Prospectus: Lexco Limited

Continued from Page 8 TO, CHEMICALS CONSUMED 44 165 675.00 50 662 488 00 Add Purchased this year 94 828 163 00 12.756.000 00 ess Stock at 31 - 12 - 94 14 910 703 00 67 161 460 00 TO, STORE CONSUMED 11,402,235.00 Stock at 1 - 1 - 94 2 017 263 00 Add Purchased this year 13,419,498.00 9 640 164 00 Lass Stock # 31 - 12 - 94 3 779.334.00 TO, OTHER DIRECT CHARGES 5 523 725 00 Salary & Wages 983 481 00 Electricity charges 554 520 00 Gas charges 20.000 00 Engineering service charges 109 186 00 Lubricants used 239 870 00 Factory Expenses 1 434 00 **Workers** welfare Fund 384 305 00 Repairs of Machinery 65.825 00 Electrical Maintenance 222.230.00 Processing charges 8 938 00 Carnage inward 174 507 00 Bonus to Workers 1 245 169 00 Rent for IDLC Machine 3 904 599 00 Depreciation 14,437,789.00 352,966,007.00 352,966,007.00 WET BLUE ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1994 1994 167.105.497.00 By. Cost at Wet Blue c/d 1.063 040 00

To Work in Process at 1 - 1 - 94 12.593 755.00 To Wet Blue Stock at 1 - 1 - 94 To, RAW HIDE CONSUMED By Work in Process Stock at 1-1-94 3.440.740.00 Add Purchased this year 48.674.338.00 By, Wet Blue Stock at 31 - 12 - 94 uess Closing Stock at 31 - 12 - 94 To, CHEMICALS CONSUMED 2.038.760.00 2.994.715.00 Stock at 1-1-94 260,140.00 12,756,000.00 Add Issued from main Store 1.962.979.00 11.053.161.00 Less Closing Stock at 31 - 12 - 94 To, GOAT SKIN CONSUMED Stock at 1 - 1 - 94 1,289,406.00 Add Purchased this year 1,138,161.00 2.427.567.00 TO, OTHER DIRECT CHARGES Purchase Commisssion 278.017.00 214.952.00 Carrying charges Factory Rent 625.000.00

3,000,672.00

170,192,552,00

Cost as at

1-1-94

5,361,250.00

Particulars

Land & Land Development

1,882,703.00

PART VIII

DIRECTORS' PROFILE

A. Mateen, Chairman

Mr. A. Mateen, age 61, is the chairman of the company. He is well connected and experienced person in leather tanning industry in Europe and Bangladesh for the last 35 years. By dint of his active leadership, Mr. Mateen played a vital role towards establishment of the business of the company. After completion of his college education, he widely travelled in European tanning industries to gather knowledge about functioning and working of modern tanneries. He was the first president of the Bangladesh Finished Leather Exporters' Association.

Abdul Kader Mg. Director

Mr. Abdul Kader, Managing Director, age 33. After completion of his academic education he started his tanning career. He is well connected with Tannery industry as because he is the son of Mr. Mominullah who was one of the renowned tanner since Pakistan period and founder chairman/managing director of m/s Amin Tannery, a sister concern of Lexco Ltd. Under the able guidance of his father within a short span of time, he has proved his worth to be a good industrialist in leather tanning industry.

Harun-Or-Rashid Director

Mr. Harun-Or-Rashid, age 30, received bachelor degree in commerce. He is the Director of the company. He is connected with leather tanning business specially in leather manufacturing and marketing for about 9 years. Mr. Harun completed course on "Artisen in Tanning" from Leather Technology, Hazaribag. He is a widely travelled person in Europe, USA, Far East in connection with business activities and also attended several international trade fairs.

Avub Ali Director

Mr. Avub Ali, age 70, is the Director of the Company. He is a widely travelled person having nearly 30 years experience in business in London.

Hamiduddin Ahmed, Director

Sources of Fund

170,192,552,00

Total cost as

at 31-12-94

5,361,250.00

M. A. MALEK & CO.)

Chartered Accountants

Addition

this year

Mr. Hamiduddin Ahmed, age 54, is a Director of the Company. After completion of his academic hite from Dhaka University Mr. Hamid joined the then Habib Bank Ltd., and consequently after liberation he was in the Agrani Bank. In 1982 he resigned from Agrani Bank to become an industrial enterpreneur and connected with leather sector. He travelled in Europe, Australia and Far East in connection with the business activities. He is one of the senior most spokesman on leather sector.

OTHER DIRECTORSHIP A. Mateen. Chairman

Abdul Kader

Ducctor

Director Harun-Or-Rashid Managing Director Avub Ali

Nil.

Galpex Limited.

Amin Tannery Limited.

Ayub Bros. Tannery Limited.

Bangla-Tan Leather Products Ltd.

Galpex Limited.

Hamiduddin Ahmed DIRECTORS' INTEREST

The Directors have no personal interest except to the extent of receiving the ordinary remuneration provided for in the Articles of Association.

Qualification The qualification of a Director of the Company shall be the holding of fully paid up 100 ordinary shares in the Company of the aggregate nominal value of Tk. 10000 in his own name, provided that the obligation to acquire qualifying shares shall be same in the case of a Director representing interest holding shares of the requisite value.

NUMBER OF DIRECTOR

Unless otherwise determined by the Company in General Meeting, the number of Directors shall not be less than two or not more than ten.

REMUNERATION The Directors are entitled to a remuneration of Tk. 500 for each meeting of the Board of Directors attended by him. Any change shall be determined in General Meeting. The remuneration of Director

for performing extra services shall also be determined in General Meeting.

BORROWING POWER

The Managing Director may from time to time with the approval of Directors, borrow from the Banks or members or other persons, firm, company or corporation and may themselves lend any sum or sums of money for the purposes of the company. The Managing Director may with such approval as aforesaid raise and secure the payment of such money in such manner and upon such terms and conditions in all respects as they think fit, and in particular by the issue of debenture whether convertible into shares or not or bonds of the company, or by the creation of debentures stock or by making, drawing, accepting or endorsing on behalf of the company any promisory notes, or bills of exchange or giving or issuing any other security of the company or by mortgage or charge of all or any part of the property of the company both present and future, including its uncalled capital for the time being, and the Managing Director, with such approval as aforesaid may on behalf of the company guarantee the guarantors against liability in respect of such loans, by means of a mortgage or charge of the company's property movable or immovable or otherwise.

MATERIAL CONTRACTS

The following are all material contract in the ordinary course of business which have been entered into by the company:

Underwriting agreement made between the Company and the Members of Dhaka Stock Exchange. Copies of Memorandum and Articles of Association of the company and the Consent Order from Securities and Exchange Commission may be inspected on any working day during office hours at the Company's Registered Office.

STATEMENT OF SOURCES AND APPLICATION OF FUND FOR THE YEAR ENDED 31ST DECEMBER 1994

Net Profit 2,477,291.00 Depreciation 4,237,931.00 Decrease in Long term Loan (Machinery Loan) (4,007,373.00) Increase in Short term Loan/Advance 18,819,072.00 10,439,513.00 Increase in Loan & Advance 31,966,434.00 Taka Application of Fund Increase in Fixed assets 1.004,806.00 Decrease in Stock in Trade (3,190,318.00) Increase in Bill Receivable 1,143,339.00

Increase in Advance, Deposits · Prepayments 3,291,775.00 increase in Sundry Creditors 26,112,216.00 3,604,616.00 Increase in Cash & Bank Balance Net Increase in Working capital 30.961.628.00 31,966,434.00 Taka SCHEDULE OF FIXED ASSETS AS AT 318T DECEMBER, 1994

Dep. for

Total Dep. as Written down value

as at 31-12-94

218,366,982,40

5,361,250.00

Depreciation

cara a cara perelopitient	0,001,200.00		0,001,200.00		53 55	40		. 0,001,200.00
Factory Building	31,072,232.45	111,835.00	31,184,067.45	5%	16,571,741.84	730,616.28	17,302,358.12	13,881,709.33
Water Tank	275,904.18	(E7))	275,904.18	5%	200,930.94	3,748.66	204,679.60	71,224.58
Boundary Wall	144,481.20	18 8	144,481.20	5%	105,220.31	1,963.04	107,183.35	37,297.85
Imported Machinery	55,430,880.17	(SA)	55,430,880.17	10%	28,624,045.43	2,680,683.47	31,304,728.90	24,126,151,27
Local Plant & Machinery	5,461,774.79	678,580.40	6,140,355.19	10%	3,090,258.95	305,009.62	3,395,268.57	2,745,086.82
Old Machinery	140,000.00	N a s	140,000.00	10%	108,541.09	3,145.89	111,686.98	28,313.02
Motor Vehicles	3,198,600.00	201	3,198,600.00	20%	2,130,200.00	213,680.00	2,343,880.00	854,720.00
Motor-Cycles	158,155.00	*	158,155.00	20%	123,124.23	7,006.15	130,130.38	28,024.62
Telex Machine	150,109.00	100 1	150,109.00	20%	139,793.54	2,063.09	141,856.63	8,252.87
Furniture & Fixture	760,087.62	32,898.00	792;985.62	10%	430,545.14	36,244.05	466,789.19	326,196.43
Office Equipment	586,975.00	78,197.00	665,172.00	15%	307,960.03	53,581.80	361,541.83	303,630.17
Air Conditioner	31,600.00	, M a	31,600.00	15%	25,378.76	933.19	26,311.95	5,268.05
Deep Tube Well	434,000.00	84,000.00	518,000.00	20%	342,197.16	35,160.57	377,357.73	140,642.27
Bye Cycles	8,410.00	18 6	8,410.00	20%	5,780.79	525.84	6,306.63	2,103.37
Gas Meter House	189,500.00	10,000.00	199,500.00	15%	101,823.28	14,651.51	116,474.79	83,025.21
Photo Copy Machine	172,700.00	270	172,700.00	15%	89,516.52	12,477.52	101,994.04	70,705.96
Type Writer	84,500.00	6,500.00	91,000.00	10%	22,791.77	6,820.82	29,612.59	61,387.41
8im House	1,437,116.65	2,796.00	1,439,912.65	10%	143,711.66	129,620.10	273,331.76	1,166,580.89
Taka	195,098,276,06	1,004,806.40	106,103,082,46		52,563,561,44	4.237,931.60	50,801,493.04	49,301,589,42
AT REVALUATION EFFECT			12				10 × 11	8 8
Land		54,231,250.00	54,231,250.00	AFF OX.	4 8	" = 8	-	54,231,250.00
Building .		38,477,878.18	38,477,878.18	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	W 353	57 57 7 3300	2 3 1 (2)	38,477,878.18
Machinery		74,865,042.28	74.865,042.28	-	1 -	-0	×25×1	74,865,042.28
Office Equipment		95,736.04	95,736 04	-	1881 WE 18	Fig.	11 12	95,736.04
Furniture & Fixture		218,803.57	218,803.57	-		-	-	218,803.57
Vehicles		1,176.682.91	1,176,682.91			<u></u>	= 15 S T S	1,176,682.91
F6		169,065,392.98	169,065,392.98	5 8 U		\$ - THE PA	Propositional designation of the second	169,065,392.98
		THE R. LEWIS CO., LANSING MICH.	The production will be because in the first like a distribution.		CONTRACTOR AND SECURE AND ADDRESS OF THE PERSON.	STREET, STREET, STREET, STREET, ST. STREET, ST.	COLUMN TO SERVICE AND ADDRESS OF THE PROPERTY AND ADDRESS OF THE	and the same region in the same section in the same of

Assets have been valued by G.K. Adjusters Ltd. a Govt. approved valuer date 9th Nov. 1994.

Grand Total

The Directors

Lexco Limited

report as follows:

annexure-A

Assets & Liabilities

Issued, Called & Paid-up Capital

apital & Liabilities

Reserve for Taxation

Revaluation Reserve &

Dividend:

Dhaka.

Dear Sirs.

1. Profits:

Depreciation charged to : Manufacturing Account 4,347,557.00 Profit & Loss Account 336,700.00 4,684,257,00 Taka

ANNEXURE - 'A' STATEMENT OF PROFIT OF LEXCO LIMITED FOR THE LAST 5 YEARS

52,563,561,44 4,237,931.60 56,801,493.04

We have examined the audited accounts of LEXCO LIMITED for the period from 01-01-94 to 31-12-94 for the purpose of report in accordance with part II of Schedule-3 of the Companies Act, 1994 and The profits of the Company, after charging all charges and expenses incidental to its operations and after making such adjustments as were, in our opinion appropriate, are set out as per The Company has not declared any dividend during the last 5 (five) years. Details of the Assets & Liabilities of the Company as at 31st December, 1994 are as follows: Property & Assets 21,83,66,983 20,66,64,731

Dated: 20-04-95

275,168,475,44

57,96,124 Profit & Loss (balance) Secured Borrowings 16,96,43,033 Un-secured Borrowings 1,04,39,513 Current Liabilities 6.63.76.899 Tk. 43,08,27,838 Tk. 43,08,27,838 -----TERRESESSES Purchase of Business: No proceed or any part of the proceed of the Issue of Shares have been applied directly or. midirectly by the Company in the purchase of any business. 5. The Company has no subsidiary Company under its control to report. M. A. Malek & Co.

1,42,50,000

17,01,18,393

Auditor's Report under part II of

Schedule 3 of Companies Act. 1994

105,096,276,06 170,070,199,38

Fixed Assets

Current Assets

31st Dec '92 31st Dec '91 31st Dec '90 296,627,960 266,263,658 379,617,255 298,254,463 408,989,665 Sales / Export Less : Expenditures 419,175,374 Cost of Goods Sold 7,156,542 Administrative Exps. 6,066,517 Financial Expenses 16,917,952 21,572,068 20,884,379 17,351,994 528,000 528,000 Directors' Remunaration 648,000 528,000 696,000 288,769 520,348 387,581 463,132 Depreciation 333,332 13,266,081 16,382,876 Marketing Expenses 13,530,861 18,721,381 11,830,864 (30,397,380) (55,472,882) (43,293,237) TRADING PROFIT / (LOSS) (23,800,306) OTHER INCOME: 45,207,766 Duty Draw Back -36,681,932 21,770,796 4,503,583 4,964,213 Export incentive 3,183,997 1,372,565 Discount Received 15,715 725,428 3,118,521 5,741,910 Other Income 1,653,822 1,104,780 4,944,775 NÉT PROFIT / (LOSS) 4,094,818 1,150,372 200,405 2,477,291 (18,530,264) (9,290,266)(13,585,489)(9,490,671) Profit / (loss) b/f (7,220,415)919,479 Add : Adjustment Less: Reserve for Taxation 1,053,000 Dividend (7,220,415) (9,290,266) (9,490,671) (13,585,469) Rangpur Branch, Rangpur PROFIT / (LOSS) c/f (5,796,124)Chartered Accountants

* * * * *

APPLICATION FOR SHARES

WARNING: Please read the instructions at the back of this form. Incorrectly filled application may be rejected. The Directors

Banker's Sl. No. Lexco Limited 146, Hazaribagh, Dhaka. Dear Directors.

I/We apply for and request you to allot me/us the following number of shares and I/We agree to accept the same or any smaller number that may be allotted to me/us upon the terms of the Company's approved prospectus and subject to the Memorandum and Articles of Association of the Company. Further I/We authorize you to place my/our name (s) on the Register of Member (s) of the Company as the holder (s) ofShares allotted me/us pursuant to this application and to send allotment letter in respect thereof and /or a crossed (account payee only) cheque in respect of any application money returnable by post at my/our risk to the first applicant's address stated below:

1. No. of shares ______ of Tk. 100/- each. Amount of Tk. (in fig.) _____ Taka (in words) only deposited vide Cash/Cheque/Draft/Pay Order No. 3. 1/We agree to fully abide by the instructions given over leap. Name and Address: Sole/First Applicant: Mr./Mrs./m/s Father's/ Husband Name

Postal Address Nationality _____ Occupation Passport/ ID No. (if any) Name of the Bank Branch (ii) Second Applicant: Mr./Mrs./m/s
Father's/ Husband Name Postal Address
Occupation Nationality Passport/ ID No. (if any) 5. Specimen Signature (s): (i) Name (In Block)

BANKER'S ACKNOWLEDGEMENT

Certified that this Bank has received Tk._____ being the application money for only from Mr./Mrs./m/s No. of shares of Lexco Limited.

Authorized Signature (Name & Designation) Banker's Sl. No. Seal and Date

(ii) Name (In Block)

INSTRUCTIONS

Signature____

Signature

All information must be typed or written (in full in block letters) in English or in Bengali and must NOT be abbreviated. Application must be made on the Company's printed form/photocopy/Type copy/hand written forms thereof.

Application must not be for less than 50 shares of the face value of Tk. 5000/- and must be for multiple of 50 shares. Any application not meeting this criterion will not be considered for allotment purposes.

Remittance for the full amount of the shares must accompany, each application and must be forwarded to any of the Bankers to the issue. Remittance should be in the form of Cash/Cheque/Draft/Pay Order Payable to one of the Bankers to the issue "A/C LEXCO LIMITED and crossed "A/C PAYEE ONLY" and must be drawn on a bank in the same town as the bank to which the application form has been sent.

In the case of joint application form, the Allotment Letter will be despatched to the person whose name appears first on this application form and where any amount is refundable in whole or in part the same will be refunded by Cheque by post/courier service to the person named first on this application form in the manner prescribed in the prospectus.

Joint applications from more than two persons will not be accepted. In the case of joint application each party must sign the application form Application must be in full name of individuals and not in the name of firms, minors or persons

of unsound mind. Application from financial and market intermediary companies must be accompanied with Memorandum of Association and Article of Association.

An applicant can submit NOT more than two applications, one in his/her own name and mother jointly with another person. In case an applicant makes more than two applications, those in excess of two applications shall NOT be considered for allotment purposes. we receipt will be issued for the payment made with the application but a provisional

acknowledgement will be issued by the Bankers to the issue for application lodged with them. Refund will only be made through "Account Payee" Cheque (s) only with Bank A/C No. Bank name and Branch as mentioned in the application.

Allotment shall be made solely in accordance with the instructions of the Securities and Exchange Commission.

Making any false statement in the Application or supply of incorrect information therein or suppressing any relevant information will make the applicant liable to reject and subject to torfeiture of application money. The said application money will be deposited in account specified by the SEC. This may be in addition to any other penalties as may be provided for by

Application which do not meet the above requirements or applications which are incomplete shall NOT be considered for allotment purposes.

BANKER TO THE ISSUE 2. Janata Bank

Investment Corporation of Bangladesh Tead Office, 8, Rajuk Avenue, Dhaka. Chittagong Branch, Agrabad, Chittagong Raishahi Branch, New Natore Road, Rajshahi.

Khulna Branch, Jessore Road, Khulna. Barisal Branch, H. U. Road, Barisal. (45,492,002) Sylhet Branch, Jail Road, Sylhet.

2. Sonali Bank

Dilkusha Branch, Dhaka. Sadarghat Branch, Dhaka. Ramna Branch, Dhaka. antonment Branch, Dhaka. Barisal Branch, Barisal.

Sylhet Branch, Sylhet. Mymensingh Branch, Mymensingh Comilla Branch, Comilla. Hogra Branch, Bogra.

Local Branch, Dhaka Foreign Exchange Corporate Branch, Dhaka. Motifheel Corporate Branch, Dhaka.

Imamgani Corporate Branch, Dhaka. Laldighi East Corporate Branch, Chittagong. Sheikh Mujib Road Corporate Branch, Chittagong. Sylhet Corporate Branch, Sylhet. K. D. Ghosh Road Corporate Branch, Khulna. Barisal Principal Branch, Barisal. Rajshahi Principal Branch, Rajshahi.

3. AB Bank Limited Principal Branch, BCIC Building, Dhaka. Imamgani Branch, Imamgani, Dhaka. Bangshal Branch, North South Road, Dhaka. Elephant Road Branch, New Elephant Road, Dhaka. Mohakhali Branch, Mohakhali, Dhaka. Agrabad Branch, Agrabad, Chittagong. Jessore Branch, Municipal Road, Jessore.