

THE UNITED REPUBLIC OF TANZANIA  
PRIME MINISTER'S OFFICE  
TANZANIA INVESTMENT CENTRE

<p><b>S</b></p> <p style="text-align: center;"><b>ENDS</b></p>	<p><b>PART</b></p>
<p><b>E TITLE</b></p> <p style="text-align: center; font-size: 2em; font-weight: bold;">CONFIDENTIAL</p>	<p><b>FILE NUMBER</b></p> <p><b>TICC</b></p> <p style="font-size: 2em; font-weight: bold; color: blue;">PP. 10</p> <p style="font-size: 3em; font-weight: bold; color: blue;">042513</p>

**INDEX HEADINGS**

Officer or Section	For Action F/M	Initials	Date	Action taken vide F/M	Officer or Section	For Action F/M	Initials	Date	Action taken vide F/M	Officer or Section	For Action F/M	Initials	Date	Action taken vide F/M
DIF	F1	DR	15/8/13	DR										
Kaha	F	DR	16/8/13	DR										
EXD	M1	b	14/8/13	DR										
BIC	FA	DR	20/11/13	DR										
EMP	IU	b	20/11/13	DR										
Kaha	TY	DR	25/11/13	DR										
ED	m2	DR	27/11/13	DR										
DIF	FS	DR	01/2/13	DR										
ADAM	FS	ce	14/2/13	DR										

FILE NUMBER  
TICC  
PP. 10

BEG 3 BUSINESS

SOLUTION LTD

**TICC/PP.10/042513/8**

**24/07/2014**

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

Dear Sir,

**RE: DUTY/VAT REMISSIONS ON THE CAPITAL/DEEMED  
CAPITAL GOODS OF CERTIFICATE OF INCENTIVES NO.  
042513**

**M/S BEG 3 Business Solutions Limited** is a TIC registered company with certificate of incentives **No. 042513** which is valid up to **October 2016**

The company has been registered with objectives of establishing a project for stone crushing.

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

Yours sincerely

**TANZANIA INVESTMENT CENTRE**



N.A. Senzia

**FOR: EXECUTIVE DIRECTOR**

**TICC/PP.10/042513/6**

**12/12/2013**

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

Dear Sir,

**RE: DUTY/VAT REMISSIONS ON THE CAPITAL/DEEMED  
CAPITAL GOODS OF CERTIFICATE OF INCENTIVES NO.  
042513**

**M/S BEG 3 Business Solutions Limited** is a TIC registered company with certificate of incentives **No. 042513** which is valid up to **October 2016**

The company has been registered with objectives of establishing a project for stone crushing.

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


Yours sincerely

**TANZANIA INVESTMENT CENTRE**



N.A. Senzia

**FOR: EXECUTIVE DIRECTOR**

BEG3 BUSINESS SOLUTION LIMITED									
APPLICATION FOR DUTY/VAT EXEMPTION FOR ADDITIONAL LIST FOR PROPOSED CRUSHING STONES PROJECT FOR BUILDING MATERIALS									
N/S	ITEM NAME	UNIT MEASUREME NT	HS CODE	QUANTITY	ITEM GROUP	ITEM COST	TIN	EXEMPTION REFERENCE	EXEMPTION DATE
1	A COMPLETE CRUSHER MACHINE	1		Machinery			118-375-858		
2	BLOCK CUTTING MACHINE	2		Machinery			118-375-858		
3	HARD WOOD MAKING MACHINE	2		Machinery			118-375-858		
4	BLOCKS MAKING MACHINE	2		Machinery			118-375-858		
5	POLISHING MACHINE	3		Machinery			118-375-858		
6	DRILLING MACHINE	2		Machinery			118-375-858		
7	BLASTING MASHINE	2		Machinery			118-375-858		
8	COMPRESSOR MACHINE	2		Machinery			118-375-858		
9	BUILDING STONE CUTTING MACHINE	1		Machinery			118-375-858		
10	EXCAVATORS HYDRAULIC	2		Heavy Duty Machinery			118-375-858		
11	WHEEL LOADER	2		Heavy Duty Machinery			118-375-858		
12	HAMMMER	2		Heavy Duty Machinery			118-375-858		
13	TANDEM VIBRATORY ROLLERS	2		Heavy Duty Machinery			118-375-858		
14	DOZERS	2		Heavy Duty Machinery			118-375-858		
15	GENERATORS 100KVA - 200KVA	2		Equipment			118-375-858		
16	GENERATORS 300KVA - 500KVA	2		Equipment			118-375-858		
17	HARD TOP LAND CRUISER	2		Vehicle			118-375-858		
18	PICK UP SINGLE CABIN	4		Vehicle			118-375-858		
19	WATER TANK TRUCK	1		Vehicle			118-375-858		
20	TRUCKS	7		Vehicle			118-375-858		
<b>Prepared By:</b>  <b>BEG3 BUSINESS SOLUTION LIMITED</b> <b>P.O. BOX 1507, MWANZA.</b>									

CTIN: 0750817

25000



# 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

BEG3 BUSINESS SOLUTION LIMITED

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

Identification Number  
**TRA**

118-375-858

with effect from .....07:09:2012...

P. N. Kassera

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

NOTE: THE REQUIREMENTS UNDER WHICH 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  | Nationality  | Shareholding (%)                      |
|     | George Ndugutu Gitari   | Tanzanian  | 50                                    |
|     | Grude Bhoke Mahity  | Tanzanian  | 50                                    |
| 2.  | Proposed Activities : To establish project for stone crushing   |  |                                       |
| 3.  | Sector: Manufacturing   | Subsector: Stone Crushing  |                                       |
| 4.  | Investment cost:  | Foreign: -   | Local: USD 0.899m. Total: USD 0.899m. |
| 5.  | Project Financing:  | Equity: USD 0.425m. Loans: USD 0.474m.   | Total: USD 0.899m.                    |
| 6.  | Source, terms and conditions of loan:   |  |                                       |
| 7.  | Assets to be invested:  |  |                                       |
|     | Capital items:  | Foreign: -   | Local: USD 0.899m. Total: USD 0.899m. |
| 8.  | Technology Agreement  | None   |                                       |
| 9.  | Date of TIC Registration:   | 6th November 2013  |                                       |
| 10. | Implementation period   | November 2013 - October 2016   |                                       |
| 11. | Operative date  | November 2016  |                                       |
| 12. | Investment incentives: Grade A as defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997 And VAT as per Customs Tariff act, 1976 & VAT Act, 1997 |  |                                       |
|     | (i) Applicable Import Duty  | As per Income Tax act, 2004 (as amended)   |                                       |
|     | (ii) Applicable with-holding Tax  | As per Income Tax Act, 2004 (as amended)   |                                       |
|     | (iii) Eligibility of Capital Allowances   | As per Income Tax Act, 2004 (as amended)   |                                       |
| 13. | Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.  |  |                                       |
| 14. | Conditions attached to this Certificate of Incentives   |  |                                       |
|     | (i)   | Date of Commencement of investment has to be notified to the Centre.                                     |                                       |
|     | (ii)  | Certificate not to be transferred, assigned or amended   |                                       |
|     | (iii)   | Failure to commence implementation within two years invalidates Certificate                              |                                       |
|     | (iv)  | Failure to operate investment must be notified to the Centre   |                                       |
|     | (v)   | Changes in shareholding, project activities and level of invested capital must be notified to the centre |                                       |
| 15. | Additional conditions attached to Certificate   |  |                                       |
|     | Finished goods are not allowed under this Certificate   |  |                                       |

Signed   
Executive Director

For: Executive Director  
Tanzania Investment Centre



00220452

Certified True Copy  
of The Original

THE UNITED REPUBLIC OF TANZANIA

Signature

Date 10/12/2013

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042513

This is to certify that

BEG 3 BUSINESS SOLUTION LIMITED

of address P.O. BOX 1507

ILEMELA

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

BEG 3 BUSINESS SOLUTION LIMITED

PLOT NO. 5 BLOCK M, ILEMELA

Which is located at

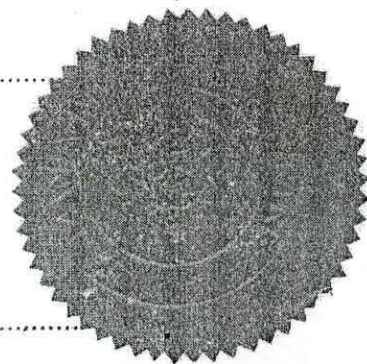
MWANZA

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

Executive Director

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

Dated 27TH NOVEMBER 2013



TIC

7

# BEG3 BUSINESS SOLUTION LIMITED

Date: 22<sup>nd</sup> July 2014

Ref. No: **BEG3/TRA-TIC/2014/2**

Commissioner of Customs & Excise  
Tanzania Revenue Centre,  
P.O. Box 9053,  
DAR ES SALAAM

UFS  
Executive Director,  
Tanzania Investment Centre,  
P.o. Box 938,  
DAR ES SALAAM



Received on  
24/7/2014  
M  
TRA/TIC

Dear Sir / Maadam,

**RE: DUTY & VAT EXEMPTION ON CAPITAL/ DEEMED CAPITAL GOODS  
FOR CERTIFICATE OF INCENTIVES NO: 042513.**

We are TIC registered project under Certificate of Incentives **No. 042513** granted for manufacturing process of crushed stones in Mwanza City .This certificate is valid up to October 2016.

The Company has been registered with objectives to set up a stone crushing plant and produce crushed stones of various sizes that can be used in various construction and road projects around the City of Mwanza.

Attached herewith please find;

1. A list of Capital/ Deemed Capital Goods for Duty/ VAT exemption approved.
2. Dully certified copy of our TIC certificate of Incentives No. 042513
3. Copy of TIN Certificate
4. Previous approved exemption

We kindly request your good office to assist the approval, so as we can implement the stated project in due time.

Yours sincerely

.....  
Getrude Bhoke Mahity  
**DIRECTOR.**  
**BEG3 BUSINESS SOLUTION LIMITED**

Kenyatta Road  
P.o. Box 1507  
MWANZA – TANZANIA

Tel: +255 28 2541449  
Fax: +255 28 2541449  
Email: [getrude.mahity@gmail.com](mailto:getrude.mahity@gmail.com)  
Cell: +255 685 724546

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

1.	Shareholders	Nationality	Shareholding (%)
	George Ndugutu Gitari	Tanzanian	50
	Gtrude Bhoke Mahity	Tanzanian	50

**To establish project for stone crushing**

2. Proposed Activities : .....

3. Sector: **Manufacturing** Subsector **Stone Crushing**

4. Investment cost: Foreign **-** Local **USD 0.899m.** Total **USD 0.899m.**

5. Project Financing: Equity **USD 0.425m.** Loans **USD 0.474m.** Total **USD 0.899m.**

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

7. Assets to be invested:

Capital items: Foreign **-** Local **USD 0.899m.** Total **USD 0.899m,**

8. Technology Agreement ..... **None**

9. Date of TIC Registration: ..... **6th November 2013**

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

11. Operative date..... **November 2016**

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

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

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

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

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

This Certificate of Incentives

Investment has to be notified to the Centre.

Transferred, assigned or amended

Implementation within two years invalidates Certificate

Must be notified to the Centre

Activities and level of invested capital must be notified to the centre

Allowed under this Certificate .....

Signed   
Executive Director



00220452

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042513

**This is to certify that**

BEG 3 BUSINESS SOLUTION LIMITED

of address P.O. BOX 1507

ILEMELA

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

BEG 3 BUSINESS SOLUTION LIMITED

Which is located at PLOT NO. 5 BLOCK M, ILEMELA

MWANZA

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

Executive Director

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

Dated 27TH NOVEMBER 2013



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 (%) |
|-----------------------|-------------|------------------|
| George Ndugutu Gitari | Tanzanian   | 50               |
| Gtrude Bhoke Mahity   | Tanzanian   | 50               |
2. Proposed Activities : **To establish project for stone crushing**
3. Sector: **Manufacturing** Subsector **Stone Crushing**
4. Investment cost: Foreign **—** Local **USD 0.899m.** Total **USD 0.899m.**
5. Project Financing: Equity **USD 0.425m.** Loans **USD 0.474m.** Total **USD 0.899m.**
6. Source, terms and conditions of loan.....
7. Assets to be invested:
- | Capital items: | Foreign  | Local              | Total              |
|----------------|----------|--------------------|--------------------|
|                | <b>—</b> | <b>USD 0.899m.</b> | <b>USD 0.899m.</b> |
8. Technology Agreement ..... **None**
9. Date of TIC Registration: ..... **6th November 2013**
10. Implementation period ..... **November 2013 - October 2016**
11. Operative date..... **November 2016**
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997  
**And VAT as per Customs Tariff act, 1976 & VAT Act, 1997**
- (i) Applicable Import Duty ..... **As per Income Tax act, 2004 (as amended)**
- (ii) Applicable with-holding Tax ..... **As per Income Tax Act, 2004 (as amended)**
- (iii) Eligibility of Capital Allowances ..... **As per Income Tax Act, 2004 (as amended)**
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
- (i) Date of Commencement of investment has to be notified to the Centre.
  - (ii) Certificate not to be transferred, assigned or amended
  - (iii) Failure to commence implementation within two years invalidates Certificate
  - (iv) Failure to operate Investment must be notified to the Centre
  - (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre
15. Additional conditions attached to Certificate  
**Finished goods are not allowed under this Certificate**

Signed   
 Executive Director

**For: Executive Director  
Tanzania Investment Centre**



00220452

Certified True Copy  
of The Original

THE UNITED REPUBLIC OF TANZANIA

Signature

Date 10/12/2013

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042513

**This is to certify that**

BEG 3 BUSINESS SOLUTION LIMITED

of address P.O. BOX 1507  
ILEMELA

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

BEG 3 BUSINESS SOLUTION LIMITED

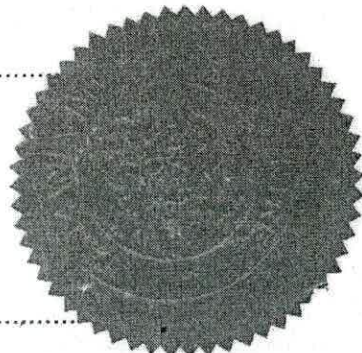
Which is located at PLOT NO. 5 BLOCK M, ILEMELA  
MWANZA

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

Executive Director

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

Dated 27TH NOVEMBER 2013



APPLICATION FOR DUTY/VAT EXEMPTION FOR PROPOSED CRUSHING STONES PROJECT								
S/No.	ITEM DESCRIPTIONS	QTY	UNIT	ITEM GROUP	PRICE	TIN	EXEMP REF	EXEMP DATE
1	A COMPLETE CRUSHER MACHINE	1	46.94 Tons	Plant & Machinery	\$42,580	118-375-858		
Prepared By:  <b>BEG3 BUSINESS SOLUTION LIMITED</b> <b>P.O. BOX 1507, MWANZA.</b>								

CTIN.: 0750817

3500



# TANZANIA REVENUE AUTHORITY

## CERTIFICATE OF REGISTRATION

### FOR TAXPAYER IDENTIFICATION NUMBER (TIN)

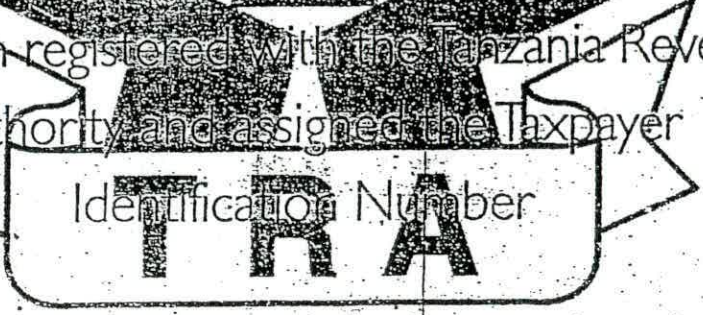
(ISSUED UNDER SECTION 133 OF THE INCOME TAX ACT NO. 11 OF 2004)

THIS IS TO CERTIFY THAT

.....  
BEG3 BUSINESS SOLUTION LIMITED

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

Identification Number



118-375-858

with effect from .....07-09-2012....

P. N. Kassera

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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

# BE3 BUSINESS SOLUTION LIMITED

Tic

Date: 4<sup>th</sup> December 2013.

5

Ref: BE3/TRA-CUSTOMS/2013/1

Commissioner of Customs & Excise  
Tanzania Revenue Centre,  
P.O. Box 9053,  
DAR ES SALAAM

UFS  
Executive Director,  
Tanzania Investment Centre,  
P.o. Box 938,  
DAR ES SALAAM



Received -  
12/12/2013  
M  
TIC

Dear Sir/ Maadam,

**RE: DUTY & VAT EXEMPTION ON CAPITAL GOODS FOR CERTIFICATE OF INCENTIVES NO:**  
.....042513.....

We are Tic approved project with certificate of incentives No; .....042513.....  
This is valid up to 2016.

The Company has been registered with objectives of is to set a stone crushing plant and produce crushed stones of various sizes that can be used in various construction and road project.

Attached herewith please find a list of Capital Goods for Duty/ VAT exemption approved.

- ❖ Approved list for Capital Goods Duty and VAT exemption.
- ❖ Dully certified copy of our TIC certificate of Incentives
- ❖ Copy of TIN Certificate
- ❖ Commercial Invoice
- ❖ Bill of Landing
- ❖ Packing List

We kindly request your good office to assist the approval of our list, so we can implement the stated project within the specified period respectively.

Thanking you in advance,

Yours sincerely  
Getrude Bhoke Mahity.

.....  
Director

4



TANZANIA YA KIJUMBUZU WA TANZANIA  
 THE UNITED REPUBLIC OF TANZANIA  
 STAKABADHI YASERIKALI  
 EXCHANGE RECEIPT  
 37897015

Kiasi  
 Amount  
 1 6 2 0 0 0 0

THE sum of Shillings (Words)  
 ONE MILLION SIX HUNDRED TWENTY  
 THOUSANDS SHILLINGS ONLY  
 NA SENZI  
 CERTIFICATE OF INCENTIVES  
 KWA MAMBO YA  
 KWAPEKWA TISMUHUJINI  
 NAMA - By Certificate No.  
 SAHIBI YA MASHAHI - Issuing Office  
 SPO  
 29-10-13  
 KITI - Station  
 TIC - Mwanza

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



## TIC Evaluation Report

**Name of the Company**  
**Beg3 Business Solution Limited**

Post Box	Plot No. 5, Block M Kiseke	COI Number	83716	Contact	Detrude B. Mahity
Post Office	1507	COI Date	06/06/2011	Designation	Managing Director
Region	Ilemela	Application F. No	11302	Phone	
Country	Tanzania	Status		Direct Phone	
		Sector	Manufacturing	Cell Phone	0754 940 960
		Sub Sector	Stone Crushing	Fax	
		File No	042513	E-Mail Address	Getrude.Mahity@Gmail.Com

Project Location		Investment Finance Plan in Millions USD										
Plot/Block	CNG Filling Station	<table border="1" style="width: 100%;"> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> <tr> <td style="text-align: center;">0</td> <td style="text-align: center;">0.425</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0.474</td> </tr> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0	0.425	0	0.474		
Foreign Equity	Local Equity		Foreign Loan	Local Loan								
0	0.425		0	0.474								
Street	Mikocheni and Ubungo											
District	Kinondoni											
Region	Dar es Salaam											

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.12
Pan African	British/Canada	30	Plant	0.48
TPDC	Tanzanian	70	Vehicles	0.092
			Furniture & Fittings	0.012
			Pre-expenses	0.04
			Others	0.07
			Working Capital	0.085
			<b>Total</b>	<b>0.899</b>

Employment	305	Evaluated By	wf officer4
Capacity	30,00CFT	Drawn By	wf registry1
Project Turn Over		Project Type	Local

**Description**

To establish project for stone crushing

**Recommendations**

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

**Decision**

APPROVED BY EXD

Sign:

Date: 6/11/2013

TICC/PP.10/042513/3

13<sup>th</sup> September, 2013

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

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

Yours sincerely,

**Tanzania Investment Centre**



Abdi S. Kagomba

**AG. EXECUTIVE DIRECTOR**

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

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

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

3

TICC/PP.10/042513/3

13<sup>th</sup> September, 2013

Managing Director,  
Beg 3 Business Solution Ltd  
P.O. Box 1507,  
**ILEMELA**

**RE: CERTIFICATE OF INCENTIVES FOR MANUFACTURING OF  
WOODEN & MDF FURNITURE**

We wish to acknowledge receipt of your project proposal to establish manufacturing of wooden & MDF furniture project as presented in the TIC P.A. 1 Form No. 11478 and Feasibility Study with a projected investment amounting to USD 1.985m.

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

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

.../2

Date: 19<sup>th</sup> July, 2013.

Ref. No.: ETZ /MZA/BEG/TIC/001/2013

**Managing Director**  
**Tanzania Investment Centre**  
**Mwanza**

Dear Sir,

**REQUEST FOR BANK OPINION IN CONFIDENCE-  
BEG3 BUSINESS SOLUTIONS LIMITED.**

At the request of the Directors(Mr.George Gitari and Getrude Mahity) of the subject company, we are writing to confirm that BEG3 Business Solutions Limited holds current account with Ecobank Tanzania Limited, which to date have been operated to our satisfaction. This company has maintained a good banking relationship with Ecobank Tanzania Ltd since 18<sup>th</sup> June, 2013.

We would like to advise that the company has the ability to access credit facilities subject to meeting all of the terms and conditions of Ecobank Tanzania Limited.

Should you require any further clarification regarding the above subject, do not hesitate to contact the undersigned on telephone: +255 28 2500857 or email [pjacob@ecobank.com/](mailto:pjacob@ecobank.com)

Kindly note that the information provided herein, opinion and report is issued in strict confidence and is not to be considered as a representation or as a guarantee for any financial undertaking or engagement and is strictly without any prejudice or responsibility whatsoever on the part of this Bank, its principals, successors and/or officers.

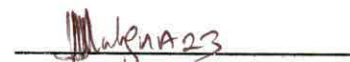
Further, it is a condition for this letter that the name of this Bank will not be disclosed in the event of our report being used with respect to any third parties.

Yours faithfully,

**For: ECOBANK TANZANIA LIMITED**

  
**Authorized Signatory**



  
**Authorized Signatory**

# TANZANIA



## Certificate of Incorporation

Section 15

No 83716

I HEREBY CERTIFY THAT

**BEG3 BUSINESS SOLUTION 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 6TH day of JUNE

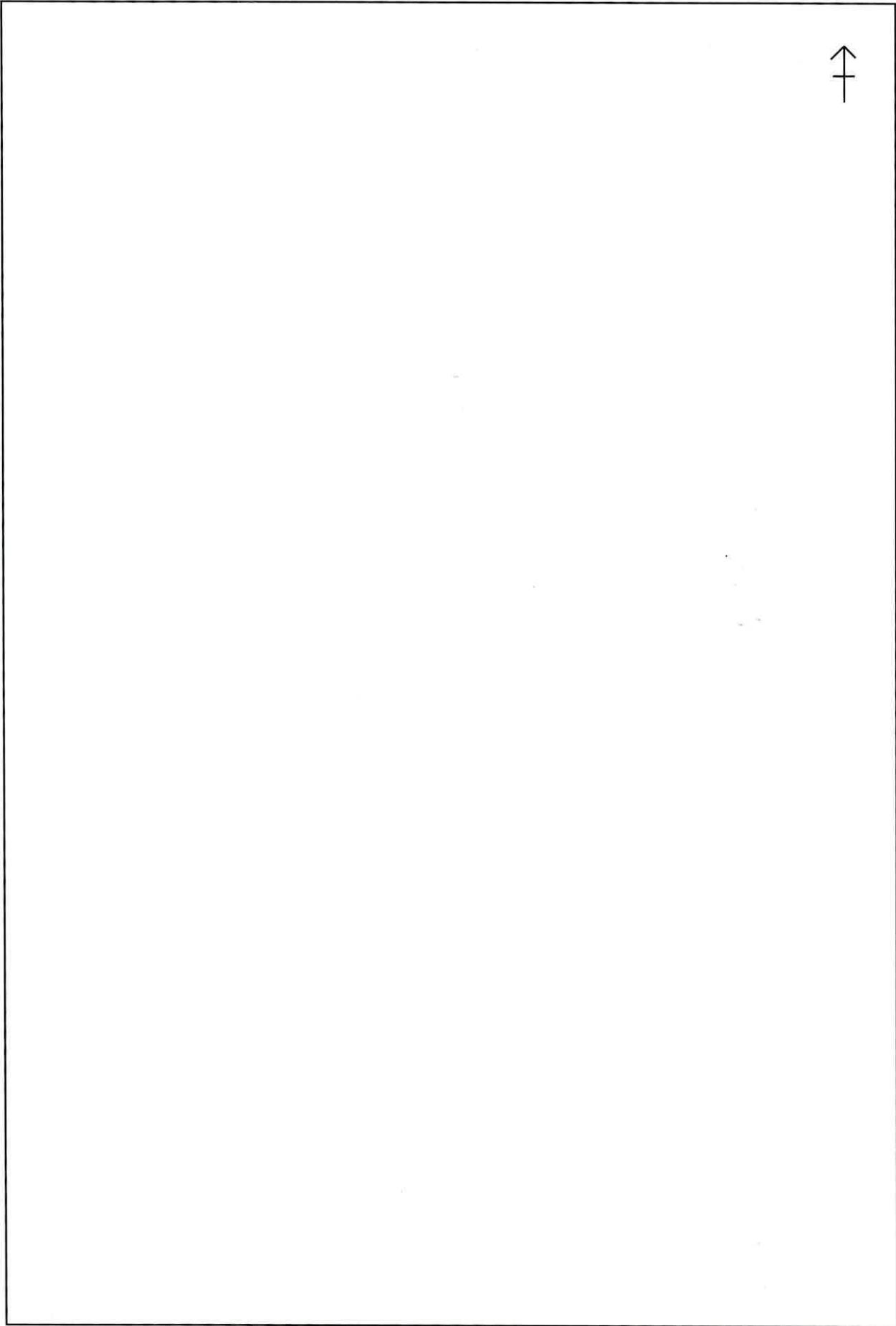
**TWO THOUSAND AND ELEVEN**

CERTIFIED TRUE COPY OF THE ORIGINAL  
VUMILIA M. KIKOTI  
ADVOCATE, NOTARY PUBLIC &  
COMMISSIONER FOR OATHS  
SIGN- [Signature] DATE 13.8.2013

*Asst. Registrar of Companies*



**SKETCH MAP SHOWING PROJECT LOCATION**



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

Land/Building	120,000/=
Plant / MACHINERY	480,000/=
Vehicles	92,000/=
Furniture & Fittings	12,500/=
Pre-expenses	40,000/=
Others	70,000/=
Working Capital	85,000/=
<b>TOTAL</b>	<b>899,500/=</b>

**Contact Details:**

Name: GETRUDE.B. MAHITY      Title: DIRECTOR.  
Telephone: 0754 940960      Fax: —  
Email: getrude.mahity@gmail.com

**Payments to be made payable to:**

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

APPLICATION SUMMARY

Company Name: BEG3 BUSINESS SOLUTION LIMITED

Certificate of Incorporation Number: 83716 Status: NEW

Certificate of Incorporation Date: 6<sup>TH</sup> JUNE 2011

Post Box: 1507

Town: MWANZA

Sector: MANUFACTURING

Sub-Sector: STONE CRUSHING

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
.....	<u>425,500</u>	.....	<u>474,000</u>

Project Objectives: PRODUCE CRUSHED STONES OF VARIOUS SIZE THAT CAN BE USED IN VARIOUS CONSTRUCTION AND ROAD PROJECTS.

Capacity: 30,000 C.ft with single shift of 8 to 12 hours a day

Employment:	Foreign: <u>5</u>	Local: <u>78</u>	Total: <u>83</u>
-------------	-------------------	------------------	------------------

Implementation Period: 4 YEARS

Project Location

Site/Plot/Block No.: PLOT NO 5, BLOCK 'M'

Street: KISEKE District: ILEMELA Region: MWANZA

(Attach sketch map showing project location)

Shareholders	Nationality	%
<u>GEORGE NDUGUTU GITARI</u>	<u>TANZANIAN</u>	<u>50%</u>
<u>GETRUDE BHOKE MAHITY</u>	<u>TANZANIAN</u>	<u>50%</u>
.....	.....	.....
.....	.....	.....
.....	.....	.....

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ 899,500/=
8. The month and day of the financial year end is 31 DECEMBER.

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

I/~~We~~ enclose a cheque/cash made payable to the Tanzania Investment Centre for Tshs./~~US\$~~ 162,000/= Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, GETRUDE B. MAHITY of Post Office Number 1507 MWANZA

do solemnly and sincerely declare that I am a director/~~duly~~ authorized agent of BEG3 BUSINESS SOLUTION LIMITED.

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

Declared at Dar es Salaam MWANZA.

The 6<sup>th</sup> day of August 2013

  
Applicant

Before me:



W. Mathias Kikoti  
Commissioner for Oaths

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT  
(No. 26 of 1997)

APPLICATION FOR REGISTRATION  
(Made under Regulation 42)

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

1. I/~~We~~ GETRUDE BHOKE MAHITY  
(director/~~directors~~/agent of BEG3 BUSINESS SOLUTION LIMITED  
(name of business enterprise) apply for registration of BEG3 BUSINESS SOLUTION LTD  
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.

2. The registered office of the company will be situated at PLOT N<sup>o</sup> 5, BLOCK "M"  
KISEKE AREA, ILEMELA DISTRICT - MWANZA.

Copies of the following documents are attached to this application:

- (i) The Memorandum and Articles of Association/or partnership agreement
  - (ii) Certificate of Incorporation/Registration
  - (iii) A copy of the Project Profile or Feasibility Study showing the implementation period, programme of implementation and operative date
  - (iv) Evidence of financing and evidence of land ownership for the project
3. The Head Office of the Company will be situated at PLOT N<sup>o</sup> 5, BLOCK "M"  
KISEKE AREA, ILEMELA DISTRICT - MWANZA.
4. The Principal Officers of the Company are .....
- ① GEORGE NDUGUTU GITARI
  - ② GETRUDE BHOKE MAHITY
5. Auditors of the Company are .....
- TO BE APPOINTED LATER.
6. The authorized share capital of the Company is Tshs. ~~1000~~ 10,000,000/= DIVIDED  
INTO 10,000 SHARES OF SHILLINGS 1000 EACH.

9292 11302



# **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)**



MELELA MUNICIPALITY



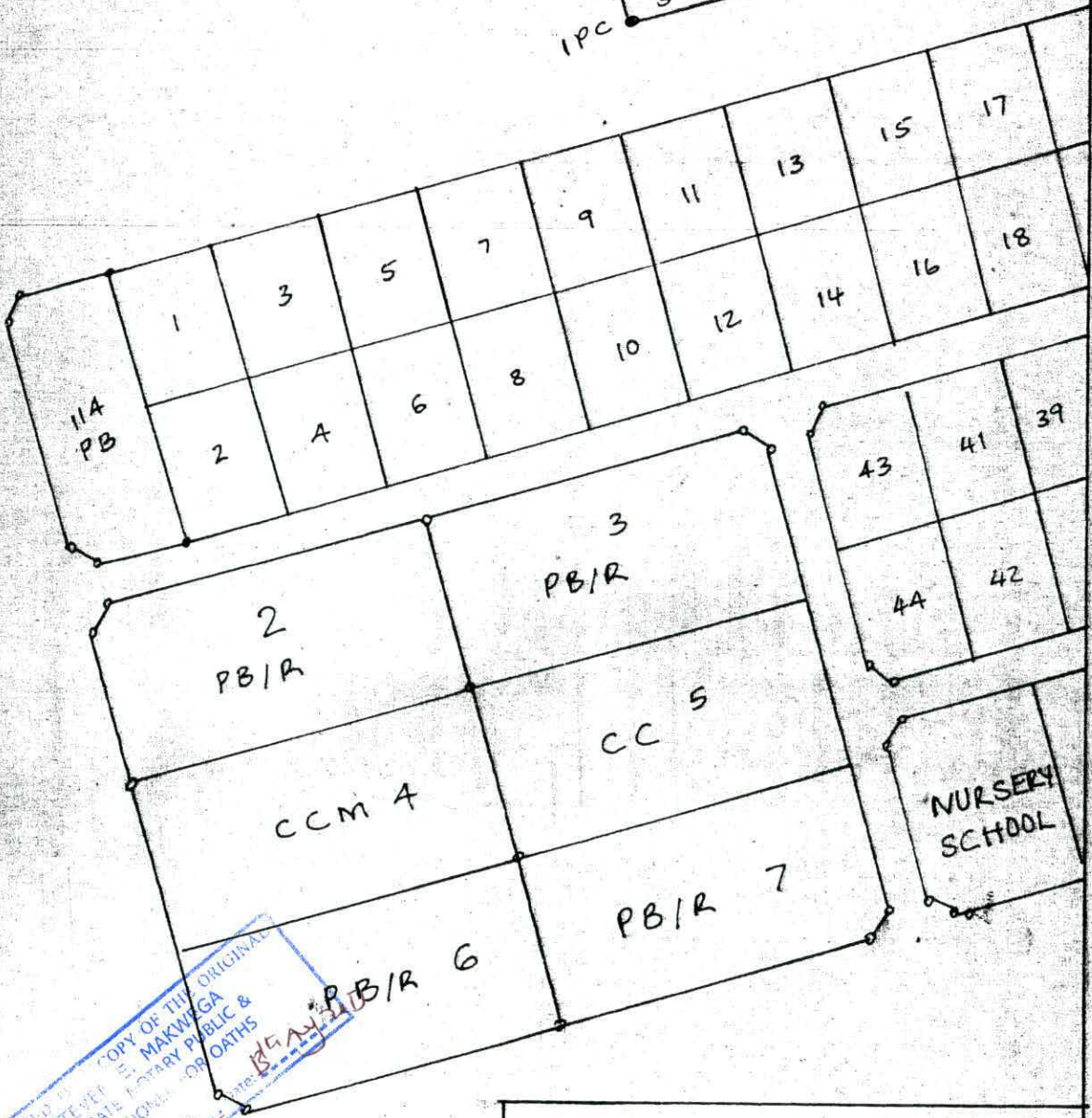
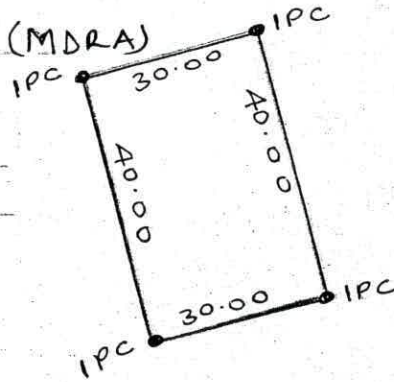
LOCATION PASIANSI (MDRA)

BLOCK 'M'

PLOT No 5

L.O. No 497839

AREA 1200 SOM



CERTIFIED COPY OF THE ORIGINAL  
STEVE MAKWEGA  
ADVOCATE FOR PUBLIC &  
COMMISSIONER FOR OATHS  
Signature: [Handwritten Signature]

This plan, prepared in accordance with Registered  
plan No. 22185 is approved for the  
purpose of Land Registration ordinance

For Director of Surveys and Mapping

Date: 12/4/2013

Ministry of Lands and Human Settlement

ment Dar Es Salaam.

The issue of the plan implies no guarantee  
in admission of title by the government

ST, Paid  
er  
he construction  
nditions of the  
ght.  
erwise dispose  
rev. written  
er shall not be  
lease contains  
Right;  
gs on it by any  
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greement (other  
n 2(iv) will not  
shall be the sole  
e Commissioner  
e payable by the  
y be payable by  
payable for the  
upon which the  
before during or  
es not oblige the  
I be maintained  
only. Use Group  
g (Use Classes)  
public interest.

TANGANYIKA STAMP DUTY ACT,  
 Stamp Duty Shs. 100/= Paid  
 on Receipt No. 980611  
 of 24-08-1987  
 Stamp Duty Officer

TANGANYIKA STAMP DUTY ACT,  
 Stamp Duty Shs. 67/= Paid  
 on original Receipt No. 980611  
 of 24-08-1987  
 Stamp Duty Officer

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

3. (i) The Occupier shall not subdivide the land or assign, sublet or otherwise dispose of or deal with the whole or any part of it or of any building on it without the previous written consent of the Commissioner PROVIDED that the consent of the Commissioner shall not be necessary;

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

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

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

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

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

7. **USER:** The land and the buildings erected thereon shall be maintained and the same shall be used for Residential/Commercial purposes only. Use Group 'B' uses class (d) as defined in the Town and Country Planning (Use Classes Regulations, 1960 as amended in 1993.

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

TRUE COPY OF THE ORIGINAL  
 STEVEN E. MAKWEGA  
 ADVOCATE, NOTARY PUBLIC &  
 COMMISSIONER FOR OATHS  
 Signature: [Signature] Date: 13/5/2017

Land Form 33.

REGISTERED ON  
28-05-2013  
at 10:00 Am

Asst. Registrar of Titles



L.O. No. 497839.  
L.D. No. MCC/L/15300

CERTIFIED TRUE COPY OF THE ORIGINAL  
STEVEN E. MAKWEGA  
ADVOCATE, NOTARY PUBLIC &  
COMMISSIONER FOR OATHS  
Date: 24/5/2013  
Signature: [Signature]

THE UNITED REPUBLIC OF TANZANIA

### CERTIFICATE OF OCCUPANCY

(Section 9 of the Land Ordinance)

The 24<sup>th</sup> day of May, Two thousand and thirteen  
Title No. 44718 LR Mwanza

THIS IS TO CERTIFY that **BEG3 BUSINESS SOLUTION LIMITED** a limited liability Company incorporated in Tanzania under the Companies Act, 2002 of P.O. Box 1507, Mwanza (hereinafter called ("the Occupier")) are entitled a Right of Occupancy (hereinafter called "the Right") in and over the land described in the Schedule hereto (hereinafter called "the Land") for a term of **thirty three** years from the first day **July, One thousand nine hundred eighty seven** according to the true intent and meaning of the Land Ordinance and subject to the provisions thereof and to any regulations made thereunder and to any enactment in substitution therefore or amendment thereof and to the following special conditions:-

1. The Occupier having paid rent up to the thirtieth day of June, 1988; shall thereafter pay rent of shillings **one thousand one hundred eighty five (Tshs.1,185/=)** only a year in advance on the first day of July in every year of the term without any deduction PROVIDED that the rent may be revised by the Minister for the time being responsible for Lands (hereinafter called "the Minister") on the first day of July in each of the years 1997, 2007, and 2017 or within three years thereafter in each case.
2. The Occupier shall:-
  - (i) Maintain on the land buildings (hereinafter called "the buildings") in permanent materials designed for use in accordance with the conditions of the Right and which conform to the building line (if any) decided by the **Mwanza City Council** (hereinafter called "the Authority");
  - (ii) At all times during the term after the have on the land buildings as approved by the Authority and maintain them in good order and repair to the satisfaction of the Commissioner for Lands (hereinafter called "the Commissioner).
  - (iii) Not erect or commence to erect on the land any building except in accordance with building plans and specifications, which shall have been first approved by the Authority;
  - (iv) Be responsible for the protection of all beacons on the land throughout the term of the Right. Missing beacons will have to be re-established at any time at the Occupier's expenses as assessed by the Commissioner for Surveys and Mapping.

JAMHURI YA MUUNGANO WA TANZANIA  
WIZARA YA ARDHI, NYUMBA NA MAENDELEO YA MAKAZI

Anwani ya Simu "ARDHI  
Simu: 022 2121241- 9  
Makao Makuu)



Ofisi ya Msajili wa Hati  
Kanda ya Ziwa  
S.L.P 1101  
Mwanza

Simu 028 2502012 (Mwanza)

Unapojibu tafadhali taja:

Kumb. Na. LR/MZ/T/44718/4

30/05/2013

Ndugu: REG 3 BUSINESS  
SOLUTION LIMITED  
S.L.P 1507, MWANZA

Ndugu,

Yah: SHERIA YA USAJILI WA ARDHI (SURA 334)  
HATI NA. 44718 L.O. NA. 497839  
KIWANJA NA. 5 KITAHI 'M'  
PACIANSI - MWANZA CITY

Hapa nafungasha hati yako ya kumiliki ardhi iliyotajwa hapo juu.  
Tafadhali saina fomu Na. L.R. 53 iliyoambatanishwa na hati yako, pia  
unaombwa usibadilishe chochote kile au kuifanyia lamination bila ridhaa ya  
ofisi ya Msajili wa Hati.

Wako ndugu,  
Mtumishi mtiifu,

Kny: MSAJILI WA HATI  
MSAIDIZI MKUU  
MWANZA



## BEG3 BUSINESS SOLUTIONS

### EXTRA ORDINARY GENERAL MEETING

BOARD RESOLUTIONS HELD AT KWETU PAZURI HOTEL ON 10<sup>TH</sup> JULY 2013

#### ATTENDANCE

1. George Gitari
2. Erickson Matasu
3. Getrude Mahity
4. Joseph Shanyangi
5. Philip Peter

Chairman

Secretary

Director

Marketing Manager

Operation Manager

*Gitari*

*Alien*

*Abel*

*Shanyangi*

*Philip*

The chairman opened the meeting by greetings to the members in attendance and thanked them for attending the meeting in a short notice also he invited Joseph Shanyangi to lead in the opening prayers.

The chairman after the prayers introduced the main agenda of the day which was to register the company in Tanzania investment centre. The chairman gave a background of the need to register the company in TIC by reminding the members that the company is growing and is currently focusing on building its head offices and a multibillion go down (which is currently in a good stage) in plot No 5 Block M Pasiansi..

Secondly the company is planning to establish incubation of broilers and layers and have a poultry farm for the same which has a large market in Tanzania and Mwanza in particular also the company is at an advanced stage of feasibility study in establishing a crushing factory.

The members discussed the issue in details and all agreed that the company should be registered in Tanzania Investment Centre. To fast track the process of registration in TIC Getrude Mahity was assigned to follow up and ensure registration as quickly as possible.

There being no any other agenda the chairman closed the meeting by vote of thanks to the members for their participation and attendance and requested Getrude Mahity to lead in closing prayers.

# BEG3 BUSINESS SOLUTIONS LIMITED

P.O BOX 1482, MWANZA  
TELEPHONE NO. 0754 940 960, 0767 940960

①

THE MANAGER,  
TANZANIA INVESTMENT CENTRE (TIC)  
MWANZA, TANZANIA



16 July 2013

Dear Sir/Madam,

Ref: Application for BEG3 Business Solutions registration in TIC

This letter is a request for registration of BEG3 Business solutions in Tanzania Investment Centre. This is a follow up of the Board of Directors resolution on 10<sup>th</sup> July 2013 which was passed in their annual general meeting which was held at Kwetu Pazuri hotel.

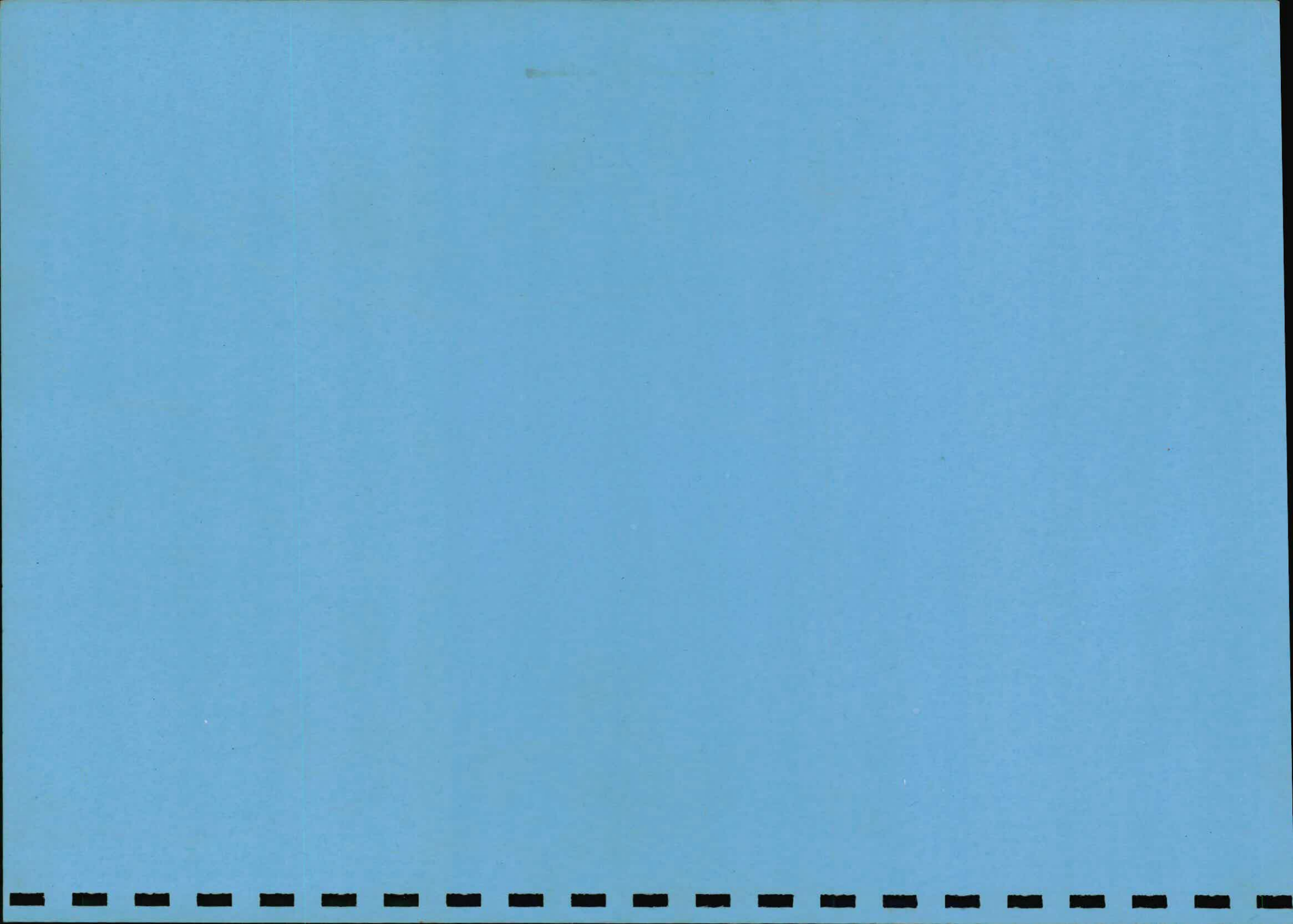
The documents required are attached herewith for your review and our company will appreciate your assistance and in case of any enquiries please don't hesitate to contact us for any information.

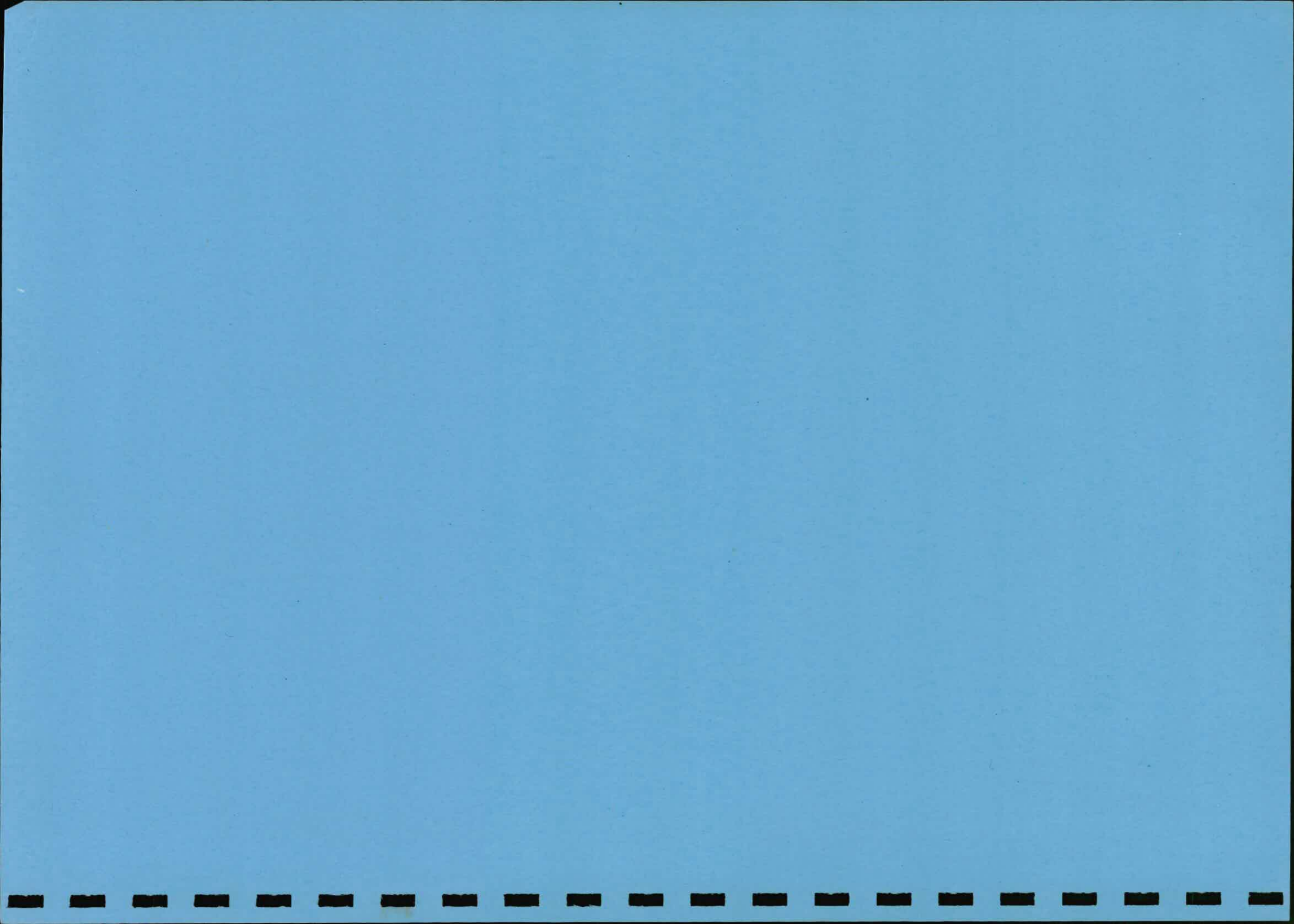
We are hoping that our request will be given a favorable consideration.

Yours Faithfully,


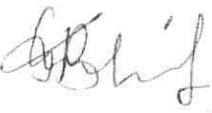
  
George Gitari  
Director

  
Getrude Mahity  
Director





favour or in which he is acquitted or in connection with any application under section 481 of the Act in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.

Names, Address, and Description of Subscribers	Number of Shares Taken by Each Subscriber	Signature
George Ndugutu Gitari P.O.BOX 1482 MWANZA - TANZANIA	5000	
Getrude B hoke Mahity P.O.BOX 1482 MWANZA - TANZANIA	5000	

Dated at Mwanza this 09th day of December 2010

Witness to the above signatures:-

Signature 

Postal address 1302, mzo

Qualification: Scholar

sent by post, service of the notice shall be deemed to be effected by properly addressing, preparing, and posting a letter containing the notice, and to have been effected at the expiration of (seventy-two) hours after the letter containing the same was posted. A member whose registered address is not within the Tanzania and who gives to the company an address within the Tanzania at which notices may be given him shall be entitled to receive any notice from the company.

119. A notice may be given by the company to the joint holders of a share by giving the notice to the joint holder first named in the register of members in respect of the share.
120. 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 or delivering it, in any manner authorized by the articles, addressed to them by name, or by the sending or delivering it, in any manner authorized by the articles, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, within the Tanzania supplied for the purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.
121. A member present, either in person or by proxy, at any meeting of the company or of the holders of any class of shares in the company shall be deemed to have received notice for the purpose for which it was called.

#### **WINDING UP**

122. If the company is wound up the liquidator may, with sanction of a special resolution of the company and any other sanction required by the Act divide amongst the members in specie the whole or any part of the assets of the company and may, for that purpose, set such value as he deems fair upon any property to be divided and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as the liquidator, with the like sanction, shall determine, but no member shall be compelled to accept any shares or other securities upon which there is a liability.

#### **INDEMNITY**

123. Subject to the provisions of the Act, but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his

such profit and loss accounts balance sheets, cash flow statements, group accounts (if any) and reports as are referred to in those section.

115. In accordance with section 163 of the Act, the copy of the company's annual accounts to be laid before the company in general meeting together with a copy of the director's report and the auditor's report shall not less than twenty-one days before the date of the meeting be sent to every member of, and every holder of debentures of, the company. Provided that this regulation shall not require a copy of those documents to be sent to any person of whose address the company is not aware or to more than one of the joint holders of any shares or debentures.

#### **CAPITALIZATION OF PROFITS.**

116. The directors may, with the authority of an ordinary resolution of the company:
- (a) Resolve to capitalize 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 that such sum be capitalized to the members who would be been entitled to it were distributed by way of dividend and I the same proportions and apply such sum either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or in paying up in full in issued shares or debentures of the company to be allotted and distributed.
  - (b) Make such provision of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and authorize any person to enter on behalf of all the members entitled there to into an agreement with the company providing for the allotment to them respectively, credited as full paid up, of any shares or debentures to which they are entitled upon such capitalization, and any agreement made under such authority shall be effective and binding on all such members.

#### **AUDIT**

117. Auditors shall be appointed and their duties regulated in accordance with sections 170 of the Act.

#### **NOTICE**

118. By notice to be given to or by any person pursuant to the articles shall be in writing except that a notice calling a meeting of directors need not be in writing. The company may give any notice to a member wither personally or by sending it by post in a prepaid envelop addressed to the member at his registered address, or by leaving it at that address. Where a notice is

of the value so fixed in order to adjust the rights of members, and may vest any assets in trustees.

108. Any dividend, interest or to other moneys payable in cash in respect of shares may be paid by cheque sent through the post to the registered address of the holders, to the registered address of that one of the joint holders who is first named in the register of members or to such person and to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, and payment of the cheque shall be a good discharge to the company. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable in respect of the shares held by them as joint holders.

109. No dividend or other moneys payable in respect of a share shall bear interest against the company unless otherwise provided by the rights attached to the share

110. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the company.

#### ACCOUNTS

111. The directors shall cause proper books of account to be kept with respect to:-

- (a) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place;
- (b) all sales and purchases of goods by the company; and
- (c) the assets and liabilities of the company

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

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

113. No member shall (as such) have any right of inspecting any accounting records or other book or document of the company except as conferred by statute or authorized by the directors or by ordinary resolution of the company.

114. The directors shall, in accordance with section 153, 155 and 159 of the Act, cause to be prepared and to be laid before the company in general meeting

101. A provision of the Act or these Regulations requiring or authorizing a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, the secretary.

#### THE SEAL

102. The seal shall only be used by the authority of the directors or of a committee of the directors authorized by the directors. The directors may be satisfied by its being done by or to the same person acting both as director and as, or in place of, the secretary.

#### DIVIDENDS AND RESERVE.

103. Subject to section 180 of the Act, the company may by ordinary resolution declare dividend in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.
104. Subject to the provisions of the Act, 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 available for distribution.
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 direction of the directors, be applicable for any purpose to which the profits of the company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company as the directors may from time to time think fit. The directors may also without placing the same to reserve carry forward and any profits which they may think prudent not to divide.
106. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid on the shares in respect of which the dividends is paid. All dividends shall be apportioned and paid proportionately to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.
107. Any general meeting declaring a dividend may, upon the recommendation of the directors, direct payment of such dividend wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same, and in particular may issue fractional certificates and fix the value of distribution of any assets and may determine that cash payments shall be made to any members upon the footing

93. All acts done by a meeting of the directors or of a committee of directors or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such director, or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and was entitled to vote
94. A resolution in writing, signed by all the directors entitled to receive notice of a meeting of the directors, or of a committee of directors, shall be as valid and effectual as if it had been passed at a meeting of the directors or (as the case may be) a committee of directors duly convened and held, and may consist of several documents in the like form each signed by one or more directors.
95. Save as otherwise provided in the articles, a director shall not vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in conflicts or may conflict with the interests of the company. Subject to and in accordance with the provisions of the Act, an interest of a person who is connected with a director shall be treated as an interest of the director.
96. A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.
97. The company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the articles prohibiting a director from voting at a meeting of directors or of a committee of directors.
98. Where proposals are under consideration concerning the appointment of two or more directors to offices or employment with the company or any body corporate in which the company is interested, the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except resolution except than concerning his own appointment.
99. If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.

#### **SECRETARY**

100. 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.

86. The company may by ordinary resolution, of which special notice has been given in accordance with section 144 of the act, remove any director before the expiration of his period of office notwithstanding anything in these articles or in any agreement between the company and the director. Such removal shall be without prejudice to any claim the director may have for damages for breach of any service contract with the company.
87. The company may by ordinary resolution appoint another person in place of a director removed from office under the immediately preceding regulation, and without prejudice to the powers of the directors under article 85 the company may by ordinary resolution appoint any person to be a director either to fill a vacancy or as an additional director

### PROCEEDINGS OF DIRECTORS

88. Subject to the provisions of the articles, the directors may regulate their meetings as they think fit. Questions arising at a meeting shall be decided by a majority of votes. In case of an equality of votes, the chairman shall have a second or casting vote. A director may, and the secretary at the request of a director shall, call a meeting of the directors, It shall not be necessary to give notice of a meeting directors to any director who is absent from the Tanzania.
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 their number, but, if their number is reduced below the number fixed as the necessary quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.
91. The directors may appoint one of their numbers to be the chairman of the board of directors and determine the period of which he is to hold office. Unless he is unwilling to do so the director so appointed shall preside at every meeting of directors as which he is present.
- But if no such chairman is appointed, or if he is unwilling to preside, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, directors present may choose one of their number to be chairman of the meeting.
92. The directors may delegate any of their powers to any committee consisting of one or more directors; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the directors. Subject to any such regulations, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.

- (c) of all resolutions and proceedings at all meetings of the company, of the holders of any class of shares in the company, and of the directors, and of committees of directors.

### **REMUNERATION AND EXPENSES, GRATUITIES AND PENSIONS**

81. The remuneration of the directors shall be determined by ordinary resolution of the company and, unless the resolution otherwise provides such remuneration shall be deemed to accrue from day to day. The directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the directors or any committee of the directors or any committee of the directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the company or otherwise in connection with the business of the company.
82. The directors on behalf of the company may pay a gratuity or pension or allowance on retirement to any director who had held any other salaries office or place of profit with the company or to his widow or dependants and may make contributions to any fund and pay premiums for the purchase or provisions of any such gratuity, pension or allowance.

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

83. The office director shall be vacated if the director.
- (a) ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
  - (b) becomes bankrupt or makes any arrangement
  - (c) becomes of unsound mind; or
  - (d) resigns his office by his notice in writing to the company; or
  - (e) shall for more than six consecutive months have been absent without permission of the directors from meetings of the directors held during that period and the directors resolve that his office be vacated.

### **APPOINTMENT AND RETIREMENT OF DIRECTORS.**

84. The company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or to be an additional director.
85. The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the total number of directors does not exceed the number fixed by or in accordance with these articles. A director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election.

77. Subject to the provisions for the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office-

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise interested;
- (b) may be a director or other office of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in any body corporate promoted by the company or in which the company may be interested;
- (c) shall not, by reason of his office, be accountable to the company for any benefit which he derives from any such office or employment remuneration or other benefits received by him as a director or office of, or from his interest in, such other company unless the company otherwise directs.

Provided that nothing herein contained shall authorize a director his firm to act as auditor to the company.

78. For the purposes of articles 76 and 77-

- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extend specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has interest in such transaction of the nature and extend specified; and
- (b) an interest of which a director has no knowledge and of which it is reasonable to expect him to have knowledge shall not be treated as an interest of his.

79. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed in such manner as the director shall from time to time by resolution determine.

#### MINUTES

80. The directors shall cause minutes to be made in books kept 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;

## POWERS AND DUTIES OF DIRECTORS

71. Subject to the provisions of the Act, the memorandum and the articles and to any directions given by special resolution, the business of the company shall be managed by the directors, who may exercise all the powers of the company. No alteration of the memorandum or articles and no such directions shall invalidate any prior act of the directors which would otherwise have been valid. The powers given this article shall not be limited by any special power given to the directors by the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the director.
72. The directors may by power of attorney appoint any person to be the attorney or agent of the company for such purposes and on such conditions as they determine, including authority for the attorney or agent to delegate all or any of his powers.
73. The directors may exercise all the powers of the company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the company or of any third party.
74. The company may exercise the powers conferred upon the company by sections 124 to 127 of the Art with regard to the keeping of a branch register, and the directors may (subject to the provisions of those sections) make and vary such regulations as they may think fit respecting the keeping of any such register.

## DIRECTOR'S APPOINTMENTS AND INTERESTS

75. The directors may appoint one or more of their number to the office of managing director or to any other executive office under the company and may enter into an agreement or arrangement with any director for his employment by the company or for the provision by him of any service outside the scope of the ordinary duties of a director. Any appointment of a director to an executive shall terminate if he ceases to be a director, but without prejudice to any claim to damages for breach of the contract of service between the director and the company. A managing director and a director holding any other executive office shall not be subject to retirement by rotation.
76. A director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the company shall declare the nature of his interest at a meeting of the directors in accordance with section 209 of the Act.

Member/members of the above named company, hereby  
appoint.....of .....or failing him, .....of  
.....as

my/our proxy to vote for me/us on my/our behalf at the (annual or  
extraordinary, as the case may be) general meeting of the company to be  
held on the.....day of ....., and at any adjournment  
thereof.

Signed this.....day of .....200.....”

This form is to be used in favour of / against resolutions (1/2/3 etc) Unless  
other wise instructed, the proxy will vote as he thinks fit or abstain from  
voting.

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

#### **CORPORATIONS ACTING BY REPRESENTATIVE AT MEETINGS**

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

#### **DIRECTORS**

69. The number of the directors and the names of the first directors shall be  
determined in writing by the subscribers of the memorandum of association or  
a majority of them and until such determination the signatories to the  
Memorandum of Association shall be the first directors. Unless otherwise  
determined by ordinary resolution, the number of directors shall not be  
subject to any maximum but shall be not less than two.
70. The shareholding qualification for directors may be fixed by the company in  
general meeting, and unless and until so fixed no qualification shall be  
required.

referred to the chairman of the meeting, whose decision shall be final and conclusive.

- 61. On poll votes may be given either personally or by proxy. A member may appoint more than one proxy attend on the same occasion.
- 62. The instrument appointing proxy shall be in writing executed by or on behalf of the appointor or of his attorney duly authorized in writing, or, if the appointor is a corporation, either under the hand of an officer or attorney duly authorized. A proxy need not be a member of the cooperation, either under seal, or under the hand of an officer or attorney duly authorized. A proxy need not be a member of the company.
- 63. The instrument appointing a proxy and any authority under which it is executed a copy of that authority certified naturally or in such other manner as approved by the directors shall be deposited at the registered office of the company or at such other place within the Tanzania as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
- 64. An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:

".....Limited  
.....  
I/we.....of.....,being.....  
a Member/members of the above named company, hereby  
appoint.....of.....or failing him,  
.....of.....As my/our proxy to vote for me/us on  
my/our behalf at the (annual or extraordinary, as the case may be) general  
meeting of the company to be held on the.....day of  
.....,and at any adjournment thereof.

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

- 65. Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall s be in the following form or a from as near thereto as circumstance admit;

".....Limited.....  
I/we.....of.....being.....a

52. Except as provided in article 54, 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 the resolution of the meeting at which the poll was demanded.
53. In the case of an equality of votes, whether on a show of hands or on a poll the chairman of the meeting shall be entitled to a casting vote in addition to any other vote he may have.
54. A poll demanded on the election of a chairman or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such time not being more than thirty days after the poll is demanded as the chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be preceded with pending the taking of the poll.
55. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting duly convened and held, and may consist of several instruments in the like form each executed by or on behalf of one or more members.

#### **VOTES OF MEMBERS.**

56. Subject to any rights or restrictions attached to any share or class or classes of shares, on a show of hands every member (being an individual) present in person or (being a corporation) present by a duly authorised representative, not being himself a member entitled to vote, and on a poll every member shall have one vote for each share of which he is the holder.
57. 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 for 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.
58. A member in respect of whose estate a manager has been appointed under section 26 of the Mental Diseases Ordinance, may vote, whether on a show of hands or on a poll, by his manager, and any such manager may, on a poll, vote by proxy.
59. No member shall be entitled to vote at a general meeting or at a separate meeting of the holders of any class of shares in the company unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
60. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote disallowed at such meeting shall be valid for all purposes. Any objection made in due time shall be

- meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for the holding of the meeting and willing to act, the directors present shall elect one of their number to be chairman of the meeting and, if there is only one director present and willing to do so, he shall be chairman
46. If any meeting no director is willing to act as chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose and willing to act, he shall be chairman.
47. A directors shall, notwithstanding that he is not a member, be entitled to attend and speak at a general meeting and at any separate meeting of the holders of any class of shares in the company.
48. The chairman may, with the consent of any meeting at which a quorum is present and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned meeting.
49. 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 unless a poll is (before or on the declaration of the result of the show of hands) demanded:
- (a) by the chairman or;
  - (b) by at least two members having the right to vote at the meeting; or
  - (c) by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right;
  - (d) by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; and a demand by a person as proxy for a member shall be the same as a demand by the member
50. Unless a poll be so demanded, a declaration by the chairman that a resolution has on a show of hands been carried or carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be evidence of that fact.
51. The demand for a poll may, before the poll is taken, be withdrawn.

## NOTICE OF GENERAL MEETINGS

40. Every general meeting shall be called by twenty-one clear days notice in writing. The notice shall specify the time and place of the meeting and the general nature of the business and, in the case of an annual general meeting, shall specify the meeting as such;

Provided that a meeting of the company may be called by shorter notice if it is so agreed:-

- (a) in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and
- (b) in the case of an other meeting by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.
41. Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors. The accidental omissions to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at the meeting.

## PROCEEDINGS AT GENERAL MEETINGS

42. All business shall be deemed special that is transacted at an extra ordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the accounts, and the reports of the directors and auditors, the election of directors in the place of those retiring and the appointment of, and the fixing of the remuneration of, the auditors.
43. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the proceeds to business: two persons entitled to vote on the business to be transacted, each being a member or a proxy for a member or a duly authorized representative of a corporation, shall be quorum.
44. If within half an hour from the time appointed for the meeting a quorum is not present, or if during the course of a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such other day such other time and place as the directors may determine.
45. The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the general

- (a) increase its share capital by new shares of such amount, as the resolution prescribes;
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares'
- (c) subject to the provisions of section 65(1)(d) of the Act, sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the memorandum of association;
- (d) Cancel shares which, at the date of the passing of the resolution, have into been taken or agreed to be taken by any person and diminish the amount of it share capital by the amount of the shares so cancelled.

- 35 Whether as result of a consolidation of shares any members would become entitled for fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including subject to the provisions of this Act, the company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorize some person to execute an instrument of transfer of the shares to or in accordance with the directions of the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
36. Subject tot he provisions of the Act, the company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any way.
- 37 The company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the company and that of the next.
- 38 All general meetings other than annual general meetings shall be called extra ordinary general meetings.
- 39 The Directors may, whenever they think fit, call an extraordinary general meeting, and extraordinary general meetings shall also be convened by such requisitionists, as provided by section 134 of the Act. If at any time there are not within the Territory sufficient directors to call the meeting, any director or any two members of the company may call the meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.

registered as the holder of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company.

29. If a call remains unpaid after it has become due and payable, the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid, together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with, the shares in respect of which the call was made will be liable to be forfeited.
30. If the notice is not complied with, any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors to that effect and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
31. Subject to the provisions of this Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person, and at any time before a sale, re-allotment or other disposition the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person, the directors may authorize some person to execute an instrument of transfer of the share in question.
32. A person any of whose shares have been forfeited shall cease to be a member in respect of the forfeited shares and shall surrender to the company of cancellation the certificate for the shares forfeited, but shall remain liable to the company for all moneys which, at the date of forfeiture, were payable by him to the company in respect of the shares, but his liability shall cease if and when the company shall have received payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
33. A statutory declaration by a director or the secretary that a share have been forfeited on a date stated in the declaration shall be conclusive evidence of the facts stated therein as the execution of an instrument of transfer if necessary) constitute a good title to the share, and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

#### **ALTERATION OF CAPITAL**

34. The company may by ordinary resolution:-

22. The company is a private company and accordingly:-
- (a) the right to transfer shares is restricted in manner hereinafter prescribed;
  - (b) the number of members of the company is limited to fifty as further provided for in the Act;
  - (c) any invitation to the public to subscribe for any shares or debenture of the public is prohibited;
  - (d) the company shall not have power to issue share warrants to bearer. 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.
23. If the directors refuse to register a transfer they shall within sixty days after the date on which the transfer was lodged with the company send to the transferee notice of the refusal.
24. The registration of transfers of shares or any transfers of any class of shares may be suspended at such times and of such periods (not exceeding thirty days in any year) as the directors may determine.
25. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting title to any share.

#### **TRANSMISSION OF SHARES.**

26. In case of the death of a member, the survivor or survivors where the deceased was a joint holder, and the personal representatives of the deceased where he was a sole holder or the only survivor of joint holders, shall be the only persons recognized by the company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.
27. A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as may properly be required by the directors and subject as hereinafter provided, either elect by notice to the company to be registered as holder of the share, or elect to have some person nominated by him registered as the transferee in which case he shall execute the appropriate instrument of transfer. All the articles relating to the right to transfer of shares shall apply to any such notice or transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.
28. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall have the rights to which he would be entitled if he were the registered holder of the share, except that he shall not, before being

notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the company of any sum due there under, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

15. A call shall be deemed to have been made at the time when the resolution of the directors authorizing the call was passed.
16. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
17. If a call remains unpaid after it has become due and payable, the person from whom the sum is due shall pay interest on the amount unpaid from the day it became due and payable to the time of actual payment at the rate fixed by the term of allotment of the share or, if no rate is fixed, at a rate not exceed five percent per annum as the directors may determine, but the directors may waive payment of such interest wholly or in part.
18. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalments of a call, shall be deemed to be call, and if it is not paid the provisions of the articles shall apply as if that amount had become due and payable by virtue of a call.
19. Subject to the terms of allotment, the directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.
20. The directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys un-called and unpaid upon any shares held by him, and upon all or any the moneys so advanced may (until the same would, but for such advance become (payable) pay interest at such rate not exceeding (unless the company in general meeting shall otherwise direct) six per cent per annum, as may be agreed upon between the directors and the members paying such sum in advance.

#### **TRANSFER OF SHARES.**

21. The instrument of transfer of any share shall be in any usual form or any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid up, by or on behalf of the transferee, and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

if a share certificate is defaced, worn out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of expenses reasonably incurred by the company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing out) on delivery up of the old certificate.

### LIEN

10. The company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share; but the directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The company's lien, if any on a share extend to any amounts payable in respect of it.
11. The company may sell, in such manner as the directors determine any shares on which the company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after a notice in writing has been given to the holder of the share, or the person entitled thereto by reason of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.
12. To give effect to any such sale the directors may authorize some person to transfer the shares sold to or in accordance with the directions of, the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
13. The net proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (upon surrender to the company for cancellation of the certificate for the shares sold and subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares, at the date of the sale.

### CALLS ON SHARES

14. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall exceed one-fourth of the nominal value of the share or be call, and each member shall (subject to receiving at least fourteen clear days notice the specifying when

COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
OF

**BEG<sup>3</sup> BUSINESS SOLUTION (T) LIMITED.**

PRELIMINARY

Interpretation

1. In these Regulations:-

- "the Act" means the Companies Act"
- "the article' means the articles of the company
- "clear days" in relation to the period of a notice means that period excluding the day when the notice is given or on which it is to take effect.
- "the holder" relation to shares means the member whose name is entered in the register of members as the holder of the shares"
- "the seal" means the common seal of the company'
- "secretary" means the means the secretary of the company or any person appointed to perform the duties of the secretary of the company.

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



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

**SHARE CAPITAL AND VARIATION OF RIGHTS**

2. Subject to the provisions of the Act, and without prejudice to any rights attaché to any existing shares, any share may be issued with such rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise as the company may by ordinary resolution determine.
3. subject to the provisions of section 61 of the Act, any shares may, with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the company are liable, to be redeemed on such terms and in

- paragraph.
- 4. The Liability of the Members is Limited.
- 5. The capital of the Company is Tanzanian Shillings **Ten Million [10, 000, 000 Tshs]** 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 several persons whose names and addresses are subscribed, are desirous of being formed into a company, in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

Names, Address, and Description of Subscribers	Number of Shares Taken by Each Subscriber	Signature
George Ndugutu Gitari P.O.BOX 1482 <b>MWANZA - TANZANIA</b>	5000	
Getrude B hoke Mahity P.O.BOX 1482 <b>MWANZA - TANZANIA</b>	5000	

Dated at Mwanza this 09<sup>th</sup> day of December, 2010

Witness to the above signatures:-

Signature 

Postal address Box, Mz

Qualification: Advocate

maintainers of dilapidated buildings, plumbing, furniture manufactures, suppliers and exporters, residential and office furnishers and general to be designers and fabricators of all kinds of gadgets whatsoever, to be timber processors, saw millers and suppliers of all kinds of timber, to be hardware and building materials suppliers, manufactures of electrical equipments and suppliers of same.

- (cc) To carry on the business of importers, exporters, buying selling, dealers in hardware, building materials, sanitary-ware, wall papers, roofing tiles, flooring tiles, supplying industrial equipment's agricultural implements and equipment's spares of every description, plumbers, decorators, steel fabrication, machine shop, nickel plating, electric plating, making steel windows, doors, frames and roof tresses.
- (dd) To carry on the business of soap manufacturers, to buy, sell, manufacture, refine, prepare, and deal in all kinds of detergents and ingredients, to carry on business as manufacturers of candles and perfumes, collectors of flowers and perfume producing vegetation.
- (ee) 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.
- (ff) To carry on business of organizing cultural events and entertainment, to deal with business of food supply as caterers and carry on business of hiring chairs and tables for events such as entertainment events, worshipping events, wedding, parties, workshops and seminars and all types of events.
- (gg) To do any undertaking or any part thereof for such consideration as in the opinions of the Directors it is for the best interest of the 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 wise be limited or restricted (except where otherwise expressed in such paragraphs) by reference to or inference from the terms of any other paragraph or the name of the Company, sense as if each of the said paragraphs defined the objects of a separate and distinct company, and That the meaning of any general word or words in any paragraph of this clause shall not be restricted by being

- and lend money or securities for money, to advance and lend money on real personal and mixed securities, on cash, credit or other accounts on policies, bonds, debentures, bills of exchange, promissory notes, letter of credit, or on deposit of title deeds, goods, bills of sale, stock and shares.
- (x) To carry on business as merchants, manufacturers, importers, exporters, buyers, and sellers of and dealers in merchandise of all description, including metals, machinery plant, tools and metal goods generally, cement, cotton, wool, worsted, silk, flax, hemp, jute, sisal, balata, fibrous material, rubber sponges, cloth, clothes, leather and leather goods, furniture, electrical goods, ivory, jewellery, gold, silver, precious stones and games, skins, for corn, hay, straw, hops, liquors, foods, provisions, wood and timber, coal, coke, fuel, oils, household goods and fittings, waste goods and offal, and generally any articles or goods of any kinds, whether manufactured or not.
  - (y) To carry on the business of guest house, hotel, motels and operate duty free shops, lodge, restaurants, bar, canteen, to be importers of spirits, beer, wine, soft drinks, act as general traders, importers and exporters, traders in the wholesale and retail business of goods and merchandise of any description, size and magnitude, general agents for local and overseas principals establish trading outlets for all types of local and imported goods, engaged in the export of all types of merchandise and to generally carry out retail and wholesale business general traders and to be trading agents.
  - (z) To carry on the business as general merchants, operate boutiques, general store keepers, universal providers, importers, exporters, wholesale and/or retail traders of or otherwise, to establish supermarkets, groceries, duty free shop's refreshments houses stocked with both imported and locally manufactured goods, textiles, piece goods imitation jewellery, hosiery, sundries, shoes, handbags, household requirements generally in all manufactured goods of all type, to acquire, establish, carry on the business as manufacturers, dealers and workers in ready made garments and knitwear's of all description for commercial and home use.
  - (aa) To carry on the business as traders, suppliers, general merchants, stockists, wholesalers, retailers and dealers in all types of foodstuffs, cooking oils, cosmetics, agricultural machinery, implements, equipment, spare parts, tyres, tubes, tools and accessories for all types of automotive, motor vehicles, and all kinds of industrial projects machinery and equipment, building materials, hardware, timber, electrical goods, fishing gears, groceries, computers, office equipments, oils, paints, spirits sheets, hinges, screws, iron mongery, textiles piece goods, all types of leather goods, shoes, bags and other similar goods.
  - (bb) To engage and or carry on the business of general civil works, engineering, road constructions, buildings, renovations, office partitioners, decorators,

which may be useful or conveniently combined with the engineering or manufacturing business of the company.

- (q) To search, prospect for examine, explore, excavate, quarry, dredge old diamonds, ores and other substance from the earth and to extract reduce wash, crush, refine, treat, smelt amalgamate manipulate or otherwise treat gold ores meals, minerals, emerald and other precious an semi precious stones and other valuable substances and to prepare, render and make them fit for market.
- (r) To amalgamate or enter into a joint venture with any other company or firm, be it foreign or local having similar objects.
- (s) To deal with supply of agricultural products, forest products such as timber and logs and carry on business of supply of livestock products. To carry on business of supplying building materials and hard wares of whatever nature, deal with building and general civil construction of whatever nature. To deal with import and export of electrical and building construction materials. To sell all types of electrical, and all electronic equipments.
- (t) To deal with operation of boats and all kinds of sailing vessels for tour purposes. To operate as tour guide, sight seeing, tour operator; to carry on business of professional hunters. To carry on business of big game fishing, safari outfitters, professional safari photographers, mountain climbing. To carry on activities of operating tented camps and deal with all activities of tourism.
- (u) To promote tourism in Tanzania by training personnel in accordance to international standard, to conduct such courses like Hotel and catering Management, Travel and Tourism Management, IATA Airline Fares and Ticketing, Marketing in Travel and Tourism, computer studies, Accountancy, Secondary School Education, and any other educational may be seen advantageous to Tanzanians.
- (v) To carry on business of ship owner or other vessels, air crafts, railway operations, and to acquire and hold shares, stock, debentures, debenture stock, script, bond notes, securities and obligations issued or guaranteed by any Company constituted or carrying on business in any part of the world, and funds, loans, securities or obligations of or issued for guaranteed by any government , state of dominion, public body or authority, supreme, municipal, local or otherwise, whether at home or abroad.
- (w) To carry on the business of banking, financial institution bureau de change, gold, gold coins, gold bullion, silver, copper and other precious, metals and precious stones, and to transact and to do all matters and things incidental thereto, or which may at any time hereafter be usual in connection with the

radio and television receiving and transmitting stations and any other systems for communications whether consisting of sounds or visual images and to run internet cafes.

- (g) To carry on business of technical colleges, computer colleges and all types of polytechnic schools/ colleges.
- (h) To enter unto and carry on the business as civil contractors of all or/and any of civil works like roadside works, road works and structural works.
- (i) To carry on the business as building contractors like foundations, structural works, bricks works, roofing, finishing works, construct, lay down, enlarge alter and maintain any building, works, and machinery necessary or convenient for the company's business.
- (j) To carry on all or/and any of the following businesses as Land Surveyors, surveyors of roads, highways, tramways, tunnels, building sites, marine topography, hydrograph and all types of specialised professional surveys.
- (k) To carry on the business of engineers and engineering management consultants, design, material testing, quantity surveying as well as architectural works.
- (l) To carry on the business of architects, and designers of roads and buildings, building contractors, cartographers, seismologists, geologists, hydrologists, photo grammetricians, and consultants in geographical information system (GIS), Remote Sensing Technology (RS), and Information and Communication Technology (ICT).
- (m) To carry on the business of gemstones dealers, buyers and sellers importers, exporters, cutters of all types of gemstone, precious an semi-precious stones, diamonds, rubies, Tanzanite and all miners.
- (n) To buy, sell prepare for market import and export all kinds of minerals and to search, win, work, get, calcine, reduce, amalgamate, dress, define, cut and polish and prepare for market gold and any ores and mineral substances and generally, buy, sell, manufacture and deal in genera products, plant and machinery and other things capable of being used in connection with mining or metallurgical, operations as required by the workman and other employed by the company.
- (o) To undertake and carry on any business transaction or operation commonly undertaken or carried by explorers, prospectors or concessionaires and miners and to carry on any other business which may seem to the company.
- (p) To carry on business relaxing to the finding and working of minerals the production and working of metals and the preparation of any other materials

COMPANY LIMITED BY SHARES  
MEMORANDUM OF ASSOCIATION  
OF

**BEG<sup>3</sup> BUSINESS SOLUTION (T) LIMITED.**

1. The name of the company **BEG<sup>3</sup> BUSINESS SOLUTION (T) LIMITED.**
2. The Registered office of the Company will be situated in Tanzania.
3. The objects for which the Company is established are:-
  - (a) To carry on business as clearing and forwarding agents, importers and exports of all types of goods from and to different countries all over the World and attract investors to invest in Tanzania.
  - (b) To carry on the trades or business of a telephones, telegraph cable and wireless communications company and to establish, work, manage, sell, hire out, and maintain telephone exchanges, cable communications, telegraph offices and radio and television receiving and transmitting stations and any other systems for communications whether consisting of sounds, visual images, electrical impulses or otherwise either alone or in any combination.
  - (c) To establish and run schools such as secondary schools, primary schools, colleges and universities. To operate bookshops for selling all types of books. To carry on the business of printing and publishing newspapers, books, magazines, fliers, cards, and calendars; and to carry on the business of sign writers.
  - (d) To deal with business of general importers of books and be suppliers of books to schools, colleges and all learning institutions and government departments and private enterprises. To carry on business of supply of office furniture and all other equipment for office and school use. To be printers of security documents, maps of all types and be suppliers of stationeries and all types of printing materials. To carry on business of selling computer and all types of electronic equipment
  - (e) To carry on the business of importers and suppliers of laboratory equipment for schools and hospitals and other institutions, to supply laboratory chemicals, to establish and run pharmacies and to be suppliers of drugs.
  - (f) To carry on the business of a telephones, telegraph, cable and wireless communications company and to establish, work, manage, sell, hire out, and maintain telephone exchanges, cable communications, telegraph offices and

THE COMPANIES ACT, 2002.

.....

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

BEG<sup>3</sup> BUSINESS SOLUTION (T) LIMITED.

Incorporated on the.....day of .....2010.

Drawn by;  
Getrude Bhoke Mahity,  
(Subscriber),  
P. O. Box 1482,  
MWANZA-TANZANIA.

	SCHEDULE 5					
SALARIES & WAGES						
NO	DEPARTMENTS/DESIGNATION	NO.	SALARY PER MONTH	SUBTOTAL MONTHLY SALARY	ANNUAL GROSS SALARY	
1	Managing Director	1	2000	2000	24,000	
2	Finance and Administration Manager	1	1500	1500	18,000	
3	Production Manager	1	1500	1500	18,000	
4	Sales and Marketing Manager	1	1500	1500	18,000	
5	Marketing Officer	1	800	800	9,600	
6	Accountants	1	800	800	9,600	
7	Engineers	5	800	4000	48,000	
8	Technicians	5	400	2000	24,000	
8	Secretary	1	250	250	3,000	
9	Drivers	3	150	450	5,400	
10	Machine Operators	6	150	900	10,800	
11	Security Guards	2	100	200	2,400	
12	Office Assistant	2	100	200	2,400	
	TOTAL USD \$	30	10,050	16,100	193,200	

SCHEDULE 4										
FIXED ASSETS SCHEDULE										
NAME OF ASSETS	YR USD	1	YR USD	2	YR USD	3	YR USD	4	YR USD	5
Land and Buildings	120,000		110,000		100,000		90,000		80,000	
Plant & Equipment	480,000		432,000		384,000		336,000		288,000	
Motor Vehicles	92,000		82,800		73,600		64,400		55,200	
Furniture & Fixtures	12,500		11,250		10,000		8,750		7,500	
<b>TOTAL</b>	<b>704,500</b>		<b>636,050</b>		<b>567,600</b>		<b>499,150</b>		<b>430,700</b>	
DEPRECIATION	YR USD	1	YR USD	2	YR USD	3	YR USD	4	YR USD	5
Land and Buildings	12,000		12,000		12,000		12,000		12,000	
Plant & Equipment	48,000		48,000		48,000		48,000		48,000	
Motor Vehicles	9,200		9,200		9,200		9,200		9,200	
Furniture & Fixtures	1,250		1,250		1,250		1,250		1,250	
<b>ANNUAL DEPRECIATION</b>	<b>70,450</b>		<b>70,450</b>		<b>70,450</b>		<b>70,450</b>		<b>70,450</b>	
<b>CLOSING FIXED ASSETS</b>	<b>634,050</b>		<b>565,600</b>		<b>497,150</b>		<b>428,700</b>		<b>360,250</b>	

	Communication	11,490	12,065	12,668	13,301	13,966
	Total costs	905,450	949,780	996,614	1,046,105	1,098,419

SCHEDULE 3	
COST STRUCTURE	
PARTICULAR	AMOUNT USD
Land and Buildings	120,000
Machinery & Equipment	480,000
Motor Vehicles	92,000
Furniture & Fixtures	12,500
Pre exp	40,000
Others	70,000
Working Capital	85,000
TOTAL	899,500

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# BEG3 BUSINESS SOLUTION LIMITED

## SCHEDULES AND GRAPHS

### SCHEDULE 1

#### REVENUE PROJECTION

PRODUCTS	YR USD	1	YR USD	2	YR USD	3	YR USD	4	YR USD	5
Hydraulic Components	1,350,000		1,417,500		1,488,375		1,562,794		1,640,933	
Other	565,000		593,250		622,913		654,058		686,761	
	1,915,000		2,010,750		2,111,288		2,216,852		2,327,694	

### SCHEDULE 2

#### OTHER OPERATING COSTS

OTHER OPERATING COST	YR USD	1	YR USD	2	YR USD	3	YR USD	4	YR USD	5
Motor vehicle running expenses	222,140		233,247		244,909		257,155		270,013	
Salaries and wages	193,200		202,860		213,003		223,653		234,836	
Pension contribut.	19,320		20,286		21,300		22,365		23,484	
Depreciation	50,500		50,500		50,500		50,500		50,500	
Administrative expenses	229,800		241,290		253,355		266,022		279,323	
Marketing Costs	95,750		100,538		105,564		110,843		116,385	
Utility costs	57,450		63,195		69,515		76,466		84,113	
Insurance	25,800		25,800		25,800		25,800		25,800	

CASH FLOW FROM INVESTMENTS:	595,000	-	-	-	-
CASH FLOW FROM FINANCING:					
Owners Equity Contribution	645,000				
Bank loan	-				
CASH FLOW FROM FINANCING	645,000	-	-	-	-
NET CASHFLOW FOR PERIOD	309,580	270,977	282,656	294,603	305,799
CASHFLOW AT START OF YEAR	-	309,580	580,557	863,212	1,157,815
CASHFLOW AT THE END OF YEAR	309,580	580,557	863,212	1,157,815	1,463,614



Stock		555,945	628,094	700,652	773,640	847,075
Total Current Assets		3,612,542	3,981,730	4,359,317	4,745,523	5,139,846
Total Assets		4,067,042	4,385,730	4,712,817	5,048,523	5,392,346
<u>Current Liabilities</u>						
Accounts Payable		2,844,031	2,951,988	3,057,350	3,160,007	3,259,833
Other Current Liabilities		58,216	61,127	64,183	67,392	70,762
Subtotal Current Liabilities		2,902,247	3,013,114	3,121,533	3,227,400	3,330,595
<u>Long-term Liabilities</u>						
Long-term Liabilities		322,500	322,500	322,500	322,500	322,500
Total Liabilities		3,224,747	3,335,614	3,444,033	3,549,900	3,653,095
Net Assets		842,295	1,050,116	1,268,785	1,498,625	1,739,251
<u>Capital and Reserves</u>						
Owners Contribution		645,000	645,000	645,000	645,000	645,000
Retained Earnings		197,295	405,116	623,785	853,625	1,094,251
Total Capital		842,295	1,050,116	1,268,785	1,498,625	1,739,251

		11,490	12,065	12,668	13,301	14,966
Total Expenses		905,450	949,780	996,614	1,046,105	1,099,419
Profit before Tax		281,850	296,885	312,385	328,343	343,752
Tax (30%)		84,555	89,066	93,715	98,503	103,126
Profit After Tax		197,295	207,820	218,669	229,840	240,626

## BEG3 BUSINESS SOLUTION LIMITED

### PROJECTED BALANCE SHEET

		YR USD	1	YR USD	2	YR USD	3	YR USD	4	YR USD	5
<u>Fixed Assets</u>											
Long-term Assets		505,000		454,500		404,000		353,500		303,000	
Depreciation		50,500		50,500		50,500		50,500		50,500	
Total Long-term Assets		454,500		404,000		353,500		303,000		252,500	
<u>Current Assets</u>											
Cash		309,580		580,557		863,212		1,157,815		1,463,614	
Accounts Receivable		2,747,017		2,773,080		2,795,453		2,814,069		2,829,157	



## 11.0 RECOMMENDATIONS

In the nutshell considering the market potentiality, Low Break Even Point and confidence to achieve the same in very 1st year and low payback period indicates that no risk to promoter as the funding agency.

Whole project report has been prepared on the basis of information and details supplied by the promoter. All precautions and due care have been made or taken into account while compiling the project report and to arrive at realistic conclusions. The details are as per the information provided by the project promoters and other papers provided to us.

At last it is concluded that the said unit will be financially and economically viable due to above said supportive factors. The promoter is fully confident that the project will stand the test of time and get all help/assistance and co-operation from state government and all concerned agencies.

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

## 10.0 ECONOMIC ANALYSIS:

### 10.1 ASSUMPTIONS AND CONSIDERATIONS

The basic assumptions underlying economic benefits and costs are:

10.1.1 Taxes on capital costs have not been considered.

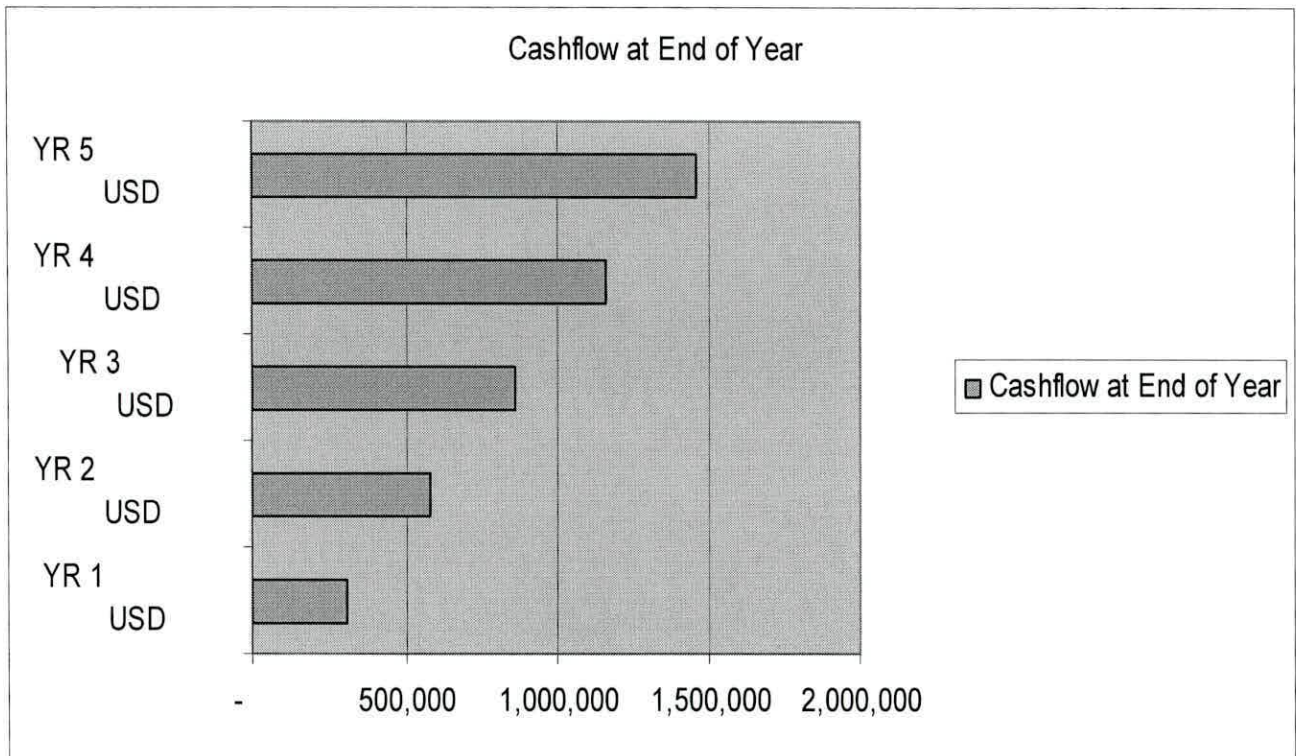
10.1.2 Conversion factors have been used to determine economic costs and benefits.

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

### 10.2 ECONOMIC BENEFITS OF THE PROJECT

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

- This project will boost investment in manufacturing sector which is important for the economy, contributing to research and other skills development. It will provide vital support to activities in mining and construction sectors.
- Employment opportunities for at least 30 permanent staff when the project is fully operational.
- The direct income for the workers, combined with other social benefits that the Management of M/s **Beg3 Business Solution Limited** will provide, will help in overall efforts of alleviation of poverty in the Region.
- Provision of a market for goods and services demanded by expanded tax base to the Treasury and local Government authorities and generation of substantial income to the Government.



#### 9.4 BALANCE SHEET

The projected Balance Sheet of the projected is shown in the financial statements under same heading. Net worth of the project increases from US\$ 842,295.00 in the first year of operation to US\$ 1,739,251.00 in the 5<sup>th</sup> year.

BALANCE SHEET PROJECTION										
	YR USD	1	YR USD	2	YR USD	3	YR USD	4	YR USD	5
Net Assets	842,295		1,050,116		1,268,785		1,498,625		1,739,251	

## 9.0 FINANCIAL ANALYSIS

### 9.1 INCOME AND EXPENDITURE

#### 9.1 INCOME

The proposed project by M/s **Beg3 Business Solution Limited** expects to earn its income through revenue generated from sale of crushed stones of various sizes depending upon the requirement which acts as raw material for various construction activities such as construction of Roads, Highways, Bridges, Buildings, and Canals. The total sales are expected to stand at US\$ 2,327,694 in the fifth year of operation

#### 9.1.1 EXPENDITURE

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

### 9.2 NET INCOME STATEMENT HIGHLIGHTS

The project's annual after tax net income during the fifth year of production is estimated to reach US\$ 240,626 as presented in the Income Statement of the financial statements appendix.

### 9.3 CASH FLOW HIGHLIGHTS

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

CASH FLOW PROJECTION										
	YR USD	1	YR USD	2	YR USD	3	YR USD	4	YR USD	5
Cash flow at End of Year	309,580		580,557		863,212		1,157,815		1,463,614	

## 8.5 DEPRECIATION

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

DEPRECIATION	YR USD	1	YR USD	2	YR USD	3	YR USD	4	YR USD	5
Land & Buildings	12,000		12,000		12,000		12,000		12,000	
Plant & Equipment	48,000		48,000		48,000		48,000		48,000	
Motor Vehicles	9,200		9,200		9,200		9,200		9,200	
Furniture & Fixtures	1,250		1,250		1,250		1,250		1,250	
ANNUAL DEPRECIATION	70,450		70,450		70,450		70,450		70,450	

## **8.0 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.

### **8.1 UTILITIES**

A total of US\$ 84,113 will be required as water bills and for the purchase of electric power at sustainable production level.

### **8.2 VEHICLE RUNNING EXPENSES**

Vehicle running expenses include fuel, maintenance, lubricants, road licenses, etc. The cost has been estimated at US\$ 270,013

### **8.3 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 \$ 234,836 including fringe benefits and related taxes

### **8.4 MARKETING**

The marketing costs are estimated at US\$ 116,385 in the fifth year of operation as per attached schedules

#### 7.4 PLANT MACHINERY AND EQUIPMENT COSTS

The main plant and machinery for the envisaged project will be for Stone Crushing & Pulverized Mineral Processing. Other supporting equipment, tools, accessories, etc. will be required as explained earlier.

The total investment on machinery and equipment is based on a quotation received from major suppliers for main production machinery and amount to US\$ 480,000 approximately.

#### 7.5 MOTOR VEHICLES

For company work, the promoters intend to procure various vehicles at total cost of US\$ 92,000.

#### 7.6 PRE-PRODUCTION CAPITAL EXPENDITURES

These include project development cost for feasibility study and start-up expenses. A budget of US\$ 40,000 is considered adequate for this item

#### 7.7 INITIAL WORKING CAPITAL

Initial net working capital requirement at maximum for the proposed project works out at about US\$ 85,000. This is mainly for the procurement of initial stocks of raw materials. Rest of the requirement of the working capital will be raised from commercial banks as and when the need arises. This will fluctuate as per stocks in hand.

#### 7.8 FINANCING PATTERN

The financing of the project will be from shareholder's equity contribution. The financing of the project will take the following form.

	EQUITY(US\$)	LOAN(US\$)
FOREIGN	425,500	474,000

## 7.0 INVESTMENT AND FINANCING

### 7.1 ASSUMPTIONS

The financial projections to determine the viability of the project by M/s Beg3 Business Solution Limited are based on the following key assumptions:

- Acquisition and Installation of machinery and equipment for stone crushing will start immediately. Thereafter production operations will commence.
- The company market will be local as well as export based on current operations
- Financial calculations are based on current market prices and costs are assumed constant throughout the operating period under view 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 1,630 as prevailing during July 2013.

### 7.2 SUMMARY OF CAPITAL COSTS

On completion of project implementation, the total investment will reach to US\$ 0.899 million as shown in attached schedules.

### 7.3 BUILDING AND CIVIL WORKS COSTS

The main civil works required involves construction of factory buildings in which the machinery will be installed .Other civil works will be electrification and water supply, etc. Total investment on land and buildings is estimated at US\$ 120,000.

### **6.2.3 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. This will involve developing distribution network and recruitment and training of qualified and well motivated marketing and sales personnel.

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

## **6.3 MANPOWER REQUIREMENT**

The permanent manpower requirement for running the proposed project is 48. Several other employees may be contracted on temporary basis.

## **6.4 SOURCE OF MANPOWER**

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

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

## 6.2 RESPONSIBILITIES

Responsibilities will be as follows:

### 6.2.1 Production Department

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

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

### 6.2.2 Finance and Administration Department

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

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

## 6.0 MANPOWER AND PLANT ORGANIZATION

The proposed project will have three independent departments, namely:

- Production
- Sales and Marketing
- Administration and Finance

### 6.1 ORGANIZATION

The Board of Directors of M/s **Beg3 Business Solution Limited** shall manage the project at policy level. The top most people in the day to day running of the company will be the Managing Director. Under the Managing Director's office will be the three Departments mentioned above. Each will be under a Manager and will comprise a number of Sections each headed by a Section Head as follows.

#### PRODUCTION DEPARTMENT;

- Operations
- Maintenance

#### SALES AND MARKETING DEPARTMENT;

- Research & Promotion
- Sales

#### ADMINISTRATION AND FINANCE DEPARTMENT

- Human Resources & Administration
- Finance & Accounts

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

The management team of M/s **Beg3 Business Solution Limited** will comprise the Managing Director, Production Manager, Finance & Administration Manager and Sales & Marketing Manager.

However, as new fine particles are created by crushing and attrition and as the moisture content is reduced by evaporation, this suppressive effect diminishes and may disappear. Plants that use wet suppression systems (spray nozzles) to maintain relatively high material moisture contents can effectively control PM emissions throughout the process.

Depending on the geographical and climatic conditions, the moisture content of mined rock can range from nearly zero to several percent. Because moisture content is usually expressed on a basis of overall weight percent, the actual moisture amount per unit area will vary with the size of the rock being handled.

On a constant mass-fraction basis, the per-unit area moisture content varies inversely with the diameter of the rock. The suppressive effect of the moisture depends on both the absolute mass water content and the size of the rock product. Typically, wet material contains >1.5 percent water.

A variety of material, equipment, and operating factors can influence emissions from crushing. These factors include:

- (1) Stone type,
- (2) feed size and distribution,
- (3) Moisture content,
- (4) Throughput rate,
- (5) Crusher type,
- (6) Size reduction ratio, and
- (7) Fines content.

### 5.3 CRUSHED STONE PROCESSING

Emissions of PM, PM-10, and PM-2.5 occur from a number of operations in stone quarrying and processing. A substantial portion of these emissions consists of heavy particles that may settle out within the plant. As in other operations, crushed stone emission sources may be categorized as either process sources or fugitive dust sources. Process sources include those for which emissions are amenable to capture and subsequent control.

Fugitive dust sources generally involve the entrainment of settled dust by wind or machine movement. Emissions from process sources should be considered fugitive unless the sources are vented to a bag house or are contained in an enclosure with a forced-air vent or stack. Factors affecting emissions from either source category include the stone size distribution and the surface moisture content of the stone processed, the process throughput rate, the type of equipment and operating practices used, and topographical and climatic factors.

Of geographical and seasonal factors, the primary variables affecting uncontrolled PM emissions are wind and material moisture content. Wind parameters vary with geographical location, season, and weather. It can be expected that the level of emissions from unenclosed sources (principally fugitive dust sources) will be greater during periods of high winds. The material moisture content also varies with geographical location, season, and weather.

Therefore, the levels of uncontrolled emissions from both process emission sources and fugitive dust sources generally will be greater in arid regions of the country than in temperate zones and greater during the summer months because of a higher evaporation rate.

The moisture content of the material processed can have a substantial effect on emissions. This effect is evident throughout the processing operations. Surface wetness causes fine particles to agglomerate on or to adhere to the faces of larger stones, with a resulting dust suppression effect.

## 5.2 PULVERIZED MINERAL PROCESSING

Pulverized minerals are produced at specialized processing plants. These plants supply mineral products ranging from sizes of approximately 1 micrometer to more than 75 micrometers aerodynamic diameter. Pharmaceutical, paint, plastics, pigment, rubber, and chemical industries use these products. Due to the specialized characteristics of the mineral products and the markets for these products, pulverized mineral processing plants have production rates that are less than 5% of the production capacities of conventional crushed stone plants.

In dry processing systems, the mineral aggregate material from conventional crushing and screening operations is subject to coarse and fine grinding primarily in roller mills and/or ball mills to reduce the material to the necessary product size range. A classifier is used to size the ground material and return oversized material that can be pulverized using either wet or dry processes.

The classifier can either be associated with the grinding operation, or it can be a standalone process unit. Fabric filters control particulate matter emissions from the grinding operation and the classifier. The products are stored in silos and are shipped by truck or in bags.

In wet processing systems, the mineral aggregate material is processed in wet mode coarse and fine grinding operations. Beneficiation processes use flotation to separate mineral impurities. Finely ground material is concentrated and flash dried. Fabric filters are used to control particulate matter emissions from the flash dryer. The product is then stored in silos, bagged, and shipped.

The stone that is too large to pass through the top deck of the scalping screen is processed in the secondary crusher. **Cone crushers** are commonly used for secondary crushing (although impact crushers are sometimes used), which typically reduces material to about 2.5 to 10 centimeters (1 to 4 inches). The material (through) from the second level of the screen bypasses the secondary crusher because it is sufficiently small for the last crushing step. The output from the secondary crusher and the through from the secondary screen are transported by conveyor to the tertiary circuit, which includes a sizing screen and a tertiary crusher.

### 5.1.1 Tertiary crushing

Tertiary crushing is usually performed using cone crushers or other types of impactor crushers. Oversize material from the top deck of the sizing screen is fed to the tertiary crusher. The tertiary crusher output, which is typically about 0.50 to 2.5 centimeters (3/16th to 1 inch), is returned to the sizing screen.

Various product streams with different size gradations are separated in the screening operation. The products are conveyed or trucked directly to finished product bins, to open area stock piles, or to other processing systems such as washing, air separators, and screens and classifiers (for the production of manufactured sand).

Some stone crushing plants produce manufactured sand. This is a small-sized rock product with a maximum size of 0.50 centimeters (3/16 th inch). Crushed stone from the tertiary sizing screen is sized in a vibrating inclined screen (fines screen) with relatively small mesh sizes. 8/04 Mineral Products Industry.

Oversized material is processed in a cone crusher or a hammer mill (fines crusher) adjusted to produce small diameter material. The output is returned to the fines screen for resizing.

In certain cases, stone washing is required to meet particulate end product specifications or demands.

## 5. 0 PRODUCTION PROCESS AND TECHNOLOGY

### 5.1 CRUSHED STONE PROCESSING

Major rock types processed by the crushed stone industry include limestone, granite, dolomite, traprock, sandstone, quartz, and quartzite. Minor types include calcareous marl, marble, shell, and slate. Major mineral types processed by the pulverized minerals industry, a subset of the crushed stone processing industry, include calcium carbonate, talc, and barite.

Industry classifications vary considerably and, in many cases, do not reflect actual geological definitions. Rock and crushed stone products generally are loosened by drilling and blasting and then are loaded by power shovel or front-end loader into large haul trucks that transport the material to the processing operations.

Techniques used for extraction vary with the nature and location of the deposit. Processing operations may include crushing, screening, size classification, material handling and storage operations. All of these processes can be significant sources of PM and PM-10 emissions if uncontrolled.

Quarried stone normally is delivered to the processing plant by truck and is dumped into a bin. The feeder or screens separate large boulders from finer rocks that do not require primary crushing, thus reducing the load to the primary crusher. Jaw, impact, or gyratory crushers are usually used for initial reduction. The crusher product, normally 7.5 to 30 centimeters (3 to 12 inches) in diameter, and the grizzly through (undersize material) are discharged onto a belt conveyor and usually are conveyed to a surge pile for temporary storage or are sold as coarse aggregates.

The stone from the surge pile is conveyed to a vibrating inclined screen called the **scalping screen**. This unit separates oversized rock from the smaller stone. The undersized material from the scalping screen is considered to be a product stream and is transported to a storage pile and sold as base material.

the Tanzania Engineering and Manufacturing Design Organization (TEMDO) and Tanzania Bureau of Standards (TBS).

#### 4.8 CHALLENGES FACING THE MANUFACTURING SECTOR

- Poor technology;
- Insufficient industries/ factories;
- Unreliable market for the final processed goods;
- High cost of power, unreliability of power and underdeveloped infrastructure;
- Unreliable availability of raw materials;
- Small number of trained manpower.

The manufacturing sector holds the key to Tanzania's economic growth given the desire to diversify from agriculture and tourism to other sectors. Although the sector's contribution to the national economy has not significantly improved lately, there is every reason to believe that with proper policies and investment incentives in place, manufacturing sector is a growth area.

#### **4.5 INVESTMENT OPPORTUNITIES**

The priority sectors for investment include the following export-oriented manufacturing operations: Construction sector, Textile and garments; leather processing and leather products; lapidary, including gold, diamonds and gemstones; agro processing; fish processing; wood and wood products; electrical and electronic appliances; and ICT industries.

#### **4.6 POLICIES AND REGULATORY FRAMEWORK**

The future discourse for industrial development in Tanzania is elaborated in the Sustainable Industrial Development Policy - SIDP". The main purpose of SIDP is to create out a path for industrializing Tanzania so that by the turn of the first quarter of the 21st Century it becomes a semi industrialized country.

In its approach SIDP embraces the principles of a market-led economy and competitiveness. It points out plainly that industry would only prosper in the hands of increased private sector participation both in decision making and implementation.

The government in this aspect has vowed to increasingly provide an environment which is welcoming, attractive, and stable and that can encourage private sector investment.

The private sector in its part should take all necessary initiatives to respond and manage challenges of globalization. Firms are challenged to pursue firm strategies which are geared towards building the necessary capabilities to enable them compete in the world market.

#### **4.7 INDUSTRIAL SUPPORT ORGANISATIONS**

The government has established several institutions to render support services to the industrial sector. Among them are: The National Development Corporation (NDC), the Small Industries Development Organization (SIDO), the Centre for Agricultural Mechanization and Rural Technology (CARMATEC), the Export Processing Zones Authority (EPZA), the Tanzania Industrial Research Development Organization (TIRDO),

detergents, perfumes and other cosmetics, paints and other chemical products. While the petroleum subsector comprise of petroleum refineries, fuel oils, lubricating oils and manufacture of asphalt materials.

Rubber products produced in the country include tyres and tubes conveyors and fan belts, rubber mats, groves, pipes and tanks, plastic sheets, kitchenware, furniture and footwear.

#### **4.4.2 Non-metallic Mineral Products**

This includes manufacture of pottery, china and earthenware, glass and glassware products, bricks, tiles, cement, concrete, gypsum and plaster products.

Boosted by robust growth in construction, Tanzania's cement industry has grown rapidly over the years, with three cement producers and a combined production capacity of 1.9 million tons per year.

#### **4.4.3 Basic Metal Products**

This comprises rolling mills and foundries to produce products such as slabs, bars, sheets, plates, strips, tubes, pipes and rods.

#### **4.4.4 Fabricated Metals, Machinery and Equipment**

These include manufacture of cutlery, hand tools and general hardware, furniture and fixtures, doors, metal staircases and window frames. Others are electrical motors transformers, electrical control devices and switchboard apparatus as well as radios and transport equipment, mainly bicycles and animal and auto-pulled carts.

#### **4.4.5 Other Manufacturing Industries**

This covers products such as jewels and related articles, furniture manufacture, measuring and controlling equipment and optical goods. Production in this category has experienced an average growth of over 12 percent over the last decade.

## **4.2 IMPORTANCE OF THE SECTOR AND PERFORMANCE**

In terms of importance, the manufacturing sector, though not strong as it should be, continues to play a respectable role in the economy, contributing to 18.9% of export earnings and 8.6% to GDP - but this is still short of the planned target of 15% by 2020.

In the country's Development Vision-2025, it is projected that the contribution of the industrial sector to the economy will reach 25% like the semi-industrialized countries of South East Asia.

Tanzania's most important industries include agro food processing, beverages, oil refining, and cement. Other industries include the production of textiles, apparel, tobacco products, glass, paints, plastics, chemicals and pharmaceuticals, and the processing of metals and wood products.

The sector provides employment for an estimated workforce of over 100,000 people. Growth rate of the sector decelerated from 9.9 percent in 2008 to 8.0 percent in 2009. This trend was due to the effects of the global economic meltdown.

## **4.3 EXPORT DEVELOPMENT**

The export market for manufactured goods comprises cotton yarn, manufactured coffee, manufactured tobacco, sisal products, plastics, textiles and apparel and iron steel.

During 2009, the export value of manufactured goods decline from US\$ 662.3 million recorded in 2008 to US\$ 497.6 million. The decline is partly attributable to the drop in demand for the manufactured products in the neighbouring countries following the global financial crisis.

## **4.4 MAJOR PRODUCTION AND INDUSTRIAL UNITS**

### **4.4.1 Chemicals, Petroleum, Rubber and Plastics**

The chemical subsector comprises the manufacture of basic industrial chemicals, fertilizers, pesticides, plastic materials and products, medicinal and pharmaceuticals, soap,

## 4.0 MANUFACTURING SECTOR IN TANZANIA

### 4.1 INTRODUCTION

Although an underdeveloped sector in Tanzania, manufacturing is nevertheless an important contributor to the country's GDP. But the burdens it struggles under are substantial. Hampered by the variability of the agricultural sector on which it is based, Tanzania's industries must also contend with high costs of production, low labour productivity, high interest rates and increased competition arising out of the policy of trade liberalization.

In this context, the sector is characterized by a narrow industrial base dominated by agro-industries, limited diversification, reliance on imported inputs of raw materials and intermediates, relatively underdeveloped industry linkages, prevalent use of obsolete technologies and production that is mainly focused on the domestic market.

Government recognizes that significant transformation of the sector is vital. In order to achieve this, it is necessary to promote and stimulate a change process which will make the sector exhibit a diversified structure of production; undertake processing of more of the natural resources with which Tanzania is endowed; and become export-oriented.

Taking into account the above factors, Government's goals for the industrial sector in the medium term are to optimize the exploitation of domestic natural resources; to strengthen backward and forward linkages within the manufacturing sector and between the sector and rest of the economy; to ensure that industries are competitive in the domestic and international markets; to raise levels of technological capabilities; to create new employment opportunities; to absorb the rapidly growing labour force; to strengthen the SME sector and put emphasis on sub regional collaboration and south-south cooperation.

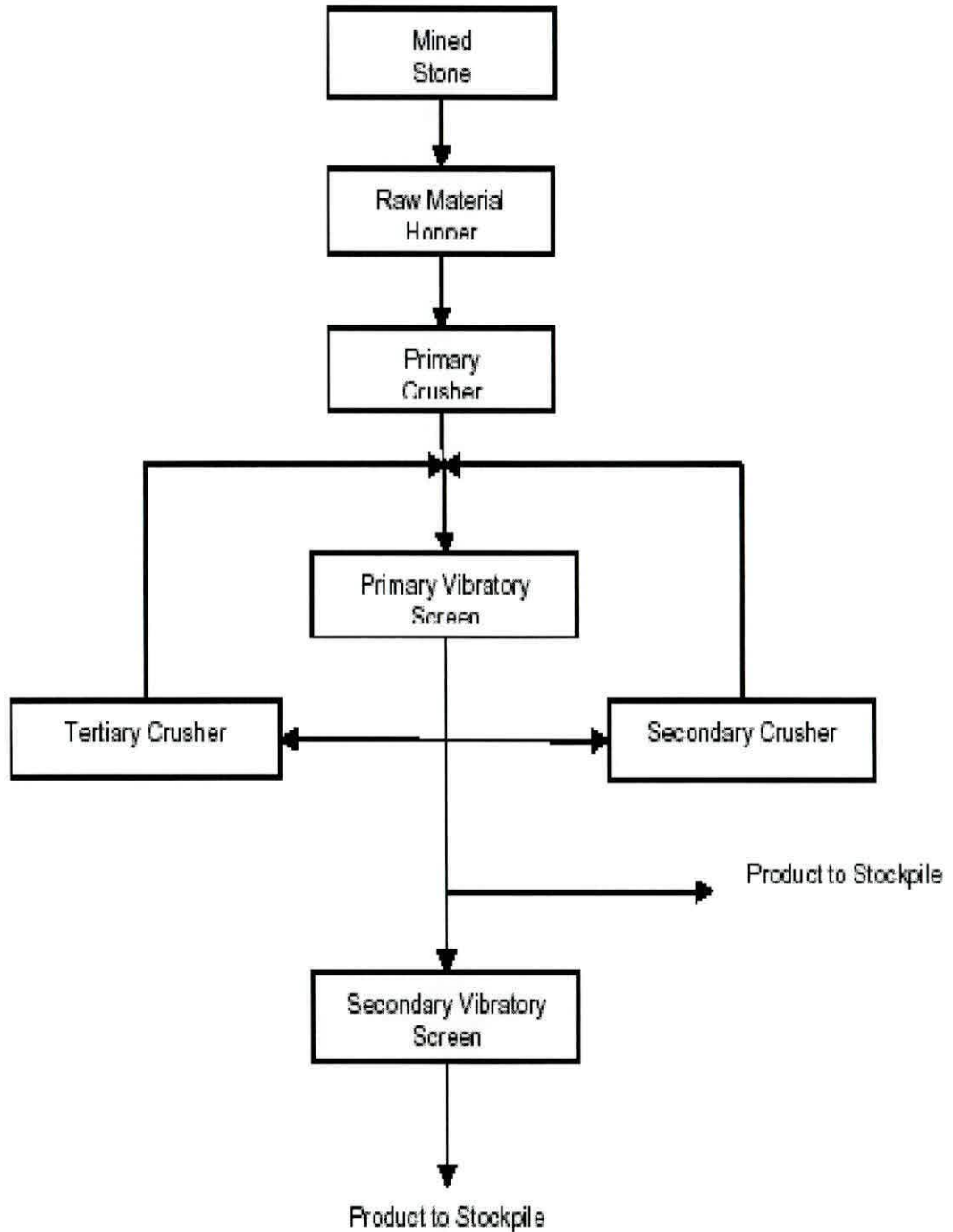
### 3.3 ENVIRONMENTAL GUIDELINES FOR SETTING UP STONE CRUSHING PLANT

Stone Crushing Industry is an important industrial sector in the State engaged in producing crushed stone which is raw material for various construction activities like construction of Roads, Highways, Bridges, Buildings, Canals, etc.

Transportation of stone over long distances adds to cost of the crushed stone products, crushers need to be necessarily located nearer to the demand centers such as Cities, Bridges, Highways, Canals, etc. Stone Crushers also need electricity supply and man power for operation. It also needs access roads for the movement of mined stone as well as crushed stone products.

These stone crushers though socio-economically an important sector, give rise to substantial quantity of fugitive fine dust emissions resulting in to health hazards to the workers as well as surrounding population. The dust also adversely affects visibility, reduces growth of vegetation and hampers aesthetics view of the area.

## Stone Crushing Process Flow



### 3.0 MANUFACTURING PROCESS.

#### 3.1 PRODUCT MANUFACTURING PROCESS

The main machinery involved in the stone crushing industry is Hammer Crusher, Screen, Conveyers etc. The process involved is to feed the stone in to the Hammer Crushers to make it further smaller in size as required by the customer.

In the hammer crusher, the stone is crushed. The crushed stone is screened to separate the produce in different sizes by the separator. The crushed stone is conveyed by the conveyors to trucks for transport to the market place or storage area. Process flowchart of a stone crushing unit has been given

#### 3.2 PRODUCT MARKETING CHANNELS

In the manufacturing industry, marketing is considered to be of significant importance. In the Stone Crushing industry, marketing parameters are very limited and usually in some degree associated with the construction sector. Some of the marketing promotion activities which should duly be rendered are given below:

- ❖ Connection development with the building material suppliers, well known builders and contractors.
- ❖ Update information on civil and construction works initiated by local, provincial and central government.
- ❖ Draw linkages with material suppliers to the housing industry at town level.
- ❖ Establish contacts with local civil engineering firms, individuals and professionals.

## 2.3 PROJECT RATIONALE

Stone crushing industry is an important industrial sector in the country. The crushed stone is then used as raw material for various construction activities i.e. construction of roads, bridges, buildings and canals.

Over the last 10 years, the Construction sector has been registering strong growth rates in the range of 17-18%. Housing and construction is one of the major drivers of growth in more than 40 allied industries including STONE CRUSHING.

In addition, for the building of roads, flyovers and bypasses, there is a mass and consistent need of crushed stone across the country. Several projects are in progress and are being commenced shortly which will have high demand of crushed stone all over the country.

This process leads to construction of roads, bridges, new houses; markets, etc resultantly gear up construction activities and more use of crushed stones. Constructions of network infrastructure network in the Lake Zone are also synergic factor for this project. The aforementioned facts and statistics provide enough evidences, assuring a steep and continuous growth vis a vis investment opportunity in the STONE CRUSHING business.

**Raw Material:** It will be procured from own mining lease. Requisite permission for the proposed mining activity has already been received from the concerned mining department of Mwanza Zone Mining office.

## 2.2 PROJECT OBJECTIVES

The project objective is to set a stone crushing plant in the surrounding of Usagara area, in Misungwi District. Total land of the site is 5.5 acres, consisting of mine area 4 acres and remaining open land 1.5 acres.

The plant will be able produce crushed stones of various sizes that can be used in various construction and road projects. The product will be hard lime stone crush of different sizes as required. Working with the proposed plant and machinery, the project will be capable of producing 30,000 C.ft. of crushed stone at 100% capacity utilization with single shift of 8 to 12 hours a day.

The total capital cost of the project is \$899,500. For crushed stone manufacturing purposes, the majority of the crushing units use Hard Limestone, the reason lies in its extreme hardness and it also gives maximum strength to the building structure. Another reason is that it is easily available across the country in large quantities although granite could also be used for this purpose, as it is used by many other countries, though its excavation is comparatively difficult.

Hard Lime Stone is found almost in every part of the country; so proposed sites and the availability of raw material are in abundance. According to extraction data for industrial minerals for FY 2002-03 the reserve of Lime Stone in Mwanza are 4,921 million tons which are fairly large. However, in case of Granite, so far known sources of workable granites in the country which could be used for crushing purposes are available in Mwanza Region.

2.1.5 Break Even point is the point where after unit will be able generate and contribute towards profit and cash accruals. Calculation of Break Even point indicates, that unit will earn profit from very first year.

2.1.6 Average Return on equity (profit on Net Worth) after paying interest and income tax, is very healthy and reasonable, being a good indicator of the project`s survivability.

### Capital Investment Requirements

COST STRUCTURE		
PARTICULAR	AMOUNT	USD
Land and Buildings	120,000	
Machinery & Equipment	480,000	
Motor Vehicles	92,000	
Furniture & Fixtures	12,500	
Pre exp	40,000	
Others	70,000	
Working Capital	85,000	
<b>TOTAL</b>	<b>899,500</b>	

Initial steps towards implementation of the project have already been taken like selection of the site, market survey supply selection and finalization of plant and machine etc. It is expected that unit may start production on commercial basis within a very short span of time from receiving the necessary regulatory clearances.

## 2.0 ANALYSIS AND INTERPETATION

2.1.1 The Unit of Stone Crushing is promoted by M/S BEG3 BUSINESS SOLUTION LIMITED.

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

NAME & ADDRESS	NATIONALITY	% SHARE-HOLDING
George Ndugutu Gitari	Tanzanian	50%
Getrude Bhoke Mahity	Tanzanian	50%

Their prospects of the unit is undoubtedly high, because of available infrastructure facility, labors, communication, power, transport, water and high potential demand of goods to be traded and produced, further the unit will enjoy the benefit of being few of such unit in that region.

The promoters are also an energetic, young & educated, hard laborer and in full of confidence for success of this unit.

2.1.2 It is important to setup the unit where access of raw material should be easy and cost effective and setting up unit in proper location there is rib problem in raw material perceived in near future.

2.1.3 From financial analysis and project appraisal it appears that the project is economically viable & financially feasible due to the supportive factor enumerated here in below.

2.1.4 Overall Profitability of the unit is well enough shown as to accelerate the funds and to repayment of funds invested.

The stone crusher is one such industry that exists in the vicinity of almost all major cities/towns throughout the country in all the states because the construction activities go on throughout the country. As transportation of stone over long distances adds to cost of the crushed stone products, the crushers need to be necessarily located nearer to the demand centers such as Cities, Bridges, and Canals etc.

Stone Crushers also need electricity supply and large number of man power for its operation. It also needs access roads for the movement of mined stone as well as crushed stone products. It is for these reasons that most Stone Crushers are located along the periphery of Cities or in the vicinity of major construction projects.

In most cases the Stone Crushers come up in clusters of number of units ranging from five to fifty in one cluster. The crushers are located nearer to the source of raw material such as Stone mines.

These stone crushers though socio-economically an important sector, gives rise to substantial quantity of fine fugitive dust emissions which create health hazards to the workers as well as surrounding population by way of causing respiratory diseases. The dust also adversely affects visibility, reduces growth of vegetation and hampers aesthetics of the area.

## PROJECT EXECUTIVE SUMMARY

### 1.1 INTRODUCTION

Stone Crushing Industry is an important industrial sector in the country engaged in producing crushed stone of various sizes depending upon the requirement which acts as raw material for various construction activities such as construction of Roads, Highways, Bridges, Buildings, and Canals etc.

The Study examines the possibility of establishing a project for stone crushing in Mwanza. 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 Beg3 Business Solution Limited to enjoy rapid expansion in all target markets as more and more customers continue to appreciate the benefits of its products. The company will develop the technical capability to produce products to suit its target market.

It is estimated that there are over 12,000 stone crusher units in India. The number is expected to grow further keeping in view the future plans for development of infrastructure of roads, canals and buildings that are required for overall development of the country. In Tanzania, the Stone Crushing Industry sector is estimated to have an annual turnover of over US\$ 1 billion and is therefore an economically important sector.

The sector is estimated to be providing direct employment to over 500,000 people engaged in various activities such as mining, crushing plant, transportation of mined stones and crushed products etc. Most of these personnel are from rural and economically backward areas where employment opportunities are limited and therefore it carries greater significance in terms of social importance in rural areas. It is a source of earning for uneducated poor unskilled rural people.

# **Business Plan for Proposed Project of Stone Crushing**

## **PROJECT EXECUTIVE SUMMARY**

### **1.1 INTRODUCTION**

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It is estimated that there are over 1,008 stone crusher units in Tanzania. The number is expected to grow further keeping in view the future plans for development of infrastructure of roads, canals and buildings that are required for overall development of the country. In Tanzania, the Stone Crushing Industry sector is estimated to have an annual turnover of over US\$ 1 billion and is therefore an economically important sector.

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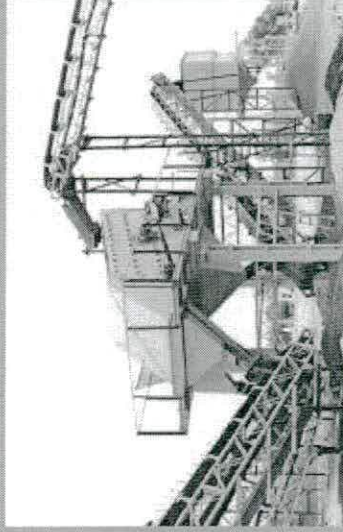
**Promoted by M/S BEG3 BUSINESS SOLUTION LIIMITED, P.O.Box 1482 Mwanza**

# BEG3 BUSINESS SOLUTION COMPANY LIMITED

## BUSINESS PLAN

FOR STONE CRUSHING FACTORY

PREPARED BY BEG3 BUSINESS SOLUTION LIMITED



2013

P.O.BOX 1482, MWANZA - TANZANIA

# MINUTE SHEET

Dokezo  
No.

# MINUTE SHEET

Dokezo  
No. 1.0

AG. ~~EXD~~ doneg. 14/11/2013

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

(a) Minimum finance investment threshold has been exceeded, the project expects to invest ...US\$ 0.895m.....

(b) Legal entity has been incorporated under certificate

No. 83716 ..... of 06/06/2011.....

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

Submitted for signature.



N. Senzia  
DIF

13<sup>th</sup> November, 2013

## EXD

In response to the TIC letter of registration dated 13/09/2013.....

the project has submitted the required documents namely: -

(a) Company Board Resolution.

(b) Reference letter/Financing from Eco Bank.....

(c) Title Deed.....

With the above submission EXD is requested to sign Certificate of Incentives No. 042513..... herein attached.

Drassa  
Ag DIF  
27/11/2013

APPROVED BY EXD

Sign: 

Date: 02/12/13.....