SAMATA LEATHER COMPLEX LIMITED

Continued from page 17

AFTER DEDUCTING SHARES SUBSCRIBED BY NON-RESIDENT RANGE ADDITION 4,64,400 ORDINARY SHARES OF TK. 100 EACH AT PAR ARE BEING OFFERED TO THE GENERAL PUBLIC AS FOLLOWS:

70% shares i.e., 3,25,080 ordinary shares are being offered to the applicants for Minimum Market Lot, i.e., 50 (fifty) shares. In case of over-subscription, the shares will be distributed through lottery

30% shares, i.e., 1,39,320 ordinary shares are being offered to the applicants other than those for Minimum Market Lot (more than 50 shares). In case of oversubscription the allotment will be made on pro-rata basis subject to the nearest multiple of the Minimum Market

Tk. 1.39,32,000

Tk. 3,25,08,000

Total Tk. 4.64,40,000 The applicants of minimum lot of 50 shares shall be accommodated fully if the subscription in that slab is within 3,25,080 shares. In case of over-subscription, the allotment shall be made by lottery among such applicants in the presence of authorised representatives of DSE and members of the Board of the Company and Issue Manger and the members of the public who like to be present. Allotment amongst applicants for lots other than minimum lot shall be made

proportionately in case of over subscription. In case of difficulty arises to the implementation 1, 2, and 3 above, the allotment of shares to the applicants shall be made in such manner as may be determine!

Applications must not be for less than 50 (fifty) and must be multiple of 50 shares Any application not meeting this criteria will not be considered for allotment

The NRB Appl its [Part 1 (A) above], after completing and signing will submit the application form along with foreign drafts in US Dollar/UK Pound Sterling drawn and payable in Dhaka, to the Issuer Company's office directly. There are to founder, management or deferred shares. It is also not presently intended a issue any preference shares.

No payment has been or has intended to be made to the promoters, directors or other persons for promotion of the company.

The Minimum Subscription on which the directors will proceed to allotment in the full amount of present issue:

the price of machinery for capacity expansion to be purchased is Tk. 2.00 Partial working capital is amounted to Tk. 2.76 crores.

III. the IPO expenses and underwriting commission is amounted to Tk. 0.40

10. The Company reserves the right to accept any application in part where any application is not accepted in full, the balance money received on application will be refunded to the applicant by A/C Payee Cheque with A/C No, Bank and Branch name mentioned in application form without interest. Where allotment is made in whole or in part in respect of joint application, the allotment letter will be despatched to the person whose name appears first on the application form, notwithstanding that the shares have been allotted to the joint applicants. Where joint application is accepted in part, the balance of any amount paid on application will be refunded without interest to the person named first in the

11. Successful applicants will be notified by despatch of an allotment letter by registered post. Letter of allotment will be issued within 40 (forty) days of closing of subscription lists and the share certificates will be issued within 90 (ninety) days of the date of letters of allotment. In case of failure the subscription money to the unsuccessful applicants will be refunded with 40 (forty) days, the Directors in addition to the Company shall be responsible collectively and severally to refund the money with interest at 5% above the bank rate.

Section 5

CONDITIONS OF APPLICATION FOR SUBSCRIPTION

Application may be made for any lot(s) of shares with a minimum of 50 (fifty) shares valuing Tk. 5,000.00 and should be made on the Company's printed forms. Application forms and the prospectus may be obtained from the Registered office of the Company, the Dhaka and Chittagong Stock Exchanges or from any of the Bankers to the issue. If adequate forms are not available, intended investors may use printed /cyclostyled/typed/handwritten/ photocopies of the forms

The public subscription money from IPO collected by the bankers to the issue will be remitted to the company's specified STD Account No. 2669 with Janata Bank. Imamgani Corporate Branch, Dhaka. Such money can not be utilized by the Company until alictment to the successful applicants and refund to the unsuccessful ones have made by the Company.

Payment may be made to one of the undermentioned bankers to the issue in Cash/Cheque Pay Order/Bank Draft. The Cheque or Pay Order or Bank Draft shall be made payable to the bank to which is sent and be marked "Samata Leather Complex Ltd" should bear the crossing "ACCOUNT PAYEE ONLY." Joint application for more than two persons will not be accepted. In the case of a

joint application each party must sign the application form. In such cases correspondence will be made with the person whose name appears first. Application signed under a power of attorney must be accompanied by the certified copy of the instrument under which the power is given.

Bangladeshi nationals including Non-Resident Bangladeshis (NRB) residing/working abroad and foreign nationals shall also be entitled to apply for the shares offered

Application must be in full name of individuals, companies, societies or trust and not in the name of firms, minors or persons of unsound mind. Application from financial and market intermediary companies must be accompanied by Memorandum and Articles of Association and Certificate of Incorporation.

A separate Cheque or Pay Order or Demand Draft must accompany each application. If payment is made in cash, a provisional acknowledgment should be obtained immediately from bank, financial institution which receives the cash. Refund shall be made by A/C Payee Cheque only. For this purpose, applicant's Bank Account number along with the Name of Bank, Branch must be mentioned in the application.

10 Subject to the provision on the Articles of Association of the Company and the Companies Act, 1994, the share capital of the Company for the time being shall be under the control of the Directors, who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times as the Directors

11 All complete application forms together with remittance for the full amount payable on application should be lodged by investors other than Non-Resident Bangladeshi with any of the following Bankers to the Issue

BANKERS TO THE ISSUE

ICB, Chittagong ICB Raishahi ICB, Khulna ICB Barisal ICB, Sylhet Uttara Bank Ltd Corporate Br. Dhaka Local Office, Dhaka Di kusha Br. Dhaka Hatkhola Br Dhaka Kawranbazar Br. Dhaka Guishan Br Dhaka Ballabi Br Dhaka Satmasiid Rd Br Dhaka Agrabad Br Ctg

Head Office Dhaka

Local Office VIP Rd Dhaka

Investment Corporation of Bangladesh

Jessore Br. Jessore Mymensingh Br. Mymensingh Comilla Br. Comilla. The City Bank Ltd Principal Office, Dhaka Bangabandhu Av. Br. Dhaka Islampur Rd Br Dhaka Bangshal Br Dhaka Johnson Rd. Br. Dhaka Kawranbazar Br Dhaka New Market Br. Dhaka Guishan Br, Dhaka Mirpur Br. Dhaka Foreign Ex Br Dhaka Dhaka Chamber Br. Dhaka Tanbazar Br. Narayangani Tongi Br. Sazitius Agrabad Br. Cig Khatungani Br. Ctg. Jubilee Rd. Br Ctg

Bandabazar Br. Sylhet Raishahi Br Raishahi Khuina Br. Khuina Bansal Br. Bansal Mymensingh Br. Mymensingh Southeast Bank Ltd Principal Br Dhaka Gulshan Br. Dhaka

Laidighar Br. Sylhet Agrabad Br. Ctg.

Islami Bank Bangladesh Ltd. Local Office, Dhaka Foreign Ex Br. Dhaka Farmgale, Br. Dhaka

Sadarghat Br. Dhaka Nawabpur Br. Dhaka Gulshan Br Dhaka Narayangani Br Narayangani Agrabad Br Ctg Bansal Br Bansal Sylhet Branch, Sylhet Rajshahi Branch, Rajshahi Bogra Branch, Bogra New Market Br. Dhaka Mymensingh Br. Mymensingh

Cox's Bazar Br Cox's Bazar

Kushtia Branch, Kushtia

Anderkilla Br. Clg.

IFIC Bank Ltd. Federation Branch, Dhaka Dhanmondi Branch, Dhaka Shantinagar Branch, Dhaka Elephant Rd Br. Dhaka Naya Paltan Br. Dhaka Gulshan Br. Dhaka Mymensingh Br. Mymensingh Agrabad Br. Clg Comilia Br. Comilia Feni Br. Feni Sylhel Br Sylhel Raishahi Bi, Raishahi Bogra Br Bogra Khuina Bi Khulna tiessore Br Jessore Kushtia Br Kushtia Pensal Br. Barisal Bratimanbaria Br. Brahmanbaria Faridour Br Faridour National Bank Ltd Dirkosha Br. Dhaka Imamgani Br. Dhaka Elephan! Rd Br. Dhaka

Mohakhali Br Dhaka Kawranbazar Br. Dhaka Motifheel Br. Dhaka Bangshal Br, Dhaka Narayangani Br. Narayangani Sylhet Br, Sylhet Raishahi Br. Raishahi Agrabad Br, Ctg Khatungani Br, Cig Khulna Br. Khulna United Commercial Bank Ltd Local Office Dhaka

Elephant Rd, Br. Dhaka Islampur Br. Dhaka Gulsnan Br, Dhaka Malibagh Br. Dhaka Kawranbazar Br. Dhaka Mohammadpur Br, Dhaka Monakhali Br. Dhaka Foreign Ex Br Dilkusha, Dhaka Agrabad Br, Ctg Jubilee Rd, Br, Ctg Khatunganj Br. Ctg Rupali Bank Ltd

Local Office, Cliaka Rupali Sadan Br. Dhaka Cantonment Br. Dhaka Dhaka Bank Ltd. Louis Office, Dhaka

Banani Br. Dhaka Bangshal Br. Dhaka Narayangani Br. Narayangani Agrabad Br. Ctg. Khatunganj Br. Ctg. Jubilee Rd. Br. Ctg Imamganj Br. Dhaka

Al-Baraka Bank Bangladesh Ltd VIP R Br Dhaka Principal Office, Dhaka Kawranbazar Br. Dhaka Gulshan Br. Dhaka Dilkusha Br. Dhaka Islampur Br. Dhaka Mirpur Rd. Br. Dhaka Bangshal Br. Dhaka

Camilla Deserts Call Ma Superinghani Br. Nowakhali Dinajpur Br. Dinajpur Pabna Br. Pabna Prime Bank Ltd Motijheel Br. Dhaka Mohakhali Br. Dhaka Moulavibazar Br. Dhaka Kawranbazar Br. Dhaka Elephant Rd, Br. Dhaka Islamic Banking Br. Dilkusha, Dhaka Mouchak Br. Dhaka Raishahi Br, Raishahi Khatunganj Br, Ctg Khulna Br, Khulna Barisal Br. Barisal Sylhet Br, Sylhet Moulavibazar Br, Sylhet Islamic Banking Br, Sylhet Gulshan Br , Dhaka Narayanganj Br, Narayanganj Pubali Bank Ltd Local Office Dhaka Motijheel Br, Dhaka Bangabandhu AV. Br Dhaka Shahbag Ave. Br. Dhaka Mohakhali Br. Dhaka

Kawranbazar Br, Dhaka

Narayangani Br. Narayangani

Science Laboratory Rd. Br. Dhaka

Sadarghat Br. Dhaka

Agrabad Br. Ctg

Agrabad Br. Ctg Khulna Br. Khulna Raishahi Br. Raishahi Sylhet Br. Sylhet Janata Bank Local Office, Dhaka Foreign Ex Corporate Br. Dhaka 48. Motijheel Corporate Br, Dhaka Imamganj Corporate Br. Dhaka Farmgate Corporate Br. Dhaka Topkhana Corporate Br. Dhaka Kemal Ataturk Av Corporate Br, Dhaka Ramna Corporate Br, Dhaka Satmasjid Rd, Br, Dhaka Wapda Br, Dhaka Mirpur-1 Br. Dhaka Gulshan Circle-1 Br, Dhaka Laldighi East Corporate Br. Ctg Sheikh Mujib Rd Corporate Br, Ctg Sylhet Corporate Br, Sylhet KD Ghosh Rd, Corporate Br. Khulna Rajshahi Principal Br. Rajshahi Barisal Principal Br. Barisal Comilla Principal Br, Comilla Mymensingh Principal Br. Mymensingh New Elephant Rd Br. Dhaka Arab Bangladesh Bank Ltd Principal Br. Dhaka

New Elephant Rd. Br. Dhaka Kakrail Br. Dhaka Madhuban Br. Bandarbazar, Sylhet Agrabad Br. Ctg Khulna Br. Khulna Raishahi Br. Raishahi

12. A Non-Resident Bangladeshi (NRB) shall apply against the IPO either directly by enclosing a foreign demand draft drawn on a bank payable in Dhaka, or through a nominee (including a Bank or a Company) by paying out of foreign currency deposit account maintained in Bangladesh, for the value of securities applied for. The value of securities of securities applied for. The value of securities applied may be paid in Taka, US Dollar or UK Pound Sterling at the rate of exchange mentioned in the Share Application Form. Refund against over subscription of shares shall be made in the currency in which the value of shares applied for, was paid by the application. Share Application Form against the quota for NRB shall be sent by the applicant directly along with a draft or cheque to the Company at its registered office. Copies of Application Form and Prospectus shall be available with Bangladesh Embassy/High Commission in USA, UK, Saudi Arabia, UAE, Qatar, Kuwait, Oman, Bahrain, Malaysia and South Korea.

The subscription money collected from Non-Resident Bangladeshis in US dollar or UK Pound Sterling shall be deposited to FC Account for IPO. In case of over subscription, refund shall be made by the Company out of the FC Account for IPO. The Company shall open only one "FC Account for IPO" in US dollar, or UK Pound Sterling with a bank on approval of Prospectus by SEC and close these

accounts after refund of over-subscription, if any. Public subscription money from IPO can not be utilized for the purpose for which money has been raised until allotment to the successful applicants and refund to the unsuccessful applicants have been made by Company.

Application will be made to the National Board of Revenue for declaration under section 44(2) of the Income Tax Ordinance, 1984, whereby investment in the shares of the company by an assessee will qualify for investment tax credit

Application will be made to the Controller of Insurance to obtain declaration under clause 2 (3A) of section 2 of the Insurance Act, 1938, as "Approved Investment" for Insurance Companies registered in Bangladesh.

Section 6

FINANCIAL AND MARKET INTERMEDIARIES

6.1 PARTICULARS OF UNDERWRITING

The public issue of shares have been underwritten by the following institutions/ individuals: No. of shares underwriting underwritten amount in Tk. SI. Name of underwriters 15,00,000 MRM Securities Ltd 5,00,000 5,000 KCEMMS Securities Ltd. 2,80,00,000 Equity Management & Services Ltd. 25,00,000 25,000 Satcom Securities & Management Ltd. 25,00,000 Indicate Securities Consultants Ltd. AAA Consultants & Financial Advisers 46,00,000 46,000 10,00,000 Swadesh Investment Management Ltd. 10,000 Investment & Management Advisory 10,00,000 Services of Bangladesh Ltd. 4.16.00.000 4.16.000 Members of Dhaka Stock Exchange 8,00,000 8,000 Khwaja Abdul Quddus & Co.(Lead Manager) 5,00,000 Alpha Equities Ltd 5,00,000 Adarsha Securities (pvt) Ltd 5,00,000 Azizur Rahman & Co. 5,00,000 Anwar Securities Ltd 5.00,000 Equity Resources Ltd 5,00,000 Giasuddin Ahmed & Co 5,00,000 Ghulam Quader & Co. 5,00,000 Hosne Ara Begum & Co 2,00,000 Jr. Capital Management Ltd. 5.00,000 5.000 Khwaja Ghulam Rasul & Co. 5,00,000 5.000 Luttul Kabir & Associates 1,00,000 1,000 Md. Shahiq Khan & Co. 5,000 5.00,000 M. Shamsul Alam & Co Ltd 5.00,000 5,000 Mohammad Ullah & Shabhir Ahmed 1,00,000 1.000 Md. Rafiqui Islam & Co. 2,00,000 2,000 Md. Feroz Khan & Co. 2,00,000 2,000 Md Shahiahan Ali Khan & Co 3,00,000 3,000 Md Mustafa Zubair & Co. 5,00,000 5,000 Nouvelle Securities 5,00,000 5.000 Rapid Securities 1.00,000 1.000 Sohel Pervez & Co. 5.00,000 5,000

6.2 Underwriters' Obligation

T. Mashfu & Co.

Tariy Ihrahim & Co.

23.

If and to the extent that the shares offered to the public through a prospectus authorized hereunder shall not have been subscribed and paid for in cash in full by the closing date, the company shall within 10 (ten) days of the closure of subscription call upon the underwriter in writing to the Securities and Exchange Commission, to subscribe the shares not so subscribed within the closing date and to pay for in cash in full, inclusive of any premium if applicable, for such unsubscribed shares within 15 (fifteen) days after being called upon to do so. If payment is made by Cheque/Bank Draft by the underwriter it will be deemed that the underwriter has not fulfilled his obligation towards his underwriting commitment under this Agreement, until such time as the Cheque/Bank Draft has been encashed and the company's account credited. In any case within 7 (seven) days after the expiry of the aforesaid 15 (fifteen) days, the company shall send proof of subscription and payment by the underwriters, to the Commission.

Grand Total

5,00,000

1,00,00,000

5,16,00,000

5,000

1.00,000

5,16,000

In the case of failure by the underwriter to pay the shares under the terms mentioned above, the said underwriter will not be eligible to underwrite any issue, until such time as he fulfils his underwriting commitment under this Agreement and also other penalties as may be determined by the Commission.

In the case of failure by the underwriter to pay for the shares within the stipulated time, the company/issuer will be under no obligation to pay any underwriting commission under this Agreement

In the case of failure by the company to call upon the underwriter for the aforementioned purpose within the stipulated time, the company and its directors shall individually and collectively be held responsible for the consequences and/or penalties as determined by the Securities and Exchange Commission under the law.

That the signatories to this Agreement have duly been authorized by the Board of Directors of both the company and the underwriter to execute and give effect to this Agreement from the date written herein above.

6.3 Directors' Opinion In the opinion of the Directors, the resources of the underwriters are sufficient to discharge their underwriting obligation. 6.4 Underwriting Commission

Each underwriter will be paid underwriting commission @ 2.5% of the value of shares underwritten. Simultaneously, with the calling upon an underwriter to subscribe and pay or procure subscriber to subscribe and pay for any number of shares, the company will pay to that underwriter an additional commission @ 2.5% of the value of shares required to be subscribed by them. 6.5. Manager to the Issue

AAA Consultants & Financial Advisers, Amin Court, 4th floor, 62-63 Motifheel Commercial Area, Dhaka, is the manager to the issue. The issue manager will be paid a fee of 1% of the offered value. 6.6. Commission to the Banker to the Issue

Commission @ 1/4th of 1% will be paid to the Bankers to the issue for the amount collected by them. 6.7. Brokerage

The Company shall pay brokerage @ 1% only on the paid up value of the allotted shares to the members of recognized stock exchanges on applications bearing their rubber stamp. Neither the brokerage to the members of the Dhaka & Chittagong Stock Exchange nor the commission to the Bankers shall be payable in respect of the shares taken up by the underwriters. 6.8. IPO Expenses

The IPO expenses which include brokerage, underwriting and commission to the Bankers to the issue are not expected to exceed Tk. 40.00 lacs against this public issue. The break-up of the above expenditures are given as under:

Particulars Manager to issue fee Amount in lacs 1% of IPO 5.16 Underwriting commission 2.5% of IPO 1290 Brokerage commission 1% 258 (Say, 50% of total Allotment) Bankers to the issue 0.25% of collection (Say, 2 times of total Allotment) Printing and advertisement Listing fee to DSE & CSE 0.25% of paid up Post issue expenses lump sum 40.00

Section 7 **Right of Security Holders**

1. Voting Right The share capital of the Company is divided into ordinary shares carrying equal rights to vote and receive dividends in terms of the relevant provisions of the Companies Act, 1994 and the Articles of Association of the Company. Shareholders shall have the usual voting right in person or by proxy in connection with among others, election of Directors and Auditors and other usual agenda of General Meeting - Ordinary and Extra-ordinary. On a show of hands, every shareholder present in person and every duly authorised representative of a shareholder present at a General Meeting shall have one vote and on a poll, every shareholder present in person or by proxy shall have one vote for every share held by him. 2. Transfer of Shares

In terms of the provisions of the Companies Act, 1994, the Articles of Association of the Company and other relevant rules in force, the shares of the Company are freely transferable. The Company shall not charge any fee for registering transfer of shares. No transfer shall be made to firms, minor or persons of unsound mind. 3. Dividend Policy

The profit of the Company, subject to any special rights relating thereto created or authorised to be created by the Memorandum of Association and by the provisions of the Articles of Association, shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively.

a) No larger dividend shall be declared than is recommended by Director but the Company in General Meeting may declare a smaller dividend.

b) No dividend shall be payable except out of profits of the Company or any other undistributed profits. Dividend shall not carry interest as against the Company. c) The Directors may from time to time pay to the members such interim dividend as in their judgement the financial position of the Company may justify.

d) A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

4. Periodic Information

The Directors shall present the financial statements as required by the law and International Accounting Standards. Financial Statements will be prepared in accordance with International Accounting Standards consistently applied throughout the subsequent periods and present with the objective of providing maximum disclosure as per law and International Accounting Standards to the shareholders regarding the financial and operational position of the Company.

Section 8

Project Description Company Background, Product and the Project

Samata Leather Complex Limited was incorporated as a private limited company in 1990 and converted into a public limited company in 1997 with authorised capital of Tk. 50,00,00,000 divided into 50,00,000 ordinary shares of Tk. 100 each.

Samata Leather Complex Limited has carried on business since its incorporation and now it has become one of the 100% export oriented pioneer leather processing industries in Bangladesh. Presently it is producing finished leather as well as crushed leather having a combined installed capacity of 87,60,000 sft. The company has been able to make a room in the world market in terms of export quality leather and has gathered country

wide reputation as a valued foreign exchange earner in the sector Presently Government policy is discouraging export of crust leather. Keeping this in consideration the project is contemplating to upgrade the factory to produce more value added finished leather with an increased production capacity upto 90,00,000 sft per annum. The management of the Company expects that the commercial production of the expanded project will be completed by 7th month after IPO.

The project has been designed on three shift operation per day of 8 hours each shift and 300 working days in a year. The expanding annual production capacity of the project is 90.00,000 sft of finished leather.

3. Technical & Production Process The project consists of four main processing sections viz.,

 Wet Blue Section (Beam house) II. Retanning Section (Dyeing and fattiquoring)

III. Crust Section & VI. Finishing Section

Primitive system of making leather has changed a lot and now it's the time to produce leather by synchronization of man, machine, chemical and most equipped technology. Samata procures raw hides from all over Bangladesh to fulfil its massive consumption. These raw hides of different sizes are preserved with salt and are segregated into different district of origin to maintain standard quality.

WET BLUE SECTION:

In wet blue section, firstly, leather starts with various chemical and mechanical operations where the leather gets preserved not to rot but for further process. And it is called the basic foundation to treat the leather for different purposes requiring further procedure. From raw hide to wet blue normally following operations are required, viz., soaking, liming, fleshing, lime splitting, deliming, bating, pickling, wet blue tanning.

RETANNING SECTION

In retaining section the wet blue are taken for its further procedure according to customers' requirement in different type of tanning where leather slowly steps towards finished leather. In this stage leather can be made softer, harder, thinner, thicker and other physical type according to customers' choice. So, in this stage actually we can say leather gets prepare as like as cooking with various spices for different recipes of food. In this stage mechanical and chemical application requires. CRUST SECTION

To bring the leather in dry condition with certain moisture content inside the leather and to maintain the physical aspects is the major job of this yard. To prepare the leather for final operation in finishing whatever remains should be filled up in this section. The operations done in this yard are: shamming, setting, heated rolling, vacuum drying, natural drying, humidity control drying, conditioning, staking, buffing, toggling and trimming. FINISHING SECTION

This is the end process of finished leather where the crust leather gets its colour of

different kinds as per requirement of the foreign buyers. In this section, the processed leather is to spray with colours and make it dry for packing and prepare for immediate export.

Samata Leather Complex Limited

Flow Chart

Het Blue Section	Retanning Section	Crust Section	Finishing Section
Raw Hides	Piling	Dyeing	Spraying
Assortment	Selection	Horse CP	Ironing Milling
Counting	Assortment	Setting	Splating
Imming	Samming	Vaccuam Drying	Selection
Dirt Soaking	Setting	Hang Drying	Measuring
Main Soaking	Spitting	Staking	Packing
Liming	Shaving	Buffing	Ware House
Scudding	Trimming	Tuggle Drying	Ready for Expor
Flhshing	Weight	Trimming	0.2
Weigh	Retaining	Plating	
Washing	Crust Section	Selection	
Deliming		Finishing Section	
Bating			
Scudding			
Chrome Tanning			
Basifying			
Ratanning Section		į.	

LOCATION OF THE PROJECT

The project consists of two units located at 120 & 118 Sher-e-Bangla Road, Hazaribagh, Dhaka with all infrastructural facilities like water, power, gas and internal road which is set up on a land of 52.33 kathas. BUILDING & OTHER CIVIL WORKS

The Building of the project consists of two units i.e. unit #01 and unit #02 Unit#01 consists of two building i.e., building #01 and building #02. Unit #02 has only one single storied building. Details of Building & Civil Works are described as follows:

Unit-1

Building # 1 Three storied 1st class RCC structure industrial building with eight storied foundation having pacca floor with heavy load carrying capacity. The total covered area of the building is 16,200 Sq Ft and other civil works is 3,400 Sq Ft. Building # 2

Building # 02 is a single storied building with RCC structure of asbestors roof over wooden/iron angle covering 8,525 sft of space.

Unit # 02 is a single storied building with pacca and asbestors roof. The covered area of which is 20,000 sft. The Buildings of the project have already been completed and the machinery for the expansion programme will be set in the same premises.

MACHINERY FOR EXISTING PLANT

The project has sufficient capital machineries for its existing capacity consists of Finvac vacuum dryer, 3P through Feed staking, 3P through Feed Summing Machine, Poletto Hydraulic opened and Shaving machine, Merclir Hydraulic Reversible Summing Cum Selling Machine, Mercier Hydraulic Splitting Machine, Rizzi Selling out, Fleshing Machine etc. In addition to the above the project has two Nos. standby Diesel Generator set, one is for 250 KVA and the other is for 160 KVA. The machineries stated above had been imported from Finland, Italy, France, Taiwan, Singapore, Thailand and India. The project has also some local machineries and equipments for day to day Machinery for Expansion Plant

Description	Qty	Manufacturer/	Unit Price	Amount C&F
		Co	C&F in US\$	in US\$
Rotary Spraying Machine	1 set	France	44,000.00	44,000.00
Buffing Machine	1 set	Italy	31,900.00	31,900.00
Dedusting Machine	1 set	Italy	15,400.00	15,400.00
Polishing Machine	2 sets	Italy	30,000.00	60,000.00
Roller Coating Machine	1 set	Italy	30,000.00	30,000.00
Glazing Machine	5 sets	Italy	7,000.00	35,000.00
Finiflex Machine	1 set	Italy	40,000.00	40,000.00
Shaving Machine	1 set	Italy	82,500.00	82,500.00
Hydraulic Press	1 set	Italy	98,000.00	98,000.00

Total C&F Chittagong US\$ 4,36,800.00

Machineries for the expansion programme will be of brand new condition which are to be procured by opening Letter of Credit. The L/C will be opened within shortest possible time after IPO. Erection, installation and trial run of the expansion programme will be made on 6th month after IPO and the commercial production of the same will be started on 7th month after IPO.

RAW MATERIALS

Power:

The main raw materials of the project are raw hides and chemicals. Raw hides will be procured from the local sources which are always available all over the country and the chemicals will be procured from the local as well as foreign sources.

SOURCES AND REQUIREMENT OF POWER, GAS AND WATER

The project has taken a connected load of 160 KW electric power from Dhaka Electric Supply Authority which is sufficiently enough to supply the required power for the project. Moreover, the project has two Nos standby Generating sets of 160 KVA and 250 KVA that are to be used in case of power failure.

The annual requirement of gas has been estimated to be 20,000 cubic meter at 100% capacity utilization. The required gas will be supplied by Titas Gas Transmission and Distribution Co Ltd.

The required water will be used through using of project's own deep tube well.

ENVIRONMENTAL HAZARD, POLLUTION CONTROL AND WASTE DISPOSAL The project does not have any environmental hazard. The project uses sewerage line of Dhaka City Corporation which has been specially made for the purpose of pollution control and waste disposal of such industries set up in the area.

MANPOWER The requirement of Technical. Managerial and other staff for the project are as No of Employees Particulars

Chief Executive Manager Officers & Engineers Other Staff Workers

MARKET SHARE

As per report published by Bangladesh Bureau of Statistics in the year 1994 that there were about 360 establishments in the country includes about 146 nos leather products manufacturing company and about 214 nos leather processing industry. Out of 214 nos leather processing industry, 158 are registered with the Board of Investment (BOI) and their sanctioned production capacity is 208 million so feet finished leather. 8.40 million pounds of vegetable tanned sole leather and 1.0 million pounds industrial leather. There are about 60 tanneries, mostly members of Bangladesh Finished Leather Exporter's Associations possessing reasonable technology for producing crust leather and to some extent finished leather and their annual production capacity is about 200 million sq feet, out of them, 7-8 units having proper machineries and know how for producing export quality leather. The estimated leather export in 1995-96 was about 155.81 million Sq feet. The target for the year 1996-97 has been fixed for about 200.00 million sq feet. It is assumed that the export target will be high up remarkably in the subsequent years also. Besides, a part of finished leather is being used for manufacturing footwear and leather goods for export. The demand of leather products in the world market is being expanded continuously with population growth combined with rise in living standard. The leather and leather products manufacturing firms in developed countries have been facing difficulties due to high labour and effluent treatment cost, thus they are relocating their production base in low cost developing and under developed countries and the zone where quality hides and skins are available. A large pool of easily trainable labour force are the major advantage for Bangladesh over other exporting countries for competitive production. Moreover, with the increasing awareness regarding environment pollution in the developed countries, they are increasingly declining their import of leather in the form of wet blue or semi finished form. This indicates a very favourable situation ahead for Bangladesh so far export of finished leather is concerned

Realizing the potential of leather and leather products in export growth, the government encourages private investment in leather and leather product industry with special emphasis on foreign investment and provides policy support and investment incentives to attract investment which include priority financial assistance, duty free import of capital machinery, export credit, special credit from EDF, special rebate in export insurance premium, tax holiday, income rebate on export earning etc.

With the increasing foreign demands and facilities provided by the government encouraging new investment towards leather sector, the implementation of the project

is quite justified.

MANAGERIAL COMPETENCE OF THE DIRECTORS The sponsor Directors of the project are all well experienced in leather processing technology. Since they are operating the project for more than a decade independently, they have enough expertise and experience to lead in processing of quality leather. Moreover, a significant number of leather technologists and technicians have been appointed to oversee the production process for producing export quality

Section-9

COMPANY MANAGEMENT

MANAGEMENT AND ORGANIZATION

The overall management of the company will be vested with the Board of Directors. The Board of Directors formulates company's policies and provides guidelines for its day to day operation. The Managing Director will be the executive head who will look after the business affairs and other logistic support of the company. However, the Managing Director will be assisted by other managerial and technical personnel. DIRECTORS, THEIR BACKGROUND, EXPERIENCE AND SHAREHOLDING Mr Md Munsur Ahmed Md Munsur Ahmed, S/O. Late Kala Miah of 41/23/1, Salek Road, Zigatola, Dhaka

-1209, is a bonafide industrialist who has about 34 years of experience on leather processing industry. Mr Ahmed has been acting as the Chairman of Samata Leather Complex Ltd since long. As an efficient entrepreneur Mr Ahmed has established an export oriented leather industry like "Samata Leather Complex Limited" in the country whose foreign exchange earning ratio is increasing rapidly. With rich and vast business experience, Mr Ahmed is expected to infuse dynamism in successful implementation and profitable operation of the proposed expansion and modernization programme. Presently Mr Mansur Ahmed is holding 71.870 Nos of Ordinary shares of Tk 100/- each at par. Mr Md Habibur Rahman

Mr Habibur Rahman, S/O. Late Balakatullah of 10 Tallabag, Zigatola, Dhaka-1209, is a renowned industrialist. He is the Managing Director of Samata Leather Complex Ltd. Mr Rahman has about 32 years of experience in the leather processing industry. Because of his creative and realistic thinking along with rich and vast business background. Mr Rahman is endeavour determined to implement and run the project smoothly. At present Mr Rahman is holding 71,870 Nos of Ordinary shares of Tk 100/each at par.

Md Shajahan, S/O. late Ali Hayder of 133/3, Hazaribagh, Dhaka-1209, is one of the sponsor director of Samata Leather Complex Ltd. He is acquainted with the process and technology of leather industry since long. Mr Shahjahan has about 20 years of experience in the same line of trade. His rich and vast business experience will explore his creativity and realistic thinking by means of which he will be able to make positive contribution in the proposed plant. Mr Shajahan is holding 71,870 Nos of Ordinary shares of Tk 100/- each at par.

Occupation No of Ordinary

3 DETAILS OF THE SHAREHOLDERS OTHER THAN DIRECTORS

Si Name of Shareholders Address

No		1		Shares
01	Mst. Nasreen Akther	133-3 Hazanbagh Dhaka 1209	Housewite	18.000
02	Mst. Yasmin Akhtar	Do	Student	78:000
03%	Md. Golam Mostafa	41-23 T. Salek Rd Zigatela, Dhaka 1209	Business	18 000
04	Md. Mizanur Rahman	Dec	Business	18 006
05	Md Asub Khan	10 Tallahagh Zigatida Dhaka 1209	Business	ES 0300
06	Mst. Marzahan Akhter	Do	Housewife	18 000
07	Mst Yvasmun Akhtar	41 23 1 Salek RJ Zigatola: Dhaka 1209	Housewife	12.065
08	Mrs. Tahera Begum	Do	Housewate	12 065
09	Mrs Bilkis Akhter	10, Tallahagh. Zigatola, Dhaka 1209	Housewite	0.065
10	Mrs. Farida Akhter	Des	Housewife	32:065
ы	Mrs Zahura Khatun	3.03.3. Hazaritugh Dhaka 1209	Housewite	32.068
	Mrs. Shamima Akhter	Div	Housewile	17,065
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