Chittagong

Pubali Bank Ltd. Local Office, Dhaka

Motijheel Branch, Dhaka B.B. Avenue Branch, Dhaka

Mohakhali Branch, Dhaka

Corporate Branch, Dhaka

Gulshan Branch, Dhaka

Dilkusha Branch, Dhaka

Uttara Bank Limited

Agrabad Branch, Chittagong

Local Office, Motifheel, Dhaka

Kawran Bazar Branch, Dhaka

Motijheel Corporate Branch, Dhaka

Sk. Mujib Road Corporate Branch,

CMC-KAMAL TEXTILE MILLS LIMITED

Membership No. of shares

Continued from Page 13							
8.	Ratios:						
	Ratios	Yr-1	Yr-2	Yr-3	Yr-4	Yr-5	
	Gross profit margin to sales	35.66%	35.91%	36.11%	29.24%	28.97%	
	Operating profit to sales	33.17%	33.57%	33.81%	26.91%	26.59%	
	Net operating profit to sales	27.47%	29.03%	30.03%	23.57%	23.77%	
	Earning per share (Tk)	54.09	65.51	72.74	59.05	60.02	
	Dividend per share (Tk)	15	15	20	20	25	
	Net Asset Value per share (Tk)	136	184	233	269	-301	
	Debts service coverage ratio (Times)	7.3224	4.2878	4.8304	4.2985	4.5719	
	Debt Equity ratio	1.43:1	2.29:1	3.57:1	5.38:1	8.66:1	
	Fixed Assets coverage ratio (Times)	1.9269	2.0911	2.3319	2.7192	3.4454	
9.	RISK FACTORS:						
2007	The following factors may affect the p	rofitability	of the comp	any:-	maranan maran Basa		

Any changes in the prices of main raw materials (i.e. cotton and synthetic yarn, polyester staple fibre, viscose). Also difficulty in the availability of high quality cotton which will affect the performance of the company.

Any imposition of duties/taxes by Government of Bangladesh.

Any adverse fluctuation in exchange rate of the Taka will increase the foreign exchange d) Any disruption arising from political, industrial and labour unrest may affect the operation and

productivity of the company. Technological obsolescence may present marketing problem.

Status quo is dependent on Government policies. Ingruent regulations regarding imports,

exports and foreign exchange may influence the profitability of the company.

10. PURPOSE OF THE ISSUE:

Purpose of the Issue is to: go to public to offer the shares as per approved capital structure of the company.
provide fund to meet the expenses in connection with import of capital machinery as well as construction of building and other civil works.

as construction of building and	d other civil works	181	
11. Cost and Finance of the Proj	ject:		3.
A. Cost of the Project:			(Taka in '000')
Particulars	Cost Incurred	To be Incurred	Total Cost
Land and Land Development	12,496	0	12,496
Building and Civil Works	25,184	18,286	43,470
Plant and Machinery	1,08,481	1,35,203	2,43,684
Furniture and Fixture	441	1,009	1,450
Vehicles	1,170	0	1,170
Un-allocated Revenue Expenses	10,174	2,544	12,718
IPO Expenses	0	4,200	4,200
IDCP '	0	19,200	19,200
Preliminary Expenses	191	0	191
Working Capital	0	23,818	23,818
Office Equipment	13	37	<u>50</u>
Total cost of the project	1,58,150	2,04,297	3,62,447
Means of Finance	Raised	To be	Total
		raised	Finance
Sponsors Equity	86,000	0	86,000
IPO	0	86,000	86,000
Long term loan from banks and others	72,150	99,097	1,71,247
IDCP	0	19.200	19,200
Total Finance	1,58,150	2,04,297	3,62,447

12. Ke	PROJECT IMPLEMENTATION ST	ΑI	Status
a)	Acquisition of Land		Already completed
b)	Construction of Building & other Civil Works		Construction of Factory Building already completed. Ancillary building and other civil works are yet to complete.
c)	Opening of L/C for import of Machinery		L/C opened for machinery having capacity of 14400 spindles and L/C for remaining machinery will be opened shortly.
d)	Receipt of Imported Machinery at Factory		Already arrived at site.
e)	Commencement of Erection of Machinery		Already in progress
ń	Completion of Erection of Machinery	S # 25	By July 1997
g)	Trial Operation		September 1997
h)	Commercial Production	833	October 1997

CAPITAL STRUCTURE

	thorised Share Capital: 0,000 Ordinary Shares of Tk 100 each		Tk 50,00,00,000
13.	ISSUED AND PAID UP SHARE CAPITAL:		Tk 7,00,00,000
	700,000 Ordinary Shares of Tk 100.00 each already issued and 160,000 Ordinary Shares of Tk 100 each now issued and paid up by SABINCO	語	Tk. 1,60,00,000
	w Issue:		Tk 8,60,00,000
860	,000 Ordinary Shares of Tk 100 each at par	Total	Tk 17,20,00,000
(a)	reserved for ICB Units/Mutual Funds for subscription in cash	-500 1	Tk 1,29,00,000
(b)	in full on application 43,000 ordinary shares of Tk 100 each at par to be kept reserved for employees of the company for subscription in cash in full on application		Tk 43,00,000
(c)	43,000 ordinary shares of Tk 100 each at par to be kept reserved for Non-Resident Bangladeshis for subscription in cash in full on application		Tk 43,00,000
(d)	6.45,000 ordinary shares of Tk 100 each at par to be offered to		Tk 6.45.00.000

14. CONDITIONS OF OFFER AND ALLOTMENT OF SHARES:

Consent has been received from the SEC for the issue of ordinary shares in the following

Local Investors 8,60,000 shares of Tk 100 each (at par):

general public for subscription in cash in full on application

A) 1. Investment Corporation of Bangladesh (ICB) shall have the right to preferential allotment to the extent of 1,29,000 ordinary shares of Tk 100 each, i.e. 15% of the public offer of shares.

Employees of CMC-Kamal Textile Mills Limited also have the right of preferential allotment of 43,000 ordinary shares of Tk 100 each (at par) i.e. 5% of the public offer of shares.

3. Non-Resident Bangladeshis shall also have the right of preferential allotment to the extend of 43,000 ordinary shares of Tk 100 each (at par) i.e. 5% of the public offer of shares.

Any part of such shares not taken up by ICB, Employees of CMC-Kamal Textile Mills Ltd. and Non-Resident Bangladeshis shall be allotted to general public in the manner as determined by the Securities & Exchange Commission (SEC) After deducting shares subscribed by ICB, Employees of CMC-Kamal Textile Mills Ltd. and

Non-Resident Bangladeshis, allotment of shares to general public shall be as follows: 6,45,000 ordinary shares of Tk 100 each are being offered to the general public as follows: Tk. 3,54,75,000 55% shares i. e. 3,54,750 shares are being offered to the applicants for 50 shares Tk. 64,50,000 10% shares i. e. 64,500 ordinary shares are being offered to the applicants for exceeding 50 shares but up to 500 shares Tk. 64,50,000 10% shares i. e. 64,500 ordinary shares are being offered to the applicants for exceeding 500 shares but up to 1000 shares 10% shares i. e. 64,500 ordinary shares are being offered to the Tk. 64,50,000 applicants for exceeding 1000 shares but up to 5000 shares Tk. 96,75,000

15% shares i. e. 96,500 shares are being offered to the applicants for over 5000 shares for Financial institutions, Bank, Insurance and Market and Financial Intermediary Companies

Tk. 6,45,00,000 The applicants of minimum lot of 50 shares shall be accommodated fully if the subscription is within 3,54,750 ordinary shares. In case of over subscription, the allotment shall be made by lottery among such applicants, in the presence of authorized representatives of SEC, DSE, ICB and the members of the Company

Allotment amongst applicants for lots other than minimum lot shall be made proportionately in case of over subscription.

In case any difficulty arises with respect to implementation of A,B,C and D, the allotment of shares to applicants shall be made in such manner as may be determined by the Securities and Exchange Commission.

Applications must not be for less than 50 shares and must be for multiple of 50 shares. Any application not meeting this criterion will not be considered for allotment purposes.

There are no founders, management or deferred shares. It is also not presently intended to issue any preference shares.

No payment has been or is 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 with allotment is the full amount of the present share issue as that is the amount which, in the opinion of the Directors, must be raised in order to provide required capital for the project.

MANAGEMENT PLAN

The present boom in the RMG sector has opened up a major opportunity for the establishment of backward linkage industries. The bulk of raw materials, that is high quality yarn is still being imported. In such circumstances of massive demand for high quality yarns in the RMG sector and the relatively printed market with high earning potentials.

In the opinion of the Management, considering the company's prospect and public confidence in the management it is expected that the share issue would be fully subscribed. The Directors are confident that the investors will get adequate return out of their investment.

PART-III

UNDER WRITING, COMMISSION AND BROKERAGE ETC

UNDER WRITING (I.P.O)

The public offer of 8,60,000 ordinary shares of Taka 100.00 each at par have been underwritten by the Insurance Companies and Member of the Dhaka and Chittagong Stock Exchanges to the extent of shares and amount specified below against their respective names.

Name of Underwriters No. of shares Amount underwritten underwritten Capital Roots Ltd 50,00,000 Delta Life Insurance Company Ltd 50,00,000 50000 Fidility Securities Ltd. 20,00,000 20000 Green Delta Insurance Company Ltd. 20,00,000 20000 Management Development & Financial Services Ltd. 50,00,000 50000 Prime Finance & Investment Ltd. 50000 50,00,000 Satcom Securities & Management Ltd. 25000 25,00,000 Corporate Securities Management Ltd 90,00,000 90000 63 Members of Dhaka Stock Exchange Ltd. 3,45,00,000 345000 10. 11 Members of Chittagong Stock Exchange Ltd. 160000 860000 1.60,00,000 8,60,00,000

63 Members of Dhaka Stock Exchange: The names of 63 underwritters of Dhaka Stock Exchange are given below:

Name of Underwriters

	Name of Underwriters	Membership	No. of shares	Amount
	100 00 00 00 00 00 00 00 00 00 00 00 00	No.	underwritten	underwritten
35	Kazi Firoz Rashid & Co.	29	5000	5,00,000
2.	A.K.M.A Razzak & Sons	184	5000	5,00,000
2. 3. 1. 5.	Ghulam Quader & Co.	120	5000	5,00,000
	T. A. Khan Company	174	5000 5000	5,00,000
2.	Monzurur Rahman & Co. Hazi Mohammad Ali	185 165	5000	5,00,000 5,00,000
,	Giasuddin Ahmed & Co.	186	5000	5,00,000
	M. A. Mannan & Co.	86	5000	5,00,000
3. 10. 11. 12. 13.	Md. Sahidullah & Co.	. 91	5000	5,00,000
0	Tariq Ibrahim & Co.	33	5000	5,00,000
1	M. Abdul Rashid & Co.	35	5000	5,00,000
2.	A. R. Chowdhury & Co.	22	5000	5,00,000
3.	K. R. Chowdhury & Co.	74	5000	5,00,000
4.	Afzal Hossain Chowdhury & Co.	151	5000	5,00,000
5.	Md. Shafiqur Rahman & Co	153	5000	5,00,000
6.	Mohammad Atique Haque & Co.	18	5000	5,00,000
7.	Alpha Equities Ltd.	56	5000	5,00,000
8.	Kamal Ebdar & Co.	54	5000	5,00,000
9.	Mrs. Hosneara Begum	2	5000	5,00,000
	Mubarak Hussain & Co.	125	5000	5,00,000
1.	Anwar Securities & Co.	109	5000	5,00,000
0. 1. 2. 3.	Surma Securities Holding Co. Ltd.	111	5000	5,00,000
3.	Quazi Kamal Securities	98	5000	5,00,000
722	Chowdhury Securities & Services	156	5000	5,00,000
5. 6. 7. 8.	Harunur Rashid & Co.	5	5000	5,00,000
6.	M. A. Quayum & Co.	38	15000	15,00,000
/.	Capital Roots Ltd.	145	15000 5000	15,00,000 5,00,000
0.	Dastagir Md. Adel & Co.	17 108	5000	5,00,000
	Capital Investment & Service Co. T. Mashfu & Co.	59	5000	5,00,000
1	Jamal Ahmed & Co.	97	5000	5,00,000
2	M/S Mohammadullah & Shabbir Ahmed	154	5000	5,00,000
0. 1. 2. 3.	Biswa Nath Shaha	81	5000	5,00,000
4.	Md. Harun Bhuian & Co.	143	5000	5,00,000
5.	Khwaja Ghulam Rasul & Co.	10	5000	5,00,000
79 2 5	Lailun Nahar Khan & Co.	65	5000	5,00,000
7.	Abdur Rahman & Co.	74	5000	5,00,000
8.	Yunus Khan & Co	68	5000	5,00,000
6. 7. 8. 9.	Md. Shakil Rizvi & Co.	149	5000	5,00,000
0.	N. R. Islam & Co.	128	5000	5,00,000
1.	Saad Securities Ltd.	118	5000	5,00,000
2.	Khurshida Ferdous	32	5000	5,00,000
3.	Dynamic Securities Co. Ltd.	126	5000	5,00,000
0. 1. 2. 3. 4.	Záhid Hossain & Co.	110	5000	5,00,000
5.	Rapid Securities	42	5000 5000	5,00,000
0. 7	Anwar Securities Ltd.	160 195	5000	5,00,000 5,00,000
6. 7. 8. 9.	Md. Shajahan Al-Faisal Securities	161	5000	5,00,000
Q.	Mehnaz Mannan & Co.	58	5000	5,00,000
Ó.	B & B Enterprise	34	15000	15,00,000
1.	Syed Shahedul Alam & Co.	173	5000	5,00,000
2.	M. Habibur Rahman & Co.	187	5000	5,00,000
2. 3.	Hashemuddin Ahmed & Co.	170	5000	5,00,000
4.	Estern Securities Ltd.	106	5000	5,00,000
5.	Md. Salimullah & Co.	155	5000	5,00,000
4. 5. 6. 7. 8.	S. Shafique Ahmed & Co.	57	5000	5,00,000
7.	Sadeque Hossain & Co.	28	5000	5,00,000
8.	Eshadul Hoque & Co.	23	5000	5,00,000
9.	Abdul Hoque & Co.	77	5000	5,00,000
0.	Md. Shamsul Alam	133	5000	5,00,000
1. 2. 3.	Md. Ali Hossain	13	5000	5,00,000
2.	Securities Promotion & Mgt. Ltd.	146	5000	5,00,000
J.	Jamil Ahmed Khan & Co.	107	<u>5000</u> 3,45,000	5,00,000 3,45,00,000
		nge:	2 44 1 1 11 11 11	

The names of 11 underwriters of Chittagong Stock Exchange are given below: No. of shares Name of Underwriters Membership Amount underwritten underwritten No. 40,00,000 40000 Dragon Equities Ltd 40,00,000 050 Iqbal Securities Ltd 40,00,000 40000 Lamisa Securities Ltd 5000 5,00,000 South Asia Capital Ltd 5,00,000 5000 Ispi Securities Ltd 5000 5,00,000 Meenhar Securities Ltd 5000 5,00,000 Island Securities Ltd 5,00,000 5000 MKR Capital Management Ltd 5,00,000 5000 Stock and Security Linkway Ltd 5000 5,00,000 Agrani Securities Ltd 5,00,000 Intracu Shares and Securities Ltd ,60,00,000 160000

DIRECTORS' OPINION:

In the opinion of directors the resources of the underwriters are sufficient to discharge their underwriting obligation.

UNDERWRITING COMMISSION:

The underwriters will be paid an underwriting commission @ 2.5% of the offered value of shares underwritten by them. If underwriters are called upon to subscribe or procure subscriptions the company shall pay to the underwriters an additional commission @ 2.5% of the value of shares

required to be subscribed by them. COMMISSION TO THE BANKERS TO THE ISSUE:

Commission at the rate of the 7th of 1% will be paid to bankers to the issue for the total amount collected by them.

BROKERAGE:

Tk 8,60,00,000

Total

The company will pay brokerage fee @1% of the offered value of shares allotted to the members of Dhaka and Chittagong Stock Exchanges on application bearing the rubber stamp. Neither the brokerage to the brokers nor commission to the brokers shall be payable in respect of the shares taken by the underwriters.

MANAGER TO THE ISSUE:

The company shall pay @ 1.00% of the amount of issue as fees for Manager to the issue.

PRELIMINARY EXPENSES:

The preliminary expenses inclusive of brokerage, underwriting commission additional commission and commission to the bankers to the issue are not expected to exceed Tk. 7 million against the public

TAX HOLIDAY:

The Company's income profit and gains from its industrial activities qualify for exemption from tax as provided under section 45 of the Income Tax Ordinance 1994 for a period of 7 (seven) years with effect from the commencement of commercial production.

APPROVAL UNDER INSURANCE ACT:

Application has been made to Controller of Insurance, for the purpose of "Approval Investment" under clause (3A) of section 2 of the Insurance Act 1938.

EXEMPTION FROM INCOME TAX:

Under section 44 of the Income Tax Ordinance 1984 whereby such income of an assessee as may be

invested in the shares of the company will remain exempted from tax. **PART-IV**

APPLICATION FOR SUBSCRIPTION AND ALLOTMENT

Application for shares may be made for a minimum of 50 (fifty) shares valuing Tk. 5,000.00 should be made on the company's printed forms. Application form 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 intending investors may have the same printed/cyclostyled/typed/handwritten/ photocopied.

Joint application from more than two persons will not be accepted. In the case of a joint application, each part of the application form must be singed by the applicants.

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

An applicant can submit not more than two applications. One in his own name and another 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 purpose. Bangladesh Nationals including Non-Resident Bangladeshi (NRB) nationals/working abroad

and foreign nationals shall be entitled to apply for shares. Payment for subscription may be made into one of the below mentioned banks in Cash/Cheque/Pay Order/Bank Draft shall be made payable to the bank to which it is sent and be marked "A/C CMC-Kamal Textiles Mills Ltd" and shall bear the crossing "A/c payee only" and must be drawn on a bank in the same town of the bank to which application form is

deposited All completed application forms together with remittance for the full amount payable on application should be lodged with the following bankers to the issue:

Bankers to the Issue:

Rupali Bank Ltd. Foreign Exchange Branch Rupali Bank Sadan, Dhaka Local Office, Dhaka Motijheel Branch Bangabandhu Avenue Branch Senanibash Branch, Dhaka Rupali Sadan, Chittagong

Sonali Bank Dilkusha Branch, Dhaka Dhaka Cantonment Branch K.C. Day Road Branch, Chittagong Khulna Corp. Branch, Khulna

Agrani Bank Principal Branch, Dhaka Amin Court Branch, Dhaka Ramna Branch, Dhaka Hatkhola Branch, Dhaka WASA Branch, Dhaka New Eskaton Road Branch, Dhaka

Chittagong Branch, Chittagong

Rajshahi Branch, Rajshahi

Head Office, Dhaka

IFIC Bank Ltd. Federation Branch, Dhaka Dhanmondi Branch, Dhaka Naya Paltan Branch, Dhaka Gulshan Branch, Dhaka Agrabad Branch, Chittagong Comilla Branch, Comilla Bogra Branch, Bogra

IV. A. B. Bank Ltd. Principal Branch, Dhaka New Elephant Road Branch, Dhaka Kawran Bazar Branch, Dhaka Agrabad Branch, Chittagong Madhuban Branch, Sylhet Khulna Branch, Khulna

VI. National Bank Ltd. Motijheel Branch, Dhaka Dhanmondi Branch, Dhaka Elephant Road Branch, Dhaka Foreign Exchange Branch, Dhaka Sylhet Branch, Sylhet Rajshahi Branch, Rajshahi Agrabad Branch, Chittagong Mohakhali Branch, Dhaka Narayanganj Branch, N'ganj

VII. Investment Corporation of Bangladesh VIII. Janata Bank Local Office Branch Foreign Exchange Corporate Branch, Dhaka

Khulna Branch, Khulna Sylhet Branch, Sylhet Barisal Branch, Barisal IX. United Commercial Bank Ltd. Local Office, Dhaka

Elephant Road Branch, Dhaka Gulshan Branch, Dhaka Kawran Bazar Branch, Dhaka Mirpur Branch, Dhaka Agrabad Branch, Chittagong Khulna Branch, Khulna Rajshahi Branch, Rajshahi

XIII. The City Bank Ltd

XV. Prime Bank Limited

Principal Office, Dhaka

Motifheel Branch, Dhaka

Agrabad Branch, Chittagong

Gulshan Branch, Dhaka

Motifheel Branch, Dhaka

Mohakhali Branch, Dhaka

Mouluvibazar Branch, Dhaka

Kawran Bazar Branch, Dhaka

Khatunganj Branch, Chittagong

Foreign Exchange Branch, Dhaka

Hatkhola Branch, Dhaka Agrabad Branch, Chittagong

XIV. Al Baraka Bank Bangladesh Principal Office, Dhaka Agrabad Branch, Chittagong Imamgani Branch, Dhaka Khatunganj Branch, Chittagong Islampur Branch, Dhaka Raishahi Branch, Rajshahi Kawran Bazar Branch, Dhaka Gulshan Branch, Dhaka

XVI. Islamic Bank Bangladesh Limited

Local Office, Dhaka Foreign Exchange Branch, Dhaka Farmgate Branch, Dhaka Agrabad Branch, Chittagong Khulna Branch, Khulna Barisal Branch, Barisal Comilla Branch, Comilla Rajshahi Branch, Rajshahi Cox's Bazar Branch, Cox's Bazar Feni Branch, Feni

H. SUBSCRIPTION MONEY:

XVII. Southeast Bank Limited

Principal Branch, Dhaka

Imamganj Branch, Dhaka

Agrabad Branch, Chittagong

A Non-Resident Bangladeshi (NRB) shall apply against the IPO either directly by enclosing a foreign demand draft drawn on a bank payable at 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 applied for 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 applicant. 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 Head Office at Dhaka. 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 UK Pound Sterling with a Bank on approval of Prospectus by SEC; and shall close this account after refund of over subscription, if any.

The subscription money collected by the bankers to the issue will be remitted to the company's

specific Account No. STD Account # 000236001903 with Sonali Bank, Local Office, Dhaka for Payment may be made to one of the above mentioned 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 it is sent and be market "A/C CMC-Kamal Textile Mills Ltd" and should bear the

crossing 'ACCOUNT PAYEE ONLY'. Application signed under a Power of Attorney must be accompanied by the Certified

Copy/Photostat of the instruments under which the power is given. Bangladeshi Nationals including Non-Resident Bangladeshis (NRBs) residing/working abroad and foreign nationals shall also be entitled to apply for the shares offered to the general public. A separate cheque or pay order or demand draft must accompany each application. If payment is made in cash, provisional acknowledgment should be obtained immediately from the

bank/financial institution which receives the cash. Refund shall be made by A/C Payee Cheque. For the purpose, applicant's Bank Account Number along with the Name of Bank and Branch must be mentioned in the application.

Subject to the provisions of the Articles of Association of the company and the Companies Act, 1994, the shares in the capital of the company for the time being shall be under the control of the directors who may all or otherwise dispose of the same to such persons of such terms and conditions and at such times as the director think fit. "APPLICATIONS NOT IN CONFORMITY WITH THE ABOVE REQUIREMENTS ARE LIABLE

ALLOTMENT AND REFUND:

TO BE REJECTED."

The company reserves the right of accepting any application either in whole or in part. Successful applicants will be notified by the dispatch of an allotment letter by registered post. Letters of Allotment and Refund Warrants will be issued within 40 (forty) days from the closing of the subscription list and share certificates will be issued within 90 (ninety) days from the date of issuing letters of Allotment Interest at the rate of 5% above the bank rate will be paid by the company if refund is made after 40 (forty) days from the date of closing of subscription list. Where an application is rejected or is not accepted in full the entire amount or the balance of

the amount as the case may be received with the application will be refunded to the concerned applicant within 40 (forty) days of closing of subscription list by cheques without interest. Where allotment is made in whole or in part in respect of joint application the allotment letter

will be dispatched to the persons whose names appears first in the application form not withstanding that the Shares have been allotted to the joint applicants. Where joint application is in part the balance of any amount paid on application will be refunded without interest to the person named first in the application form.

PART-V RIGHT OF SHARE HOLDERS **VOTING RIGHT:**

The share capital of the company is divided into ordinary shares carrying equal right to vote and receive dividend in terms of the relevant provision 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 ordinary or Extra-ordinary meeting. On a show of hands every shareholders present in person and every duly authorized 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.

TRANSFER OF SHARES:

In terms of the provisions of the Companies Act 1994, 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 an infant or persons of unsound mind.

DIVIDEND POLICY:

The profit of the company subject to any special right relating thereto create or authorized to be created subject to the provisions of the Articles of Association shall be divisible among the members in proportion to the amount of capital paidup on the share held by them respectively. No larger dividend shall be declared that is recommended by the directors, but the company's

of net profit of the company shall be conclusive. 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.

general meeting may declare a smaller dividend. The declaration of directors as to the amount

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

PERIODICAL INFORMATION:

The directors shall present the financial statements as required under the law and International Accounting Standards (IAS). Financial statements shall be prepared in accordance with International Accounting Standards consistently applied throughout the subsequent periods and present with the objective of providing maximum disclosures as per Law and International Accounting Standards to the shareholders regarding the financial and operational position of the

PART-VI

BRIEF DESCRIPTION AND BACKGROUND OF THE PROJECT

CMC-Kamal Textile Mills Limited is a public company limited by shares. It is a modern textile mill comprising 24,960 spindles and rotor spinning 2 nos. 200 spindles each. The production capacity of the project is 35,45,000 kgs per year. In view of the long experience of the sponsors, the unit could attract a significant number of foreign buyers.

LAND AND LOCATION:

The project is to be located on a plot of land measuring 6.60 (20 Bigha) acres at Kaichabari, Savar, Dhaka. The local promoters own about 20 acres of land in the above location out of which they have transferred 6.60 acres in the name of the Company. The site, 30 km from Dhaka city, is adjacent to the Export Processing Zone and is approachable by all season metalled road.

BUILDINGS: The main factory building is about 1,05,605 sq ft. and total construction of the factory building has

been completed. OTHER ASSETS: Other assets of the project include office and factory vehicles, furniture fixtures etc, cost of which

has been estimated at Tk 1.65 million.

PLANT & MACHINERY: The machinery will be imported from China, Japan, Thailand and West Germany. The particulars of

the machinery are as follows:

-Electrical control system

-Metallic separator

MAIN MACHINERY: The list of main machinery is given below: Item with description Remarks Quantity Blow room 1 line 2 Scuthers for pure cotton, comprising of: 1 complete set 2 SGJ -Auto Bale Plucker -Auto Blender -Stop-Cleaner -Porcupine -Electrical Distributor -Hopper Feeder -Beater Scuthers -Dust Filter -Condenser

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