



JERK ELECTRICAL CO.  
LIMITED

# MINUTE SHEET

Dokezo  
No.

3

Vero

Pse acknowledge receipt of progress report

Widom

Ag IMA - 21 Oct 2017

# MINUTE SHEET

Dokezo  
No.

AG. ~~4~~EXD *done* *21.11.2013*

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

(a) Minimum finance investment threshold has been exceeded, the project expects to invest *US\$ 0.735M*

(b) Legal entity has been incorporated under certificate  
No. *101818* of *27/08/2013*

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

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

2.0

**EXD**

In response to the TIC letter of registration dated *13<sup>th</sup> September 2013*

the project has submitted the required documents namely: -

- (a) Company Board Resolution.
- (b) Reference letter/Financing from *CRDB Bank Ltd*
- (c) *Lease Agreement on Evidence of land.*

With the above submission EXD is requested to sign Certificate of Incentives No. *042559* herein attached.

*20/12/2013*

APPROVED BY EXD	
Sign: <i>[Signature]</i>	
Date: <i>21/12/13</i>	



DIF

TICC/PP.10/ 042559/10

24<sup>th</sup> April 2017

Managing Director,  
Jerk Electrical Co. Limited,  
P. O. Box 267,  
**MOSHI – HAI KILIMANJARO**

**Dear Sir,**

**RE: SIX MONTHS PROGRESS REPORT FROM SEPTEMBER 2016 – MARCH 2017**

We acknowledge receipt of your 6 month's progress report for the project of **establishment of electrical equipment accessories** in Plot No. 309, Block B, Bomang'ombe Hai District - Kilimanjaro which was received on 18<sup>th</sup> April 2017.

We commend on the achievements attained during the period under review, especially the completion of all ground work related activities including completing the construction of main plant building together with two built-in control rooms, importation of Toyota Land – Cruiser and other activities during the period.

Regarding the issue you raised in the report, TIC has managed to communicate with TRA and find out that your list is already approved as per attached letter dated 5<sup>th</sup> June 2014. For more information regarding this matter and other TRA issues please contact Mr. Adam Ling'wentu through mobile number 0784658188

We are optimistic that you shall proceed implementing the rest of your plans with great passion.

Could you need any assistance, please do not hesitate to notify the centre for quick intervention

Sincerely yours

**TANZANIA INVESTMENT CENTRE**



Veronica T. Mrema

**For: Executive Director**

MATERIAL LIST FOR GODOWN FOR JERK ELECTRICAL COMPANY P.O. BOX 267 HAI								
ITEM NO	ITEM NAME	UNIT MEASU	QTY	ITEM GROUP	ITEM PRICE	TIN	EXEMPTI ON	EXEMPT DATE
1	1000gauge polythene	rm	81	Bldg materials				
2	20x50(mm) moulded architrave	m'	15	Bldg materials				
3	binding wire	kg	185	Bldg materials				
4	bituminous paint	m2	32	Bldg materials				
5	Black pipe 1/1/2" Class A,	pcs	66	Bldg materials				
6	Block 6"x9"x18"	nos	5,400	Bldg materials				
7	BRC mesh	rolls	6	Bldg materials				
8	Brush for painting 3" (tz)	pcs	8	Bldg materials				
9	cement	bags	942	Bldg materials				
10	cornices hardwood	rm	35	Bldg materials				
11	Cutting disk 9" (PS 40 )	pcs	80	Bldg materials				
12	D1:size 302.3cm x 285 Steel door made up of hollow section and mild steel plate entrance to the godown	pcs	1	Bldg materials				
13	D2: frame 90 x 285 cm + hardwood door 90cm x 255cm incl. glass and ironmongery.	pcs	2	Bldg materials				
14	door stopper	sum	11	Bldg materials				
15	Dpc 15 cm	rm	81	Bldg materials				
16	dusban insecticide	m2	400	Bldg materials				
17	gypsum board	m2	30	Bldg materials				
18	hadcore(stones)	m3	20	Bldg materials				
19	J hook with nuts 3"	pcs	3,720	Bldg materials				
20	Mirunda	pcs	200	Bldg materials				
21	murrum	m3	8	Bldg materials				
22	nails	kg	230	Bldg materials				
23	Paint	m2	30	Bldg materials				
24	plastic sheeting (0.2mm polythene) 50 gauge	m2	400	Bldg materials				
25	Plywood 12mm	m2	30	Bldg materials				
26	Redoxide	tins	6	Bldg materials				
27	Reinforcement Y12mm	m	3,192	Bldg materials				
28	Reinforcement Y8mm	m	2,472	Bldg materials				
29	reinforcements Y10mm	m'	840	Bldg materials				
30	ridge cover G28 1800 x 487 mm	rm	30	Bldg materials				
31	Rubber	pcs	3,720	Bldg materials				
32	sand	m3	116	Bldg materials				
33	sheets 28G 6 m long	pcs	120	Bldg materials				
34	Solvent	Galloons	4	Bldg materials				
35	timber 1" x 6"	m'	1,520	Bldg materials				
36	timber 2" x 3"	m'	672	Bldg materials				
37	timber 2" x 4"	m'	156	Bldg materials				
38	timber pine 2" x 3" treated	rm	270	Bldg materials				
39	W2: Aluminium windows size of the window 150x 165 cm	pcs	3	Bldg materials				
40	Welding rods no_ 10	ktms	10	Bldg materials				
41	windhooks	sum	11	Bldg materials				
42	Z purlins 4"	pcs	70	Bldg materials				



**JERK ELECTRICAL COMPANY LIMITED**  
**P.O.Box. 267, Hai Kilimanjaro**

**LIST OF CAPITAL/ DEEMED CAPITAL GOODS FOR DUTY & VAT EXEMPTION**

NO:	ITEM NAME	UNIT MEASUREMENT	QTY	ITEM GROUP	TIN
	<b>Machines</b>				
1.	PVC Technical Data of PE/PVC pipe Extrusion line	Nos	1 set	machines	
2.	PE/PP/PPR/PERT pipe production line	Nos	1 set	machines	
3.	Welding set machines	Nos	1	machine	
4.	Grinder	Nos	1	machine	
5.	Generator	Nos	1	Machine	
	<b>Vehicles</b>				
6.	Light Trucks	Nos	2	Vehicles	
7.	Pickups ( single)	Nos	1	Vehicles	
8.	Hard Top	Nos	1	Vehicles	
	<b>Equipments</b>				
9.	Locks and whole security systems	Nos	1	equipments	
10.	Transformers	Nos	2	equipments	
	<b>Office equipments</b>	Nos			
12.	Radio call	Nos	13	Communication	
13.	Network system set	Nos	2	Communication	





# **TANZANIA REVENUE AUTHORITY**

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

05<sup>th</sup> June, 2014

✓ Managing Director,  
M/s Jerk Electrical Company Ltd,  
P.O.BOX 267,  
KILIMANJARO.

**RE: DUTY/VAT EXEMPTION ON CAPITAL/DEEMED CAPITAL GOODS  
CERTIFICATE OF INCENTIVES NO. 042559 OF 17.12.2013 TIN: 123-  
292-103**

We are writing in response to your letter dated 04<sup>th</sup> March, 2014 supported by the letter Ref. TICC/PP.10/042559/6 of 17<sup>th</sup> March, 2014 from Tanzania Investment Centre, regarding the captioned subject.

We hereby confirm and approve items as per a two page list herewith attached as capital/deemed capital goods for establishment and facilitation of your project with certificate of incentives mentioned above. Please note that items therein deleted are not eligible for exemption under the project and locally manufactured items are to be purchased locally. You are also requested to observe the age limit imposed by the law on motor vehicles.

The approved goods will be subjected to 75% exemption of Import Duty payable while VAT will be relieved at the rate of 45% of VAT payable. Please complete VAT form 224 and submit for approval to the Commissioner for Domestic Revenue for local purchases and the Commissioner for Customs and Excise for importations.

Sincerely yours,

Narcis Lumumba

**FOR: COMMISSIONER FOR CUSTOMS AND EXCISE**

RM/  
C.C: Manager Tax Exemption,  
C.C: Manager- TRA Kilimanjaro,  
C.C: Executive Director, TIC  
Dar es salaam

**ISO 9001 : 2008 Certified**

**CUSTOMS & EXCISE DEPARTMENT**

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

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



# TANZANIA REVENUE AUTHORITY

TRA/CE/C/P.20/08

15<sup>th</sup> April, 2014

Assistant Regional Manager-Customs,  
Tanzania Revenue Authority,  
**Kilimanjaro**

**RE: PHYSICAL VERIFICATION ON PROJECT UNDERTAKEN BY M/S  
JERK ELECTRICAL CO. LIMITED UNDER TIC CERTIFICATE OF  
INCENTIVES NO.042559 OF 17.12.2013.**

We have received application letter from the above mentioned company requesting for duty and VAT exemption on capital/deemed capital goods under certificate of incentives mentioned above. The company objective is to establish project for manufacturing of electrical equipments.

Before this application is considered you are requested to evaluate the existence of the project by carrying out physical verification survey and give a feedback in form of written report with recommendation.

Sincerely yours,

Said Athumani

**For: COMMISSIONER FOR CUSTOMS AND EXCISE**

RM/

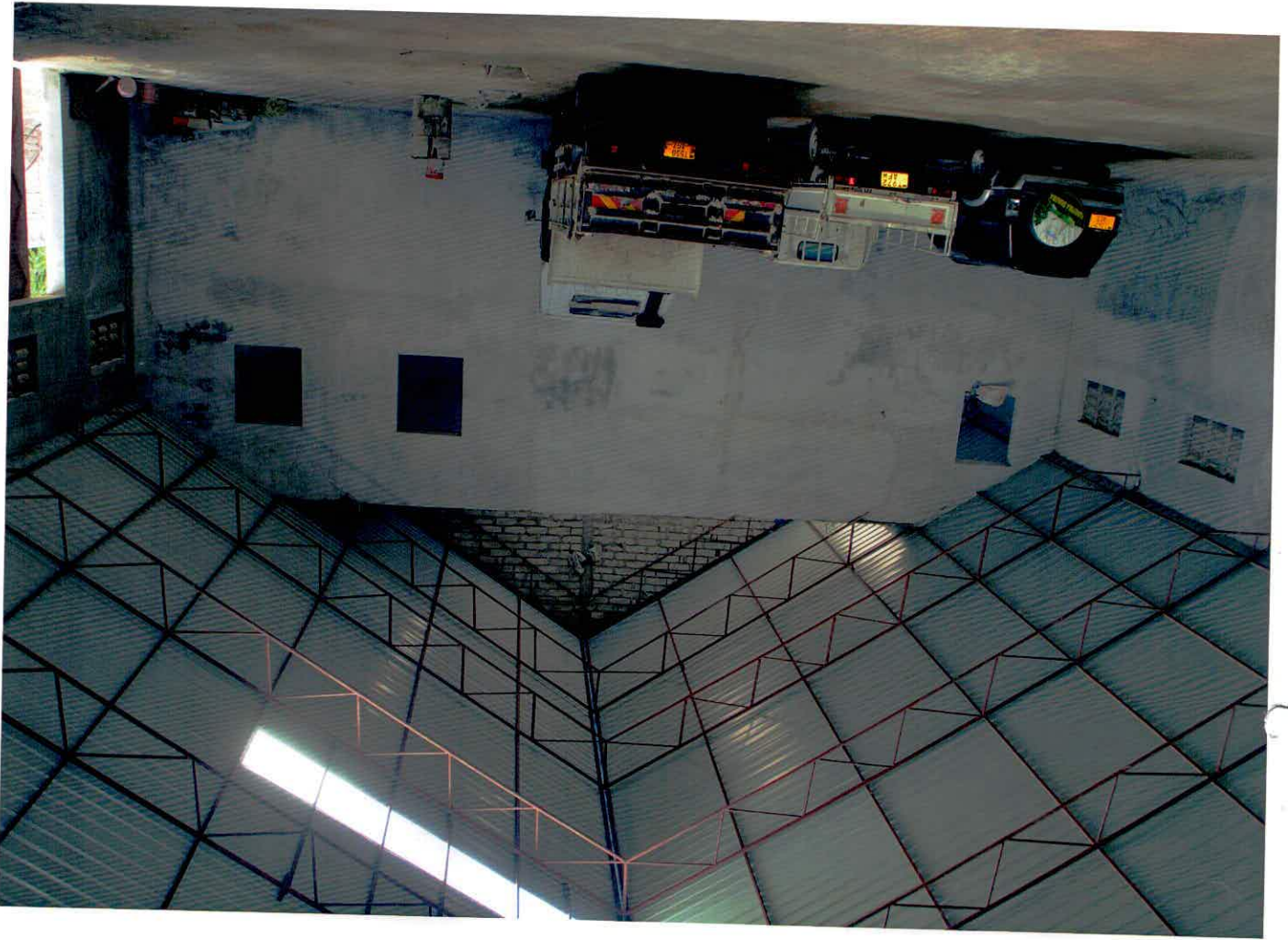
C.C: Managing Director,  
Jerk Electrical Co. Limited,  
P.O.BOX 267,  
Kilimanjaro

**ISO 9001 : 2008 Certified**

CUSTOMS & EXCISE DEPARTMENT

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

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





Original  
of the Original  
Signature  
Date: 12/12/2013  
For: Executive Director  
Tanzania Investment Centre



00220504

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042559

## This is to certify that

JERK ELECTRICAL COMPANY LIMITED

P.O. BOX 267

of address

HAI - KILIMANJARO

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

JERK ELECTRICAL COMPANY LIMITED

PLOT NO. 309 BLOCK B, BOMANG'OMBE

Which is located at

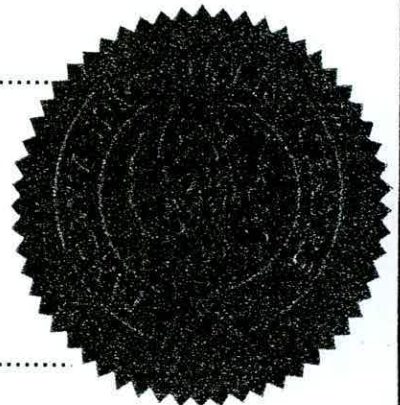
HAI DISTRICT - KILIMANJARO

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

Executive Director

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

Dated 17TH DECEMBER 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 (%)
<b>Meshack J. Kileo</b>	<b>Tanzanian</b>	<b>20</b>
<b>Judith J. Kileo</b>	<b>Tanzanian</b>	<b>20</b>
<b>Emmile G. Kileo</b>	<b>Tanzanian</b>	<b>20</b>
<b>Rogath Makundi</b>	<b>Tanzanian</b>	<b>20</b>
<b>Jasmath R. Kileo</b>	<b>Tanzanian</b>	<b>20</b>
2. Proposed Activities : **To establish project for manufacturing of electrical equipments plastic products**
3. Sector: **Manufacturing** Subsector: **Electrical Plastic Products**
- Investment cost:
 

	Foreign	Local		Total
		<b>USD 0.735m.</b>		<b>USD 0.735m</b>
5. Project Financing:
 

	Equity	Loans		Total
	<b>USD 0.3675m.</b>	<b>USD 0.3675m.</b>		<b>USD 0.735m.</b>
6. Source, terms and conditions of loan.....
7. Assets to be invested:
 

	Foreign	Local		Total
Capital items:	-	<b>USD 0.735m.</b>		<b>USD 0.735m.</b>
8. Technology Agreement ..... **None**
9. Date of TIC Registration: ..... **13th September 2013**
10. Implementation period ..... **September 2013 - August 2016**
11. Operative date..... **September 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 .....

# JERK ELECTRICAL COMPANY LTD

Ref. No. JERK/TIC.042559/2017/002

Date: 01/04/2017

Executive Director General,  
Tanzania Investment Centre (TIC),  
P.O Box 938  
DAR ES SALAAM

C/o: Zonal Manager - Northern Zone,  
Tanzania Investment Center  
P.O.Box7735  
Moshi – Kilimanjaro



Forwarded for review.  
Ag. ZH(N)  
02/04/17.

REF: **SUBMISSION OF 6 – MONTHS PROJECT PROGRESS REPORT FOR THE PERIOD FROM SEPTEMBER 2016 – MARCH 2017.**

Referring to the heading above.

Kindly note that Jerk Electrical Company Ltd, is a TIC Registered Investment Project under TIC Certificate No. 042559, operative until Sept.2016, aiming at establishing a manufacturing plant for electrical equipments and plastic products.

However, in accordance to the conditions issued along the Certificate of Incentives, Our company is happy to share with you a brief report on Project Progress, as follows;

- (i) We have successfully managed to complete the construction of the Main PLANT Building (to serve as Factory, Godown and warehouse) together with two built-in Control Rooms.
- (ii) The company was able to buy one pick up (TOYOTA Land-cruiser), (as only item procured through the incentives scheme).

Attached with the letter, please find a list of our approved Capital goods exempted from tax through the certificate of Tanzania Investment Center (TIC), but could not be honored by TRA. Evidence photos of the project progress are also attached.

We, look forward hoping to receive your timely reply on this request.  
Thank you for your continuous support,

.....  
**Jasmath Ruben Kileo**  
**MANAGING DIRECTOR.**

# MINUTE SHEET

Dokezo  
No.

Handwritten notes in yellow ink, including the number "12" and some illegible characters.

# MINUTE SHEET

Dokezo  
No.

**TO : EXD**  
**ATTN : DIF**  
**CC : DCA**  
**FROM : ZM (N)**  
**DATE : 03/04/ 2017**  
**REF : M/S JERK ELECTRICAL CO. LTD**  
**TIC CERTIFICATE NO. 042559 (PROGRESS REPORT)**




The headline above refers.

We are submitting before you the attached documents on progress for the registered project with objectives to establish a manufacturing for electrical equipments and plastics products project, located at Bomang'ombe Area in Hai District, Kilimanjaro, as submitted to us by M/s. Jerk Electrical Company Ltd

We kindly request you acknowledge receipt.

We submit,

  
**Maro, B**  
**Ag. ZM (N)**

*DIF*  
*fya*  
*wj*  
*Ag. EXD*  
*18/4/2017*





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 (%) |
|----|-------------------------|------------------|------------------|
|    | <b>Meshack J. Kileo</b> | <b>Tanzanian</b> | <b>20</b>        |
|    | <b>Judith J. Kileo</b>  | <b>Tanzanian</b> | <b>20</b>        |
|    | <b>Emmile G. Kileo</b>  | <b>Tanzanian</b> | <b>20</b>        |
|    | <b>Rogath Makundi</b>   | <b>Tanzanian</b> | <b>20</b>        |
|    | <b>Jasmath R. Kileo</b> | <b>Tanzanian</b> | <b>20</b>        |
2. Proposed Activities : **To establish project for manufacturing of electrical equipments plastic products**
3. Sector: **Manufacturing** Subsector **Electrical Plastic Products**
- |                  |         |       |                    |
|------------------|---------|-------|--------------------|
| Investment cost: | Foreign | Local | Total              |
|                  |         |       | <b>USD 0.735m.</b> |
|                  |         |       | <b>USD 0.735m</b>  |
5. Project Financing:
- |        |                     |       |                     |       |                    |
|--------|---------------------|-------|---------------------|-------|--------------------|
| Equity | <b>USD 0.3675m.</b> | Loans | <b>USD 0.3675m.</b> | Total | <b>USD 0.735m.</b> |
|--------|---------------------|-------|---------------------|-------|--------------------|
6. Source, terms and conditions of loan.....
7. Assets to be invested:
- |                |         |                    |                    |
|----------------|---------|--------------------|--------------------|
| Capital items: | Foreign | Local              | Total              |
|                |         | <b>USD 0.735m.</b> | <b>USD 0.735m.</b> |
|                |         |                    |                    |
8. Technology Agreement ..... **None**
9. Date of TIC Registration: ..... **13th September 2013**
10. Implementation period ..... **September 2013 - August 2016**
11. Operative date..... **September 2016**
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997 **And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997**
- (i) Applicable Import Duty ..... **As per Income Tax Act, 2004 (as amended)**
- (ii) Applicable with-holding Tax ..... **As per Income Tax Act, 2004 (as amended)**
- (iii) Eligibility of Capital Allowances .....
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

of The Original  
Signature  
Date: 09/12/2013  
For: Executive Director  
Tanzania Investment Centre



00220504

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042559

## This is to certify that

JERK ELECTRICAL COMPANY LIMITED

P.O. BOX 267

of address

HAI - KILIMANJARO

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

JERK ELECTRICAL COMPANY LIMITED

PLOT NO. 309 BLOCK B, BOMANG'OMBE

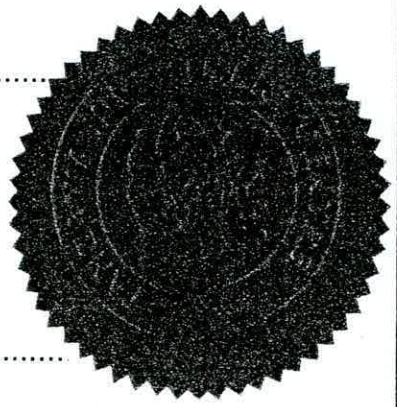
Which is located at

HAI DISTRICT - KILIMANJARO

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

Executive Director

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



Dated 17TH DECEMBER 2013

# **JERK ELECTRICAL COMPANY LTD**

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You will therefore note that, due to this prevailing complications with TRA, Our company could not enjoy its right of incentives on Tax exemptions for the construction materials as was approved by TRA Head office vide letter No. TRA/CE/C/P.20/08 dated 05<sup>th</sup> June 2014. As a result our company had to deploy extra financing to meet the tax obligations for the construction materials and therefore weakened our financial liquidity position.

Due to the complications we face from Government institutions (such as TRA), and lack of expected support from TIC, the Board of Directors resolved that our efforts to support **Hon.Dkt. John Pombe Magufuli** on his **industrialization policy** to make Tanzania an **Industrial Middle income country** are being undermined with same Government Institutions.

The Board therefore unanimously resolved that, until this "TRA Mirth" is resolved, the company will not be able to continue with the project and therefore directed to slow down construction, and come up with the conclusion of requesting TIC to temporarily suspend the tenure and applicability of our issued Certificate.

The Board of Directors further request for your consideration to issue/renew our Certificate, at that such time when all the prevailing conditions are resolved to allow us a smooth progression of our investment plans.

We, look forward hoping to receive your timely reply on this request.

Thank you for your continuous support,

Sincerely,



**Jasmath Ruben Kileo.**  
**MANAGING DIRECTOR.**

# JERK ELECTRICAL COMPANY LTD

Ref. No. JERK/TIC.042559/2017/003

Date: 06/04/2017

Executive Director General,  
Tanzania Investment Centre (TIC),  
P.O Box 938  
DAR ES SALAAM

C/o: Zonal Manager - Northern Zone,  
Tanzania Investment Center  
P.O.Box7735  
Moshi – Kilimanjaro



## REF: REQUESTING FOR TEMPORALY SUSPENSION OF APPLICABILITY & EFFECTIVENESS OF TIC CERTIFICATE

Referring to the heading above,

Kindly note that Jerk Electrical Company Ltd, is a TIC Registered Investment Project under TIC Certificate No. 042559, operative until Sept.2016, aiming at establishing a manufacturing plant for electrical equipments and plastic products.

However, due to change in economic dynamics, the company is running out of projected capital and as such we find it challenging on our side due to be able to continue with the plant construction processes. Furthermore the prevailing complications with Tanzania Revenue Authority (TRA) – Moshi, that our Tax File is missing from their documentations, has caused us to direct focus to resolve the matter.

Therefore the above situations necessitated for an Extra-ordinary Board Meeting held on 14<sup>th</sup> March 2017 of which, among others, analyzed the current Project progress and resolved that we write to request for a temporary suspension on our request for extension of applicability of our Certificate of Incentives. Until that time when we have solved the current frustrations with TRA and have identified sufficient alternative sources of our project financing/capitalization.

# MINUTE SHEET

Dokezo  
No.

# MINUTE SHEET

Dokezo  
No.

**TO : EXD**  
**ATTN : DIF**  
**CC : DCA**  
**FROM : ZM (N)**  
**DATE : 10/04/2017**  
**REF : M/S JERK ELECTRICAL CO. LTD**  
**TIC CERTIFICATE NO. 042559 (TEMPORARY**  
**SUSPENSION OF TIC CERTIFICATE)**




The headline above refers.

We hereby forward before you, a request for temporary suspension of the tenure and applicability of TIC Certificate submitted to us by M/s Jerk Electrical Company Ltd.

Jerk Electrical Company Ltd, had registered a project for the establishment of electrical equipment and plastic products, and were issued with CoI NO. 042559, operative date: September 2016.

However, due to circumstances explained in their letter, the project has not been successful for implementation and such they are requesting, if possible, for a suspension to the validity and applicability of the dues and rights for their granted certificate pending solution to their current challenges.

We submit for your review and further guidance.

  
**Maro, B**  
**For: ZM (N)**

*LAM*  
*Is this within the*  
*law. Please advise*  
*wz*  
*Ag. EXD*  
*18/4/2017*

**TICC/PP.10/042559/6**

**17/03/2014**

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

Dear Sir,

**RE: DUTY/VAT REMISSIONS ON THE CAPITAL/DEEMED  
CAPITAL GOODS OF CERTIFICATE OF INCENTIVES NO.  
042559**

**M/S Jerk Electrical Company Limited** is a TIC registered company with certificate of incentives **No. 042559** which is valid up to **August 2016**

The company has been registered with objectives of establishing Project for manufacturing of electrical plastic equipment.

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

Yours sincerely

**TANZANIA INVESTMENT CENTRE**



N.A. Senzia

**FOR: EXECUTIVE DIRECTOR**

**TIC/NZ/OG/90/**

**30<sup>th</sup> March, 2017**

Meneja wa Mkoa,  
TRA - Kilimanjaro,  
P.O. Box 824,  
**MOSHI.**

**Yah: KUPOTEA KWA JALADA LA TAARIFA ZA KODI ZA  
KAMPUNI YA M/S. JERK ELECTRICAL COMPANY LTD.**

Tafadhali rejea na husika na somo la habari hapo juu.

Kituo cha Uwekezaji Tanzania (TIC) – Ofisi ya Kanda ya Kaskazini, tumepokea kwa mshangao taarifa ya eti kupotea kwa Jalada la taarifa za kikodi za Kampuni ya M/S. Jerk Electrical Company Ltd.

Kampuni hii, iliyosajiliwa na Kituo kama Mradi wa Uwekezaji kwa Cheti cha Uwekezaji Na.042559, ililenga katika kuwekeza katika **Sekta ya Viwanda** na kutekeleza mradi wa **"Uanzishwaji wa Kiwanda cha Uzalishaji wa Vifaa ya Umeme na Plastic"** wenye thamani ya Dolla za Marekani milioni 0.735 (USD 0.735). Mradi huu, unatekelezwa na Kampuni inayomilikiwa na Mzawa na mradi umepangwa kutekelezwa kwatika Eneo la Bomang'ombe, wilaya ya Hai.

Hata hivyo, taarifa tulizowasilishiwa ni kuwa, pamoja na sababu nyinginezo, Changamoto inayowakumba ya kudaiwa kupotea kwa jalada lao, kutoka ofisi yako, kunawasababishia usumbufu katika kufanya miamala stahiki lakini pia usumbufu wa makadirio ya juu na adhabu zisizostahiki

kwa malipo ya kodi ama miamala waliyopaswa. Hali hii imepelekea mkwamo na usumbufu unaopelekea kuyumba kwa mipango yao na hivyo, kutishia utekelezaji wa mradi huu.

Pasipo kuathiri mahitaji ya kisheria kama yalivyoainishwa katika Kifungu cha 16(1) – (3) cha Sheria ya Uwekezaji Na. 7 ya 1997, Kituo kinakuandikia kuiomba Ofisi yako, kulifuatilia suala hili na kulipatia ufumbuzi, ili tuweze kumuongoza Mwekezaji huyu katika kufanikisha utekelezaji wa mradi wake kwa mujibu wa Sera, Sheria na Taratibu za Nchi.

Tunaambatanisha pia nakala ya barua yao kwetu kwa mapitio yako na hatua zako muhimu.

Kwa pamoja tunalijenga Taifa,



**Maro, B**

**Kny: MKURUGENZI MTENDAJI**

**Nakala:** ✓ Mkurugenzi Mtendaji - Aione kwenye jalada  
Kituo cha Uwekezaji Tanzania (TIC),  
S.L.P 938,  
**DAR ES SALAAM**

Kamishna wa Mapato na Forodha,  
Mamlaka ya Mapato Tanzania (TRA),  
S.L.P 9035,  
**DAR ES SALAAM**

Mkurugenzi Mtendaji,  
Jerk Electrical Company Ltd,  
P.O Box 277,  
**HAI - KILIMANJARO.**

MATERIAL LIST FOR GODOWN FOR JERK ELECTRICAL COMPANY P.O. BOX 267 HAI								
ITEM NO	ITEM NAME	UNIT MEASU	QTY	ITEM GROUP	ITEM PRICE	TIN	EXEMPTI ON	EXEMPT DATE
1	1000gauge polythene	rm	81	Bldg materials				
2	20x50(mm) moulded architrave	m'	15	Bldg materials				
3	binding wire	kg	185	Bldg materials				
4	bituminous paint	m2	32	Bldg materials				
5	Black pipe 1/1/2" Class A,	pcs	66	Bldg materials				
6	Block 6"x9"x18"	nos	5,400	Bldg materials				
7	BRC mesh	rolls	6	Bldg materials				
8	Brush for painting 3" (tz)	pcs	8	Bldg materials				
9	cement	bags	942	Bldg materials				
10	cornices hardwood	rm	35	Bldg materials				
11	Cutting disk 9" (PS 40)	pcs	80	Bldg materials				
12	D1: size 302.3cm x 285 Steel door made up of hollow section and mild steel plate entrance to the godown	pcs	1	Bldg materials				
13	D2: frame 90 x 285 cm + hardwood door 90cm x 255cm incl. glass and ironmongery.	pcs	2	Bldg materials				
14	door stopper	sum	11	Bldg materials				
15	Dpc 15 cm	rm	81	Bldg materials				
16	dusban insecticide	m2	400	Bldg materials				
17	gypsum board	m2	30	Bldg materials				
18	hadcore(stones)	m3	20	Bldg materials				
19	J hook with nuts 3"	pcs	3,720	Bldg materials				
20	Mirunda	pcs	200	Bldg materials				
21	murram	m3	8	Bldg materials				
22	nails	kg	230	Bldg materials				
23	Paint	m2	30	Bldg materials				
24	plastic sheeting (0.2mm polythene) 50 gauge	m2	400	Bldg materials				
25	Plywood 12mm	m2	30	Bldg materials				
26	Redoxide	tins	6	Bldg materials				
27	Reinforcement Y12mm	m	3,192	Bldg materials				
28	Reinforcement Y8mm	m	2,472	Bldg materials				
29	reinforcements Y10mm	m'	840	Bldg materials				
30	ridge cover G28 1800 x 487 mm	rm	30	Bldg materials				
31	Rubber	pcs	3,720	Bldg materials				
32	sand	m3	116	Bldg materials				
33	sheets 28G 6 m long	pcs	120	Bldg materials				
34	Solvent	Galloons	4	Bldg materials				
35	timber 1" x 6"	m'	1,520	Bldg materials				
36	timber 2" x 3"	m'	672	Bldg materials				
37	timber 2" x 4"	m'	150	Bldg materials				
38	timber pine 2" x 3" treated	rm	270	Bldg materials				
39	W2: Aluminium windows size of the window 150x 165 cm	pcs	3	Bldg materials				
40	Welding rods no. 10	ktns	10	Bldg materials				
41	windhooks	sum	11	Bldg materials				
42	Z purlins 4"	pcs	70	Bldg materials				



05/3/2014

**JERK ELECTRICAL COMPANY LIMITED**  
**P.O.Box. 267, Hai Kilimanjaro**

**LIST OF CAPITAL/ DEEMED CAPITAL GOODS FOR DUTY & VAT EXEMPTION**

NO:	ITEM NAME	UNIT MEASUREMENT	QTY	ITEM GROUP	TIN
	<b>Machines</b>				
1.	PVC Technical Data of PE/PVC pipe Extrusion line	Nos	1 set	machines	
2.	PE/PP/PPR/PERT pipe production line	Nos	1 set	machines	
3.	Welding set machines	Nos	1	machine	
4.	Grinder	Nos	1	machine	
5.	Generator	Nos	1	Machine	
	<b>Vehicles</b>				
6.	Light Trucks	Nos	2	Vehicles	
7.	Pickups ( single)	Nos	1	Vehicles	
8.	Hard Top	Nos	1	Vehicles	
	<b>Equipments</b>				
9.	Locks and whole security systems	Nos	1	equipments	
10.	Transformers	Nos	2	equipments	
	<b>Office equipments</b>	Nos			
12.	Radio call	Nos	13	Communication	
13.	Network system set	Nos	2	Communication	





# **TANZANIA REVENUE AUTHORITY**

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

05<sup>th</sup> June, 2014

✓ Managing Director,  
M/s Jerk Electrical Company Ltd,  
P.O.BOX 267,  
KILIMANJARO.

**RE: DUTY/VAT EXEMPTION ON CAPITAL/DEEMED CAPITAL GOODS  
CERTIFICATE OF INCENTIVES NO. 042559 OF 17.12.2013 TIN: 123-  
292-103**

We are writing in response to your letter dated 04<sup>th</sup> March, 2014 supported by the letter Ref. TICC/PP.10/042559/6 of 17<sup>th</sup> March, 2014 from Tanzania Investment Centre, regarding the captioned subject.

We hereby confirm and approve items as per a two page list herewith attached as capital/deemed capital goods for establishment and facilitation of your project with certificate of incentives mentioned above. Please note that items therein deleted are not eligible for exemption under the project and locally manufactured items are to be purchased locally. You are also requested to observe the age limit imposed by the law on motor vehicles.

The approved goods will be subjected to 75% exemption of Import Duty payable while VAT will be relieved at the rate of 45% of VAT payable. Please complete VAT form 224 and submit for approval to the Commissioner for Domestic Revenue for local purchases and the Commissioner for Customs and Excise for importations.

Sincerely yours,

Narcis Lumumba

**FOR: COMMISSIONER FOR CUSTOMS AND EXCISE**

RM/  
C.C: Manager Tax Exemption,  
C.C: Manager- TRA Kilimanjaro,  
C.C: Executive Director, TIC  
Dar es salaam

**ISO 9001 : 2008 Certified**

CUSTOMS & EXCISE DEPARTMENT

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

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



# TANZANIA REVENUE AUTHORITY

TRA/CE/C/P.20/08

15<sup>th</sup> April, 2014

Assistant Regional Manager-Customs,  
Tanzania Revenue Authority,  
**Kilimanjaro**

**RE: PHYSICAL VERIFICATION ON PROJECT UNDERTAKEN BY M/S  
JERK ELECTRICAL CO. LIMITED UNDER TIC CERTIFICATE OF  
INCENTIVES NO.042559 OF 17.12.2013.**

We have received application letter from the above mentioned company requesting for duty and VAT exemption on capital/deemed capital goods under certificate of incentives mentioned above. The company objective is to establish project for manufacturing of electrical equipments.

Before this application is considered you are requested to evaluate the existence of the project by carrying out physical verification survey and give a feedback in form of written report with recommendation.

Sincerely yours,

Said Athumani

**For: COMMISSIONER FOR CUSTOMS AND EXCISE**

RM/

C.C: Managing Director,  
Jerk Electrical Co. Limited,  
P.O.BOX 267,  
Kilimanjaro

**ISO 9001 : 2008 Certified**

CUSTOMS & EXCISE DEPARTMENT

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

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

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 (%)
<b>Meshack J. Kileo</b>	<b>Tanzanian</b>	<b>20</b>
<b>Judith J. Kileo</b>	<b>Tanzanian</b>	<b>20</b>
<b>Emmile G. Kileo</b>	<b>Tanzanian</b>	<b>20</b>
<b>Rogath Makundi</b>	<b>Tanzanian</b>	<b>20</b>
<b>Jasmath R. Kileo</b>	<b>Tanzanian</b>	<b>20</b>
2. Proposed Activities : **To establish project for manufacturing of electrical equipments plastic products**
3. Sector: **Manufacturing** Subsector: **Electrical Plastic Products**
- Investment cost:
 

	Foreign	Local	Total
		<b>USD 0.735m.</b>	<b>USD 0.735m</b>
5. Project Financing:
 

	Equity	Loans	Total
	<b>USD 0.3675m.</b>	<b>USD 0.3675m.</b>	<b>USD 0.735m.</b>
6. Source, terms and conditions of loan
7. Assets to be invested:
 

	Foreign	Local	Total
Capital items:	-	<b>USD 0.735m.</b>	<b>USD 0.735m.</b>
8. Technology Agreement : **None**
9. Date of TIC Registration: **13th September 2013**
10. Implementation period : **September 2013 - August 2016**
11. Operative date: **September 2016**
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997  
**And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997**
  - (i) Applicable Import Duty : **As per Income Tax Act, 2004 (as amended)**
  - (ii) Applicable with-holding Tax : **As per Income Tax Act, 2004 (as amended)**
  - (iii) Eligibility of Capital Allowances
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

*[Handwritten signature]*  
2014  
Per: Executive Director  
Tanzania Investment Centre



00220504

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

*(Section 17 of the Tanzania Investment Act, 1997)*

No: 042559

**This is to certify that**

JERK ELECTRICAL COMPANY LIMITED

P.O. BOX 267  
of address

HAI - KILIMANJARO

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

JERK ELECTRICAL COMPANY LIMITED

PLOT NO. 309 BLOCK B, BOMANG'OMBE  
Which is located at

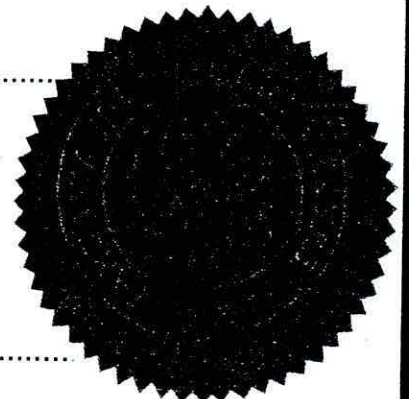
HAI DISTRICT - KILIMANJARO

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

*[Handwritten signature]*  
Executive Director

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

Dated 17TH DECEMBER 2013



# JERK ELECTRICAL COMPANY LTD

Ref. No. JERK/TIC.042559/2017/001

Date: 27/03/2017

Executive Director General,  
Tanzania Investment Centre (TIC),  
P.O Box 938  
DAR ES SALAAM

C/o: Zonal Manager - Northern Zone,  
Tanzania Investment Center  
P.O.Box7735  
Moshi – Kilimanjaro



Forwarded for action.  
Ag. ZM(N)  
28/03/2017

## **REF: REQUESTING FOR YOUR INSTITUTIONAL ASSISTANCE TO UNLOCK US FROM WHERE WE GOT STACKED**

Referring to the headline above.


We still wish to inform your office that, being your registered clients, we are still facing a lot of operational difficulties on various issues related to our proposed projects, which courses more damage, and jeopardy to fulfill our investment plans.

We reported this sometimes back to your Zone Office in Moshi that among prevailing complications that our project face is our dealings with TRA offices in Kilimanjaro. It is over a year now, that we have been informed that our Business File at TRA **got lost/misplaced** and as such we have been imposed to payment of “penalty” due to failure and late submissions of our ‘Return Reports’.

We kindly request you to intervene with TRA and check on the matter, so that our Tax records are properly maintained and we pay a FAIR RATE of tax required.

We look forward hoping to receive your timely reply on this request.

Thank you for your continuous support,

  
.....  
**Jasmath Ruben Kileo.**  
**MANAGING DIRECTOR.**

# MINUTE SHEET

Dokezo  
No.

# MINUTE SHEET

2

Dokezo  
No.

**TO : EXD**  
**ATTN : DIF**  
**CC : DCA**  
**FROM : ZM (N)**  
**DATE : 31/03/2017**  
**REF : M/S JERK ELECTRICAL CO. LTD**  
**INTERVENTION WITH TRA - KILIMANJARO**



The headline above refers.

We have received Investor's concern from M/s Jerk Electrical Company Ltd. Requesting for TIC intervention on their matter with TRA – Kilimanjaro.

However, kindly note that as an immediate response to the concern we have communicated in writing with TRA Kilimanjaro to seek for their clarification and we are awaiting for their response (viz: attached letter to TRA).

We therefore submit before you for your review and further guidance/action.

  
**Maro, B**  
**Ag. ZM (N)**

*DIF*  
*fyu*  
*wj*  
*Ag EXD*  
*18/4/2017*



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

1. Shareholders
- | Shareholders     | Nationality | Shareholding (%) |
|------------------|-------------|------------------|
| Meshack J. Kileo | Tanzanian   | 20               |
| Judith J. Kileo  | Tanzanian   | 20               |
| Emmile G. Kileo  | Tanzanian   | 20               |
| Rogath Makundi   | Tanzanian   | 20               |
| Jasmath R. Kileo | Tanzanian   | 20               |
2. Proposed Activities : **To establish project for manufacturing of electrical equipments plastic products**
3. Sector: **Manufacturing** Subsector **Electrical Plastic Products**
4. Investment cost: Foreign **USD 0.735m.** Local **USD 0.735m.** Total **USD 0.735m**
5. Project Financing: Equity **USD 0.3675m.** Loans **USD 0.3675m.** Total **USD 0.735m.**
6. Source, terms and conditions of loan.....
7. Assets to be invested:
- | Capital items: | Foreign | Local              | Total              |
|----------------|---------|--------------------|--------------------|
|                | -       | <b>USD 0.735m.</b> | <b>USD 0.735m.</b> |
8. Technology Agreement ..... **None**
9. Date of TIC Registration: ..... **13th September 2013**
10. Implementation period ..... **September 2013 - August 2016**
11. Operative date..... **September 2016**
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997 **And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997**
- (i) Applicable Import Duty ..... **As per Income Tax Act, 2004 (as amended)**
- (ii) Applicable with-holding Tax ..... **As per Income Tax Act, 2004 (as amended)**
- (iii) Eligibility of Capital Allowances .....
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
- Date of Commencement of investment has to be notified to the Centre.
  - Certificate not to be transferred, assigned or amended
  - Failure to commence implementation within two years invalidates Certificate
  - Failure to operate investment must be notified to the Centre
  - 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



00220504

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042559

## This is to certify that

JERK ELECTRICAL COMPANY LIMITED

P.O. BOX 267

of address

HAI - KILIMANJARO

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

JERK ELECTRICAL COMPANY LIMITED

PLOT NO. 309 BLOCK B, BOMANG'OMBE

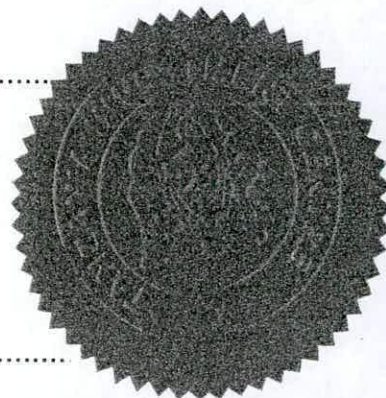
Which is located at

HAI DISTRICT - KILIMANJARO

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

Executive Director

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



Dated 17TH DECEMBER 2013

MATERIAL LIST FOR GODOWN FOR JERK ELECTRICAL COMPANY P.O. BOX 267 HAI								
ITEM NO	ITEM NAME	UNIT MEASU	QTY	ITEM GROUP	ITEM PRICE	TIN	EXEMPTI ON	EXEMPT DATE
1	1000gauge polythene	rm	81	Bldg materials				
2	20x50(mm) moulded architrave	m'	15	Bldg materials				
3	binding wire	kg	185	Bldg materials				
4	bituminous paint	m2	32	Bldg materials				
5	Black pipe 1/12" Class A,	pcs	66	Bldg materials				
6	Block 6"x9"x18"	nos	5,400	Bldg materials				
7	BRC mesh	rolls	6	Bldg materials				
8	Brush for painting 3" (tz)	pcs	8	Bldg materials				
9	cement	bags	942	Bldg materials				
10	cornices hardwood	rm	35	Bldg materials				
11	Cutting disk 9" (PS 40 )	pcs	80	Bldg materials				
12	D1:size 302.3cm x 285 Steel door made up of hollow section and mild steel plate entrance to the godown	pcs	1	Bldg materials				
13	D2: frame 90 x 285 cm + hardwood door 90cm x 255cm incl. glass and ironmongery.	pcs	2	Bldg materials				
14	door stopper	sum	11	Bldg materials				
15	Dpc 15 cm	rm	81	Bldg materials				
16	dusban insecticide	m2	400	Bldg materials				
17	gypsum board	m2	30	Bldg materials				
18	hadcore(stones)	m3	20	Bldg materials				
19	J hook with nuts 3"	pcs	3,720	Bldg materials				
20	Mirunda	pcs	200	Bldg materials				
21	murrum	m3	8	Bldg materials				
22	nails	kg	230	Bldg materials				
23	Paint	m2	30	Bldg materials				
24	plastic sheeting (0.2mm polythene) 50 gauge	m2	400	Bldg materials				
25	Plywood 12mm	m2	30	Bldg materials				
26	Redoxide	tins	6	Bldg materials				
27	Reinforcement Y12mm	m	3,192	Bldg materials				
28	Reinforcement Y8mm	m	2,472	Bldg materials				
29	reinforcements Y10mm	m'	840	Bldg materials				
30	ridge cover G28 1800 x 487 mm	rm	30	Bldg materials				
31	Rubber	pcs	3,720	Bldg materials				
32	sand	m3	116	Bldg materials				
33	sheets 28G 6 m long	pcs	120	Bldg materials				
34	Solvent	Galoons	4	Bldg materials				
35	timber 1" x 6"	m'	1,520	Bldg materials				
36	timber 2" x 3"	m'	672	Bldg materials				
37	timber 2" x 4"	m'	150	Bldg materials				
38	timber pine 2" x 3" treated	rm	270	Bldg materials				
39	W2: Aluminium windows size of the window 150x 165 cm	pcs	3	Bldg materials				
40	Welding rods no_ 10	ktns	10	Bldg materials				
41	windhooks	sum	11	Bldg materials				
42	Z purlins 4"	pcs	70	Bldg materials				



05/3/2014

## REQUIREMENTS OF THIS CERTIFICATE

1. The taxable person must show his TIN registration number in any return, statement, notice of appeal or other document used for the purpose of the Income Tax Act.
2. This Certificate should be displayed in a conspicuous position at the place of business

CTIN.: 2116638

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**

JERK ELECTRICAL COMPANY LIMITED

---

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

123-292-103

---

03-Mar-14

with effect from .....

A handwritten signature in black ink, appearing to read 'P. N. Kassera', is written over a rectangular stamp area.

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 (%)
	<b>Meshack J. Kileo</b>	<b>Tanzanian</b>	<b>20</b>
	<b>Judith J. Kileo</b>	<b>Tanzanian</b>	<b>20</b>
	<b>Emmile G. Kileo</b>	<b>Tanzanian</b>	<b>20</b>
	<b>Rogath Makundi</b>	<b>Tanzanian</b>	<b>20</b>
	<b>Jasmath R. Kileo</b>	<b>Tanzanian</b>	<b>20</b>
2.	Proposed Activities: <b>To establish project for manufacturing of electrical equipments plastic products</b>		
3.	Sector: <b>Manufacturing</b>		Subsector: <b>Electrical Plastic Products</b>
4.	Investment cost:	Foreign <b>USD 0.735m.</b>	Local <b>USD 0.735m</b> Total <b>USD 0.735m</b>
5.	Project Financing:	Equity <b>USD 0.3675m.</b>	Loans <b>USD 0.3675m.</b> Total <b>USD 0.735m.</b>
6.	Source, terms and conditions of loan		
7.	Assets to be invested:		
	Capital items:	Foreign <b>-</b>	Local <b>USD 0.735m.</b> Total <b>USD 0.735m.</b>
8.	Technology Agreement <b>None</b>		
9.	Date of TIC Registration: <b>13th September 2013</b>		
10.	Implementation period <b>September 2013 - August 2016</b>		
11.	Operative date <b>September 2016</b>		
12.	Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997 <b>And VAT as per Customs Tariff Act, 1976 &amp; VAT Act, 1997</b>		
	(i)	Applicable Import Duty <b>As per Income Tax Act, 2004 (as amended)</b>	
	(ii)	Applicable with-holding Tax <b>As per Income Tax Act, 2004 (as amended)</b>	
	(iii)	Eligibility of Capital Allowances <b>As per Income Tax Act, 2004 (as amended)</b>	
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 <b>Finished goods are not allowed under this Certificate</b>		

Signed   
Executive Director

Original of The Original  
Signature  
Date 02/01/2014  
For: Executive Director  
Tanzania Investment Centre



00220504

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042559

**This is to certify that**

JERK ELECTRICAL COMPANY LIMITED

P.O. BOX 267

of address

HAI - KILIMANJARO

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

JERK ELECTRICAL COMPANY LIMITED

PLOT NO. 309 BLOCK B, BOMANG'OMBE

Which is located at

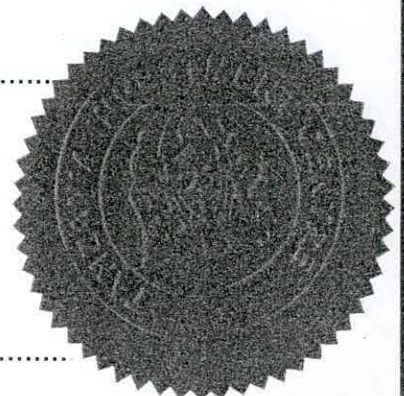
HAI DISTRICT - KILIMANJARO

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

Executive Director

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

Dated 17TH DECEMBER 2013



TVC

5

JERK ELECTRICAL COMPANY LTD  
P . O . BOX 267,  
HAI,  
Kilimanjaro.

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

Date **04/03/2014**

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

Received on  
12/3/2014  
M  
TVC



Dear Sir,

**RE: DUTY & VAT EXEMPTION ON CAPITAL/ DEEMED CAPITAL GOODS FOR  
CERTIFICATE OF INCENTIVES NO: 042559**

We are Tic approved project with certificate of incentives No; **042559** which is valid up to **August 2016**.

The Company has been registered with objectives of establish manufacturing facility of plastic electrical products

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

Yours sincerely

A handwritten signature in blue ink, appearing to read "P. Ruben".

.....  
Managing Director



## TIC Evaluation Report

**Name of the Company**  
**Jerk Electrical Co. Ltd.**

Post Box	Bomang'ombe, Plot No. 309, Hai District	COI Number	101898	Contact	Mr. Meshack J. Kileo
Post Office	267, Hai	COI Date	27/08/2013	Designation	Managing Director
Region	Kilimanjaro	Application F. No	11502	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0757 35 99 59
		Sub Sector	Electrical Plastic Products	Fax	0
		File No	042559	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD										
Plot/Block	Plot No. 309	<table border="1"> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> <tr> <td>0</td> <td>0.735</td> <td>0</td> <td>0</td> </tr> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0	0.735	0	0		
Foreign Equity	Local Equity		Foreign Loan	Local Loan								
0	0.735		0	0								
Street	Bomang'ombe											
District	Hai											
Region	Kilimanjaro											

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	Plant
Meshack J. Kileo	Tanzanian	20	0.135	0.362
Judith J. Kileo	Tanzania	20	Vehicles	0.12
Emmile G. Kileo	Tanzanian	20	Furniture & Fittings	0.008
Rogath Makundi	Tanzanian	20	Pre-expenses	0.01
Jasmath R. Kileo	Tanzanian	20	Others	0
			Working Capital	0.1
			Total	0.735

Employment	27	Evaluated By	wf officer4
Capacity	735,000 units	Drawn By	wf registry2
Project Turn Over		Project Type	Local

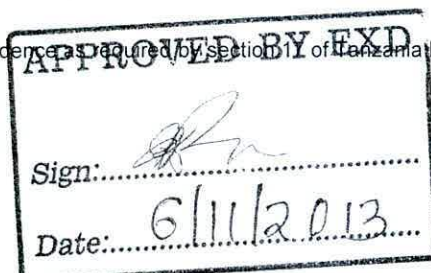
### Description

To establish project for manufacturing of plastic products

### Recommendations

Be approved subject to providing evidence as required by section 11 of Tanzania Investment Act, 1997

### Decision



TICC/PP.10/042559/3

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

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

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

Yours sincerely,  
**Tanzania Investment Centre**

  
Abdi S. Kagomba  
**AG. EXECUTIVE DIRECTOR**

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

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

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

TICC/PP.10/042559/3

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

Managing Director,  
Jerk Electrical Co. Ltd  
P.O. Box 267,  
**HAI-KILIMANJARO**

**RE: CERTIFICATE OF INCENTIVES FOR PLASTIC PRODUCTS  
MANUFACTURING IN KILIMANJARO**

We wish to acknowledge receipt of your project proposal to establish plastic products manufacturing project as presented in the TIC P.A. 1 Form No. 11502 and Feasibility Study with a projected investment amounting to USD 0.735m.

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

- Certified document showing evidence of Land ownership for the location of the project

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

.../2

ROGATHE J KILEO,  
P. O. BOX 1340,  
MOSHI

Signature [Signature] Date 29/11/2013

JERK ELECTRICAL COMPANY LTD,  
P. O. BOX 267,  
HAI

Signed by the board of directors:

JASMATH RUBEN,  
P.O.BOX 1340,  
MOSHI

Signature [Signature] Date 29/11/2013

MESHACK KILEO,  
P.O.BOX 267,  
HAI

Signature [Signature] Date 29/11/2013

JUDITH KILEO,  
P.O.BOX 267,  
MOSHI

Signature [Signature] Date 29/11/2013

ROGATHE MAKUNDI,  
P.O.BOX 1340,  
MOSHI

Signature [Signature] Date 29/11/2013

EMMILE G KILEO,  
P.O.BOX 267,  
HAI

Signature [Signature] Date 29/11/2013

That, In order to suit the purpose of this mutual agreement between the parties, the Parties have signed as indicated above to verify their willing on the matter concerned in presence of:-

**Magistrate/Advocate**

Name: M. J. MIAHUMBUGA

Position: Resident Magistrate

Institution: Hai District Court

Address: Box 88 HAI

Stamp \_\_\_\_\_

Signature [Signature] Date 29/11/13

**RESIDENT MAGISTRATE**

**HAI**

**LAND LEASE CONTRACT**

**THE LAND ACT**

(No. 4 of 1999)

**Made and entered into this..... Day of 28-11.....2013**

**BETWEEN**

ROGATHE J KILEO, P . O . Box 1340, Moshi Kilimanjaro (Hereinafter referred to as "the Lessor") on the one part,

**AND**

JERK ELECTRICAL COMPANY LTD, P . O . Box 267 Hia, Kilimanjaro (Hereinafter referred to as "the Lessee") on the other part.

**THIS LEASE WITNESSES** as follows:

1. The purpose of this contract permits the JERK ELECTRICAL COMPANY LTD, Exclusive use of the land owned by ROGAHTE J KILEO located at Hai District Kilimanjaro Region **Plot No. 309 Block "B"** for the purpose of investing, industrial activities and also will involve construction of buildings.
2. The land base consists of one (01) acre, The attached description denotes the land to be utilized in this agreement is the whole part of the land.
3. The land will be leased at the rate of 200,000/= Tshs per/Month for a total of 2,400,000/= Tshs per year (12 months). This shall be payable no more than a year prior to the beginning date of annual contract.
4. The company construction and other company operation annual contract period shall commence on November 28, 2013 and End on October 31 of each year for up to 3 years (2016) when contract will be renegotiated.
5. This agreement shall be renewable after 3 years.
6. The company will be allowed to conduct some construction on the land but will be under the awareness of land owner.
7. Any future improvements to the land shall be at the expense of the lessee, but that a fair market price is negotiated between the landowner and the lessee at the end of the term for costs incurred. Prior negotiations will take place before any improvements to the land are implemented between the landowner and the lessee. If leaser is not reimbursed for improvements above the leaser has 90 days to remove all improvements from the leased land.
8. The landowner reserves the right to trespass on the unit so long as there is no disturbance to the company constructions, and also, in agreement with company.
9. In case of any complicated dispute or conflict of arising from this agreement, Laws of Tanzania will prevail particularly Land of Act (No 4 of 1999) Revised Edition 2002 (as amended time to time)

The above terms has been reviewed and are in mutual agreement between both the ROGATHE J KILEO and the JERK ELECTRICAL COMPANY on this date

\_\_\_\_\_

99

JAMHURI YA MUUNGANO WA TANZANIA  
THE UNITED REPUBLIC OF TANZANIA

IFN: 614 (Rev. 8.94)

STAKABADHI YA SERIKALI  
EXCHEQUER RECEIPT

37898918

NIMEPOKEA KWA  
Received from

JERK ELECTRICAL COMPANY LTD - HAI

KIASI  
Amount

Shs.										USD		Cts.			
										1	000	=			

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

USD ONE THOUSAND ONLY

NA SENTI  
And Cents

KWA MALIPO YA  
In respect of

CERTIFICATE OF INCENTIVE FEE

KWA FEDHA TAARUFU/INDI  
Namba By Cash Cheque

NW BANK SWIF DATED 2/12/13

SAHIHI YA MPOKBAI  
Signature

SECRETARY 03/12/2013

For Executive Director  
Tanzania Investment Centre  
TIC - MARSHI



# JERK ELECTRICAL COMPANY LTD

*P.o. Box 267 Hai Kilimanjaro, Mob;+255757359959 Email:  
kileomeshack@yahoo.com*

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

14<sup>th</sup> October 2013

Dear Sir,

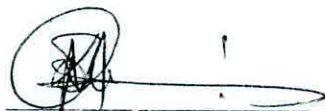
## RE: APPLICATION OF TIC CERTIFICATE OF INCENTIVES

We are submitting our request to be considered for registration of our project of manufacturing electrical plastics related products. As required in the application form, the supporting documents for the application are enclosed here with:

1. The memorandum and articles of association
2. Certificate of incorporation/registration
3. Business plan the project
4. Bank reference letter and
5. Evidence of land ownership for the project.

We are looking forward to receiving your favorable consideration and approval.

Yours truly



**Meshack Kileo**  
**Managing Director**



# JERK ELECTRICAL COMPANY LTD

*P.o. Box 267 Hai Kilimanjaro, Mob;+255757359959 Email:  
kileomeshack@yahoo.com*

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

**14<sup>th</sup> October 2013**

Dear Sir,

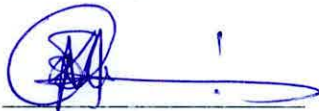
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4. Bank reference letter and
5. Evidence of land ownership for the project.

We are looking forward to receiving your favorable consideration and approval.

Yours truly



**Meshack Kileo  
Managing Director**

# JERK ELECTRICAL COMPANY LTD

*P.o. Box 267 Hai Kilimanjaro, Mob:+255757359959 Email:  
kileomeshack@yahoo.com*

---

## MINUTE OF THE BOARD MEETING HELD ON 14<sup>th</sup> OCTOBER, 2013

### PRESENT

Jasmath R Kileo

Rogath Makundi

Emmile G Kileo

Judith J Kileo

Extra ordinary board meeting which was held at the registered office premises at Hai Kilimanjaro ,board of directors resolved and agreed as follows:-

- That the project be registered with Tanzania investment centre in conformity to Tanzania investment act and policy.

As there was no other Business the Chairman closed the meeting at exactly at 3.00pm.

BY ORDER OF THE BOARD

NAME: MESHACK KILEO SIGNATURE 



# TANZANIA INVESTMENT CENTRE

## REGISTRATION FORM

FOR

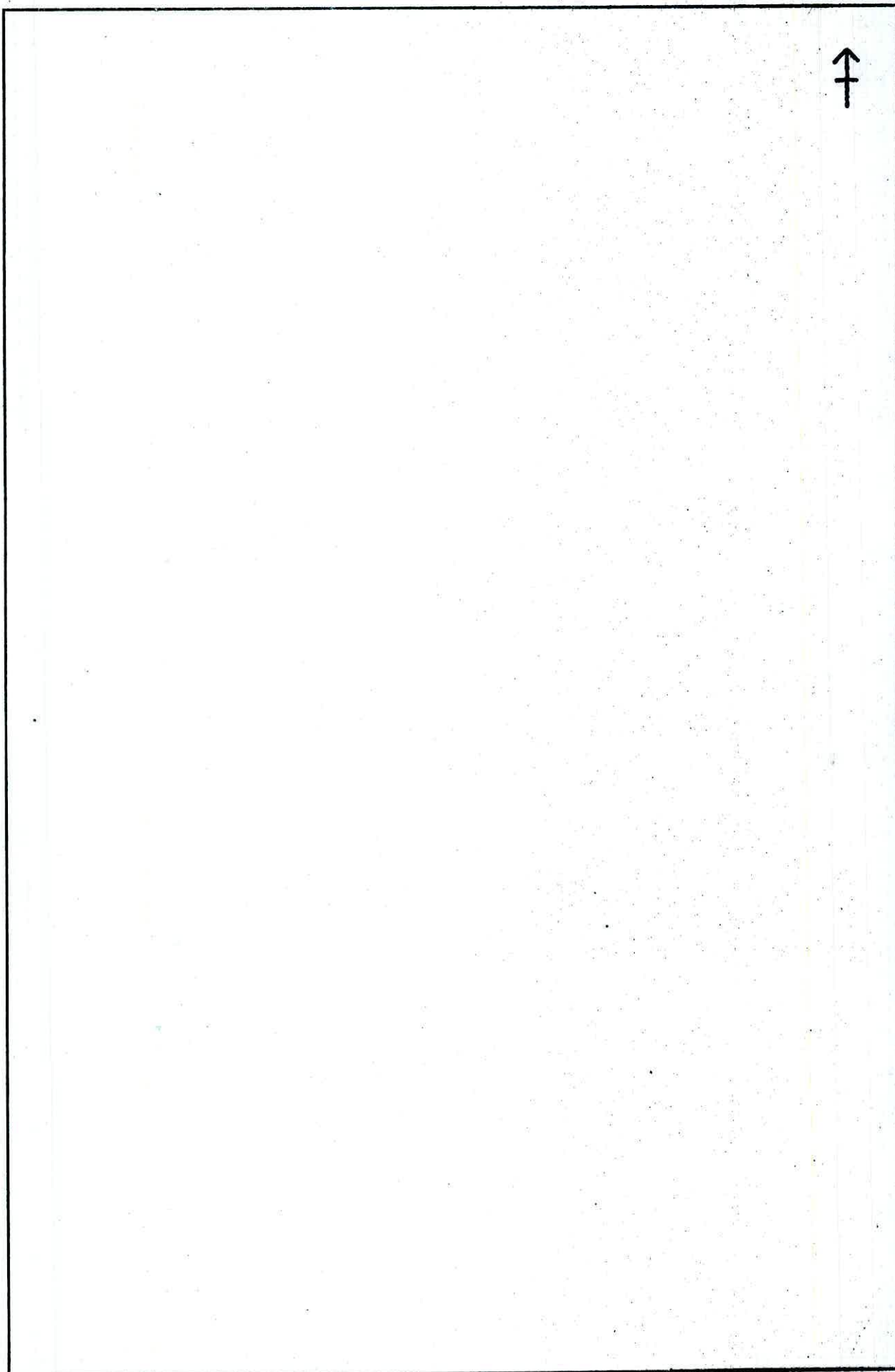
## CERTIFICATE OF INCENTIVES

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

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

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

**SKETCH MAP SHOWING PROJECT LOCATION**







## 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. 2116328

Fax. 2118253

e-mail: [information@tic.co.tz](mailto:information@tic.co.tz)

Website: [www.tic.co.tz](http://www.tic.co.tz)

(Please fill the form in duplicate)

THE 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 ..... MESHACK J. KILEO .....  
(director) of ..... JERK Electrical Company Ltd .....  
(name of business enterprise) apply for registration of CERIFICATE OF  
INCENTIVES .....

under Section 17 of the Act and Part IV of the Investment Regulations, 2002.

2. The registered office of the company will be situated at ... Hai Kilimanjaro .....

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 ..... Hai Kilimanjaro .....

4. The Principal Officers of the Company are .....

Jasmath R Kileo  
Rogath Makundi  
Emmile G Kileo  
Judith J Kileo .....

5. Auditors of the Company are To be appointed .....

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

.....  
.....

- 7. The intended capital investment of the Company in terms of Section 2(2) of the Act is .US\$ ...735,000.....
- 8. The month and day of the financial year end is .....30<sup>th</sup> December every year...

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

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

I, .....Meshack I. Kileo..... of Post Office Number ...270...Hai Kilimanjaro..... do solemnly and sincerely declare that I am a director/duly

authorized agent of .....JERK Electrical Company Ltd.....

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

Declared at Dar es Salaam }  
The 14<sup>th</sup> day of ...October 2010 }

  
.....  
**Applicant**

Before me:

.....  
  
.....  
**Commissioner for Oaths**



**Investment Breakdown      US\$**

Land and Buildings	135,000
Machinery & Equipment	362,000
Motor Vehicles	120,000
Furniture & Fixtures	8,000
Pre exp	10,000
Others	0
Working Capital	100,000
<b>TOTAL</b>	<b>735,000</b>

**Contact Details:**

Name:      MESHACK J. KILEO    Title: MANAGING DIRECTOR.....

Telephone: ...+255757359959..... Fax: .....

Email:      ... kileomeshack@yahoo.com .....

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

### APPLICATION SUMMARY

Company Name: ..... Jerk Electrical Company Ltd .....

COI Number: 101898 Status: LTD by share **NEW**

COI Date: ...27<sup>th</sup> August, 2013.....

Post Box: .....267 .....

Town: Hai - Kilimanjaro.....

Sector: Manufacturing

Sub-Sector: electrical plastic products

#### Investment Financing Plan in Million US\$

Foreign Equity	Local Equity	Foreign Loan	Local Loan
.....	<u>0.3675</u> <u>735.000</u> .....	.....	<u>0.3675</u>
.....	.....	.....	.....

Project Objectives Manufacturing of electrical plastic equipments like conduct pipes, junction boxes and other related plastics products for electricity uses  
.....

Capacity: 735,000 USD

Employment: Foreign: ..... Local: 27..... Total: 27...

Implementation Period: three years.....

#### Project Location

Site/Plot/Block No.: 309..... \*

Street: ...Bomangombe..... District: Hai. Region: Kilimanjaro.  
(Attach sketch map showing project location)

Shareholders	Nationality	%
JASMATH R. KLLEO	Tanzania	20%
ROGATH MAKUNDI	Tanzania	20%
EMMILE G. KILEO	Tanzania	20%
JUDITH J. KILEO	Tanzania	20%
MESHACK J. KILEO	Tanzania	20%

.....

**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 .....  
(diretor/directors/agent of .....  
(name of business enterprise) apply for registration of .....  
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 .....  
.....

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 .....  
.....  
.....

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

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

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

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

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

I/We enclose a cheque/cash made payable to the **Tanzania Investment Centre** for Tshs./US\$

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

I, ..... of Post Office Number .....

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

authorized agent of .....

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

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

The .....day of ..... 20..... }

**Applicant**

Before me:

.....  
**Commissioner for Oaths**

## APPLICATION SUMMARY

**Company Name:** .....

Certificate of Incorporation Number: ..... **Status:** .....

Certificate of Incorporation Date: .....

Post Box: .....

Town: .....

**Sector:** ..... **Sub-Sector:** .....

### Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
----------------	--------------	--------------	------------

.....	.....	.....	.....
-------	-------	-------	-------

**Project Objectives:**.....

.....

.....

**Capacity:** .....

**Employment:** Foreign: ..... Local: ..... **Total:** .....

**Implementation Period:** .....

### Project Location

Site/Plot/Block No.: .....

Street: ..... District: ..... Region: .....

(Attach sketch map showing project location)

Shareholders	Nationality	%
--------------	-------------	---

.....	.....	.....
-------	-------	-------

.....	.....	.....
-------	-------	-------

.....	.....	.....
-------	-------	-------

.....	.....	.....
-------	-------	-------

.....	.....	.....
-------	-------	-------

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

Land/Building .....  
Plant .....  
Vehicles .....  
Furniture & Fittings .....  
Pre-expenses .....  
Others .....  
Working Capital .....  
**TOTAL** .....

**Contact Details:**

Name: ..... Title: .....  
Telephone: ..... Fax: .....  
Email: .....

**Payments to be made payable to:**

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

23<sup>rd</sup> October, 2013.

**JERK ELECTRICAL COMPANY LIMITED,  
BOX 267, HAI,  
KILIMANJARO.**

Dear Sir/Madam

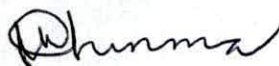
**Re: ANTICIPATION FOR GETTING BANK FACILITY.**

Refer the above subject matter.

We have read and hear from you about the project you want to establish for manufacturing electrical plastic equipments which reveals that your project is feasible, legal and viable in terms of social, economic, and political acceptable. For this case we as the bank promise the company that we can provide the loan to the planned project according to our credit terms and conditions and borrowing powers of your company as stipulated in the Memorandum and Articles of Association that submitted to our end for perusal. What required is to submit your business plan and other requirements on the time you need financing.

We wish you all the best in your establishment of the project.

Yours CRDB Bank PLC,

A handwritten signature in black ink, appearing to read 'Lucas Shirima', written in a cursive style.

**Lucas Shirima,  
Branch Manager**

TANZANIA



## Certificate of Incorporation

Section 15

No 101898

I HEREBY CERTIFY THAT

**JERK ELECTRICAL COMPANY LIMITED**

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

Given under my hand at Dar es salaam

this 27TH day of AUGUST**TWO THOUSAND AND THIRTEEN**

A handwritten signature in black ink, appearing to be 'S. G.', written over a horizontal line.

*Asst. Registrar of Companies*

HAI DISTRICT COUNCIL

DISTRICT HALL,  
LAND DIVISION,  
P. O. BOX 27,  
HAI.

18/5/2004

Ref. No. LD HAI/B/309/15/MJM:

To Rogathe Jashat Kileo

P.O. BOX 1340

MASHU

PLOT NO. 309 BLOCK 'B' Commercial  
BOMAHGOMBE Urban Area

Your application for a long term Right of Occupancy (later in this letter called "the Right" over this plot has been approved. On receipt of the fees and information requested below I will send a certificate for you to sign containing the following this conditions.

- (i) Term 33 Years from 1st April 2004:
- (ii) Land rent and service charges Shs 14,000/- a year revisable every ten years.
- (iii) User: Commercial and residential purposes only; use group 'B' use class (a) as defined in the town and country planning (use classes) regulation no 1950
- (iv) Value of Buildings: -
  - a) Buildings to be in permanent materials.
  - b) Plans to be submitted to the HAI DISTRICT COUNCIL - Whiting six months form the commencement of the right.
  - c) Buildings to begin within six months of approval of plans.
  - d) Buildings to be completed within thirty - six months from the commencement of the Right.
- (v) No sub - division or assigning without the prior written consent of the commissioner for lands.
- (vi) The occupier shall be responsible for the protection of all beacons on the land throughout the term of the Right. Missing beacons will have to be established at any time at the occupier's expenses as assessed by the Director of surveys and Mapping.
- (vii) The occupier must pay any further fees, charges, etc, and refund any contribution in lieu of rates, which may be paid by Government.
  - 1. Special conditions: -
    - a. Plot ration.
    - b. Plot coverage.
  - 2. The following information is required by me: -
    - a. Your full name (in block letters). No request to have Certificate of Occupancy written issued in the name of a person or persons other than offered (s) shall be entertained.
    - b. Your full residential address gibing house number and name of street and your P.O. BOX

Number (if any).  
 3. The amount payable on acceptance of the offer are:-

i). Fees for Certificate of Occupancy	Shs	3000.00
ii). Fees for Registration	Shs	2310.00
iii). Deed plans	Shs	6000.00
Survey fees	Shs	40,000.00
iv). Stamp Duty on certificate and Duplicate	Shs	990.00
v). Land rent and service charges for period from 1.7.2003-30.6.2004	Shs	4900.00
vi). Land fee (Ushuru) and premium	Shs	80,000.00
<b>transfer charges</b>	Shs	<u>137,200.00</u>
<b>TOTAL</b>		

(viii) The sums listed above should be remitted to the under mentioned:-  
District Land Development Officer Hai:

- Stamp Duty on certificate and Duplicate	Shs	990.00
- Fees for Certificate of Occupancy	Shs	3000.00
- Survey fees/ Deed plans	Shs	46000.00
- Land rent from 1.7.2003 To 30.6.2004	Shs	4900.00
<b>TOTAL</b>	Shs	<u>54,890.00</u>

(b) Hai District Council

- Land fee (Ushuru)	Shs	
- Premium Tendered	Shs	80,000.00
<b>TOTAL</b>	Shs	<u>80,000.00</u>

(c) Registrar of Titles Moshi

- Fee for Registration	Shs	<u>2310.00</u>
------------------------	-----	----------------

Unless this offer is accepted and all fees are paid within thirty days (30) from the date of the letter, the offer shall lapse. After this date the Land will be disposed off as I see fit without further reference to you.

Your Faithfully.

  
 DISTRICT LAND DEV. OFFICER  
 DISTRICT LAND DEVELOPMENT OFFICER  
 HAI

C..... Land Dev. Officer.....

Commissioner for Lands,  
 DAR ES SAALEM

THE UNITED REPUBLIC OF TANZANIA

THE COMPANIES ACT, 2002

(Act No. 12 of 2002)

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

JERK Electrical Company Limited

Incorporated this \_\_\_\_\_ day of \_\_\_\_\_ 2013

DRAWN BY

MESHACK KILEO

SUBSCRIBER

P.O.BOX 267

MOSHI

TANZANIA  
Stamp Duty Shs. 5000/-  
PAID ON ORIGINAL  
Receipt No. 37181 of 23/08/13



Stamp Duty Offset

THE COMPANIES ACT No. 12 OF 2002


(CAP. 212)

COMPANY LIMITED BY SHARES

Memorandum of Association

Of

JERK Electrical Company Limited

TANZANIA  
Stamp Duty Shs. 2500/-  
Receipt No. 37181 of 23/08/13  
  
TANZANIA  
Stamp Duty Offset

1. The name of the Company is **JERK Electrical Company Limited**
2. The Registered Office of the Company shall be situated in the United Republic of Tanzania.
3. The Objects for which the company is established are:
  - a) To carry on the business of general traders, merchants, manufacturers representatives and to buy, sell, hire, manufacture, barter, trade and deal in property, mechanical machine shop, spare parts and machinery of every description, goods and articles and merchandise of all kinds and to transact any and every description of agency, insurance agents, commissions, distribution, marketing, commercial, industrial, manufacturing, merchantile, insurance and financial business.
  - b) To design, plan, manufacture, assemble, supply, erect, commission, test, maintain, Trouble shooting, repair, service etc., of electrical and/or electronics goods, items, Instruments, parts, spares, sets, electrical control, switchgear panels, switches, Cables, plugs, powers projects in industrial, commercial, residential, establishments etc., in part individual and/or composite key basis.

- c) To carry on the business of marketing, services, Consultancy and selling of all types of information technologies, computer systems, conference systems, telecommunication systems, security systems, public address systems, data communication and to train, research, install and after sale services of electronic systems, voice and data networks and any other systems or components which the company may think fit necessary or incidental to this business.
- d) To carry on the business as general distributors of all sorts and types of products and services to individual, offices, Industries, shops, schools, factories, hospitals, army, military, Ministries and all other government offices, Universities and all other places where the products of a supplier are needed.
- e) To carry on the business of buyers, sellers, traders, importers, exporters, manufacturers, processors, commission agents, distributors, dealers and representatives in any legal form for all kinds of food and beverages including but not limited to fruits, vegetables, confectionery, infant nutrition, clinical nutrition, performance nutrition, cereals, coffee, tea, wheat, flour, food grains, pulses, cereals, rice, spices, sugar, sugar products, vegetable ghee, edible oil, cooking oil, mineral oil, cocoa based and other food products
- f) To acquire, process, package, sell, import, export, preserve, deep freeze and otherwise deal in aerated, mineral and artificial waters and all kinds of beverages, non alcoholic drinks, syrups, juices, soft drinks, squashes, jams, milk and all types of dairy products, ice cream, meat, live cattle and sheep, fish, prawns, shrimps, poultry, eggs and in all branches of such respective trades or business.
- g) To establish an industrial unit for manufacturing of food and beverages and to do all such things as are incidental or conducive to the attainment of the object of the establishment and operation of such industrial unit.
- h) To carry on the business of milling of grains by taking on lease, hiring, purchasing, erecting, or otherwise acquiring rice mills, husking mills, grinding mills, cleaning, grading, polishing of all kinds of pulses, rice, spices, and other



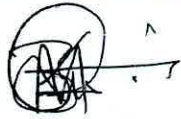


food grains and cereals in any or all its branches as would be required for effective discharge of these objects..

- i) To establish, develop and maintain and aid in establishment, development and maintenance of industries connected with the poultry and seed business like manufacturing of equipment for poultry farms and hatcheries, incubators, vaccines, insecticides and antibiotics and houses for brooders, lying and feed.
- j) To carry on the business as traders, suppliers of products and commodities and material in any form or shape manufactured, semi-manufactured, raw materials or supplied by any company, firm, association of persons, body, whether incorporated or not, individuals, government, semi-government or any local authority, as permissible under law.
- k) To receive goods on consignment, from any company, firm, association of persons, body, individuals, government, semi-government or any local authority and sell the same as agents or as principal.
- l) To sell, trade, distribute in local market, export to other countries, store in warehouse, act as suppliers or otherwise deal in vegetable ghee, raw material, semi finished and finished products related to any matter to any of the above processes and to transport, carry or convey the same from one part of the country to another and from country to any other country.
- m) To import and / or locally purchase edible oil and other raw material, chemicals vitamins, plant and machinery, spare parts, and all types of semi finished and finished products necessary for and / or related to the manufacturing of vegetable ghee, and related products and by-products of all types.
- n) To transact or carry on all kinds of Agency business and in particular in relation to the investment of money, the sale of property, and the collection and receipt of money.
- o) To carry any other trade or business whatever which can in the opinion of the Board of Directors be advantageously carried on by the Company in connection with the above business or the general business of the company.

- p) To borrow, raise or to secure the payment of money by bank overdrafts, by mortgage, or by the issue of debentures or debenture stock, perpetual or otherwise, or in such other manner over the company's property or assets, present and future, including its uncalled capital, and collaterally or further to secure any securities of the Company by a trust deed or other assurance
- q) To do all such other Activities or things as are incidental or conducive to the attainment of the above objects or any of them.
4. The liability of the members is limited.
5. The authorized share capital of the Company at the date of registration of this Memorandum of Association is Tanzanian Shillings One hundred Million Tshs. 100,000,000/= divided into One Thousand 1000 ordinary shares of Tanzanian Shillings, One Hundred Thousand Tsh.100, 000/= each.

The Company has the power to increase or reduce such capital and to divide the shares in the capital for the time being, whether original or increased, in different classes, and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions and so that unless the conditions of issue shall otherwise expressly declare every issues of shares, whether preference or otherwise, or any such rights, privileges or conditions shall not be altered or modified except in accordance with the Articles of association registered herewith.

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 numbers of shares in the capital of the Company set opposite our respective names.

NAMES, ADDRESSES AND DESCRIPTION OF SUBSCRIBERS.	NUMBER OF SHARES TAKEN	SIGNATURE
JASMATH RUBEN P O BOX 267 MOSHI - HAI	200	
ROGATHE MAKUNDI P O BOX 267 MOSHI - HAI	200	
MESHACK KILEO P.O BOX 267 MOSHI - HAI	200	
JUDITH KILEO P.O.BOX 267 MOSHI - HAI	200	
EMMILE G KILEO P.O.BOX 267 MOSHI - HAI	200	

DATED this 19<sup>th</sup> Day of August 2013

Witness to the above Signatures: -

Name: Mahin H. Kilasaka

Signature: 

Postal Address Box 173, Arusha

Qualification Advocate



TANZANIA  
Stamp Duty Shs. 5000/=

PAID ON ORIGINAL  
Receipt No. 37181 of 23/08/13

Stamp Duty Officer

TANZANIA  
Stamp Duty Shs. 25000/=

Stamp Duty Officer

37181 of 23/08/13

THE COMPANIES ACT NO. 12 OF 2002

PRIVATE COMPANY LIMITED BY SHARES

Articles of Association  
Of  
JERK Electrical Company Limited

1. The regulations in Table "A" in the First Schedule to the Companies Act shall not apply to the Company. Table "A" Not to Apply
2. In these presents, if not inconsistent with the subject or context, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof.

WORD	MEANING
<b>The Act</b>	The Companies Act No12 of 2002 and every other enactment for the time being in force concerning companies and affecting the Company. Definition
<b>The Articles</b>	Shall mean these Articles of Association, as now framed, or as from time to time altered by Special Resolution.
<b>Office</b>	The Registered Office of the Company.
<b>Seal</b>	The Common Seal of the Company.
<b>Month</b>	Calendar month.

**Year**                      Calendar year.

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

**Dividend**                      Dividend and/or bonus.

The expressions "Debenture" and "Debenture holder" shall include "Debenture Stock" and "debenture Stockholder" , and the expression "Secretary" shall include a temporary or assistant secretary and any person appointed by the Directors to perform any of the duties of the Secretary

Save as aforesaid any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these presents.

**Director** –shall include alternate director.

The marginal notes are inserted for convenience only and shall not affect the construction of these presents.

Words importing the singular number only shall include the plural and the converse shall also apply.

Words importing males shall include females.

3. The Company is a private company and accordingly:-

Private  
Company

- (a) The right to transfer shares is restricted in manner hereinafter prescribed.
- (b) The members of the company (exclusive of persons who are in the employment of the Company) is limited to fifty, PROVIDED THAT, where two or more persons hold one or more shares in the Company jointly, they shall, for the purpose of this Article, be treated as a single member;
- (c) Any invitation to the public to subscribe for any shares or debentures of the company is prohibited;

(d) The Company shall not have power to issue share warrants to bearer.

(e) The Company shall have the power to invite expert inside and outside the country.

### **SHARE CAPITAL**

The Share Capital of the Company at the date of registration of these Share Capital Articles is Tanzanian Shillings One Hundred Million Tshs.100,000,000/= divided into One Thousand 1000 ordinary shares of Tanzanian Shillings One Hundred Thousands Tshs.100,000/= each.

## LOANS BY THE COMPANY

4. No part of the funds of the Company shall be employed in the purchase of or in loans upon the security of the Company's shares. The Company shall not, except as authorized by the Act, give any financial assistance for the purpose of or in connection with any purchase of shares in the company.

Company's own  
shares not to be  
purchased

## SHARES

5. Subject to the provisions of Article 10, unissued shares shall be at the disposal of the Directors. No shares shall be issued at a discount, except in accordance with the Act.

Unissued shares  
at the disposal of  
Directors.

## CERTIFICATES

6. Every person whose name is entered as a Member in the Register of Members 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 his shares. Every certificate shall be issued under the Seal. The certificate shall specify the shares or securities to which it relates and the amount paid up thereon.

Issue of  
Certificates

## TRANSFER OF SHARES

7. (a) Subject to the restrictions of these presents, all transfers of shares may be affected by transfer in writing in the usual common form or in any other form in writing under hand approved by the Directors.

Form of Transfer

- (b) The instrument of transfer of a share shall be in writing and shall

Execution

be signed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.

#### **INCREASE OF CAPITAL**

8. The Company may from time to time by Ordinary Resolution Power to increase its share capital by such sum to be divided into shares of increase capital such amount as the resolution shall prescribe.

9. The Company may by Ordinary Resolution direct that the new Allotment of new shares, or any of them shall be offered in the first instance, either at shares par or at a premium, to the then Members or to the holders of any class of shares for the time being, in proportion to the number of shares or shares of the class or group held by them respectively, or
10. Make any other provision as to the issue of the new shares.

### ALTERATIONS OF CAPITAL

11. The Company may by Ordinary Resolution:-

- |  |                             |
|--|-----------------------------|
| (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.  | Power to consolidate shares |
| (b) Cancel any shares, which, at the date of the passing of the resolution, have not been taken, or agreed to be taken by any person, and diminish the amount of its capital by the amount of the shares so cancelled.   | Power to cancel shares      |
| (c) Sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Act), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights, or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares. | Power to subdivide shares   |

And may by Special Resolution:-

- (d) Reduce its capital or any capital redemption reserve fund or any share premium account in any manner authorized by the Act. Power to reduce capital

## STOCK

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

## GENERAL MEETINGS

16. A General Meeting shall be held as the Annual General Meeting once in every year, at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. The General Meetings referred to in this Article shall be called "Annual General Meetings". All General Meetings other than Annual General Meetings shall be called "Extraordinary Meetings" Annual General Meeting
17. The Directors may call an Extraordinary Meeting as required by the Act. In the case of Extraordinary General Meeting called in pursuance of a requisition, unless the Directors shall have called such meeting, no business other than that stated in the requisition, as the objects of the meeting shall be transacted. Extraordinary Meetings

## NOTICE OF GENERAL MEETINGS

18. All meetings of Members shall be called by twenty-one days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and exclusive of the day for which it is given, and shall specify the place, the day, and the hour of meeting, and in case of special business, the general nature of such business (and in the case of a meeting convened for passing a Special Resolution), and shall be given in manner hereinafter mentioned to such persons as are, under the provisions herein contained, entitled to receive notices from the Company. With the consent in writing of all Members entitled to receive notices from the Company, a shorter notice may convene a meeting and in such manner as such Members may think fit. Notice of General Meetings required

19. The accidental omission to give notice to, or the non-receipt of notice by, any Member, shall not invalidate the proceedings at any General Meeting. Omission and non receipt of notice

### PROCEEDINGS AT GENERAL MEETINGS

20. All business shall be deemed special that is transacted at an Extraordinary Meeting, and also all business that is transacted at an Annual General Meeting, with the exception of declaring dividends, the reading and consideration of the accounts and balance sheet and the ordinary reports of the Directors and documents required to be annexed to the balance sheet, the election of directors and appointment of Auditors and other officers in the place of those retiring by rotation or otherwise, the fixing of the remuneration of the Auditors and the voting f remuneration or extra remuneration to the Directors. Special business

21. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business; save as herein otherwise provided two members present in person or by proxy shall be a quorum for purposes. Quorum

22. The Chairman of the Board of Directors if any shall preside as Chairman at every General Meeting of the Company Chairman

23. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands.

### VOTES OF MEMBERS

24. Subject to any special rights or restrictions as to voting attached by or in accordance with these presents to any class of shares, on a show of Method of Voting

hands every Member who is present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder.

25. Any corporation which is a Member of the Company may, by resolution of its directors or other governing body, authorize any person to act as its representative at any meeting of the Company or of any class of members of the Company, and such representative shall be entitled to exercise the same powers on behalf of the corporation which he represents as if he had been an individual shareholder, including power, when personally present, to vote on a show of hands.

#### DIRECTORS

26. Unless and until otherwise determined by the company in a General Meeting the Directors shall not be less than two or more than five in number. The first directors of the Company shall be:

1. JASMATH RUBEN

2. ROGATHE MAKUNDI

3. MESHACK KILEO

4. JUDITH KILEO

5. EMMILE G KILEO

27. The Directors shall be paid out of the funds of the Company by way of remuneration for their services, such sum as the Company in General Meeting may from time to time determine. The Directors shall also be paid all reasonable traveling, hotel and other expenses incurred by them

in connection with attending and returning from Board Meetings or otherwise in connection with the business of the Company.

28. Any Director who serves on any committee or who devotes special attention to the business of the Company or who otherwise performs services which, in the opinion of the Board, are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine, which shall be charged as part of the Company's ordinary working expenses.
29. The office of a Director shall be vacated in any of the following events, namely:-
- (a) If (not being an Executive Director holding office as such for a fixed term) he resigns his office by writing under his hand left at the Office.
  - (b) If he be removed from office in accordance with the provisions of the Act.
30. The Directors shall elect from amongst their own body a Chairman of the Board of Directors on such terms and for such period (subject always to the provisions of these presents) as they may think fit.
31. Subject to any provisions to the contrary contained in the Act or in these presents, the Directors may entrust to an confer upon the Chairman and upon a Director holding any such executive office as aforesaid any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any such powers.

32. The Company in General Meeting may from time to time increase or reduce the number of Directors.

33. The shareholders may by an extraordinary resolution remove any Director before the expiration of his period of office, and may appoint another person in his stead. Removal of Directors

#### POWERS OF DIRECTIONS

34. The business of the Company shall be managed by the Directors, who may exercise all such powers of the company as are not by the Act or by these presents required to be exercised by the Company in the General Meeting, subject nevertheless to any regulations of these presents, to the provisions of the Act and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Special Resolution of the Company, but no regulation so made by the Company shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article. General power of Directors to manage Company's business

35. The Directors may from time to time and at any time by power of attorney under the Seal appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorize any such attorney to sub-delegate all or any of the powers, authorities and discretion vested in him. Power to appoint attorneys

36. The Company may exercise the powers conferred by the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.

37. The Company, or the Directors on behalf of the Company, may cause to be kept in any part of the world in which the Company transacts business, a Branch Register or Registers of Members resident there and the Directors may (subject to the provisions of the Act) make and vary such regulations as they may think fit respecting the keeping of any such Register.

Power to have a seal for use abroad

### **BORROWING POWERS**

38. The Directors may raise or borrow for the purposes of the Company's business such sum or sums of money as they may in their absolute discretion think fit.

Power to have a Branch Register

39. All cheques, promissory notes, bills of exchange, and other negotiable or transferable instruments and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine

### **PROCEEDINGS OF DIRECTORS**

40. (a) The Directors may meet together for dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes; the Chairman shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time, summon a meeting of the Directors.

Power or borrow and to give security

Provided that the requisite notices are served upon Directors and subject to the consent of a majority of such Directors, Directors can conduct their meetings on telephone, and all meetings so conducted shall be deemed to have the same status as meetings at which the Directors have physically convened

41. The Directors may fix the quorum necessary for the transaction of the business of the Directors, and unless so fixed at any other number shall be two. Board Meeting  
Votes

42. A resolution in writing, signed by all the Directors for the time being, shall be effective as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form, each signed by one or more of the Directors.

#### **ALTERNATE DIRECTORS**

43. Any Director may at any time appoint any person approved by the Board to be an Alternate Director of the Company and may at any time remove any Alternate director so appointed by him from office. An Alternate Director so appointed shall not be entitled to receive any remuneration from the Company or to appoint an Alternate, but shall otherwise be subject to the provisions of these presents with regard to Directors.

Quorum

Resolutions in

## MINUTES

writing

44. The Directors shall cause proper minutes to be made in books to be provided for the purpose of all appointments of officers made by the Directors, of the proceedings of all meetings of Directors and committees of Directors and of the attendances thereat, and of the proceedings of all meetings of the Company and all business transacted, resolutions passed and orders made at such meetings, and any such minute of such meetings if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting of the Company or Directors or committee, as the case may be, shall be sufficient evidence without any further proof of the facts therein stated.

Records of appointments and proceedings to be kept  
Resolutions for appointing and removing Directors  
Minutes to be kept  
Attestation of Directors

## THE SEAL

45. The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board and shall be so affixed in the presence of at least one Director and the secretary or some other person approved by the Board, both of whom shall sign every instrument to which the Seal is so affixed in their presence.

Payment of dividends

## DIVIDENDS

46. Subject to any special rights as to dividend attached to any new class of shares in accordance with these presents, the profits of the Company available for dividend and resolved to be distributed in respect of any financial year or other period for which the Company's accounts are made up and submitted to the Company in General Meeting shall be apportioned and paid to the Members according to the amounts paid on the shares held by them respectively 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 dividends as from a particular date, such share shall rank for dividends accordingly. Dividends payable only out of profits

47. No dividend shall be payable except out of the profits of the Company, or in excess of the amount recommended by the Directors.

48. Any General Meeting declaring a dividend may resolve that such dividend be paid wholly or in part by the distribution of specific assets, and in particular of paid up shares, debentures or debenture stock of the Company, or paid up shares, debentures or debenture stock of any other company, or in any one or more of such ways.

49. Any Director may at any time appoint any person approved by the Board to be an Alternate Director of the Company and may at any time remove any Alternate director so appointed by him from office. An Alternate Director so appointed shall not be entitled to receive any remuneration from the Company or to appoint an Alternate, but shall otherwise be subject to the provisions of these presents with regard to Directors.

50. Any Director may at any time appoint any person approved by the Board to be an Alternate Director of the Company and may at any time remove any Alternate director so appointed by him from office. An Alternate Director so appointed shall not be entitled to receive any remuneration from the Company or to appoint an Alternate, but shall otherwise be subject to the provisions of these presents with regard to Directors.

51. Any Director may at any time appoint any person approved by the Board to be an Alternate Director of the Company and may at any time remove any Alternate director so appointed by him from office. An Alternate Director so appointed shall not be entitled to receive any remuneration from the Company or to appoint an Alternate, but shall

otherwise be subject to the provisions of these presents with regard to Directors.

52. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay to the holders of any class of shares interim dividends thereon of such amounts and on such dates as they think fit.

Payment of  
interim dividends

53. No unpaid dividend, bonus or interest shall bear interest as against the Company.

Dividends not to  
bear interest

### RESERVES

54. The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which shall at the discretion of the Directors be applicable for meeting contingencies or for any purposes to which the profits of the Company may properly be applied. The Directors may also without placing the same to reserve carry forward any profits, which they may think it not prudent to divide.

Carry profit to  
reserve

Power to carry  
forward profits

### ACCOUNTS

55. The Directors shall cause proper books of account to be kept with respect to:-

Directors to keep  
proper accounts

(a) All sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure takes place;

(b) All sales and purchases of goods by the Company; and

(c) The assets and liabilities of the Company.

56. The books of account shall be kept at the Office or at such other place as the Directors think fit, and shall always be open to the inspection of the Directors. Inspection of goods
57. The Directors shall once at least in every year lay before the Company in General Meeting a profit and loss account and a balance sheet containing a general summary of the capital, the assets, and the liabilities of the Company arranged under suitable heads, both made up to a date not more than six months before the meeting. Submission of balance sheets and profits and loss account
58. Every such balance sheet as aforesaid shall be signed on behalf of the Board by two of the Directors, and shall have attached to it a report of the Directors as to the state of the Company's affairs and the amount which they recommend to be paid by way of dividend to the Members, and the amount (if any) which they have carried or propose to carry to the Capital Reserve, Fund, general reserve or reserve account shown specifically on the balance sheet or to be shown specifically on a subsequent balance sheet. The balance sheet shall also have attached or annexed to it, the Auditors' report and such other documents as the Act may require. Signature of balance sheet

#### AUDIT

59. The Company shall at each Annual General Meeting appoint an Auditor or Auditors to hold office until the next ensuing Annual General Meeting. The Auditor's report shall be read before the Company at the Annual General Meeting and shall be open to inspection by any Member. The Auditors' duties shall be regulated in accordance with Sections 170 and 174-1979 of the Act Appointment of Auditors
60. No Director or other officer of neither the company nor any person who is a shareholder of the Company or an officer in the employment of the Company shall be capable of being appointed Auditor of the Directors not to be Auditors

Company.

### NOTICES

61. Any notice or document may be served by the Company on any Member wherever resident either personally or by fax or telex or by Service of sending it through the post in a prepaid letter addressed to such Notices Member at his registered address as appearing in the Register of Members, provided that if such address is outside Tanzania, such letter shall be sent by air mail or faxed, telegram, telex. In respect of joint holdings, all notices shall be given to that one of the joint holders whose name stands first in the Register of Members, and notice so given shall be sufficient notice to all the joint holders.


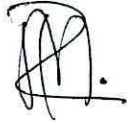



### WINDING-UP

62. If the Company shall be wound up (whether the liquidation is Provisions voluntary, under supervision, or by the Court), the liquidator may with relating to the authority of a Special Resolution, divide among the Members the liquidation whole or any part of the assets of the Company according to the provisions of Act.

### INDEMNITY

63. Subject to the provisions of the Act every Director, Managing Agent, Indemnity of Auditor, Manager, Secretary or officer or Servant of the Company Directors and shall be entitled to be indemnified by the Company against all costs, Officers or charges, losses, expenses and liabilities incurred by him in the Servants execution and discharge of his duties or in relation thereto.
64. No Director, Managing Agent, Auditor or other officers of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer, or for joining in any receipt or other act

for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency or any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any moneys, securities or effects shall be deposited, or for any loss occasioned by any error of judgment, omission, default or oversight on his part, or for any other loss, damages or misfortune whatsoever which shall happen in relation to the execution of the duties of his office or in relation thereto, unless the same happen through his own dishonesty. This Article shall however only effect has in so far as its provisions are not arrived by Section 214 of Act.

NAMES, ADDRESSES AND DESCRIPTION OF SUBSCRIBERS.	NUMBER OF SHARES TAKEN	SIGNATURE
JASMATH RUBEN P O BOX 267 MOSHI - HAI	200	
ROGATHE MAKUNDI P O BOX 267 MOSHI - HAI	200	
MESHACK KILEO P.O BOX 267 MOSHI-HAI	200	
JUDITH KILEO P.O.BOX 267 MOSHI - HAI	200	
EMMILE G KILEO P.O.BOX 267 MOSHI- HAI	200	

DATED this 19<sup>th</sup> Day of August, 2013

Witness to the above Signatures:

Name: Mahon H. Kilasara

Signature: 

Postal Address Box 173 Arusha

Qualification Advocate



# JERK ELECTRICAL COMPANY LTD

**PRE-FEASIBILITY STUDY REPORT ON:**

## **INVESTMENT IN MANUFACTURING OF ELECTRICAL PLASTIC EQUIPMENTS**

**Presented To:**

**TANZANIA INVESTMENT CENTRE  
Shaban Robert Street  
P. O. Box 938  
Dar es Salaam**

**Prepared by:**

**JERK ELECTRICAL COMPANY LTD  
P.O.BOX 267  
HAI KILIMANJARO, TANZANIA**

**October 2013**

## JERK ELECTRICAL COMPANY LTD Strategic Pre-feasibility Report

*This document is confidential and has been made available to the TANZANIA INVESTMENT CENTRE to which the address is shown in the cover page and it is addressed strictly on the understanding that its contents will not be disclosed or discussed with any third parties except for TANZANIA INVESTMENT CENTRE professional advisers.*

*This profile is strictly for information only and projections in the pre - feasibility study report have been compiled by the consultant with close cooperation of the Promoters of the Business the **JERK ELECTRICAL COMPANY LTD** and Sector Experts for illustrative purposes and do not constitute actual forecasts.*

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# JERK ELECTRICAL COMPANY LTD

## Business Profile: Pre-feasibility Study Report

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## 1. Executive Summary

### **Company & Project concept**

Jerk Electrical Company Ltd is limited Company incorporated in Tanzania under the Company act of 2002. The Company was incorporated 27<sup>th</sup> August, 2013, and bears Certificate of Incorporate # 101898. Company implements project which is under manufacturing sector

The Jerk Electrical Company Ltd will be located at Boma Ng'ombe Kilimanjaro. The Head Office of Jerk Electrical Company Ltd shall be located at Moshi town in Kilimanjaro.

Our goals and objectives are straightforward and seek to ensure we run a professional, profitable and ethical company, building relationships with customers, suppliers and investors.

### **Company Goals and Objectives:**

In Summary Jerk Electrical Company Ltd aims to;

- Manufacturing of electrical plastic equipments like conduct pipes, junction boxes and other related plastics products for electricity uses.
- Manage Jerk Electrical Company Ltd by human resource policies which encourage and reward individual and unified effort and achievement, provide training and personal development opportunities and create a working environment in which staff can feel a real sense of job involve
- Build relationships with investors in construction sector,
- Achieve levels of profit sufficient to provide for reinvestment and suitable returns to shareholders and investors
- Seek to comply with all statutory legislation and other external relevant authorities. Define and keep under review Company policy, allowing flexibility for local requirements.
- Adopt best commercial practice and ethical standards in dealing with clientele, suppliers of goods and services and other contacts

### **Purpose of Business Plan**

This document is prepared to the serve the purpose as a Pre-feasibility study report for JERK Electrical Company Ltd for investment in Manufacturing of electronic plastic Equipments like conduct pipes, junction boxes and other related

plastics products for electricity uses. But also the Pre-feasibility study report shall be submitted to TIC for an award of Certificate of Incentives. The implementation of this project will compromise the following activities:-

- Construction of a warehouse building which will accommodate Installation of Machines and Equipments for this project.
- Procurements Machineries and Equipments for this project.
- Equipping the project will all necessary modern furniture and facilities

The project promoter, the project will be managed and operated by JERK Electrical Company Ltd is owned by a India entrepreneurs with the following share distribution.

NAME OF SHAREHOLDERS	NATIONALITY	SHARES%
JASMATH R. KLLEO	Tanzania	20%
ROGATH MAKUNDI	Tanzania	20%
EMMILE G. KILEO	Tanzania	20%
JUDITH J. KILEO	Tanzania	20%
MESHACK J. KILEO	Tanzania	20%

**Company Legality**, the legal certificates and documents such as Memorandum and Article of Association, certificate of incorporation, Tax Identification Number, and value added Tax certificates Justify that JERK Electrical Company Ltd is operating within the ambit of the law of the Land

**Project Organization Structure**, the management of JERK Electrical Company Ltd constituted by the following organization set up:- Board of Directors, General Manger who is responsible on the supervision on the entire operations of the Company, a company accountant, a Production Manager who will be directly responsible for all matters pertaining manufacturing of the products.

**Investment Structure**, the project is estimated to cost 735,000\$ the money covers building structures but also allocated fund include investment in, Building structure, Machineries and Equipments, furniture and fittings, pre expenses and working Capital. The equity contributed by the shareholders is 367,500\$ equivalent to 50. %.The remaining part of 50% of investment financing will be

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done through borrowing from banks. However a financial policy of the Company state that the profits generated will be re-invested

Forecasted financial Information, Financial information of JERK Electrical Company Ltd is projected within five years. The company projected profit and Loss, account show a respectable turnover of more than 149,854\$ in the second year. The profits gained on fifth year are projected to be 210,262 \$. The projected balance sheet, shows the net worth increase of more than 883,296\$ in the second year of operation and more than 1,049,910\$ in the 3<sup>rd</sup> year of the usefully lifetime of the implementation during which the business will be evaluated again. The financial documents show that the business has a positive net cash flow.

## 2. Statement of Purpose

This Profile is drawn for the purpose of seeking CERTIFICATE OF INCENTIVES from the TANZANIA INVESTMENT CENTRE and pre-feasibility study report for new Manufacturing of electronic plastic Equipments like conduct pipes, junction boxes and other related plastics products for electricity uses.

### 2.1 Purpose of Investment

This document is prepared to the serve the purpose as a feasibility study for Sunshine Industrial Company Ltd for establishment of Manufacturing of electronic plastic Equipments like conduct pipes, junction boxes and other related plastics products for electricity uses. The implementation of this project will comprise the following activities:-

- Construction of a warehouse building which will accommodate Installation of Machines and Equipments for this project.
- Procurements Machineries and Equipments for this project.
- Installation of transformer
- Equipping the project will all necessary modern furniture and facilities
- Procurements semi-processed raw materials
- Employing more than 27 people.

### 2.2. Investment financing plan

The company expect to invest 0.735 million USD from shareholders' funds and Loan from the Banks. Profits generated from business operation will be re-invested. There shall be a loan from commercial banks as the investor has set aside 50% of USD 0.735 Million USD for the investment in phase one up to phase 3 and the rest 50% shall be finance by Project promoters' equity. Table below show the assumptions how the investment financing plan will look like.

TABLE 1

FINANCING PLAN	YEAR 1	YEAR 2	YEAR 3	TOTAL	PERCENTAGE
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	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
EQUITY	122,500	122,500	122,500	367,500	50
LOAN	122,500	122,500	122,500	367,500	50
TOTAL FINANCING	245,000	245,000	245,000	735,000	100

**TABLE 2**  
**INVESTMENT COST PLAN**

PROJECT COST SUMMARY	PHASE 1	PHASE 2	PHASE 3	TOTAL
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Land & Buildings	100,000	35,000	0	135,000
Plant Machinery & Equipments	0	200,000	162,000	362,000
Motor Vehicles	0	60,000	60,000	120,000
Furniture & Fittings	0	0	8,000	8,000
Pre operational Expenses	10,000	0	0	10,000
Total Capital Cost	110,000	295,000	230,000	635,000
Working Capital	0	50,000	50,000	100,000
TOTAL PROJECT COST	110,000	345,000	280,000	735,000

### 2.3 Summary of the Expected Results

At the end, the project is expected to achieve the following:-

- Provide an opportunity for availability of electrical plastic Equipments
- Increase 27 direct employment opportunities.
- Direct Domestic investment of more than 0.735 Million USD within 2013 - 2016.
- Increase tax contributed to the government
- Generate foreign currency.

## 3. BUSINESS DESCRIPTION

Jerk Electrical Company Ltd is limited Company incorporated in Tanzania under the Company act of 2002. The Company was incorporated 27th August, 2013, and bears Certificate of Incorporate # 101898. The Company is implementing project which is under manufacturing sector. The Company will be responsible among others activities, operating and managing manufacturing of electrical plastics related Equipments.

### 3.1.1. Legal Status

Legal certificates and documents such as Memorandum and Article of Association, certificate of incorporation, business license, Tax Identification Number, and value added Tax certificates Justify that Jerk Electrical Company Ltd is operating within the ambit of the law of the Land.

### 3.1.2. Mission and Vision

The company vision is to be one of the leading companies in producing high quality electrical plastics Equipments in Tanzania for local markets and export purpose.

The current mission of the company is to penetrate the markets within electrical plastic manufacturer industry in Tanzania. The company can achieve this through

- Manufacturing of electricity plastic Equipments like conduct pipes, junction boxes and other related plastics products for electricity uses
- Establishing sustainable business relationship with contractors, Hardware suppliers
- Proper and reasonable remuneration of the personnel
- Continuing networking with our esteemed clients.

### 3.1.3. Project Promoters

The project promoter, the project will be managed and operated by Jerk Electrical Company Ltd. The Company is owned by Local Tanzanian entrepreneurs with diverse business in Arusha, Moshi and Iringa. Current shareholding status is hereby shown below.

NAME	NATIONALITY	SHARES%
Jasmath R Kileo	Tanzanian	20%
Rogath Makundi	Tanzanian	20%
Emmile G Kileo	Tanzanian	20
Judith J Kileo	Tanzanian	20
Meshack J Kileo	Tanzanian	20

### **3.1.4. Operations**

The project will be managed and operated by Jerk Electrical Company Ltd. The Company is finalizing acquisition of operation permits and Tax exemption clearance for machineries and equipment to start the implementation of the project. Management will establish sound operating guidelines to conduct the day to day operations of this project.

### **3.1.5. Project Location**

The project shall be implemented at constructed warehouse which has 2000 square metres which are very spacious to accommodate project of this nature. The project shall be located at Bomang'ombe - Hai Kilimanjaro

### **3.1.6. Postal Address**

**Headquarters**  
 Jerk Electrical Company Ltd ,  
 P. O. Box 267  
 Hai - Kilimanjaro  
 Tel +255757359959

## 4. Core Activities of the company

Jerk Electrical Company Ltd will be dealing with establishing and operating the following facilities;

### 4.1.1. Construction of warehouse facilities

In the first phase of the implementation of this project, the Company shall construct warehouse which shall be used to accommodate installation of Machineries and Equipments.

### 4.1.2. Electrical plastics Equipments manufacturing plant

This consist installation of machineries and equipment and Fixtures and fittings.

## 4.2. Technical requirements of the project

The project implementation shall require some of technical facilities among others include: -

- Plastics extruder machines and Equipments
- PVC Electrical Conduit Extrusion Production Line
- UPVC Electrical Conduit Pipe Extruder Machine
- plastic extruder heater
- PVC Electrical Fittings machines.
- PVC pipe socket making machine
- Etc.

The company has the following investment structure unto this project

PROJECT COST SUMMARY	PHASE 1	PHASE 2	PHASE 3	TOTAL
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Land & Buildings	100,000	35,000	0	135,000
Plant Machinery & Equipments	0	200,000	162,000	362,000
Motor Vehicles	0	60,000	60,000	120,000
Furniture & Fittings	0	0	8,000	8,000
Pre operational Expenses	10,000	0	0	10,000

Total Capital Cost	110,000	295,000	230,000	635,000
Working Capital	0	50,000	50,000	100,000
<b>TOTAL PROJECT COST</b>	<b>110,000</b>	<b>345,000</b>	<b>280,000</b>	<b>735,000</b>

## 5. MANUFACTURING INDUSTRY

### 5.1 MANUFACTURING SECTOR IN TANZANIA

In the last 10 years, manufacturing activities in Tanzania have taken a steady growth, registering average annual growth of over 4 percent, with 10% contribution to GDP. Most activities concentrate on manufacture of simple consumer goods such as food, beverages, tobacco, textiles, furniture and wood allied products. After economic liberalisation in the mid-1980s, many erstwhile public enterprises could not withstand free market competition. Some died and others underwent privatisation. These measures helped enhance competitiveness of local

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industries and readied them for venturing into export markets. On the other hand, the sector is not a big employer (145,000 employees), compared to agriculture for example, but it is the most reliable source of government revenue in form of import, sales, corporate and income taxes, accounting for over half of government annual revenue collection. Manufacturing earns the country a fifth of total foreign exchange earnings, thus ranking third after agriculture and tourism. Most production is however concentrated in the Dar es Salaam region.

Great prospects are pinned on development of a robust SME sector, whose promotion, as government has already realized, still lacks appropriate policy backing. A strong and productive industrial structure can only be achieved where SMEs and large enterprises not only coexist but also function in a symbiotic relationship. In this regard, successful promotion of agro-businesses can be considered in the SME development context.

Among the comparative advantages of Tanzania's manufacturing sector are the availability of a potentially large domestic market and Tanzania's adherence to the EAC and the SADC organization, as they are potentially important market destinations. But Kenya is proving to be competing better in the region.

## 5:2 IMPORTANCE OF MANUFACTURING SECTOR IN TANZANIA

The reason why Tanzania needs a vibrant manufacturing sector today is to ensure economic independence in the long-run. This can be achieved because of different advantages attached to the manufacturing sector which include: Firstly, it helps to diversify the economy away from primary sector towards manufacturing and hence reduce risks and vulnerability to the long-term deteriorating commodity terms of trade and the associated loss in the real income. Secondly, the sector has substantial forward and backward linkages with other sectors of the economy, especially agriculture. Thirdly, with proper choice of technology, the sector can create significant employment. Fourthly, large manufacturing sector can enable export diversification that is necessary to reduce Tanzania's vulnerability to external shocks. Fifthly, the sector provides opportunity to transfer and adapt and create new technology. Sixthly, a large manufacturing sector can enable income smoothing at the household level through the creation of non-farm jobs that are more stable and fetch higher incomes. On average, the monthly income from a manufacturing job is Tshs. 103,407 compared to 76,277 in mining,

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49,693 in construction, 31,301 in trade and only 15,234 in agriculture, presently the largest source of livelihood for Tanzanians.

### 5.3 MANUFACTURERS OF ELECTRICAL PLASTICS PRODUCTS TANZANIA

Currently there few manufacturers of electrical products in Tanzania, Some of them include;

Tanalec being the giant producer of electrical transmission equipments located in Arusha manufacturing electrical equipments such as Transformers and related products,

Kilmanajaro Cables (T) Ltd base in Dar es Salaam, they do both manufacturing and supplying various types of wires and cables since 2002.

Metro Plastic Industries Limited is one of the leading manufacturers of high-quality plastic products in Tanzania. Based in Dar-es-Salaam, the company has been primarily serving the Tanzanian market since being established in the Year 1999, and is currently exporting to neighboring countries as well.

Metro Plastic Industries Limited is currently manufacturing: Electrical Conduit Pipe, HDPE Pipe, PVC Water Pipe, PVC Drainage Pipe, Garden Hose Pipe, Rain Gutter with Profile, PVC Fittings, HDPE Compression Fittings.

Multi Cable Limited has fast become an established Tanzanian based company, offering extensive range of products in Tanzania and neighboring countries. Based in Dar Es Salaam, the capital city of Tanzania, the company manufactures quality products for the Electrical industry such as industrial and domestic cables, PVC compound and PVC pipe.

East African Cables is a premier cable manufacturer, with a footprint that spreads across East and Central Africa. The company has four manufacturing facilities; two in Dar es Salaam, Tanzania, one in Dar es Salaam Tanzania and one in Eastern DRC. In addition, EAC is present in Uganda, Rwanda, Burundi, Southern Sudan and Ethiopia, through a distribution network.

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As of now there are few companies which manufacture electrical plastics related products in Tanzania which does not match with demand of these products in local market (Tanzania) which is highly consumed in Construction and Real estate sector. Most of electrical plastics related products are imported from abroad to mitigate the supply gap in Local the market

## 5.4 PROJECT JUSTIFICATION

The proposed project is under management of Jerk Electrical Company Ltd is in line with Tanzania Government efforts in attempt to revamp the Manufacturing sector. This has also been noted of recent drive of attracting investors in Tanzania in order to maximize her annual earnings from investment and also compete effectively with regional competitors. This also has been complemented by following measures

- i. The government is making a critical review of all existing laws and regulations, taxation and policies with ultimate aim of improving and creating conducive environment for private sector Investment, tourism sector is inclusive.
- ii. In 2007/2008 the Government reviewed the existing Industry and trade Policy, taking into consideration the social economic base and the dynamism of Manufacturing industry in Tanzania.
- iii. In depth studies have been carried out in the following area
  - SMEs development study
  - Trade Integration Strategy, 2009-2013

Regarding the initiative undertaken by Jerk Electrical Company Ltd sponsors, is justified by the following facts.

- The sponsors have a special invested interest in manufacturing of electrical plastics products and have been supplying electrical Equipments and related products for several years now.

Therefore, the establishment and operation of electrical plastics Equipments manufacturing facility will boost and at the same time strength manufacturing sector in the Tanzania. The Company's marketing strategy and intention is to have a wide products base which focuses both to Ordinary consumers and Industrial use.

## **5:5 SOCIAL AND ECONOMIC IMPACT OF THE PROJECT**

The proposed project will result into the following social and economic impacts:

- Improve and increase production of electrical plastics related products in Tanzania
- Increased competitiveness among manufacturer of electrical plastics related products in Tanzania
- The project will provide employment for more than 27 people
- The Government and other agencies will benefit from various taxes, fees and commissions that will be paid to the Treasury etc. by this Company.

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## 6. OPPORTUNITY DRIVERS

### *6.1 Increased demand of electrical plastics products in Tanzania*

Tanzania now is witnessing the tremendous developments of real estate sector which is great consumer of electrical products. But also existence of unmitigated supply gap of these products in Tanzania.

### *6.2 Uniqueness location of the project*

Jerk Electrical Company Ltd.'s project will be one of the first electricity manufacturing plastics related products, located in Northern zone regions in Tanzania. The location of this project at Kilimanjaro provides an opportunity to Jerk Electrical Company Ltd to capture easily the market around Arusha, Kilimanjaro, Tanga, Manyara and Singida.

### *6.3 Government Policy*

The Government of Tanzania has made the policy that intends to improve and promote Manufacturing Industry. This sector employs many people and it is a key driver towards transforming and developing the national economy.

### *6.4 Government Incentives package*

In 1997 Tanzania Government enacted Investment law that offers and guaranteed reasonable incentives to both local and foreign investors.

## 7. Analysis of Strengths, Weaknesses, Opportunity and Threats

Table below present the analysis of the company's Strengths, Weaknesses, Opportunities and Threats (SWOTS)

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>▪ It has a strong equity financing</li> <li>▪ Strong management and well paid personnel</li> <li>▪ Has a will to expand</li> <li>▪ Access to reliable high technology</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>▪ Not yet emphasize on the marketing</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>▪ Good government suitable facilitative policy</li> <li>▪ Raising investments real estate sector</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>▪ Unawareness of the new entrants in the Industry in the same location</li> <li>▪ Increment of inflation</li> <li>▪ Presence of fake suppliers of the same products.</li> </ul>

The company has prepared for the action plans by doing the following:

1. In future if needs arises the Company may seek more funds from bank to finishing phase of this project.
2. The company will employ expatriates for marketing of its products/services and develop marketing plan.

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## 8. Marketing Information

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### 8.1. Marketing Strategy

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#### *8.1.1. Overview*

The success of Jerk Electrical Company Ltd will be achieved by providing high tech products, providing friendly service and employing an aggressive marketing plan to build customer traffic. Today's market requires more than just products and service to make a Jerk Electrical Company Ltd successful. Jerk Electrical Company Ltd will constantly strive to enthusiastically win more customers by being proactive rather than reactive in our marketing efforts.

Management will endeavour to create and maintain a positive, appealing image for the customers. This image will be consistently portrayed throughout all marketing channels and sales promotions. The following exemplifies some of the tactics we will use to drive more sales.

#### *8.1.2. Customer Database*

Jerk Electrical Company Ltd will aggressively seek to build a database of Customers. Customers will have an opportunity to be included in the database so they can participate in sales promotions such as birthday or anniversary cards; email notification of upcoming specials; coupons; etc. The database will be gathered and maintained on special software Jerk Electrical Company Ltd will gather names in a variety of manners including staff requests; business card drop for free lunch; guests' signup book with promotional signage; menu insert promotion; etc

#### *8.1.3. Advertising*

Jerk Electrical Company Ltd will adopt an aggressive advertising strategy. Outdoor signage for Sunshine Card High Technology Ltd will describe outdoor and changeable copy advertisement and elaborate design signage depends upon lease space restrictions; designed within allowable limits to achieve maximum exposure.

Jerk Electrical Company Ltd will utilize both traditional non-traditional methods of advertising. Management's viewpoint on advertising is state in your own words, the philosophy Jerk Electrical Company Ltd will adopt towards the use of traditional advertising such as radio, newspaper, billboards or television.

#### *8.1.4. Costing and Pricing*

The costing and pricing is done by the management of Jerk Electrical Company Ltd. The costing takes into consideration various aspects depending on the cost which has already been incurred, inflation factor and Operating costs. The project

promoters of the company are in business for long time i.e. they are business oriented personnel.

### **8.1.5. Customers**

Jerk Electrical Company Ltd is targeting to all regions in Tanzania specifically targeting the following customers: Wholesale and retail hardware suppliers, Electrical equipments suppliers and Contractors and Real estate developers

### **8.1.6. Products**

As it has been explained in preamble chapters, Jerk Electrical Company Ltd will set project which will be indulging in production of electrical plastics related Equipments, specifically include: Electrical Fittings (PVC Conduit Pipe, PVC, Conduit Slip Type Bend, PVC Casing Caping, Cable Trunking System, Deep Junction Box, Convertible Gang Box, Extension Boards, Bulb Holder, Round Sheet, Fan Sheet, Plastic Wall Plug, Plug Top, Square Box, Colored) ,PVC Pipe ,PVC Extrusion Dies, PVC Profile Dies, Injection Molding Dies, Custom Made Mould Base.

## **8.2 Marketing Plan**

The company has both short term and long-term marketing plan:

*The short term marketing plan includes:*

- Participating in business show case exhibitions
- Building sustainable long-term relationship with contractors and real estate developers.
- Training of sales staff sales and Marketing.

*Long Term Plans includes:*

- Join to the network of electric equipment companies to market to exploit more business opportunities
- Investing Market Research and Development

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## 9. Management & Administration

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### 9.1. Management

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The management team of Jerk Electrical Company Ltd planned to be constituted by the following management team:-

#### ***9.1.1. Board of Directors***

Jerk Electrical Company Ltd shall be managed by the board of Directors which is the apex body for strategic decision making of the project. Directors of the Company are the ones who having shares in Jerk Electrical Company Ltd, The Company which shall manage this project.

#### ***9.1.2. General Manager***

Immediate after Board of Director the shall be a General Manager who will be responsible to take care of mater pertaining operation and managing daily activities of the project as well as other staffs welfares and report them to the board of directors.

#### ***9.1.3. Production Manager***

Production Manager will be employed who expected to have an extensive background in the electricity manufacturing industry. As the production Manager will be directly responsible for all production functions including manufacturing all types of electricity plastics related products, maintenance of quality standards of the products; training of employees in methods of producing these products, ect..

Under production manager there shall be reasonable number of technical staffs who will be involved in daily production within this project.

#### ***9.1.4. Accountant/cash***

An accountant will be employed who expected to have good experience in accounting system as well as he will be responsible in managing cash of Jerk Electrical Company Ltd but also keeping books of accounts properly.

#### ***9.1.5. Management Agreements***

Management Agreements will be executed between Jerk Electrical Company Ltd and other team managers. The purpose of these agreements is to define the expectations of both parties, establish an incentive structure, and define the grounds under which the agreement may be terminated.

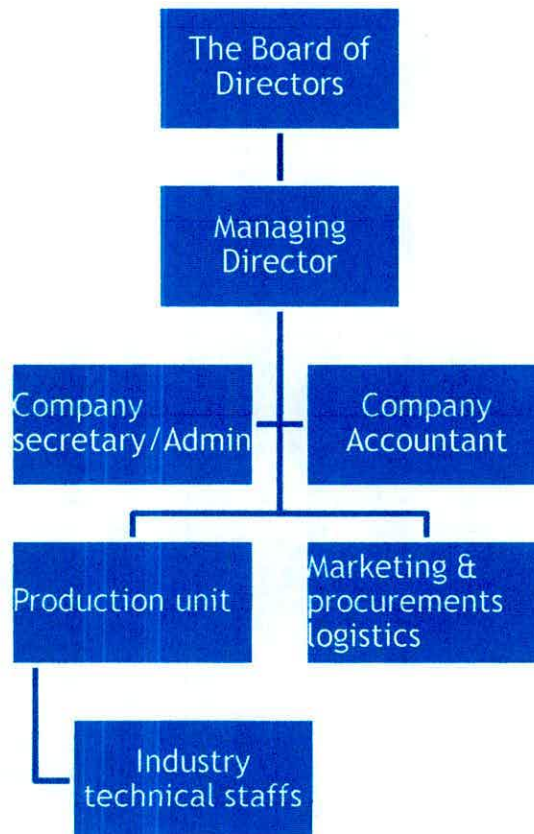
#### ***9.1.6. Confidentiality Agreements***

Jerk Electrical Company Ltd will enforce that all employees sign a confidentiality agreement. Confidentiality agreements with our employees and partners will protect our products, operating systems, policies and procedures. Having a

confidentiality agreement in place is essential to protect the company's trade secrets, and show our employees that we take our business seriously.

### 9.1.7 Organization Structure

The management of Jerk Electrical Company Ltd is planning to have the following organization structure.



# **JERK ELECTRICAL COMPANY LTD FINANCIAL STATEMENTS PROJECTION**

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**JERK ELECTRICAL COMPANY LTD**

**PROJECTED INCOME & EXPENDITURE STATEMENT**

*JERK ELECTRICAL COMPANY LTD*

	<b>YEAR 1 USD</b>	<b>YEAR 2 USD</b>	<b>YEAR 3 USD</b>	<b>YEAR 4 USD</b>	<b>YEAR 4 USD</b>
Sales Revenue	776,500	829,955	887,107	948,212	1,013,545
Cost of Sales	271,775	290,484	310,487	331,874	354,741
<b>Gross Profit</b>	504,725	539,471	576,619	616,338	658,804
<b>Operating Expenses:</b>					
Administrative Overhead Costs:	32,655	34,288	36,002	37,802	39,692
Motor Vehicle running expenses	45,300	47,565	49,943	52,440	55,062
Salaries and wages	81,816	85,907	90,202	94,712	99,448
Pension Contribution	12,272	12,886	13,530	14,207	14,917
Depreciation	61,250	61,250	61,250	61,250	61,250
Marketing Costs	30,425	31,946	33,544	31,866	30,273
Utility costs	23,525	24,701	25,936	27,233	28,595
Insurance	15,000	15,000	15,750	15,750	15,750
Communication	11,850	11,850	12,443	12,443	13,443
<b>Total Expenses</b>	314,093	325,393	338,600	347,704	358,430
<b>Profit before Tax</b>	190,632	214,078	238,019	268,634	300,374
Tax (30%)	57,189	64,223	71,406	80,590	90,112
<b>Profit After Tax</b>	133,442	149,854	166,613	188,044	210,262

**JERK ELECTRICAL COMPANY LTD**

**PROJECTED BALANCE SHEET**

<b>YEAR 1 USD</b>	<b>YEAR 2 USD</b>	<b>YEAR 3 USD</b>	<b>YEAR 4 USD</b>	<b>YEAR 5 USD</b>
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**JERK ELECTRICAL COMPANY LTD**

<b>Fixed Assets</b>					
Long-term Assets	490,000	428,750	367,500	306,250	77,000
Depreciation	61,250	61,250	61,250	61,250	35,200
Total Long-term Assets	428,750	367,500	306,250	245,000	41,800
<b>Current Assets</b>					
Cash	266,173	404,558	557,455	730,884	925,274
Accounts Receivable	26,153	82,650	157,713	237,001	436,412
Inventory	29,217	46,599	47,742	48,964	70,271
Total Current Assets	321,542	533,807	762,910	1,016,849	1,431,957
Total Assets	750,292	901,307	1,069,160	1,261,849	1,473,757
<b>Current Liabilities</b>					
Accounts Payable	8,153	8,715	9,315	13,275	14,190
Other Current Liabilities	8,697	9,295	9,936	10,620	11,352
Subtotal Current Liabilities	16,850	18,010	19,250	23,895	25,541
<b>Long-term Liabilities</b>					
Long-term Liabilities	122,500	122,500	122,500	0	0
Total Liabilities	139,350	140,510	141,750	23,895	25,541
<b>Net Assets</b>	<b>610,942</b>	<b>760,797</b>	<b>927,410</b>	<b>1,237,954</b>	<b>1,448,216</b>
<b>Capital and Reserves</b>					
Owners Contribution	122,500	122,500	122,500	600,000	600,000
Retained Earnings	488,442	638,297	804,910	637,954	848,216
Total Capital	610,942	760,797	927,410	1,237,954	1,448,216

**JERK ELECTRICAL COMPANY LTD**

**PROJECTED CASHFLOW**

YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
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<b>CASHFLOW FROM OPERATIONS</b>					
Cash Sales	660,025	663,964	709,685	758,570	810,836
VAT Receipt	155,300	165,991	177,421	189,642	202,709
<b>Subtotal Cash Received</b>	<b>660,025</b>	<b>663,964</b>	<b>709,685</b>	<b>758,570</b>	<b>810,836</b>
<b>Expenditures from Operations:</b>					
Purchases	231,009	261,436	279,439	298,687	319,267
Additional Cash Spent	252,843	264,143	277,350	286,454	297,180
VAT payments	68,785	72,980	77,725	82,501	87,799
<b>Subtotal Cash payment</b>	<b>483,852</b>	<b>525,579</b>	<b>556,789</b>	<b>585,141</b>	<b>616,447</b>
<b>CASH FROM OPERATIONS</b>	<b>176,173</b>	<b>138,385</b>	<b>152,897</b>	<b>173,429</b>	<b>194,389</b>
<b>CASH FLOW FROM INVESTMENTS:</b>					
Purchase of Assets	-122,500	-122,500	-122,500		
working capital requirement	-100,000				
<b>CASH FLOW FROM INVESTMENTS:</b>	<b>-222,500</b>	<b>-122,500</b>	<b>-122,500</b>	<b>0</b>	
<b>CASH FLOW FROM FINANCING:</b>					
Owners' Equity Contribution	122,500	122,500	122,500	0	
Loan repayment			-74,690	-74,690	-74,690
Loan from Bank	-122,500	-22,500	-122,500		
Interest on Loan			-2,140	-1,720	-1,290
<b>CASH FLOW FROM FINANCING</b>	<b>-</b>	<b>100,000</b>	<b>45,548</b>	<b>(76,410)</b>	<b>(75,980)</b>
<b>NET CASHFLOW FOR PERIOD</b>	<b>-46,327</b>	<b>115,885</b>	<b>198,323</b>	<b>97,019</b>	<b>118,409</b>
<b>CASHFLOW AT START OF YEAR</b>	<b>0</b>	<b>-46,173</b>	<b>69,558</b>	<b>267,881</b>	<b>364,900</b>
<b>CASHFLOW AT THE END OF YEAR</b>	<b>-46,327</b>	<b>69,558</b>	<b>267,881</b>	<b>364,900</b>	<b>483,309</b>

**JERK ELECTRICAL COMPANY LTD**

**SCHEDULES AND TABLES**

<b>REVENUE PROJECTION</b>					
<b>PRODUCTS</b>	<b>YEARS</b>				
	<b>YEAR 1 USD</b>	<b>YEAR 2 USD</b>	<b>YEAR 3 USD</b>	<b>YEAR 4 USD</b>	<b>YEAR 5 USD</b>
Sales Revenue	731,500	782,705	837,494	896,119	958,847
Other Revenues	45,000	47,250	49,613	52,093	54,698
	776,500	829,955	887,107	948,212	1,013,545

<b>OTHER OPERATING COSTS</b>					
<b>OTHER OPERATING COST</b>	<b>YEARS</b>				
	<b>YEAR 1 USD</b>	<b>YEAR 2 USD</b>	<b>YEAR 3 USD</b>	<b>YEAR 4 USD</b>	<b>YEAR 5 USD</b>
Motor vehicle running expenses	45,300	47,565	49,943	52,440	55,062
Salaries and wages	81,816	85,907	90,202	94,712	99,448
Pension Contribution	12,272	12,886	13,530	14,207	14,917
Depreciation	98,000	98,000	98,000	98,000	98,000
Administrative Overhead Costs:	32,655	34,288	36,002	37,802	39,692
Marketing Costs	30,425	31,946	33,544	31,866	30,273
Utility costs	23,525	24,701	25,936	27,233	28,595
Insurance	15,000	15,000	15,750	15,750	15,750
Communication	11,850	11,850	12,443	12,443	12,443
<b>Total costs</b>	<b>350,843</b>	<b>362,143</b>	<b>375,350</b>	<b>384,454</b>	<b>394,180</b>

SCHEDULE 3

**COST STRUCTURE**

PARTICULAR	AMOUNT USD
Land and Buildings	135,000
Machinery & Equipment	362,000
Motor Vehicles	120,000
Furniture & Fixtures	8,000
Pre exp	10,000
Others	0
Working Capital	100,000
<b>TOTAL</b>	<b>735,000</b>

### FIXED ASSETS SCHEDULE

NAME OF ASSETS	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Land and Buildings	135,000	135,000	135,000	135,000	135,000
Machinery, tools & Equipment	362,000	316,750	271,500	226,250	81,000
Motor Vehicles	120,000	105,000	90,000	75,000	-24,000
Furniture & Fixtures	8,000	7,000	6,000	5,000	20,000
<b>TOTAL</b>	<b>490,000</b>	<b>428,750</b>	<b>367,500</b>	<b>306,250</b>	<b>77,000</b>
DEPRECIATION	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Land and Buildings	13,500	13,500	13,500	13,500	13,500
Machinery, tools & Equipment	45,250	45,250	45,250	45,250	16,200
Motor Vehicles	15,000	15,000	15,000	15,000	15,000
Furniture & Fixtures	1,000	1,000	1,000	1,000	4,000
<b>ANNUAL DEPRECIATION</b>	<b>61,250</b>	<b>61,250</b>	<b>61,250</b>	<b>61,250</b>	<b>35,200</b>
<b>CLOSING FIXED ASSETS</b>	<b>428,750</b>	<b>367,500</b>	<b>306,250</b>	<b>245,000</b>	<b>41,800</b>

### SALARIES & WAGES



EMPLOYEE DESIGNATION	NO.	SALARY PER MONTH	SUBTOTAL MONTHLY SALARY	ANNUAL GROSS SALARY
Managing Director	1	1000	1000	12,000
Directors	3	800	2400	28,800
Accountant	1	550	550	6,600
Supervisor (Expatriates)	3	500	1500	18,000
Machine Operators & Technicians	15	72	1080	12,960
Drivers	3	72	216	2,592
secretary	1	72	72	864
<b>TOTAL USD \$</b>	<b>27</b>	<b>3,066</b>	<b>6,818</b>	<b>81,816</b>

### LOAN ASSUMPTIONS:

#### LOAN PAYMENT SCHEDULE

Pmt#	Balance	Interest	Principal	Payment
1	367.00	2.14	72.55	74.69
2	294.45	1.72	72.97	74.69
3	221.48	1.29	73.40	74.69
4	148.08	0.86	73.83	74.69
5	74.26	0.43	74.26	74.69

Proposed amount Loan: 376,000\$

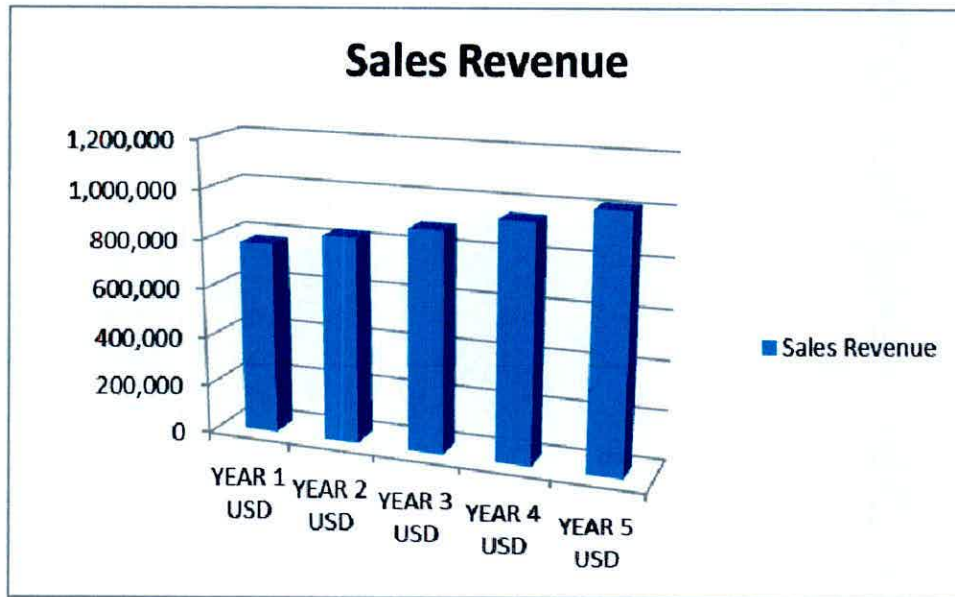
Interest rate (APR): 7%

Payments on the loan will be made: Monthly

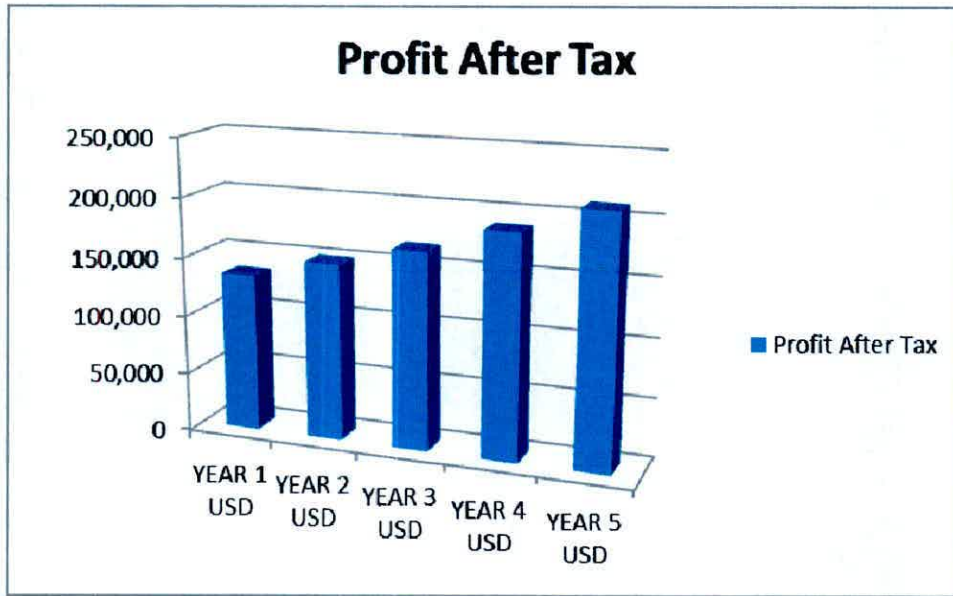
Number of payments: 5 years

### REVENUE PROJECTION

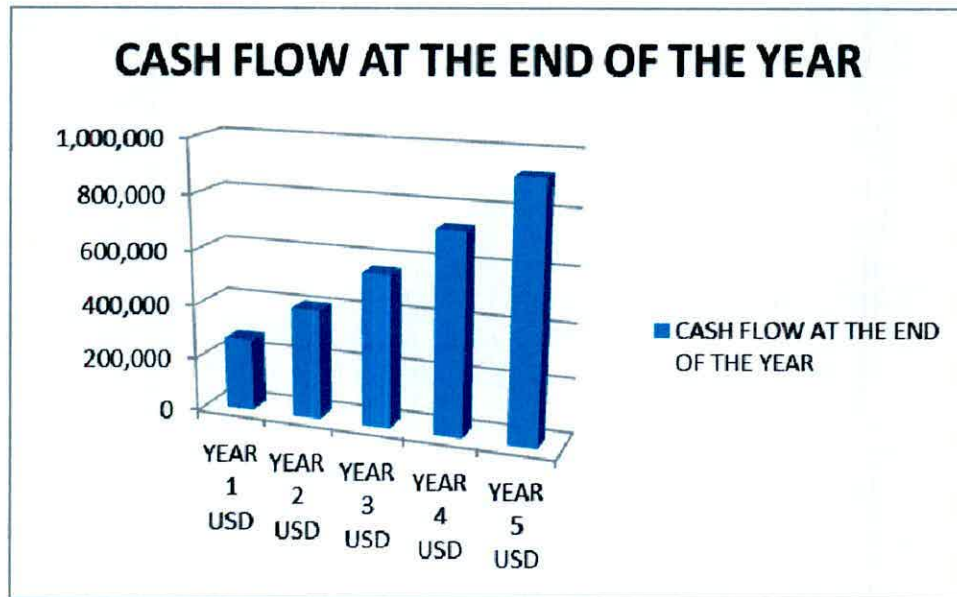
	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Sales Revenue	776,500	829,955	887,107	948,212	1,013,545



PROFIT PROJECTION					
	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Profit After Tax	133,442	149,854	166,613	188,044	210,262



<b>CASH FLOW PROJECTION</b>					
	<b>YEAR 1 USD</b>	<b>YEAR 2 USD</b>	<b>YEAR 3 USD</b>	<b>YEAR 4 USD</b>	<b>YEAR 5 USD</b>
<b>CASH FLOW AT THE END OF THE YEAR</b>	266,173	404,558	557,455	730,884	925,273



### 3 Conclusion

- Revenue will be contributed to the Government through various taxes.
- The project will offer continuous direct employment to 27 people and create other indirect employment to other people.
- The company looks technically feasible and financially viable. It is therefore recommended that the project be supported.