

Abridged Version of Prospectus

PARAMOUNT TEXTILE

PARAMOUNT TEXTILE LIMITED Chaklader House (Level 6), House No. 22, Road No. 113/A, Gulshan 2, Dhaka 1212 Telephone: 9890534, 9890467, Fax: 9890783, E-mail: nzaman@paramountgroupbd.com, Website: www.paramountgroupbd.com

Public offer of 30,000,000 ordinary shares of BDT 10.00 each at an issue price of BDT 28.00 each including a premium of BDT 18.00 per share totaling to BDT 840,000,000

General Subscription Period

Manager to the Issue

Non Resident Bangladeshi Subscription Period

Opening date for subscription: September 1, 2013

Closing date for subscription: September 5, 2013



IDLC Investments Limited Eunos Trade Center (Level 21), 52-53 Dilkusha C/A, Dhaka 1000 Telephone: 9571170, Fax: 9571171, Website: www.idlc.com

Opening date for subscription: September 1, 2013

Closing date for subscription: September 14, 2013

Credit Rating Status

Table with 3 columns: Particulars, Long Term, Short Term. Rows include Entity Rating (A+), Date of Rating (November 29, 2012), Validity of Rating (November 28, 2013), and Rating By (Credit Rating & Information Services Limited).

Disclaimer

\*CONSENT OF THE SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE/OFFER OF THESE SECURITIES UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1986, AND THE SECURITIES AND EXCHANGE COMMISSION (PUBLIC ISSUE) RULES, 2006. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS CONSENT THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE ISSUER COMPANY...

Special Note

Please read the Prospectus carefully which includes "Risk Factors" before taking your investment decision. An applicant cannot submit more than two applications, one in his/her own name and the other jointly with another person...

"শেয়ারবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।"

Paramount Textile Limited - Company Profile

Paramount Textile Limited (PTL) was incorporated in Bangladesh on June 12, 2006 under the Companies Act, 1994 as a private limited company. Later, it converted to a public limited company on September 19, 2010. It commenced its manufacturing operation on September 1, 2008. The registered office of the company is located at Navana Tower (Level 7), Gulshan C/A, Dhaka-1212, Bangladesh.

Nature of Business

Paramount Textile Limited is engaged in manufacturing high quality woven fabric that are consumed by the export oriented garments industries in Bangladesh. PTL produces high quality woven fabrics which include 100% cotton yarn dyed fabrics, cotton solid white fabrics, striped and check shirting, stretch fabric etc.

- On-time order delivery
Efficient & reliable workforce
Eco friendly environment

Following are some of the strengths on which the company runs its operation: High quality products PTL is an Oeko-Tex® Standard 100 Certified, 100% export oriented woven fabric manufacturer. The Oeko-Tex label is a recognized benchmark for the manufacturers and serves as an additional credential of quality assurance.

Special Finishing PTL's special finishing facility gives it distinct advantage to produce different types of finishes, such as Soft, Silky soft, Extra/Ultra soft, Teflon, Easy care, Wrinkle free, Oil repellent.

Weaving Plant In the weaving plant, the company has brand new Tsudakoma wrapping machine and sizing wheel; Tsudakoma air-jet loom with world-renowned French CAM motion and Dobby motion machines from Staubli; sectional machines from Korean manufacturer UKIL and knitting machine from Staubli.

Dyeing Plant The dyeing plant has introduced sets of world's top equipment, such as RF Dyer machine from Stalain, Italy; Senter machine from EU and China; Singeing & De-sizing machine, Scouring and Bleaching machine, Hot lye and pad dry machine, Sanforizing machine from Red Flag etc.

Quality Control & Lab To ensure safe and consumer friendly fabric PTL has its own high-tech laboratory and computer data processing system. The Laboratory is fully equipped with modern testing equipments and machinery enabling the company to check the fabrics in all stages of required testing criteria and performances.

Design Studio PTL has its own design studio that can design fabric for the buyers. Hence, the buyers can pick up the designs immediately and put into bulk production which reduces the lead-time of sampling and handloom making.

Captive Power Plant The company has its own captive power plant and generates its own power resulting uninterrupted production through GE Jenbacher gas generators. The factory generates own power through 4 GE Jenbacher gas fired generators with combined capacity to produce around 5 MW power.

Other Utilities World's leading compressors from Atlas Copco have been installed; Siemens substation and Bus bar are also used to support the production flow. The company also uses boiler of Germany and South Korea and chillers from other renowned manufacturers.

Use of IPO Proceeds

Paramount Textile Limited plans to utilize the proceeds of the IPO in following manner:

Table with 3 columns: Particulars, Amount (BDT), Implementation Schedule. Rows include Repayment of long term loan, Working Capital, IPO expenses, and Total.

Implementation Schedule The IPO proceeds will be utilized as per the above mentioned schedule.

Terms of Contract There is no such contract covering any of the activities of the company for which the proceeds of the IPO will be used.

Name and Address of the Auditor

Howladar Yunus & Co. Chartered Accountants 67, Dilkusha C/A (2nd Floor), Dhaka 1000 Tel: 9554119, 9551872, Fax: 9552989, Website: www.howladaryunus.com

Availability of the Prospectus

Prospectus of Paramount Textile Limited may be obtained from following addresses

Table with 3 columns: Company, Contact person, Contact Number. Lists various banks and financial institutions where the prospectus is available.

Auditor's report under Section 135 of Companies Act 1994

Paramount Textile Limited Auditors' Report under section 135(1) and paragraph 24(1) of Part-II of Third Schedule of the Companies Act 1994 We have examined the financial statements of Paramount Textile Limited for the year ended June 30, 2009, 2010, 2011 and 2012. In pursuance of Section 135(1) under Paragraph 24(1) of Part-II of Third Schedule of the Companies Act 1994 our report is as under:

Table A: Statement of Assets and Liabilities. Columns: 30.06.2012, 30.06.2011, 30.06.2010, 30.06.2009, 30.06.2008. Rows include ASSETS (Total non-current assets, Current Assets, Total current assets), Current Liabilities, Total Current Liabilities, Net Current Assets, Total Assets, SHARE HOLDERS' EQUITY AND LIABILITIES.

Table B: Statement of Operating Results. Columns: 30.06.2012, 30.06.2011, 30.06.2010, 30.06.2009, 30.06.2008. Rows include Revenue, Cost of sales, Gross profit, Distribution costs, Administrative expenses, Profit from operations, Finance costs, Provision for loss of investment in shares, Other income, Exchange gain/(loss), Profit/(loss) before WPP & WF, Provision for contribution to WPP & WF, Profit before tax, Provision for tax, Income tax, Deferred Tax Expenses, Net profit/(loss) after tax, Tax holiday reserve, Net profit after tax & tax holiday reserve, Basic Earnings Per Share.

Table C: Statement of Cash Flows. Columns: 30.06.2012, 30.06.2011, 30.06.2010, 30.06.2009, 30.06.2008. Rows include a) Cash flows from operating activities, Cash received from customer, Cash received from other income, Cash paid for operating activities, Cash paid to suppliers, Wages & Salaries, Factory Overhead, Administrative overhead, Selling Overhead, Financial Charges, Advance, Deposits & Pre-payments, Exchange Loss, Provision for contribution to WPP & WF, Income Tax Paid, Advance Tax Paid, Net cash flows from operating activities, b) Cash flows from Investing Activities, Payment of Investment in Shares, Payment of Fixed Assets Purchased, Net cash increase from investing activities, c) Cash flows from Financing Activities, Proceeds from Share Money Deposit, Proceeds from Bank Overdraft, Proceeds from Loan against trust receipts (LTR), Proceeds from Export bills purchases (IBP), Payment of Inter Company Loan, Payment of Term Loan, Share Capital (New Share Issue), Net cash flows from financing activities, Net increase in cash and cash equivalents, Cash and cash equivalents, beginning of year, Cash and cash equivalents, end of year.

Table D: Dividend Declared. Columns: 30.06.2012, 30.06.2011, 30.06.2010, 30.06.2009, 30.06.2008. Rows include Cash dividend-%, Stock dividend (Bonus shares)-%.

E. The company was incorporated on 12th June 2006; F. The company has started commercial production on 01-09-2008; G. The legal status of the company has been changed into public limited company from private limited company on September 19, 2010; H. The face value of the shares has been changed into Taka 10/- per share from Taka 100/- per share on May 02, 2010; I. The Statement of Assets and Liabilities (Statement of Financial Position) as on June 30, 2012, of the Company has been duly certified by us; J. The Statement of Operating Results (Statement of Comprehensive Income) for July 01, 2011 to June 30, 2012 of the Company has been duly certified by us; K. The Statement of Cash Flows from July 01, 2011 to June 30, 2012 of the company are enclosed and certified by us; L. The Company has no subsidiaries; M. No financial statements have been prepared for our verification after 30 June 2012 till the date of issue of this prospectus; N. Figures related to previous years have been rearranged wherever considered necessary.

Sd/- Howladar Yunus & Co. Chartered Accountants Dated: Dhaka February 26, 2013

Auditors' Certificate on Calculation of Various Accounting Ratios

Paramount Textile Limited Statement of Ratio Analysis For the year ended June 30 2009, June 30 2010, June 30 2011 and June 30 2012 The following ratios have been computed from the audited financial statements of Paramount Textile Limited for the years ended June 30 2009, June 30 2010, June 30 2011 and June 30 2012 :

Table with 5 columns: Ratio, 2012, 2011, 2010, 2009. Rows include A. Liquidity Ratios (Current Ratio, Quick Ratio, Times Interest Earned Ratio, Debt to Equity Ratio), B. Operating Ratios (Accounts Receivable Turnover Ratio, Inventory Turnover Ratio, Fixed Assets Turnover Ratio, Assets Turnover Ratio), C. Profitability Ratios (Gross Margin Ratio, Operating Income Ratio, Net Income Ratio, Return on Assets Ratio, Return on Equity Ratio, Earnings Per Share).

We have examined the calculation of the above ratios of Paramount Textile Limited for the year ended June 30 2009, June 30 2010, June 30 2011 and June 30 2012 are found correct.

Sd/- Howladar Yunus & Co. Chartered Accountants Dated: Dhaka February 26, 2013

Short Bio-data of the Directors

Anita Haque, Chairman Mrs. Anita Haque aged 41, is Chairman of the company. She has completed her MA in English from University of Dhaka. She is related with Paramount Insurance Co. Ltd., Paramount Spinning Limited and Foodex International Ltd. as Director. She has travelled India, Singapore, Taiwan, Malaysia, Hong Kong, U.A.E, Saudi Arabia, U.S.A and Canada. She is engaged in various social activities. Shakhawat Hossain, Managing Director & Director Mr. Shakhawat Hossain, age 50, a post graduate in Marketing from the University of Dhaka, attended workshops and seminars in Lloyds London (UK) on Re-insurance, is a successful Entrepreneur. He has successfully implemented the following business enterprises: Founder Director of Paramount Insurance Company Limited, Paramount Textile Limited, Foodex International, Sunrise Chemical Industries Limited, Paramount Holding Limited. He is also a Sponsor Director of Meghna Bank Limited. Besides these companies mentioned against his name in this prospectus he or his relatives are not involved in any other company/business. Mr. Hossain is a member of Dhaka Chamber of Commerce and Industries, Bangladesh Chamber of Commerce and Industries, Bangladesh Employers Federation and Bangladesh German Chamber of Commerce and Industries. Alok Das, Director Mr. Alok Das, aged 47, is Director of the company is an Arts Graduate. Mr. Das is a dynamic, hard working & an experienced business personality. He is a sponsor Director of Paramount Insurance, Foodex International Ltd., Sunrise Chemicals Limited, Paramount Holdings Limited and Paramount Spinning. He is also a Sponsor Director of Meghna Bank Limited. For the betterment and expansion of his business, he has visited India, Singapore, Taiwan, Malaysia, Hong Kong, U.S.A and Canada. He is a member of Dhaka Chamber of Commerce and Industries, Bangladesh Chamber of Commerce and Industries, Bangladesh Employers Federation, Malaysia-Bangladesh Chamber of Commerce and Industries. Anita Rani Das, Director Mrs. Anita Rani Das aged 40, is director of the company. She has completed her Bachelor of Arts (BA). She is also a sponsor director of Paramount Insurance Co. Ltd., Foodex International Ltd. and Paramount Spinning Limited. She has travelled India, Singapore, Taiwan, Malaysia, Hong Kong, U.S.A and Canada. She is engaged in various social activities. Samsun Nahar, Director Mrs. Samsun Nahar, aged 33, is director of the company. She has completed her BBA from AIUB. Currently, as a director, she is holding responsibilities in office. She has skills in dealing with operational, tactical and strategic subject matters that are of utmost importance to the company. Aparna Ghosh, Director Mrs. Aparna Ghosh, aged 47, is director of the company. She has been involved in the company's business affairs from time to time. Iqbal Enamul Kabir, Director Mr. Iqbal Enamul Kabir, aged 50 is the representative director of Paramount Spinning Limited. Mr. Enam is a dynamic & hard working person. Before joining he served in Bangladesh Army as commissioned officer (retired as Lt. Col) for 26 years. Mr. Kabir visited many Asian, Eastern and Western countries. Md. Nuruzzaman Chowdhury, Director Mr. Md. Nuruzzaman Chowdhury, aged 38, is the representative director of Paramount Holdings Limited. Mr. Md. Nuruzzaman Chowdhury is a dynamic & hard working person. He is a qualified Cost and Management Accountant & an Associate member of the Institute of Cost and Management Accountants of Bangladesh. He has completed M.Com from North University.

Directors involvement with the other listed companies as Directors

Table with 4 columns: Name, Designation in the company, Directorship with other listed company, Designation in other listed company. Lists directors and their roles in other companies.

Bankers to the Issue

Table with 4 columns: Bank Name, Branches, Designation in the company, Directorship with other listed company. Lists various banks and their branches.

Standard Bank Limited Agradab Branch, Chittagong Banani Branch, Dhaka Beani Bazar Branch, Sylhet CDA Avenue Br, Chittagong Dhanmondi Branch, Dhaka Foreign Exchange Br, Dhaka Green Road Branch, Dhaka Kusthia Branch, Dhaka Mirpur Branch, Dhaka Moulvibazar Branch, Dhaka Narayanganj Branch, Dhaka Patilabari Branch, Dhaka Rajshahi Branch, Dhaka Savar Branch, Dhaka Tejgaon Branch, Dhaka Uttara Branch, Dhaka Uttara Model Town Branch, Dhaka

The City Bank Limited Comilla Branch, Comilla Cox's Bazar Branch, Chittagong Andarkilla Branch, Chittagong Bandar Bazar Branch, Sylhet Bangabandhu Rd Br, Narayanganj Barisal Branch, Barisal B. B. Avenue Branch, Dhaka Bogra Branch, Bogra CDA Avenue Br, Chittagong Chowmuhuri Br, Lakshimpur Comilla Branch, Comilla Comilla Branch, Comilla Cox's Bazar Br, Cox's Bazar Dagon bhuyyan Branch, Feni Dhanmondi Branch, Dhaka Dhilli Branch, Dhaka Foreign Ex Corp Branch, Dhaka Gopalganj Branch, Gopalganj Gulshan Model Town Branch, Dhaka Jessore Branch, Jessore Khalungon Branch, Chittagong Kalra Branch, Dhaka Kailash Branch, Dhaka Kusthia Branch, Kusthia Mirpur Branch, Dhaka Moulvi Bazar Branch, Dhaka Narayanganj Branch, Dhaka Patilabari Branch, Dhaka Pragati Sarani Branch, Dhaka Rajshahi Branch, Dhaka Savar Branch, Dhaka Tejgaon Branch, Dhaka Uttara Branch, Dhaka Uttara Model Town Br, Dhaka

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Savar Cantt Br, Dhaka Shaheed Uzoobor Br, Sylhet Tongi Branch, Dhaka Uttara Branch, Dhaka Uttara Model Town Br, Dhaka

Rajshahi Branch, Dhaka Rajshahi Branch, Dhaka Savar Branch, Dhaka Tejgaon Branch, Dhaka Uttara Branch, Dhaka Uttara Model Town Br, Dhaka

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Prospectus would also be available on the web site of BSEC (www.sec.gov.bd), DSE (www.dsebd.org), CSE (www.cse.com.bd), Paramount Textile Limited (www.paramountgroupbd.com) and Issue Manager (www.idlc.com) and Public Reference Room of the Bangladesh Securities and Exchange Commission (BSEC) for reading and studying.