



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

FILE BEGINS		ENDS	PART
PART	FILE TITLE		FILE NUMBER
	CONFIDENTIAL		TICC
PP-10			
FILE NUMBER			042455

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
BIF	F-1	HPM	27/05	✓										
DoH	F-1	HPM	30/5/13	✓										
EXD	M	HPM	11/5/13	✓										
BIF	F-1	HPM	12/6/13	✓										

FILE NUMBER
 PP.10/042455
 PART

GOBOSH LEATHER
LIMITED

TICC/PP.10/042455/7

26/06/2013

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

Dear Sir,

**RE: DUTY/VAT EXEMPTION ON THE CAPITAL/DEEMED CAPITAL
GOODS OF CERTIFICATE OF INCENTIVES NO. 042455**

M/S Gobosh Leathers Limited is a TIC registered company with certificate of incentives **No. 042455** which is valid up to **May 2016**

The company has been registered with objectives of establishing leather and animal skin processing Plant.

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

Yours sincerely

TANZANIA INVESTMENT CENTRE


N.A. Senzia

FOR: EXECUTIVE DIRECTOR

CTIN.: 1603289

ISO 9001 : 2008 Certified



TANZANIA REVENUE AUTHORITY

CERTIFICATE OF REGISTRATION

FOR

TAXPAYER IDENTIFICATION NUMBER (TIN)

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

THIS IS TO CERTIFY THAT

.....**GOBOSH LEATHERS LIMITED**.....

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

.....**120-068-954**.....

with effect from**12-Mar-13**.....

P. N. Kassera

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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

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

1. Shareholders

	Nationality	Shareholding (%)
Peravali Sambasiva Rao	Indian	30
Matiko James abeid	Tanzanian	70

2. Proposed Activities : **To establish leather and animal skin processing plant**

3. Sector: **Manufacturing** Subsector **Leather Processing**

4. Investment cost: Foreign **USD 1.2m.** Local **-** Total **USD 1.2m.**

5. Project Financing: Equity **USD 0.6m.** Loans **USD 0.6m.** Total **USD 1.2m.**

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

7. Assets to be invested:

	Foreign	Local	Total
Capital items:	USD 1.2m.	-	USD 1.2m.

8. Technology Agreement **None**

9. Date of TIC Registration: **10th June 2013**

10. Implementation period **June 2013 - May 2016**

11. Operative date..... **June 2016**

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

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

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

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

Signed 
Executive Director



00219974

Stamp: *Signature of the Original*
Signature
Date 18/6/2013

For: Executive Director
Tanzania Investment Centre

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042455

This is to certify that

GOBOSH LEATHERS LIMITED

P.O. BOX 7608

of address

MWANZA

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

GOBOSH LEATHERS LIMITED

PLOT NO. 13 - 18 KISESA TRADING CENTRE

Which is located at

IHAYABUYAGA, MAGU - MWANZA

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

[Signature]

Executive Director

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

Dated 17TH JUNE 2013



GOBOSH LEATHERS LIMITED

6

TIC

Date: 18th June 2013

Ref. No: GLL/TRA-TIC/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 on
24/6/2013
Mr
TIC

Dear Madaam,

**RE: DUTY & VAT EXEMPTION ON CAPITAL/ DEEMED CAPITAL GOODS FOR
CERTIFICATE OF INCENTIVES NO: 042455.**


We are TIC registered project under Certificate of Incentives No. 042455 which is valid up to June 2016.

The Company has been registered with objectives of establish a project of **developing a leather and animal skin processing plant project** at Plot No. 13 – 18, Kisesa Trading Centre, Ihayabuyanga , at Magu District, Mwanza Region.

Attached herewith please find;

1. A list of Capital/ Deemed Capital Goods for Duty/ VAT exemption approved.
2. Two certified copies of our TIC certificate of Incentives No. 042455
3. Two copies of TIN Certificate
4. Two copies of letters.

Yours sincerely


.....
Matiko James Abeid
DIRECTOR.

Kenyatta Road
P.o. Box 7608
MWANZA – TANZANIA

Tel: +255 28 2541449
Fax: +255 28 2541449
Email: goboshleathers@gmail.com
Cell: +255 754 710 374

PREPARED AND SUBMITTED TO CLIENT BY:

QUANTITY SURVEYORS

COSTWISE CONSULTS

P.O. BOX 1965,CCM BUILDING-MAKONGORO Rd

MWANZA.



207	Cooling Capacity: 18k Btu/h (5.2kW) ceiling cassette A/C	1	No	Equipment			
208	Cooling Capacity: 18k Btu/h (5.2kW) wall mounted A/C	1	No	Equipment			
209	Cooling Capacity: 12k Btu/h (3.5kW) A/C	4	No	Equipment			
210	Cooling Capacity: 9k Btu/h (2.5kW) A/C	5	No	Equipment			
211	Ceiling fan 56 inches diameter	10	No	Equipment			
212	Wooden tennary	8	No	Machine			
213	Double grip Hydraulic fleshing machine	1	No	Machine			
214	Mechanical fleshing machine	1	No	Machine			
215	Mechanical setting machine	1	No	Machine			
216	Mechanical hides samming machine	1	No	Machine			
217	500KVA Generator set Prime power rated	1	No	Equipment			
218	500kVA, 33/0.400kV, 50Hz, outdoor distribution	1	No	Equipment			
219	63A TPN isolator	8	No	Machine			
220	100A TPN isolator	1	No	Machine			
221	29.8kW Motor control center stater (40HP)	1	No	Machine			
222	16.4kW Motor control center stater (22HP)	8	No	Machine			
223	11.0kW Motor control center stater (15HP)	3	No	Machine			
224	5.5kW Motor control center stater (7.5HP)	1	No	Machine			
225	4 Way 20A, contactor	12	No	Machine			
226	Air Extract Electrical Fans, 2000 l/sec	1	No	Equipment			
227	Air Extract Electrical Fans, 1500 l/sec	3	No	Equipment			
228	800 x 700 [mm] Duct	90	LM	Equipment			
229	700 x 600 [mm] Duct	30	LM	Equipment			
230	500 x 500 [mm]Duct	260	LM	Equipment			
231	450 x 400 [mm]Duct	40	LM	Equipment			
232	400 x 400 [mm]Duct	270	LM	Equipment			
233	300 x 300 [mm]Duct	810	LM	Equipment			
	VEHICLES						
234	1-3 tons pick up (Single Cabin)	4	No	Equipment			
235	Mini bus	2	No	Equipment			
236	Fork lift	2	No	Equipment			
237	Motorcycle X	2	No	Equipment			
238	Lorry truck (5-7 tons)	4	No	Equipment			
239	Tipping truck 4 ton X	2	No	Equipment			
	EQUIPMENT AND TOOLS FOR WORKERS						
240	Safety shoes	2000	No	Equipment			
241	Uniforms	2000	No	Equipment			
242	Overcoats	2000	No	Equipment			
243	Overalls	2000	No	Equipment			



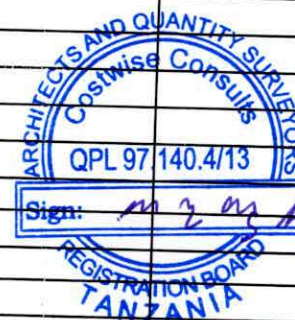
175	10Amps one way two gang switch	19	No	Building materials			
176	10Amps one way three gang switch	10	No	Building materials			
177	32A TPN isolator	6	No	Building materials			
178	Smoke detector	69	No	Building materials			
179	Manual call point	18	No	Building materials			
180	sounder	18	No	Building materials			
181	Conventional fire control panel, 2 zones	3	No	Building materials			
182	Short circuits Isolator	6	No	Building materials			
183	20A DP Switch	9	No	Building materials			
184	13A Switched socket outlet -1 gang (METAL CLAD)	1	No	Building materials			
185	45A Cooker control unit with auxilliary socket outlet	1	No	Building materials			
186	RJ45 Wall socket cat 6 (dual port)	13	No	Building materials			
187	Data/telephone point wired using UTP cat.6 cable	26	No	Building materials			
188	18U,wall mounted Data Cabinet complete	1	No	Building materials			
189	24-port RJ45 data patch panels	1	No	Building materials			
190	Cable and Patch cord management panels	4	No	Building materials			
191	4 pair 1.0m long RJ45 to RJ45 patch cord	22	No	Building materials			
192	5-ways switched Power Distribution Unit	1	No	Building materials			
193	Cisco Catalyst 24-ports switch	1	No	Building materials			
194	1500 VA Rack-mount Smart APC UPS	1	No	Building materials			
195	Cisco 1841 Modular Router	1	No	Building materials			
196	Serial WAN Interface Card, 2-port	1	No	Building materials			
197	Digital super hybrid PABX system	1	No	Building materials			
	Fittings						
198	2 x 36W; 1200mm standard, fluorescent fitting	35	No	Building materials			
199	Emergency EXIT light fitting as LIGHTING DIRECT	4	No	Building materials			
200	1 x 70W; floodlight fitting as LIGHTING DIRECT PLAZA	6	No	Building materials			
201	Ceiling fan c/w fan regulator as Panasonic Japan	1	No	Building materials			
202	External street light 70W, 3.5m pole c/w all fixing accessories	9	No	Building materials			
203	1 x 36W; 1200mm standard, fluorescent fitting	8	No	Building materials			
204	straight batten holder c/w 18W energy server	4	No	Building materials			
205	600 x 600mm; 4 x 18W recessed modular fluorescent luminaire	19	No	Building materials			
206	Recessed mains downlight 18W specular reflector as LIGHTING DIRECT CHELSEA	19	No	Building materials			
	Equipment/machinery						



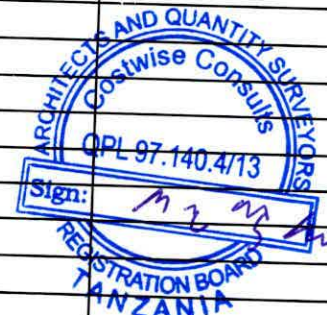
144	Gully trap covers	12	No	Accessories			
145	10000Litres storage tanks	5	Pcs	Equipment			
146	Submissible water pump Grundfos with 1.5hp capacity	3	No	Equipment			
147	9 litre CO2 Portable fire extinguishers	8	No	Equipment			
	EXTERNAL WORKS						
148	200x100x75mm Thick Interlocking Paving blocks	666,000	Pcs	Building material			
149	150x450mm high Kerbstone	1,250	Pcs	Building material			
150	Ordinary Portland Cement	7,399	Bag	Building material			
151	Aggregate	558	Trips	Building material			
152	Sand	333	Trips	Building material			
153	25x250mm Softwood timber (Formworks) (2.7m long)	2,500	Pcs	Building material			
154	Concrete Blocks (450x230x150mm)	27,500	No	Building material			
155	Reinforcements	10	Tonne	Building material			
156	Antifungal paints	140	Buckets	Building material			
157	Marine boards	180	Pcs	Building material			
158	250x100mm Thick;Pre cast reinforced coppings	798	M	Building material			
	ELECTRICAL INSTALLATIONS						
	PVC Conduits/tunking						
159	32mm Diameter conduits	6000	No	Building materials			
160	75x75mm trunking	2325	M	Building materials			
161	167 x 50 mm 3compartment	65	M	Building materials			
	Cables						
162	600/1000V grade 16sq.mm 5-core copper cable	780	LM	Building materials			
163	600/1000V grade 4sq.mm 5-core copper cable	255	LM	Building materials			
164	600/1000V grade 150sq.mm 1-core copper cable	2500	LM	Building materials			
165	600/1000V grade 25sq.mm 5-core copper cable	142	LM	Building materials			
166	185sq mm 3 core19/33kV XLPE insulated armoured	60	LM	Building materials			
	Switch gears and Distribution boards						
167	8 Ways TPN distribution board with 63A/100mA	1	No	Building materials			
168	Main LV Panel with 800A incomer for TANESCO	1	No	Building materials			
169	12 Ways TPN distribution board with 100A/100mA RCD	1	No	Building materials			
170	18 Ways TPN GODOWN subpanel with 630A incomer	1	No	Building materials			
171	6 Ways TPN distribution with 63/30mA RCD incomer	2	No	Building materials			
172	800A TPN Isolator for Tanesco power isolation	1	No	Building materials			
	Accessories						
173	13A Switched socket outlet -2 gang (METAL CLAD)	37	No	Building materials			
174	10Amps one way one gang switch	24	No	Building materials			



108	Flexible pipes	20	No	Building material			
109	Copper wire balloon	4	No	Building material			
110	UPVC pipe to WC suite joint	9	No	Building material			
	Pipes						
111	110mm diameter UPVC pipes	30	No	Building material			
112	75mm diameter UPVC pipes	12	No	Building material			
113	15mm diameter PPR pipes	8	No	Building material			
114	20mm diameter PPR pipes	12	No	Building material			
115	32mm diameter galvanised steel pipes	36	No	Building material			
116	25mm diameter poly pipes class C	2	Roll	Building material			
117	32mm diameter poly pipes class C	3	Roll	Building material			
118	75mm diameter poly pipes class C	1	Roll	Building material			
119	12.70mm dia., copper pipe	170	LM	Building material			
120	6.35mm dia., copper pipe	170	LM	Building material			
	Fittings						
121	20mm diameter male connector	18	No	Fittings			
122	20mm diameter tee connector	12	No	Fittings			
123	20mm diameter PPR elbow	30	No	Fittings			
124	20mm diameter PPR tee	24	No	Fittings			
125	20mm diameter PPR female elbow	18	No	Fittings			
126	15mm diameter PPR tee	34	No	Fittings			
127	20-15mm diameter PPR Reducer tee	46	No	Fittings			
128	20mm diameter PVC elbow	74	No	Fittings			
129	20mm diameter PVC tee	34	No	Fittings			
130	32mm diameter PVC plug	34	No	Fittings			
131	110mm diameter PVC bend	16	No	Fittings			
132	110mm diameter PVC pipe clips	10	No	Fittings			
133	25-15mm diameter IPS reducer socket	14	No	Fittings			
134	75mm diameter male connector	20	No	Fittings			
135	75mm diameter elbow connector	12	No	Fittings			
136	75mm diameter tee connector	12	No	Fittings			
137	75mm diameter tank connector	28	No	Fittings			
138	75mm diameter ball gate valve	22	No	Fittings			
139	75-32mm Reducing bush	8	No	Fittings			
	Ancillaries/Equipment						
140	20mm diameter IPS gate valve	14	No	Accessories			
141	110mm diameter PVC Vent cap	4	No	Accessories			
142	Gully trap	12	No	Accessories			
143	15mm Dia. Bib tap	10	No	Accessories			



74	12mm Diameter Mild Steel Bolt, 200mm long	1,976	No	Building materials		
75	1200X2400X6mm Mild steel plate	1	Sheet	Building materials		
76	1200X2400X4mm Mild steel plate.	20	Sheet	Building materials		
77	102X52X3mm Thick Z - Purlins	850	Pcs	Building materials		
78	50x150mm soft wood Rafters	210	Pcs	Building materials		
79	50x150mm soft wood Wall plate	30	Pcs	Building materials		
80	50x75mm soft wood Purlins	130	Pcs	Building materials		
81	25x200mm hard wood	60	Pcs	Building materials		
	Roof Coverings					
82	IT5 Gauge 22	7,668	Sheets	Building materials		
	Roofing accessories					
83	J-Bolts	58,250	No	Building materials		
84	Ridge caps	120	Pcs	Building materials		
85	Hip/Valley caps	100	Pcs	Building materials		
	FINISHES					
86	Porcelain floor tiles 300x300x8mm thick	207	Boxes	Building materials		
87	Ceramic wall tiles 200x300x6mm thick	243	Boxes	Building materials		
	Ceiling finishes					
88	Softwood 50X75mm Brandering (3.8m long)	350	Pcs	Building materials		
89	Gypsum board 8x4ft	110	Pcs	Building materials		
90	Decorative cornices (2.5m)	160	Pcs	Building materials		
91	Gypsum screws	350	Boxes	Building materials		
92	gypsum fibre tape	150	Rolls	Building materials		
	PAINTING AND DECORATIONS					
	Walls					
93	Vinyl silk (20 litres)	140	Bucket	Building materials		
94	Gypsum Powder (25Kg)	250	Bag	Building materials		
95	Black bituminous paint (4Litres).	30	Tin	Building materials		
96	Weatherguard (20 litres)	85	Bucket	Building materials		
97	Broken white emulsion paints (20 litres)	100	Bucket	Building materials		
98	Gypsum Powder (25Kg)	300	Bag	Building materials		
99	Gloss oil paints	60	Tin	Building materials		
100	Polyurethane clear varnish	25	Tin	Building materials		
	PLUMBING AND ENG. INSTALLATIONS					
	Sanitary wares and appliances					
101	Western type low level complete	9	No	Building material		
102	Plastic conversion bend	9	No	Building material		
103	Hand Wash Basins	11	No	Building material		
104	600x450x6mm thick plate glass mirror	11	No	Building material		
105	Toilet paper holder	9	No	Building material		
106	Nahan trap cover	10	No	Building material		
107	Shutuff	9	No	Building material		



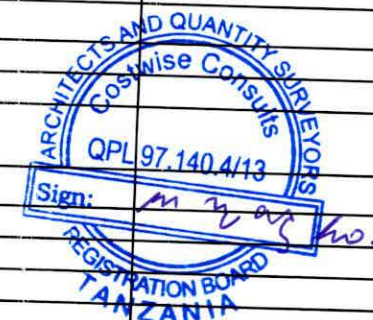
32	Alluminium window overall size 2000x800mm high.	1	No	Building materials			
33	Alluminium window overall size 2000x1200mm high.	1	No	Building materials			
34	Alluminium window overall size 1800x1700mm high.	13	No	Building materials			
35	Alluminium window overall size 800x950mm high.	4	No	Building materials			
36	Alluminium window overall size 1200x1700mm high.	2	No	Building materials			
37	Alluminium window overall size 2000x1700mm high.	2	No	Building materials			
38	Alluminium window overall size 2400x1700mm high.	1	No	Building materials			
39	Alluminium window overall size 2300x1700mm high.	1	No	Building materials			
40	Alluminium window overall size 5000x1600mm high.	52	No	Building materials			
41	Alluminium window overall size 4190x1600mm high.	2	No	Building materials			
42	Alluminium window overall size 5190x1600mm high.	4	No	Building materials			
43	Alluminium window overall size 5610x1600mm high.	4	No	Building materials			
44	Alluminium window overall size 4310x1600mm high.	2	No	Building materials			
45	Alluminium window overall size 4550x1600mm high.	4	No	Building materials			
46	Alluminium window overall size 1200x500mm high.	3	No	Building materials			
47	Alluminium window overall size 800x500mm high.	3	No	Building materials			
	Window metal grill complete with its accessories						
48	Window metal grill overall size 2500x2120mm high.	1	No	Building materials			
49	Window metal grill overall size 2100x700mm high.	28	No	Building materials			
50	Window metal grill overall size 1200x1000mm high.	1	No	Building materials			
51	Window metal grill overall size 800x1000mm high.	2	No	Building materials			
52	Window metal grill overall size 2450x750mm high.	1	No	Building materials			
53	Window metal grill overall size 2000x1500mm high.	1	No	Building materials			
54	Window metal grill overall size 2000x1780mm high.	1	No	Building materials			
55	Window metal grill overall size 2000x800mm high.	1	No	Building materials			
56	Window metal grill overall size 2000x1200mm high.	1	No	Building materials			
57	Window metal grill overall size 1800x1700mm high.	13	No	Building materials			
58	Window metal grill overall size 800x950mm high.	4	No	Building materials			
59	Window metal grill overall size 1200x1700mm high.	2	No	Building materials			
60	Window metal grill overall size 2000x1700mm high.	2	No	Building materials			
61	Window metal grill overall size 2400x1700mm high.	1	No	Building materials			
62	Window metal grill overall size 2300x1700mm high.	1	No	Building materials			
63	Window metal grill overall size 5000x1600mm high.	52	No	Building materials			
64	Window metal grill overall size 4190x1600mm high.	2	No	Building materials			
65	Window metal grill overall size 5190x1600mm high.	4	No	Building materials			
66	Window metal grill overall size 5610x1600mm high.	4	No	Building materials			
67	Window metal grill overall size 4310x1600mm high.	2	No	Building materials			
68	Window metal grill overall size 4550x1600mm high.	4	No	Building materials			
69	Window metal grill overall size 1200x500mm high.	3	No	Building materials			
70	Window metal grill overall size 800x500mm high.	3	No	Building materials			
	ROOFING						
	Roof Structure						
71	50X50x4mm CHS Bottom chord (6.0m long)	1,500	Pcs	Building materials			
72	50X50x4mm CHS Top chord (6.0m long)	1,425	Pcs	Building materials			
73	40X40x4mm Struts; (6.0m long)	2,950	Pcs	Building materials			



M/S GOBESH LEATHERS LIMITED-TIC CERTIFICATE NO:

APPLICATION FOR DUTY/VAT EXEMPTION FOR PROPOSED CONSTRUCTION OF GOBESH LEATHERS LIMITED TO BE BUILT ON PLOTS NO. 13,14,15,16,17 & 18 AT IHAYABUYAGA-KISESA TRADING CENTRE AT MAGU DISTRICT IN MWANZA CITY

S/No	ITEM DESCRIPTION	QTY	UNIT	ITEM GROUP	TIN No.	EXEMPTION REF NO:	EXEMPTION DATE:
GENERAL ITEMS							
1	Cement (50Kg).	2,322	Tonne	Building materials			
2	Steel bars (Reinforcements) 8mm - 25mm.	280	Tonne	Building materials			
3	Marine board 8x4ft	2,180	Pcs	Building materials			
4	Aggregate	3,924	Trips	Building materials			
5	Sand	1,177	Trips	Building materials			
6	Hardcore	450	Trips	Building materials			
7	Concrete Blocks (450x230x150mm).	137,969	No	Building materials			
8	25x3x450mm Wall ties	9,560	Pcs	Building materials			
9	350x50mm Thick;Pre cast reinforced window cill.	490	M	Building materials			
10	500Gauge Polythene sheet.	90	Rolls	Building materials			
11	Anti terminate Treatment solution.	700	Tin	Building materials			
12	Wire nails	500	Bags	Building materials			
13	Concrete nails	300	Boxes	Building materials			
14	Binding Wires	720	Kg	Building materials			
15	Soft wood	11,500	Pcs	Building materials			
16	Hesian bituminous felt	3	Rolls	Building materials			
17	150x450mm high Kerbstone	1,250	Pcs	Building materials			
18	200x100x75mm Thick Interlocking Paving blocks	666,000	Pcs	Building materials			
DOORS							
A. Hardwood panelled doors							
19	Hard wood 25x200mm	180	pcs	Building materials			
20	Hard wood 50x150mm	240	pcs	Building materials			
Iron mongeries/fitings complete with screws							
21	102x76mm mm brass butt hinges.	45	Pairs	Building materials			
22	Three lever mortice lockset.	35	No	Building materials			
23	Rubber Door stop.	35	No	Building materials			
Door Metal Grilles							
24	Roller Shutter Door complete with accessories overall size 5600x4950mm High.	1	No	Building materials			
25	5mm thick clear sheet floating glass	5	Sheets	Building materials			
WINDOWS							
26	Alluminium window overall size 2100x700mm high.	28	No	Building materials			
27	Alluminium window overall size 1200x1000mm high.	1	No	Building materials			
28	Alluminium window overall size 800x1000mm high.	2	No	Building materials			
29	Alluminium window overall size 2450x750mm high.	1	No	Building materials			
30	Alluminium window overall size 2000x1500mm high.	1	No	Building materials			
31	Alluminium window overall size 2000x1780mm high.	1	No	Building materials			



PROJECT TITLE:

**PROPOSED CONSTRUCTION OF GOBESH LEATHERS LIMITED TO BE BUILT ON PLOTS NO.
13,14,15,16,17 &18 AT IHAYABUYAGA-KISESA TRADING CENTRE AT MAGU DISTRICT IN
MWANZA CITY**

SUBJECT:

**LIST OF ITEMS FOR WHICH EXEMPTION OF IMPORT DUTY,EXCISE DUTY AND VAT ON
CAPITAL/DEEMED GOOD IS SOUGHT FOR CONSTRUCTION OF FACTORY**

CLIENT:

**GOBESH LEATHERS LIMITED
P. O. BOX
MWANZA**

PREPARED BY:

**COSTWISE CONSULTS
P.O. BOX 1965
MWANZA**



JUNE 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

	Nationality	Shareholding (%)
Peravali Sambasiva Rao	Indian	30
Matiko James abeid	Tanzanian	70

2. Proposed Activities : **To establish leather and animal skin processing plant**

3. Sector: **Manufacturing** Subsector **Leather Processing**

4. Investment cost: Foreign **USD 1.2m.** Local **-** Total **USD 1.2m.**

5. Project Financing: Equity **USD 0.6m.** Loans **USD 0.6m.** Total **USD 1.2m.**

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

7. Assets to be invested:

	Foreign	Local	Total
Capital items:	USD 1.2m.	-	USD 1.2m.

8. Technology Agreement **None**

9. Date of TIC Registration: **10th June 2013**

10. Implementation period **June 2013 - May 2016**

11. Operative date..... **June 2016**

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

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

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

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

Signed 
Executive Director



00219974 (5)

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042455

This is to certify that

GOBOSH LEATHERS LIMITED

P.O. BOX 7608

of address

MWANZA

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

GOBOSH LEATHERS LIMITED

PLOT NO. 13 - 18 KISESA TRADING CENTRE

Which is located at

IHAYABUYAGA, MAGU - MWANZA

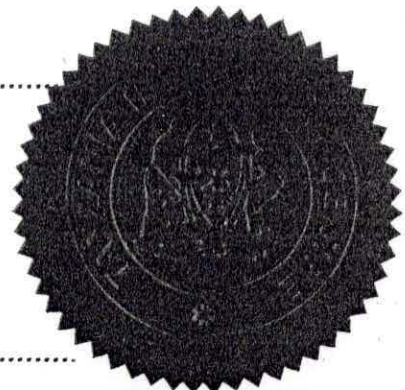
Further particulars required by Section 17 of the Tanzania Investment Act are set out overleaf.

[Signature]

Executive Director

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

Dated 17TH JUNE 2013



GOBOSH LEATHERS LIMITED
P.O. BOX 7608,
MWANZA.

MEETING OF THE BOARD OF DIRECTORS HELD ON 14th MARCH, 2013
AT IBATH MOSQUE BUILDING ROOM NO 12E

PRESENT – MR. MATIKO JAMES ABEID : CHAIRMAN
MR. PERAVALI SAMBA SIVA RAO : DIRECTOR
MR. MULOMO MASOME : COMPANY SECRETARY

AGENDA.

1. Opening the meeting
2. Need to Register the Leather Factory Project at Ihayabuyaga Village with TIC.
3. Closing the Meeting.

AGENDA NO1: OPENTING THE MEETING:

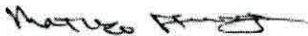
The Chairman opened the meeting at 10:00am by informing members present that registration of the Company at BRELA has been completed. He informed the meeting that the next step for the Company was to start up construction of the leather Factory at Ihayabuyaga Village which is located in Magu District. He further informed the meeting that the total cost of the project was around 1.5 billion Tshs. He further said the Investment was considerable big and a need to approach M/S Tanzania Investment Centre for assistance was inevitable.


AGENDA NO 2: NEED TO REGISTER THE LEATHER FACTORY WITH TIC:

After a brief opening speech by the chairman, members present deliberated on the speech.
Resolved: It was resolved that the company should register its project with TIC

AGENDA NO 3. CLOSING THE MEETING

The meeting was closed at 11.30a.m


Chair man


Secretary

Date 13/03/2013

STAKABADHI YA SERIKALI
EXCHEQUER RECEIPT

37896729

1

NIMEPOKEA KWA

Received from

GOBOSH LEATHERS LIMITED



KIASI
Amount

Shs.					Cts.	
= 1600,000					=	

JUMLA YA SHILINGI (Kwa maneno)

The sum of Shillings (Words)

ONE MILLION SIX HUNDRED THOUSAND ONLY
NA SENTI
And Cents

KWA MALIPO YA

In respect of

CERTIFICATE OF INCENTIVES

KWA FEDHA TASLIMI/HUNDI

NAMBA By Cash/Chaque No.

D.L

KITCO - Station

SAHIMI YA MPOKEAJI Receiving Officer's

CHEO - Title

TAREHE - Date

Signature

Agonda

PLS

25 APR 2013

TIC - LAKE ZONE



TICC/PP.10/042455/3

10th June, 2013

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

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

Yours sincerely,

TANZANIA INVESTMENT CENTRE



Juliet R. Kairuki

EXECUTIVE DIRECTOR

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

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

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

3

TICC/PP.10/042455/3

10th June, 2013

Managing Director,
Gobosh Leathers Ltd.,
P.O. Box 7608,
MWANZA.

RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE ESTABLISHMENT OF LEATHER AND ANIMAL SKIN PROCESSING PLANT

We wish to acknowledge receipt of your project proposal to establish leather and animal skin processing plant as presented in the TIC P.A. 1 Form No. 11100 and Feasibility Study with a projected investment of USD 1.2m.

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

- Company Board Resolution for registering your project with Tanzania Investment Centre

You will also be required to submit to the Centre a Progress Report on the implementation of the project after every six months for our information and review. Guidelines for the preparation of the report are contained in annexure 2 also attached to this letter. Please do not hesitate to contact the Centre for any clarification if the need arises. Please also note that a facilitation fee equivalent to US\$ 1000.00 is payable at the ruling exchange rate before your Certificate of Incentives is prepared. Please make deposit direct to the bank as per bank details below:-

.../2



Name of the Company
Gobosh Leathers Ltd.

Post Box	Ihayabuyaga (Kisesa Trading Centre), Plot No. 13-18, Block A	COI Number	97261	Contact	Mr. Matiko James Abeid
Post Office	7608	COI Date	18/02/2013	Designation	Director
Region	Mwanza	Application F. No	11100	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0767 53 66 99
		Sub Sector	Leather Processing	Fax	0
		File No	042455	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD			
Plot/Block	Plot No. 13 - 18 Kisesa Trading Centre	Foreign Equity	Local Equity	Foreign Loan	Local Loan
Street	Ihayabuyaga	0.6	0	0.6	0
District	Magu				
Region	Mwanza				

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.12
Perayali Sambasiva Rao	Indian	30	Plant	0.506
Matiko James Abeid	Tanzanian	70	Vehicles	0
			Furniture & Fittings	0.091
			Pre-expenses	0
			Others	0.063
			Working Capital	0.42
			Total	1.2

Employment	32	Evaluated By	,wf officer3
Capacity	9 million square ft.	Drawn By	wf registry2
Project Turn Over		Project Type	Mixed(Local & Foreign)

Description

To establish leather and animal skin processing plant

Recommendations

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

Decision

Approved
Shauri
Matiko
6/6

GOBOSH LEATHERS LIMITED
P.O.BOX 7608,
MWANZA.

1

Date: 23rd May 2013

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



RE: APPLICATION FOR TIC CERTIFICATE OF INCENTIVES:

We are currently building Leather processing project at Plot No 13 – 18, Block A, in Kisesa Trading Centre in Magu district area in Mwanza region designed to accommodate a building for leather factory facility. It is against the above background that we hereby submit our application for TIC Certificate of Incentives to facilitate smooth implementation of the project.

Attached herewith please find the following basic documents for ease of reference and approval:

1. Two copies of Application for TIC Certificate of Incentives form
2. Certified true copy of Certificate of Incorporation.
3. A certified copy of Company Memorandum and Articles of Association
4. Two copies of project Feasibility Study Report
5. Certified true copy of Land ownership documents in respect of the project site.
6. A Letter of Reference from the Bank
7. Company Board Resolution to register the project with TIC

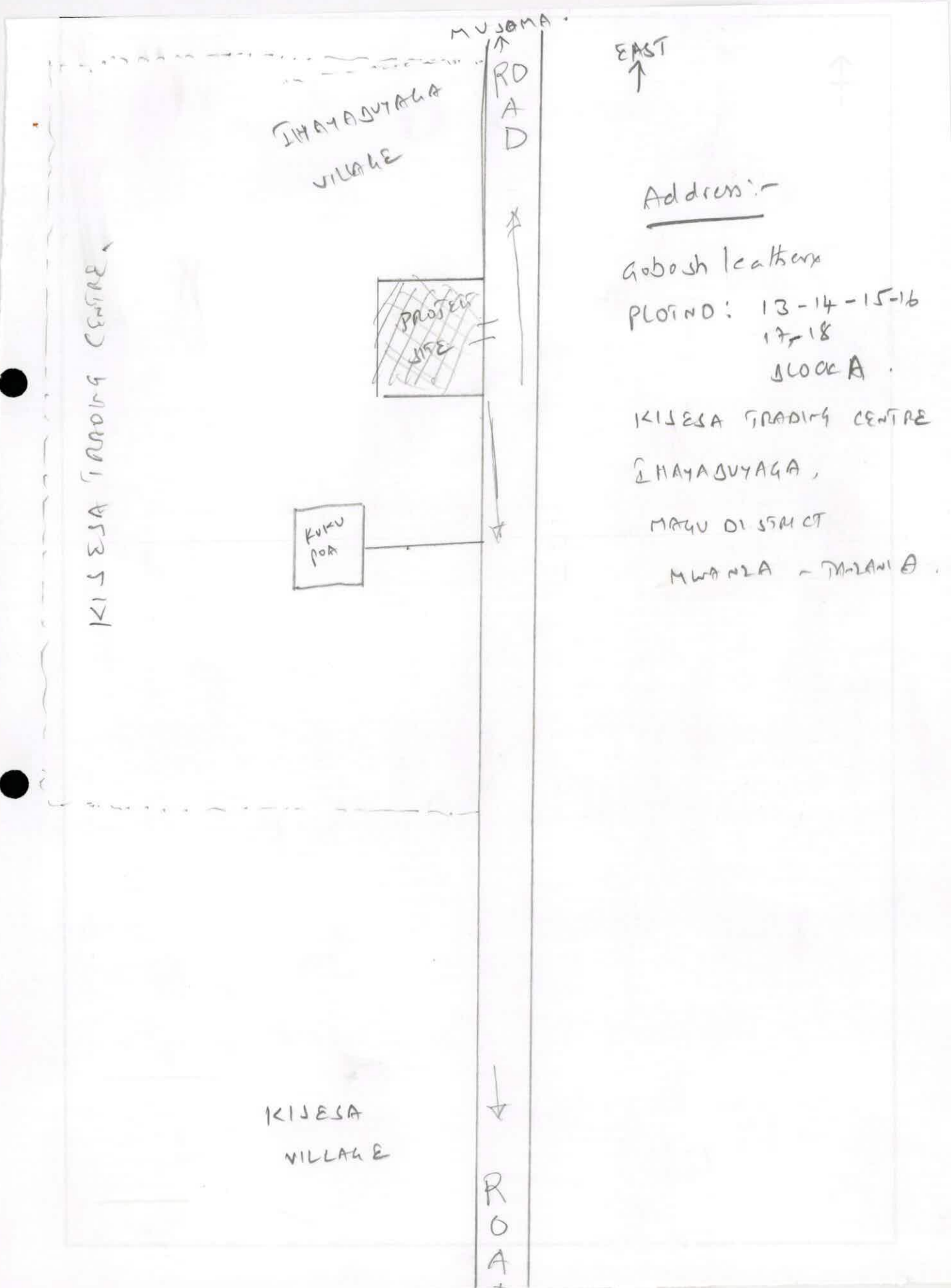
Thanking you for your kind cooperation.

Yours sincerely,
GOBOSH LEATHERS LIMITED


.....
Matiko James Abeid
DIRECTOR



SKETCH MAP SHOWING PROJECT LOCATION



EAST
↑

Address:-

Gobosh leathers

PLOT NO: 13-14-15-16
17, 18
BLOCK A

KIJESA TRADING CENTRE
SHAYASUYAGA,
MAGU DISTRICT
MWANZA - TANZANIA

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

Land/Building 120,000/=
Plant 506,000/=
Vehicles —
Furniture & Fittings 91,000/=
Pre-expenses —
Others 63,000/=
Working Capital 420,000/=
TOTAL 1,200,000/=

Contact Details:

Name:	MATIKO JAMES ABEID	Title:	A DIRECTOR
Telephone:	+255 767 536699	Fax:	—
Email:	matikoj@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: GOBOSH LEATHERS LIMITED

Certificate of Incorporation Number: 97261 Status: NEW

Certificate of Incorporation Date: 18TH FEBRUARY 2013

Post Box: 7608

Town: MWANZA

Sector: MANUFACTURING

Sub-Sector: LEATHER PROCESSING

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
\$ 600,000/-	\$ 600,000/-	—	—

Project Objectives: TO PROCESS LEATHERS AND ANIMAL SKINS FOR LOCAL AND INTERNATIONAL MARKETS.

Capacity: 9 Million square ft of Leather per annum

Employment: Foreign: 5 Local: 27 Total: 32

Implementation Period: 4 YEARS

Project Location

Site/Plot/Block No.: BLOCK "A", PLOT NO 13-18

Street: HAYABUYAGA (KISEKA TRADING CENTRE) District: MAGU Region: MWANZA

Shareholders	Nationality	%
MATIKO JAMES ABEID	TANZANIAN	70%
PERAVALI SAMBASIVA RAO	INDIAN	30%
.....
.....
.....

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ 1,200,000/=

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

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

~~/~~We enclose a cheque/cash made payable to the **Tanzania Investment Centre** for Tshs./US\$ 160,000/= Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, MATIKO JAMES ABEID of Post Office Number 7608
MWANZA do solemnly and sincerely declare that I am a director/duly
authorized agent of GOBOSH LEATHERS 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 MWANZA }
~~Dares Salaam~~ }
The 19th day of APRIL 2013 }

MATIKO JAMES ABEID
Applicant
MatiKo James Abeid

Before me:
EMILY KIRIA

**PRINCIPAL STATE ATTORNEY
MWANZA**

[Signature]
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 ... M.ATI.KO JAMES ABEID
(director/directors/agent of GOBOSH LEATHERS LIMITED
(name of business enterprise) apply for registration of GOBOSH LEATHERS LIMITED
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.

2. The registered office of the company will be situated at PLOT NO. 13-18, BLOCK A,
KIYESA TRADING CENTRE, LHAYA QUYAGA, MAGU 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

4. The Principal Officers of the Company are

① MATI.KO JAMES ABEID

② PERAVALI SAMBASIVA RAO

5. Auditors of the Company are TO BE APPOINTED LATER.

6. The authorized share capital of the Company is Tshs./~~US\$~~

500,000,000 = DIVIDED INTO 10,000 SHARES OF

TSHS. 50,000 = EACH.



TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

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

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

(Please fill the form in duplicate)

JAMHURI YA MUUNGANO WA TANZANIA
THE UNITED REPUBLIC OF TANZANIA

TFN. 614 (Rev. 8.94)

STAKABADHI YA SERIKALI

37896725

1

EXCHEQUER RECEIPT

NIMEPOKEA KWA

Received from

GOBOSH LEATHERS LIMITED

KIASI

Shs.				Cts.			
1	0	0	0	0	0	0	0

JUMLA YA SHILINGI (Kwa maneno)

The sum of Shillings (Words)

ONE HUNDRED SIXTY THOUSANDS ONLY

NA SENTI

And Cents

KWA MALIPO YA

In respect of

GRT APPLICATION FORM.

KWA FEDHA TASLIMU/HUNDI

NAMBA By Cash/Cheque No.

DL

KITUO - Station

SAHILI YA MPOKEA

Signature

Receiving Officer's

CHEO - Title

TAREHE - Date

IFPO

19-4-2013

TIC - MWANZA

NPC-KILITA

GOBOSH LEATHERS LIMITED
P.O. BOX 7608,
MWANZA.

MEETING OF THE BOARD OF DIRECTORS HELD ON 14th MARCH, 2013
AT IBATH MOSQUE BUILDING ROOM NO 12E

PRESENT – MR. MATIKO JAMES ABEID : CHAIRMAN
MR. PERAVALI SAMBA SIVA RAO : DIRECTOR
MR. MULOMO MASOME : COMPANY SECRETARY

AGENDA.

1. Opening the meeting
2. Need to Register the Leather Factory Project at Ihayabuyaga Village with TIC.
3. Closing the Meeting.

AGENDA NO1: OPENTING THE MEETING:

The Chairman opened the meeting at 10:00am by informing members present that registration of the Company at BRELA has been completed. He informed the meeting that the next step for the Company was to start up construction of the leather Factory at Ihayabuyaga Village which is located in Magu District. He further informed the meeting that the total cost of the project was around 1.5 billion Tshs. He further said the Investment was considerable big and a need to approach M/S Tanzania Investment Centre for assistance was inevitable.

AGENDA NO 2: NEED TO REGISTER THE LEATHER FACTORY WITH TIC:

After a brief opening speech by the chairman, members present deliberated on the speech.
Resolved: It was resolved that the company should register its project with TIC

AGENDA NO 3. CLOSING THE MEETING

The meeting was closed at 11.30a.m


Chair man


Secretary

Date

13/03/2013



HALMASHAURI YA WILAYA YA MAGU

S.L.P 205 MAGU
STAKABADHI

59598

Tarehe 14/3/2013

Fungu la mapato-Kasma 040140

Nimepokea kwa GOBOSH LEATHERS

wa (anwani) BOX 7608 MWANZA

Hesabu ya shilingi LAKIMOJA TV

Kwa ajili ya MALIPO YA MISELE KIWANJA
NO 13 - 18 BLOCK A KISESA
TRADING CENTRE

Taslim/Hundi Na CASH

AFISA ARDHI WA
MAGU CHEO

Sahihi ya Mpokeaji
MAGU

NPC-SPD

Shs. = 100,000/-



JAMHURI YA MUUNGANO WA TANZANIA
THE UNITED REPUBLIC OF TANZANIA

44597665

1

TFN: 614 (Rev. 8.94)

STAKABADHI YA SERIKALI
EXCHEQUER RECEIPT

NIMEPOKEA KWA

Received from GOBOSH LEATHERS LTD

KIASI
Amount

Shs.				Cts.	
1	7	3	8	9	50

JUMLA YA SHILINGI (Kwa maneno)
The sum of Shillings (Words)

MILION MOJA NA PAH LAKI SABA NA ERYI THELATI
NI NA NANE MIA TUSA HAMSINI TV

KWA MALIPO YA
In respect of

KODI YA KIWANJA NO 13 BLOCK 'A' IHAYA BUNAGA

KWA FEDHA TASLIMU/HUNDI

Namba By Cash/Cheque No.

KISESA TRADING CENTRE

Station 1-7-2012-30-6-2013

SAHIHI YA MPOKEAJI
Signature

Signature

CHEO Title MGO

TAREHE Date 14/3/2013

AFISA ARDHI WA
MAGU

JAMHURI YA MUUNGANO WA TANZANIA
THE UNITED REPUBLIC OF TANZANIA

44597666

1

TFN: 614 (Rev. 8.94)

STAKABADHI YA SERIKALI
EXCHEQUER RECEIPT

NIMEPOKEA KWA

Received from GOBOSH LEATHERS LTD

KIASI
Amount

Shs.				Cts.	
3	7	4	5	50	00

JUMLA YA SHILINGI (Kwa maneno)
The sum of Shillings (Words)

LAKI TATU NA ERYI SABINI NA NNE MIA TANO
HAMSINI TV

KWA MALIPO YA
In respect of

FEE FOR CERT, REG, DIPLANS, SIDUNI KIWANJA NO 13

KWA FEDHA TASLIMU/HUNDI

Namba By Cash/Cheque No.

BLOCK A + 18 KISESA TRADING CENTRE

AFISA ARDHI WA WILAYA
MAGU

SAHIHI YA MPOKEAJI
Signature

Signature

CHEO Title MGO

TAREHE Date 14/3/2013

MAGU

HALMASHAURI YA WILAYA YA MAGU

MKOA: MWANZA
SimuNa:028-2530002
Fax No:028-2530199



IDARA YA ARDHI NA MALI ASILI,
S.L.P. 200,
MAGU.

14/03/2013.

Zonal Manager
Tanzania Investment Centre
Lake Zone
P.O.Box 638
Mwanza

YAH: KUITAMBULISHA KAMPUNI YA GOBOSH LEATHERS LIMITED YA MWANZA.

Husika na somo la barua hapo juu.

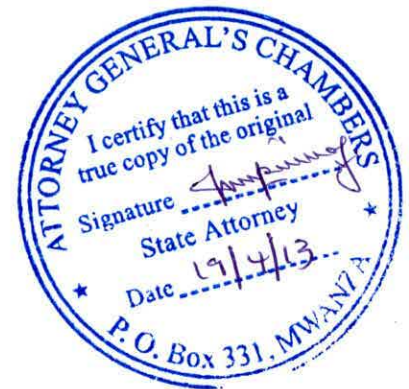
Ninapenda kuitambulisha kampuni tajwa hapo juu kuwa wana eneo na tayari upimaji wake umeshakamilika na namba yake ya usajili ni **71717** ramani hiyo ina viwanja 18 na eneo husika lina viwanja sita kuanzia kiwanja (13 – 18).

Wahusika tayari wameshaomba kupatiwa hatimiliki za viwanja husika na tayari wameshalipia gharama za awali za kumiliki eneo husika. Ninambatanisha nakala za risiti za malipo pamoja na ramani ya upimaji wa eneo husika

Naomba kuwasilisha.

Damas F Mwakindingo.
Afisa Ardhi (W)

AFISA ARDHI WA WILAYA
MAGU



TANZANIA



Certificate of Incorporation

Section 15

No 97261

I HEREBY CERTIFY THAT

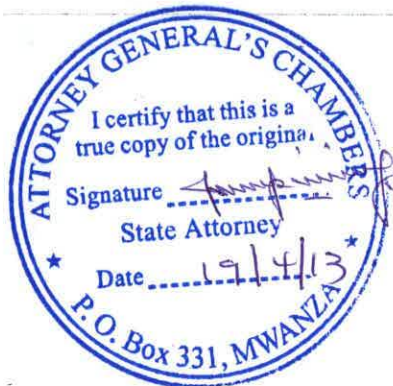
GOBOSH LEATHERS LIMITED

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

Given under my hand at Dar es salaam

this **18TH** day of **FEBRUARY**



TWO THOUSAND AND THIRTEEN



Asst. Registrar of Companies

ARBITRATION


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

Names and Postal Address of Subscribers	Number of shares taken by each subscriber	Signature of Subscribers
1. MATIKO JAMES ABEID P.O.BOX 7608, MWANZA	7000	
2. PERAVALI SAMBASIVA RAO SIRIPURAM (PO) MEDIKONDUR (MD) GUNTUR (DT) ANDHRA PRADESH - INDIA PIN CODE : 522401	3000	

DATES at MWANZA..... This days of 11th FEBRUARY 2013

WITNESS TO THE ABOVE SIGNATURE

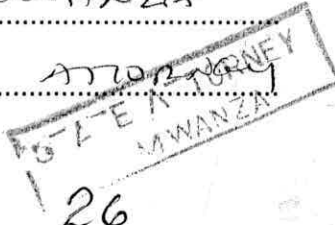
NAME..... Mwanza Y. Sugrue

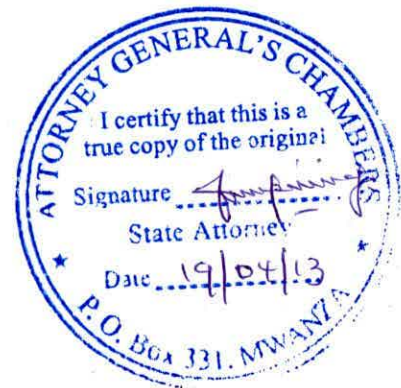
SIGNATURE..... 

POSTAL ADDRESS..... 331

..... MWANZA

QUALIFICATION..... STATE ATTORNEY





AUDIT

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

NOTICES

106. Any notice to be given to or by any person pursuant to the articles shall be in writing except that a notice calling a meeting of directors need not be in writing. The company may give any notice to a member whether personally or by sending it by post in a prepaid envelope addressed to the member at his registered address, or by leaving it at that address. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, 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 be given him shall be entitled to receive any notice from the Company.
107. 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.
108. A notice may be given by the Company to the person entitled to a share in consequence of the death of bankruptcy of a member by 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.
109. 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 purpose for which it was called.

WINDING UP

110. 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 special 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 determined 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 trustee upon such trusts for the benefit of the members as the liquidator, with like sanction, shall determine, but no member shall be compelled to accept any shares or other securities upon which there is a liability.

IDEMNITY

111. 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 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 judgement is given in his 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.

ACCOUNTS

99. 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 purchase of goods by the Company; and
 - (c) The assets and liabilities of the Company.

Provided books 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.

100. The books of account shall be kept at the registered offices 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.
101. 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.
102. 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 such profit and loss accounts, balance sheets, cash flow statements group accounts (if any) and reports as are referred to those to in sections.
103. 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 that one of the joint holders of any shares or debentures.

CAPITALISATION OF PROFITS

104. 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 have been entitled to it were distributed by way of dividend and in 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 the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and authorize any person to enter on behalf of all the members entitled thereof into an agreement with the company providing for the allotment to them respectively, credited as fully 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.

THE SEAL

90. The seal shall only be used by the authority of the directors or of a committee of the directors authorized by the director. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or by a second director.

DIVIDENDS AND RESERVE

91. Subject to section 180 of the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividends shall exceed the amount recommended by the directors.
92. 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.
93. The directors may, before recommending any dividends, set aside out of the profits of the company such sums as they think proper as a reserve or reserves which shall, at the discretion of the directors, be applicable for any purpose to which the profits of the company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the directors may from time to time think fit. The directors may also without placing the same to reserve carry forward and any profits which they may think prudent not to divide.
94. 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 dividend 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.
95. 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 for distribution of any assets and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of members, and may vest assets in trustees.
96. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque sent through the post to the registered address of the holder or, in the case of joint holders, to the register of members or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, 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.
97. No dividend or other payable in respect of a share shall bear interest against the company unless otherwise provided by the rights attached to the share.
98. 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.

81. All acts done by a meeting of the directors or 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.
82. A resolution in writing, signed by all the directors entitled to receive notice of meeting of the directors, or of a committee of directors, shall be 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.
83. Save as otherwise provided in the articles, a director shall not vote at a meeting of directors on any resolution concerning a matter in which is material and which 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.
84. 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.
85. 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 or directors.
86. 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 than concerning his own appointment.
87. If a question arises at a meeting of directors or 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 the director other than himself shall be final and conclusive.

SECRETARY

88. The secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and Secretary so appointed may be removed by them.
89. 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.

APPOINTMENT AND RETIREMENT OF DIRECTORS

72. 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.
73. 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 on accordance with these articles. A direct so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election.
74. The company may by ordinary resolution, of which special notice has been given in accordance with section 144 of the Act, remove any direct 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.
75. The company may by ordinary resolution appoint another person in place of a director removal from office under the immediately preceding regulation, and without prejudice to the powers of the directors under article 85 the company may by ordinary resolutions appoint person to be a director either to fill a vacancy or as an additional director.

PROCEEDINGS OF DIRECTORS

76. Subject to the provision of the articles, the directors may regulate their meetings as they think fit. Question 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 direct 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.
77. 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.
78. 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 for the purpose of filling vacancies or of calling general meeting.
79. The directors may appoint one of their number to the chairman of the board of directors and determine the period for 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 unwilling to preside, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the directors present may choose one their number to be chairman of the meeting.
80. The directors may delegate any of their powers to 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.

MINUTES

68. 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 the directors, and of committees of directors.
 - (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.

REMUNARATION AND EXPENSE; GRATUITIES AND PENSIONS

69. 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 traveling, hotel and other expenses properly incurred by them in attending and returning from meetings of the directors or any committee of the directors or general meetings 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.
70. The directors on behalf of the company may pay gratuity or pension or allowance on retirement to any director who had any other salaries offices or place of profit with the company or to his widow or dependants and make contributions to any fund and pay premiums for the purchase or provisions of any such gratuity, pension or allowance.

DISQUALIFICATION OF DIRECTORS

71. The office of 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 or composition with his creditors generally; or
 - (c) Becomes of unsound mind; or
 - (d) Resigns his office by 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.

DIRECTORS APPOINTMENTS AND INTERESTS

63. 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 such appointment, agreement or arrangement may be made on such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office 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.
64. A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract or proposed contract with the company shall declare the nature of interest at a meeting of the directors in accordance with section 209 of the Act.
65. 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 not withstanding his office:-
- (a) May be a part 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 officer 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 officer of or from his interest in, such other company unless the company otherwise directs.
- Provided that nothing herein contained shall authorize a director or his firm to act as auditor to the company.
66. For the purpose of articles 66 and 67
- (a) A general notice given to the directors that a director is to be regarded as having an interest of the nature and extent 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 an interest in such transaction of the nature and extent specified; and
 - (b) An interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.
67. All cheques, promissory notes, drafts, 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 directors shall from time to time by resolution determine.

DIRECTORS

- (a) 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 majority of them and until such determination the signatories to the Memorandum of Association shall be the first directors. Unless otherwise determine by ordinary resolution, the number of directors shall not be subject to any maximum but shall be not less than two.
- (b) Unless and until the Company in general meeting shall otherwise determine the first Directors of the Company shall be:-
- (1) MATIKO JAMES ABEID
 - (2) PERAVALI SAMBA SIVA RAO

The shareholding qualifications for directors may be fixed by the Company in general meeting, and unless and until so fixed no qualifications shall be required.

POWER AND DUTIES OF DIRECTORS

59. 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 by this article shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable the directors.
60. The Directors may by powers of attorney appoint any person to be the attorney or agent of the company for such purpose and on such conditions as they determine, including authority for the attorney or agent to delegate all or any of his powers.
61. 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.
62. The company may exercise the powers conferred upon the company by sections 124 to 127 of the Act with regard to the keeping of a branch register, and the directors may (subject to the provisions of those sections) make and vary such regulations as they may think fit respecting the keeping of any such register.

54. An instrument appointing a proxy shall be in the following form or a form as near thereof 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.....

55. Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or for m 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 held on the..... day
of..... and at any adjournment thereof.

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

This form is to use in favour of/against resolutions {1/2/3 etc.}. Unless otherwise instructed, the proxy will vote as he thinks fit or abstain from voting.

56. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding poll.
57. 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.

CORPORATION ACTING BY REPRESENTATIVE AT MEETINGS

58. 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 powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

VOTES OF MEMBERS

46. 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 authorized 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.
47. In case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of members.
48. A member of respect of whose estate a manager has been appointed under section 26 of the Mental Disease Ordinance may vote, whether on show of hands or on a poll, by his manager, and such manager may on poll, vote by proxy.
49. 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 class or other sums presently payable by him in respect of shares in the Company have been paid.
50. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every not disallowed at such meeting shall be valid for all purposes. Any objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.
51. On a poll votes may be given either personally or by proxy. A member may appoint more one proxy to attend to the same occasion.
52. The instrument appointing a proxy shall be in writing executed by or on behalf of the appointer or of his attorney duly authorized in writing, or if the appointer is a corporation, either under seal, or under the hand of an officer or attorney duly authorized. A proxy need not be a member of the Company.
53. The instrument appointing a proxy and any authority under which it is executed a copy of that authority certified notarially 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 proposed 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.

NOTICE OF GENERAL MEETINGS

39. Every general meeting shall be called by twenty-one days notice in writing. The notice shall specify the time and place of the meeting the general nature of the business and in the case of an annual general meeting, shall specify the meeting as such; Provide that a meeting of the company may be called by shorter notice if it is so greed;
- (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 any other meeting by a majority in number of the members having a right to attend vote at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.
40. Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given 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 no-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

41. 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 divide, 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.
42. No Business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; two person entitled to vote on the business to be transacted, each being a member or a proxy for a member or a duly authorized representative of a corporation shall be a quorum.
43. 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 and place or to such other day at such other time and place as directors may determine.
44. The chairman, if any, of the Board of Directors or in his absence some other director nominated by the directors shall preside as chairman of the general meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for the holding of the meeting and willing to Act, 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 Act, he shall be chairman.
45. A resolution in writing executed or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall have effect as if it had been passed at a general meeting duly convened and held, and may consist of several instruments in the like form each executed by or on behalf of one or more members.

ALTERATION OF CAPITAL

33. The company may by ordinary resolution:-
- (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 share of larger amount than its existing share;
 - (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 not been taken or agreed to be taken by any person and diminish the amount, the amount it share capital by the amount of the shares so cancelled.
34. Whenever as a result of a condition of shares any members would become entitled to fraction of a share, the direction 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 proceed 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 proceeding in reference to the sale.
35. Subject to the 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.
36. 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.
37. All general meetings other than annual meetings shall be called extraordinary general meetings.
38. The directors may, whenever they thinks fit, call an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisitionists, or, in default, may 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.

ALTERNATION OF CAPITAL

28. 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.
29. 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 forfeited shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
30. 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.
31. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares and shall surrender to the company for 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 in full of all such moneys in respect of the shares, but the directors may waive 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.
32. A statutory declaration by a director or the secretary that a share has been forfeited on a date stated in the declaration shall be conclusive evidence of the facts stated therein as against all persons claiming to be entitled to the share, and the declaration shall (subject to 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.

TRANSFER OF SHARES

21. The instrument of transfer of any share shall be in 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.
22. 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.
23. The registration of transfers of shares or any transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine.
24. No fee shall be charged for the registration of any instrument of transfers of other document relating to or affecting title to any share.

TRANSMISSION OF SHARES

25. In case of the death of a member, the survivor of survivors where the deceased was a joint holder, and the personal representative of the deceased where he was a sole holder or the only survivor or 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.
26. 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 registered 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.
27. 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 registered as the holder of the share, be entitled in the respect of it to exercise any right conferred by membership in relation to meetings of the company.

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 payable at less than one month from the date fixed for the payment of the last preceding call, and each member shall (subject to receiving at least fourteen clear days notice specifying when and where payment is to be made) pay to the company as required by the notice the amount called on his shares. A call may be required to be paid by installments. 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 that 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 become 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 exceeding 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 any fixed date, whether in respect of nominal value or premium or as an installment of a call shall be deemed to be a 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 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 money un-called and upon any shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become {payable) pay interest at such rate 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.

SHARE CERTIFICATES

8. Every member, upon becoming the holder of any shares, shall be entitled without payment to receive within two months after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide) one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one more of his shares upon payment for every certificates after the first such reasonable sum as the directors may determine. Every certificate shall be sealed with the seal and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid thereon. In respect of a share of shares held jointly by several persons, the company shall not be bound to issue more that one certificate, and delivery of a certificate for a share to one joint holder shall be sufficient delivery to all joints holders.

9. If a share certificates is defaced, worn out, lost or destroyed, it may be renewed on such terms (if any) as to evidence 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 (moneys whether presently payable or not) called or payable at a fixed time in respect of that share; but the directors may time declare any share to be wholly or in part exempt from the provisions of this regulations. The company's lien, if any, on a share shall extend to any amounts payable in respect of it.

11. The Company may sell, in such manner as the directors shall have a lien if a sum in respect of which the lien exist 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 thereof by reason of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shared may be sold.

12. The give effect to any such sale the directors may authorize some person to transfers the shares sold to, or in accordance with the directions of, the purchaser shall be registered as the holder of the shares comprised in any such transfer, and he shall not be bound to see the application of 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 exist 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 sums not presently payable as existed upon the shares before the sale) be paid to the person to the person entitled to the shares, at the sale.

SHARE CAPITAL AND VARIATION OF RIGHTS.

2. Subject to the provision of the Act, and without prejudice to any rights attached 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 sections 61 of the Act, any shares may with the sanctions of an ordinary resolution, be issued on the terms and in such manner as the company before the issue of the shares may by special resolution determine.
4. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the share of that class) may, whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these Regulations relating to general meetings shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class and that any holder of shares of the class present person or by proxy may demand a poll.
5. The rights conferred upon the holders of the shares of any class shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the issue of further shares ranking *pari passu* therewith.
6. The company may exercise the powers of paying commissions conferred by section 56 of the Act. Subject to the provisions of the Act, such commission may be satisfied by the payment of cash or the allotment of full or partly paid shares or partly in one way and partly in other.
7. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any share or any interest in any fractional part of a share or (except as otherwise provided by the articles or by law) any other rights or interests in respect of share except an absolute right to the entirety thereof in the registered holder.

TANZANIA
Stamp Duty Shs. 500/-
PAID ON ORIGINAL
Receipt No. 31994-15-2213
Stamp Duty Office

THE COMPANIES ACT, 2002
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
GOBOSH LEATHERS LIMITED
PRELIMINARY

TANZANIA
Stamp Duty Shs. 2500/-
Receipt No. 31994-15-2213
REGISTER OF COMPANIES

1.

In these Articles:-

"The Act" means the Companies Act, 2002

"the article" means the articles of the company;

"clear days" in relation to the period of a notice means that the period excluding the day when the notice is given or on which it is to take effect;

"the holder" in relation to shares means the member whose name is entered in the register of members as the holder of the shares;

"The office" means the registered office for the time being of company.

"The Directors" means the director of the Company for the time being who are holding such posts.

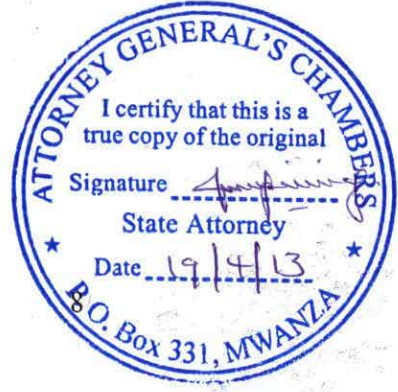
"The register" means the register of members to be kept pursuant to the provisions of Act.



"The Seal" means the Common Seal of the Company.

"Secretary" 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 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 force at the date at which these Regulations become binding on the company.



Names and Postal Address of Subscribers	Number of shares Taken by each subscriber	Signature of Subscribers
1. MATIKO JAMES ABEID P.O.BOX 7608, MWANZA.	7000	
2. PERAVALI SAMBASIVA RAO SIRIPURAM (PO) MEDIKONDUR (MD) GUNTUR (DT) ANDHRA PRADESH - INDIA PIN CODE : 522401	3000	

DATES at MWANZA..... This days of 11th FEBRUARY 2013

WITNESS TO THE ABOVE SIGNATURE

NAME Mwanza Y. Mwanza

SIGNATURE 

POSTAL ADDRESS 331,

MWANZA

QUALIFICATION STATE ATTORNEY



- (oo) To act as agents, or brokers and as trustees for any person or company and to undertake and perform sub-contracts and to do all or any of the above business in any part of the world, and either as principals, agents, trustees, contractors or otherwise, and either alone or jointly with others and either by or through agents, sub-contractors, trustees or otherwise.
- (pp) To carry on the business of building construction, maintain, alter, enlarge, pull down and remove or replace any buildings, factories, mills, offices, automobile garages, workshops, filling stations, works wharves, roads, railways, tramways, machinery, engines walls, fences, dams, sluices or water courses and to clear sites for the same or to join with any person, firm or Company in doing any of the business, aforesaid and to work, manage and control the same or join with others in some doing.
- (qq) To do all such things as are incidental or conclusive to the attainment of the above objects or any of them.

And it is hereby declared that the word "Company" in this clause, except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in Tanzania or elsewhere, and that the intention is that each of the objects set forth in any sub-clause of this clause shall not, except when the context expressly so requires, be in any wise limited or restricted by reference to or inference from the terms of any other sub-clause or by the name of the Company. None of such sub-clauses or the

objects herein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in the first sub-clause, but the Company shall have full powers to exercise all or any of the powers conferred by any part of this clause and notwithstanding that the business, undertaking, property or acts proposed to be transacted, acquired, dealt with are performed do not fall within the objects of the first sub-clauses of this clause.

- 4. The liability of the members is limited
- 5. The authorized share capital of the Company is Tshs. 500,000,000/= divided into 10,000 shares of Tshs. 50,000/= each.

WE, the several persons whose names, addresses and descriptions 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 opposite our respective names.

- (dd) To establish and carry on the business of manufacturing, making and producing all types of industrial alcohol, industrial starch, animal feed from flour, malt, hops, grains, meal, yeast, cassava, maize, rice corn, gari.
- (ee) To purchase, own or otherwise acquire lands, real property, easements, rights and other property, real or personal for the purpose and conducive to the objects of the Company including farming, cultivation of cassava, maize, potato, cereal crops and other agricultural crops which are suitable for the manufacture and production of starch and other derivatives afore mentioned.
- (ff) To construct steamships, ships, trawlers, catchers, carriers, drifters, fishing boats, boat or other vessels whatsoever, slaughter houses, cold storage premises, warehouses, sheds and other building requisite useful for the business of the Company.
- (gg) To carry on business of hairdressing, haircutting, trimming, styling, setting, hair dying, hair treatment, shampoo, massaging of scalp, beauty treatment, relaxing, facial, manicure, pedicure, waxing, acne, treatment and all sort of beauty treatments and selling and buying of perfumery, oil, beauty treatments and selling and buying of perfumery, oil, beauty soap, creams, lotion, all types of cosmetics, hair lotion, essential oils, dentrifices, bleaching preparations and other substances for laundry use, clearing, polishing, scouring and abrasive preparations.
- (hh) To carry on business of petrol service station and deal in petrol, diesel, oil, kerosene mineral oil, crude oil, lubricating oil, grease and / or fuel oil of all kinds and all other kind of mineral and petroleum products as an importers, dealer or distributors and servicing and repairing of vehicles of all types generally.
- (ii) To carry on the business of motor vehicle garage and repairing and servicing of all types of vehicles and machineries and the business as dealers, wholesalers, retailers, distributors, agents, importers and exporters of hardware, motor vehicles, bicycles and its spares, agriculture and industrial machineries and spares, electrical machinery, accessories and spares of all kinds.
- (jj) To render veterinary services and educate or inform or advice or consult on all aspect of veterinary and agriculture sciences.
- (kk) To acquire, take-over, promote, establish and carry on all or any of the business of seed crushers and manufacturers and processors of soyabeans, linseeds, cottonseeds, groundnuts, simsim, sunflowers and any other seeds and cakes, oil extractors by crushing, chemicals or any other process from the afore-mentioned plants or other natural and oil substances and to prepare, manufacture, mill and render marketable any such oil and to sell, dispose of and deal in any such oil either in its prepared, manufactured or raw state.
- (ll) To procure the registration of the Company in or under the laws of any place outside Tanzania.
- (mm) To purchase, sell, subscribe for, underwrite, or other wise acquire and hold shares, stocks or other interest in, or obligations of any other company or corporation.
- (nn) To distribute among the members of the Company in kind any property of the Company, and in particular any shares or securities of other companies belonging to this Company.

- (v) To carry on all or any of the business of stationers, printers, lithographers, stereotypers, electrotypers, engravers, photo-graphic printers, photolithographers, typesetting machine operators, die sinkers, envelope makers, book binders, account book manufacturers, machine, rulers, numerical printers, paper makers, paper bags and account book makers, box makers, flax and box file makers, cardboard manufacturers, type foundries, photographers, manufacturers of and dealers in playing, visiting, railways festival invitation, business complimentary and fancy cards and valentine, dealers in parchment, stamp, agents for payments of stamps and other duties, advertising agents, designers, draftsmen, manufacturers, book sellers, publishers and dealers in materials used in the manufacture of paper, cabinet makers, file rack makers and dealers in or manufacturers of any other articles or things of a character similar of analogous to the foregoing or any of them or connected therewith and to deal in the manufacture of and sell by wholesale or retail of school chalks and secretarial services.
- (w) To carry on the business of costumiers, robe, dress and mantle makers, tailors, silk maceer makers and suppliers of clothing, lingerie and trimmings of every kind, corset makers, furriers, general drapers, habershers, milliners, hosiers, furniture, gloves, lace makers and dealers, feather dressers and merchants, hatters, boot and shoe makers, dealers in fabrics and materials of all kinds, ribbons, fans, perfume and flowers (artificial and natural).
- (x) To carry on business of manufacturing, marketing, dealing in or otherwise handling trousers, pullovers, jerseys, sweaters, children's wear, ladies wear including ladies brassieres, blouses and panties, gents wear including vests, briefs, swimming trunks, shirts, pants, uniforms, piece goods, tie ad dye and like other garments, raw materials, accessories and fitting for these products.
- (y) To purchase or otherwise acquire the whole or any part of the undertaking and business of manufacturing and marketing, dealing or otherwise handling fish-nets, fishing gears, spare parts, fishing equipments and all other items concerned with fishing.
- (z) To carry on the business of importers, exporters, manufacturers and dealers in stores and warehouse of pharmaceuticals and all or any other commodities and things which may be conveniently used or manufactured in conjunction with any of the above or similar business of manufacturers or which shall be capable of being used for the purpose of any business herein mentioned or likely to be required by customers or any business.
- (aa) To carry on the business as bakers and manufacturers of and dealers in bread, flour, biscuits, confectionery, juice, squash, packing and farinaceous compounds and materials of every description and to construct, acquire, hire, hold, work, let and sell, mills, factories, bakehouses, shops, buildings, machinery and appliances suitable for such baking manufacturing and dealing.
- (bb) To carry on the business of manufacturing, making and producing starch and its derivatives, including glucose, dextrine, dextrose, isomerase and both modified and unmodified starch.
- (cc) To establish and carry on the business of manufacturing, making and producing of every description of starch products and other derivatives and ancillary starch products and without limiting the generality of the foregoing to engage in the production, manufacturing, selling of the foresaid products including glucose, dextrine, dextrose, isomerase, modified and unmodified starch.

- (o) To manufacture, buy, sell, improve, treat, preserve, fine create, mineralise, bottle, can and otherwise deal in mineral, aerated waters, juice and other liquids of every description.
- (p) To purchase, take on lease or in exchange of, or otherwise acquire lands and properties of any tenure whatsoever, and to carry on all or any of the trades of planters, gardeners, fruit farming, agriculturalists and / or any trade or business in connection with agriculture or horticulture.
- (q) To sink wells, and shafts, and to make, build and construct, lay down, acquire and maintain factories, engines, machinery, tramways, docks, plant and appliances and to execute and to do all other works and things necessary or convenient for working, obtaining, storing, treating, preserving, fining, mineralizing, bottling, canning and discharging any such fruit products or otherwise for the purpose of the Company.
- (r) To carry on the business of veterinary surgeons in all its branches for the treatment of animals, cattle, sheep, goats, poultry and all livestock generally to attend all animal patients, dispense any medicines, perform operations and to do all other acts and things necessary for the carrying on the business of a veterinary dispensary and general pharmacy and to carry on business of wholesale and retail fertilizers, agricultural chemists, inputs and plant medicines of all kinds and dealers in surgical instrument appliances and to make and deal in all requisites of veterinary hospitals, patients and invalids and dealers in proprietary articles of all kinds and of electrical, chemical, surgical, scientific apparatus and agricultural materials.
- (s) To carry on the business or trade and deal in the export of all wild like birds, live animals, live game and generally any kind of pets for sale and export within the country, neighboring countries and other foreign countries and to improve, prepare for export, import, deal and trade in carvings, paintings, curious, game skins, pottery, leather and leather goods, clothes, batiks, wattle barks, coconuts and coconut by-products, beeswax, meat butter, ghee, cooking oils, charcoal, corn flour, cloves, cheese and commodities from by- products of milk.
- (t) To carry on and deal in the business of pharmaceuticals, medical preparations chemicals, animal feeds, manufacturing, making and assembling of machines equipment, plants, vessels, devices, of all descriptions using modern technology appropriate and applicable to veterinary and agricultural industries.
- (u) To engage in, conduct in any between any and all the regions and districts in Tanzania neighboring countries and other foreign countries, as agents or otherwise, the business of general trucking, forwarding, cartage, storage, warehousing, consolidating, distributing, wharfage, contracting, loading, unloading and stevedore business and to conduct as general brokerage commission and customs house, brokerage service business and to handle and forward for transportation by air, highway, water and rail, road between cities, towns, villages and other places in various parts of the world person, bills and other movable and personal property over and on such lines and routes as may from time to time exist and generally to act as agents for land and estate, brokers, chatterers, auctioneers, clearing and forwarding agents, insurance agents and agency in all its respective branches.

- (f) To carry on the business of selling, distribution of all products of any description, printers and publishers, periodicals, maps, guides, news paper sellers, foreign correspondents and advertising agents, exporters and importers and to buy, sell, hire, manufacturer, barter trade and deal in property goods, produce articles and merchandise of all kinds and to transact and every description of agency, commission commercial, industrial manufacturers, mercantile, insurance and financial business and manufacturers representatives, consultancy services.
- (g) To draw, make, accept, endorse, discount, negotiate, execute and issue, buy, sell and deal in bills of exchange, promissory notes and other negotiable or transferable instruments, amalgamate or enter into partnership or any joint venture or profit sharing arrangement with, and to co-operative in any way with or assist or subsidize any Company, firm or person.
- (h) To promote or concur in the promotion of any Company, the promotion of which shall be considered desirable, to lend money to and guarantee the performance of the contracts, or obligations of and the payment and repayment of the capital and principal of, and divides, interest or premiums payable on any stock, shares and securities of any Company, firm, or person, whether having objects similar to those of this Company or not, and to give all kinds of indemnities.
- (i) To sell, lease, grant licenses, easements and other rights over and in any other manner deal with or dispose of the Company or any part thereof for such consideration as may thought fit and, in particular, for stock, shares or securities of any other company, whether fully or partly paid up.
- (j) To acquire any such shares, stocks, debentures, debenture stock, bonds, obligations, or securities by original sub-scription, tender, purchase, exchange or otherwise, and to subscribe for the same, either conditionally or other and to guarantee the subscription thereof, and to exercise and enforce all rights and powers conferred by, or incidental to, the ownership thereof.
- (k) To issue debentures, debenture stock, bonds, obligations and securities of all kinds and to frame, constitute and secure the same, as may seem expedient, with full power to make the same transferable by delivery or by instrument of transfer or otherwise, and either perpetual or terminable, and either redeemable or otherwise, and to charge or secure the same by trust deed or otherwise on the undertaking of the company or upon any specific property and rights, present and future, of the company (including, if thought fit, uncalled capital) or otherwise howsoever.
- (l) To carry on business of proprietors and / or hirers of trucks, lorries, cars, microbuses, buses, self or chauffeur driven for transportation of passengers and goods within Tanzania and / or in the neighboring countries, carry on the business of manufacturers of species, yellow gram, grain and seed merchants and millers of all types of food products.
- (m) To cultivate, grow, buy, prepare any kind of fruit such as pineapple, orange, lime, lemon, grapefruit, passion fruit, guava and all types of fruits and vegetables and to dispose of, sell and deal in any such products either in its raw form or its processed form.
- (n) To plant, grow, import, manufacture, sell and deal in fruits and / or vegetables in the form of juices, concentrates, nectars, pulps, piece / and or slices, jams, marmalades, pickles, chutney, oil, animal and poultry feeds.

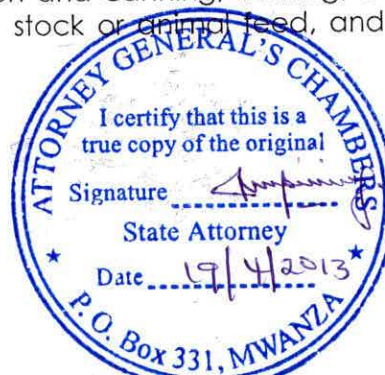
THE COMPANIES ACT 2002
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION

OF

GOBOSH LEATHERS LIMITED

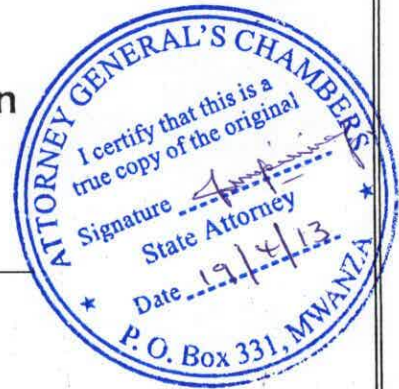
- Stamp Duty Officer
31994/15-2-2013
- Stamp Duty Officer
31994/15-2-2013
1. The name of the Company is **GOBOSH LEATHERS LIMITED**.
 2. The registered office of the Company will be situated in the United Republic of Tanzania
 3. The objects for which the Company is established are:-
 - (a) To acquire by purchase or otherwise manufacture and to carry on the trade and business of wholesale and retail either raw, semi processed, processed, finished leather, finished leather goods, finished leather footwear, finished leather upholstery of sheep, goats, cow, camel and any other livestock hides, tanners, leather machining, rears cattle, pastures, butchers, cattle slaughterers, preserved and potted meat manufacturers, import and export in all kinds of hides, meat, poultry, cattle goat, sheep, milk cream, butter, cheese, eggs sausages, preserved meat and other articles, goods or things usually or in the course of carrying on any of the trades and businesses mentioned above.
 - (b) To carry on the business of water and waste water services that is to deal with all types of water works, buying and selling materials for water works or water chemicals and to act as managers advisors and consultants in the field of water works and water chemicals and in any other business which may be usefully carried on in conjunction there with.
 - (c) To carry on the business of hard wares and all building materials, repair, alter and otherwise deal in apparatus, plant, machinery, fittings, tools, materials, furnishings, products and things of all kinds capable of being used for the purpose of the above mentioned business or any of them or likely to be required by the customers of the Company.
 - (d) To carry on the business on all or any of the business of household goods and appliances, sanitary materials and industrial equipments of every description, electrical, mechanical, motor and general engineers, manufacturers and merchants and agents for and dealers in engineering specialities of every description, civil engineering, chemical, process and automobile engineering.
 - (e) To offer consultancy services like project appraisal or any other as per qualifications and expertism of the Directors, deal in all international trade on all kinds of household goods, and appliances, building materials, hardwares, and industrial equipments for the purpose of all the above mentioned business, agricultural consultancy, initiate projects, offer managerial service, technical service and performance evaluation, buyers, and sellers, importers, exporters, processors of all farm produce, grain milling, juice extraction and canning, bottling, oil extraction, refining, packing and preserving produce stock or animal feed, and all general merchandise.

1



UNITED REPUBLIC OF TANZANIA

Certificate of Incorporation



NO.

I HEREBY CERTIFY THAT

GOBOSH LEATHERS 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.....day
of..... Two Thousand and Thirteen

.....
Registrar of Companies

THE COMPANIES ACT, 2002

COMPANY LIMITED BY SHARES

Memorandum

AND

Articles of Association

OF

GOBOSH LEATHERS LIMITED

Incorporated thisday of2013

DRAWN BY:
MATIKO JAMES ABEID
(SUBSCRIBER)
P.O.Box 7608
MWANZA



GOBOSH LEATHER

Cash Flow Statement

For the year ended on.....

	Year 2013 USD	Year 2014 USD	Year 2015 USD	Year 2016 USD	Year 2017 USD
Operating Cash Balance	500,000.00	600,000.00	650,000.00	700,000.00	775,000.00
Profit	1,509,475.00	1,861,815.00	2,064,558.00	2,287,639.00	2,532,995.00
	2,009,475.00	2,461,815.00	2,714,558.00	2,987,639.00	3,307,995.00
Add Depreciation	18,200.00	18,200.00	18,200.00	18,200.00	18,200.00
TOTAL	2,027,675.00	2,480,015.00	2,732,758.00	3,005,839.00	3,326,195.00

GOBOSH LEATHER

Balance Sheet

As on....

	Year 2013 USD	Year 2014 USD	Year 2015 USD	Year 2016 USD	Year 2017 USD
Capital	1,200,000.00	1,260,000.00	1,323,000.00	1,389,150.00	1,458,607.00
Retain Earnings	0.00	72,725.00	72,725.00	72,725.00	72,725.00
Total Liabilities	1,200,000.00	1,332,725.00	1,395,725.00	1,461,875.00	1,531,332.00
Current Assent:					
Prepaid Rent (office)	30,000.00	33,000.00	36,300.00	39,930.00	43,923.00
Office Supply	23,000.00	22,450.00	21,845.00	21,179.00	20,447.00
Cash/ Bank	500,000.00	600,000.00	650,000.00	700,000.00	775,000.00
Total Current Assents	553,000.00	655,450.00	708,145.00	761,109.00	839,370.00
Fixed Assets:					
Inventory	460,000.00	527,675.00	575,380.00	625,966.00	654,562.00
Machinery	96,000.00	76,800.00	57,600.00	38,400.00	19,200.00
Equipments	91,000.00	72,800.00	54,600.00	36,400.00	18,200.00
Total Fixed Assets	647,000.00	677,275.00	687,580.00	700,766.00	691,962.00
Total Assets	1,200,000.00	1,332,725.00	1,395,725.00	1,461,875.00	1,531,332.00

GOBOSH LEATHER

Income statement

For the year ended on.....

	Year 2013 USD	Year 2014 USD	Year 2015 USD	Year 2016 USD	Year 2017 USD
Revenue	10,130,400.00	12,256,860.00	13,482,546.00	14,830,800.00	16,313,880.00
Revenue					
Cost of Goods Sold	8,442,000.00	10,214,820.00	11,236,303.00	2,359,933.00	13,595,926.00
Gross Profit	1,688,400.00	2,042,040.00	2,246,243.00	12,470,867.00	2,717,954.00
Less Operating Expenses:					
Marking Expenses	75,000.00	75,000.00	75,000.00	75,000.00	75,000.00
Building rental Expences	5,000.00	5,500.00	6,050.00	6,655.00	7,321.00
Telepone Expenses	2,000.00	2,200.00	2,420.00	2,662.00	2,928.00
Miscellaneous Expenses	500.00	550.00	605.00	666.00	733.00
Depriciation Expenses (office Equipment)	18,200.00	18,200.00	18,200.00	18,200.00	18,200.00
Fixed Electricity	4,000.00	4,400.00	4,840.00	5,324.00	5,856.00
Repairs and Maintanance	1,000.00	1,100.00	1,210.00	1,331.00	1,464.00
Office Supplies Expenses	500.00	550.00	605.00	666.00	732.00
Total Operating Expense	106,200.00	107,500.00	108,930.00	110,504.00	112,234.00
Net Profit	1,582,200.00	1,934,540.00	2,137,313.00	12,360,363.00	2,605,720.00
Retained Earnings	72,725.00	72,725.00	72,725.00	72,725.00	72,725.00
Profit Turn Forward to B/S	1,509,475.00	1,861,815.00	2,064,588.00	12,287,638.00	2,532,995.00

9.0 RECOMMENDATIONS

The foregoing discussion highlights on the social, economic and financial dimensions which the envisaged project is set to generate in this country. The brief financial analysis indicates that the project will be financially viable. Therefore, it is strongly recommended that the sponsors, M/s GOBOSH LEATHERS COMPANY LIMITED be availed the required institutional assistance so as to enable them implement the proposed raw hide and skins Processing and Export Project.

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

Cash Flow Assumptions

Accounts Receivable cycle (in days)	30
Raw Material Inventory (in day)	30

Revenue Assumptions

Production Capacity of the Unit	4200 Units
Sales Price growth rate	10%
Maximum Capacity Initialization	100%
Export sales	90%

Expense Assumptions:

Machine Assumptions (per year)	\$ 1000
Prepaid Building Rent (Moths)	06
Raw Material price growth rate	5%
Rent Growth Rate	10%

Financial Assumption

Project Life	05
Equity	100%

8.0 FINANCIAL PLAN

Project Cost

Machinery (Brand new)	\$ 506,000
Furniture & Fixture	\$ 91,000
Miscellaneous (Salaries)	\$ 63,000
Raw Material Inventory	\$420,000
Building Construction	\$ 120,000
Total Investment Into Project	\$ 1.2 million

Assumptions:

Number of Machines Installed	6
Maximum Capacity Utilization (1 year)	100%
Total Production of the Unit per month	350 Units
Total Production of the Unit per year	4200 Units

Operating Assumptions

Annual Production Capacity	4200 units
Hours Operational per day	8hrs
Days Operational per month	26
Days operational per year	312 days

7.0 ASSESSMENT OF RISK:

7.1 EVALUATE WEAKNESSES OF BUSINESS

- Shortage created in local market due to exports of raw and finished leather
- Requirement of high working capital
- High cost of electricity
- Economies of scale is a important factor, as most of units in Pakistan have small capacity, which means higher cost, and this results in decreasing competitiveness in the international markets.
- Wastage due to unskilled labor

7.2 NEW TECHNOLOGIES

New technology has great impact on every business same case with leather in which tanning process might be more affected by any new innovation. Our operation might be influenced (cutting, stitching and finishing) by new technology. Innovation in internet or online shopping can also change in website transaction process so it is necessary for our IT department to make a plan for future how should adopt these changes when it happens.

7.3 CONTINGENCY PLANS

We planned that in case of failure we will go for two options:

1-selling out the whole infrastructure, as there are firms who might interested in investment and their this purpose could help us in order of exit from this situation.
2-selling machines and other equipments less then market price, the reason is to exit from the business as early as possible to save our time.

Importantly we will do short term agreements in order of rental building and will do short term contract with labor. In case of failure our step might help us to exit as early as possible and save our coast of time.

6.0 MARKETING PLAN

6.1 PRICING

We have two type of customers individual and business, so different pricing strategy for both. We are offering customize products for individual consumer so we will charge premium price but business partner we will charge standard price that will exist in the market.

6.2 VALUE BASED PRICE

According to the customization in products, customers can add new attributes and their favor it design so we can charge value based price at every customize product.

6.3 COST BASED PRICE:

It's another pricing option for us in which certain percentage of profit is charged at cost. We will charge 20 percentage profits at any cost.

6.4 DISTRIBUTION

We will focus on direct distribution through any courier/logistic company to provide products delivery at given time.

6.5 PROMOTION

We will use different promotion tools for our customers as online marketing: We are dealing online shopping so it is necessary to advertise our products on different social media sites like face book, tagged, my space and twitter so it is good promotion tool for our products.

6.6 PRODUCT FORECASTS

As we have dived into segments we believe there will be increasing demand in leather shoes category but leather jacket, gloves and other leather products may not have great demand in the local market. On the other hand there is demand of Pakistani leather products other than shoes is huge. We have flexibility in our operation to deal with flaunting demand in both market and their demand.

5.9.7 Finishing of raw leather

In this process different technology is used to finalize the leather into good and colorful shape. It includes pressing, cutting and dying.

5.9.8 Storing in manufacturing unit

To store the finished leather it is necessary that store room must be protected from moisturizer, water and other chemical that can damage it.

5.9.9 Pattern

In which jacket's pattern is made by board, basically design is made by this board that helps the cutter to cut easily.

5.9.10 Cutting

In which different cutters are used to cut the leather into different parts according to the pattern. It is a special kind of cutter that is used in leather cutti

5.9.11 Stitching machine

After cutting the leather it is stitched by the stitchers with special machine shown below. It is different from ordinary sewing machine that is used in home.

5.9.12 Fusing or finishing

After stitching the jacket button and extra thread is clipped off by the clip cutter then it is moved to the ironing person where jacket is ironed that gives it some extra shining and soft surface.

5.9.13 Packing

In which jacket is packed also tagged with company logo and stickers. To look nice it is decorated by well looking material.

Finishing involves splitting, shaving, re-tanning, and dyeing the wet blue. Five clean technologies are considered here: two associated with dehairing and two associated with chrome tanning.

5.9.2 High exhaustion:

Using special inputs and procedures to ensure that more of the chrome in the tanning bath actually affixes to the hide and less ends up in waste streams.

5.9.3 Enzymes in the dehairing bath:

In this process biodegradable enzymes for lime and sodium sulfide are used to remove the hairs.

5.9.4 Precipitation of chrome:

By using alkalis to precipitate out the chrome in the tanning bath, then collecting the resultant sludge and processing it with sulfuric acid to recover the chrome.

5.9.5 Recycling the dehairing bath:

This simple technology requires only fixed investments in a holding tank, a pump, and a filtering system to remove suspended solids (usually a simple wire mesh screen). Because the chemical inputs into the dehairing bath are relatively inexpensive, only minor cost savings accompany the environmental benefits.

5.9.6 Recycling the chrome tanning bath:

These reusing contents of the tanning bath instead of discharging them into the sewer after a single use. Like recycling the dehairing bath, this simple technology requires only fixed investments in a holding tank, a pump, and a simple filter. It can reduce chrome use by up to 20%.

5.8.4 Marketing department

It is very critical department of our business because production/manufacturing is not a big task but it is very important how to reach the customers, so marketing department will perform the following functions.

- ❖ Pricing
- ❖ Promotion
- ❖ Distribution
- ❖ Demand forecasting

5.8.5 IT department

We are also giving online shopping so it is necessary for us to focus on the information technology as well as its importance. It will perform the following functions.

- ❖ Update the website
- ❖ Promotion through e-marketing and different website
- ❖ Invoicing of bills
- ❖ Make query
- ❖ Customers & suppliers contact via email.

We will focus on information technology plan as first preference because our customers can access throughout the world via internet, so it is necessary for company to focus on internet marketing and its applications.

5.9 TECHNOLOGY UTILIZATION

Technology is an essential part of every business similar case with leather products in every step technology is used for different purpose like wear housing, leather dying, processing, and transport, stitching, cutting and packing. Now we have explained it in different processes to know its importance.

5.9.1 Leather tanning

Leather tanning consists of two meta-processes: wet blue production and finishing. The former involves removing unwanted substances (salt, flesh, hair, and grease) from a rawhide, trimming it, treating it to impart the desired grain and stretch, and finally soaking it in a chrome bath to prevent decomposition.

5.8.1 Description of company's operation

In our case we are performing overall our activities with respect of following functions:

- ❖ HRM department
- ❖ Finance department
- ❖ Operation department
- ❖ Marketing department
- ❖ IT department

5.8.1 Human Resource

We have categorized the functions of human resource into selected field as requirements

- ⊗ Recruitment & selection
- ⊗ Compensation
- ⊗ Training
- ⊗ Performance appraisal

5.8.2 Finance department

Finance department will perform all those functions according to the need of the business including:

- ❖ Budgeting
- ❖ Payrolls
- ❖ Financing
- ❖ Preparing statements
- ❖ To issue the credit to other departments after documents
- ❖ To put check and balance on capital

5.8.3 Operation department

Our operation activities are based on supply chain management system for our product, name & number of suppliers which are concerned in our project and process of manufacturing as a whole. The connection with customers is also a major function of our operation plan. Here we make a proper direct to our suppliers as well as our customers. The overall activities regarding product manufacturing to supply toward customer is associated with this function.

- ❖ To select the appropriate suppliers
- ❖ To check the performance of current suppliers

garment a good look. The garment then moves to ironing stage after which hangtags, price tickets, etc are attached. The final stage is the quality check by the quality inspectors. Their job is to check the conformance of the manufactured garment to the customer's specifications. The quality check is followed by the final packing of the garment.

5.7 PHYSICAL PLANT

In our physical plant only one thing is included Building of hostel but this building is also rented. Company operations require a building having 6 to 7 rooms. Details is given below

- ✿ Raw Materials Store
- ✿ Cutting and matching room
- ✿ Stitching room
- ✿ Fusing or finishing room
- ✿ Packing room
- ✿ Company office
- ✿ Wash room

5.8 OPERATIONAL PLAN

Basically operation plan is mixture of following three activities as under,

- ✓ Description of company's operation
- ✓ Flow of order for goods
- ✓ Technology utilization so let see each and every aspect of operation plan as under,

5.5 STITCHING

Next to assembly is the stitching of different panels of the garments by using sewing machines. Two stitching methods, depending upon the quantity produced, are currently being employed in the industry.1. One stitcher one garment2. Chain process (Assembly Line) in the first method, one stitcher stitches together all the panels of the garment. All the allied processes (folding etc.) required during stitching are also performed by one person.

Depending upon the garment type & size, on an average, output per stitcher per shift is 1 to 2 garments. The second method is more efficient and average productivity level per stitcher in some cases rises between 4-8 garments per day.

In the chain process, an assembly line is made in which each stitcher assigned one specific process out of the total processes is required for garment manufacturing. Ultimately, the stitcher gets specialized by constantly performing one task resulting in production efficiencies and better quality. In each assembly line, there are seven stitchers who perform the following sub-processes:

- Folding
- Lining Stitching
- Sleeves
- Back
- Front
- Pocket
- Panel Joining

5.6 FINISHING

Finishing is the last process in leather garments manufacturing. In the finishing process, buttons/snaps are attached to the garment, extra thread and fibers are clipped off. After this process garments passes through touching process, in which chipped off and out of matching leather grains are treated to give the

5.0 PRODUCTION PLAN:

5.1 MANUFACTURING PROCESS

After receiving the finished leather from the supplier the following procedure is adopted by the organization.

5.2 MATCHING

Leather made from different skin/hides inherently varies in grain style for each other. In the matching process the grain and color of leather are matched on per garments requirement. This is most critical part in the whole process and requires expertise of the matcher.

5.3 CUTTING

After the matching, the cutter cuts different panels of a jacket with the help of the design patterns and knives. The list of panels includes Front, Back, Collar, Sleeves, and Cuff etc. Generally, design patterns made of cardboard are used in cutting process. In case single type/design garments are to be manufactured in large quantities, then press machines with metal dies can also be used. Average wastage of leather in cutting process ranges between 15 to 25%. In Pakistan, a cutter cuts 15 to 20 jackets per day per shift (shift 8 hours)

5.4 ASSEMBLY

After the cutting process, fusing is added to different panels of the garment, as per design requirement. Fusing machines or irons are used for this purpose. Generally, half fusing is done on the end area where stitching is to be done and full fusing is applied on front & back panel for providing garment outlook. Fusing reduces stretch ability and adds stiffness to the leather making it convenient for the stitchers to stitch. In this process, accessories are added and rolled together for sending to the stitching section. Major accessories include lining (Cotton, Viscose, and Satin), zippers (Metal, Nylon), padding, wadding, shoulder pads, buckles, buttons, labels and thread.

4.5 COMPETITOR'S ANALYSIS

It is very important to analyze the competition environment of the industry in order to compete successfully. It is good for strategy making to identify the strengths and weakness of competitors and try to differentiate itself from them. For the time being our competitors in Tanzania are mainly two companies among of those mentioned before, this is competitive edge to this business.

We have international competition as;

- China
- Bangladesh
- India
- Turkey
- Pakistan

4.2 BUSINESS TREND/ FUTURE NEED:

Leather product is a fashion symbol for teenager and youth generation in the western world like UAS, Canada, Germany, France and Italy. Now in these days every business is facing decline due to the global crisis but in future it is predicted that the winter season period is increasing as compare to the summer. Leather products are treated as fashion symbol and to protect the bodies against cold. So we have forecast that the future need/trend is bright due to the above two reasons.

4.3 TOTAL MARKET SIZE

95% of the leather garments manufactured in the country are targeted towards exports. In 2003, an estimated 8 million pieces of leather garments were exported from the country. Local consumption of leather garments is minimal and is estimated to be less than 90,000 pieces per annum.

4.4 TARGET CUSTOMERS

In our business, customers are the main innovators and designer of the products; they can customize their products through our website and can send their order along their own designs. We shall also target the South African market where quality is not issue because they are price conscious. It means that we are dealing two kinds of customers as price and quality conscious.

Export market is the primary market for a leather garment-manufacturing unit. In the export market, major customers include chain stores and major garment brands in Europe and USA. Major customers of Tanzania leather garments are Germany, USA, United Kingdom, Pakistan, UAE and France. The business is done either directly to the buyers or through middlemen.

4.0 NATURE OF BUSINESS

Based on the above initiatives from the Government of Tanzania, the company sees a ***bright future to the Tanzania economy and manufacturing sector in particular as such the company has decided to venture into the manufacturing sector Hides And Skins Processed*** . This business plan sets out a proposal for establishing a leather products and footwear manufacturing plant to be based in Mwanza City, where is a lot of raw materials.

It is manufacturing business of leather garments including jacket, ladies hand bags, key chain, shoes, skirts, belts and wallet. We shall purchase finished leather from different suppliers then make different products mentioned above according to the customers demand.

At early stage of business we will focus on jacket, skirts and handbags, with the passage of time we will expand our product line. In other words we have defined wallet, belts and shoes as expansion of business.

4.1 PROJECT OBJECTIVES

The project is therefore intending to meet the following objectives:-

- (i) To manufacture high quality leather products made from hides and skins.
- (ii) Creation of employment opportunities to a number of Tanzanians who will be directly employed in the industry and those who will be indirectly engaged in the project.
- (iii) The project will impart new skills and technology of manufacturing of leather products and footwear which are environmental friendly.

3.11 LACK OF TECHNICAL PERSONNEL

After the privatization of the Leather industries, most of the technical staff highly trained and experienced were either retired or retrenched and therefore the sector does not have such people actively involved in the sector. In order to reverse the situation the government has decided that the Tanzania Institute for Leather Technology (TILT) be revitalized to be a training cum production centre.

- Unfair competition of local products with imported products.
- Weak Leather Association of Tanzania.
- Lack of technical personnel.
- Poor co-ordination in the policy making mechanism.

3.8 IMPROVEMENT OF THE QUALITY OF HIDES AND SKINS

The quality of hides and skins in the country is low due to various factors

The Ministry of Livestock Development in collaboration with the Ministry of Industry Trade and Marketing and other stakeholders is addressing the issue through:

- Improved extension services and disease control.
- Improved slaughter facilities.
- Promotion/upgrading of slaughter facilities.
- Imposition of a 20% export levy on raw hides and skins.
- Establishment of a Livestock Development fund from the collected export levy.
- Review of the existing law on hides and skins.

3.9. IMPROVE OF CAPACITY UTILIZATION

This is expected to be done by providing technical assistance and rehabilitation of factories, review of tariffs on imported inputs, establishment and utilization of the Leather Development fund and establish a comprehensive incentive package for processors.

3.10 UNFAIR COMPETITION WITH IMPORTED PRODUCTS

This is expected to be done through the review of tariffs on imported products, provision of incentives to local producers and the establishment of leather dyeing units.

3.7 LEATHER SECTOR REVITALIZATION PROGRAMME

3.7.1 Long term objectives

In the long term the programme seeks to improve the quality and availability of hides and skins for domestic and export markets and therefore increase earnings to the producers.

3.7.2 Short term objectives

The sector objective has five stages in the value chain namely:

- Improvement of extension services.
- Improvement and upgrading of slaughter facilities.
- Capacity building of stakeholders.
- Review and enforcement of existing laws.
- Improvement of capacity utilization of Tanneries.
- Harmonization of tariffs of local and imported products.
- Strengthening the Leather association of Tanzania

In the wake of these sector al problems, the government formed a technical committee comprising of leather experts, stakeholders and private institutions to address the situation and to come up with recommendations to revitalize the industry. A cabinet paper was thus prepared, passed by the cabinet and endorsed by the President effectively from April 2003.

The then Ministry of Water and Livestock Development and the Ministry of Industry and Trade in collaboration with other stakeholders convened a meeting to discuss the major problems facing the leather sector and strategies to revitalize the sector.

During the meeting the following issues were evident:

- Poor quality of hides and skins.
- Low capacity utilization of tanneries.

In the early years of 1980's the leather sector performed reasonably satisfactorily and at its peak in 1984 it employed over 5,200 people in the TLAI controlled factories. However in the years which followed, the leather industry performed dismally.

3.2 PRIVATIZATION OF THE LEATHER SECTOR

Following the unexpected performance of the leather and leather industries, it was realized that the sector has not exploited fully the hides and skins as a renewable resource that could achieve productivity gains needed for creation of employment and foreign exchange earnings. This called for the Government intervention in order to reverse the trend.

Therefore the Government initiated policies aimed at opening up the leather sector to private investment, leading to structural reform programme. Under this programme the trade in raw hides and skins was liberalized and private companies were given trading licenses while the Tanzania hides and Skins Ltd, was disbanded. The three large tanneries and two shoe factories as well as a leather goods factories under TLAI were privatized in 1993- 95.

3.3 HIDES AND SKINS IMPROVEMENT INITIATIVES.

External assistance to Tanzania's leather sector by the Regional Programme US/ RAF/88/100 and National programme US/ URT/88/100 have had a good impact on the quality improvement of hides and skins in the country.

The level of activity and results obtained under these programmes are:

- Animal husbandry activities which affect the leather industry were addressed.
- Training of extension officers, butchers, hide dressers, hide merchants and hide graders was carried out.
- Provision of proper flaying knives, salt and chemicals for hides and skins preservation as well as supply of vehicles and motorcycles was effected.
- Creation of leather association of Tanzania was facilitated.

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

2.9 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.

2.10 CONCLUSION

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.

2.6 INVESTMENT OPPORTUNITIES

The priority sectors for investment include the following export-oriented manufacturing operations: 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.

2.7 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 set 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.

2.4 MAJOR PRODUCTION AND INDUSTRIAL UNITS

2.4.1 Food, Beverages and Tobacco

The food manufacturing in Tanzania include manufacturing of dairy products, canning and preserving of fruits and vegetables, canning fish and similar foods, manufacture of animal and vegetable oils, grain milling, baking, sugar and confectionery as well as prepared animal feeds. The beverages include the distilling and blending of spirits; manufacture of wines, cider and beer; production of soft drinks and carbonated waters and the bottling of natural spring and minerals waters. The tobacco subsector comprises manufacturing of cigarettes, tobacco and other tobacco production.

2.4.2. Textiles, Clothing, Leather and Footwear

Activities undertaken in this category include spinning, weaving and finishing of textiles as well as garments, knitting and the manufacture of carpets, rugs, cordage, rope and twines. The leather and footwear subsector include tanneries; leather finishing and manufacturing of products from leather such as luggage, handbags and purposes.

2.4.3 Wood products activities

Accounted in the subsector includes sawmills, planing and other wood mills manufacturing goods. Also included is the manufacturing of wooden containers, cane products and wooden products.

sector and put emphasis on sub regional collaboration and south-south cooperation.

2.2 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.

2.3 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 neighboring countries following the global financial crisis.

2 MANUFACTURING SECTOR IN TANZANIA.

2.1 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

1.3 THE PROJECT PROMOTERS

The project promoters of this project are **GOBOSH LEATHERS COMPANY LIMITED** whose shareholders are shown below:-

S/NO	Name	Shares	Nationality
1.	MATIKO JAMES ABEID	70%	Tanzanian
2.	PERAVALI SAMBASIVA RAO	30%	Indian

1.3.1 Directors' Profile

The project is backed by well established and experience people with vast experience in the manufacturing sector and also with sound technical, financial and managerial aspects.

MR. PERAVALI SAMBASIVA RAO (DIRECTOR & SHAREHOLDER)

I have agriculture & leather business background after completion of my intermediate I have spent 15 year in agriculture and leather sector in Kenya and Tanzania. For this purpose, I done two businesses but very short time one is agriculture including dairy farming and leather. Leather manufacturing is good one in which we produce a lot of earning with new learning, contacts and can boost the economy of Tanzania by exporting the leather products.

MR. MATIKO JAMES ABEID (DIRECTOR & SHAREHOLDER)

I have just background related to agriculture and dealing with the purchasing and selling of raw hides for over 10 years. I basically do not have any business experience with respect of leather manufacturing product or industries. Now I am completing my MBA program. I am looking opportunity in leather manufacturing industry in future. That's why I want to devote my all business expertise to this business. With respect of this business, we also want to make our presences in economy of Tanzania

1.2.6 Financial Appraisal

The company's financial projections have been prepared over the period of five years. As **mentioned no bank loan** is expected to be sought during the initial stage of the project implementation period

Source and Application of Fund

Equity	100%	\$1,200,000
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1.2.7 Financial Review

The financial review as shown on appendices attached to this document of **GOBOSH LEATHERS COMPANY LIMITED** business shown that:-

1. The project is profitable;
2. The liquidity position is sound and that be able to meet its financial commitment without any undue difficulty;
3. The operations are financially viable;
4. The key ratios are acceptable.

1.2.8 Summary and Conclusion

The business Plan should be given an opportunity to be implemented as conceived in this presentation.

1.2.3 Business Analysis

GOBOSH LEATHERS COMPANY LIMITED potential and capability for survival is based on the following facts.

- ✓ Products are reputed for quality.
- ✓ Workers have requisite capability and experience.
- ✓ The location of **GOBOSH LEATHERS COMPANY LIMITED** in Mwanza region which is largest hub centre for East African countries and most affluent of the regions in the country.

1.2.4 Planned Objectives

The planned objectives are meant for the leather manufacturing company to be well-equipped so as to ensure a sustainable manufacturing and servicing programme that will satisfy client' needs and also to product the fines end products made from real leather.

1.2.5 Strategies

In order to achieve the above objectives it is planned to implement the following strategies;

1. Equip the project adequately by installing state-of-the-art facilities and support infrastructure.
2. Institute a preventive maintenance programme.
3. Develop and implement an advertising and promotional programme.
4. Establish an effective financial and resource management.

- Locally available raw material
- Direct access to finished leather (for the local footwear and leather goods production)
- Low labour costs in the region.
- Government policies promoting export trade and foreign direct investment.
- Potential for local and region market.

In addition to the outline opportunities, there still exist a multitude of challenges for the leather producing sector in the region. Labour productivity is moderate compared to other region in the world and the impact of the local political and economic framework conditions. Therefore staff training and provision of technical assistance are required to overcome those disadvantages.

The Leather in Tanzania is growing at a fast pace. However, with an increasing economical liberalization, competition in this industry is expected to increase considerably. To survive the growing competition, the following adjustments need to be adopted by **GOBOSH LEATHERS COMPANY LIMITED**.

1. Increase Company Competitiveness (by providing short term expert training to its local staff in the field of product development, marketing and production;
2. Improvement of quality of raw material;

1.1.0 INTRODUCTION AND BACKGROUND

1.1.1 Introduction

This is a report for a business plan for the **GOBOSH LEATHERS COMPANY LIMITED** for the purpose of establishing a finished leather goods and items manufacturing project in Mwanza City, at Ihayabuyaga (Kisesa Trading Centre), Block A, Plot number 13, 14,15,16,17 and 18.

1.1.2 Background

GOBOSH LEATHERS COMPANY LIMITED is a registered limited company incorporated under the Companies Act, 2002 and with registration No. 97261 dated 18th February, 2013. The main role that is going to be assumed by **GOBOSH LEATHERS COMPANY LIMITED** is the **manufacturing of leather goods** for both local and export market.

1.2.0 THE MARKET

1.2.1 General Market Review

Market observations reveal that there is still high demand for various Leather goods and items in Mwanza, Kahama, Mbeya , Arusha and Dar es Salaam and the country in general. However, trade liberalization has created a somewhat more competitive environment in terms of quality and pricing.

1.2.2 General Leather Products in the Market

Leather products have gained noble importance in different spheres of activity with an ever increasing per capital consumption. With continuous advancements and developments in product development, technology, processing machines and cost effective manufacturing, the leather sector has many advantages and opportunities for foreign companies in terms of procuring semi-finished and finished leather and for sourcing footwear and leather goods. These include:

Leather Shoes so mainly we decide to concentrate on shoes manufacturing for Tanzania, Burundi, DRC Congo, Rwanda and Uganda markets, other categories like jackets, gloves will also there but we consider that we will focus more on shoes manufacturing for local market.

International markets attractive one s earnings in dollar contribute a lot in ones pocket. We will contact our international clients through websites and also planned to participate in exhibitions around the globe, although it is difficult one and our limited resources may create hurdle but it is essential for business development to have direct access to your clients, so Future plans are there for expansion with increasing our products demand in market.

Future Trend shows that there will be no shortage of raw materials as demand and supply of our live stock will increase, and at the same time lather industry could get the advantage by utilize this opportunity, at the same time market demand is gradually increasing in international market specially and a bit in national market, Demand is there and we are ready to supply. We are ready to run in the field of entrepreneur, ready to take the risk, not ready to freeze our feet in the slavery of job

The negative perception of the country in the world community has adversely affected business and we are getting 20 per cent less price for the same product manufactured in other countries. Price is the only attraction to the buyers who have created fences against Tanzania goods. So it shows that there are lots of problems in the industry but still is attractive one as history could repeat itself, and we believe we can get something positive out of it.

Statistics shows there are considerable problems for last five years, as share of leather garments decreased from 2.39% to 2.16% in 2009/10 comparing with 2008/09. Same is the trend in other categories of leather goods, leather tend declined by .27% and other leather products only leather gloves by .07%, the same trend is in the first quarter of 2010 as trend of leather exports of leather sector, in terms of monetary value as in 2009 was 744, 40400\$ and in 2010 is 614, 69500\$ although this impression may discourage for investment but we believe that opportunities arises is difficult conditions and we all are ready to cash this opportunity by taking risk.

Competition within the market of Tanzania is not intense but facing difficulties as told by **Mr. Matiko James Abeid**. So within the geographic boundaries of Tanzania competition in manufacturing may not intense, but in selling there is competition lies and we believe our business strategy of dealing customer according to his demand could give us an edge, as we can say, We are the Leather Tailor. At the same time we will focus on bulk quality productions for our business clients.

We believe our two dimensional strategy give us competitive edge over our competitors. We divided the market into two segments one is local, our national market where we will focus on change of trends and needs and wants and will supply according to that, national market may give essential share in respect of

1.0 Executive summary

The entrepreneurial venture we are going to practice is to step in, in the leather business. This venture will help to stand up on our own feet. World leather industry is huge and never ever going to be closed down although could face ups and downs as the history of leather products is as old as human beings are, and leather products are need more than a want of us, so the scope of leather products could never die although it might face difficulties, which is the part of business

Tanzania is always considered as important player of this ground since after its independence, Leather industries contribution towards exports is always essential part of the exports share, but importantly for last 9 years there is marginal contribution in exports. This may have some certain reasons important are the intense competition, new players like Pakistan Bangladesh, China, Turkeys strong position gained in last decay.

Importantly electricity shortfall, raw materials prices and unfair trade tactics very importantly put negative effects on leather industry in Tanzania. As said by, chairman of Tanzania Tanners Association, **Mr. Matiko James Abeid** in a presentation given to the Ministry of Commerce recently, it was pointed out that the livestock sector and animal skins were badly damaged due to unfair trade tactics.

GOBOSH LEATHERS LIMITED

BUSINESS PLAN

FOR LEATHER PROCESSING FACTORY

PREPARED BY GOBOSH LEATHERS LIMITED

2013

P.O.BOX 7608, MWANZA - TANZANIA



National Bank of Commerce

Conveniently Everywhere.

National Bank of Commerce Limited

Igoma Branch

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24/05/2013

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

Dear Sir

RE: GOBOSH LEATHERS COMPANY

At the request of the Company Directors of the above mentioned Company, I hereby confirm that the company maintains a business current account with us as follows;

Account name – GOBOSH LEATHERS COMPANY

Account Number – 070103001220

Yours faithfully

NBC LTD

John D. Urassa
Branch Manager

National Bank of Commerce Limited Reg. No. 32700

DIRECTORS: Dr. M.J. ASSAD* (Chairman), A. ST .V. DE LA RUE **** (Non-Executive),
F. J. DU TOIT** (Non-Executive), A. R. MPUNGWE* (Non-Executive), S. C. MSANGI* (Non Executive),
Dr. K. HUSSEIN* (Non Executive), A.P. VAN JAARSVELD** (Executive), D. J. BRITS** (Non-Executive),
C. RUBAMBE*(Company Secretary).

(* TANZANIAN, ** SOUTH AFRICAN, *** BRAZILIAN, **** BRITISH).

MINUTE SHEET

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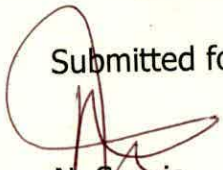
EXD

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

- (a) Minimum finance investment threshold has been exceeded, the project expects to invest US\$ 1.2 M
- (b) Legal entity has been incorporated under certificate No. 97261 of 18/02/2013

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

10th June, 2013

2.0 AS

EXD

In response to the TIC letter of registration dated 10th June 2013

the project has submitted the required documents namely: -

- (a) Company Board Resolution.
- (b) Reference letter/Financing from National Bank of Commerce
- (c) Letter from Helimeshauri ya Maza as evidence of land


With the above submission EXD is requested to sign Certificate of Incentives No. 042455 herein attached.

18/06/2013

3.0

DIF Mr

I Approve


Ag. EXD

18/6/2013

3.5. HIDES AND SKINS PROCESSED BY THE LOCAL TANNERIES.

Currently there are 7 tanneries with a capacity to process about 40 million square ft of leather per annum only!!. The tanneries are: Moshi Leather Industries, Tanzania Leather Industries, Afro Leather, Kibaha Tannery, Himo Tanners, Africa Tanneries and Salex Tanners. Of these, only Africa Tanneries is not operational due to lack of proper effluent treatment plant.

Table 3. Processing of Hides and Skins for the period of July 2005 to May 2006.

Copmany	Hides	Goats	Value	Sheep	Value
Afro Leather Industries	47,700	51,560	111,000	10,286	18,500
Moshi Leather Industries	10,803	84,425	97,151	-	-
Morogoro Tanneriees	26,965	-	-	-	-
Salex tannery	-	64,523	136,167	-	-
Kibaha Tannery	41,390	211,200	348,500	120,000	128,000
Total	126,858	411,708	692,818	130,286	146,500

Himo Tannery has processed hides and skins up to finished stage for local market as follows:

- ❖ Cattle hides 6,400 pcs,
- ❖ Goat skins 8,000 pcs and
- ❖ Sheep skins 7,600 pcs.

Total sales of all the pcs or 210,800 sq ft of finished leather is Tsh. 158,000,000.

3.6. FUTURE OF THE INDUSTRY

The future of this industry is very promising. The Government in collaboration with various stakeholders has prepared a Strategy for Revitalization of the Sector, and this is a main reason why the management and shareholders of **GOBOSH LEATHERS LIMITED**, quite positive to invest in the sector.

3.4 CURRENT PERFORMANCE OF THE SECTOR.

3.4.1 Actual collection of hides and skins.

Table 1. Collection of Hides and Skins.

Year	Hides	Goat Skin	Sheep skin	Value(Tsh)
2003/2004	1,600,000	1,200,000	650,000	6,500,000,000/=
2004/2005	1,600,000	1,500,000	750,000	5,500,000,000/=
2005/2006	1,660,000	1,450,000	950,000	6,800,000,000/=

3.4.2 Export of hides and skins.

Most of hides and skins produced are exported raw. A small proportion is exported as wet blue and some finished leather is produced at Himo tannery in Moshi for local consumption.

Table 2. Hides and Skins Export 2005/06 financial year

Company	Hides	Value (000)	Goat Skins	Value (000)	Sheep Skins	Value (00) Tsh
Lake Trading	235,400	1,289,000	348,000	354,600	96,500	95,600
Sak International	373,405	1,023,000	123,800	209,300	197,200	127,600
East Hides (T) Ltd	71,513	570,600	96,000	45,600	272,000	110,500
Afro Leather Industries	73,458	670,500	24,600	46,600	18,600	16,500
SM Saeed Ltd	74,810	350,500	74,600	57,500	30,000	18,600
Bright Star Ltd	46,000	245,800				
Salex Ltd	70,670	540,600	160,700	250,500	75,610	66,600
Ngozi Centre	60,710	250,600	40,770	38,600	32,600	22,500
MM Ngozi	66,200	110,700	46,700	32,500	26,700	18,800
S. WT Tanners	168,600	370,600	216,700	260,600	70,700	66,800
Moshi Tinnery	50,170	120,800	481,600	39,700	22,600	28,300
Buffalo Gisunte	32,615	60,800	24,110	13,700	12,500	4,500
Saidat Omary	20,170	22,600	12,600	3,500	6,700	2,100
Ngono Fish Export			33,600	18,000	10,500	5,600
	1,363,721	5,626,100	1,240,340	1,370,700	872,210	578,000