

100% Export Oriented Leather Tanning Project



**SAMATA LEATHER COMPLEX LTD.**

**34<sup>th</sup> Annual General Meeting**

# **ANNUAL REPORT**

## **2023-2024**



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## **Letter of Transmittal**

To  
All Shareholders,  
Registrar of Joint Stock Companies & Firms,  
Bangladesh Securities and Exchange Commission,  
Dhaka Stock Exchange Limited and  
Chittagong Stock Exchange Limited.

Dear Sir (s):

### **Disclosure of Annual Report for the year ended June 30 2024.**

Please find the enclosed copy of the Annual Report together with the Audited Statement of Financial Position as at 30<sup>th</sup> June 2024 and the Statement of Comprehensive Income, Statement of Changes of Shareholders' Equity and Statement of Cash Flows for the year ended June 30, 2024 along with notes thereon of Samata Leather Complex Limited for your kind perusal.

Thanking you,

Yours sincerely,



**Mohammed Romzan Ali**  
Company Secretary

## CORPORATE DIRECTORY

**Board of Directors**

|                     |                      |
|---------------------|----------------------|
| Md. Mizanur Rahman  | Chairman (Acting)    |
| Zahura Khatun       | Managing Director    |
| Md. Ayub Khan       | Director             |
| Yeasmeen Zaman      | Director             |
| Farida Rahman       | Director             |
| Shamima Akter       | Director             |
| Md. Amzad Hossain   | Independent Director |
| Md. Mahmudul Hassan | Independent Director |

**Audit Committee**

|                   |          |
|-------------------|----------|
| Md. Amzad Hossain | Chairman |
| Farida Rahman     | Member   |
| Shamima Akter     | Member   |

**Nomination and Remuneration Committee (NRC)**

|                     |          |
|---------------------|----------|
| Md. Mahmudul Hassan | Chairman |
| Yeasmeen Zaman      | Member   |
| Shamima Akter       | Member   |

**Company Secretary**

Mohammed Romzan Ali

**Chief Financial Officer**

Md. Nazrul Islam, M.Com. (Accounting)

**Head of Accounts Department**

Md. Sabbir Mirdha

### **Auditors**

FAMES & R  
Chartered Accountants  
Hossain Tower (11<sup>th</sup> Floor)  
116 Naya Paltan,  
Box Culvert Road,  
Dhaka-1000

### **Registered Office**

120, Sher-E-Bangla Road,  
Hazaribagh, Dhaka 1209.

### **Bankers**

Islami Bank Bangladesh Limited  
Jigatala Sub Branch, New Market, Dhaka.

Rupali Bank PLC  
Hazaribagh Branch, Dhaka.

Mercantile Bank PLC  
Satmasjid Road Branch, Dhaka.

The Premier Bank PLC  
Dhanmondi Branch, Dhaka.

### **Factory**

Plot # ZC4, ZC5, ZC6  
Chamra Shilpa Nagari  
BSCIC Tannery Estate-Dhaka  
Horindhora, Hemayetpur, Savar,  
Dhaka-1340.

## CORPORATE HISTORY

|  |   |
|--|---|
| Incorporation as Private Ltd., Company       | Dhaka   |
|  | 04th October, 1990  |
| Incorporation Number                         | C-20004(774)/90   |
| Conversion into Public Ltd. Company          | 30th January, 1997  |
| Prospectus Published                         | 29th June, 1998   |
| Subscription Opened                          | 21st July, 1998   |
| Subscription Closed                          | 31st August, 1998   |
| Share Certificate Issued                     | 1st day of December, 1998   |
| Listing with Dhaka Stock Exchange            | 5th October, 1998   |
| Listing with Chittagong Stock Exchange       | 6th October, 1998   |
| Company Code – DSE                           | 23634   |
| Company Code – CSE                           | 17007   |
| Manager to the Issue                         | AAA Consultant & Financial Advisors<br>Amin Court, 4th Floor,<br>62/63, Motijheel C/A,<br>Dhaka-1000. |
| Authorized Capital                           | Tk. 500,000,000   |
| Issued, Subscribed & Paid-up Capital         | Tk. 103,200,000   |
| Market Lot                                   | 1   |
| Value of Per Share                           | Tk.10 each  |
| Market Category                              | B   |
| Year End                                     | 30th June   |
| Electronic Share                             | Y   |
| Registered as Depository Participant of CDBL | 26th September, 2010  |
| Dematerialized Securities trading Started on | 27th October, 2010  |
| Number of Shareholders (30/06/2024)          | 2279  |
| Long Term Loan Outstanding                   | Nil   |
| Nature of Business                           | Hide and skin processing<br>Industry to produce exportable<br>crust and finished leather.             |

## FIVE YEAR FINANCIAL HIGHLIGHTS: 2020-2024

*Figure in Taka*

| Particulars                         | 30/06/2024 | 30/06/2023 | 30/06/2022 | 30/06/2021 | 30/06/2020 |
|-------------------------------------|------------|------------|------------|------------|------------|
| Turnover/Sales                      | 55,969,666 | 43,174,086 | 50,524,735 | 58,411,842 | 75,558,009 |
| Gross Profit                        | 5,525,774  | 5,715,995  | 4,015,112  | 5,952,169  | 7,706,917  |
| Net Profit/(Loss) Before Tax        | 1,336,294  | 1,222,648  | (527,886)  | 1,618,877  | 2,767,201  |
| Net Profit/(Loss) after Tax         | 536,348    | 400,470    | (668,577)  | 1,080,911  | 977,735    |
| Revaluation Reserve & Surplus (Y/E) | 19,423,064 | 20,269,410 | 19,335,187 | 20,366,812 | 21,446,722 |
| Current Assets                      | 74,987,190 | 74,031,291 | 69,011,224 | 65,245,676 | 65,355,939 |
| Current Liabilities                 | 20,554,345 | 23,215,994 | 45,049,030 | 44,403,920 | 43,594,298 |
| Property, Plant and Equipment       | 62,195,824 | 65,483,424 | 69,528,251 | 73,606,601 | 77,810,477 |
| NAV                                 | 14.37      | 14.34      | 14.30      | 14.39      | 14.61      |
| NOCFPS                              | (0.05)     | (0.07)     | 0.09       | 0.24       | 0.42       |
| Dividend Per Share                  | 0.40%      | 0.40%      | -          | 0.50%      | -          |
| Earning per share (EPS)             | 0.05       | 0.04       | (0.06)     | 0.10       | 0.09       |



## **Samata Leather Complex Ltd.**

**120, Sher-E-Bangla Road, Hazaribagh, Dhaka-1209.**

### **NOTICE OF THE 34TH ANNUAL GENERAL MEETING**

Notice is hereby given that the 34th Annual General Meeting (AGM) of Samata Leather Complex Ltd. will be held on 31 December 2024, Sunday, at 11.00 AM through **Hybrid System** in combination of Physical Presence at Factory Premises, 120, Sher-E-Bangla Road, Hazaribagh, Dhaka-1209 and Online Connection using Digital Platform through the Link : <https://slclagm34.abcmeeting360.com> to transact the following business :

#### **Agenda**

1. To receive, consider and adopt the Audited Financial Statements for the year ended 30 June 2024 together with Auditors' Report thereon and the Directors' Report.
2. To declare 0.40% Cash Dividend (i.e., Tk. 0.04 for each Ordinary Share of Tk. 10.00 each) for the General Shareholders (excluding Sponsors & Directors) for the year ended on 30 June 2024.
3. To elect / re-elect Directors in place of those retiring.
4. To approve the appointment of Managing Director.
5. To appoint Auditors for the year 2024-25 and to fix their remuneration.
6. To appoint / re-appoint Corporate Governance Auditor for the year 2024-25 and to fix their remuneration.

By the order of the Board

Sd/-

**Mohammed Romzan Ali**  
Company Secretary

Dated, Dhaka  
24 November 2024

#### **Notes :**

1. **Record Date for Meeting is 15 December 2024.** The shareholder whose name would appear in the CDS (Central Depository System)/Register of Members of the Company on the Record Date will be eligible to attend and vote at the Meeting and to appoint a proxy to attend and vote on his/her behalf, and also be entitled to dividend, if any, as per approval in the Meeting.
2. Proxy form must be duly filled up and stamped for Tk. 100/- and submitted to the Registered Office of the Company at least 48 hours before the time fixed for the Meeting.
3. Link of the Online / Digital Platform of the Meeting is <https://slclagm34.abcmeeting360.com> . The Link shall be opened for e-voting or making comments or queries 24 (twenty-four) hours prior to the time fixed for the meeting and shall remain open until conclusion of the Meeting. A Member shall be able to log-in through PC, Laptop, Tab or Mobile Phone providing respective Folio No. or BO Id. as User Name and No. of Shares as Password.
4. Members / Shareholders may download Soft Copy of Annual Report containing Directors' Report, Financial Statements, Notice and Proxy Form from the Website of the Company: [www.samataleather.com](http://www.samataleather.com) .
5. Members may submit their queries on any Agenda, if any, at the registered office of the Company preferably 72 hours before the time fixed for the Meeting.
6. Members and Proxies interested to join physically are requested to record their entry at the Meeting Venue in time.
7. No gift or benefit in cash or kind shall be paid/offered to the shareholders in the Meeting as per BSEC Directive No. SEC/CMRRCD/2009-193/154 dated 24.10.2013.



## Samata Leather Complex Ltd.

120, Sher-E-Bangla Road, Hazaribagh, Dhaka-1209.

### Price Sensitive Information

This information is for all of valued shareholders that the Board of Directors of the company in its meeting held on November 24, 2024 at 4:30 p.m. has recommended and decided through **Hybrid System (both physical and digital platform)** in pursuant to the Bangladesh Securities and Commission's Order No. SEC/SRMIC/04-231/932, dated March 24, 2020) the followings to be approved in the ensuing 34<sup>th</sup> Annual General Meeting (AGM) of the Company.

|  |   |  |
|--|---|--|
| 1. Consider Audited Annual Accounts      | : | The Board has approved the Audited Financial Statements of the Company for the year ended on June 30, 2024.  |
| 2. Proposed Dividend for 2022-2023       | : | To declare 0.40% Cash dividend (Tk. 0.04 per share) for each ordinary share only for General Shareholders payable Tk. <b>2,72,989.48</b> (excepting Sponsors & Directors hold <b>34,95,263</b> out of total <b>1,03,20,000</b> shares) for the year ended on 30 <sup>th</sup> June, 2024 as recommended by the Board of Directors. |
| 3. Date and Time of 34 <sup>th</sup> AGM | : | December 31, 2024 at 11:00 a.m.  |
| 4. Record Date for 34 <sup>th</sup> AGM  | : | December 15, 2024  |
| 5. Platform of the 34 <sup>th</sup> AGM  | : | <b>Hybrid System (both physical and digital platform)</b>  |
| 6. Venue of 34 <sup>th</sup> AGM         | : | Factory premises, 120, Sher-E-Bangla Road, Hazaribagh, Dhaka-1209  |

#### 7. The Financial Data for the year ended 30th June, 2024 are as follows:

| Particulars                       | 2023-24  | 2022-23  |
|-----------------------------------|----------|----------|
| Net Profit/(Loss)                 | 5,36,348 | 4,00,470 |
| Earning Per Share (EPS)           | 0.05     | 0.04     |
| Net Asset Value (NAV) Per Share   | 14.37    | 14.34    |
| Net Operating Cash Flow Per Share | (0.05)   | (0.07)   |

By the order of the Board

Sd/-

**Mohammed Romzan Ali**  
Company Secretary

Dated, Dhaka  
November 24, 2024

## মাননীয় চেয়ারম্যান এর শুভেচ্ছা বার্তা

সম্মানিত শেয়ারহোল্ডারবৃন্দ,  
আস্সালামু আলাইকুম ওয়া রাহমাতুল্লাহ ।

অদ্যকার ৩৪তম বার্ষিক সাধারণ সভায় পরিচালক মন্ডলী ও আমার পক্ষ থেকে আমি আপনাদের স্বাগত জানাচ্ছি  
এবং মহান আল্লাহ তায়া'লার নিকট শুকরিয়া জ্ঞাপন করছি।

২০২৩-২৪ অর্থ বছরে কোম্পানীর বিক্রয় ছিল ৫,৫৯,৬৯,৬৬৬ টাকা এবং শেয়ার প্রতি আয় ০.০৫টাকা। যা  
পূর্ববর্তী বছরের তুলনায় সামান্য বৃদ্ধি পেয়েছে। পর্যাপ্ত তারল্য সংকটের কারণে পরিচালনা পর্ষদ ০.৪০% লভ্যাংশ  
শুধুমাত্র সাধারণ বিনিয়োগকারীদের জন্য ঘোষনা করেছে। ভবিষ্যতে বিক্রয় বৃদ্ধি করে প্রতিষ্ঠানকে আরও লাভজনক  
অবস্থানে নিয়ে যেতে পারি এ কামনা করছি।

পরিশেষে পরিচালকমন্ডলী, সকল শেয়ারহোল্ডারবৃন্দ, কর্মকর্তা-কর্মচারী, সরকারী-বেসরকারী সংস্থা ও  
সরবরাহকারীসহ সকল ব্যবসায়িক অংশীদারকে তাদের সমর্থন ও সহযোগিতার জন্য ধন্যবাদ ও কৃতজ্ঞতা জানাই।  
কোম্পানীর সাফল্য কামনা করে মহান আল্লাহ তায়ালার নিকট অদ্যকার সাধারণ সভার সার্থকতা কামনা করছি।

ধন্যবাদ।



(মোহাম্মদ মিজানুর রহমান)  
চেয়ারম্যান (চলতি দায়িত্ব)

**DIRECTORS' REPORT TO THE SHAREHOLDERS  
FOR THE YEAR ENDED ON 30<sup>th</sup> JUNE 2024.**

Bismillahir Rahmanir Rahim  
Honorable Shareholders,  
As Salamu Alaikum Wa Rahmatullahi Wa Barakatuh  
By the grace of Almighty Allah

On behalf of the Board of Directors and myself, I am pleased to welcome you to the 34<sup>th</sup> Annual General Meeting of the Samata Leather Complex Limited. Your Company has completed its journey of 34<sup>th</sup> years. I would like to express our gratitude to all our valued shareholders for your continued confidence on the Board of Directors of the Samata Leather Complex Limited to deliver business growth year on year.

It is my immense pleasure to welcome you on behalf of the Directors of your Company in this 34<sup>th</sup> Annual General Meeting and presenting before you a brief on the operating and financial performance of the company along with this report together with Directors Report, Statement of Financial Position, Statement of Comprehensive Income, Statement of change in Equity, Statement of Cash Flow and Auditors Report thereon for the year ended on 30<sup>th</sup> June, 2024.

**PERFORMANCE:**

The board of directors of the company are always committed to ensure, sustainable growth of the company through improving its product quality and implementing internal control. We are still facing shortage of working capital to run the company. We are trying to lend from bank in order to overcome our financial crisis.

Our summarized business performance during year 2023-24 under review compared with the previous year has given as under:

| Particulars                  | 2023-2024<br>(amount in Taka) | 2022-2023<br>(amount in Taka) |
|------------------------------|-------------------------------|-------------------------------|
| <b><u>Sales:</u></b>         |                               |                               |
| Cow leather                  | 55,969,666                    | 43,174,086                    |
| <b><u>Purchase:</u></b>      |                               |                               |
| Cow leather                  | 15,874,910                    | 10,966,005                    |
| Chemicals (including Import) | 10,364,810                    | 5,762,600                     |
| Gross Profit/Loss            | 5,525,774                     | 5,715,995                     |

Accounting policies and estimation for preparation of financial statements:

The SLCL (Samata Leather Complex Ltd.) follows International Accounting Standard (IAS) and International Financial Reporting Standard (IFRS) along with the laws of Bangladesh application for preparation for Financial Statements.

The accounting policies and estimation used for preparation of financial statements of the company has been mentioned in details in the reports financial statements part of this Annual Report.

### **INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENTS:**

The world economy is observing a challenging time than ever before the COVID-19 pandemic is perpetrating high and rising human costs worldwide. The health crisis is having a severe impact on the economic activity and resulting the global economy.

Bangladesh is now one of the emerging economies of the world. Bangladesh has kept up the positive trend of growth.

As an important material the leather and the allied products taken a significant position worldwide. The growth of last few decades was noticeable.

Your company tried to maintain continuity of its productivity and ethical standard of business affairs preferring the principles of sustainable development. We are trying to increase our efforts to increase our production and develop a leather goods units. But we could not implement these plan due to financial constraints.

### **RISKS AND CONCERNS:**

Efficient and effective Risk Management is the integral part of today's business. As such, the SLCL is always subject to systematic risk of the industry and market as well.

To ensure proper supply of imported raw materials for a large volume of production facilities the company has to keep huge inventory putting pressure on management. The management of the company has regularly upgraded its technology.

### **SHARE CAPITAL & EQUITY:**

There had been a change in the shareholders' equity of the company after the last Financial Statements. This has been shown in the equity statement of Auditor's Report.

### **FINANCIAL RESULTS:**

The following tables disclose the financial performance for the year 2023-2024 as compared to the previous year.

| <b>Particulars</b>   | <b>30-06-2024</b> | <b>30-06-2023</b> |
|--|-------------------|-------------------|
| Net Profit/(Loss) before WPPF and Income Tax                         | 1,272,661         | 1,164,427         |
| <b>Less:</b> Provision for Worker's Profit Participation Fund (WPPF) | (63,633)          | (58,221)          |
| Net Profit/(Loss) for the year before Income Tax                     | 1,336,294         | 1,222,649         |
| <b>Less:</b> Provision for Income Tax                                | (10,664,135)      | (10,023,139)      |
| <b>Retained earning for this year (2023-24)</b>                      | <b>536,348</b>    | <b>400,470</b>    |

# ANNUAL REPORT

2023-2024

## **DECLARATION OF DIVIDEND:**

The Company has earned a Net profit of Tk. 5,36,348/- during the year. But long time disrupted in production and process due to the effect of the non-availability of sufficient liquid fund the Board of Directors recommend 0.40% Cash dividend (Tk. 0.04 per share) for each ordinary share only for General Shareholders payable Tk. 2,72,989.48 (excepting Sponsors & Directors hold 34,95,263 out of total 1.03,20,000 shares) for the year ended on 30<sup>th</sup> June, 2024.

## **DIRECTOR:**

As per clause 50 of the Articles of the Association of the company Farida Rahman and Yeasmeen Zaman retire by rotation in this meeting and being eligible for re-election under clause 52 of the Articles of the Association of the company, offer themselves for re-election.

## **RE-APPOINTMENT OF MANAGING DIRECTOR:**

The post of Zahura Khatun, Managing Director of the company was vacant on February 10, 2023. As per clause 43 of the Articles of the Association of the company the Board of Directors in its meeting held on February 07, 2024 re-appointed Zahura Khatun as Managing Director for next one year term subject to the shareholders approval.

## **INDEPENDENT DIRECTORS:**

As per Bangladesh Securities and Exchange Commission Notification No: BSEC/CMRRC/2006-158/207/Admin/80, dated: June 03, 2018, Md. Mahmudul Hassan as on 29/09/2023 and Md. Amjad Hossain as on 20/05/2024 have been re-appointed as Independent Directors approved n the 33<sup>rd</sup> AGM.

## **BOARD MEETING AND ATTENDANCE:**

During the year under review 07(Seven) board meetings were held and the attendance by each Director was as follows:

| Sl. No. | Name of Directors                             | Position             | Total Number of Board Meeting Held | Number of Meetings Attended |
|---------|---|----------------------|------------------------------------|-----------------------------|
| 1.      | Mohammed Munsur Ahmed (expired on 03.04.2024) | Chairman             | 7                                  | 3                           |
| 2.      | Md. Mizanur Rahman (appointed 04.03.2024)     | Chairman (Acting)    | 7                                  | 7                           |
| 3.      | Zahura Khatun                                 | Managing Director    | 7                                  | 7                           |
| 4.      | Md. Ayub Khan                                 | Director             | 7                                  | 7                           |
| 5.      | Yeasmeen Zaman                                | Director             | 7                                  | 7                           |
| 6.      | Farida Rahman                                 | Director             | 7                                  | 7                           |
| 7.      | Shamima Akter                                 | Director             | 7                                  | 7                           |
| 8.      | Md. Amjad Hossain                             | Independent Director | 7                                  | 7                           |
| 9.      | Md. Mahmudul Hassan                           | Independent Director | 7                                  | 7                           |

**IN ATTENDANCE:**

| Sl. No. | Name of Executives  | Position                | Total Number of Board Meeting Held | Number of Meetings Attended |
|---------|---------------------|-------------------------|------------------------------------|-----------------------------|
| 1.      | Mohammed Romzan Ali | Company Secretary       | 7                                  | 7                           |
| 2.      | Md. Nazrul Islam    | Chief Financial Officer | 7                                  | 7                           |

**SHAREHOLDINGS OF THE DIRECTORS & SPONSORS:**

The shareholdings of the Sponsor Directors & Sponsor Shareholders as on 30<sup>th</sup> June, 2024 were as under:

| Sl. No.      | Folio/BO Number  | Name of the Shareholders | Position                | Holding Of Shares | Percentage (%) |
|--------------|------------------|--------------------------|-------------------------|-------------------|----------------|
| 1            | 01-000007        | Md. Mizanur Rahman       | Chairman (Acting)       | 223725            | 2.17           |
| 2            | 01-000015        | Zahura Khatun            | Managing Director & CEO | 320650            | 3.11           |
| 3            | 01-000007        | Md. Mizanur Rahman       | Director                | 223725            | 2.17           |
| 4            | 1201520045110641 | Md. Ayub Khan            | Director                | 359675            | 3.49           |
| 5            | 1201520045131295 | Yeasmeen Zaman           | Director                | 342512            | 3.32           |
| 6            | 01-000013        | Farida Rahman            | Director                | 410487            | 3.98           |
| 7            | 01-000014        | Shamima Akter            | Director                | 320650            | 3.11           |
| 8            | -                | Md. Amzad Hossain        | Independent Director    | -                 | 0.00           |
| 9            | -                | Md. Mahmudul Hassan      | Independent Director    | -                 | 0.00           |
|              | 01-000001        | Mohammed Munsur Ahmed    | Sponsor Shareholders    | 798864            | 7.74           |
| 10           | 01-000003        | Mohammed Shajahan        | Sponsor Shareholders    | 718700            | 6.96           |
| <b>TOTAL</b> |                  |                          |                         | <b>3495263</b>    | <b>33.88</b>   |

**BOARD OF AUDIT COMMITTEE:**

Audit Committee was set up to review the financial results, audit and compliance with the statutory and regulatory requirements. The Committee recommended to the Board of Directors, the appointment of the Company's auditors and reviewed the scope of internal audit.

**Members of the Audit Committee are as follows:**

| Sl. No. | Name              | Designation          | Position |
|---------|-------------------|----------------------|----------|
| 1       | Md. Amzad Hossain | Independent Director | Chairman |
| 2       | Farida Rahman     | Director             | Member   |
| 3       | Shamima Akter     | Director             | Member   |

**BOARD OF NOMINATION AND REMUNERATION COMMITTEE (NRC):**

Nomination and Remuneration Committee shall oversee, among others, the following matters and make report with recommended to the Board. The Committee recommended to the Board of Directors relating to the remuneration of the directors, top level executive, considering the following.

**Members of the Nomination and Remuneration Committee (NRC) are as follows:**

| Sl. No. | Name                | Designation          | Position |
|---------|---------------------|----------------------|----------|
| 1       | Md. Mahmudul Hassan | Independent Director | Chairman |
| 2       | Yeasmeen Zaman      | Director             | Member   |
| 3       | Shamima Akter       | Director             | Member   |

### **CORPORATE & FINANCIAL REPORT:**

The Company has complied with all the requirements as per requirement of Corporate Governance, as required by the Bangladesh Securities and Exchange Commission; Directors are pleased to confirm the following facts:

- (a) The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act. 1994 and Securities & Exchange Rules 1987. These statements present fairly the Company's state of affairs, the results of its operations, cash flows and changes in equity.
- (b) Proper books of accounts of the Company have been maintained.
- (c) Appropriate Accounting Policies have been consistently applied in the preparation of financial statements and the accounting estimates are based on reasonable and prudent judgment.
- (d) The International Accounting Standards, as applicable in Bangladesh, have been followed in the preparation of financial statements.
- (e) The systems of internal control are sound and have been effectively implemented and monitored.
- (f) There are no significant doubts about the Company's ability to continue as a going concern.
- (g) The key operating and financial data for last five years are annexed.

### **CORPORATE GOVERNANCE COMPLIANCE REPORT:**

In accordance with the requirement of the Bangladesh Securities and Exchange Commission, "Corporate Governance Compliance Report" is annexed.

### **APPOINTMENT OF AUDITORS:**

**FAMES & R**, Chartered Accountants, Hossain Tower, (11<sup>th</sup> Floor), 116 Naya Paltan, Box Culvert Road, Dhaka-1000 the present auditors of the company is to retire at this Annual General Meeting and as per notification of the Bangladesh Securities and Exchange Commission No. SEC/CFD/12:32/99/595(170) dated 16/02/2003, **T. HUSSAIN & CO.**, Chartered Accountants, HB Tower, (1<sup>st</sup> Floor), 23/G/1, Free School Street (Panthapath), Dhaka-1205 submitted a written application on 19/09/2024 for appointing themselves as auditor for financial year 2024-2025. Board of Audit Committee has recommended to appointing them for the year 2024-2025.

### **POLICY FOR CORPORATE SOCIAL RESPONSIBILITY (CSR):**

In view of the corporate social responsibility of the company the Board of Directors has approved a CSR policy for implementation of good governance practices.

### **WELFARE ACTIVITIES FOR THE COMPANY'S OFFICERS AND WORKERS:**

Company has adopted WPPF policy.

**A GOING CONCERN:**

The Company has adequate resources to continue its operation for the foreseeable future and hence, the financial statements have been prepared on going concern basis. As per managements' assessment, there are no materials uncertainties related to events or conditions (effects of COVID-19) which may cast significant doubt upon the company's ability to continue as a going concern.

**RISK MANAGEMENT:**

In order to control all matters involving risks and uncertainties, the Company has a vigorous risk management process.

**WAGE-REMUNERATION POLICY:**

The salary and wages of the employees are usually determined considering the prevailing inflation, price index and in commensuration with existing salary structure in other competitor companies of this sector.

**WHISTLE BLOWING POLICY:**

Our Whistle Blowing policy is to ensure established transparency in all aspects and also in terms of minimizing the risk management and detecting any forgery or misappropriation.

**POST BALANCE SHEET EVENTS:**

After the preparation of the Financial Statements for the year 2023-2024, no necessity arose for later adjustment which is mentionable in financial statement.

**RELATION AND COMMUNICATION WITH SHAREHOLDERS:**

The company has been arranging regular Annual General Meeting (AGM) as per Companies Act 1994 through shareholders are informed about Company's progress, important activities and the development activities undertaken during the year under review.

**CONCLUSION:**

We are trying our best to improve the finance and quality despite the current adversity. To be a premier body we are also trying proper development of corporate management and good governance.

Since the establishment of this Company, the main mission was to create employment providing opportunities for the inventors and to develop the country economically.

While, concluding most importantly, we are grateful to all of our valued customers, patrons and stakeholders for their co-operation and contribution and to the valued shareholders who have always had so much trust and confidence on this Company. The Directors are also expressing their gratitude to the Bangladesh Securities and Exchange Commission and the Stock Exchanges for their co-operation and guidance.

We pray to Almighty Allah for his kind blessing for our company's bright success in future. Ameen.

On behalf of the Board of Directors



**(Md. Mizanur Rahman)**

Chairman (Acting)

ARTISAN  
CHARTERED ACCOUNTANTS

Sonargaon Terrace (2<sup>nd</sup> Floor)  
House # 52, Road # 13/C  
Block # E, Banani, Dhaka-1213  
Mobile # 01922797851  
e-mail: slm.reza@yahoo.com

**REPORT TO THE SHAREHOLDERS  
OF  
SAMATA LEATHER COMPLEX LTD.  
ON COMPLIANCE ON THE CORPORATE GOVERNANCE CODE**

We have examined the compliance status to the Corporate Governance Code by **SAMATA LEATHER COMPLEX LTD.** for the year ended on June 30, 2024. This Code relates to the Notification No. BSEC/ CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 of the Bangladesh Securities and Exchange Commission. Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission except the statements written in the Remarks column;
- b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- d) The Governance of the company is satisfactory.

Dhaka, 10 December 2024

  
Md. Selim Reza FCA FCS  
Partner  
ARTISAN  
Chartered Accountants

Sonargaon Terrace (2nd floor), House # 52, Road # 13/C,  
Block # E, Banani, Dhaka-1213, Bangladesh.



slm.reza@yahoo.com  
src.ca2012@yahoo.com

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**ANNEXURE – C**

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 and Notification number BSEC/CMRRCD/2009-193/66/PRD/148 dated 16<sup>th</sup> October, 2023 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9)

| Condition No. | Title  | Compliance status (Put ✓ in the appropriate column) |              | Remarks (if any)   |
|---------------|--|---|--------------|--|
|               |  | Complied  | Not complied |  |
| 1.            | <b>Board of Directors</b>  |   |              |  |
| 1(1)          | <b>Size of the Board of Directors:</b><br>The total number of members of the company's Board of Directors shall not be less than 5 (five) and more than 20 (twenty)  | ✓   |              | The Board of Samata Leather Ltd. is comprised of 08 (Eight) Directors including 2 (Two) Independent Directors                    |
| 1(2)          | <b>Independent Directors</b>   |   |              |  |
| 1(2) (a)      | At least 2(two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s)  | ✓   |              | There are 2 (two) Independent Directors namely: Mr. Md. Amzad Hossain & Md. Mahmudul Hassan,                                     |
| 1(2)(b)       | <b>Without contravention of any provision of any other laws, for the purpose of this clause an "independent director" means a director-</b>  |   |              |  |
| 1(2)(b)(i)    | who either does not hold share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;   | ✓   |              | There are 2 (two) Independent Directors namely: Mr. Md. Amzad Hossain & Md. Mahmudul Hassan, they have declared their compliance |
| 1(2)(b)(ii)   | who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company; | ✓   |              |  |
| 1(2)(b)(iii)  | who has not been an executive of the company in immediately preceding 2 (two) financial years;   | ✓   |              |  |
| 1(2)(b)(iv)   | who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;  | ✓   |              |  |
| 1(2)(b)(v)    | who is not a member of TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;   | ✓   |              |  |
| 1(2)(b)(vi)   | who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an  | ✓   |              |  |

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|               | intermediary of the capital market;  |   |  |   |
| 1(2)(b)(vii)  | who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this code;   | v |  |   |
| 1(2)(b)(viii) | who is not independent director in more than 5 (five) listed companies;  | v |  |   |
| 1(2)(b)(ix)   | who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for nonpayment of any loan or advance or obligation to a bank or a financial institution; and   | v |  |   |
| 1(2)(b)(x)    | who has not been convicted for a criminal offence involving moral turpitude;   | v |  |   |
| 1(2)(c)       | The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM): Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company,   | v |  | The appointment of Independent Directors approved in the 33rd AGM.  |
| 1(2)(d)       | The post of independent director(s) cannot remain vacant for the more than 90 (ninety) days; and   | v |  | There is no vacancy in the position of Independent Directors during the year 2023-2024  |
| 1(2)(e)       | The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only;   | v |  |   |
| 1(3)          | <b>Qualification of Independent Director</b>   |   |  |   |
| 1(3)(a)       | Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;   | v |  | The Independent Directors Mr. Amjad Hossain has over 12 (twelve) years of experience in Marketing on leather business and another one is comparatively less qualified |
| 1(3)(b)       | <b>Independent Director shall have following Qualifications:</b>   |   |  |   |
| 1(3)(b)(i)    | Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or  | v |  |   |
| 1(3)(b)(ii)   | Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or | v |  |   |
| 1(3)(b)(iii)  | Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law: Provided that in case   | v |  |   |

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|             | of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or   |   |  |   |
| 1(3)(b)(iv) | University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or  | ✓ |  |   |
| 1(3)(b)(v)  | Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification; | ✓ |  |   |
| 1(3)(c)     | The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);   | ✓ |  | The Independent Directors Mr. Amjad Hossain has over 12 (twelve) years of experience in Marketing on leather business and Md. Mahmudul Hassan is comparatively less qualified and has knowledge in Capital Market |
| 1(3)(d)     | In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission,  |   |  | N/A   |
| 1(4)        | <b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer</b>   |   |  |   |
| 1(4)(a)     | The positions of the Chairperson of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) of the company shall be filled by different individuals;  | ✓ |  | The position of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer of the Company Field by different individual   |
| 1(4)(b)     | The Managing Directors (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;   | ✓ |  | The position of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the Company shall not hold the same position in another listed company.                       |
| 1(4)(c)     | The Chairperson of the Board shall be elected from among the non-executive directors of the company;   | ✓ |  |   |
| 1(4)(d)     | The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;  | ✓ |  |   |
| 1(4)(e)     | In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as chairperson for that particular Board meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.   | ✓ |  |   |

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| 1(5)        | <b>The Directors' Report to Shareholders</b>  |     |  |   |
| 1(5)(i)     | An industry outlook and possible future developments in the industry;   | ✓   |  |   |
| 1(5)(ii)    | The segment-wise or product-wise performance;   | ✓   |  |   |
| 1(5)(iii)   | Risk and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;  | ✓   |  |   |
| 1(5)(iv)    | A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;  | ✓   |  |   |
| 1(5)(v)     | A discussion on continuity of any extraordinary activities and their implications (gain or loss);   | N/A |  |   |
| 1(5)(vi)    | A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;   | ✓   |  |   |
| 1(5)(vii)   | A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;  | N/A |  | N/A   |
| 1(5)(viii)  | An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;   | N/A |  | N/A   |
| 1(5)(ix)    | An explanation on any significant variance that occurs between Quarterly Financial performance and Annual Financial Statements;   | N/A |  | N/A   |
| 1(5)(x)     | A statement of remuneration paid to the directors including independent director;   | ✓   |  | Not included in Directors' report but includes in notes 31 to the Accounts. |
| 1(5)(xi)    | A statement that the Financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;   | ✓   |  |   |
| 1(5)(xii)   | A statement that proper books of account of the issuer company have been maintained;  | ✓   |  |   |
| 1(5)(xiii)  | A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;  | ✓   |  |   |
| 1(5)(xiv)   | A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed; | ✓   |  |   |
| 1(5)(xv)    | A statement that the system of internal control is sound in design and has been effectively implemented and monitored;  | ✓   |  |   |
| 1(5)(xvi)   | A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;   | ✓   |  |   |
| 1(5)(xvii)  | A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons thereof shall be disclosed;                                 | ✓   |  |   |
| 1(5)(xviii) | An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;  | ✓   |  |   |
| 1(5)(xix)   | A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;  | ✓   |  |   |
| 1(5)(xx)    | An explanation of the reasons if the issuer company has not declared dividend (cash or stock) for the years;  | ✓   |  | 0.40%dividend declared in this year   |

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|                |  |   |  | only for General shareholders.  |
| 1(5)(xxi)      | Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;   | ✓ |  | Total 7 (Seven) Board Meeting held during the year and attendance by each other |
| 1(5)(xxii)     | The total number of Board meetings held during the year and attendance by each director;   | ✓ |  |   |
| 1(5)(xxiii)    | <b>A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:</b>  |   |  |   |
| 1(5)(xxiii)(a) | Parent or Subsidiary or Associated Companies and other related parties (name-wise details);  | ✓ |  | Attach in the Annexure-II along with statement                                  |
| 1(5)(xxiii)(b) | Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);  | ✓ |  |   |
| 1(5)(xxiii)(c) | Executives; and  | ✓ |  |   |
| 1(5)(xxiii)(d) | Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);   | ✓ |  |   |
| 1(5)(xxiv)     | <b>In case of the appointment or reappointment of a director, a disclosure on the following information of the shareholders:</b>   |   |  |   |
| 1(5)(xxiv)(a)  | A brief resume of the director;  | ✓ |  |   |
| 1(5)(xxiv)(b)  | Nature of his or her expertise in specific functional areas; and   | ✓ |  |   |
| 1(5)(xxiv)(c)  | Names of companies in which the person also holds the directorship and the membership of committees of the Board;  | ✓ |  |   |
| 1(5)(xxv)      | <b>A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with brief discussion of changes in the financial statements, among others, focusing on:</b> |   |  |   |
| 1(5)(xxv)(a)   | Accounting policies and estimation for preparation of financial statements;  | ✓ |  |   |
| 1(5)(xxv)(b)   | Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;                             | ✓ |  |   |
| 1(5)(xxv)(c)   | Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;      | ✓ |  |   |
| 1(5)(xxv)(d)   | Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;  | ✓ |  |   |
| 1(5)(xxv)(e)   | Briefly explain the financial and economic scenario of the country and the globe;  | ✓ |  |   |
| 1(5)(xxv)(f)   | Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and   | ✓ |  |   |
| 1(5)(xxv)(g)   | Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;                           | ✓ |  |   |
| 1(5)(xxvi)     | Declaration or certification by the CEO and the CFO to the Board as required under condition No.3(3) shall be disclosed as per Annexure-A;   | ✓ |  | .   |
| 1(5)(xxvii)    | The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C;   | ✓ |  | Certified by ARTISAN-Chartered Accountants                                      |
| 1(5)(xxviii)   | The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.   | ✓ |  |   |

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| 1(6)    | <b>Meetings of the Board of Directors</b>  |   |  |   |
|         | The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code. | ✓ |  |   |
| 1(7)    | <b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>  |   |  |   |
| 1(7)(a) | The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;   | ✓ |  |   |
| 1(7)(b) | The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.   | ✓ |  | Posted on the website of the Company.   |
| 2.      | <b>GOVERANCE OF BOARD OF DIRECTORS OF SUBSIDIARY COMPANY:</b>  |   |  |   |
| 2(a)    | Provisions relating to the compositions of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;  |   |  | N/A   |
| 2(b)    | At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;  |   |  | N/A   |
| 2(c)    | The minutes of the board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;   |   |  | N/A   |
| 2(d)    | The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;   |   |  | N/A   |
| 2(e)    | The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.   |   |  | N/A   |
| 3.      | <b>MANAGING DIRECTOR (MD) OR CHIEF EXECUTIVE OFFICER (CEO), CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPLIANCE (HIAC) AND COMPANY SECRETARY (CS):</b>  |   |  |   |
| 3(1)    | <b>Appointment</b>   |   |  |   |
| 3(1)(a) | The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);   | ✓ |  | The company has appointed CFO, CS and Head of Internal Audit. There are clearly defined roles, responsibilities and duties, which have approved by Board as per requirements of BSEC notification |
| 3(1)(b) | The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;   | ✓ |  |   |
| 3(1)(c) | The MD or CEO, CS, CFO, and HIAC of a listed company shall not hold any executive position in any other company at the same time; Provided that CFO or CS of any listed company may be appointed for   | ✓ |  |   |

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|             | the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission:<br>Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately; |   |  |  |
| 3(1)(d)     | The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;  | ✓ |  |  |
| 3(1)(e)     | The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).   | ✓ |  |  |
| 3(2)        | <b>Requirement to attend Board of Directors' Meetings</b>  |   |  |  |
|             | The MD or CEO, CS, CFO, HIAC of the company shall attend the meetings of the Board:<br>Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.   | ✓ |  |  |
| 3(3)        | <b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>   |   |  |  |
| 3(3)(a)     | The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:   |   |  |  |
| 3(3)(a)(i)  | these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and  | ✓ |  |  |
| 3(3)(a)(ii) | these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;  | ✓ |  |  |
| 3(3)(b)     | The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;   | ✓ |  |  |
| 3(3)(c)     | The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.  | ✓ |  |  |
| 4.          | <b>BOARD OF DIRECTORS' COMMITTEE :</b>   |   |  |  |
| 4(i)        | Audit Committee; and   | ✓ |  |  |
| 4(ii)       | Nomination and Remuneration Committee (NRC).   | ✓ |  |  |
| 5.          | <b>AUDIT COMMITTEE :</b>   |   |  |  |
| 5(1)        | <b>Responsibility to the Board of Directors</b>  |   |  |  |
| 5(1)(a)     | The company shall have an Audit Committee as a sub-committee of the Board;   | ✓ |  |  |
| 5(1)(b)     | The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;   | ✓ |  |  |
| 5(1)(c)     | The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.  | ✓ |  |  |
| 5(2)        | <b>Constitution of the Audit Committee</b>   |   |  |  |
| 5(2)(a)     | The Audit Committee shall be composed of at least 3 (three) members;   | ✓ |  | The audit committee is composed of 3 (three) members |
| 5(2)(b)     | The Board shall appoint members of the Audit Committee who shall be nonexecutive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;  | ✓ |  |  |



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|---------|---|---|--|--|
| 5(2)(c) | All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;   | ✓ |  |  |
| 5(2)(d) | When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee; |   |  |  |
| 5(2)(e) | The Company Secretary shall act as the secretary of the Committee;  | ✓ |  |  |
| 5(2)(f) | The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director;   | ✓ |  |  |
| 5(3)    | <b>Chairperson of the Audit Committee</b>   |   |  |  |
| 5(3)(a) | The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;  | ✓ |  |  |
| 5(3)(b) | In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.   | ✓ |  |  |
| 5(3)(c) | Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM)   | ✓ |  | Chairman of the Audit Committee will be present in the Fourth coming 34th Annual General Meeting (AGM) |
| 5(4)    | <b>Meeting of the Audit Committee</b>   |   |  |  |
| 5(4)(a) | The Audit Committee shall conduct at least its four meeting in financial year   | ✓ |  |  |
| 5(4)(b) | The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.   | ✓ |  |  |
| 5(5)    | <b>Role of Audit Committee</b>  |   |  |  |
| 5(5)(a) | Oversee the financial reporting process;  | ✓ |  |  |
| 5(5)(b) | monitor choice of accounting policies and principles;   | ✓ |  |  |
| 5(5)(c) | monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;   | ✓ |  |  |
| 5(5)(d) | oversee hiring and performance of external auditors;  | ✓ |  |  |
| 5(5)(e) | hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval of adoption;   | ✓ |  |  |
| 5(5)(f) | review along with the management, the annual financial statements before submission to the Board for approval;  | ✓ |  |  |
| 5(5)(g) | review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;   | ✓ |  |  |

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|----------------|--|---|--|--|
| 5(5)(h)        | review the adequacy of internal audit function;  | ✓ |  |  |
| 5(5)(i)        | review the Management's Discussion and Analysis before disclosing in the Annual Report;  | ✓ |  |  |
| 5(5)(j)        | review statement of all related party transactions submitted by the management;  | ✓ |  |  |
| 5(5)(k)        | review Management Letters or Letter of Internal Control weakness issued by statutory auditors;   | ✓ |  |  |
| 5(5)(l)        | oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and   | ✓ |  |  |
| 5(5)(m)        | oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Right Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission   | ✓ |  |  |
| 5(6)           | <b>Reporting of the Audit Committee</b>  |   |  |  |
| 5(6)(a)        | <b>Reporting to the Board of Directors</b>   |   |  |  |
| 5(6)(a)(i)     | The Audit Committee shall report on its activities to the board.   | ✓ |  |  |
| 5(6)(a)(ii)    | The Audit Committee shall immediately report to the Board on the following findings, if any :-   |   |  |  |
| 5(6)(a)(ii)(a) | report on conflicts of interest;   | ✓ |  |  |
| 5(6)(a)(ii)(b) | suspected or presumed fraud or irregularly or material defect identified in the internal audit and compliance process or in the financial statements;  | ✓ |  |  |
| 5(6)(a)(ii)(c) | suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and   | ✓ |  |  |
| 5(6)(a)(ii)(d) | any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.  | ✓ |  |  |
| 5(6)(b)        | <b>Reporting to the Authorities</b><br>If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier. | ✓ |  |  |
| 5(7)           | <b>Reporting to the Shareholders and General Investors</b><br>Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.   | ✓ |  | The audit committee report is disclosed in the Annual Report and signed by the Chairperson of Audit Committee. |
| 6.             | <b>NOMINATION AND REMUNERATION COMMITTEE (NRC):</b>  |   |  |  |
| 6(1)           | <b>Responsibility to the Board of Directors</b>  |   |  |  |
| 6(1)(a)        | The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board,   | ✓ |  |  |
| 6(1)(b)        | The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;  | ✓ |  |  |

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| 6(1)(c) | The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b),  | ✓ |  |   |
| 6(2)    | <b>Constitution of the NRC</b>   |   |  |   |
| 6(2)(a) | The Committee shall comprise of at least three members including an independent director,  | ✓ |  | The Nomination and Remuneration Committee is composed with 01 (One) members, One Independent Director is include as member of audit committee |
| 6(2)(b) | At least 02 (two) members of the Committee shall be non-executive directors;   | ✓ |  |   |
| 6(2)(c) | Members of the Committee shall be nominated and appointed by the Board;  | ✓ |  |   |
| 6(2)(d) | The Board shall have authority to remove and appoint any member of the Committee;  | ✓ |  |   |
| 6(2)(e) | In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;   | ✓ |  |   |
| 6(2)(f) | The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee; | ✓ |  |   |
| 6(2)(g) | The Company Secretary shall act as the secretary of the Committee;   | ✓ |  |   |
| 6(2)(h) | The quorum of the NRC meeting shall not constitute without attendance of at least an Independent Director;   | ✓ |  |   |
| 6(2)(i) | No member of the NRC receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.  | ✓ |  |   |
| 6(3)    | <b>Chairperson of the NRC</b>  |   |  |   |
| 6(3)(a) | The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;   | ✓ |  | Independent Director appointed as Chairperson of NRC  |
| 6(3)(b) | In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for the particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;   | ✓ |  |   |
| 6(3)(c) | The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;  | ✓ |  |   |
| 6(4)    | <b>Meeting of the NRC</b>  |   |  |   |
| 6(4)(a) | The NRC shall conduct at least one meeting in a financial year;  | ✓ |  |   |
| 6(4)(b) | The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;  | ✓ |  |   |
| 6(4)(c) | The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);  | ✓ |  |   |
| 6(4)(d) | The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting   | ✓ |  |   |

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|----------------|--|---|--|--|
|                | of the NRC.  |   |  |  |
| <b>6(5)</b>    | <b>Role of the NRC</b>   |   |  |  |
| 6(5)(a)        | NRC shall be independent and responsible or accountable to the Board and to the shareholders;  | ✓ |  |  |
| <b>6(5)(b)</b> | <b>NRC shall oversee, among others, the following matters and make report with recommendation to the Board</b>   |   |  |  |
| 6(5)(b)(i)     | Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:          |   |  |  |
| 6(5)(b)(i)(a)  | the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;   | ✓ |  |  |
| 6(5)(b)(i)(b)  | the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and   | ✓ |  |  |
| 6(5)(b)(i)(c)  | remuneration to the directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;                                     | ✓ |  |  |
| 6(5)(b)(ii)    | devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;   | ✓ |  |  |
| 6(5)(b)(iii)   | identifying persons who are qualified to become directors and who may be appointed in top level executives position in accordance with the criteria laid down, recommended their appointment and removal to the board;                                   | ✓ |  |  |
| 6(5)(b)(iv)    | formulating the criteria for evaluation of performance of independent directors and the Board;   | ✓ |  |  |
| 6(5)(b)(v)     | identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and   | ✓ |  |  |
| 6(5)(b)(vi)    | developing, recommending and reviewing annually the company's human resources and training policies;   | ✓ |  |  |
| 6(5)(c)        | The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.  | ✓ |  |  |
| <b>7.</b>      | <b>EXTERNAL OR STATUTORY AUDITORS:</b>   |   |  |  |
| 7(1)           | The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:   |   |  |  |
| 7(1)(i)        | appraisal or valuation services or fairness opinions,  | ✓ |  |  |
| 7(1)(ii)       | financial information systems design and implementation;   | ✓ |  |  |
| 7(1)(iii)      | book-keeping or other services related to the accounting records or financial statements;  | ✓ |  |  |
| 7(1)(iv)       | broker-dealer services;  | ✓ |  |  |
| 7(1)(v)        | actuarial services;  | ✓ |  |  |
| 7(1)(vi)       | internal audit services or special audit services;   | ✓ |  |  |
| 7(1)(vii)      | audit or certification services on compliance of corporate governance as required under condition No. 9(1); and  | ✓ |  |  |
| 7(1)(ix)       | any other service that creates conflict of interest.   | ✓ |  |  |
| 7(2)           | No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company | ✓ |  |  |

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|   |   |                                     |  |  |
|---|---|-------------------------------------|--|--|
| 7(3)  | Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.   | <input checked="" type="checkbox"/> |  |  |
| <b>8. MAINTAINING A WEBSITE BY THE COMPANY:</b>             |   |                                     |  |  |
| 8(1)  | The company shall have an official website linked with the website of the stock exchange.   | <input checked="" type="checkbox"/> |  |  |
| 8(2)  | The company shall keep the website functional from the date of listing.   | <input checked="" type="checkbox"/> |  |  |
| 8(3)  | The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchanges(s).   | <input checked="" type="checkbox"/> |  |  |
| <b>9. REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:</b> |   |                                     |  |  |
| 9(1)  | The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in Annual Report. | <input checked="" type="checkbox"/> |  | Certified by ARTISAN-Chartered Accountants |
| 9(2)  | The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.   | <input checked="" type="checkbox"/> |  |  |
| 9(3)  | The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.   | <input checked="" type="checkbox"/> |  |  |

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Compliance of Condition No. 1.5(xxi)

## The pattern of Shareholding as on 30th June, 2024

(a) Parent/Subsidiary/Associated companies and other related parties (name wise details):  
N/A

(b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details):

| SL No. | Name of Directors                               | Number of Shareholding | Name of Spouse                             | Shares hold by the spouse/ Children |
|--------|---|------------------------|--|-------------------------------------|
| 01     | Directors:                                      |                        |  |                                     |
|        | Md. Mizanur Rahman (appointed as on 04.03.2024) | 2,23,725               | Mrs. Ayesha Sultana                        | --                                  |
|        |   |                        | Mohammed Munsur Ahmed (late on 03.03.2024) | 7,98,864                            |
|        | Zahura Khatun                                   | 3,20,650               | Mohammed Shahajan (late on 28.01.2020)     | 7,18,700                            |
|        | Md. Ayub Khan                                   | 3,59,675               | Mrs. Nazma Ferdousi                        | --                                  |
|        | Farida Rahman                                   | 4,10,487               | Wadud Mia                                  | --                                  |
|        | Yeasmeen Zaman                                  | 3,42,512               | Kamruzzaman (Kamrul)                       | --                                  |
|        | Shamima Akter                                   | 3,20,650               | Md. Aslam                                  | --                                  |
|        | Md. Amzad Hossain (Independent Director)        | --                     |  | --                                  |
|        | Md. Mahmudul Hassan (Independent Director)      | --                     |  | --                                  |
| 02     | Chief Executive Officer Zahura Khatun           | 3,20,650               | Mohammed Shahajan (late on 28.01.2020)     | 7,18,700                            |
| 03     | Company Secretary Mohammed Romzan Ali           | --                     |  | --                                  |
| 04     | Chief Financial Officer Md. Nazrul Islam        | --                     |  | --                                  |

(C) Executives (Top five salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit):

| Name              | Designation                 | Shares held |
|-------------------|-----------------------------|-------------|
| Md. Sabbir Mirdha | Head of Accounts Department | --          |
| Md. Kamal Uddin   | Manager (Factory)           | --          |

(d) Shareholders holding ten percent (10%) or more voting interest in the company (name wise details): N/A

## AUDIT COMMITTEE REPORT

### Background

In accordance to the best practices of Corporate Governance as per Notification of Bangladesh Securities and Exchange Commission (BSEC) No. SEC/CMRRC/2006-158/129/Admin/43 dated 7 August 2012, issued under section 2CC of the Securities and Exchange Ordinance, 1969.

### Composition of the Audit Committee

The Audit Committee is now composed of the following members:

|   |                             |
|---|-----------------------------|
| Mr. Md. Amzad Hossain, Independent Director | Chairman of Audit Committee |
| Mrs. Farida Akter, Director                 | Member of Audit Committee   |
| Mr. Shamima Akter                           | Member of Audit Committee   |
| Mr. Mohammed Romzan Ali                     | Company Secretary           |

The Chief Financial Officer attends the meeting by invitation only as and when necessary. The Company Secretary functions as the Secretary of the Audit Committee.

### Meeting

During the year ended 30th June 2024, the Audit Committee held four meetings. Proceedings of the Audit Committee Meetings were reported regularly to the Board of Directors. The details of attendance of the Audit Committee Members have been shown as below:

Audit committee meeting and attendance during the year ended 30th June 2024

| Name of Members     | No. of Meeting Held | No. of Meeting attended |
|---------------------|---------------------|-------------------------|
| Md. Amzad Hossain   | 3                   | 3                       |
| Farida Akter        | 3                   | 3                       |
| Shamima Akter       | 3                   | 3                       |
| Mohammed Romzan Ali | 3                   | 3                       |



## Role of the Audit Committee

The Audit Committee assisted the Board of Directors in fulfilling its responsibilities regarding the Company's accounting and financial reporting process by monitoring the following:

- ❖ the integrity of the Company's financial statements
- ❖ the independence, qualifications and performance quality of its external auditors
- ❖ the Company's system of internal controls
- ❖ the performance of the Company's internal audit process
- ❖ the Company's compliance with laws, regulations and codes of conduct with a view to safeguard the interest of all stakeholders of the Company

## Summary of Activities

The Audit Committee carried out the following activities during the financial year ended June 30, 2023

### Regularity Compliance

The Committee examined whether the Company's procedures are in place to ensure compliance with

- ❖ The laws and regulations framed by the regulatory Authorities (BSEC, DSE, CSE and RJSC)
- ❖ Internal regulations approved by the Board of Directors.

The Company is duly following the rules and regulations of the Regulatory bodies and also strictly follows areas with conflict of interest. The Committee was satisfied that the Company substantially complied with these regulatory requirements.

### Approval of Financial Policy & Procedures

Financial policy & procedures have been approved by the Board of Directors.

### Financial Reporting

The Committee assisted the Board of Directors and the management to carryout their responsibilities of preparing true and fair financial statements in accordance with the books of accounts and Bangladesh Accounting Standards by:

- ❖ Reviewing the adequacy and effectiveness of the internal control system and procedures in order to provide reasonable assurance that all transactions are accurately and completely recorded in the books of account.
- ❖ Reviewing the integrity of the process by which financial statements are prepared from the books of account
- ❖ Reviewing the process by which compliance of provision of Bangladesh Accounting Standards

### The Committee also reviewed

- ❖ The quarterly, half yearly and interim financial statements of the Company prior to recommending them for the approval by the Board.
- ❖ The annual audited financial statements of the company with external auditors prior to submission to the Board for approval. The review focused particularly on changes of accounting policy and compliance with applicable accounting standards as adopted in Bangladesh and other legal & regulatory requirements.

### Internal Control

The Committee examined whether the management has set up the appropriate compliance culture across the Company in order to ensure that all employees have a clear understanding of their roles and responsibilities. The Committee reviewed the arrangements made by the Management for building up a suitable Management Information System (MIS) including computerized systems and its applications thereof.

### Internal Audit

The committee reviewed and discussed the relevant reports of special investigations which were submitted by the Audit team are as follows:

- ❖ The annual audit plan for adequacy of scope and comprehensive coverage of these activities of the Company.
- ❖ The audit programs resource requirements for the year and assessed the performance of the internal audit functions
- ❖ The internal audit reports, audit recommendations and management responses to these recommendation and actions taken to improve the system of internal control and procedures.
- ❖ Exercise Internal Audit of Samata Leather Complex Ltd. reviews the effectiveness of Internal Audit Function including performance and compliance with professional standards. Examine audit findings and material weakness and monitor implementation of audit action plans.

The committee advised the management to take effective step for rectification of all the lapses and weakness identified by internal audit and to take utmost care, so that such weakness and lapses shall not be repeated in future. Department heads attended the meetings when their reports were discussed.

### External Audit

The Committee met with the external auditors at the conclusion of the annual audit and exchanged views on their Audit report. The Committee reviewed the findings and recommendations made by the external auditors in order to remove the weaknesses as detected in the external auditing process.

The Committee reviewed the performance of the auditors and recommended to the Board on their appointment and fees.

### Approval of Financial Statements

The Audit Committee reviewed and examined the Annual Financial Statements 2024 prepared by the Management and audited by the External Auditors FAMES & R Chartered Accountants and recommended to place the same before the Board for consideration. The Board approved the Annual Financial Statements at its Board meeting.

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## Acknowledgement

The board of Audit Committee expressed its sincere thanks to the Chairman and members of the Board, management and the Auditors for their support in carrying out its duties and responsibilities effectively.

On behalf of the Audit Committee,

(Mr. Md. Amzad Hossain)  
Chairman of Audit Committee

## NOMINATION AND REMUNERATION COMMITTEE REPORT

### Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee (NRC) was also established on 15th October, 2018 at the Board of Directors meeting as a sub- Committee of the Board and has control over Samata Leather Complex Limited. The NRC is comprised of 3 (Three) member of the Board including 1 (One) Independent Directors. Independent Director is acting as the Chairperson of the Nomination and Remuneration Committee. The NRC assists the Board.

In compliance with the Corporate Governance Code 2018, the Board of Directors of Samata Leather Complex Limited established a Nomination and Remuneration Committee on 15th October, 2018 at the Board of Directors Meeting as per Circulation and Status of compliance with the conditions imposed by the Commissions Notification No. BSEC/CMRRCD/2006-158/207/Admin/88 dated 03 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969. The Nomination and Remuneration Committee ("NRC") to assist the Board broadly in formulation of policy with regard to determining qualifications, positive attributes, experiences, remuneration mainly for directors and top level executives. A brief of the NRC and its roles, responsibilities and functions are appended below:

### Composition of the Nomination and Remuneration Committee (NRC) Committee

The NRC Committee is now composed of the following members:

| Name                | Position in Company  | Position in Audit Committee |
|---------------------|----------------------|-----------------------------|
| Md. Mahmudul Hassan | Independent Director | Chairman                    |
| Yeasmeen Zaman      | Director             | Member                      |
| Shamima Akter       | Director             | Member                      |

The Chief Executive Officer, Head of Internal Audit, Chief Financial Officer (CFO) attends the meeting by invitation only as and when necessary. The Company Secretary functions as the Secretary of the Nomination and Remuneration Committee (NRC) Committee.

### Meeting

During the year ended 30<sup>th</sup> June 2024, the Audit Committee held one meeting. Proceedings of the Nomination and Remuneration Committee meetings were reported to the Board of Directors. The details of attendance of the Nomination and Remuneration Committee members are shown below:

**Nomination and Remuneration Committee meeting and attendance during the year ended 30<sup>th</sup> June, 2024**

| Name of Members     | No. of Meeting held | No. of Meeting attended |
|---------------------|---------------------|-------------------------|
| Md. Mahmudul Hassan | 1                   | 1                       |
| Yeasmeen Zaman      | 1                   | 1                       |
| Shamima Akter       | 1                   | 1                       |

**Role of the Nomination and Remuneration Committee**

Major responsibilities of the Nomination and Remuneration Committee are as follows:

- Recommend a policy on Board's diversity taking into consideration age, gender, experience, education, ethnicity and nationality;
- Formulate the criteria for determining qualification and independence of Directors;
- Identify persons who are qualified to become Directors and in top level executives and recommend their appointment and removal;
- Formulate the criteria for evaluation of performance of Independent Directors and the Board;
- Recommend a policy to the Board relating to the remuneration of the Directors, and top level executives;
- Assess that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors to run the company successfully;
- Evaluate that remuneration to Directors and top level executives involves a balance between fixed and incentive pay reflecting short and objectives appropriate to working of the company.
- Identify the Company's needs for employees at different levels and lay down the criteria of their selection, transfer or replacement and promotion;
- Review annually the Company's human resources and training policies; and
- Recommend the Code of Conduct for the Chairman of the Board, other Board Members and Chief Executive Officer of the Company.

**Nomination, Election and Selection of Directors**

The NRC is responsible to ensure that the procedures for appointing new Directors are transparent and Rigorous. The Board places great emphasis on ensuring its membership reflecting diversity in broader sense. A combination of age, gender, experience, Governance Nomination and Remuneration Committee Report Ethnicity, educational background, nationality and other relevant personal attributes in the Board is Important in providing a range of perspectives, insights and challenges needed to support right decision making. Recruitment and selection processes for Board members identify candidates with the most suitable skills, knowledge, experiences and personal values.

**Evaluation of the Board**

The NRC is responsible for ensuring the effectiveness of the Board. The Board shall carry out an evaluation once a year of its work, functions, performance as well as monitoring of internal

control over financial Reporting for the preparation of external financial statements and the safeguarding of assets. The evaluation process is led by the Chairman of the Board and assisted by the Company Secretary. Each Director is required to complete a confidential pre-set questionnaire. The evaluation includes a review of the administration of the Board and its committees covering their operations, agenda, reports, and information produced for consideration, and relationship with Management.

### **Top Level Executive Selection and Remuneration Policy**

The performance of the Company depends upon the quality of its Directors and Top Level Executives. To Prosper, the Company must attract, motivate and retain highly skilled Directors and Executives.

The Recruitment process for Top Level Executives shall be transparent.

The objective of remuneration policy is to secure that reward for Top Level Executives shall contribute to attracting, engaging and retaining the right employees to deliver sustainable value for shareholders.

### **Remuneration for Board of Directors**

Each Director shall receive reasonable remuneration from the Company for every meeting attended, plus travelling expenses from and to usual place of residence and an allowance per day for the number of days spent attending, travelling to and returning from Board meetings. The amounts will be determined by the Shareholders at the General Meeting.

### **Acknowledgement**

The Board of NRC Committee expressed its sincere thanks to the Chairman and Members of the board, management and the auditors for their support in carrying out its duties and responsibilities effectively.

On behalf of the Nomination and Remuneration Committee



**Md. Mahmudul Hassan**

Chairman of Nomination and Remuneration Committee

November 24, 2024

The Board of Directors  
SAMATA LEATHER COMPLEX LTD.

Subject: CEO and CFO's Declaration to the Board.

Dear Sir,

Compliance with the condition no. 6 imposed by Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969.

We do hereby certify to the Board that:

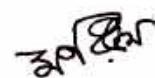
- (1) We have reviewed financial statements of the company for the year ended 30 June 2024, and to the best of our knowledge and belief:
  - (a) These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
  - (b) These statements together present true and fair view of the company's affairs and are in compliance with Bangladesh Accounting Standards (BAS) and other applicable laws.
- (2) There are, to the best of our knowledge and belief, no transaction entered into by the company during the year which is fraudulent, illegal or violation of the company's code of conducts.

Sincerely yours,

জাহুরা খাতুন

(Zahura Khatun)

Chief Executive Officer (CEO)/MD.



(Md. Nazrul Islam)

Chief Financial Officer (CFO)



Hossain Tower (11th Floor), 116 Naya Paltan, Box Culvert Road, Dhaka-1000  
 Cell: +88 01819 207889, 01819 496565, 01783 294818, 01713 008193, 01675 676963  
 E-mail: haque.fouzia@gmail.com, hoquezhc@yahoo.com, fm rashid@yahoo.com  
 shafi.selim1960@gmail.com, disha.arif4@gmail.com

**Independent Auditors' Report**  
**To the Shareholders of**  
**Samata Leather Complex Limited**  
**Report on the Audit of the Financial Statements**

**Qualified Opinion**

We have audited the Financial Statements of "Samata Leather Complex Limited" which comprise the Statement of Financial Position as at June 30, 2024 and Statement of Profit or Loss & Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matters described in the basis for Qualified Opinion section of our report, the accompanying Financial Statements gives a true and fair view, in all material respects, of the Financial Position of the company as at June 30, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), The Companies Act 1994, The Securities and Exchange Rules 2020 and other applicable laws and regulations.

**Basis for Qualified Opinion**

01. Inventory comprises closing stock of raw materials, Work in progress, finished goods and others amounting to Tk.13,818,079 against which the management provided only inventory certificate for the same.
02. Proportionate Transfer of Workers Profit Participation Fund to Workers Welfare Foundation Fund established under section 14 of Bangladesh Workers Welfare Foundation Act, 2006, has not been made in accordance with section 234 of Labor Act 2006 (amended in 2015).
03. Provision for lifetime expected credit loss on debtors has not been made as required by para 5.5.15 of IFRS 9.
04. Para 31 and 34 of IAS 16 for sufficient regularity and frequency of revaluation respectively has not been complied.

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for qualified opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and informing our opinion thereon, and we do not provide separate opinion on these matters.

| Risk                            | Revenue Recognition  |
|---------------------------------|--|
| <b>Our response to the risk</b> | <p>We identified revenue recognition as key audit matter and a significant risk of material misstatement because of the risk related to the timing and accuracy of the recognized amounts of revenue. The total revenue generated for the year ended was Taka 55,969,666.</p> <p>➤ Our audit procedures comprised the testing of internal controls in connection with the revenue recognition including the application controls in the most important IT applications impacting the financial reporting. We performed analytical procedures that focused on analyzing the</p> |

|   |   |
|---|---|
| <p>The timing of the revenue recognition and realization increases the risk of exposure of revenue to foreign exchange fluctuations.</p> <p>There is a risk that invoices may be issued to local customers or Government &amp; Non-Government Institutional customers erroneously. There may be duplication of invoice placed to customers as there is huge number of customers.</p> <p>There is also a risk that revenue may be overstated /understated due to the timing differences.</p>   | <p>development of turnover. In addition, we performed audit procedures such as compared revenue transactions near year end to the supporting documentation, analyzed general ledger journal entries in order to identify abnormal entries as well as compared trade receivables to the payments received.</p> <ul style="list-style-type: none"> <li>➤ Segregation of duties in invoice creation and modification (if any) and timing of revenue recognition.</li> <li>➤ Obtaining supporting documents for sale transactions recognized during the year with the sale invoices and other relevant underlying documents.</li> </ul>   |
| <p>We focused on this area as recognition of revenue involves significant judgment and estimates made by management including whether contracts contain multiple performance obligations which should be accounted for separately and the most appropriate method for recognition of revenue for identified performance obligations. This comprises allocation of consideration to the individual performance obligations of multi-element contracts as noted above, assessing whether performance obligations under supply and installation contracts are satisfied at a point in time or over time.</p> | <ul style="list-style-type: none"> <li>➤ We read a sample of contracts to assess whether the method for recognition of revenue was relevant and consistent with IFRS-15 and had been applied consistently. We focused on contract classification, allocation of income and cost to the individual performance obligations and timing of transfer of controls. Where a contract contained multiple elements, we considered Management's judgments as to whether they comprised performance obligations that should be accounted for separately and in such cases, challenged the judgments made in the allocation of the consideration to each performance obligation.</li> <li>➤ We evaluated and challenged the significant judgments and estimates made by management in applying the company's accounting policy to a sample specific contracts and separable performance obligations of contracts and we obtained evidence to support including details of contractual agreements, delivery records, receipts and project plans.</li> </ul> |
| <p><b>Please see to the Statement of profit or loss &amp; other Comprehensive Income.</b></p>   |   |
| <p><b>Valuation of Inventory</b></p> <p>As at June 30, 2024 the reported amount of inventory is Taka 13,818,079 held in factory premises.</p> <p>Most of the inventories are of specialized in nature and required to be maintained in controlled environment. Regular monitoring is required as the inventories are material by its value, quantity and its nature.</p> <p>On the reporting date, inventories are carried at the lower of cost and net realizable value. As such, the companies apply judgment in determining the appropriate values of inventory in</p>                                 | <p>We verified the appropriateness of, management's assumptions applied in calculating the value of the inventory as per International Accounting Standards (IASs) by:</p> <ul style="list-style-type: none"> <li>➤ Evaluating the design and implementation of key inventory controls operating across the factory.</li> <li>➤ We have reconciled the inventory with purchase production and sales to ensure the physically shown stock at the factory.</li> <li>➤ Obtaining a detailed review with the subsequent sales to compare with the net realizable value.</li> </ul>  |

|  |  |
|--|--|
| accordance with International Accounting Standards.  |  |
| Considering the risk as stated above the valuation of Inventory is a key audit matter to the Financial Statements.   |  |
| <b>Please see note no. 07 to the Financial Statements</b>  |  |
| <b>Valuation of Tangible Fixed Assets</b>  |  |
| <p>The carrying value of the tangible fixed assets is Tk. 62,195,824 as at June 30, 2024. The valuation of tangible fixed assets was identified as a key audit matter due to significance of this balance to the Financial Statements.</p> <p>The expenditures are classified as an asset, if it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.</p> <p>The useful lives of tangible fixed assets items are based on management's estimates regarding the period over which an asset is expected to be available for use. The estimates of the useful life of the assets is a matter of judgments based on the experience of the entity with similar assets and also take into consideration the physical condition of the assets.</p>   | <p>Our audit included the following procedures:</p> <ul style="list-style-type: none"> <li>➤ We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent.</li> <li>➤ We obtained a listing of capital expenditures incurred during the year and, on a sample basis, checked whether the items were procured during the year.</li> <li>➤ We evaluated whether the useful lives determined and applied by the management were in line with the nature of assets, the physical condition of the assets and its uses.</li> <li>➤ We checked whether the depreciation of tangible fixed assets items was commenced from the date of ready to use and found the depreciation had been started accordingly.</li> </ul>  |
| <b>Please see note no. 05 to the Financial Statements</b>  |  |
| <b>Recoverability Assessment of Bills Receivable</b>   |  |
| <p>The total amount of Bills Receivable is Taka 24,011,820 at 30 June 2024. There are significant large numbers of individual customers. Customers in different business segments and jurisdictions are subject to their independent business risk.</p> <p>The increasing challenges over the economy and operating environment in developing the software and sale of service during the year have increased the risks of default on receivables from the customers. In particular, in the event of insolvency of customers, the company is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations in accordance with the requirements of the agreements.</p> <p>Accordingly, we identified the recoverability of receivables as a key audit matter because of the significance of receivables to company's Financial Position and because of the significant degree of management judgment involved in evaluating the adequacy of the allowance for doubtful debts.</p> | <p>Our audit procedures of assess the recoverability of trade receivables including the following:</p> <ul style="list-style-type: none"> <li>➤ Tested the accuracy of aging of receivables at year end on a sample basis;</li> <li>➤ Evaluating the Company's policy for making allowance for doubtful debts with reference to the requirements of the prevailing accounting standards;</li> <li>➤ Assessing the classification of account receivables in the debtors ageing report by comparison with sales invoice and other underlying documentation on a taste basis;</li> <li>➤ Assessed the recoverability of the debtors on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers and</li> <li>➤ Inspecting subsequent bank receipts from customers and other relevant underlying documentation relating to account receivable balances at June 30, 2024.</li> </ul> |
| <b>Please see note no. 08 to the Financial Statements</b>  |  |

## Other Information

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the Financial Statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls**

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with IFRSs, The Companies Act 1994, The Securities and Exchange Rules 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 require the management to ensure effective internal audit, internal control and risk management functions of the company.

In preparing the Financial Statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our

conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and event in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the Financial Statements we are responsible for the direction, supervision and performance of the company audit. We are solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

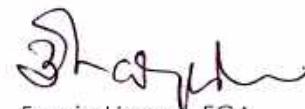
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, and The Securities and Exchange Rules 2020 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by laws have been kept by the company so far as it appeared from our examinations of those books;
- c) The Statement of Financial Position, Statement of Profit or Loss & Other Comprehensive Income and Statement of Changes in Equity and Statement of Cash Flows of the Company dealt with by the report are in agreement with the books of accounts and returns; and
- d) The expenditure incurred was for the purpose of the Company's business.



Fouzia Haque, FCA

Partner

FAMES & R

Chartered Accountants

DVC # 2412091032AS339116

Date : 09 December, 2024

Place : Dhaka

# ANNUAL REPORT

2023-2024



## Samata Leather Complex Ltd.

120, Sher-E-Bangla Road, Hazaribagh, Dhaka 1209

### Statement of financial position

AS AT 30TH JUNE 2024

| Particulars                            | Notes | Amount in Taka     |                    |  |
|--|-------|--------------------|--------------------|--|
|  |       | 30.06.2024         | 30.06.2023         |  |
| <b>Assets</b>                          |       |                    |                    |  |
| <b>Non -Current Assets:</b>            |       |                    |                    |  |
| Property , Plant and Equipment         | 05    | 62,195,824         | 65,483,424         |  |
| Construction Work-in-Progress          | 06    | 31,668,532         | 31,668,532         |  |
| <b>Total Non-Current Assets</b>        |       | <b>93,864,356</b>  | <b>97,151,956</b>  |  |
| <b>Current - Assets</b>                |       |                    |                    |  |
| Inventories                            | 07    | 13,818,079         | 14,344,650         |  |
| Bills Receivable                       | 08    | 24,011,820         | 19,157,687         |  |
| Advance, Deposits & Pre-payment        | 09    | 36,041,994         | 38,647,891         |  |
| Cash & Cash equivalents                | 10    | 1,115,297          | 1,881,063          |  |
| <b>Total Current Assets</b>            |       | <b>74,987,190</b>  | <b>74,031,291</b>  |  |
| <b>Total Assets</b>                    |       | <b>168,851,546</b> | <b>171,183,247</b> |  |
| <b>Equity &amp; Liabilities</b>        |       |                    |                    |  |
| <b>Shareholder's Equity:</b>           |       |                    |                    |  |
| Share Capital                          | 11    | 103,200,000        | 103,200,000        |  |
| Capital Reserve                        |       | 93,118,273         | 93,118,273         |  |
| Revaluation Reserve                    | 12    | 17,554,618         | 18,400,964         |  |
| Retained Earnings                      | 13    | (65,575,690)       | (66,751,984)       |  |
| <b>Total Shareholder's Equity</b>      |       | <b>148,297,201</b> | <b>147,967,253</b> |  |
| <b>Liabilities</b>                     |       |                    |                    |  |
| <b>Non -Current Liabilities</b>        |       |                    |                    |  |
| Deferred tax liability                 | 14    | 4,886,242          | 4,817,271          |  |
| <b>Current Liabilities:</b>            |       |                    |                    |  |
| Accounts payable                       | 15    | 99,751             | 2,265,800          |  |
| Liabilities for expenses               | 16    | 4,924,217          | 6,109,783          |  |
| Provision for Income tax               | 17    | 10,644,135         | 10,023,139         |  |
| Advance Received from BSCIC            | 18    | -                  | -                  |  |
| <b>Total Current Liabilities</b>       |       | <b>20,554,345</b>  | <b>23,215,994</b>  |  |
| <b>Total Equity and Liabilities</b>    |       | <b>168,851,546</b> | <b>171,183,247</b> |  |
| <b>Net Asset Value (NAV) per Share</b> | 28    | <b>14.37</b>       | <b>14.34</b>       |  |

The annexed notes form an integral part of the financial statements

জহুরা খাতুন

Zahura Khatun  
Managing Director

Ayub Khan  
Director

ফারিদা রহমান

Farida Rahman  
Director

Mohammed Romzan Ali  
Company Secretary

Signed in terms of our separate report of even date annexed.

FAMES & R

Chartered Accountants  
DVC # 2412091032AS339116

Date: 09 December, 2024

Place: Dhaka

## Samata Leather Complex Ltd.

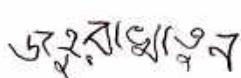
120, Sher-E-Bangla Road, Hazaribagh, Dhaka 1209

## Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30TH JUNE 2024

| Particulars   | Notes | Amount in Taka   |                  |
|---|-------|------------------|------------------|
|   |       | 30.06.2024       | 30.06.2023       |
| Sales   | 19    | 55,969,666       | 43,174,086       |
| Less: Cost of Sales                                   | 20    | 50,443,892       | (37,458,091)     |
| <b>Gross Profit</b>                                   |       | <b>5,525,774</b> | <b>5,715,995</b> |
| Administrative Expenses                               | 21    | (4,894,474)      | (3,325,109)      |
|   |       | <b>631,300</b>   | <b>2,390,886</b> |
| Selling expenses                                      | 22    | 49,969           | -                |
| <b>Net operating Profit/(Loss) for the year</b>       |       | <b>581,331</b>   | <b>2,390,886</b> |
| Add: Non- Operating Income                            | 23    | 870,870          | 1,120,890        |
| <b>Profit for the year before financial charges</b>   |       | <b>1,452,201</b> | <b>1,269,996</b> |
| Less: Foreign Exchange Loss                           |       | 48,051           | -                |
| Less: Financial charges                               | 24    | 67,856           | (47,348)         |
| <b>Profit for the year before WPPF and Income Tax</b> |       | <b>1,336,294</b> | <b>1,222,648</b> |
| Less: Provision for WPPF                              | 25    | 63,633           | 58,221           |
| <b>Profit for the year before Tax</b>                 |       | <b>1,272,661</b> | <b>1,164,427</b> |
| Less: Current Tax                                     | 26    | (667,343)        | (670,672)        |
| Deferred Tax income/(expenses)                        | 27    | (68,970)         | (93,285)         |
| <b>Net profit for this year</b>                       |       | <b>536,348</b>   | <b>400,470</b>   |
| <b>Earning Per Share (EPS)</b>                        | 29    | <b>0.05</b>      | <b>0.04</b>      |

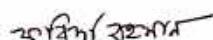
The annexed notes form an integral part of the financial statements



 Zahura Khatun  
Managing Director



 Ayub Khan  
Director

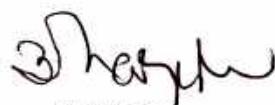


 Farida Rahman  
Director



 Mohammed Romzan Ali  
Company Secretary

Signed in terms of our separate report of even date annexed



FAMES &amp; R

 Chartered Accountants  
DVC # 2412091032AS339116

Date: 09 December, 2024

Place: Dhaka

# ANNUAL REPORT

2023-2024



FAMES & R  
Chartered Accountants

**Samata Leather Complex Ltd.**  
120, Sher-E-Bangla Road, Hazaribagh, Dhaka 1209  
**Statement of Changes in Equity**  
FOR THE YEAR ENDED 30TH JUNE 2024

| Particulars                     | Share Capital      | Capital Reserve   | Re-valuation Reserve | Retained Earnings   | Total              |
|---------------------------------|--------------------|-------------------|----------------------|---------------------|--------------------|
| On 1st July 2023                | 103,200,000        | 93,118,273        | 20,269,410           | (68,620,430)        | 147,967,253        |
| Adjustment for the year         | -                  | -                 | (846,346)            | 846,346             | -                  |
| Profit/(Loss) During the year   | -                  | -                 | -                    | 536,348             | 536,348            |
| Less : Dividend paid            | -                  | -                 | -                    | (206,400)           | (206,400)          |
| <b>Balance as on 30.06.2024</b> | <b>103,200,000</b> | <b>93,118,273</b> | <b>19,423,064</b>    | <b>(67,444,136)</b> | <b>148,297,201</b> |

**Statement of Change in Equity**  
For the Year Ended June 30, 2023

| Particulars                     | Share Capital      | Capital Reserve   | Re-valuation Reserve | Retained Earnings   | Total              |
|---------------------------------|--------------------|-------------------|----------------------|---------------------|--------------------|
| On 1st July 2022                | 103,200,000        | 93,118,273        | 19,335,187           | (68,086,677)        | 147,566,783        |
| Adjustment for the year         | -                  | -                 | 934,223              | (934,223)           | -                  |
| Profit/(Loss) During the year   | -                  | -                 | -                    | 400,470             | 400,470            |
| Less : Dividend paid            | -                  | -                 | -                    | -                   | -                  |
| <b>Balance as on 30.06.2023</b> | <b>103,200,000</b> | <b>93,118,273</b> | <b>20,269,410</b>    | <b>(68,620,430)</b> | <b>147,967,253</b> |

Zahura Khatun  
Managing Director

Ayub Khan  
Director

Farida Rahman  
Director

Mohammed Romzan Ali  
Company Secretary

Date: 09 December, 2024

Place: Dhaka

**Samata Leather Complex Ltd.**  
120, Sher-E-Bangla Road, Hazaribagh, Dhaka 1209  
**Statement of Cash Flows**  
FOR THE YEAR ENDED 30TH JUNE 2024

| Particulars  | Notes | Amount in Taka   |                  |
|--|-------|------------------|------------------|
|  |       | 30.06.2024       | 30.06.2023       |
| <b>CASH FLOW FROM OPERATING ACTIVITIES:</b>                    |       |                  |                  |
| Receipts from customer & others                                |       | 51,986,403       | 42,848,569       |
| Paid to suppliers, employees & others                          |       | (51,878,426)     | (39,957,771)     |
| Income Tax Paid  |       | (667,343)        | (3,600,135)      |
| <b>Net Cash in flows/(out flows) from operating activities</b> |       | <b>(559,366)</b> | <b>(709,337)</b> |
| <b>CASH FLOW FROM INVESTING ACTIVITIES:</b>                    |       |                  |                  |
| Acquisition of Fixed Assets & Savar construction               |       | -                | (21,405)         |
| Add: Disposal of Fixed Assets                                  |       | -                | 429,797          |
| <b>Net Cash in flows/(out flows) from investing activities</b> |       | <b>-</b>         | <b>408,392</b>   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES:</b>                    |       |                  |                  |
| Received from BSCIC  |       | -                | -                |
| Cash credit loan(paid)/received                                |       | -                | -                |
| Payment of Dividend  |       | (206,400)        | -                |
| <b>Net Cash in flows from Financing activities</b>             |       | <b>(206,400)</b> | <b>-</b>         |
| <b>Increase/(Decrease) Cash &amp; Bank Balance</b>             |       | <b>(765,766)</b> | <b>(300,945)</b> |
| <b>Cash &amp; Bank Balance at Opening</b>                      |       | 1,881,063        | 2,182,008        |
| <b>Cash &amp; Bank Balance at Closing</b>                      |       | <b>1,115,297</b> | <b>1,881,063</b> |
| <b>Net Operating Cash flow (NOCF) per Share</b>                | 30    | <b>(0.05)</b>    | <b>(0.07)</b>    |

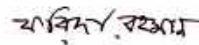
(The annexed notes form an integral part of the financial statements)


 Zahura Khatun

Zahura Khatun  
Managing Director


 Ayub Khan

Ayub Khan  
Director


 Farida Rahman

Farida Rahman  
Director


 Mohammed Romzan Ali

Mohammed Romzan Ali  
Company Secretary

Date: 09 December, 2024

Place: Dhaka

**Samata Leather Complex Ltd.**  
**Notes to the Accounts**  
For the year ended 30th June 2024

**1.00 Reporting Entity:**

**1.01 Background of the Company**

Samata Leather Complex Ltd. is a public limited company incorporated on 04 October 1990 under the Bangladesh Companies Act having its registered office at 120 Sher-E-Bangla Road, Hazaribagh, Dhaka-1209. The company was initially registered as a private limited company and subsequently converted into a public limited company on 30 January 1997 and listed its share with both Dhaka and Chittagong Stock Exchanges.

**1.02 Nature of Business**

The company has been engaged in the business of hides and skin processing industry to produce exportable crust and finished leather.

**2.00 Summary Significant Accounting Policies:**

**2.01 Basis of Preparation, Presentation and Disclosure of the Financial Statements**

The Financial statements of the company have been prepared on going concern basis under historical cost convention. The Accounting Principles have been consistently followed in accordance with International Accounting Standard (IAS)/International Financial Reporting Standard (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). The Statement of Financial Position and Statement of Comprehensive Income have been prepared according to IAS-1 "Presentation of Financial Statements" based on accrual basis of accounting following going concern assumption under generally accepted accounting principles and practices in Bangladesh and Statement of Cash Flows according to IAS-7 "Statement of Cash Flows".

**2.02 Accounting Conventions & Assumptions**

The financial Statements are prepared under the historical cost convention except property, plant and equipment which was taken as revalued in the year 1997 and at cost for addition after the year 1997.

**2.03 Changes in Accounting Policies and Estimates:**

Compared to the previous year, there were no significant changes in the accounting and valuation policies affecting the financial position and performance of the Company. However, changes made to the presentation are explained in the note for each respective item. Accounting and valuation methods are disclosed for reasons of clarity. The Company classified the expenses using the function of expenses method as per IAS-1.

**2.04 Going Concern**

The company has adequate resources to continue in operation for the foreseeable future. For this reason the the directors continue to adopt going concern basis in preparing the financial statements.

**2.05 Components of the Financial Statements**

- i) Statement of Financial Position;
- ii) Statement of Profit or Loss & other Comprehensive Income for the year ended;
- iii) Statement of Changes in Equity ;
- iv) Statement of Cash Flows; and
- v) Accounting Policies & Explanatory Notes.

**2.06 Application of Standards**

The following IASs and IFRSs are applied for the financial statements of the year under review:

IAS-1 Presentation of Financial Statements;

IAS-2 Inventories;

IAS-7 Statement of Cash Flow;

IAS-8 Accounting Policies, Changes in Accounting Estimates and Errors;

IAS-10 Events after the Balance Sheet Date;

IAS-12 Income Taxes;

IAS-16 Property, Plant and Equipment;

IAS-18 Revenues;

IAS-19 Employee Benefits;

IAS-21 The Effects of Changes in Foreign Exchange Rates;

IAS-24 Related Party Disclosures;

IAS-33 Earnings per Share;

IAS-34 Interim Financial Reporting;

IAS-36 Impairment of Assets;

IAS-38 Intangible Assets;

IAS-39 Financial Instrument: Recognition and Measurement;

IFRS-7 Financial Instrument: Disclosure;

IFRS-9 Financial Instrument;

## 2.07 Legal Compliance

The Financial Statements have been prepared and the disclosures of information were made in compliance with requirements of the Companies Act 1994, Securities and Exchange Rules 1987, Listing Regulations of Dhaka Stock Exchange Limited (DSE) and other relevant laws and regulations as applicable in Bangladesh.

## 2.08 Property, Plant and Equipment:

### a. Recognition and Measurement

In compliance with IAS-16 (Property, Plant and Equipment) items of Property, Plant and Equipment (PPE), has been measured at revalued amount on 1997 and thereafter all additions at cost less accumulated depreciation excluding land. The cost of an item of PPE comprises its purchase price, import duties and non-refundable taxes after deducting trade discount and rebates and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner.

### b. Subsequent Costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The day to day maintenance cost, on PPE, is recognized as expenses in the Statement of Comprehensive Income as incurred.

### c. Depreciation

Depreciation is charged on reducing balance method at cost on all Property, Plant and Equipment except for Land & Land Development at varying rates as shown in the Schedule. Depreciation is fully charged on acquisition of property, plant and equipment during the year.

### d. Impairment of Assets

All assets have been reviewed according to IAS-36 and it was confirmed that no such assets have been impaired during the year and for this reason no provision has been made for impairment of assets.

## 2.09 Insurance

As the whole amount has been incurred for factory & machinery it has been charged to factory overhead.

## 2.10 Inventories

Inventories are assets held for sale in the ordinary course of business, in the process of production of such sale or in the form of materials or supplies to be consumed in the production process. Inventories are stated at the lower of costs or Net Realizable Value in the compliance to the requirements of IAS-2. Costs including an appropriate portion of fixed and variable overhead expenses are assigned to inventories by the method most appropriate to the particular class of inventory. Net Realizable Value represents the estimated selling price for the inventories less all estimated cost of completion and cost necessary to make the sale. Physical verification of Inventory as on 30-06-2023 was duly taken and quantitative analysis together with valuation thereof has been made accordingly.

## 2.11 Cash Flow Statement

Cash Flows Statement is prepared in accordance with IAS-7 and the cash flows from operating activities have been presented under direct method as per Securities & Exchange Rules, 1987.

## 2.12 Advance

The company has no advance which may be classified as doubtful/bad of recovery. No advance was given to the company's Directors including Managing Director. There is no dues receivable from officers of the company or any of them severally or jointly and the associated undertaking.

## 2.13 Liabilities for Payable and Expenses

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company.

### Worker's Profit Participation Fund:

Due to having net loss there is no scope of provision of worker's profit participation as per Bangladesh Labour Law, 2006.

### Employee Benefits:

The company do not have any post-employment benefit plan other than short term employee benefit.

## 2.14 Taxation

Matters related to Taxation are dealt with as per provision of the Income Tax Act 2023, introduced as yet.

## 2.15 Revenue Recognition

Sales are recognized at the time of actual delivery from godown when the significant risk and reward of ownership have been transferred to the buyer. Non-operating income has been accounted for on its receipt basis.

## 2.16 Reporting Currency

The figures in the financial statements represent Bangladeshi Taka.

## 2.17 Foreign Exchange

Foreign currencies are translated into Taka at the rate prevailing on the transaction dates and the balance in hand at the close of the business at the rate prevailing on the balance sheet date.

## 2.18 Related Party Transactions

Company is not connected to any related party transaction except. No post employment benefits, other long term benefits and termination benefits were paid during the year.

## 2.19 Segment Reporting

No segment reporting is applicable for the company as required by IAS-14: "Segment Reporting" as the company operates in a single industry segment and within a single geographical territory.

## 2.20 Earning Per Share (EPS)

Earning per share is calculated in accordance with the International Accounting Standards (IAS-33: Earning per share) as adopted in Bangladesh. Earning per share has been calculated dividing the sum of earnings for the year by providing number of shares in respect of paid-up capital.

No diluted EPS is required to be calculated for the year as the total numbers of ordinary share were constant without any change.

## 2.21 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and cash at banks of the Company. Cash in hand has been physically verified by the competent authority and Cash at banks has been duly reconciled with Bank Statements.

## 3.00 Reporting Period

The reporting of the financial statements covers 12 month from 01 July 2023 to 30 June 2024.

## 4.00 Other

- i. Figures in the financial statements have been rounded off to the nearest integer;
- ii. Previous year's figures have been re-arranged where ever necessary.
- iii. These financial statements were approved by the Board of Directors on 24 November, 2024.

# ANNUAL REPORT

2023-2024



FAMES & R  
Chartered Accountants

| Amount in Taka     |                    |
|--------------------|--------------------|
| 30.06.2024         | 30.06.2023         |
| 137,694,364        | 138,976,159        |
| -                  | 21,405             |
| -                  | (1,303,200)        |
| <b>137,694,364</b> | <b>137,694,364</b> |
| 25,609,383         | 25,609,383         |
| <b>163,303,747</b> | <b>163,303,747</b> |
| 101,107,923        | 97,820,323         |
| <b>62,195,824</b>  | <b>65,483,424</b>  |

## 5.00 Property, Plant & Equipment

Details are as under:

|                                |                    |                    |
|--------------------------------|--------------------|--------------------|
| Opening Balance                | 137,694,364        | 138,976,159        |
| Addition during the year       | -                  | 21,405             |
| Less: Disposal                 | -                  | (1,303,200)        |
| Revaluation addition           | <b>137,694,364</b> | <b>137,694,364</b> |
| <b>Total Taka-(at cost)</b>    | <b>163,303,747</b> | <b>163,303,747</b> |
| Less: Accumulated Depreciation | 101,107,923        | 97,820,323         |
| <b>Total Taka</b>              | <b>62,195,824</b>  | <b>65,483,424</b>  |

Please see Annexure "A" for details

## 6.00 Construction in Progress

|                      |                   |                   |
|----------------------|-------------------|-------------------|
| Opening Balance      | 31,668,532        | 54,076,339        |
| Addition this period | -                 | 53,345            |
| Adjustment (BSCIC)   | -                 | (22,461,152)      |
|                      | <b>31,668,532</b> | <b>31,668,532</b> |

The amount Tk.22,461,152 received from Bangladesh Small and Cottage Industries Corporation (BSCIC), Govt of Bangladesh for the purpose of shifting compensation. According to IAS 20 (International Accounting Standards), as the condition (1) Completion of construction work of factory building and (2) Starting of commercial production at Saver factory were met, the amount of grant was deducted in arriving at the carrying value of the Asset (Factory building), as such the grant is recognized in income over the life of the factory building by way of a reduced depreciation charge.

## 7.00 Inventories

Name of Items

### i) Raw Hides & Wet blue:

|  |           |            |
|--|-----------|------------|
| a) Raw & W/B (Cow)- <b>Note 20 (i)</b> | 9,451,471 | 10,970,450 |
|--|-----------|------------|

### ii) Work-in-Process:

|   |   |         |
|---|---|---------|
| Wet blue, Crust & Finished- <b>Note 20 (ii)</b> | - | 566,200 |
|---|---|---------|

### iii) Other

|   |                   |                   |
|---|-------------------|-------------------|
| a) Crust & Finished                     | 2,248,863         | 925,600           |
| b) Chemicals- <b>Note 20 (iii)</b>      | 1,425,945         | 1,125,600         |
| c) Stores & Spares- <b>Note 20 (iv)</b> | 691,800           | 756,800           |
| <b>Grand Total (i+ii+iii)</b>           | <b>13,818,079</b> | <b>14,344,650</b> |

## 8.00 Bills Receivable

|                                 |                   |                   |
|---------------------------------|-------------------|-------------------|
| i) Rebate receivable            | 24,011,820        | 19,157,687        |
| <b>ii) Debtors (Note: 8.01)</b> | <b>24,011,820</b> | <b>19,157,687</b> |

## 8.01 Debtors

|                                       |           |           |
|---------------------------------------|-----------|-----------|
| A. S Leather Export                   | 350,120   | 450,120   |
| Advocat Farukul Islam                 | 35,950    | 35,950    |
| Arman Leather                         | 271,163   | 47,116    |
| Ayman Leather                         | 491,594   | 231,594   |
| Ayub Brothers Tannery                 | 605,583   | 1,536,008 |
| Bhuiyan Leather Exporter              | 666,139   | 36,616    |
| Babul Patwary                         | 1,008,952 | 259,085   |
| Bismillah Leather                     | 1,134,560 | 17,908    |
| Boishakhi Leather                     | 865,391   | 6,349,662 |
| Fakunda Leather (Bengal Peli Leather) | 50,038    | 100,038   |
| Fatema Leather                        | 2,007,405 | 1,170,098 |
| Gazi Leather                          | 290,800   | 455,075   |
| Hazi Mohammad Shohidullah             | 48,120    | 48,120    |
| Abdul Malek                           | 75,000    | -         |

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FAMES & R  
Chartered Accountants

|   | Amount in Taka    |                   |
|---|-------------------|-------------------|
|   | 30.06.2024        | 30.06.2023        |
| Simi Leather                              | 723,180           | -                 |
| Md. Humayun                               | 433,160           | -                 |
| Mr. Zaman                                 | 50,401            | -                 |
| A. N. Leather                             | 17,890            | -                 |
| H. M. N Leather                           | 440,145           | 8,584             |
| Ideal Leather                             | 563,062           | 1,467,342         |
| J & J Leather                             | 11,800            | 11,800            |
| Joylex International                      | 606,785           | 5,531             |
| J. S. Leather                             | 197,609           | 147,618           |
| K. P. S. Leather                          | 33,796            | 33,796            |
| Khan's International                      | 512,670           | 405,693           |
| Khan & Rahman                             | -                 | 860,345           |
| M A Leather                               | 871,119           | 17,720            |
| Madina Leather Complex                    | 17,720            | 17,720            |
| Mahin Leather Complex                     | 180,707           | 740,719           |
| Md. Anwar Hossain                         | -                 | 5,350             |
| M. M. Leather                             | 549,709           | 229,709           |
| Mohammadia Leather                        | 528,537           | 58,537            |
| Mr. Marshed                               | 45,512            | 45,512            |
| M R Enterprise                            | 85,650            | 85,650            |
| M Rahman & Consultants                    | 15,000            | 15,000            |
| Mukta Tannery                             | 325,000           | 275,239           |
| Muzahid Traders                           | 402,673           | 44,074            |
| Pete Chemicals                            | 500,000           | 160,729           |
| Poly Leather                              | 737,146           | 21,787            |
| Rezia Enterprise                          | 536,336           | 209,720           |
| R. H. Leather                             | 509,933           | 270,033           |
| RM Traders                                | 721,165           | 21,365            |
| RMM Leather Industries                    | 70,011            | 170,011           |
| R.S.M Enterprise                          | 300,000           | 21,570            |
| Roxy Export Co.                           | 500,000           | 60,096            |
| R. S. K. Leather Exporter (Sadar Tannery) | 533,810           | 549,596           |
| Sabuj Leather                             | 1,535,812         | 230,000           |
| Selim Chowdhury Khokon                    | 549,944           | 1,029,551         |
| Shafin Leather                            | 214,000           | 14,000            |
| Sharmin Leather                           | 382,960           | 52,960            |
| Sonal Tannery (M.F. Leather)              | 2,120,817         | 1,062,940         |
| Tamanna Leather Exporter                  | 256,946           | 40,000            |
| The Chitra Printers                       | 30,000            | 30,000            |
|   | <b>24,011,820</b> | <b>19,157,687</b> |

## 9.00 Advance, Deposits And Pre-Payments

### (a) Advance:

|   |                   |                   |
|---|-------------------|-------------------|
| Advance Income Tax (As per last A/C)                | 7,390,843         | 3,790,708         |
| Add: Paid during this year                          | <b>667,343</b>    | <b>3,600,135</b>  |
| TDS from Cash Incentives                            | 270,626           | 265,480           |
| TDS from Export Bill                                | 396,717           | 405,192           |
| Tax paid AY 2013-14                                 | -                 | 1,460,240         |
| Tax paid AY 2014-15                                 | -                 | 192,950           |
| Tax Paid AY 2019-20                                 | -                 | 625,247           |
| Tax Paid AY 2020-21                                 | -                 | 307,128           |
| Tax Paid AY 2002-03                                 | -                 | 94,086            |
| Tax Paid AY 2002-03                                 | -                 | 249,812           |
|   | <b>8,058,186</b>  | <b>7,390,843</b>  |
| Tax deducted at source (As per last A/C 30-06-2023) | 7,436,949         | 7,436,949         |
| Add: Deducted during the year                       | -                 | -                 |
|   | <b>7,436,949</b>  | <b>7,436,949</b>  |
|   | <b>15,495,135</b> | <b>14,827,792</b> |

FAMES & R  
Chartered Accountants

|   |  | Amount in Taka      |                     |
|---|--|---------------------|---------------------|
|   |  | 30.06.2024          | 30.06.2023          |
| <b>(b) Deposit &amp; Pre-payments:</b>  |  |                     |                     |
| Other Advance   |  | 200,000             | 3,473,240           |
| Dhaka Palli Bidyut Samity-3   |  | 1,196,360           | 1,196,360           |
| Titas Gas Transmission & Distribution Co. Ltd., ZMO, Jaleshwar, Savar   |  | 840,900             | 840,900             |
| CENTRAL DEPOSITORY BANGLADESH LIMITED (CDBL)  |  | 200,000             | 200,000             |
| Bangladesh Small & Cottage Industries Corporation (BSCIC)   |  | 18,109,599          | 18,109,599          |
|   |  | <b>20,546,859</b>   | <b>23,820,099</b>   |
|   |  | <b>36,041,994</b>   | <b>38,647,891</b>   |
| <b>Total (a+b)</b>  |  |                     |                     |
| <b>10.00 Cash &amp; Cash Equivalents</b>  |  |                     |                     |
| Cash in hand  |  | 1,066,971           | 859,594             |
| <b>Cash at Bank:</b>  |  | <b>48,326</b>       | <b>1,021,469</b>    |
| A) Mercantile Bank PLC A/C No. 1111000418891  |  | 18,688              | 1,015,125           |
| B) Rupali Bank PLC A/C No. 3544   |  | 470                 | 1,160               |
| C) The Premier Bank PLC A/C No. 014177  |  | 18,750              | 5,184               |
| D) IBBL 22716   |  | 4,435               | -                   |
| E) IBBL 42718   |  | 5,983               | -                   |
|   |  | <b>1,115,297</b>    | <b>1,881,063</b>    |
| <b>11.00 Share Capital</b>  |  |                     |                     |
| a) Authorised Capital   |  | <b>500,000,000</b>  | <b>500,000,000</b>  |
| 50000000 Share@TK. 10 each  |  |                     |                     |
| b) Issued, Subscribed & Paid-up Capital:  |  |                     |                     |
| i) 5,160,000 Ordinary Shares of TK10.00 each  |  | 51,600,000          | 51,600,000          |
| (Sponsor Shareholders, Directors & Placement Holder)  |  |                     |                     |
| ii) 5,160,000 Ordinary Shares of Tk10.00 each (Other Shareholders)  |  | 51,600,000          | 51,600,000          |
|   |  | <b>103,200,000</b>  | <b>103,200,000</b>  |
| <b>12.00 Revaluation Reserve</b>  |  |                     |                     |
| Opening Balance   |  | 18,400,964          | 19,335,187          |
| Less: Depreciation on revaluation   |  | (846,346)           | (934,223)           |
|   |  | <b>17,554,618</b>   | <b>18,400,964</b>   |
| <b>13.00 Retained Earnings</b>  |  |                     |                     |
| Opening Balance   |  | (66,751,984)        | (68,086,677)        |
| Add: Current year Net Profit/(loss)   |  | 536,348             | 400,470             |
| Add: Revaluation Reserve  |  | 846,346             | 934,223             |
| Less: Dividend paid   |  | (206,400)           | -                   |
|   |  | <b>(65,575,690)</b> | <b>(66,751,984)</b> |
| <b>14.00 Deferred Tax liabilities/(Assets)</b>  |  |                     |                     |
| Non-current assets as per Account base  |  | 62,195,824          | 65,483,424          |
| Non-current assets as per tax base  |  | 40,479,195          | 44,073,329          |
| Taxable temporary difference  |  | 21,716,629          | 21,410,095          |
| Effective Tax rate (%)  |  | <b>22.50%</b>       | <b>22.50%</b>       |
| Current year Deferred Tax Liabilities   |  | <b>4,886,242</b>    | <b>4,817,271</b>    |
| <b>15.00 Accounts Payable</b>   |  |                     |                     |
| This represents the sum of payable to different parties towards supply of raw hides, chemicals, etc, the make-up whereof is as under: |  |                     |                     |
| Various Parties ( <b>Note: 15.01</b> )  |  | 99,751              | 2,265,800           |
|   |  | <b>99,751</b>       | <b>2,265,800</b>    |

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FAMES & R  
Chartered Accountants

|   | Amount in Taka   |                  |
|---|------------------|------------------|
|   | 30.06.2024       | 30.06.2023       |
| <b>15.01 Liabilities to various Parties</b>         |                  |                  |
| Agrokhola Hides                                     | -                | 28,435           |
| Alam Limes Traders                                  | -                | 21,000           |
| B. S. Traders                                       | -                | 63,000           |
| Bhai Bhai Engineering Workshop                      | -                | 156,000          |
| Fakunda Leather Corporation                         | -                | 104,048          |
| Globlink Logistic Service Ltd.                      | 815              | 5,200            |
| Habibur Rahman Hobi                                 | -                | 4,273            |
| Hazi Ehsan Ali Traders                              | -                | 366,000          |
| Hazi Halim & Sons                                   | -                | 105,730          |
| Hazi Abdur Razzak & Co.                             | -                | 97,000           |
| Hazi Md. Hashem Mia                                 | -                | 590              |
| Horindhara Developers & Real Estate Ltd.            | -                | 342,973          |
| J.K. Engineering Work                               | 30,780           | 30,280           |
| Latex Ltd.  | 47,431           | 57,431           |
| Md. Anowar Hossain                                  | -                | 84,650           |
| Md. Shariful Islam                                  | -                | 70,728           |
| Mehtab-Jakir  | -                | 51,455           |
| Micro Trading Corporation                           | 20,565           | -                |
| Mukta Enterprise                                    | -                | 50,023           |
| Mother Hide & Skin                                  | -                | 250,026          |
| Md. Anowar Hossain                                  | -                | 84,650           |
| Nazrul Engineering Works                            | -                | 10,000           |
| New Ulka Carring Centre                             | -                | 60,000           |
| New Ulka Transport Agency                           | 160              | 7,440            |
| Pele chemicals                                      | -                | 65,464           |
| PRP International                                   | -                | 27,100           |
| R. M. Leather Enterprise                            | -                | 10,510           |
| S. T. Metal Works                                   | -                | 106,794          |
| Siam Trading Corporation                            | -                | 5,000            |
| <b>Sub Total</b>                                    | <b>99,751</b>    | <b>2,265,800</b> |
| <b>16.00 Liabilities For Expenses</b>               |                  |                  |
| Gas bill  | 125,250          | 199,277          |
| Newspaper   | 660              | 606              |
| Audit fee   | 100,000          | 100,000          |
| Salaries & Allowances                               | 309,115          | 515,585          |
| Wages   | 541,146          | 1,024,593        |
| Electricity & Generator Charges                     | 547,704          | 599,865          |
| WASA Bill   | 241,592          | 218,139          |
| Directors' Remuneration                             | 51,000           | 51,000           |
| Unclaimed Dividend (Sub Note-xvii)                  | 2,110,417        | 2,062,400        |
| Annual Listing fees                                 | 595,516          | 1,026,000        |
| Workers Profit Participant Fund                     | 256,817          | 193,185          |
| Compliance Audit Fee                                | 45,000           | 45,000           |
| 3% Tax deducted at source (Gas Bill)                | -                | 7,847            |
| 15% Value Added Tax on Water & Gas Bill             | -                | 66,286           |
| <b>Sub Total</b>                                    | <b>4,924,217</b> | <b>6,109,783</b> |
| <b>16.01 Unclaimed Dividend: (As per last year)</b> |                  |                  |
| Year wise break-up of the above is as follows:      |                  |                  |
| 1998-1999   | 111,965          | 111,965          |
| 1999-2000   | 99,300           | 99,300           |
| 2000-2001   | 60,950           | 60,950           |
| 2001-2002   | 78,875           | 78,875           |
| 2002-2003   | 348,600          | 348,600          |
| 2018-2019   | 1,340,530        | 1,340,530        |
| 2020-2021   | 22,180           | 22,180           |
| 2022-2023   | 48,017           | -                |
| <b>Sub Total</b>                                    | <b>2,110,417</b> | <b>2,062,400</b> |

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FAMES & R  
Chartered Accountants

|  | Amount in Taka    |                   |
|--|-------------------|-------------------|
|  | 30.06.2024        | 30.06.2023        |
| <b>17.00 Provision For Income Tax</b>          |                   |                   |
| Opening balance                                | 10,023,139        | 9,352,467         |
| Addition during the year                       | -                 | -                 |
| Tax deducted at source from incentive received | 270,626           | 265,480           |
| TDS on Export                                  | 396,717           | 405,192           |
| Income Tax Paid For F/Y 2005-2006              | (46,347)          | -                 |
|  | <b>10,644,135</b> | <b>10,023,139</b> |
| <b>18.00 Advance Received from BSCIC</b>       |                   |                   |
| Balance as on                                  | -                 | 22,461,152        |
| Addition during the year                       | -                 | -                 |
| Less: Adjusted during the year                 | -                 | <b>22,461,152</b> |
|  | -                 | 22,461,152        |
| <b>19.00 Turnover and other income</b>         |                   |                   |
| Export Sales                                   | 51,749,705        | 40,519,286        |
| Cash Incentives                                | 2,706,262         | 2,654,800         |
| Local Sale                                     | 1,513,699         | -                 |
|  | <b>55,969,666</b> | <b>43,174,086</b> |
| <b>20.00 Cost of Sales</b>                     |                   |                   |
| <b>i) Materials Consumed (Cow)</b>             |                   |                   |
| Opening Stock                                  | 10,970,450        | 12,132,177        |
| Add: Purchases                                 | 15,874,910        | 10,966,005        |
| Less: Closing Stock                            | 26,845,360        | 23,098,182        |
|  | 9,451,471         | 10,970,450        |
|  | <b>17,393,889</b> | <b>12,127,732</b> |
| <b>ii) Opening work-in-process</b>             |                   |                   |
| Add: Purchases                                 | 566,200           | 598,200           |
| Less: Closing work in process                  | -                 | 566,200           |
|  | <b>566,200</b>    | <b>32,000</b>     |
| <b>iii) Chemical Consumed</b>                  |                   |                   |
| Opening Stock                                  | 1,125,600         | 1,092,100         |
| Add;Purchase                                   | 10,364,810        | 5,762,600         |
| Less: Closing Stock                            | <b>11,490,410</b> | <b>6,854,700</b>  |
|  | 1,425,945         | 1,125,600         |
|  | <b>10,064,465</b> | <b>5,729,100</b>  |
| <b>iv) Stock &amp; Spares Consumed</b>         |                   |                   |
| Opening Stock                                  | 756,800           | 1,555,667         |
| Add: Purchases                                 | 578,460           | 811,700           |
| Less: Closing Stock                            | <b>1,335,260</b>  | <b>2,367,367</b>  |
|  | 691,800           | 756,800           |
|  | <b>643,460</b>    | <b>1,610,567</b>  |
| <b>v) Factory Overhead</b>                     |                   |                   |
| Wages  | 9,032,430         | 5,679,273         |
| Tiffin Allowances                              | 16,725            | 32,300            |
| Boiler Repairing                               | -                 | 3,970             |
| Buffing paper & repairing                      | -                 | 45,590            |
| Cleaning & Washing (Machine)                   | 600               | 12,560            |
| Depreciation (Note-1)                          | 2,294,776         | 2,540,080         |
| Electricity bill                               | 7,033,199         | 6,915,341         |
| Workers Bonus                                  | 674,000           | 623,128           |
| CEILING FAN REPAIR                             | 3,500             | -                 |
| EXHAUST FAN REPAIR                             | 5,500             | -                 |

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**ANNUAL REPORT**  
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**FAMES & K**  
Chartered Accountants

|  | <b>Amount in Taka</b> |                   |
|--|-----------------------|-------------------|
|  | <b>30.06.2024</b>     | <b>30.06.2023</b> |
| Fleshing knives & Repairing                | -                     | 43,980            |
| Gas Bills                                  | 1,877,885             | 1,058,696         |
| Generator expense                          | -                     | 64,900            |
| Hydraulic Plate M/C Repair                 | -                     | 6,570             |
| Ifter expenses                             | -                     | 11,340            |
| Lubricants                                 | -                     | 50,900            |
| Personal Proyective Equipment (PPE)        | -                     | 4,300             |
| Repairing expenses                         | -                     | 41,600            |
| Repairs & Spare parts                      | 18,760                | -                 |
| Samming M/C repairing                      | -                     | 22,340            |
| Settingout M/C Repairing                   | -                     | 18,760            |
| Shaving M /C repairing                     | -                     | 13,450            |
| Splitting M/C knives                       | -                     | 45,000            |
| Splitting M/C Repairing                    | -                     | 10,590            |
| Staking / Vibrating M/C Repairing          | -                     | 8,400             |
| Sub-Station (Electric) repairing           | -                     | 1,050             |
| Tanning Drum Repairing                     | 25,500                | 34,900            |
| Vacuum Dryer Repairing                     | -                     | 4,530             |
| WATER & SEWERAGE BILL                      | 979,470               | 175,940           |
| Air Compressor repairing                   | -                     | 2,390             |
| Wastage of crust leather removing expenses | 6,000                 | 234,014           |
| LIQUEFIED PETROLEUM GAS                    | 3,000                 | -                 |
| Effluent Treatment Bill                    | 1,127,796             | 134,014           |
|  | <b>23,099,141</b>     | <b>17,839,906</b> |
| Add: Opening Crust & Finished Leather      | 925,600               | 1,044,386         |
| Less: Closing Crust & Finished Leather     | (2,248,863)           | (925,600)         |
| <b>Total</b>                               | <b>50,443,892</b>     | <b>37,458,091</b> |

**21.00 Administrative Expenses**

|  |           |           |
|--|-----------|-----------|
| AGM Expenses                           | -         | 40,000    |
| Annual Listing fees-DSE, CSE & CDBL    | 103,200   | 45,000    |
| Audit Fees Note-13/17(a)               | 100,000   | 100,000   |
| BO Charge                              | -         | 3,000     |
| Books periodicals                      | -         | 1,150     |
| BTA Export Certificate                 | 500       | 2,000     |
| Compliance audit fees                  | 45,000    | 45,000    |
| Conveyance                             | 16,705    | 20,530    |
| Cleaning and washing                   | 600       | 7,385     |
| Depreciation Note-1                    | 146,475   | 162,133   |
| Directors' Remuneration & Allowances   | 544,000   | 612,000   |
| Dish line rent                         | 3,600     | 2,800     |
| Donation & Subscription                | 1,960     | 9,450     |
| Donation to labor welfare fund         | -         | 990       |
| Electricity & Lighting                 | 720       | 26,835    |
| Entertainment                          | -         | 6,750     |
| Fees & Tax ( Factory licence Renewal ) | -         | 450       |
| FINE FOR DUE TAX                       | 5,000     | -         |
| Fire Service Licence Renewal Fee       | -         | 1,425     |
| Medical Expenses                       | -         | 1,840     |
| Meeting Fees                           | 11,800    | 7,200     |
| Newspapers & Periodicals               | 8,052     | 5,255     |
| Notice of Newspaper                    | 6,000     | 12,000    |
| Postage                                | 400       | 5,790     |
| Salaries & Allowances                  | 3,378,880 | 1,883,655 |

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FAMES & R  
Chartered Accountants

|  | Amount in Taka   |                  |
|--|------------------|------------------|
|  | 30.06.2024       | 30.06.2023       |
| Selection Equipment  | -                | 200              |
| Security safety materials  | -                | 3,935            |
| Staff Bonus  | -                | 75,500           |
| STATIONERIES   | 2,460            | -                |
| Printing & Stationerries   |                  | 7,825            |
| Professional Service fee   | -                | 25,000           |
| Telephone & Internet bill  | 30,000           | 57,000           |
| Trade License & other Renewal  | 35,000           | 5,000            |
| Union Parishad Business Tax  | 10,000           | 10,000           |
| VAT ON OTHER INCOME RAW HIDE PROCESS   | 127,738          | 138,011          |
| VAT ON OTHER INCOME LOCAL SALE   | 197,442          | -                |
| TDS ON GAS BILLS   | 48,076           | -                |
| PHOTOCOPY BILL   | 15,785           | -                |
| VALUE ADDED TAX  | 25,081           | -                |
| VAT OFFICE EXPENSES  | 30,000           | -                |
| <b>Total Taka</b>  | <b>4,894,474</b> | <b>3,325,109</b> |
| <b>22.00 Selling Expenses</b>  |                  |                  |
| Carriage Outward   | 10,660           | -                |
| Clearing & Forwarding Expenses   | 8,500            | -                |
| Ocean Freight  | 20,395           | -                |
| Packing Expenses   | 10,414           | -                |
|  | <b>49,969</b>    | -                |
| <b>23.00 Non-operating Income</b>  |                  |                  |
| Raw Hides Process  | 870,870          | 1,120,890        |
|  | <b>870,870</b>   | <b>1,120,890</b> |
| <b>24.00 Financial Expenses</b>  |                  |                  |
| Bank Commission & Charges  | 67,856           | 47,348           |
|  | <b>67,856</b>    | <b>47,348</b>    |
| <b>25.00 Contribution to W.P.P.F.</b>  |                  |                  |
| Profit before WPPF TK. 1,336,294 /105*   | 63,633           | 58,221           |
| <b>26.00 Provision for Income Tax:</b>   | <b>667,343</b>   | <b>670,672</b>   |
| Current tax provided at the rate 22.50% on net profit. Because this amount is higher than the tax on Gross Receipt i.e ( 0.60 % on =52,42,646+2,63,700). |                  |                  |
| <b>27.00 Deferred tax expenses/(income)</b>  |                  |                  |
| Closing deferred tax liabilities   | 4,886,242        | 4,817,271        |
| Opening deferred tax liabilities   | (4,817,271)      | (4,020,341)      |
|  | <b>68,970</b>    | <b>796,930</b>   |
| <b>28.00 Net Assets Value Per Share</b>  |                  |                  |
| a) Net Assets Value  | 148,297,201      | 147,967,253      |
| b) Number of ordinary shares   | 10,320,000       | 10,320,000       |
| <b>Net Assets Value Per Share (a/b)</b>  | <b>14.37</b>     | <b>14.34</b>     |
| <b>29.00 Earning Per Share (EPS)</b>   |                  |                  |
| a) Net profit/( loss) for this year  | 536,348          | 400,470          |
| b) Number of ordinary shares   | 10,320,000       | 10,320,000       |
| <b>Earning Per Share (a/b)</b>   | <b>0.05</b>      | <b>0.04</b>      |
| <b>30.00 Net Operating Cash Flow per share:</b>  |                  |                  |
| Net Operating Cash Flow Per share has been calculated as follows:  |                  |                  |
| a) Net Cash Flow from operating activities   | (559,366)        | (709,337)        |
| b) Number of ordinary shares   | 10,320,000       | 10,320,000       |
| <b>Net Operating Cash Flow per share (a/b)</b>   | <b>(0.05)</b>    | <b>(0.07)</b>    |

# ANNUAL REPORT

2023-2024



FAMES & R  
Chartered Accountants

## 31.00 General

### a) Management Team & Remuneration:

(i) Number of Directors: Eight (8) during the year ended 30 June 2024.

#### (ii) Directors' with Remuneration:

| Name of Directors'    | Designation       | Amount per year | Amount per year | Remarks        |
|-----------------------|-------------------|-----------------|-----------------|----------------|
| 1. Zahura Khatun      | Managing Director | 204,000         | 204,000         | Full Time work |
| 2. Md. Mizanur Rahman | Director          | 136,000         | 136,000         | Do             |
| 3. Md. Ayub Khan      | Director          | 204,000         | 204,000         | Do             |
| <b>Total Taka</b>     |                   | <b>544,000</b>  | <b>544,000</b>  |                |

#### (iii) Directors' without Remuneration:

| Name of Directors'     | Designation                                 |
|------------------------|---|
| 1. Md. Mizanur Rahman  | Chairman(Acting) appointed as on 04-03-2024 |
| 2. Yeasmeen Zaman      | Director                                    |
| 3. Farida Rahman       | Director                                    |
| 4. Shamima Akter       | Director                                    |
| 5. Md. Amzad Hossain   | Independent Director                        |
| 6. Md. Mahmudul Hassan | Independent Director                        |

### b) Credit facilities not availed

There was no credit facilities that has not been availed of upto the balance sheet date.

### c) Claims against the company not acknowledge as debt:

There was no contractual claim against the company not acknowledged as debt.

### d) Contract for capital expenditure:

The company had no contract for capital expenditure as on 30-06-2024.

### e) Capacity of the industrial unit:

| Name of Items   | Capacity of Production | Actual Production | Shortage  |
|---|------------------------|-------------------|-----------|
|   | Sft                    | Sft               | Sft       |
| Crust & Finished (Including Cow, Buffalo & Split Leather) | 9,000,000              | 750,450           | 8,249,550 |

Note: Reason for above shortage is due to lack of demand/ order concerned. However it is expected that after shifting the factory at Savar and setting up modern machines export will be started at satisfactory level.

### f) Trade Debtors

Amount receivable from debtors is good and realizable.

### g) Investment and mode of valuation

During the year the company did not make any investment.

### h) Disclosure as per requirement of Schedule XI, Part II of the Companies Act, 1994 are shown in Annexure-1.

Zahura Khatun  
Managing Director

Ayub Khan  
Director

Farida Rahman  
Director

Mohammed Romzan Ali  
Company Secretary

# ANNUAL REPORT

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FAMES & R  
Chartered Accountants

## ANNEXURE-1

### Disclosure as per requirement of Schedule XI, Part II of the Companies Act, 1994:

#### A. Disclosure as per requirement of Schedule XI, Part II, Para-3, Note 4 (i) and (ii) of the Companies Act, 1994:

Employee position of the company as at 30 June, 2024

| Salary<br>(Monthly)                                      | Factory   | Officer & Staff<br>Head Office | Worker    | Total<br>Employee |
|--|-----------|--------------------------------|-----------|-------------------|
| Aggregate remuneration for the year Tk. 36,000 and above | 18        |                                | 11        | 33                |
| Aggregate remuneration for the year below Tk. 36,000.    | -         | -                              | -         | -                 |
| <b>Total</b>   | <b>18</b> |                                | <b>11</b> | <b>33</b>         |
|  |           |                                |           | <b>62</b>         |

### Disclosure as per requirement of Schedule XI, Part II, Para-3:

| Para   | Compliance status of Disclosure of Schedule XI, Part II, Para 3 |
|--|---|
| 3(i)(a) The Turnover   | Complied- Disclosed in Note No-19                               |
| 3(i)(b) t Commission paid to the selling agent   | No sales has been made by agent                                 |
| 3(i)(c) Brokerage and discount on sales, other than the usual trade discount   | Not Applicable  |
| 3(i)(d) (i) The value of the raw materials consumed, giving itemwise break-up as possible  | Complied- Disclosed in Note No-20                               |
| 3(i)(d) (ii) The opening and closing stock of goods produced   | Complied- Disclosed in Note No-07                               |
| 3(i)(e) In the case of trading companies, the purchase made and the opening and closing stocks   | Not Applicable  |
| 3(i)(f) In the case of companies rendering or supplying services, the gross income derived from services rendered or supplied.   | Not Applicable  |
| 3(i)(g) Opening and closing stocks, purchases and sales and consumption of raw materials with value and quantity break-up for the company, which falls under one or more categories i.e. manufacturing and/or trading.                 | Complied- Disclosed in Note No-20                               |
| 3(i)(h) In the case of other companies, the gross income derived under different heads.  | Not Applicable  |
| 3(i)(i) Work in progress, which have been completed at the commencement and at the end of the accounting period.   | Complied- Disclosed in Note No-20                               |
| 3(i)(j) Provision for depreciation, renewals or diminution in value of fixed assets.   | Complied- Disclosed in Note No-5                                |
| 3(i)(k) Interest on the debenture paid or payable to the Managing Director, Managing Agent and Manager.  | Not Applicable  |
| 3(i)(l) Charge of income tax and other taxation on profits   | Complied- Disclosed in Note No-25                               |
| 3(i)(m) Revised for repayment of share capital and repayment of loans.   | Not Applicable  |
| 3(i)(n)(i) Amount set aside or proposed to be set aside, to reserve, but not including provisions made to meet any specific liability, contingency or commitment, known to exist at the date as at which the Balance Sheet is made up. | Not Applicable  |
| 3(i)(n)(ii) Amount withdrawn from above mentioned reserve.   | Not Applicable  |
| 3(i)(o)(i) Amount set aside to provisions made for meeting specific liabilities, contingencies or commitments.   | Not Applicable  |
| 3(i)(o)(ii) Amount withdrawn from above mentioned provisions, as no longer required.   | Not Applicable  |

|         |  |          |
|---------|--|----------|
| 3(i)(p) | Expenditure incurred on each of the following items, separately for each item: (i) Consumption of store and spare parts (ii) Power and Fuel (iii) Rent (iv) Repairs of Buildings (v) Repairs of Machinery (vi) (1) Salaries, Wages and Bonus (2) Contribution to Provident and Other Funds (3) Workmen and Staff welfare expenses to the extent not adjusted from any previous provision or reserve. | Complied |
|---------|--|----------|

**B. Disclosure as per requirement of Schedule XI, Part II, Para-8 (c):**

Raw materials, spare parts, packaging materials and capital machinery:

| Items                   | Total Purchase (BDT)         | Consumption (BDT)    | % of consumption of total  |
|-------------------------|------------------------------|----------------------|--|
| Raw materials           | 15,874,910                   | 17,393,889           | 110  |
| Spare parts             | 578,460                      | 643,460              | 111  |
| Packaging Materials     | 10,414                       | 10,414               | -  |
| <b>Value of Export:</b> |                              |                      |  |
| Particulars             | In Foreign Currencies (US\$) | In BDT               | Remarks  |
| Export                  | 500,399.33                   | 55,969,665.93        | Not applicable as the Company has not exported any commodities, during the year. |
| <b>Total</b>            | <b>500,399.33</b>            | <b>55,969,665.93</b> |  |

- i) The Company has not incurred any expenditure in foreign currencies for the period from 01 July, 2023 to 30 June, 2024 on account of royalty, know-how, professional fees, consultancy fees and interest;
- ii) The Company has not earned any foreign exchanges for royalty, know-how, professional fees, consultancy fees and interest;
- iii) The Company has not remitted any foreign currencies on account of dividend.

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FAMES & R  
Chartered Accountants

SAMATA LEATHER COMPLEX LTD.  
Schedule of Non-current Assets  
AS AT 30TH JUNE 2024

Note-05

| Sl. No.                          | C O S T                  |   |                         |   |                    | D E P R E C I A T I O N |                        |                  |                   |                         | D E P R E C I A T I O N         |                |                            |                  |                    |                   |
|----------------------------------|--------------------------|---|-------------------------|---|--------------------|-------------------------|------------------------|------------------|-------------------|-------------------------|---------------------------------|----------------|----------------------------|------------------|--------------------|-------------------|
|                                  | Balance as on 01.07.2023 |   | Addition in this period |   | Re-Valuation       | Disposal                | Total as on 30.06.2024 |                  | Rate of Dep.      | Dep. on revaluation b/f | Depreciation b/f from last year |                | Depreciation for this year |                  | Disposal           |                   |
|                                  | A                        | B | C                       | D | E = (A+B-C-D)      | F                       | G                      | H = F+G          | I = (A+B-F)*E%    | J = B*E                 | K = (C-G)*E%                    | L              | M = I+J+K+L                | N = H+M          | O = (D-N)          |                   |
| 1 Land & Land Development        | 18,383,064               | - | 8,816,840               | - | 27,199,726         | 0%                      | -                      | -                | -                 | -                       | -                               | -              | -                          | -                | 27,199,726         |                   |
| 2 Factory Building               | 34,837,152               | - | 3,183,982               | - | 38,021,134         | 5%                      | 23,602,936             | 840,441          | 24,443,377        | 56,711                  | 117,177                         | -              | 678,888                    | 25,122,265       | 12,898,869         |                   |
| 3 Plant & Machinery              | 72,918,243               | - | 13,334,885              | - | 86,253,128         | 10%                     | 58,472,895             | 6,210,088        | 64,683,073        | 1,444,536               | 712,470                         | 2,157,006      | 66,940,078                 | 19,413,050       |                    |                   |
| 4 Furniture & Fixture            | 121,713,133              | - | 138,630                 | - | 1,355,763          | 15%                     | 916,277                | 75,914           | 992,191           | 45,128                  | 9,407                           | -              | 54,536                     | 1,046,727        | 369,036            |                   |
| 5 Tools & Equipment              | 334,003                  | - | 10,469                  | - | 344,492            | 15%                     | 241,861                | 6,483            | 248,343           | 13,821                  | -                               | 601            | -                          | 14,422           | 262,766            | 81,726            |
| 6 Wooden Board                   | 491,431                  | - | -                       | - | 491,431            | 15%                     | 485,828                | -                | 485,828           | 840                     | -                               | -              | -                          | 840              | 486,669            | 4,762             |
| 7 Electric Installation          | 3,956,687                | - | -                       | - | 3,956,687          | 15%                     | 2,841,429              | -                | 2,841,429         | 1,642,290               | -                               | -              | -                          | 1,642,290        | 3,025,719          | 930,973           |
| 8 Water Line Installation        | 28,16,906                | - | 9,700                   | - | 28,06,606          | 15%                     | 21,17,519              | 5,996            | 21,23,515         | 104,908                 | 556                             | -              | -                          | 105,464          | 228,979            | 597,627           |
| 9 Gas Line Installation          | 966,435                  | - | 114,837                 | - | 1,081,272          | 10%                     | 624,979                | 53,481           | 678,460           | 34,146                  | 6,136                           | -              | -                          | 40,281           | 718,741            | 342,531           |
| 10 Type Writer & Fax             | 50,200                   | - | -                       | - | 50,200             | 15%                     | 48,741                 | -                | 48,741            | 216                     | -                               | -              | -                          | 216              | 48,977             | 1,223             |
| 11 Crackeries                    | 7,141                    | - | -                       | - | 7,141              | 25%                     | 2,740                  | -                | 2,740             | 1,100                   | -                               | -              | -                          | 1,100            | 3,840              | 3,301             |
| 12 Office Equipment & Other      | 1,094,357                | - | -                       | - | 1,094,357          | 15%                     | 934,203                | -                | 934,203           | 24,023                  | -                               | -              | -                          | 24,023           | 958,226            | 136,131           |
| 13 Solar System                  | 140,000                  | - | -                       | - | 140,000            | 15%                     | 94,556                 | -                | 94,556            | 6,817                   | -                               | -              | -                          | 6,817            | 101,372            | 38,628            |
| 14 Web Site Design & Development | 20,000                   | - | -                       | - | 20,000             | 15%                     | 9,410                  | -                | 9,410             | 1,389                   | -                               | -              | -                          | 1,389            | 10,998             | 9,002             |
| 15 Generator Expenses            | 427,800                  | - | -                       | - | 427,800            | 15%                     | 201,680                | -                | 201,680           | 33,918                  | -                               | -              | -                          | 33,918           | 235,598            | 192,202           |
| 16 IPS                           | 33,800                   | - | -                       | - | 33,800             | 20%                     | 12,759                 | -                | 12,759            | 4,208                   | -                               | -              | -                          | 4,208            | 16,967             | 16,833            |
| <b>Total Assets</b>              | <b>137,894,344</b>       | - | <b>25,609,383</b>       | - | <b>163,303,747</b> | -                       | <b>90,627,823</b>      | <b>7,192,503</b> | <b>97,820,326</b> | <b>2,441,251</b>        | -                               | <b>846,346</b> | -                          | <b>3,267,597</b> | <b>101,107,923</b> | <b>62,115,824</b> |

Amount in  
Taka

6/30/2024

N-01(A)

Revaluation Reserve on 31-03-2024:

18,416,880

[846,346]

17,570,534

Allocation of Depreciation:  
Factory overhead  
Administrative overhead

2,29,4776

14,6475

2,441,251

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FAMES & R  
Chartered Accountants

SAMATA LEATHER COMPLEX LIMITED  
Statement of Deferred Tax Liability  
AS AT 30TH JUNE 2024

| Sl No. | Heads of Fixed Assets         | Rate of Depreciation | Written Down value 30-06-23 | Addition during the year | Balance as on 30.06.2024 | Depreciation during the year | Depreciation this year on Re-Valuation Addition Value | Depreciation on this year Addition Value | Accumulated Depreciation | Disposal | Written Down value 30-06-24 | $K=E-I-J$ |
|--------|-------------------------------|----------------------|-----------------------------|--------------------------|--------------------------|------------------------------|---|--|--------------------------|----------|-----------------------------|-----------|
|        |                               |                      |                             |                          |                          |                              |   |  |                          |          |                             |           |
| 1      | Land & Development            | 0%                   | 25,632,569                  | -                        | 25,632,569               | -                            | -   | -  | -                        | -        | 25,632,569                  | -         |
| 2      | Factory Building              | 20%                  | 4,283,032                   | -                        | 4,283,032                | 856,606                      | -   | -  | 856,606                  | -        | 3,426,426                   | -         |
| 3      | Plant & Machinery             | 20%                  | 11,480,552                  | -                        | 11,480,552               | 2,296,110                    | -   | -  | 2,296,110                | -        | 9,184,442                   | -         |
| 4      | Furniture & Fixture           | 10%                  | 484,322                     | -                        | 484,322                  | 48,432                       | -   | -  | 48,432                   | -        | 435,890                     | -         |
| 5      | Tools & Equipment             | 20%                  | 65,594                      | -                        | 65,594                   | 13,119                       | -   | -  | 13,119                   | -        | 52,475                      | -         |
| 6      | Wooden Board                  | 10%                  | 113,631                     | -                        | 113,631                  | 11,363                       | -   | -  | 11,363                   | -        | 102,288                     | -         |
| 7      | Electric Line Installation    | 20%                  | 778,299                     | -                        | 778,299                  | 155,660                      | -   | -  | 155,660                  | -        | 622,639                     | -         |
| 8      | Water Line Installation       | 20%                  | 512,266                     | -                        | 512,266                  | 102,453                      | -   | -  | 102,453                  | -        | 409,813                     | -         |
| 9      | GAS Line Installation         | 20%                  | 166,911                     | -                        | 166,911                  | 33,382                       | -   | -  | 33,382                   | -        | 133,529                     | -         |
| 10     | Type Writer & Fax             | 10%                  | 14,188                      | -                        | 14,188                   | 1,419                        | -   | -  | 1,419                    | -        | 12,769                      | -         |
| 11     | Crockeries                    | 10%                  | 5,622                       | -                        | 5,622                    | 562                          | -   | -  | 562                      | -        | 5,060                       | -         |
| 12     | Office Equipment & Others     | 10%                  | 333,412                     | -                        | 333,412                  | 33,341                       | -   | -  | 33,341                   | -        | 300,071                     | -         |
| 13     | Solar System                  | 20%                  | 30,748                      | -                        | 30,748                   | 6,150                        | -   | -  | 6,150                    | -        | 24,598                      | -         |
| 15     | Web Site Design & Development | 50%                  | 3,668                       | -                        | 3,668                    | 1,834                        | -   | -  | 1,834                    | -        | 1,834                       | -         |
| 16     | Generator Expenses            | 20%                  | 146,806                     | -                        | 146,806                  | 29,361                       | -   | -  | 29,361                   | -        | 117,445                     | -         |
| 17     | Integrated Power System (IPS) | 20%                  | 21,710                      | -                        | 21,710                   | 4,342                        | -   | -  | 4,342                    | -        | 17,368                      | -         |
|        |                               |                      | <b>44,073,330</b>           | -                        | <b>44,073,330</b>        | <b>3,594,135</b>             | -   | -  | <b>3,594,135</b>         | -        | <b>40,479,195</b>           | -         |

| Particulars                                 | Carring Amount W.D. Value | Tax Base Value | Taxable Temporary difference | Applicable Tax Rate | Differed Tax Liability |
|---|---------------------------|----------------|------------------------------|---------------------|------------------------|
| A   | B                         | C              | $D=(B-C)$                    | E                   | $F=(D*E)$              |
| Property Plant & Equipment as on 30-06-2023 | 65,483,424                | 44,073,330     | 21,410,094                   | 0.225               | 4,817,271              |
| Property Plant & Equipment as on 30-06-2024 | 62,195,824                | 40,479,195     | 21,716,629                   | 0.225               | 4,886,242              |
|   |                           |                |                              |                     | <b>68,970</b>          |



**SAMATA LEATHER COMPLEX LTD.**

120, Sher-E-Bangla Road, Hazaribagh, Dhaka-1209.

**PROXY FORM****34<sup>TH</sup>  
AGM**

I/We..... of

..... being a member of Samata Leather Complex Limited, hereby appoint Mr./Ms. .... of

..... as my/our proxy to attend and vote for me/us on my/our behalf at the 33<sup>rd</sup> Annual General Meeting of the Company to be held on 31<sup>st</sup> December, 2024 at 11.00 a.m. through Digital Platform (Dhaka Time) and/or at any adjournment thereof.

As witness me/our hand this \_\_\_\_\_ day of December, 2024

Signature of Proxy \_\_\_\_\_

BO ID/ Folio Number Revenue  
Stamp  
of  
Tk. 100.00

Signature of the Shareholder \_\_\_\_\_

Signature Verified  
Authorised Signature

No. of shares held \_\_\_\_\_

BO ID/ Folio Number **Note:**

According to the Articles of Association of the Company proxy can be given only to the person who is a member of the Company. The proxy should reach the Company not later than 48 hours before the time fixed for holding the meeting.



**SAMATA LEATHER COMPLEX LTD.**  
**100% Export Oriented Leather Tanning Project**