company shall have powers:-
  - a. To deal and engage in business of water sources investigation, drilling dams and generally deals in water supply for home use and engage in agricultural activities. Fumigation, office cleaning.
  - b. To deal and engage in business of dam drilling and dam construction, and dealing with maintaining, repair and keeping proper sewerage system.
  - c. Engage in business of manufacturing, sale and generally deal with all kinds of blocks
  - d. Deal with business of guest house, restaurants tour operators, hotels , entertainment clubs halls.
  - e. To carry on the business of importers, exporters, dealers of hardware, sanitary ware , iron ,aluminium and any other related hardware products.
  - f. To carry on and engage in the business of dealing with all types of hardware systems, consultancy, general hardware, telecommunication, hardware manufacturing and assembling
  - g. To buy sell, import, export, acquire, produce, manufacture, assemble, market, supply, repair, maintain, use and otherwise deal in hardware, security fittings of all kinds, builders hardware, furniture, appliances and effects of any kind.
  - h. To carry on the business as buyers, sellers, importers, exporters, commission agents, manufacturers, manufacturers - representatives, sole agents of foreign firms and companies, repairers and servicers, of office equipments & machines, stationeries, printing materials, papers and periodicals, magazines, books, provisions hardware, sundries, automobile spares parts, machinery parts, agricultural implements and machineries, textiles, garments, produce and also to carry on all kinds of business involving manufacturing.
  - i. To carry on any other business (whether manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on the connection with the

THE COMPANIES ACT OF 2002

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COMPANY LIMITED BY SHARES

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MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

KIBWIBWI INVESTMENT'S LIMITED

(Incorporated the \_\_\_\_ day of \_\_\_\_\_ 2012)

---

JAFARI MOHAMED  
(PROMOTER)  
P.O. BOX 77679,  
DARESSALAAM,

TANZANIA



Certificate of Incorporation

Section 15

No 88725

I HEREBY CERTIFY THAT

**KIBWIBWI INVESTMENTS LIMITED**

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

Given under my hand at Dar es salaam

this 19TH day of JANUARY

**TWO THOUSAND AND TWELVE.**

A handwritten signature in black ink, appearing to be 'J. M. ...'.

Asst. Registrar of Companies

# HALMASHAURI YA WILAYA YA MKURANGA

(Barua zote ziandikwe kwa Mkurugenzi Mtendaji Wilaya)

Simu Na 023 2402738  
Fax Na. 023 - 2402706



S.L.P 10,  
MKURANGA,  
PWANI.

*Unapojibu tafadhali taja:*

Kumb. Na. MDC/L.20/6/VOL.IX/71

21/02/2012

MKURUGENZI MTENDAJI  
KITUO CHA UWEKEZAJI TANZANIA  
(TANZANIA INVESTMENT CENTRE)  
S.L.P. 938  
**DAR ES SALAAM**

## **YAH: UWEKEZAJI WA KAMPUNI YA KIBWIBWI INVESTMENT LIMETED KATIKA VIWANJA VIWILI (ENEO LA VIKINDU NA DUNDANI, WILAYANI MKURANGA**

Rejea somo tajwa hapo juu.

Ofisi ya Mkurugenzi Mtendaji, Halmashauri ya Wilaya ya Mkuranga imepokea barua kutoka kampuni ya **KIBWIBWI INVESTMENTS LIMITED** ya tarehe 07/02/2012.

Katika barua hiyo kampuni hiyo imeiomba ofisi ya Mkurugenzi Mtendaji Wilaya itoe uthibitisho kwako kwamba wanayo ardhi wanayokusudia kuitumia kibiashara.

Kwa barua hii unathibitishiwa kuwa kampuni ya **KIBWIBWI INVESTMENT LIMITED** inyao maeneo mawili, ambapo moja lipo eneo la Vikinu na linguine lipo eneo la Dundani.

Maeneo yote mawili yametengwa kutumika kibiashara.

Kwa upande wa milki ya maeneo hayo, ofisi inaendelea na Mchakato wa upimaji na hatimiliki za maeneo hayo. Zitafuatia kushughulikiwa.

Pamoja na barua hii tumeambatanisha barua ya maombi ya uthibitisho, certificate of Incorporation No. 88725 ya tarehe 19/01/2012, na Memorandum and Articles of Association of Kibwibwi Investments Limited, kwa hatua zako muhimu.

Tunashukuru kwa ushirikiano mzuri.

W.S. MDUMA

**KNY: MKURUGENZI MTENDAJI (W)  
MKURANGA.**

**Nakala:** Mkurugenzi Mtendaji (W)  
S.L.P. 10  
**MKURANGA**

-Aione ndani ya jalada



CRDB BANK PLC  
Head Office: Azikiwe Street,  
P.O. Box 268, Dar es Salaam, Tanzania  
Tel: +255 (0) 22 2117441-7  
Fax: +255 (0) 2116714  
Email: crdb@crdbbank.com  
Website: <http://www.crdbbank.com>

17/02/2012  
CRDB/AZKPRE/CENT/0212  
GENERAL DIRECTOR,  
TANZANIA INVESTMENT CENTRE,  
DAR-ES-SALAAM.

Dear,  
Sir/Madam

**RE: RECOMMENDATION LETTER I.F.O JAFARI .M. KIWOPE.**

This is to confirm that the above mentioned customer is our Premier customer with accounts number 01J1027028500 and 02J1027028500 in the name of JAFARI .M. KIWEPO.

Jafari .M. Kiwope is a signatory and he has been our Premier customer for some years and the operation of his account is satisfactory to our agreement.

Please avail him with all necessary assistance.

Whenever you need any further clarification please consult the undersigned.

Yours sincerely,  
CRDB BANK LIMITED

A handwritten signature in blue ink, appearing to read 'Ed Ngaula'.

Edward Ngaula  
FOR -BRANCH MANAGER


# KIBWIBWI INVESTMENTS LIMITED

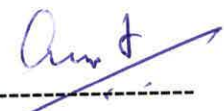
## EXTRACT FROM A MEETING OF THE BOARD OF DIRECTORS AND SHAREHOLDERS OF KIBWIBWI INVESTMENTS LIMITED

At a duly convened and constituted meeting of the board of directors of Kibwibwi Investments Limited held at the registered offices of the company on the 24th day of January 2012, the following resolutions were passed:

1. That the company should establish manufacturing facilities for building materials to be located at Dundani and Vikindu Industrial Areas, Mkuranga District, Coast Region.
2. That funds amounting to US\$ 423,000 be raised through 20% equity contributions as well as 80% bank loan to facilitate implementation of the project.
3. That the project be registered with Tanzania Investment Centre so as to enjoy fully investment incentives, benefits and protection as statutorily provided for under Tanzania Investment Act, 1997.

Certified True Extract  
(By order of the Board)

  
-----  
Chairman

  
-----  
Secretary

(1)

# KIBWIBWI INVESTMENTS LIMITED

P.O Box 77679 Dar es salaam. Tel: +255654408528,+255715131413

Date: 20<sup>th</sup> February 2012

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



Dear Sir,

**RE: APPLICATION FOR TIC CERTIFICATE OF INCENTIVES**

We intend to establish manufacturing facilities for building materials at Dundani and Vikindu Industrial Areas, Mkuranga District, Coast Region. It is due to this reason that we submit our application for TIC Certificate of Incentives to facilitate smooth execution of this project.

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

1. Duly completed and signed Application Form
2. A copy of our Certificate of Incorporation
3. A copy of the company's Memorandum and Articles of Association
4. Company Board Resolution to register with TIC
5. A copy of our Business Plan
6. Evidence of land ownership for location of the project
7. Bank reference letter

Thanking you for your kind cooperation.

Yours' sincerely

**KIBWIBWI INVESTMENTS LIMITED**

A handwritten signature in red ink, appearing to read 'Jafari M. Kiwope'.

Jafari M. Kiwope  
**MANAGING DIRECTOR**





## TIC Evaluation Report

**Name of the Company**  
**Kibwibwi Investments Ltd.**

Post Box	Dundani/Vikindu, Dundani & Vikindu Industrial Area, Mkuranga	COI Number	88725	Contact	Mr. Jafari M. Kiwope
Post Office	77679	COI Date	19/01/2012	Designation	Managing Director
Region	Coastal Region	Application F. No	09878	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0715 131 413 Or 0654 408528
		Sub Sector	Building Materials Manufacturer	Fax	0
		File No	042192	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD			
Plot/Block	Dundani & Vikindu Industrial Area	Foreign Equity	Local Equity	Foreign Loan	Local Loan
Street	Dundani/Vikindu	0	0.085	0	0.338
District	Mkuranga				
Region	Coast (Pwani)				

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.125
Halima A. Ally	Tanzanian	21.4	Plant	0.168
Zeth J. Mohamed	Tanzanian	14.3	Vehicles	0.065
Kiwope J. Mohamed	Tanzanian	14.3	Furniture & Fittings	0.005
Jerry J. Mohamed	Tanzanian	14.3	Pre-expenses	0.02
Mustapher J. Mohamed	Tanzanian	14.3	Others	0.02
Jafari M. Kiwope	Tanzanian	21.4	Working Capital	0.02
			Total	0.423

Employment	27	Evaluated By	wf officer4
Capacity	500,000 units/pa	Drawn By	wf registry2
Project Turn Over		Project Type	Local

### Description

To establish project for building materials manufacturing

### Recommendations

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

*Approved*  AG EXD 07/03/12

TICC/PP.10/042192/3

9<sup>th</sup> March, 2012

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

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

Yours sincerely,  
**TANZANIA INVESTMENT CENTRE**



B.D. Chonjo

**For: EXECUTIVE DIRECTOR**

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

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

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

TICC/PP.10/042192/3

9<sup>th</sup> March, 2012

Managing Director,  
Kibwibwi Investment Ltd,  
P.O. Box 77679,  
**DAR ES SALAAM**

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE  
ESTABLISHMENT OF PROJECT TO MANUFACTURE BUILDING  
MATERIALS**

We wish to acknowledge receipt of your project proposal to establish a project for manufacturing building materials as presented in the TIC P.A. 1 Form No. 09878 and Feasibility Study with a projected investment of USD 0.423m.

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

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

.../2



# TANZANIA INVESTMENT CENTRE

St. Julian Road Street, P.O. Box 988, Dar es Salaam, Tel: (255) 22 211228 3, Fax: (255) 22 211283

RECEIVED

15 MAR 2015

Tanzania Investment Centre  
For Executive Director

15 MAR 2015

Receiving Office

Chief Executive

Date:

Product:

and 24 items in receipt of

Received the sum of (in words)

And 988

Received from

15-23



4

# TANZANIA INVESTMENT CENTRE

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

RECEIPT REC006450

No. 001193

Received from : KIBWIBWI INVESTMENT LTD

Address P.O. Box 77679 DSM

Received the sum of (In words): SEVEN HUNDRED FIFTY AND ZERO CENTS ONLY

1 2 MAR 2012

*For Executive Director  
Tanzania Investment Centre*

Being payment in respect of : CERTIFICATE OF INCENTIVES FEES

Amount : USD 750.00

Cash / Cheque No: D/dep 1113

Date : 12-Mar-2012

TANZANIA INVESTMENT CENTRE  
1 2 MAR 2012

J Simba

Receiving Officer

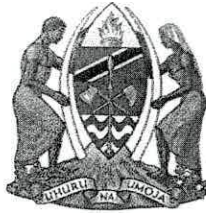
This Certificate is issued in accordance with the provisions of Section 17 of the Tanzania Investment Act, 1997 and subject to the conditions prescribed under item 14 and 15 hereafter:—

1. Shareholders
 

Shareholders	Nationality	Shareholding (%)
Halima A. Ally	Tanzanian	21.4
Zeth J. Mohamed	Tanzanian	14.3
Kiwope J. Mohamed	Tanzanian	14.3
Jerry J. Mohamed	Tanzanian	14.3
Mustapher J. Mohamed	Tanzanian	14.3
Jafari M. Kiwope	Tanzanian	21.4
2. Proposed Activities : To establish project for building materials manufacturing
3. Sector: Manufacturing Subsector: Building Materials Manufacturer
4. Investment cost: Foreign - Local USD 0.423m. Total USD 0.423m.
5. Project Financing: Equity USD 0.085m. Loans USD 0.338m. Total USD 0.423m.
6. Source, terms and conditions of loan.....
7. Assets to be invested:
 

Capital items:	Foreign	Local	Total
	<u>-</u>	<u>USD 0.423m.</u>	<u>USD 0.423m.</u>
8. Technology Agreement None
9. Date of TIC Registration: 9th March 2012
10. Implementation period March 2012 - February 2015
11. Operative date March 2015
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
  - (i) Applicable Import Duty And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997
  - (ii) Applicable with-holding Tax As per Income Tax Act, 2004 (as amended)
  - (iii) Eligibility of Capital Allowances As per Income Tax Act, 2004 (as amended)
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
  - (i) Date of Commencement of investment has to be notified to the Centre.
  - (ii) Certificate not to be transferred, assigned or amended
  - (iii) Failure to commence implementation within two years invalidates Certificate
  - (iv) Failure to operate investment must be notified to the Centre
  - (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre
15. Additional conditions attached to Certificate  
Finished goods are not allowed under this Certificate

Signed  Ag. Executive Director



00218564

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042192

**This is to certify that**

KIBWIBWI INVESTMENTS LIMITED

of address P.O. BOX 77679

DAR ES SALAAM

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

KIBWIBWI INVESTMENTS LIMITED

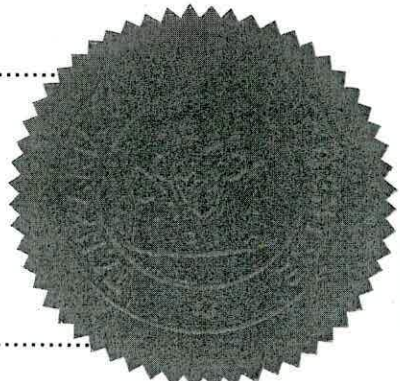
Which is located at DUNDANI & VIKINDU INDUSTRIAL AREA

DUNDANI/VIKINDU, MKURANGA, COAST (PWANI)

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

Ag. Executive Director

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



Dated 15TH MARCH 2012



CTIN: 1518518

ISO 9001:2008 Certified



# TANZANIA REVENUE AUTHORITY

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

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

### THIS IS TO CERTIFY THAT

KIBWIBWI INVESTMENTS LIMITED

.....

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

116-484-838

.....

with effect from 23-02-2012

.....



P. N. Kassera

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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

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


1. Shareholders
 

Shareholders	Nationality	Shareholding (%)
Halima A. Ally	Tanzanian	21.4
Zeth J. Mohamed	Tanzanian	14.3
Kiwope J. Mohamed	Tanzanian	14.3
Jerry J. Mohamed	Tanzanian	14.3
Mustapher J. Mohamed	Tanzanian	14.3
Jafari M. Kiwope	Tanzanian	21.4
2. Proposed Activities : To establish project for building materials manufacturing
3. Sector: Manufacturing Subsector Building Materials Manufacturer
4. Investment cost: Foreign - Local USD 0.423m. Total USD 0.423m.
5. Project Financing:
 

Equity	<u>USD 0.085m.</u>	Loans	<u>USD 0.338m.</u>	Total	<u>USD 0.423m.</u>
--------	--------------------	-------	--------------------	-------	--------------------
6. Source, terms and conditions of loan.....
7. Assets to be invested:
 

Capital items:	Foreign	Local	Total
	<u>-</u>	<u>USD 0.423m.</u>	<u>USD 0.423m.</u>
8. Technology Agreement ..... None
9. Date of TIC Registration: ..... 9th March 2012
10. Implementation period ..... March 2012 - February 2015
11. Operative date..... March 2015
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
  - (i) Applicable Import Duty And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997
  - (ii) Applicable with-holding Tax ..... As per Income Tax Act, 2004 (as amended)
  - (iii) Eligibility of Capital Allowances ..... As per Income Tax Act, 2004 (as amended)
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
  - (i) Date of Commencement of investment has to be notified to the Centre.
  - (ii) Certificate not to be transferred, assigned or amended
  - (iii) Failure to commence implementation within two years invalidates Certificate
  - (iv) Failure to operate investment must be notified to the Centre
  - (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre
15. Additional conditions attached to Certificate
 

Finished goods are not allowed under this Certificate

Signed   
Ag. Executive Director

Signature of the Director  
of the Investment Centre  
19/3/2012



00218564

For Executive Director THE UNITED REPUBLIC OF TANZANIA  
Tanzania Investment Centre

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042192

This is to certify that

KIBWIBWI INVESTMENTS LIMITED

of address P.O. BOX 77679

DAR ES SALAAM

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

KIBWIBWI INVESTMENTS LIMITED

Which is located at DUNDANI & VIKINDU INDUSTRIAL AREA

DUNDANI/VIKINDU, MKURANGA, COAST (PWANI)

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

Ag. Executive Director

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

Dated 15TH MARCH 2012



TIC

# KIBWIBWI INVESTMENTS LIMITED

P.O. BOX 77679 DAR ES SALAAM - TANZANIA

TEL: +255 715 131413 / +255 683 605404

E-mail: kibwibwi@hotmail.com

5

19<sup>th</sup> March 2012

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

UFS  
EXECUTIVE DIRECTOR,  
TANZANIA INVESTMENT CENTRE,  
P.O. BOX 938  
**DAR ES SALAAM**



Dear Sir,

RE: DUTY/ VAT EXEMPTION ON THE CAPITAL/ DEEMED CAPITAL  
GOODS – CERTIFICATE OF INCENTIVES NO: 042192

We are TIC approved project with Certificate of Incentives No; 042192 which is valid up to March 2015.

We have been registered with objectives of establishing a project for manufacturing building materials.

Attached herewith please find a list of Capital/ deemed Capital Goods and TIN for Duty/ VAT exemption approval.

Yours sincerely

  
.....  
Jafari Mohamed Kiwope  
MANAGING DIRECTOR



**TICC/PP.10/042192/6**

**28/03/2012**

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

Dear Sir,

**RE: DUTY/ VAT REMISSIONS ON CAPITAL/ DEEMED CAPITAL  
GOODS – CERTIFICATE OF INCENTIVES No: 042192**

**M/S Kibwibwi Investments Limited** is a TIC registered company with certificate of incentives **No. 042192** which is valid up to **February 2015**

The company has been registered with objectives of establishing a project for building materials manufacturing.

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

Yours sincerely

**TANZANIA INVESTMENT CENTRE**



Revocatus Arbogast

**FOR: EXECUTIVE DIRECTOR**





## **TANZANIA REVENUE AUTHORITY**

TRA/CE/C/P.20/08/2090

16<sup>th</sup> April, 2012

Managing Director,  
Kibwibwi Investments Limited,  
P.O.BOX 77679,  
**DAR ES SALAAM.**

**RE: DUTY /VAT EXMPTION ON CAPITAL/DEEMED CAPITAL GOODS-  
CERTIFICATE OF INCENTIVES NO. 042192 OF 15.03.2012.  
TIN: 116-484-838.**

We are writing in response to your letter dated 19<sup>th</sup> March, 2012, supported by the letter Ref.TICC/PP.10/042192/6 of 28<sup>th</sup> March, 2012, from Tanzania Investment Centre regarding the captioned subject.

We hereby confirm and approve **a single page lists of items** as capital/deemed capital goods for facilitation of your project with certificate of incentives mentioned above. Locally manufactured goods should be procured locally. However; we have not approved tipper trucks and station wagon because such motor vehicles are not part of deemed capital goods approved under your project.

The approved goods will be assessable at 0% import duty and VAT relief under the 3<sup>rd</sup> Schedule to the VAT Act, Cap.148; upon completion of form VAT 224 duly approved by the Commissioner for Domestic Revenue for local purchases and Commissioner for Customs and Excise for importations.

Sincerely yours,

Narcis Lumumba

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

NK/

C.C: Commissioner for Domestic Revenue.

C.C: Regional Manager-TRA Coast,

✓ C.C: Executive Director,  
Tanzania Investment Centre,  
DSM.

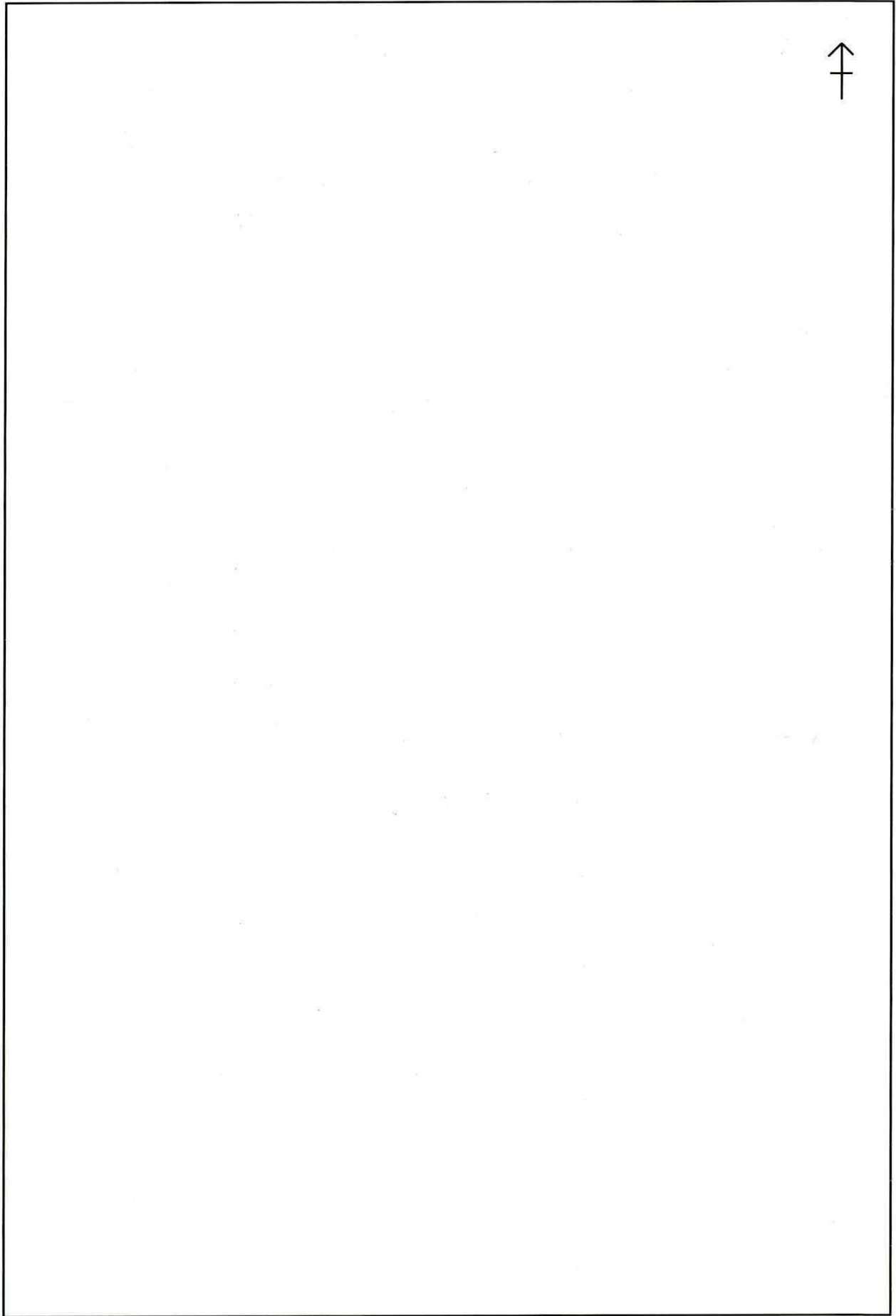
**ISO 9001:2008 Certified**

**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

**SKETCH MAP SHOWING PROJECT LOCATION**





APPLICATION SUMMARY

Company Name: KIBWIBU INVESTMENTS LIMITED

Certificate of Incorporation Number: 88725 Status: NEW

Certificate of Incorporation Date: 19TH JANUARY 2012

Post Box: 77679

Town: DAR ES SALAAM

Sector: MANUFACTURING  
Sub-Sector: BUILDING MATERIALS MANUFACTURER

Investment Financing Plan in ~~US\$~~ US\$/~~US\$~~

Foreign Equity	—
Local Equity	84600
Foreign Loan	—
Local Loan	338,400

Project Objectives: To ESTABLISH A PROJECT FOR

MANUFACTURING BUILDING MATERIALS INCLUDING

BUILDING BLOCKS PAVING BLOCK CONCRETE DIVIDERS  
CULVERTS AND CONCRETE PIPES

Capacity: 50000 UNITS/ANNUM

Employment: Foreign: — Local: 27 Total: 27

Implementation Period: 5 YEARS

Project Location

Site/Plot/Block No.: DUNDANI & VIKINDU INDUSTRIAL AREA

Street: DUNDANI/VIKINDU District: MURANGA Region: COAST

(Attach sketch map showing project location)

Shareholders

JAFARI M. KIWOPE	TANZANIAN	21.4%
MUSTAFAHER J. MOHAMED	TANZANIAN	14.3%
JERRY J. MOHAMED	TANZANIAN	14.3%
KIWOPE J. MOHAMED	TANZANIAN	14.3%
ZETH J. MOHAMED	TANZANIAN	14.3%
HALIMA A. ALLY	TANZANIAN	21.4%

**Investment Breakdown**    US\$/~~Tsh~~ M

Land/Building	125,000
Plant	168,000
Vehicles	65,000
Furniture & Fittings	5,000
Pre-expenses	20,000
Others	20,000
Working Capital	20,000
<b>TOTAL</b>	<b>423,000</b>

**Contact Details:**

Name: JAPARI M. KIMBE    Title: MANAGING DIRECTOR  
          + 255 715 131413  
Telephone: + 255 654 408528    Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

**Payments to be made payable to:**

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

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is ~~Tshs.~~/US\$ 423,000

8. The month and day of the financial year end is DEC 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 Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I. JAFARI M. KILUBE of Post Office Number 77679

D'SALAAM do solemnly and sincerely declare that I am a director/ ~~duly~~ authorized agent of KIBWIBWI INVESTMENTS LTD

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

Declared at Dar es Salaam

  
Applicant

The 20 day of FEBRUARY 2012

Before me:



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 JAFARI M. KIWOPE  
(director/directors/agent of KIBLIBU INVESTMENTS LTD  
(name of business enterprise) apply for registration of CERTIFICATE OF INCORPORATION  
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 DUNDANI #  
MIKINDU INDUSTRIAL AREAS, MKURANGA  
DISTRICT, COAST REGION  
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 AS IN NO 2
4. The Principal Officers of the Company are (I) JAFARI M. KIWOPE  
(II) MUSTAPHA J. KIWOPE
5. Auditors of the Company are MATSAB & CO.
6. The authorized share capital of the Company is Tshs. ~~USS~~ 10,000,000/=



# **TANZANIA INVESTMENT CENTRE**

## **REGISTRATION FORM**

**FOR**

## **CERTIFICATE OF INCENTIVES**

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

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

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

# MINUTE SHEET

Diezo  
No.

1.0

## Ag. EXD

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

- (a) Minimum finance investment threshold has been exceeded, the project expects to invest ...USD 0.423m.....
- (b) Legal entity has been incorporated under certificate  
No. ....88725..... of 19/01/2012.....

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.



Revocatus Arbogast

**Ag. DIF**

9<sup>th</sup> March, 2012

2.0

## EXD

In response to the TIC letter of registration dated.....9<sup>th</sup> March 2012.....

the project has submitted the required documents namely: -

- (a) Company Board Resolution.
- (b) Reference letter/Financing from.....CRDB Bank LTD.....
- (c) .....Letter from Quarab Mkurungu District.....

With the above submission EXD is requested to sign Certificate of Incentives No. ....042192..... herein attached.

15/03/2012



DIF