

**AUDITORS' REPORT**  
**&**  
**AUDITED FINANCIAL STATEMENTS**  
**OF**

**DHAKA LEATHER COMPANY LTD**

**Nayarhat, Savar, Dhaka- 1350.**

**Bangladesh**

For the year ended 30 June 2021



**ISLAM QUAZI SHAFIQUE & CO.**  
**Chartered Accountants**

**Al-Haj Shamsuddin Mansion**  
**Room # C, 4th Floor**  
**17, New Eskaton Road,**  
**Moghbazar, Dhaka – 1000.**  
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## **ISLAM QUAZI SHAFIQUE & CO.**

### **Chartered Accountants**

#### **Al-Haj Shamsuddin Mansion**

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### **PARTNERS:**

Quazi Shafiqul Islam FCA, FCS

Biplab Hossain FCA

Abu Nasser FCA

Md. Abdur Rahman FCA, ACS, LL.B

## **Independent Auditors' Report To the Shareholders of Dhaka Leather Company Limited**

We were engaged to audit the accompanying financial statements of Dhaka Leather Company Limited, which comprise the statement of financial position as at 30 June 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with International Standards on Auditing. Because of the matter described in the Basis for qualified of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### **Basis for qualified of Opinion**

The following circumstances give rise to material uncertainties as to the appropriateness of the use of the going concern and other assumptions in the preparation of the accompanying financial statements of the Company for the current financial year:

- a. As disclosed in Note # 1.2, operation of the company remained closed since 1998 and there is no practical plan to re-open its operation in near future. In addition to that (note # 13) the accumulated loss of the company is BDT 667,687,170 which is 2.23 time higher than its share capital (including share money deposit) which indicates that there is no reasonable ground to consider the entity to be going concern;
- b. As mentioned, operation of the company remained close since 1998 but its financial statements state that the company possesses total fixed assets amounting to BDT 757,806,454 (excluding land of BDT 17,381,633) which market value is not assessed and presented accordingly. However the market value of the Land may be much higher than what is shown in the Account
- c. As per the given financial statements of the company, it possesses current assets for an amount of BDT 31,635,477 (including inventory of BDT 20,722,806). As the company is remained close for last 23 years and hence there is a reasonable doubt of recovering any value from the current assets.



d. We feel that this project should not be kept in this way for further period. It should take some action for improvement of the company.

**Qualified of Opinion**

Because of the significance of the matter described in the basis for qualified of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for a qualified audit opinion. Accordingly, we do not express an opinion on the financial statements.

**Emphasis of Matter**

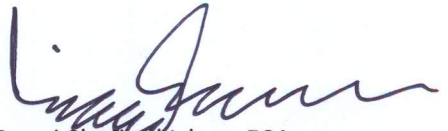
We draw attention on the following matters in respect of which our opinion is not qualified:

As per the given financial statements of the company, it presented total Tk. 1,155,949,617 as loan liability of Govt. Loan (ADP), BCIC Loan Account (Short Term), Current Account with BCIC. Since the company remain closed for last 23 years, so it high time to take an initiative by the management to settle the loan and liabilities.

**Report on Other Legal and Regulatory Requirements**

In our opinion, in view of the significance of the matters referred to the Bases for qualified of Opinion section of our report, we do not express an opinion on whether the accounting and other records required by the Act to be kept by the Company.

Place: Dhaka  
Date: 15-3-2022  
DVC: 2203240165AS730400

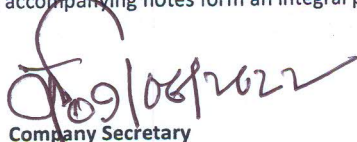
  
Quazi Shafique Islam, FCA  
Enrolment No. 0165  
**Islam Quazi Shafique & Co.**  
Chartered Accountants



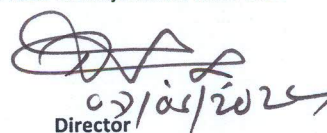
**Dhaka Leather Company Limited**  
**Statement of Financial Position**  
As at 30 June 2021.

Particulars	Notes	Amount in BDT	
		30 June 2021	30 June 2020
<b>ASSETS :</b>			
<b>Non Current Assets :</b>			
Property, Plant & Equipments	4	613,159,434.00	613,168,992.00
Pre-Operating Expenses	5	161,940,172.00	161,940,172.00
Preliminary Expenses	6	88,481.00	88,481.00
		<b>775,188,087.00</b>	<b>775,197,645.00</b>
<b>Current Assets :</b>			
Inventory	7	20,722,806.00	20,722,806.00
Current Account with Enterprise	8	8,881,647.00	8,881,647.00
Advance, Deposits & Prepayments	9	2,031,024.00	2,031,024.00
Cash & Bank (Dormant A/C)	10	-	367.00
		<b>31,635,477.00</b>	<b>31,635,844.00</b>
<b>Total Assets :</b>		<b>806,823,564.00</b>	<b>806,833,489.00</b>
<b>CAPITAL &amp; RESERVE :</b>			
Ordinary Share	11	1,000,000.00	1,000,000.00
Share money Deposit (BCIC Equity)	12	299,000,000.00	299,000,000.00
Retained Earnings (Accumulated Loss)	13	(667,687,170.00)	(653,685,174.00)
		<b>(367,687,170.00)</b>	<b>(353,685,174.00)</b>
<b>Non Current Liabilities :</b>			
Govt. Loan (ADP)	14	48,913,991.00	48,262,216.00
Deferred Liabilities (Gratuity)	15	8,495,782.00	8,761,822.00
		<b>57,409,773.00</b>	<b>57,024,038.00</b>
<b>Current Liabilities :</b>			
Creditor for Expenses	16	2,370,402.00	3,208,451.00
Creditor for Other Finance	17	7,554,459.00	7,566,181.00
Current Account with Enterprise	18	140,474.00	140,474.00
BCIC Loan Account (Short Term)	19	636,064,696.00	636,064,696.00
Current Account with BCIC	20	470,970,930.00	456,514,823.00
		<b>1,117,100,961.00</b>	<b>1,103,494,625.00</b>
<b>Total Equity &amp; Liabilities :</b>		<b>806,823,564.00</b>	<b>806,833,489.00</b>

The accompanying notes form an integral part of this financial statements are to be read in conjunction therewith.


  
Company Secretary

  
Managing Director

  
Director

signed in terms of our separate of even date

Place:Dhaka  
Date: 15-3-2022  
DVC: 2203240165AS730400

  
Quazi Shafiqul Islam, FCA  
Enrolment No. 0165  
Islam Quazi Shafique & Co.  
Chartered Accountants



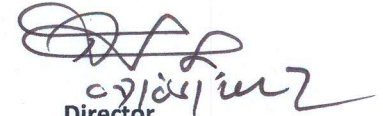
**Dhaka Leather Company Limited**  
**Statement of Profit or Loss and other Comprehensive Income**  
For the year ended 30 June 2021.

Income :	Note (s)	Amount in BDT	
		2020-21	2019-20
Sale of Tender Document		-	-
Job Charge Received		-	-
Probit on Sales on Assets		-	-
		-	-
<b>Operating Expenses :</b>			
Officers & Staff Salary	21	8,696,064.00	8,480,791.00
General Administrative overhead	22	4,654,157.00	5,312,725.00
Interest on ADP Loan	14	651,775.00	651,775.00
		<u>(14,001,996.00)</u>	<u>14,445,291.00</u>
Profit/(Loss) before Income Tax		(14,001,996.00)	(14,445,291.00)
Income Tax Expenses		-	-
<b>Profit/ (Loss) after Tax for the year :</b>		<u><b>(14,001,996.00)</b></u>	<u><b>(14,445,291.00)</b></u>

The accompanying notes form an integral part of this financial statements are to be read in conjunction therewith.


  
09/06/2022  
Company Secretary

  
09/06/2022  
Managing Director

  
09/06/2022  
Director

signed in terms of our separate of even date

Place:Dhaka  
Date: 15-3-2022  
DVC: 2203240165AS730400

  
Quazi Shafiqul Islam, FCA  
Enrolment No. 0165  
Islam Quazi Shafique & Co.  
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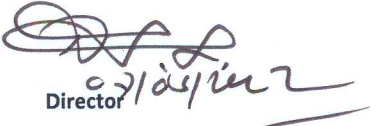
**Dhaka Leather Company Limited**  
**Statement of Changes in Equity**  
For the year ended 30 June 2021

Particulars	Paid-up Capital	Retained Earning	Total
Balance as on 1 July 2020	1,000,000	(653,685,174.00)	(652,685,174.00)
Net Profit/ (Loss) after Tax		(14,001,996.00)	(14,001,996.00)
		-	-
Balance as on June 30, 2021	<b>1,000,000</b>	<b>(667,687,170.00)</b>	<b>(666,687,170.00)</b>

Particulars	Paid-up Capital	Retained Earning	Total
Balance as on 1 July 2019	1,000,000	(639,239,883.00)	(638,239,883.00)
Net Profit/ (Loss) after Tax		(14,445,291.00)	(14,445,291.00)
Balance as on 30 June 2020	1,000,000	(653,685,174.00)	(652,685,174.00)

  
09/08/2022  
Company Secretary

  
02/08/2021  
Managing Director

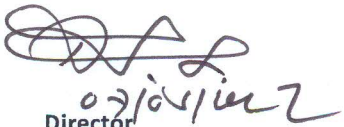
  
02/08/2021  
Director

**Dhaka Leather Company Limited**  
**Statement of Cash flows**  
For the year ended 30 June 2021.

Sl. No.	Particulars	Amount in Taka	
		30 June 2021	30 June 2020
<b>A.</b>	<b>Cash flows from operating activities :</b>		
	Cash receipts from Customers	-	-
	Cash paid to Suppliers	-	-
	Cash paid to Employees	-	-
	Other Operating Expenses	-	-
	<b>Net Cash used in Operating Activities</b>	<b>-</b>	<b>-</b>
<b>B.</b>	<b>Cash flows from investing activities:</b>		
	Net Cash flows from (Used) in Investing activities	-	-
<b>C.</b>	<b>Cash flows from Financial Activities :</b>		
	Loan & Other Finance	-	-
	<b>Net cash flows from financial activities</b>	<b>-</b>	<b>-</b>
	<b>Cash Surplus/(Deficit) for the year (A+B+C)</b>	<b>-</b>	<b>-</b>
	<b>Opening Cash &amp; Bank Balance</b>	<b>-</b>	<b>367.00</b>
	<b>Closing Cash &amp; Bank Balance (D+E)</b>	<b>-</b>	<b>367.00</b>

  
Company Secretary

  
Managing Director

  
Director





**Dhaka Leather Company Limited**  
**Notes to the financial statements**  
As at and for the year ended 30 June 2021

**1.0 Legal Status and activities**

**1.1 Company profile**

Dhaka Leather Company Limited (hereinafter referred to as the "Company") was incorporated in Dhaka, Bangladesh on 4 February 1996 vide ND-C 30240 (1466)/96 as a Public Limited Company under the Companies Act (#18) 1994. The Dhaka Leather Company Ltd. Project is located at Nayarhat, Savar, the Eastern Bank of the River Bangshawi and by the side of Dhaka-Aricha Highway 37 Kilometer away from the Capital City.

**1.2 Nature of business**

The company was established to carry on the business of manufacturing finished leather, various leather goods including shoes and by products of all kinds. The commercial production of the Company was started in financial year 1996-1997 and continued only for 6 (six) days. Further production could not be continued due to non-availability of raw materials i.e. hides and skins, it was then operated for processing goods of outside parties. The company entered into three sub contract agreements in financial year 1996-1997 and 1997-1998 for rental establishment and facilities but the subcontractor also failed. The Company has been fully closed since 1998.

**2.0 Basis of preparation of financial statements**

**2.1 Statement of compliance**

The financial statements have been prepared in accordance with Bangladesh Accounting Standards (IAS), Bangladesh Financial Reporting Standards (BFRS) and as per the requirements of the Companies Act (#18) 1994 and other applicable laws and regulations.

- IAS - 01 Presentation of financial statements
- IAS - 07 Statement of Cash flows
- IAS - 08 Accounting policies, Changes in accounting estimates and Errors
- IAS - 10 Events after the reporting period
- IAS - 12 Income Taxes
- IAS - 16 Property, Plant and Equipment
- IAS - 19 Employee Benefits
- IAS - 24 Related Party Disclosure
- IAS - 37 Provisions, Contingent Liabilities and Contingent assets.

**Other Regulatory compliances**

- The Income Tax Ordinance (#36) 1984
- The Income Tax Rules 1984
- The Value Added Tax Act (#22) 1991
- The Value Added Tax Rules 1991

**2.2 Components of Financial Statements**

Following are the components of these financial statements

- a. Statement of Financial Position as at 30 June 2021
- b. Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2021
- c. Statement of changes in equity for the year ended 30 June 2021
- d. Statement of Cash Flows for the year ended 30 June 2021
- e. Explanatory Information



### 2.3 Basis of Measurement

These financial statements have been prepared on accrual IASs under the historical cost convention except the statement of cash flows.

### 2.4 Financial period

The financial period of the Company covers one year from 01 July to 30 June and consistently followed. These financial statements cover one year from 01 July 2020 to 30 June 2021.

### 2.5 Functional and presentational currency

The financial statements are presented in Bangladesh Taka (BDT/Tk.), which is the Company's functional currency. All financial information presented in Bangladeshi Taka (BDT/Tk) has been rounded off to the nearest Taka (BDT/Tk).

### 2.6 Use of estimates and judgments

In preparing these financial statements, management has made judgment, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing IAS is. Revision to estimates are recognised prospectively.

### 2.7 Going concern

As per IAS1: Presentation of Financial Statements, a company is required to make assessment at the end of each year to assess its capability to continue as going concern. The Directors continue to adopt the going concern assumption while preparing the financial statements though the company remains closed since 1998 and thereafter this company is funded by the BCIC to meet up its regular expenses such as staff salary, general administrative overhead etc.

### 3.0 Summary of significant accounting policies

The accounting policies set out below have been applied to the accounts consistently to all periods presented in these financial statements.

#### 3.1 Property, plant and equipment

As per IAS 16 : *Property, Plant and Equipment*, items of property, plant and equipment should be depreciated when the assets becomes useable as intended by the management and should have been measured at cost less accumulated depreciation and accumulated impairment losses, if any but no depreciation is charged from 1998-1999 and till to date no impairment / impairment review has taken place as the company has remained fully closed since 1998. As a result PPE is materiality overstated by Tk. 570,922,851.

Moreover, the company recognised Land and Land Development amounting to Tk.17,381,633 but the company has no ownership documents like mutation and simultaneously maintaining a provision for the purchase of 18 Acres land from Bangladesh Council of Scientific and Industrial Research (BCSIR) amounting to Tk.5,400,000.

#### 3.2 Inventory

As per IAS 2 : *Inventory*, items of inventory should be recognised at "lower of cost and Net Realizable Value" but the company has maintained the inventory at cost.

#### 3.3 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and cash at bank.

**3.4 Revenue recognition**

The company remains closed since 1998, there is no revenue to be recognised.

**3.5 Employees benefit plans**

The Company, for its employees, operates the following schemes:

**Gratuity scheme**

The Company has two gratuity schemes one for the central cadre (Officer) of the DLCL managed centrally by the BCIC Trustee Board that means funded and another for the Staff of the DLCL managed by the DLCL itself which is unfunded. Gratuity is provided to employees on retirement of employment; equivalent to two last IASic salary for every completed year (more than 4 months considered as full year) of service.

**Provident Fund Scheme-funded**

The Company operates contributory provident fund for all its permanent employees as per the government policy. This fund is recognised by National Board of Revenue and managed by an independent Board of Trustee. The provident fund is administered by the Board of Trustees and is funded by contributions from employees @10% and from the Company @ 12.5% of the IASic pay. These contributions are invested separately from the Company's business.

**3.6 Current tax**

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The applicable tax rate for the Company for the reporting period was 35%.

However, the company has no taxable income for this period.

**3.7 Deferred tax**

As per IAS 12: Income Taxes, deferred tax is calculated using the balance sheet method, providing for temporary differences between the carrying amount of assets and liabilities and their tax IASe. The deferred tax asset / income or liability / expense does not create a legal obligation to, or recoverability from the income tax authority.

However, no deferred tax is recognised in this financial statements as the company remains closed since 1998.

**3.8 Statement of cash flows**

Statement of cash flows have been prepared under direct method in accordance with IAS 7, "Statement of Cash Flows"

**3.9 General**

1. Previous period / year's figures have been rearranged, wherever considered necessary to conform to the current period's presentation.

2. All amounts in this financial statement have been recorded off to the nearest Taka.



Sl. No.	Particulars	Notes	Amount in Taka	
			2020-21	2019-20
<b>5.</b>	<b>Pre-Operating Expenses :</b>			
	<b>A. Expenses :</b>			
	Factory Overhead		40,443,250.00	40,443,250.00
	General Admin Overhead		8,995,907.00	8,995,907.00
	Interest & Financial Expenses		16,727,815.00	16,727,815.00
	Revaluation of Finished Stock		101,755,621.00	101,755,621.00
	Salaries & Allowance		1,709,088.00	1,709,088.00
			<u>169,631,681.00</u>	<u>169,631,681.00</u>
	<b>B. Less : Sales &amp; Other Income :</b>			
	Sales		25,089.00	25,089.00
	Job Work		1,020,578.00	1,020,578.00
	Misc. Income		384,795.00	384,795.00
	Gain of Sales of Car		42,207.00	42,207.00
	Interest Recived		528,857.00	528,857.00
	Registration Fees		79,315.00	79,315.00
	Adjustment		5,610,668.00	5,610,668.00
			<u>7,691,509.00</u>	<u>7,691,509.00</u>
			<u><b>161,940,172.00</b></u>	<u><b>161,940,172.00</b></u>
	In the present status this expenses has got hardly any value.			
<b>6.</b>	<b>Preliminary Expenses :</b>			
	Preliminary Expenses are the expense that the Company incurs prior to the incorporation of the Company. This expenses Incurred by the founders of the Dhaka Leather Company Limited at 1996 to incorporate the Company, develop the logo, register Company name etc.			
<b>7.</b>	<b>Inventory :</b>			
	Packing Materials		6,978.00	6,978.00
	Spares Accessories & Stores	7.1	20,715,828.00	20,715,828.00
			<u>20,722,806.00</u>	<u>20,722,806.00</u>
<b>7.1</b>	<b>Spares Accessories &amp; Stores :</b>			
	Motor Vehicles, Trailor & Cycle Parts		2,175.00	2,175.00
	Spare parts		10,299,812.00	10,299,812.00
	Bearings		13,469.00	13,469.00
	Metal working		49,527.00	49,527.00
	Special Industries Machinery		7,647,982.00	7,647,982.00
	Handling Equipment		314,264.00	314,264.00
	Pumps & Compressor		387,400.00	387,400.00
	Pipe, Tube & Fittings		102,154.00	102,154.00
	Hand Tools		614,155.00	614,155.00
	Hand ware		209,698.00	209,698.00
	Construction Building materials		414,676.00	414,676.00
	Electrical Equipment		301,563.00	301,563.00
	Electrical ware		132,319.00	132,319.00
	Laboratory Equipment		67,295.00	67,295.00
	Furniture		4,200.00	4,200.00
	Hardware & Appliance		15,585.00	15,585.00
	Office Equipment		225.00	225.00
	Books		791.00	791.00
	Brushes & Paints		20,012.00	20,012.00



Fuel & Lubricants	67,653.00	67,653.00
Misc. Stores	8,073.00	8,073.00
Rope, Cable, Chair & Fittings	42,800.00	42,800.00
	<b>20,715,828.00</b>	<b>20,715,828.00</b>
<b>8. Current Account with Enterprise :</b>		
<b>A. Running :</b>		
Bangladesh Insulator and Sanitaryware Factory Ltd.	2,849,356.00	2,849,356.00
TSP Complex Ltd.	3,014,253.00	3,014,253.00
Shahjalal Fertilizer Company Ltd. (Former NGFFL)	1,426,031.00	1,426,031.00
Training Institute for Chemical Industries	-	5,318.00
Polash Urea Fertilizer Factory Ltd.	-	334.00
Chatak Cement Company Ltd.	2,284.00	2,284.00
Jamuna Fertilizer Company Ltd.	14,150.00	14,150.00
<b>B. Pay off/Closed :</b>		
North Bengal Paper mills Ltd.	1,461,331.00	1,461,331.00
Kornophuli Rayon & Chemicals Ltd.	28,950.00	28,950.00
Khulna Newsprint Mills Ltd.	83,362.00	83,362.00
Takerghat Lime Stone mining Project	1,930.00	1,930.00
	<b>8,881,647.00</b>	<b>8,887,299.00</b>
<b>9. Advances, Deposits &amp; Prepayments :</b>		
Advance	9.1 1,072,849.00	1,072,849.00
Deposits	9.2 958,175.00	958,175.00
	<b>2,031,024.00</b>	<b>2,031,024.00</b>
<b>9.1 Advance :</b>		
<b>A. Advance against Expenses :</b>		
Mr. Md. Iqbal Hossain, Manager (Admn)	13,000.00	13,000.00
Mr. A.K. Roy (SAT)	4,200.00	4,200.00
Mr. Md. Nazmul Haque (SAC)	4,235.00	4,235.00
<b>B. Advance against TA/DA :</b>		
Mr. Md. Shamsul Alam Khan Manager (Admin)	-	-
<b>C. Advance against Party :</b>		
Lindey Bangladesh Ltd. (Ex. BOC Ltd.)	19,397.00	19,397.00
<b>D. Advance against Carries:</b>		
M/S. Didar Transport Agency	578,614.00	578,614.00
<b>E. Advance against Income Tax</b>		
	427,360.00	427,360.00
<b>F. Advance against Facilities</b>		
	21,847.00	21,847.00
<b>G. Arrear Festival Bonus (Officer)</b>		
	8,840.00	8,840.00
<b>H. I.T. Deduction</b>		
	16,791.00	16,791.00
	<b>1,094,284.00</b>	<b>1,094,284.00</b>
Less: for Provision for Bad Debts	21,435.00	21,435.00
	<b>1,072,849.00</b>	<b>1,072,849.00</b>
<b>9.2 Deposits :</b>		
Deposit with T & T Board	15,720.00	15,720.00
Deposit with Polly Biddut Samitte	523,375.00	523,375.00
Deposit with Titas Gas T & D Co. Ltd.	409,080.00	409,080.00
Deposit with Linde Bangladesh Ltd. (Ex. BOC Ltd.)	10,000.00	10,000.00
	<b>958,175.00</b>	<b>958,175.00</b>
<b>10. Cash at Bank (Dormant A/C) :</b>		
Janata Bank Ltd.	-	367.00
Nayarhat Branch, Savar, Dhaka.	-	
STD A/C No. 06	-	
	<b>-</b>	<b>367.00</b>



Sl. No.	Particulars	Amount in Taka	
		2020-21	2019-20
11.	<b>Share Capital :</b>		
	Authorised Capital	500,000,000.00	500,000,000.00
	50,00,000 Ordinary Shares @ Tk. 100/- Each		
		<b>500,000,000.00</b>	<b>500,000,000.00</b>

**Ordinary Share/Paid Up Capital**

10,000 shares at Tk.100 per share

Name of Share holders	Nationality	Holdings%	No. of shares	30-Jun-21	30-Jun-20
1. Bangladesh Chemical Industries Corporation (BCIC) Represented by Mr. M. Badiuzzaman	Bangladeshi	99.93	9,993.00	999300.0	999300.0
2. Mr. M. Badiuzzaman	Bangladeshi	0.01	1.00	100	100
3. Dr. A. K. M. Masood	Bangladeshi	0.01	1.00	100	100
4. Mr. Atiqur Rahman	Bangladeshi	0.01	1.00	100	100
5. Mr. K. M. R. Islam Abu Wahed	Bangladeshi	0.01	1.00	100	100
6. Mr. J. C. Biswas	Bangladeshi	0.01	1.00	100	100
7. Mr. Md. Abdul Aziz Mollah	Bangladeshi	0.01	1.00	100	100
8. Mr. N. N. M. Nazrul Hasan	Bangladeshi	0.01	1.00	100	100
<b>Total</b>		<b>100%</b>	<b>10,000.00</b>	<b>1,000,000.00</b>	<b>1,000,000.00</b>



12.	<b>Share money Deposit (BCIC Equity)</b>		299,000,000.00	299,000,000.00
			<b>299,000,000.00</b>	<b>299,000,000.00</b>
13.	<b>Retained Earnings (Accumulated Loss)</b>			
	Opening Balance of Accumulated Loss		(653,685,174.00)	(639,239,883.00)
	Add. Loss for the year		(14,001,996.00)	(14,445,291.00)
			<b>(667,687,170.00)</b>	<b>(653,685,174.00)</b>
14.	<b>Govt. Loan (ADP)</b>			
	Principal Loan from ADP		13,035,500.00	13,035,500.00
	Add. Accumulated interest		35,226,716.00	34,574,941.00
	Opening Balance		<b>48,262,216.00</b>	<b>47,610,441.00</b>
	Add. Interest during the year		651,775.00	651,775.00
			<b>48,913,991.00</b>	<b>48,262,216.00</b>
15.	<b>Deferred Liabilities (Gratuity)</b>			
	Opening Balance as per last year A/C		8,761,822.00	6,823,182.00
	Addition during the year	15.1	376,200.00	2,677,420.00
			9,138,022.00	9,500,602.00
	(-) Adjusted during the year		642,240.00	738,780.00
	Closing Balance		<b>8,495,782.00</b>	<b>8,761,822.00</b>
15.1	<b>Addition during the year (Gratuity) :</b>			
	<b>Officer:-</b>			
	Mr. Mohammed Salim (MD)		-	264,480.00
	Mr. Md. Shamsul Alam Khan Manager (Admin)		-	234,240.00
	Mr. Md. Abdul Hakim (AO)		-	234,800.00
	Mr. Md. Abul Kalam Azad (AAO)		-	45,100.00
	<b>Staff:-</b>			
	Mr. Kamal Hossain Hawladar (RS)		47,520.00	78,700.00
	Mr. Md. Babul Sarder (MLSS)		-	93,320.00
	Mr. Md. Munshi Akkas Uddin (SG)		89,880.00	83,960.00
	Mr. Md. Jasim Uddin (SG)		27,480.00	3,300.00
	Mr. Md. Nizamul Haque (SG)		-	371,920.00
	Mr. Md. Janab Ali (Laskar)		75,520.00	740,640.00
	Mr. Md. Aktaruzzaman (SG)		40,240.00	36,720.00
	Mr. Md. Nazrul Islam (Peon)		60,360.00	490,240.00
	Mr. Md. Abdul Motaleb (SG)		35,200.00	-
			<b>376,200.00</b>	<b>2,677,420.00</b>



16. **Creditor for Expenses :**

Audit Fees	68,000.00	68,000.00
Legal Expenses	637,897.00	638,289.00
Electricity Bill (June'20)	-	44,229.00
Gas Bill (May & June'20)	-	7,800.00
Land Tax	803,184.00	763,184.00
Anser & Labour Contract Bill	74,802.00	357,942.00
Overtime Allowance	7,329.00	24,867.00
M/S. Didar Transport Agency	715,951.00	715,951.00
Car Running Expenses	5,702.00	5,702.00
Printing & Stationery	1,960.00	2,652.00
Telephone Bill 1998	52,377.00	52,377.00
Board meeting Exp.	-	20,000.00
Repairs of Electric Sub-station	-	506,738.00
TA/DA Exp.	-	720.00
FC Bill	3,200.00	-
<b>Total:</b>	<b>2,370,402.00</b>	<b>3,208,451.00</b>

17. **Creditor for other Finance :**

Liabilities for land purchases (BCSIR)	5,400,000.00	5,400,000.00
DLCL Welfare Fund	672,785.00	811,461.00
DLCL Employee's P.F Trust	214,920.00	39,907.00
Welfare Loan (Other Project)	69,710.00	69,710.00
BCIC Employee's P.F Trust	184,264.00	204,841.00
VAT Deduction	25,650.00	25,650.00
Revenue Stamp	-	21,780.00
Security Diposit	437,432.00	437,432.00
Housing Allowance deduction	378,224.00	378,224.00
Incentive Bonus deduction	95,523.00	95,523.00
Uniform & Leveries deduction	12,736.00	12,736.00
Vehicle Loan (Motor cycle)	63,215.00	63,215.00
Income Tax deduction	-	5,702.00
	<b>7,554,459.00</b>	<b>7,566,181.00</b>

17.1 **Security Deposit :**

M/S. Didar Transport (1994-95)	250,000.00	250,000.00
M/S. Hakkane Enterprise (1992-93)	50,000.00	50,000.00
M/S. Helena Enterprise (1998-99)	39,256.00	39,256.00
M/S. Delux Enterprise (1992-93)	10,000.00	10,000.00
M/S. Chowdhury Leather Co. Ltd. (1998-99)	16,026.00	16,026.00
M/S. Millerns Pump (2013-14)	12,228.00	12,228.00
M/S. Saiful Enterprise (1992-93)	3,302.00	3,302.00



M/S. People Typewriter (1992-93)	286.00	286.00
M/S. Ali & Co. (1992-93)	7,021.00	7,021.00
M/S. Samad & Sons (1992-93)	5,443.00	5,443.00
M/S. Bangladesh Traders	1,800.00	1,800.00
M/S. Gafur Enterprise (1992-93)	132.00	132.00
M/S. Kazi wood works (1992-93)	3,000.00	3,000.00
M/S. Bengal Auto (1992-93)	5,000.00	5,000.00
M/S. Dhaka Traders (1992-93)	3,000.00	3,000.00
M/S. Welcome Tailors (1992-93)	6,000.00	6,000.00
M/S. The Dhaka Oxylarize Ltd. (1992-93)	3,000.00	3,000.00
M/S. Rimco Ltd. (1995-96)	3,000.00	3,000.00
M/S. BD Leather Development Co. Ltd. (1995-96)	3,138.00	3,138.00
M/S. Tilak Enterprise (1996-97)	800.00	800.00
M/S. Reliable Leather works (1996-97)	3,000.00	3,000.00
M/S. S.K.G. Enterprise (1996-97)	3,000.00	3,000.00
M/S. Tanchem Trading (1996-97)	3,000.00	3,000.00
M/S. Dewan Traders (1996-97)	3,000.00	3,000.00
M/S. Setu Enterprise (1996-97)	3,000.00	3,000.00
<b>Total :</b>	<b>437,432.00</b>	<b>437,432.00</b>

**18. Current Account With Enterprise :**

Running Factory :		
Chittagonj Urea Fertilizer Ltd.	17,180.00	17,180.00
Ashugonj Fertilizer & Chemical Company Ltd.	2,008.00	2,008.00
<b>Pay off/ Closed :</b>		
Polash Urea Fertilizer Factory Ltd.	11,644.00	11,644.00
Urea Fertilizer Factory Ltd.	26,515.00	26,515.00
Chittagonj Chemical Company Ltd.	73,535.00	73,535.00
Ujala Match Factory Ltd.	592.00	592.00
Karnaphuli Paper Mills Ltd.	9,000.00	9,000.00
	<b>140,474.00</b>	<b>140,474.00</b>

**19. BCIC Loan Account (Short Term) :**

Loan From BCIC	636,064,696.00	636,064,696.00
	<b>636,064,696.00</b>	<b>636,064,696.00</b>

This amount of Loan had been taken by the Dhaka Leather Company Ltd. From BCIC during its establishment period to make payment for its plant and machinery.

**20. Current Account with BCIC :**

Opening Balance	456,514,823.00	445,212,219.00
Add: Addition during the year	14,520,197.00	11,302,737.00
	<b>471,035,020.00</b>	<b>456,514,956.00</b>
Less: Adjustment during the year	64,090.00	133.00
Closing Balance	<b>470,970,930.00</b>	<b>456,514,823.00</b>

The Company remains closed since 1998 and thereafter this company is funded by the BCIC to meet up its regular expenses such as officers & staff salary, general administrative over head etc.



21.0 **Officer's & Staff Salary Notes:-**

Amount in Taka	
2020-2021	2019-2020
4416853	3586036
4279211	4894755
<b>8696064</b>	<b>8480791</b>

Officer's Salary 21.1  
Staff Salary 21.2

21.1 **Officer's Salary:-**

Basic Salary  
House Rent Allowance  
Medical Allowance  
Gratuity & Leave Pay  
Honourarium  
Recreation Allowance  
Education Allowance  
Festival Bonus  
Boishakhe Allowance  
Food & Conveyance  
Company Contribution to PF

1998883	1468888
1013820	735668
54000	43500
672860	778620
6000	6000
37680	58560
24000	20500
335300	255000
33530	32112
39600	40800
201180	146388
<b>4416853</b>	<b>3586036</b>

21.2 **Staff Salary:-**

Basic Salary  
House Rent Allowance  
Medical Allowance  
Conveyance Allowance  
Washing Allowance  
Tiffin Allowance  
Gratuity & Leave Pay  
Overtime Allowance  
Education Allowance  
Festival Bonus  
Company Contribution to PF  
Boishakhe Allowance  
Recreation Allowance  
Death Compensation

1401369	1455275
631054	676045
125806	136500
7200	3600
8387	9100
16774	18200
359960	1898800
186426	189759
31000	49000
233260	239100
133306	130912
23462	22234
-	66230
1121207	-
<b>4279211</b>	<b>4894755</b>

**22.0 General & Administrative Overhead:-**

Electricity Bill	561555	443934
Gas Bill	46800	46800
Telephone Expenses	50640	21284
Factory Repairs & Maintenance	110937	1226244
Anser & Contract Labour Bill	3171019	3029690
Uniform & Liveries	25270	25270
Audit Fees Expenses	18000	18000
Legal & Professional Fees	85000	75000
Entertainment Expenses	52639	51965
Printing & Stationery	51769	51996
Board Meeting Expenses	55000	81250
Land Tax	40000	40000
TA/DA Expenses	60839	75857
Depreciation - Computer	9558	10620
Colone Repairs & Maintenance	72480	84380
Gardening Expenses	3000	9000
Bad Debts Expenses	-	21435
Inventory-2020 Expenses	239284	-
Bank Charge	367	-
	<b>4654157</b>	<b>5312725</b>



**Dhaka Leather Company Limited**  
**4. Schedule of Non - Current Assets (Fixed Assets)**  
For the year from 1 July 2020 to 30 June 2021.

**Annexure - A**

Sl. No.	Particulars	Cost			Depreciation		Written Down Value as on 30 June 2021
		Balance as on 1 July 2020	Addition/ (Adjustment) during the year	Balance as on 30 June 2021	Balance as on 1 July 2020	Charge for the year	
1.	Land & Land Development	17,381,633.00	-	17,381,633.00	-	-	17,381,633.00
2.	Building & Other Costs	199,446,413.00	-	199,446,413.00	23,581,206.00	-	175,865,207.00
3.	Factory Plant, Machinery & Other	494,933,176.00	-	494,933,176.00	76,906,863.00	-	418,026,313.00
4.	Office Equipment	397,829.00	-	397,829.00	370,125.00	-	27,704.00
5.	Furniture & Equipment	3,122,846.00	-	3,122,846.00	1,474,686.00	-	1,648,160.00
6	Other Assets	402,164.00	-	402,164.00	277,769.00	-	124,395.00
7	Computer	118,000.00	-	118,000.00	22,420.00	9,558.00	86,022.00
	<b>Total During the Year (2021)</b>	<b>715,802,061.00</b>	<b>-</b>	<b>715,802,061.00</b>	<b>102,633,069.00</b>	<b>9,558.00</b>	<b>613,159,434.00</b>
	<b>Total Last Year A/C (2020)</b>	<b>715,802,061.00</b>	<b>-</b>	<b>715,802,061.00</b>	<b>102,633,069.00</b>	<b>-</b>	<b>613,168,992.00</b>

Note : Depreciation on fixed assets of DLCL has been charged up to 1998-99 and there after no depreciation has been charged on fixed assets as the factory was closed since then.

