

CMC-KAMAL TEXTILE MILLS LIMITED

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| | | |
|--|---------|-----------------|
| 2. Blow room 1 line 1 Scuther man-made fiber, comprising | 1 SCJ | 1 complete set. |
| -Auto Bale Plucker | 1 | " |
| -Auto Blender | 1 | " |
| -Porcupine Operator | 1 | " |
| -Electrical Distributor | 1 | " |
| -Hopper Feeder | 1 | " |
| -Beaters Scuther | 1 | " |
| -Dust Filter | 2 | " |
| -Condenser | 3 | " |
| -Electrical controller | 1 | " |
| -Metallic separator | 1 | " |
| -Carding Machine | 22 sets | " |
| -Dust Filter | 3 | " |
| -Draw Frame | 12 | " |
| -Lap Former | 1 | " |
| -Comber | 9 | " |
| -Simplex | 9 | " |
| -Ring Frame | 52 | " |
| -Cone Winder | 7 | " |
| -Open End Rotor Spinning | 2 | " |
| -Heat Setting Machine | 1 | " |

ANCILLARY:

| | | |
|------------------------------------|---|-----|
| -Metallic Wire Mounting | 1 | " |
| -Metallic Wire Winder | 1 | " |
| -Slow Speed Dring Apparatus | 1 | " |
| -Traverse Grinder | 1 | " |
| -Card Stripping Roller | 2 | " |
| -Bare Cylinder & Doffer Grinder | 1 | " |
| -Flat Clipping | 1 | " |
| -Flat Grinder | 1 | " |
| -Licker in Wire Mounting & Grinder | 1 | " |
| -Roller cut Compressor | 1 | " |
| -Hydraulic Roller Coving M/C | 1 | " |
| -Synthetic Resin Roller Grinder | 1 | " |
| -Top Roller Tester | 1 | Set |
| -Spindle Clean Oil | 2 | " |
| -Roller Oil | 2 | Set |
| -Cotton Waste Cleaner | 1 | " |
| -Top Roller Length Tester | 1 | " |
| -Semi-Doffer | 2 | " |

TESTING MACHINE

| | | |
|-----|---------------------------------|----------|
| Sl | Item with description | Quantity |
| 1. | Raw Cotton Analyser | 1 set |
| 2. | Lap Evenness Tester | 1 |
| 3. | Sliver & Roving Length Sample | 1 |
| 4. | Sliver & Roving Evenness Tester | 1 |
| 5. | Yarn Twist Tester | 1 |
| 6. | Lea Yarn Strength Tester | 1 |
| 7. | Yarn Evenness Tester | 1 |
| 8. | Basket Condition Oven | 1 |
| 9. | Transistor Moisture Meter | 1 |
| 10. | Fiber Length Sorter | 1 |
| 11. | Sample Skin Winder | 1 |

TEXTILE ACCESSORIES

| | | |
|-----|--|------------|
| 1. | Linker-in Wire | 30 kg |
| 2. | Sliver Can 600 x 1100 | 140 Pcs |
| 3. | Sliver Can 400 x 1100 | 1000 Pcs |
| 4. | Ring traveler | 100 boxes |
| 5. | Burnishing Fillet 1" | 5 Rolls |
| 6. | Stripping Fillet 1" | 5 Rolls |
| 7. | Energy Fillet 1.5" | 5 Rolls |
| 8. | Top Aprong for Simplex for Ring Frame | 4000 Rolls |
| 9. | Rubber Cot for Simplex | 5000 Rolls |
| 10. | Bobbin for Simplex for Ring Frame | 50 Rolls |
| 11. | Bobbin for Lap Frame (iv) Spare parts for two years and special tools. | 100 Rolls |

OTHER MACHINERY

| | | |
|----|---|-------|
| 1. | ELECTRIC SUB STATION 2500 KVA complete with Transformer, LHT, PFI Plant, OR | 1 set |
| 1A | GENERATOR SET 2000 KVA, Continuous rating | 1 set |
| 2. | FORK LIFT | 1 set |
| 3. | DEHUMIDIFIER/HUMIDIFICATION PLANT | 1 set |

FROM JAPAN AND EUROPEAN COUNTRIES:

| | | |
|----|--------------------|-------|
| 1. | Carding Machine | 2 set |
| 2. | Drawing Machine | 2 set |
| 3. | Lap Former Machine | 1 set |
| 4. | Comber Machine | 3 set |
| 5. | Auto Coner Machine | 1 set |

RAW MATERIALS:
Raw cotton of appropriate staple length and polyester (1.5 DX 30 mm) are two main raw materials required by the project. Both the raw materials will have to be imported. However, raw materials have been estimated by considering wastage in case of cotton @10% and for polyester @2%.

UTILITIES:
(i) **Power:**
The project will require connected load of 2000 KVA and the maximum demand would be 1500 KW. Required power would be available from supply line of Power Development Board or REB which exists nearby. The project would have its own 2000 KVA Transformer along with HT & LT switch gear, power factor improve and power capacitor. The promoters will obtain consent of BPDB for supply of required power in due course. The project has also 4 Nos gas-fired generating sets each having 500 KVA capacity. The company will obtain gas connection from Titas Gas Transmission and Distribution Company Limited for generating electricity of its own.
(ii) **Water:**
The project will require 10,000 gallons of water per day. Provision has been made for a deep tubewell along with pump and motor. An overhead water tank of 10,000 gallons capacity will be built.
(iii) **Fuel:**
The project will require gas, diesel, lubricating oil, grease etc.

TECHNOLOGY:
The technical know-how required for the production of fine quality yarn is available. The suppliers will provide hand on training on the technology. Since the sponsors are highly qualified and experienced in the line, the company will not face any technological problem.

PART VII FINANCIAL FORECASTS
(These are forecasts, not actuals. Actuals may vary from forecasts. Please read carefully before making conclusions)

BALANCE SHEET (Taka in 000)

| Particulars | Construction Year | | Forecasts | | | | |
|---------------------------------------|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | Actual | Estimated | Yr-1 | Yr-2 | Yr-3 | Yr-4 | Yr-5 |
| ASSETS: | | | | | | | |
| Cash & Bank Balances | 8131 | 1290 | 92119 | 169399 | 262564 | 320921 | 398827 |
| Other Current Assets (note-1) | 26711 | 18164 | 63029 | 70449 | 75856 | 85122 | 95826 |
| Investment in Bonds | 0 | 0 | 16418 | 36158 | 57916 | 75327 | 92880 |
| Total Current Assets | 34642 | 19454 | 171566 | 276006 | 396336 | 461370 | 565533 |
| INTANGIBLE ASSETS: | | | | | | | |
| Preliminary Expenses | 191 | 191 | 172 | 153 | 134 | 115 | 96 |
| Un-allocated Revenue Expenses | 10174 | 0 | 0 | 0 | 0 | 0 | 0 |
| IPO Expenses | 0 | 4200 | 3780 | 3360 | 2940 | 2520 | 2100 |
| Total Intangible Assets | 10365 | 4391 | 3852 | 3613 | 3074 | 2635 | 2196 |
| Fixed Assets less depreciation | 147785 | 344283 | 316607 | 288931 | 261255 | 233579 | 205903 |
| Total Assets | 192992 | 368128 | 492125 | 568450 | 660665 | 717584 | 773632 |
| LIABILITIES & EQUITIES: | | | | | | | |
| Current Liabilities: | | | | | | | |
| Account Payables | 334 | 5681 | 38960 | 54501 | 76504 | 94360 | 112156 |
| Contribution to WPPP | 0 | 0 | 4652 | 5634 | 6255 | 5078 | 5162 |
| Other Current Liabilities (note-1) | 0 | 0 | 23818 | 28513 | 31190 | 35486 | 36123 |
| Dividend Proposed | 0 | 0 | 29600 | 34400 | 43000 | 52000 | 61000 |
| Total Current Liabilities | 334 | 5681 | 93230 | 114448 | 148349 | 169324 | 196441 |
| EQUITIES: | | | | | | | |
| Paid up share capital | 5000 | 172000 | 172000 | 172000 | 172000 | 172000 | 172000 |
| Share Money Deposits | 61000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Long Term loan: | | | | | | | |
| SABINCO and Other Banks | 106658 | 190447 | 164310 | 138173 | 112036 | 85999 | 59762 |
| Retained Earnings | 0 | 0 | 62585 | 143829 | 228280 | 290360 | 345430 |
| Total Liabilities & Equity | 192992 | 368128 | 492125 | 568450 | 660665 | 717584 | 773632 |
| Net Asset Value per share | | | 136 | 184 | 233 | 269 | 301 |

CMC-KAMAL TEXTILE MILLS LIMITED PROJECTED INCOME STATEMENT (Taka in 000)

| Particulars | Yr-1 | Yr-2 | Yr-3 | Yr-4 | Yr-5 |
|--|--------|--------|--------|--------|--------|
| Sales | 382151 | 436744 | 465990 | 467940 | 467940 |
| Cost of goods sold | 245877 | 279890 | 297714 | 331100 | 332380 |
| Gross Profit | 136274 | 156854 | 168276 | 136840 | 135560 |
| Less: Admin. Sales & Gen. Expn | 9509 | 10242 | 10721 | 10927 | 11123 |
| Operating Profit | 126765 | 146612 | 157555 | 125913 | 124437 |
| Less: Interest expenses | 21798 | 19823 | 17628 | 15609 | 13190 |
| Net Profit before Tax | 104967 | 126789 | 139927 | 110304 | 111247 |
| Other Income | 4488 | 4608 | 5129 | 5770 | 5770 |
| Net Profit before bond | 109455 | 131597 | 145056 | 116074 | 117017 |
| Income Tax | 0 | 0 | 0 | 0 | 0 |
| Govt. Bond purchase (15%) | 16418 | 19740 | 21758 | 17411 | 17553 |
| Net Profit after Bond purchase | 93037 | 111857 | 123298 | 98663 | 99464 |
| Return on Bond @ 5% | 0 | 821 | 1808 | 2896 | 3796 |
| Net Profit after return on Bond | 93037 | 112678 | 125106 | 101559 | 103261 |
| Contribution to WPPP (@ 5%) | 4652 | 5634 | 6255 | 5078 | 5162 |
| Net Profit after Cont. to WPPP | 88385 | 107044 | 118850 | 96481 | 98099 |
| Dividend | 25800 | 25800 | 34400 | 34400 | 43000 |
| Retained Profit | 62585 | 81244 | 84450 | 62081 | 55099 |
| Cumulative retained earning | 62585 | 143829 | 228280 | 290360 | 345430 |
| RATIOS: | | | | | |
| Gross profit to sales (%) | 35.96 | 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 | 54.09 | 65.51 | 72.74 | 59.05 | 60.02 |
| Dividend as % of paid up capital | 15 | 15 | 20 | 20 | 25 |

CMC KAMAL TEXTILE MILLS LIMITED PROJECTED COST OF GOODS SOLD

| Particulars | Yr-1 | Yr-2 | Yr-3 | Yr-4 | Yr-5 |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|
| QUANTITATIVE INFORMATION: | | | | | |
| Production at 100% capacity(kg) | 3545000 | 3545000 | 3545000 | 3545000 | 3545000 |
| Production capacity | 70% | 75% | 80% | 80% | 80% |
| Production at utilized capacity(kg) | 2481500 | 2658750 | 2836000 | 2836000 | 2836000 |
| Add: Opening stock of WIP(kg) | 0 | 41358 | 44313 | 47267 | 47267 |
| Total quantity put into process in Kg | 2481500 | 2700108 | 2880313 | 2883267 | 2883267 |
| Less: Closing stock of WIP(kg) | 41358 | 44313 | 47267 | 47267 | 47267 |
| Total Quantity finished in Kg | 2440142 | 2655795 | 2833046 | 2836000 | 2836000 |
| Add: Opening stock of f.g.(K) | 0 | 124075 | 132938 | 141800 | 141800 |
| Goods Available for Sale in Kg | 2440142 | 2779870 | 2965984 | 2977800 | 2977800 |
| Less: Closing stock of f.g. in (Kg) | 124075 | 132938 | 141800 | 141800 | 141800 |
| Finished Goods Sold in Kg | 2316067 | 2646932 | 2824184 | 2836000 | 2836000 |
| Sales Price per Kg | 165 | 165 | 165 | 165 | 165 |
| Total Sale Value in Taka "000" | 382151 | 436744 | 465990 | 467940 | 467940 |

TOTAL COST OF GOODS SOLD IN TAKA (Tk in 000)

| Particulars | Taka | Taka | Taka | Taka | Taka |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|
| Raw Materials | 200259 | 215261 | 230247 | 263571 | 261727 |
| Factory wages | 18445 | 19367 | 20336 | 21352 | 22420 |
| Production overheads | 17060 | 18766 | 20643 | 20643 | 20643 |
| Depreciation | 27676 | 27676 | 27676 | 27676 | 27676 |
| Total Cost incurred | 263440 | 281070 | 298602 | 333242 | 332466 |
| Add: Opening inventory of WIP | 0 | 4391 | 4686 | 4983 | 5518 |
| Total Manufacturing Cost incurred | 263440 | 285461 | 303588 | 338225 | 337984 |
| Less: Closing inv. of WIP | 4391 | 4686 | 4983 | 5518 | 5540 |
| Total cost of production | 259049 | 280775 | 298605 | 332707 | 332444 |
| Add: Opening stock of finished goods | 0 | 13172 | 14057 | 14948 | 16555 |
| Goods Available for Sales | 259049 | 293947 | 312662 | 347655 | 348999 |
| Less: Closing stock of finished goods | 13172 | 14057 | 14948 | 16555 | 16619 |
| Cost of goods sold: | 245877 | 279890 | 297714 | 331100 | 332380 |

CMC KAMAL TEXTILE MILLS LIMITED ADMINISTRATIVE, GENERAL & SELLING EXPENSES (Taka in '000)

| Particulars | Yr-1 | Yr-2 | Yr-3 | Yr-4 | Yr-5 |
|--------------------------------|-------------|--------------|--------------|--------------|--------------|
| Directors Remuneration | 100 | 100 | 100 | 100 | 100 |
| Foreign expert's expenses | 600 | 600 | 600 | 600 | 600 |
| Salaries | 3004 | 3123 | 3242 | 3361 | 3481 |
| Postage, Telephone etc. | 120 | 126 | 132 | 138 | 145 |
| Printing & Stationery | 50 | 53 | 55 | 58 | 60 |
| Travelling & Conveyance | 200 | 210 | 220 | 230 | 242 |
| Advertisement | 60 | 63 | 66 | 69 | 72 |
| Sales commission (1% of Sales) | 3821 | 4367 | 4660 | 4679 | 4679 |
| Distribution | 600 | 630 | 660 | 690 | 725 |
| Write-off | 684 | 684 | 684 | 684 | 684 |
| Vehicle running & maintenance | 120 | 126 | 132 | 138 | 145 |
| Audit & Legal | 50 | 50 | 50 | 50 | 50 |
| Miscellaneous | 100 | 110 | 120 | 130 | 140 |
| Total: | 9509 | 10242 | 10721 | 10927 | 11123 |

CMC-KAMAL TEXTILE MILLS LIMITED PROJECTED CASH FLOW STATEMENT (Taka in '000)

| Particulars | Construction Year | | Forecasts | | | | |
|------------------------------|-------------------|---------------|---------------|--------|--------|--------|--------|
| | Actual | Estimated | Yr-1 | Yr-2 | Yr-3 | Yr-4 | Yr-5 |
| SOURCES OF FUND | | | | | | | |
| Sponsors Equity | 86000 | 0 | 0 | 0 | 0 | 0 | 0 |
| IPO | 0 | 86000 | 0 | 0 | 0 | 0 | 0 |
| Long Term Loan | 106657 | 64590 | 0 | 0 | 0 | 0 | 0 |
| Profit before interest & Tax | 0 | 0 | 126765 | 146612 | 157555 | 125913 | 124437 |
| Depreciation & Write off | 0 | 0 | 28360 | 28360 | 28360 | 28360 | 28360 |
| Income from Bonds | 0 | 0 | 821 | 1808 | 2896 | 3796 | 4796 |
| Other Income | 0 | 0 | 4488 | 4608 | 5129 | 5770 | 5770 |
| Increase in C. liability | 0 | 0 | 18137 | 4695 | 2677 | 4496 | 637 |
| Total Cash Inflow | 192657 | 150590 | 177750 | | | | |